

Fund Review The TSX Venture index returned (12.1%) during the month of April. This compared to a return of (2.1%) for the TSX Total Return index. The Fund returned (8.4%) in April.

Gold's precipitous decline during April triggered a simultaneous sell-off in many other commodities. Unfortunately, this event had repercussions throughout the small cap equity sector as even those companies with solid fundamentals declined in turn. However, there are signs of capitulation in many commodities as evidenced by their strong rebounds from the April lows. At one point, gold was down \$272 during the month to \$1322 while copper and oil declined by \$0.35 and \$11 to \$3.05 and \$86 respectively. All three of these major commodities have quickly recovered the majority of their losses. At the time of writing, gold was back to \$1448, copper was \$3.36 and oil was \$96. Many unsophisticated investors were 'spooked' by such events and sold equities which have not yet recovered as well as the commodities have recovered. Fortunately, the Fund has only a modest exposure to gold. Resource exposure totals only 35% of assets. The Fund's outperformance over the TSX Venture index over the past two years can be largely attributed to its non-resource investments.

The current sector allocation is comprised of 54% in technology, 15% in life sciences, 9% in energy, 18% in metals and 4% in precious metals.

Outlook Recent equity market performance has been very kind to investors in large cap equities. This positive sentiment has not yet filtered down to the mid and smaller cap names. However, we are confident it is only a matter of time before it does filter down. The dramatic mid April sell-off in commodities prompted selling of small cap equities which are largely comprised of resource companies in Canada. In our view, much of the selling in recent weeks has been driven by retail redemptions. We believe that fund managers generally do not want to sell at what they realize are very depressed prices but they are being forced to sell. For example, we have noted many cases where stocks are trading below cash value per share. Over the past few months, we have noted a large amount of insider buying while insider selling has been virtually non-existent. We observe this from our weekly monitoring of insider trades reported for our portfolio holdings. We note that it is generally not a good idea to be selling stock when the buyer is the CEO!

As the S&P racks up another strong double digit year in 2013 and the TSX follows, we believe that investors will look to other areas which have lagged and which therefore, trade at more attractive valuations. One of these areas is Canadian small cap equities. Once the selling subsides and the TSX Venture index turns, the returns are typically dramatic to the upside. In our view, we are close to that occurrence.



Regards,



Steven Palmer, CFA

Performance (as of April 30, 2013)

	Apr	YTD	1 Year	3 Year	5 Year	Inception	Cumulative
AlphaNorth Partners	(8.4%)	(14.3%)	(21.0%)	12.1%	16.7%	16.2%	128.0%
S&P/TSX Venture	(12.1%)	(20.9%)	(32.2%)	(16.7%)	(17.0%)	(17.3%)	(64.7%)
S&P/TSX Composite TRI	(2.1%)	1.2%	4.5%	3.6%	0.7%	1.2%	6.8%

Key Reasons to Own This Fund

PROVEN LONG TERM PERFORMANCE:

- Management team has a 15 year track record of generating industry leading returns (30%+ annualized)*

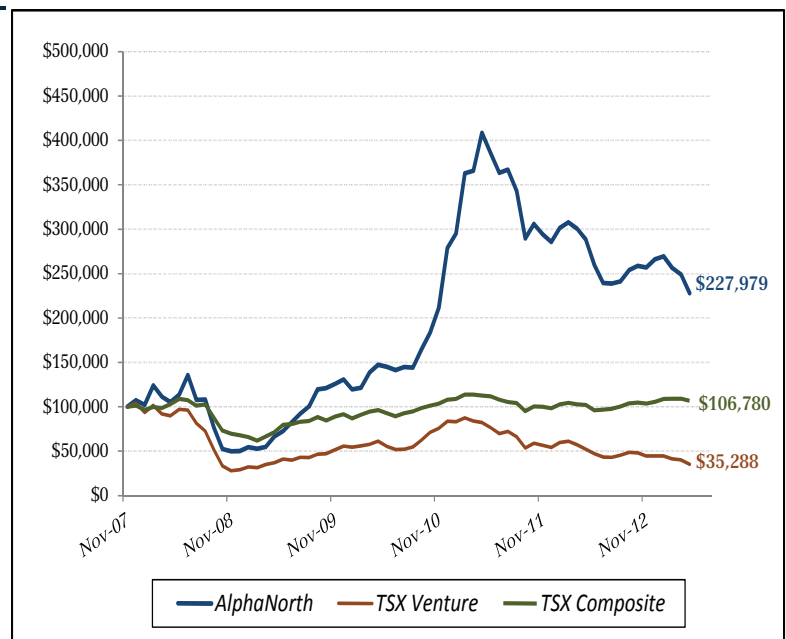
DIVERSIFICATION THROUGH SMALL CAP:

- AlphaNorth Partners Fund is well diversified across the resource, technology and life sciences sectors.
- One of the best performing asset classes over the long term which compliments any investment portfolio and greatly enhances wealth accumulation.

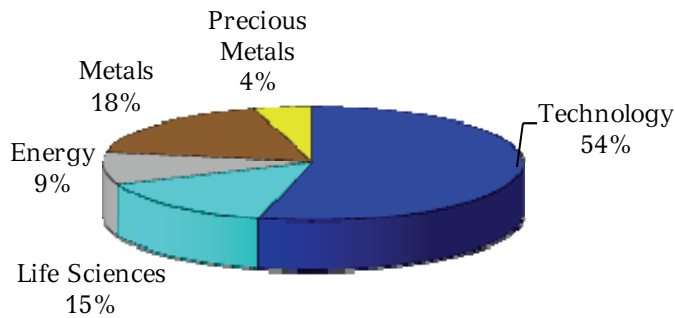
UNIQUE STRUCTURE:

- Efficient tax structure dramatically increases after-tax returns over the long term.
- All performance fees are reinvested in fund. Management and employees own a significant portion of fund assets.

