

Fund Review In November, the Fund returned (0.9%), as compared to the TSX Venture index and TSX Total Return index, which returned 3.9% and 7.6% respectively during the month. We gave back some ground vs our benchmark in the month of November. However, we are still well ahead on a year to date basis.

One of the things that we have learned over the past 25 years managing equity funds is that private companies never go public in the timeline communicated at the time of initial investment. Notwithstanding, we have several investments in private companies which are finally nearing liquidity events. The go public valuations are expected to be at substantially higher valuations than when we invested. These should provide positive contributions to Fund returns over the next few months. These situations compare very favourably to comparable companies on a valuation basis, thus a strong case can be made for additional upside once listed and trading.

It has remained frustrating that positive announcements for several of our holdings have not resulted in higher share prices. However, 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.


The Fund is fully invested ahead of the best performing months of the year, December/January/February. Current sector allocations are as follows: 36% technology, 16% life sciences, 10% consumer, 5% precious metals, 25% metals, 6% energy, 2% warrants and 0% shorts.

Outlook The mindset has clearly shifted from the obsession over how high interest rates will go to when will interest rates decline and how fast. This is a paradigm shift. Declining interest rates are typically an attractive environment for small cap equities. We believe that the Fed will likely hold off as long as possible on rate cuts. They can afford to wait as the bond market is now calling the shots. Borrowing rates are based off government bond rates. The bond market has already taken yields down materially and the Fed will eventually follow. The 10-year U.S. Government bond has quickly dropped to 3.85% from a peak of 5.02% on October 23rd. This has been the major catalyst for a significant rally in the broad equity indices.

The strength in the major equity indices has largely been driven by what has been dubbed the 'Magnificent 7', or the top seven U.S. technology stocks. In recent weeks, performance has broadened out as U.S. small cap equities have begun to outperform. In Canada, the TSX Venture index has lagged but in recent days has started to outperform as it always does at this time of year. The last two weeks of December have always been positive for the TSX Venture.

We believe the risk/reward opportunity for Canadian small caps is highly skewed to the upside from current levels and we have positioned the portfolio to capitalize on this inevitable rebound over the coming months.

Regards,


Steve Palmer, CFA
President and CIO

Performance* (Class A)

| | Nov | YTD | 1 Year | 3 Year | 5 Year | 10 Year | Inception | Cumulative |
|----------------------------------|---------------|---------------|---------------|---------------|--------------|---------------|-------------|---------------|
| AlphaNorth Partners | (0.9%) | (1.3%) | (6.3%) | (6.0%) | 10.5% | (0.5%) | 5.1% | 121.7% |
| S&P/TSX Venture | 3.9% | (5.9%) | (9.2%) | (10.6%) | (1.9%) | (5.4%) | (9.7%) | (80.4%) |
| S&P/TSX Composite TRI | 7.6% | 7.5% | 2.3% | 8.8% | 9.2% | 7.4% | 5.6% | 139.1% |

Key Reasons to Own This Fund

PROVEN LONG TERM PERFORMANCE:

- Management team has a 25 year track record of generating industry leading returns of 16% annualized compared to -2% 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

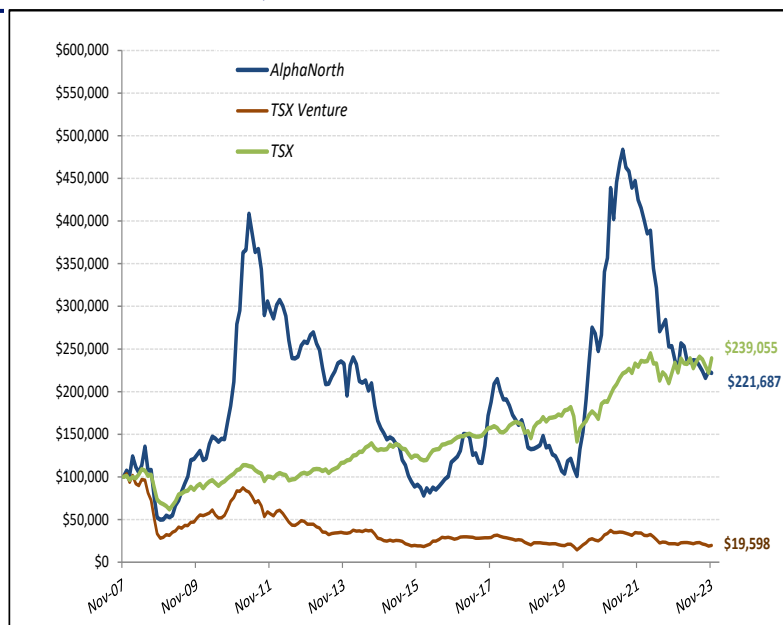
UNIQUE ASPECTS:

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

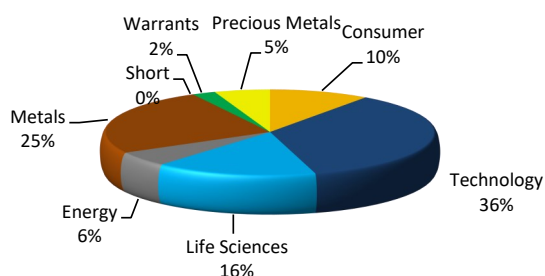
LEVERAGE WITH WARRANTS:

- 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 | 0.93 |

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%) | (4.3%) | 1.9% | (5.0%) | (2.2%) | 22.0% |
| 2022 | (3.5%) | (3.8%) | 0.9% | (11.4%) | (6.7%) | (16.8%) | 2.4% | 2.5% | (11.0%) | 0.2% | (6.6%) | (5.1%) | (45.9%) |
| 2023 | 14.3% | (1.4%) | (6.9%) | (0.7%) | 1.1% | (0.2%) | (2.6%) | (2.7%) | (3.6%) | 3.6% | (0.9%) | | (1.3%) |

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 2022 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.*