

1492 Vantage Point – Mid-Quarter Update

A Discussion of the 1492 Small Cap Growth Strategy

To start, we are again pleased to announce that 1492 Capital Management has been named a Top Gun⁽¹⁾ by Informa Investment Solutions' PSN manager database, North America's longest running database of investment managers. The 1492 Small Cap Core Alpha strategy achieved a 2 Star rating as the sixth best performing strategy in their Small-Mid Core Universe for the one year period ended June 30, 2018, and the 1492 Small Cap Value strategy earned a 2 Star rating as well as the eighth best performing strategy in their Small-Mid Value Universe for the one year period ended June 30, 2018. With respect to Broadridge MarketPlace's Best Money Managers⁽²⁾, 1492 Capital Management has recently received multiple recognitions for the 1492 Small Cap Core Alpha strategy and the 1492 Small Cap Growth strategy. Please see our most recent recognitions in the tables below.

Period Ended 6/30/2018

PSN Informa Investment Solutions - Top Guns

Strategy	Universe	Rating/Rank	Period
1492 Small Cap Core Alpha	Small-Mid Core Universe	2 Star / Ranked 6th	One year
1492 Small Cap Value	Small-Mid Value Universe	2 Star / Ranked 8th	One year

Broadridge MarketPlace Best Money Managers

Strategy	Asset Class	Rank	Quarters
1492 Small Cap Growth	U.S. Small-cap Equity	Rank 39 out of 396	12 quarters
1492 Small Cap Growth	U.S. Small-cap Equity	Rank 18 out of 465	4 quarters
1492 Small Cap Growth	U.S. Growth Equity	Rank 24 out of 546	4 quarters
1492 Small Cap Growth	U.S. Small-cap Growth Equity	Rank 17 out of 139	4 quarters
1492 Small Cap Growth	U.S. Equity (All Styles)	Rank 28 out of 1743	4 quarters
1492 Small Cap Core Alpha	U.S. Growth & Value Equity	Rank 37 out of 548	4 quarters
1492 Small Cap Core Alpha	U.S. Small-cap Growth & Value Equity	Rank 18 out of 186	4 quarters

With an emphasis on long-term, thematic investing, we are particularly pleased to note the top decile ranking for the 12 quarters ended June 30, 2018 in Broadridge MarketPlace's Best Money Managers⁽²⁾ U.S. Small-cap Equity asset class for the 1492 Small Cap Growth strategy. To review, our 1492 Small Cap Growth strategy focuses on investment themes in areas of the economy that are performing better than others. Within the investment theme, the 1492 Small Cap Growth strategy's portfolio selection criteria concentrates on stocks of companies with estimated top and bottom line growth of 15% to 20% over the next 12 to 18 months. Since inception through June 30, 2018, the strategy has generated upside capture and downside capture ratios of 103.1% and 98.5%, respectively, as seen in the chart below.

IN THIS ISSUE:

1492 Small Cap Growth Strategy.....P. 1

Important Disclosures...P. 3

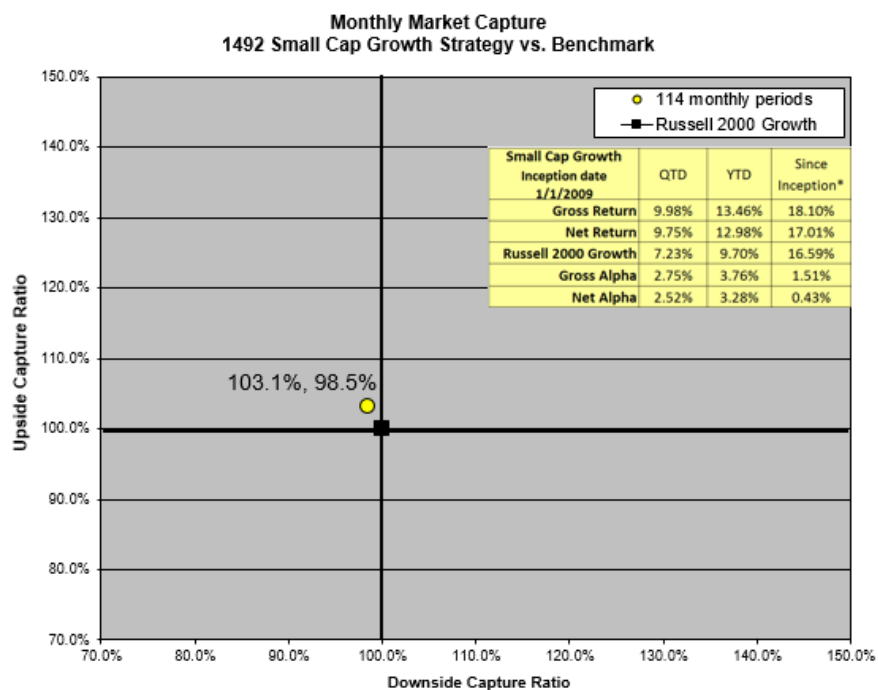
CONTACT US

1492 CAPITAL MANAGEMENT
 309 North Water St.
 Suite 505
 Milwaukee, WI 53202
 Main: 414-276-1492

www.1492CapitalManagement.com

Supplemental Information – June 30, 2018

Composite inception date is 1/1/2009.



