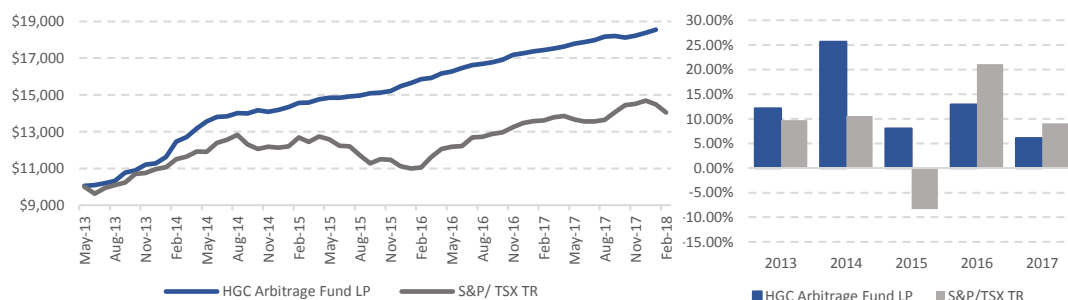


The HGC Arbitrage Fund LP (the “Fund”) is an Arbitrage strategy that specializes in the North American small and mid-cap market. Strategies within the Fund include trading Traditional Merger Arbitrage, Subscription Receipts, and Special Purpose Acquisition Corporations. The Fund seeks to provide a low volatility return profile while producing superior risk adjusted returns.

**Summary of Returns Inception Date: June 12, 2013 – F Class Units Net of all Fees\***

	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD *	INCEP**
HGC LP	2018	0.90%	0.96%											<b>1.87%</b>	<b>85.68%</b>
HGC LP	2017	0.56%	0.51%	0.46%	0.51%	0.61%	0.88%	0.49%	0.60%	1.07%	0.12%	-0.42%	0.54%	<b>6.09%</b>	
HGC LP	2016	1.67%	1.19%	1.32%	0.43%	1.56%	0.64%	1.13%	0.96%	0.46%	0.46%	0.88%	1.50%	<b>12.90%</b>	
HGC LP	2015	0.71%	1.14%	1.59%	0.09%	1.14%	0.58%	0.11%	0.47%	0.28%	0.79%	0.26%	0.61%	<b>8.03%</b>	
HGC LP	2014	0.54%	3.19%	7.14%	1.97%	3.68%	2.95%	1.75%	0.30%	1.28%	-0.11%	1.19%	-0.59%	<b>25.66%</b>	
HGC LP	2013						0.52%	0.39%	1.09%	1.23%	4.29%	1.19%	2.86%	<b>12.10%</b>	
HFRI****	2018	1.05%	0.07%											<b>1.12%</b>	<b>18.22%</b>
TSX ***	2018	-1.39%	-3.02%											<b>-4.37%</b>	<b>40.50%</b>



Portfolio Metrics	
Category	% of Portfolio
<b>Deal Type:</b>	
Definitive Merger Arb	100.00%
Hostile Deals	0.00%
Spin Offs	0.00%
Alpha Shorts	0.00%
Pairs	0.00%
<b>Industry Overview:</b>	
Basic Materials	0.12%
Communications	0.13%
Consumer, Cyclical	1.52%
Consumer, Non-cyclical	3.82%
Diversified	89.19%
Energy	1.38%
Financial	3.77%
Industrial	0.00%
Technology	0.00%
Utilities	0.01%
<b>Liquidity Overview:</b>	
1 Day	79.3%
1 - 5 Day	3.93%
5 - 10 Day	16.81%
10 Day +	0.00%
Private	0.00%

The HGC Arbitrage Fund LP Class “F” units returned +0.96% in February vs. -3.02% for the TSX Total return.

A friendly all-Canadian stock-and-cash deal in the full-service restaurant segment closed over month-end. MTY Food Group Inc. (MTY.TSX) completed its \$248 million purchase of Invescor Restaurant Group Inc. (IRG.TSX). MTY is known for popular food court stores such as Thai Express and Manchu Wok, while Invescor’s more notable brands include Baton Rouge and Pizza Delight. The combination will result in a portfolio of over 5,700 stores under 75 brands and is expected to generate close to \$2.9 billion in annual sales. This was a relatively under-followed transaction given the size and assets however, those metrics worked in our favour and the Fund was able to generate +7% annualized return.

We continue to see consistent deal flow in the Canadian M&A environment as we get further into 2018 and have been allocating opportunistically.

Regards,

Sean Kallir

Performance Statistics				Portfolio Analytics at Month End		Contact
Ann. Return since Inception	13.90%	Average Monthly Return	1.10%	Duration (Average Days to Close)	29	<b>HGC Investment Management Inc.</b> <b>366 Adelaide St West #601</b> <b>Toronto, ON</b> <b>Tel: (647) 776.2189</b> <b>blindros@hgcinvest.com</b>
Positive Months	95%	Highest Monthly Return	7.14%	Percent in Large Cap (+\$1B)	7%	
Negative Months	5%	Lowest Monthly Return	-0.59%	Leverage (debt:equity)	72%	
Largest Draw Down	-0.59%	Sharpe Ratio (Monthly)	0.86	Net Long Exposure	158%	

\* Performance returns for 2013-2014 are of the lead series of Class A units

++ 2015 – Present. Performance returns are of the lead series of Class F units

\*\* Inception June 12, 2013

\*\*\* S&P/TSX Comp Total Return Index - The TSX Total Return Index is a widely-known equity index of Canadian large-cap companies. Investing in US and Canadian equities long and short is the primary strategy for HGC as part of the merger arbitrage strategy but HGC does not invest in all or necessarily any of the securities that compose the market indexes. Reference to the indexes does not imply that HGC will achieve returns similar to the indexes.”

\*\*\*\* Hedge Fund Research Inc. : Merger Arbitrage Index - Performance is subject to minor variances due to independent Manager trailing reporting

**IMPORTANT:** This document is for information purposes only and does not constitute an offering memorandum. All material has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. Performance data is historical, and is not indicative of future performance. Volatility and correlation are calculated from monthly returns. Sharpe ratio is hypothetical and is calculated using monthly standard deviation and domestic 90-day Treasury bill. + The HGC Arbitrage Fund LP was managed by Radiant Investment Management Ltd. from June 12, 2013 to December 31, 2013 and by HGC Investment Management Ltd. thereafter. The Fund’s investment strategy has remained the same since inception. The HGC Funds are currently open to Canadian investors who meet certain eligibility requirements. Please contact HGC Investment Management to request the offering documents.