



November 16, 2009

Dear Partners and Friends:

In October our funds treaded water, finishing relatively flat in a generally down month for equities. The Northern Rivers Global Energy Fund LP (Energy Fund) was down 0.37% and the Northern Rivers Conservative Growth Fund LP (Growth Fund) was down 0.68%.

Average Annual Returns to October 31, 2009*

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	2009 YTD	1 mo.	3 mo.	6 mo.	1 Yr.	3 Yr.	Inception**
Northern Rivers Global Energy Fund LP	23.43%	-0.37%	15.36%	24.03%	0.88%	-8.15%	-2.03%
Northern Rivers Conservative Growth Fund LP	15.61%	-0.68%	9.13%	19.19%	13.15%	-7.08%	3.43%

**Inception date: Nov. 1, 2005

What happened in October?

October was a rocky month for equity markets, with positive performance in the early part of the month more than offset by a large pullback in the latter half. Economic news during the month was generally positive with initial estimates that the US economy grew by 3.5% in the third quarter. The stock market took this news cautiously, however, reflecting concerns about the amount of growth dependent on government stimulus and uncertainty as to the strength of continued economic growth in the coming year. Most economic indicators have now moved off the bottom and are headed in the right direction, providing support for a continued rising stock market. The main factors that we need to monitor going forward are rising unemployment, increased government debt and deficits, and a US consumer that continues to carry very high levels of debt.

Northern Rivers Global Energy Fund LP

A volatile month for equities was mirrored in the performance of the fund's top holdings, with half rising and half falling small amounts despite continuing fundamental progress by our companies. The highlight of the month came from top ten holding, Petrobank, which rose 7% during the month and has seen strong share gains since the summer as investors have awakened to the hidden value in this company's leading positions in the Bakken oil play, Columbian oil, heavy oil, and fire flooding.

Petrobank has recently gained attention from investors after the recent acquisition of Tristar Oil and Gas and subsequent spinoff of their Bakken and Montney assets into newly listed public company Petrobakken. Petrobakken is neck and neck with Crescent Point Energy as the largest Bakken land holder and producer. Until the spinout of the assets in Petrobakken, however, the market totally missed the undervaluation of the Petrobank Bakken assets. With the recent spinout of Petrobakken, the market has started to close the gap in the undervaluation of Petrobank shares relative to its intrinsic value. We believe there is continued upside in this holding, however, as the market is still

undervaluing the company's substantial positions in heavy oil assets and its market leading fire flooding technology.

The North American and global natural gas markets seem to be looking through the supply glut of natural gas and have seen a recent resurgence to the \$5 per MMBtu range. The last time gas was at \$5 was in January 2009. Late summer shut-ins of gas wells and the involvement of large commodity funds in the futures markets appear to have marked a bottom for the natural gas market.

In spite of this, we believe the gas price will now be range bound in the \$4-6 range for the short to mid-term. Despite a cutback in drilling, the increasing effectiveness of horizontal drilling and multi-stage fracking is driving down the price curve of natural gas. We are also seeing a major shift in the natural gas industry as new tight gas plays have lowered exploration and development costs in the past several years.

In October, we hit a new twelve month high for oil as it broke into the \$80 range for the first time since 2008. This reflects stabilization of global demand after the first drop in global consumption in twenty five years. While there is actually a very large surplus of production capacity today (more than triple excess capacity compared with two years ago), investors are now focused on growing Chinese and emerging market consumption which could put us back in a very tight supply situation in three to four years. Look for the oil price to remain range bound in the \$65-85 range for the short to medium term as OPEC is likely to bring excess capacity on stream should the price rise much further. We continue to be modestly cautious on the near term outlook for oil, but view the long-term prospects as excellent.

We took advantage of selected weakness in positions to invest our cash during the month and the fund now is fully invested. We are positioned very differently from the energy index, with very little natural gas exposure as most natural gas companies are substantially overvalued today. Long positions are focused in oil, power and energy infrastructure areas or in special situations. Short positions are focused primarily in the debt-levered high cost gas producers. We look forward to good returns to come as the market recognizes the value in the portfolio.

Northern Rivers Conservative Growth Fund LP

A directionless market was also reflected in the Growth Fund with about half the holdings up and half down. Highlights for the month were the takeover of Burlington Northern Railway, by Warren Buffet's Berkshire Hathaway, giving us a short term 40% gain in this position, as well as a 16% gain by Neptune Technologies. Neptune is now finally seeing traction as the company is garnering increased interest in the progress being made by its healthcare and functional food businesses.

The takeover of Burlington Northern (BNI) by Buffet is a good example of how our investing discipline helps long-term performance for us, but does not insulate the portfolio from short-term downturns. Burlington Northern is a position that has been held in the fund since it was started (and incidentally before Buffet realized the great opportunity at BNI and put in his initial investment). While we have made money for the portfolio by holding the company that entire time, it did not stop us from experiencing the short term pain of the company falling from its peak price of over \$100 to a bottom in early 2009 of around \$50. Throughout this stock price volatility, the long-term intrinsic

value and value proposition remained, despite the multitude of short-term speculators driving prices down to depressed values last winter as people read “end of the world” projections from the bears.

The intrinsic value characteristics in Burlington Northern are similarly in place in each and every one of the portfolio's holdings. While we don't know if the market will recognize the value in each company this month or this year, value always comes through longer term with resulting gains in the portfolios.

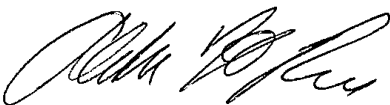
The fund maintains its balanced approach. No one sector represents more than 23% of the portfolio with the top sector weightings being technology at 22.8%, energy at 20.9%, followed by utilities at 10.6% and healthcare at 10.1%. We are now fully invested, having taken advantage of weakness in select positions during the month to invest our cash holdings. We believe the portfolio is poised for good appreciation.

November 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 November 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 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.