Growth of Initial Investment \$100,000



Current Sector Allocation



Fund Information

Lead Manager	Steven Palmer
Inception	December 1, 2007
Fund Type	Alternative Strategies (Long biased small cap)
Fund Codes	Class A: AAM100, Class D: AAM200
Assets	~\$70 million
Eligibility	Accredited Investors only
Fund Details	Management Fee Class A- 2%, Class D- 2.5% 20% Performance Fee RRSP eligible High water mark (no reset) Monthly valuation
Sub/Redemption	Monthly, 90 day notice
Lock-up	None
Redemption Fee	Class A: none; Class D: 3% yr 1, 1.5% yr 2
Beta Compared to	S&P/TSX Venture: 0.94 S&P/TSX Composite TRI: 1.71
Sales Contact	Skye Collyer 416.506.0776 ext.227 skye@alphanorthasset.com

Monthly Performance*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2007												7.4%	7.4%
2008	(5.0%)	21.6%	(10.1%)	(5.6%)	8.1%	19.2%	(20.7%)	0.7%	(29.1%)	(31.9%)	(4.9%)	0.7%	(53.3%)
2009	9.0%	(3.5%)	4.0%	21.2%	9.0%	14.1%	11.5%	9.0%	19.1%	1.2%	4.1%	3.7%	160.6%
2010	(8.5%)	1.7%	14.0%	6.4%	(1.6%)	(2.7%)	2.6%	(0.4%)	14.2%	11.3%	15.4%	31.9%	113.6%
2011	5.8%	23.0%	0.9%	11.7%	(5.7%)	(5.7%)	1.0%	(6.5%)	(15.6%)	5.6%	(3.8%)	(2.9%)	2.4%
2012	5.6%	2.0%	(2.4%)	(3.9%)	(9.9%)	(7.9%)	(0.1%)	0.9%	5.3%	1.8%	(0.7%)	3.6%	(6.8%)
2013	1.3%	(4.9%)	(2.9%)	(8.4%)									(14.3%)

Investment Strategy

The AlphaNorth Partners Fund (the "Fund") is a long biased small cap hedge fund focusing primarily on Canadian companies. The Fund's investment objective is to maximize returns over the long term through superior selection of principally Canadian securities. AlphaNorth believes that superior long term investment returns are achievable by exploiting inefficiencies in the Canadian small cap universe through careful security selection on both a long and short basis. Fundamental analysis of companies is used in combination with technical analysis techniques, which has proven to be successful, to assist in the timing of buy/sell decisions. The firm combines both a bottom-up and top-down strategy in the selection of investments offering the best risk/reward characteristics.

Company Profile

Founded in 2007, AlphaNorth Asset Management's goal is to achieve superior long term returns for investors. Our value added approach combines the successful track record and investment experience of Steven Palmer and Joey Javier who have worked together as a team since 1998 in the investment industry. Presently, AlphaNorth manages the AlphaNorth Partners Fund, a long biased small cap focused hedge fund, the AlphaNorth 2012 Flow-Through LP, the AlphaNorth Resource Fund and the AlphaNorth Growth Fund.

Key Personnel:

Steven Palmer is the President and CEO of AlphaNorth Asset Management. Mr. Palmer started his career in the investment industry in 1995 on the sell side of the business before transitioning to the buy side in 1997. Most recently, from July 1998 to August 2007 he was employed as Vice President - Canadian Equities at one of the world's largest financial institutions where he managed the Canadian equity assets of approximately \$350 million. Mr. Palmer managed a pooled fund focused on small capitalization companies from inception in 1998 to August 2007 achieving returns that were ranked #1 in performance by a major fund ranking service in their small cap pooled fund category (35.8% annualized over 9 years as compared to 10.0% for the S&P/TSX Composite and 13.0% for the BMO Weighted Small Cap Total Return Index) over the same period. Mr. Palmer also managed a large cap fund which was ranked in the first quartile for the following time periods: one year, two year, 3 year, 4 year, 5 year and 10 year. Mr. Palmer earned a BA in Economics from the University of Western Ontario and is a CFA.

Joey Javier is Vice President and Secretary of AlphaNorth Asset Management. Mr. Javier started his career in the investment industry in 1997 as an Equity Trader for one of the world's largest financial institutions where he worked together with Mr. Palmer as the equity team. Mr. Javier was responsible for all equity and money market trading as well as back-up for the fixed income portfolio manager. Mr. Javier has a BA in Economics from York University.

Disclaimer

*The information contained in this document is not a solicitation to sell any investment products offered by AlphaNorth Asset Management. The information contained herein is for discussion purposes only. Please refer to the Offering Memorandum for complete details of any investment products offered by AlphaNorth Asset Management. There is no guarantee of performance and past performance is not indicative of future results. Returns are presented for Class A shares on an annualized basis except where noted and stated net of all fees. Returns subsequent to 2012 are unaudited. The inception date is December 1, 2007. Based on growth of investment in institutional small cap pooled fund from inception August 1, 1998, to August 1, 2007, and growth of investment in AlphaNorth Partners Fund from inception December 1, 2007 to the current NAV.