

PORTFOLIO MANAGER

Hugh Cleland CFA

Key Features

- Long bias equity fund (shorting and hedging permitted).
- Primarily small to mid cap companies with innovative products and services.
- Sector focus on technology, healthcare and resources.
- Core/"farm team" approach. Concentration among core holdings.
- Minimal use of leverage over the life of the fund.

Inception date	May 8, 2001*
Assets Under Mgmt.	\$37.2M
NAVPU (Dec. 31, 2009)	\$2,061.29
Management Fee	1% p.a., paid qtrly.
Performance Fee	10% of net return above hurdle rate***
Hurdle Rate	2% per quarter
Min. Initial Investment	\$100,000
Min. Investment Term	2 years

Performance as at December 31, 2009 (net of fees)**

Average Annual Returns

2009 YTD	1 Month	3 Month	6 Month	1 Year	3 Year	5 Year	Inception*
7.98%	2.95%	-5.65%	-13.12%	7.98%	-28.67%	-2.71%	8.72%

Monthly Summary of Returns, net of fees (Since inception, May 2001)

Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
2001					17.41%	-8.88%	0.01%	-9.44%	-5.22%	3.00%	11.03%	10.20%	11.60%
2002	8.00%	4.15%	-0.31%	1.31%	7.21%	-3.92%	-8.15%	0.93%	-1.39%	0.10%	5.72%	-1.04%	12.03%
2003	3.92%	-1.31%	-4.05%	2.23%	5.13%	6.11%	10.45%	17.63%	7.46%	5.67%	-0.38%	6.22%	75.21%
2004	5.12%	5.80%	-1.79%	-0.99%	-4.79%	2.99%	-2.84%	-4.13%	0.40%	-0.31%	7.76%	1.34%	7.95%
2005	0.54%	11.67%	-4.86%	-10.40%	-2.45%	2.31%	7.39%	0.39%	6.72%	1.08%	2.54%	9.52%	24.76%
2006	6.49%	5.64%	8.17%	11.88%	3.20%	-1.21%	-2.24%	3.52%	-4.78%	9.26%	10.80%	18.90%	92.50%
2007	4.76%	6.27%	-1.59%	3.84%	-6.12%	-5.18%	-2.02%	-16.10%	12.98%	0.50%	-1.77%	5.16%	-2.36%
2008	-11.22%	6.25%	-4.40%	4.10%	8.74%	-4.06%	-13.85%	-8.17%	-17.56%	-30.87%	-8.80%	-14.52%	-65.58%
2009	2.26%	-7.69%	1.78%	10.13%	8.99%	7.76%	1.86%	-8.33%	-1.38%	-1.02%	-7.40%	2.95%	7.98%

*** 10% of net return above hurdle rate until NAV reaches \$6,222.76 after which, 20% of net return above hurdle rate as disclosed in the Partnership's Offering Memorandum



Who Should Invest?

The Partnership is designed for sophisticated investors wishing to achieve enhanced performance through a combination of carefully selected long and short positions, predominantly in North American equities. As the Partnership is subject to various risk factors as outlined in the Offering Memorandum and Limited Partnership Agreement, it is recommended that an investment in the Partnership should not constitute the major portion of an individual's portfolio. The Partnership is designed to attract investment capital which is surplus to a subscriber's basic financial requirements. Because of restrictions on redemption and transfer, the Partnership is not appropriate for investors who require short term liquidity.

Fund Investment Objectives and Strategy

The Northern Rivers Innovation Fund LP is a specialty equity fund established in 2001. The Partnership's primary objective is to maximize absolute returns on investments through securities selection and asset allocation, while using hedging activities and asset allocation to manage market risk.

The Partnership employs a concentrated portfolio approach and invests in a broad capitalization range, with emphasis on small cap companies. Research includes quantitative, qualitative and technical analysis but is distinguished by our "off the beaten path" due diligence. The manager applies his contrarian leaning and value bias in pursuit of "off the radar" growth opportunities primarily in the technology, healthcare and resource sectors.

Subscriptions & Redemptions

Open to residents in each of the Provinces of Canada.

Subscriptions may be made on the last business day of each month and such other dates as the General Partner may decide. The Northern Rivers Innovation Fund LP is offered by Offering Memorandum only. The Offering Memorandum contains important information about the fund, including management fees, other charges and expenses and should be read in its entirety before making an investment decision.

A Limited Partner may redeem units commencing the second anniversary of the purchase of such units. On January 23, 2009, Northern Rivers Capital Management Inc. ("Northern Rivers") announced that all redemptions, regardless of purchase date, have been suspended for a two-year period.

**** NOTES:** 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 and 6 mo) or the historical annual compounded total returns (1 yr, 3 yr, 5 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. Commencing January 1, 2009, performance fees of 10% of net return above hurdle rate were paid by the Partnership.

About Us

Northern Rivers is an independent investment company located in Toronto, Ontario. Our mission is to provide innovative investment opportunities and outstanding long term returns to investors. We are an entrepreneurial company founded by Likrilyn Capital Corporation, a family office and majority shareholder. Northern Rivers currently offers a family of five pooled funds and one mutual fund for high net worth and retail investors. Our offerings include a range of equity funds, alternative funds, and a private equity fund.

For More Information

For more information about this fund or for a copy of the offering memorandum please contact:

Northern Rivers Capital Management Inc.

Royal Bank Plaza, North Tower, 200 Bay Street, Suite 2000, Toronto, ON M5J 2J2
Tel: 416-597-1226 Canada Toll Free: 1-866-902-7060 Fax: 416-597-8926
www.NorthernRiversFunds.com

