

Fund Review In August, the Fund returned (0.9%), as compared to the TSX Venture index and TSX Total Return index, which returned (3.1%) and 1.6% respectively.

The Fund declined modestly during the month of August. However, performance exceeded the TSX Venture index (TSXV), further widening the performance differential. Since inception in December 2007, the Fund has returned 358% as compared to a negative return of 67% for the TSXV.

During the month of August we locked in a portion of our gains on several of our big winners in the technology sector. We reallocated this capital to several new positions, primarily in the technology sector. We anticipate that these will perform well once they begin trading over the next few months.

Although our holding in **Reliq Health Technologies (TSXV:RHT)** is up over 400% since our purchase earlier this year, we have yet to lock in any of these gains. The company has recently achieved significant traction in the marketplace for its remote patient monitoring solutions. We believe that there is a large opportunity in this space with many catalysts still to come including a NASDAQ uplisting expected in 2022.

Current sector allocations are as follows: 31% technology, 15% life sciences, 8% consumer, 15% precious metals, 23% metals, 1% energy, 7% warrants and 0% shorts.

Outlook Investor sentiment for equities continues to deteriorate in recent polls. For example, bullish respondents for the most recent American Association of Individual Investors (AAII) poll dropped to 22.5% in the most recent weekly release from 39% in the prior week. September/October historically have been poor performing months for equities. We believe that any weakness over this period will prove to be an attractive entry point. Given that sentiment is already poor, we believe that it is unlikely for a major correction over this period. Canadian small cap equities have historically been very strong over the three month period December through February. The TSXV has returned an average annualized return of 55% over the past 20 years during this time. The TSXV has enjoyed a positive return in 85% of the time over this period. Over the past several months, most small cap sectors such as green energy, cannabis, precious metals, biotech and technology have declined substantially. This provides us further confidence that the next few weeks will provide an attractive entry point for adding to small cap equity exposure prior to the strong seasonality of the winter months. **We encourage investors to add small cap equity exposure prior to the next bull run which is likely to begin in Q4/21.**



Regards,



Steve Palmer, CFA
President and CIO

Performance* (Class A)

	Aug	YTD	1 Year	3 Year	5 Year	10 Year	Inception	Cumulative
AlphaNorth Partners	(0.9%)	34.7%	66.5%	41.7%	36.3%	2.9%	11.7%	358.4%
S&P/TSX Venture	(3.1%)	2.4%	19.4%	7.3%	2.7%	(6.8%)	(7.8%)	(67.2%)
S&P/TSX Composite TRI	1.6%	20.2%	28.2%	11.6%	10.4%	8.1%	6.1%	126.8%

Key Reasons to Own This Fund:

PROVEN LONG TERM PERFORMANCE:

- Management team has a 23 year track record of generating industry leading returns of 21% annualized compared to 0% for the BMO Small Cap/TSXV**

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

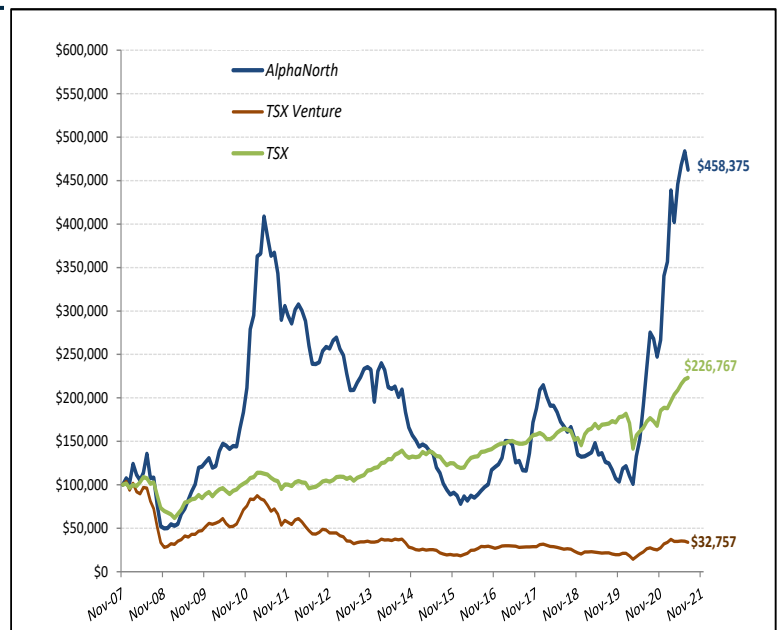
UNIQUE ASPECTS:

- Management owns a significant portion of fund assets
- All performance fees are reinvested into the fund

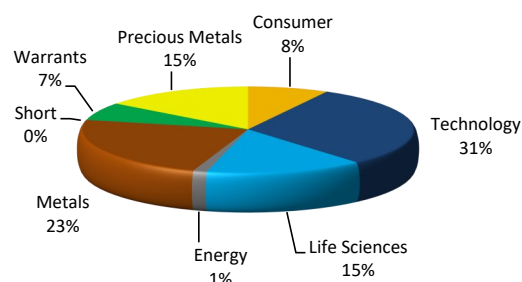
LEVERAGE WITH WARRANTS:

- Participate in numerous private placements to accumulate warrants for upside leverage

Growth of \$100,000 Initial Investment



Current Sector Allocation



Fund Information

Fund Type	Alternative Strategies (Long biased small cap)
Fund Codes	Class A: AAM100/101, Class D: AAM200/201
Eligibility	Accredited Investors only; RRSP eligible
Fund Details	Management Fee Class A- 2%, Class D- 2.5%
Sub/Redemption	Monthly, 90 day notice
Lock-up	None
Redemption Fee	Class A: none; Class D: 3% yr 1, 1.5% yr 2
Beta vs. TSXV	0.92

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%)	7.0%	(2.6%)	4.4%	4.9%	4.6%	3.0%	16.6%	2.8%	2.8%	41.6%
2017	5.8%	15%	(0.3%)	(2.3%)	(14.2%)	1.5%	(8.4%)	(0.6%)	17.6%	25.8%	9.3%	11.4%	69.0%
2018	2.7%	(6.3%)	(5.1%)	0.0%	(3.9%)	(5.9%)	(3.2%)	(3.7%)	3.5%	(7.7%)	(12.5%)	(1.6%)	(36.7%)
2019	0.4%	1.5%	1.7%	7.9%	(9.1%)	1.4%	(7.5%)	(1.4%)	(5.8%)	(8.7%)	(3.3%)	14.3%	(10.5%)
2020	2.5%	(9.2%)	(8.5%)	31.8%	14.7%	25.3%	23.1%	17.1%	(2.7%)	(7.7%)	7.7%	27.7%	187.3%
2021	4.8%	23.1%	(8.4%)	10.9%	5.0%	3.4%	(4.4%)	(0.9%)					34.7%

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 managing small cap portfolios. AlphaNorth manages the AlphaNorth Partners Fund, a long biased small cap focused hedge fund.

Prior to founding AlphaNorth, Steve and Joey managed an award winning small cap equity fund at one of the largest investment firms in North America for 9 years that had an annualized return of 35.8% over their term significantly beating all relevant benchmarks. Founding AlphaNorth Asset Management in 2007, Steve and Joey launched the AlphaNorth Partner Fund which is a two-time winner for best 3 year return at the Canadian Hedge Fund Awards. The Fund recently won 2nd place for best one year return at the 2020 Canadian Hedge Fund Awards. Steve Palmer is President and CIO and a Chartered Financial Analyst (CFA). Joey is the trader and is a Chartered Investment Manager (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. 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 2020 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.