AlphaNorth
Asset Management

FUND COMMENTARY
AlphaNorth Partners Fund
July 2026

NAV
Class A: $22.143
Class D: $16.672

Fund Review

In July, the Fund returned (2.5%), as compared to the TSX Venture index and TSX Total Return index, which returned (3.3%) and 1.2% respectively during the month.

BetterLife Pharma (CSE:BETR) was once again a positive contributor, gaining a further 81% during July and bringing its year-to-date advance to 427%. As noted last month, despite the substantial appreciation in the shares, we continue to believe there is meaningful upside potential should the company advance its lead drug candidate. The company is developing a proprietary, non-hallucinogenic derivative of LSD, with migraine among its initial target indications. Migraines are a large market in U.S. The investment thesis is supported by emerging research into the potential of psychedelic-derived compounds to promote neuroplasticity and beneficial changes to neural pathways, without BetterLife's compound producing hallucinogenic effects associated with traditional LSD use.

There were no individual positions that experienced significant declines during July. However, the majority of the Fund's metals and mining holdings were weaker during the month as several commodity-related sectors consolidated following strong gains earlier in the year.

We added exposure to uranium, green technology and lithium companies during the month of July. These additions were by way of private placements and increased our warrant exposure which now represents nearly 60%.

Current sector allocations are as follows: 15% technology, 30% life sciences, 6% consumer, 5% precious metals, 34% metals, 6% energy, 0% short and 4% warrants.

Outlook

The TSX has recently hit new all-time highs, primarily driven by bank stocks which have gained by more than 50% over the past year. In contrast, many smaller Canadian companies remain substantially below valuations reached during previous small cap cycles. In our view, this valuation disparity creates an attractive opportunity. As investors' risk appetite continues to improve, we expect capital to increasingly migrate from larger, more liquid equities to smaller companies offering greater upside potential.

Capital availability is one of the most important signals for small caps. One of the biggest differences between a sustainable TSXV bull market and a short-lived rally is whether companies can raise money. The financing environment has improved dramatically. In 2025, TSXV-listed companies raised more than $10 billion of new capital, more than double the amount raised in 2024. That momentum has continued this year, with equity capital raised through July up a further 88% year-over-year. This influx of capital is particularly important to resource companies, allowing them to expand exploration and development programs, generate additional news flow, and if successful create meaningful shareholder value. Strong commodity prices provide an additional tailwind, supporting project economics and higher equity valuations. Precious metals provided much of the early leadership in this cycle but have recently corrected from their highs while participation has broadened to other strategically important commodities, including copper, critical minerals, lithium and uranium. We believe the broadening of market leadership, combined with dramatically improved access to capital, provide a strong foundation for the next leg of the Canadian small cap bull market and ultimately the potential for new highs.

Regards,

Steve Palmer, CFA
President and CIO

Performance* (Class A)

	July	YTD	1 Year	3 Year	5 Year	10 Year	Inception	Cumulative
AlphaNorth Partners	**(2.5%)**	**(15.6%)**	**(10.7%)**	**(1.3%)**	**(13.7%)**	**9.0%**	**4.4%**	**121.4%**
S&P/TSX Venture	(3.3%)	(12.2%)	12.5%	11.4%	(1.3%)	0.9%	(6.0%)	(68.3%)
S&P/TSX Composite TRI	1.2%	12.5%	32.3%	22.9%	18.9%	12.5%	8.4%	347.7%

Key Reasons to Own This Fund

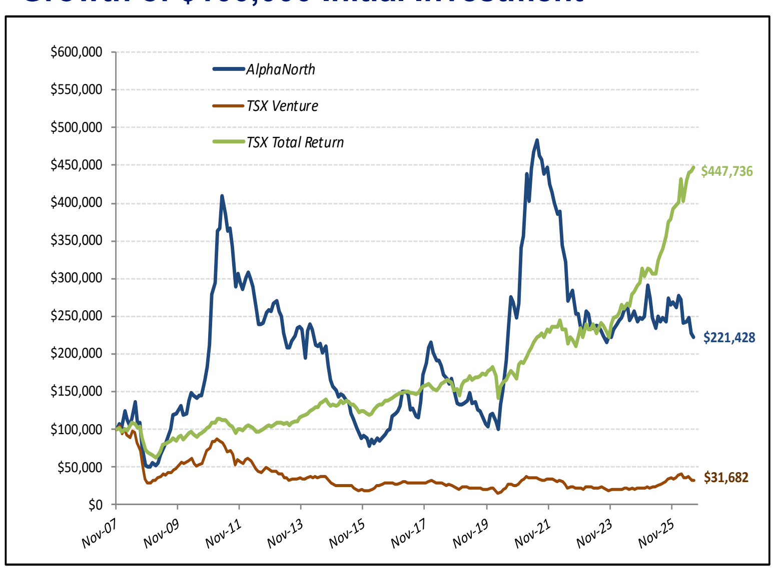
PROVEN LONG TERM PERFORMANCE:
- Management team has a 28 year track record of generating industry leading returns of 13.7% annualized compared to (0.1%) for the BMO Small Cap/TSXV**

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



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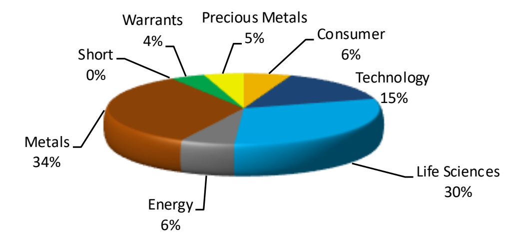
Current Sector Allocation



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/TSX	0.91/1.37

Monthly Performance*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2007													**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%)	5.2%	**3.8%%**
2024	2.5%	2.0%	1.4%	3.7%	3.6%	(8.1%)	2.3%	2.8%	(5.3%)	2.0%	(0.8%)	1.7%	**7.4%**
2025	15.9%	(5.7%)	(9.5%)	(5.7%)	6.7%	(2.9%)	2.5%	(2.2%)	12.9%	(3.2%)	1.4%	(2.4%)	**4.8%**
2026	5.5%	(2.0%)	(11.1%)	0.6%	2.4%	(8.6%)	(2.5%)						(15.6%)

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 2025 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.*

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