

Fund Review The Fund returned 2.5% in November. In comparison, the TSX Venture index and TSX Total Return index returned (3.4%) and (0.2%) respectively during the month.

It has remained frustrating that positive announcements for several of our holdings have not resulted in higher share prices. Notwithstanding, we remain encouraged by the progress of many of our holdings. Fundamentals can become irrelevant over short periods, but we know from our many years of experience investing in the Canadian small cap space that over the longer term, fundamentals will prevail.

Lately we have purchased modest positions in shares which have been subject to aggressive tax loss selling. Several of these shares were trading at substantial discounts to cash or net asset value per share. We believe they have potential for large percentage gains in 2016.

We have recently added to a couple of our core positions by way of private placements which included warrants to provide additional leverage to the upside. The portfolio currently holds substantial warrant positions of over 90 million. These are valued conservatively at intrinsic value and will provide upside leverage to the portfolio.

We have streamlined the portfolio and added to our high conviction names which are predominantly well funded.

Current sector allocations are as follows: 45% technology, 21% life sciences, 11% consumer products, 1% energy, 1% precious metals and 21% base metals.

Outlook Many investors are looking for the catalyst which will alter the course of the Canadian small cap bear market which has relentlessly taken the TSX Venture index (TSXV) down 80% over the past 5 years. The TSXV is likely the worst performing asset class globally as even the Greek stock index has performed better over this period. It has been a very challenging period for all those associated with Canadian small cap investments but we have to only look forward now. In terms of a catalyst, we believe that it is probable that there will not be a specific catalyst which results in a turn in the TSXV. It is likely that the market will turn on its own accord as selling abates. At this time of year, selling to book tax losses predominates and company fundamentals are often disregarded. After all, it does not make a lot of sense to be selling shares below hard cash value or below net asset values while other asset classes trade at large premiums to these values and near all-time high valuations. We note the TMX Group recently announced that it will introduce significant changes to help support, revitalize and grow its marketplace. It is likely that a bull market for Canadian small caps will be well on its way before these initiatives are implemented as is often the case when committees and boards react to macro events. Nevertheless, it is welcome news that there are now initiatives to support junior companies in Canada and this will provide additional support and momentum to fuel the inevitable recovery.

At present, as the TSXV sits very near its all-time low, we have never seen the return potential for Canadian small caps so favourable.



Regards,

Steven Palmer, CFA
President and CEO

Performance* (as of November 30, 2015)

	Nov	YTD	1 Year	3 Year	5 Year	Inception	Cumulative
AlphaNorth Partners	2.5%	(39.9%)	(42.1%)	(29.3%)	(15.5%)	(1.2%)	(9.1%)
S&P/TSX Venture	(3.4%)	(24.7%)	(29.4%)	(24.6%)	(24.1%)	(18.7%)	(80.9%)
S&P/TSX Composite TRI	(0.2%)	(5.4%)	(5.8%)	6.4%	3.8%	2.8%	24.7%

Key Reasons to Own This Fund:

PROVEN LONG TERM PERFORMANCE:

- Management team has a 17 year track record of generating industry leading returns (17% annualized)**

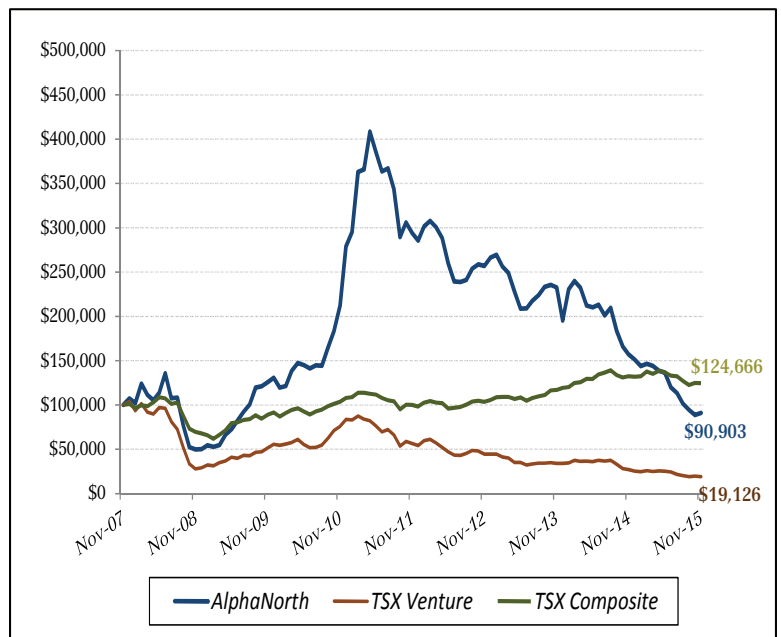
DIVERSIFICATION THROUGH SMALL CAP:

- 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

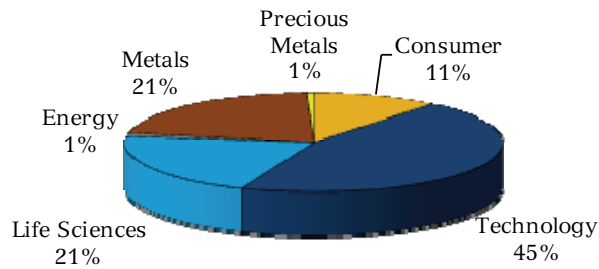
UNIQUE ASPECTS:

- Management and employees own a significant portion of fund assets
- All performance fees are reinvested into the fund

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
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)
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: 0.92
Sales Contact	Steve Palmer 416-483-4448

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%)	(8.4%)	0.2%	4.1%	2.9%	4.2%	1.0%	(1.3%)	(16.0%)	(26.6%)
2014	18.1%	4.1%	(3.3%)	(8.6%)	(0.9%)	1.4%	(5.7%)	4.3%	(12.5%)	(9.5%)	(5.5%)	(3.6%)	(22.6%)
2015	(4.9%)	1.8%	(1.6%)	(3.8%)	(1.6%)	(12.1%)	(5.3%)	(10.7%)	(6.9%)	(6.1%)	2.5%		(39.9%)

Investment Strategy

The AlphaNorth Partners Fund Inc. (the "Fund") is a long-biased, small cap hedge fund which focuses 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 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. The inception date is December 1, 2007 for the fund. Returns subsequent to 2014 are unaudited. **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 Inc. from inception December 1, 2007 to the current NAV.