

Fund Review The Fund performance was (6.3%) in March. This compares to the TSX Venture index return of (3.8%) and the TSX Small Cap index return of (4.2%).

Metal prices declined in March, with nickel leading the way. The nickel price decrease was largely due to a persistent negative outlook on demand and LME nickel inventories reaching all-time peak levels. The industrial metals continue to face headwinds as weak demand from China puts pressure on pricing. The precious metals have been volatile as a result of speculation as to whether or not the Fed will increase rates this summer. On the energy side, while we believe that prices have bottomed, we are still focused on companies with solid balance sheets and the ability to deliver positive economic returns in this pricing environment.

BlackBird Energy (TSXV:BBI) has been a long time holding of ours that we have mentioned in the past. Unfortunately, recent drill results pushed the stock lower. We believe the market largely misinterpreted these results and management is happy with the outcome of their wells so far. We were able to take some of our investment off the table at a much higher price than what the stock is currently trading at, although our outlook remains positive on the name and we have repurchased some shares at the current level. The company has a pristine balance sheet, which is rare for a Canadian energy company at this time, and is focused on what we believe to be an extremely prolific area of the Montney.

In the fertilizer space, Allana Potash (TSX:AAA) which is developing a potash project in Ethiopia, recently received a takeout offer from its development partner. We have been following this story for a long time and were pleased to see that Israel Chemicals offered the company a \$0.50 deal, which was a 52% premium to the previous day's closing price.

Outlook The financial media has recently been propagated by articles of weakness in the Canadian economy. Although impacted by the decline in energy prices which we believe is temporary in nature, there are several other positive indicators which have favourable implications for the Canadian economy. For example, auto sales in March were the highest ever for that month. In Toronto, detached housing prices reached a record high in March. Purchasing a new vehicle or a house is not only a major purchase but often a non-essential or luxury purchase. These are indicators of strong consumer sentiment.

We are becoming increasingly confident of our view on the Canadian small cap space as we have seen positive signs of a "risk-on" sentiment recently. We are seeing solid performance in several small cap healthcare and technology equities and increased volumes in many of our holdings. We believe that this could be a derivative of retail investment coming back into the small caps, which could have a profound effect on some of our holdings.



Regards,



Steven Palmer, CFA
President and CEO

Monthly Performance (Series A)*

	March	YTD	6 Month	1 Year	2 Year	Inception	Cumulative
AlphaNorth Resource	(6.3%)	20.6%	(27.2%)	(16.5%)	(16.5%)	(15.4%)	(30.4%)
S&P/TSX Venture	(3.8%)	(2.2%)	(25.2%)	(31.6%)	(21.3%)	(22.0%)	(40.6%)
S&P/TSX Small Cap	(4.2%)	(1.0%)	(10.3%)	(12.3%)	(1.0%)	(0.6%)	(1.2%)

Key Reasons to Own This Fund

PROVEN LONG TERM PERFORMANCE:

- Management team has a 16 year track record of generating industry leading returns (21%+ annualized)**

CAPITALIZE ON THE GROWING GLOBAL DEMAND FOR RESOURCES:

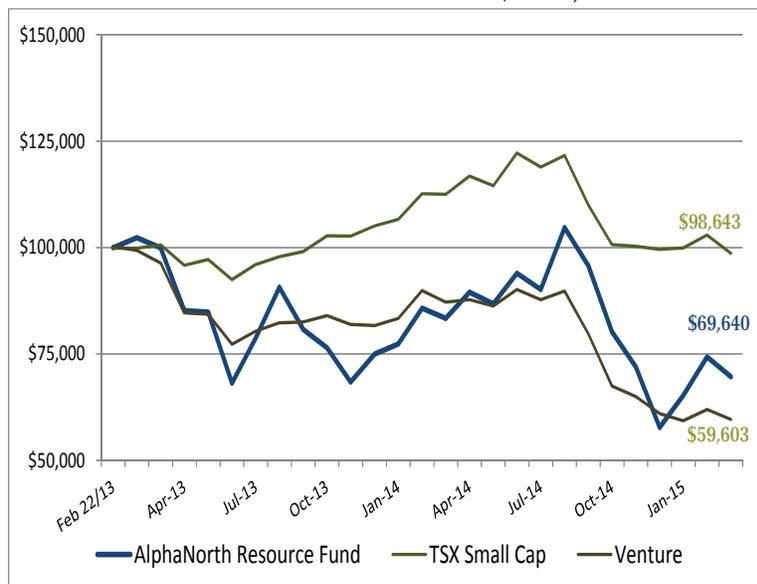
- Diversified exposure of Canadian resource equities with attractive risk/reward characteristics.

