



**For Immediate Release: Feb. 19, 2009**

## **NORTHERN RIVERS ANNOUNCES PROPOSED CHANGES TO ITS MUTUAL FUNDS**

TORONTO, ON – Feb. 19, 2009

In its capacity as Manager of the Northern Rivers Funds, Northern Rivers Capital Management Inc. (“Northern Rivers”) announced today plans to seek unitholder approval for changes to three of its mutual funds:

1. To approve a change in the Manager of the Northern Rivers Monthly Income and Capital Appreciation Fund (“Monthly Income Fund”) and the Northern Rivers Monthly Income and Capital Appreciation Trust Pool (“Monthly Income Pool”) to Mavrix Fund Management Inc. (“Mavrix”).
2. To approve merging the assets of the Northern Rivers Evolution Fund (“Evolution Fund”) into the Northern Rivers Conservative Growth Fund (“Conservative Growth Fund”).

In the opinion of Northern Rivers these proposals are in the best interests of all unitholders in each fund. To meet regulatory requirements, each proposal requires the approval of the Independent Review Committee of the funds, which was granted on February 4, 2009, and also requires approvals from unitholders, regulators, and certain other parties. A Notice and Management Information Circular for the proposals will be sent to affected unitholders in the near future.

### **Northern Rivers Monthly Income and Capital Appreciation Fund Northern Rivers Monthly Income and Capital Appreciation Trust Pool**

Mavrix is a Toronto based, publicly listed investment management firm offering a broad range of mutual funds and other investment vehicles through the advisor channel across Canada. Northern Rivers believes that Mavrix’ significant distribution network will allow for greater sales exposure for the Fund, thus increasing assets under management and spreading costs over a larger asset base. “The Fund’s sophisticated structure will benefit from greater economies of scale” commented Robyn Graham, Vice President Sales & Marketing. “Cost synergies and broader exposure with the Mavrix family of funds will allow the Fund to thrive going forward, and we’re confident unitholders will be best served by this decision.” Upon approval, the Monthly Income Fund’s name will be changed to the Mavrix Tax Deferred Income Fund.

Importantly, the Investment Manager of the Monthly Income Fund and the Monthly Income Pool, Cassels Investment Management Inc., will not change with the proposed change in fund management. “We are excited about our new relationship with Mavrix”, Rob Cassels said, “and look forward to the opportunity of working with their marketing team and the large network of advisors supporting their funds.” Northern Rivers and Mavrix will work closely together to ensure a seamless transition of the fund to its new manager.

## **Northern Rivers Evolution Fund**

Northern Rivers is asking unitholders of the Evolution Fund to approve the merger of the Evolution Fund into the Northern Rivers Conservative Growth Fund. Effective February 23, 2009, the Evolution Fund will be closed to new subscriptions.

Northern Rivers is proposing the merger due to the small size of the Evolution Fund and the associated costs of maintaining smaller funds. The funds share similar growth objectives, with the Conservative Growth Fund offering greater diversification by sector and capitalization to help dampen volatility. Merging the assets of the two funds should result in a lower management expense ratio for the Conservative Growth Fund post merger, as costs of the fund will be spread over a larger asset base.

Alex Ruus, MBA, P.Eng, CFA is currently co-portfolio manager of the Evolution Fund with Hugh Cleland, CFA. Mr. Ruus will remain manager of the Conservative Growth Fund post merger. Mr. Ruus also manages the Northern Rivers Conservative Growth Fund LP and the Northern Rivers Global Energy Fund LP. Mr. Cleland will focus his energies on Northern Rivers' flagship Innovation mandate to which Northern Rivers remains committed for continued growth and improved returns. Both managers will continue to work closely together to generate investment ideas for all of the Northern Rivers Funds.

“We are enthusiastic about the prospects for our funds.” Messrs. Ruus and Cleland said. “We have conviction in our holdings and believe that these moves best position our funds and our investors for the future.”

### For more information:

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