

Fund Review The Fund performance was (8.8%) in November. This compares to the TSX Venture index return of (3.4%) and the TSX Small Cap index return of (1.9%).

The majority of commodities are trading significantly lower than where at the beginning of the year with the exception of the uranium price which is up marginally. The base metals are down 20-40% from their January levels, gold and silver are down 10 and 13% respectively, and some industrial metals have had more than 40% moves to the downside. This follows weak performance in 2014. The trend continued into November, with most resource prices facing headwinds in the month. We remain focused on a select group of resource equities that we believe can persist through this difficult pricing environment.

Sintana Energy (TSXV:SEI) is one of our holdings that had a run up on the back of preliminary well data but has since sold off. We believe that this sell off is not related to the company's fundamentals but has more to do with a lull in news flow until the well is fraced and tested. The stock should lift as we get closer to well results which we expect in Q1/16.

We are becoming increasingly excited about our investment in Canada Carbon (TSXV:CCB) and are pleased with the company's progress towards a preliminary economic assessment which should be completed in the near term. The company recently announced a \$13.75 million contract for marble which is a by-product on its 100% owned graphite property near Montreal. We believe that the company could sell significantly more marble, which is all incremental to the already favourable economics of the graphite asset. The stock reacted positively to this announcement and has recently traded at a 52 week high which a rarity in the current market environment for junior resource companies. We expect the PEA to be a further positive catalyst for the share price.

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

Monthly Performance (Series A)*

	Nov	YTD	6 Month	1 Year	2 Year	Inception	Cumulative
AlphaNorth Resource	(8.8%)	(19.4%)	(33.3%)	(35.4%)	(17.5%)	(23.7%)	(53.5%)
S&P/TSX Venture	(3.4%)	(24.7%)	(24.4%)	(29.4%)	(25.2%)	(24.0%)	(54.3%)
S&P/TSX Small Cap	(1.9%)	(14.2%)	(17.2%)	(14.8%)	(8.8%)	(5.4%)	(14.4%)

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)**

CAPITALIZE ON THE GROWING GLOBAL DEMAND FOR RESOURCES:

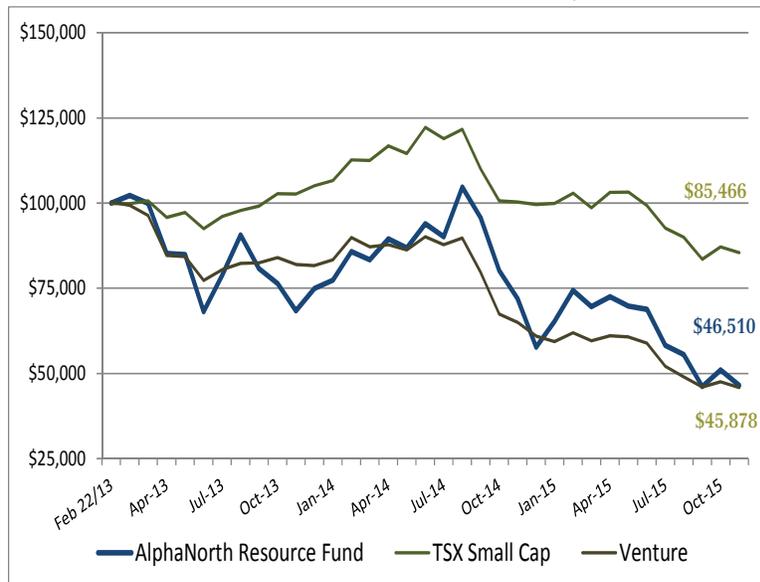
- ◆ Diversified exposure of Canadian resource equities with attractive risk/reward characteristics.

TAX-DEFERRED SWITCHING BETWEEN FUNDS:

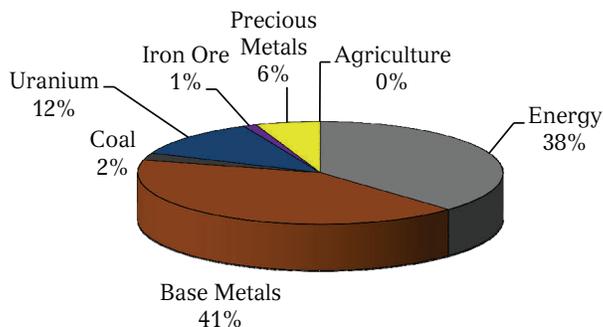
- ◆ AlphaNorth Mutual Fund Limited offers an additional fund class with tax-deferred switching:

⇒ **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%)	4.1%	(3.8%)	(1.4%)	(15.3%)	(4.6%)	(16.8%)	10.4%	(8.8%)		(19.4%)

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.