*Annualized. See table and important related disclosures below.

These ratios demonstrate that historically the strategy has outperformed the Russell 2000 Growth Index in advancing markets and has depreciated slightly less than the index in declining markets. Please see the [1492 Small Cap Growth strategy factsheet](#) for additional details and disclosures.

In terms of portfolio positioning for 2018, the themes that are currently deployed in the 1492 Small Cap Growth strategy include internet intermediaries, 5G wireless buildout, industrial automation, broadband services, Software-as-a-Service (SaaS), domestic shale oil, regional banks in tax haven states, medical diagnostics, movie exhibitors, and trucking. In terms of new themes deployed in the strategy, we recently launched a healthcare services theme that focuses on those companies benefitting from higher biotech and pharmaceutical development spending. Our theme holding recorded a high teens percentage increase, year over year, for its contract research awards in the second quarter 2018 as it is well positioned for increased pharmaceutical company spending.

Thank you, as always, for your time and interest, and we hope that you enjoyed our discussion of our strategies and the market in this mid-quarter update. Call Tim Stracka at 414-238-3398 with questions or to discuss any of our strategies and please visit us at www.1492capitalmanagement.com

1492 Small Cap Growth Composite

Year	COMPOSITE RETURNS			BENCHMARK		COMPOSITE			% of Firm Assets	Firm Assets (\$MM)	% Non-Fee Paying Assets
	Gross	Net	3-Yr Std Dev (Gross)	Return %	3-Yr Std Dev	Accts at Yr End	Assets (\$MM)	Internal Dispersion			
2017	32.00%	30.79%	13.70%	22.17%	14.59%	22	62.6	0.13%	45%	139.3	0.00%
2016	17.51%	16.50%	15.64%	11.32%	16.67%	22	49.1	0.08%	35%	140.4	0.00%
2015	-6.47%	-7.30%	15.04%	-1.38%	14.95%	28	52.3	0.08%	35%	149.8	0.00%
2014	-8.32%	-9.15%	15.75%	5.60%	13.82%	29	61.9	0.03%	38%	163.7	0.00%
2013	52.34%	50.96%	19.58%	43.30%	17.27%	31	73.1	0.20%	39%	188.4	0.46%
2012	12.82%	11.80%	24.13%	14.59%	20.72%	30	48.6	0.05%	47%	103.5	0.53%
2011	-9.70%	-10.51%	28.99%	-2.91%	24.31%	42	53.5	0.18%	66%	81.4	0.74%
2010	34.06%	32.76%		29.09%		31	56.3	0.11%	74%	75.8	0.95%
2009	54.76%	53.27%		34.47%		20	28.2	0.09%	78%	36.4	1.42%

1492 Capital Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with GIPS standards. 1492 Capital Management, LLC has been independently verified for the years ended 2009 through 2012. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. The Small Cap Growth composite has been examined for 2009 through 2012. The 2013 and 2014 verifications are ongoing. The verification and performance examination reports are available upon request.

1492 Capital Management, LLC ("1492 Capital Management") is an independent investment management firm established in September 2008. The firm began managing portfolios in December 2008. 1492 Capital Management, LLC, manages primarily small cap equity assets in the Small Cap Growth, Small Cap Value, Small Cap Core Alpha, and Small Cap Dynamic Hedge strategies. The Value Income strategy may invest in companies other than small cap companies and the Small Cap Dynamic Hedge strategy may invest in options, futures and ETFs.

The Small Cap Growth composite creation date was 1/1/09. The results shown are from fully discretionary accounts having 1492 Capital Management's Small Cap Growth strategy applied to them. The Small Cap Growth strategy acquires primarily domestic and foreign equities listed in the U.S. that will generally have a market capitalization in line with the Russell 2000® Index and have prospects for 15% to 20% top and bottom line growth over the next 12 to 18 months.

For comparison purposes, the composite is measured against the Russell 2000® Growth Index. Due to the differences in the number of securities in the indexes compared with the strategy, volatility may be different between the index and the strategy. The minimum asset level to be included in a composite is \$100,000.

Benchmark descriptions: The Russell 2000® Growth Index measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000® Index companies with higher price-to-value ratios and higher forecasted growth values. The Russell 2000® Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000® Index is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership.

Returns are calculated on a total return, time-weighted basis and include all dividends and interest, realized and unrealized gains or losses and are net of all brokerage commissions, execution costs, but without application of any taxes. Valuations are computed and performance is reported in U.S. dollars. Returns for periods of less than one year are not annualized. Clients having portfolios containing securities other than used in the calculations, and portfolios subject to different objectives, or to tax, client-imposed or other restrictions, would have had higher or lower returns than the actual performance shown.

