

Fund Review

In August, the Fund returned 16.1%, as compared to the TSX Venture index and TSX Total Return index, which returned 13.3% and 3.1% respectively during the month.

Strong security selection contributed meaningfully to performance, led by the Fund's largest position, **Delcath Systems (NASDAQ:DCTH)**. Delcath appreciated by 35% following the release of strong Q2 results. Revenue increased 16% sequentially to US\$29.1 million, and we expect the company's robust growth trajectory to continue through the remainder of the year.

Broadening participation among the Fund's resource holdings also contributed positively, with gains across base metals, precious metals and energy related positions.

The Fund's warrant portfolio added approximately two percentage points to August's return as several underlying securities appreciated and moved further in-the-money. These warrants provide leveraged participation in a continuing small cap recovery, although they can also increase short term portfolio volatility.

In a potentially transformative development, **BetterLife Pharma (CSE:BETR)**, priced and allocated a US\$100 million financing which is expected to close imminently. The Fund has held this position since 2021.

We are maintaining a modest amount of leverage in order to enhance returns in what we believe remains a favourable bull market environment. We are balancing this position with disciplined risk management and ongoing reviews of individual security valuations.

Outlook

Despite the strong performance in August, we believe the opportunity in Canadian small cap equities remains compelling. The TSX Venture Index continues to trade meaningfully below its January high, even as trading activity, capital raises and investor activity have improved substantially from the depressed levels of recent years. In our view, this suggests that the market recovery remains relatively early, although returns are unlikely to progress in a straight line.

Capital is increasingly available to companies with credible management teams, strategic assets and identifiable value creating catalysts. Recent financings have been particularly strong among precious metals and critical mineral companies, including those exposed to copper, uranium, lithium, nickel and other minerals considered important to Western supply chain security. Government initiatives intended to accelerate domestic resource development could provide an additional source of capital.

While macroeconomic risks – including trade tensions, inflation and interest rate uncertainty could weigh on investor sentiment, the underlying case for Canadian small cap equities remains intact. Years of underinvestment, constrained supply growth and growing government emphasis on secure domestic supply chains should continue to create opportunities. We believe an active and catalyst driven approach remains particularly well suited to this environment.

Regards,

Steve Palmer, CFA
President and CIO

Performance* (Class A)

	August	YTD	1 Year	3 Year	5 Year	10 Year	Inception	Cumulative
AlphaNorth Partners	16.1%	(2.0%)	6.0%	4.7%	(10.9%)	10.2%	5.2%	157.1%
S&P/TSX Venture	13.3%	(0.5%)	18.4%	18.8%	1.8%	2.3%	(5.3%)	(64.1%)
S&P/TSX Composite TRI	3.1%	16.0%	29.9%	24.8%	18.6%	12.8%	8.5%	361.6%

Key Reasons to Own This Fund

PROVEN LONG TERM PERFORMANCE:

- Management team has a 28 year track record of generating industry leading returns of 14.2% annualized compared to 0.3% 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

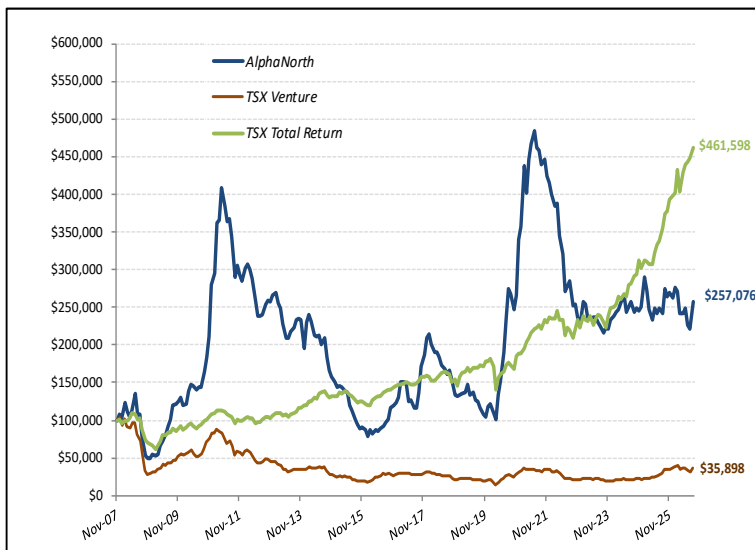
UNIQUE ASPECTS:

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

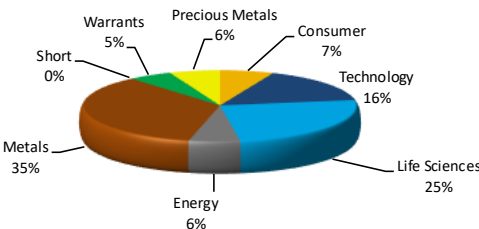
LEVERAGE WITH WARRANTS:

- 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/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%)	16.1%					(2.0%)

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.*