TAX-DEFERRED SWITCHING BETWEEN FUNDS:

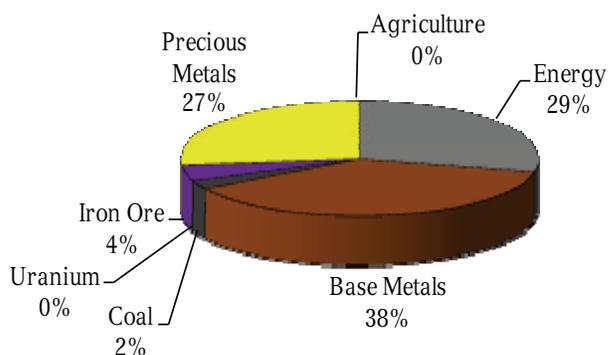
- AlphaNorth Mutual Fund Limited offers an additional fund class with tax-deferred switching:

⇒ **AlphaNorth Growth Fund (ANF010, ANF011)**
Ideal for investors who are seeking exposure to a broad range of Canadian small cap equities.

Growth of Initial Investment \$100,000



Current Sector Allocation



Fund Information

Lead Manager:	Steven Palmer
Inception:	February 25, 2013
Fund Codes:	Series A - ANF020 Series B - ANF040 (rollover vehicle) Series F - ANF021
Fund Details:	RSP/RESP eligible \$1,000 minimum investment
Sub/Redemption:	Daily
Lock-up:	None
Early Redemption Fee:	2% in first 90 days (except Series B)
Management Fee:	2%
Performance Fee:	20% above TSX return High water mark (no reset)
Trailer:	1% (Series A and B only)
Auditor:	Deloitte & Touche LLP
Administration:	State Street Trust Company & IFDS
Legal:	Stikeman Elliott LLP
Fund Assets:	\$2 million
Account Enquiries:	1-877-506-8122
Sales and Marketing:	Steve Palmer 416-488-4448

Monthly Performance*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2013		2.3%	(2.3%)	(14.8%)	(0.4%)	(19.7%)	15.6%	15.1%	(10.9%)	(5.4%)	(10.5%)	9.6%	(25.1%)
2014	3.2%	10.9%	(2.8%)	7.3%	(3.0%)	8.2%	(4.1%)	16.2%	(8.6%)	(16.3%)	(10.2%)	(19.8%)	(22.9%)
2015	13.0%	13.9%	(6.3%)										20.6%

Investment Strategy

The **AlphaNorth Resource Fund** (the "Fund") is an **open-ended mutual fund**. The investment objective of the Fund is to generate strong returns by investing in Canadian resource companies that offer attractive risk-reward characteristics. The Fund invests primarily in junior and intermediate Canadian resource companies, and will evaluate industry and company fundamentals to evaluate investment opportunities which offer the most attractive risk-reward characteristics. AlphaNorth believes that superior long term investment returns are achievable by exploiting inefficiencies in the Canadian small to medium-cap universe through careful security selection. Fundamental analysis of companies is used in combination with technical analysis techniques, which have 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, 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 and is a CIM.

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. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return for the Series A shares of AlphaNorth Resource Fund are the historical, annual compounded total returns including changes in share value and the reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any shareholder that would have reduced returns. For Series B and F returns, refer to the website at www.alphanorthasset.com. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. The AlphaNorth Resource Fund commenced operations on February 25, 2013. 2013 year to date data is calculated from date of commencement of operations. **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.