The data used for this report was obtained from sources deemed reliable and then organized by the staff at 1492 Capital Management, LLC. Performance calculations were prepared using standard industry software or formulas.

Returns are presented before management and custodial fees and include dividends and interest, realized and unrealized gains or losses, and transaction costs. A client's returns will be reduced by the management fees and other expenses it may incur. Non-fee paying accounts are represented in the composite and their respective weights are shown in the table above. Internal dispersion is calculated using the equal-weighted standard deviation of annual gross returns of those portfolios that were included in the composite for the entire year.

Beginning in 2012, the composite for the Small Cap Growth excludes wrap accounts.

A list of composite descriptions as well as policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Important Disclosures:

(1) Utilizing a proprietary blend of Informa Investment Solutions' top priority performance screens, PSN Top Guns ranks products in six proprietary star categories in over 50 universes. This is a highly anticipated quarterly ranking and is widely used by institutional asset managers and investors. Top Guns receive a star rating in the range from one to six. The stars indicate the continued performance over a length of time. 1492 Capital Management was named a Top Gun with a rating of 2 Stars in the Small-Mid Core Universe based on the Small Cap Core Alpha strategy's return for the year ended June 30, 2018. The 1492 Small Cap Value strategy received a 2 Star rating for the strategy's performance which ranked eighth for the one year ended June 30, 2018 in the Small-Mid Value Universe.

The complete list of PSN Top Guns and an overview of the methodology can be located on <http://www.informais.com/resources/psn-top-guns>. For more details on the methodology behind the PSN Top Guns Rankings or to purchase PSN Top Guns Reports, contact Ruth Calderon at ruth.calderon@informais.com. **About Informa Investment Solutions:** A market leader in intelligence and software solutions for investment professionals and financial institutions of all sizes, Informa Investment Solutions offers a robust set of analytics and tools to help you grow and retain your business. With a nearly 40-year history, Informa Investment Solutions is part of Informa PLC, a leading business-to-business knowledge provider serving International markets. Informa Investment Solutions has set the standard for providing turnkey and customizable applications for performing manager searches, building wealth plans, and producing client reports and investment marketing materials for companies worldwide. For more information, please visit <http://www.informais.com/> and follow <https://twitter.com/InformalInvest>

(2) The minimum criteria for inclusion in **Best Money Managers**: Performance must be calculated "net" of all fees and brokerage commissions. This means after all fees have been deducted. This standard is somewhat controversial, as the SEC requires that only "net" of fees numbers be presented publicly, while GIPS (Global Investment Performance Standards) prefers that "gross" numbers be presented along with a fee schedule. Since the SEC is a regulatory authority, and since complete fee schedule presentation would be impractical in this "ranking" format, we require "net" numbers. Performance must be calculated inclusive of all cash reserves. To explain, any given investment portfolio will hold some level of cash over a particular reporting period. Even equity portfolios which specifically seek to be fully invested in the market at all times will temporarily have dividend payments and other ordinary cash flows which cannot instantaneously be invested in the market. These cash holdings obviously will have an effect on the performance of the overall portfolio – negative when cash returns are low relative to returns of the asset class, and positive if the opposite is true. While presentation of "equity-only" (for example) returns may provide a valuable insight into the security selection skills of the manager, we require for comparability's sake that performance results be inclusive of cash reserves for consideration in the rankings. Performance results must be calculated in U.S. dollars, that is, from the perspective of a U.S.-based investor. Currency holdings can have a very significant impact on the performance of a portfolio with international holdings. While this will always be the case (as we do not make distinctions between hedged and unhedged portfolios), we require that performance must be translated into U.S. dollars to ensure comparability to the point where these are all returns that would be seen by a U.S.-based investor. Performance results must be calculated on an asset base which is at least \$10 million in size for "traditional" U.S. asset classes (equity, fixed income, and balanced accounts) or at least \$1 million in the case of international and "alternative" U.S. asset classes. This minimum ensures that the firm and product are somewhat established. The goal is to not taint the rankings with "flashes in the pan" while also not excluding promising emerging managers. The minimum asset base requirement, therefore, is set at a level which balances these objectives. The classification of the product must fall into one of the categories which we rank. We only publish rankings for categories/time period combinations for which we have at least 20 contenders.

Past performance does not guarantee future results. No investment firm, including 1492 Capital Management, guarantees gains or that losses will not occur from the strategies applied to managed portfolios.

Comments and opinions expressed in this document regarding individual securities, markets, strategies and case studies are not recommendations or predictions, and thus should not be acted upon. They are based only upon the judgments and opinions of 1492's professional staff. The use of any investment strategy does not guarantee that an investment return will be achieved, or that a loss will not occur from the advice provided. You are encouraged to contact us with your questions. Please [click here](#) to view 1492 Capital Management's Disclosure.

1492 CAPITAL MANAGEMENT *309 North Water St., Suite 505 * Milwaukee, WI 53202 * Main: 414-276-1492 * Fax: 414-224-9158