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Dear Partners and Friends:

August was an excellent month for our funds. The Northern Rivers Global Energy Fund LP (Energy Fund) was up 7.82% and the Northern Rivers Conservative Growth Fund LP (Growth Fund) was up 5.76%, substantially ahead of the broader equity markets which were generally flat.

	Average Annual Returns to August 31, 2009*						
	2009 YTD	1 mo.	3 mo.	6 mo.	1 Yr.	3 Yr.	Inception**
Northern Rivers Global Energy Fund LP	15.37%	7.82%	14.74%	21.40%	-41.75%	-11.39%	-3.83%
Northern Rivers Conservative Growth Fund LP	12.04%	5.76%	11.29%	18.90%	-25.10%	-6.90%	2.74%

**Inception date: Nov. 1, 2005

What happened in August?

August saw the continuation of the second quarter reporting season with earnings generally coming in slightly ahead of consensus expectations, which had been marked down to overly bearish expectations last winter. Since March, the equity markets have been responding very favourably to the “better than awful expected news”, but August marked a bit of a slowdown in the broader strong market rebound we have seen off the March lows.

While results have been better than the very low expectations and the economy is definitely in a bottoming process, year over year comparison of results for both the economy and most companies continue to be negative. Many economists are now expecting a resumption of growth in the global economy this fall, which is a welcome relief from the panic of last winter. The question for the broader markets going forward is how quickly will the economy and markets recover.

Northern Rivers Global Energy Fund LP

The Energy Fund had an excellent month rising almost 8%. Performance was driven by a 56% rise in our top holding in the fund, Highpine Oil and Gas. The strong performance from our top holding more than offset some losses from the short portion of our portfolio. Bottom line, we had a great month dominated by good stock picking with a relatively defensively positioned fund.

The highlight of the month was clearly the 56% rise in Highpine, which I had highlighted as the new top holding in the fund just last month. Highpine received a takeover offer of \$7 per share in a combination of cash and stock from Daylight Resources and the market responded positively to the takeover on both stocks. The merger of the companies creates a bigger and stronger Daylight Resources, which will have a balanced mix of oil and gas production, near term production and long-

term resources. The combined Daylight looks to be undervalued and has sound management including a good strategic plan to take it forward, which we believe creates the opportunity for continued wealth creation for shareholders.

Crude oil prices continue to show surprising short-term stability in the \$70 area as continued short-term oversupply in the markets are offset by financial demand in anticipation of a resumption of demand growth in 2010. We continue to be modestly cautious on the near term outlook for oil, but view the long-term prospects as excellent.

The North American and global natural gas markets continue to suffer the effects of oversupply. Early September saw natural gas prices hit new 7-year lows in North America, with gas plummeting all the way down to \$2.50 per MMBtu. The near term and potentially medium term outlook for natural gas continues to look very bearish. August saw more producers starting to shut-in natural gas wells at the wellhead due to the low prices.

We should see the bottom of natural gas prices in the next 3 months as more capacity is shut-in and all the storage reservoirs fill up prior to the onset of heating season. Once heating season starts the price of gas will start to recover. However, due to shut-in production waiting to come back on-line at higher prices, the level of price recovery is likely to be less than many of the bulls expect. Consequently, the level of exposure in the portfolio in natural gas companies continues to be quite low as we believe many of these stocks are overvalued and due for a correction.

The Energy Fund performed a balancing act during the month. Approximately half the holdings were up while the other half were down. The fund was up on its long positions, while slight losses were experienced from the short positions. This reflected a seesawing energy market during the month that saw the oil price fluctuate between the high \$50's and high \$60's, while natural gas remained under \$4.

Overall, the Energy Fund remains quite defensively positioned with a net long position of about 76%. Long positions are focused in power and energy infrastructure areas or in some special situations, but as illustrated above, we are finding some opportunities in oil and gas producers. We are examining and starting to accumulate several new opportunities for the portfolio currently. Short positions are focused primarily in the debt-levered high cost producers. We look forward to being rewarded by our shorter-term strategy in the coming months, after which we will reposition the portfolio to take advantage of our longer-term bullish view on all energy markets.

Northern Rivers Conservative Growth Fund LP

The Growth Fund also had an excellent month, rising roughly 6%. As with the Energy Fund, performance was driven by the 56% rise in the price of Highpine. The rest of the portfolio saw on average a slight gain, as gains slightly exceeded drops.

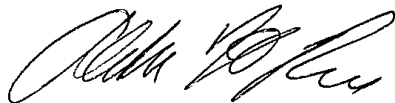
The portfolio maintains its balanced approach. No one sector represents more than 20% of the portfolio with the top sector weightings being technology at 16%, healthcare at 14%, utilities at 13% followed by consumer staples at 10% of the portfolio. At the end of August, the portfolio had an 84% net long position, up slightly from last month as we added to core holdings on weakness. We expect mixed economic and market news over the coming months to provide us with good opportunities to add to new positions, while the present portfolio is already poised for good appreciation.

September 30th Next LP Closing

The next closing for the Northern Rivers Global Energy Fund LP, the Northern Rivers Conservative Growth Fund LP, the Northern Rivers Innovation Fund LP and the Northern Rivers Innovation RSP Fund is September 30, 2009. The Northern Rivers Conservative Growth Fund (mutual fund) offers daily valuations and is both RRSP and TFSA eligible.

As always, my colleagues and I are available for meetings with clients and interested parties. Please contact Jeffrey Zicherman, Sales Associate at 416-597-8508 or Robyn Graham, Vice President Sales & Marketing 416-597-3890 for more information or to set up an appointment, or call 416-597-1226 to speak with any one of us directly concerning the specific funds we manage. Our toll free number is 1-866-902-7060.

Warmest regards,



Alex Ruus, CFA, MBA, P.Eng.
Portfolio Manager

*Commissions, trailing commissions, management fees, performance fees, and expenses all may be associated with investment funds. Please read the offering memorandum before investing. The indicated rates of return are the simple returns (YTD, 1 mo, 3 mo, 6 mo) or the historical annual compounded total returns (1 yr, 3 yr and since inception). All returns are net of fees but do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.

The Energy Fund and the Growth Fund invest primarily in North American equities. Geographic and sector allocations may vary significantly over time. The funds tend to follow a relatively concentrated investment approach where the manager may overweight selected core holdings and industry sectors such as energy or financial services in which the manager has particular conviction and/or specialized expertise. The funds may engage in short selling and may also use specified derivatives, such as calls and puts, warrants, index futures and exchange traded funds. This may result in portfolio weightings and investment performance being substantially different from that of the S&P/TSX Composite, S&P 500 or other market indices.