

Fund Review The Fund returned (5.8%) in March. In comparison, the TSX Venture index and TSX Total Return index returned 7.3% and 4.4% respectively during the month.

Several of the Fund's strong performers in February pulled back in March. We have spent most of our time on the non-resource sectors in recent years given the strong headwinds which many of the commodities have experienced. We believe this is changing and there have been several pockets of strength in 2016. One of the better performing commodities and related juniors has been lithium. We have recently invested in a private placement for a newly formed lithium company, **Neo Lithium**, which we believe will perform very well once it starts trading in the next couple of months. The company is well financed, has a very promising asset and is run by an experienced lithium team. The market value of the company compares very favourably to the current roster of junior lithium companies which have performed extremely well in 2016.

Our position in **Security Devices (TSXV:SDZ)** was halted for the month of March as the company completes financing and progresses to a definitive agreement for a transformative acquisition which will propel it to profitability. We are optimistic that the shares will trade higher once the transaction is completed and the halt is lifted in the coming weeks.

We are currently evaluating several other opportunities in the junior resource sector which offer excellent risk/reward tradeoffs.

Current sector allocations are as follows: 50% technology, 20% life sciences, 8% consumer, 1% energy, 0% precious metals and 21% base metals.

Outlook Equity markets have rallied strongly from the correction that unfolded over the latter half of 2015. Many investor sentiment indicators which we highlighted in last months commentary exhibited levels often experienced at major lows for the equity market. It has been our view for some time that Canadian small cap equities, as represented by the TSX Venture index, have been long overdue to outperform. This is finally starting to materialize as the TSX Venture index has been the best performing broad equity index worldwide in 2016 which we can find, increasing 10.5% to the end of March. This performance has been initially driven by a strong rebound in the Materials sector which can be primarily attributed to the junior gold companies. This strength will have a positive impact on investor sentiment which in turn will translate to other sectors as it has in the past. The precious metal sector has not been an area of focus for us in recent years and thus we have only nominal weightings in junior gold companies across our portfolios. It is possible that our portfolios may initially lag the TSXV until the strength broadens to include other sectors. We are finding many promising investment opportunities across a variety of sectors which believe have great long term potential.



Regards,



Steven Palmer, CFA
President and CEO

Performance* (as of March 31, 2016)

	March	YTD	1 Year	3 Year	5 Year	Inception	Cumulative
AlphaNorth Partners	(5.8%)	(6.4%)	(43.3%)	(31.0%)	(25.9%)	(2.4%)	(18.3%)
S&P/TSX Venture	7.3%	10.5%	(14.6%)	(19.1%)	(24.0%)	(17.0%)	(78.8%)
S&P/TSX Composite TRI	4.4%	3.7%	(7.4%)	4.7%	1.9%	2.7%	25.3%

Key Reasons to Own This Fund:

PROVEN LONG TERM PERFORMANCE:

- Management team has a 17.4 year track record of generating industry leading returns (16% annualized)**

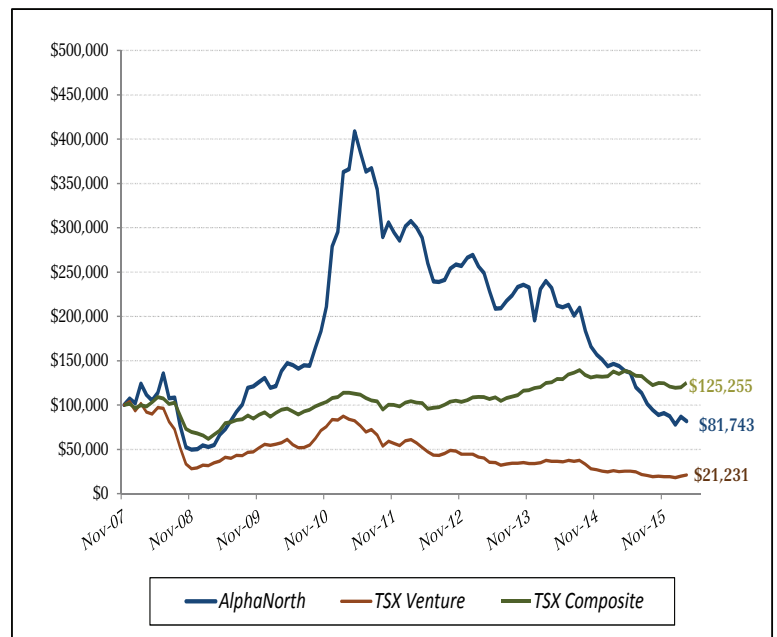
DIVERSIFICATION THROUGH SMALL CAP:

- 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

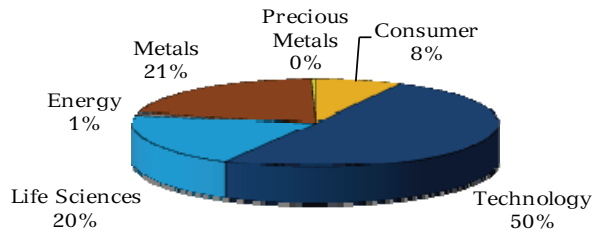
UNIQUE ASPECTS:

- 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 Perpetual High water mark
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%	(3.95)	(42.3%)
2016	(10.8%)	11.4%	(5.8%)										(6.4%)

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 2015 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.