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Dear Partners and Friends:

March was a down month for the globe's stock markets. The Northern Rivers Global Energy Fund LP (Energy Fund) and the Northern Rivers Conservative Growth Fund LP (Growth Fund) fell in sympathy with the markets. The Energy Fund was down 1.82% and the Growth Fund was down 5.61%.

Average Annual Returns to March 31, 2008*

	2008 YTD	1 mo.	3 mo.	6 mo.	1 Yr.	2 Yr.	Inception**
Northern Rivers Global Energy Fund LP	-6.63%	-1.82%	-6.63%	-2.34%	5.35%	13.03%	18.20%
Northern Rivers Conservative Growth Fund LP	-12.51%	-5.61%	-12.51%	-7.89%	-8.31%	11.94%	20.79%

**Inception date: Nov. 1, 2005

Northern Rivers Global Energy Fund LP

Both the fund and broader energy markets were down in March, despite oil prices hitting new record high levels. Fund performance was held back during the month as equity markets struggled with both the slowdown in the U.S. economy and the continuing sub-prime financial concerns.

Oil prices hit another all-time record high in March with prices breaching the \$110 per barrel mark. The commodity's strength is continuing in April and, at the time of writing, reached another new high of over \$114. Natural gas prices also reached two year highs of over \$10. Interestingly, gas prices still trade at a substantial discount to the energy equivalency value of about \$19. These price levels bode very favourably for our investments in the energy area and we believe we will see good value added for our investors in the Energy Fund.

The biggest highlight for the fund actually occurred at the beginning of April, when Forest Oil and Gastem Inc. (one of the holdings in the fund) announced the discovery of what looks to be a potentially huge new gas producing field in the St. Lawrence lowlands of Quebec. This discovery could prove to be one of the biggest new gas fields ever in North America, with multiples of trillions of cubic feet of recoverable gas potential. As a result of the announcement, Gastem stock has risen from \$0.79 per share at the end of the month to over \$2 per share at the time of writing and should help the fund to a smart gain in April.

The Gastem discovery is very significant and represents another step in North America's (and the world's) move in natural gas development from tight rocks, which were previously thought to be unexploitable. The natural gas industry is moving towards ever increasing amounts of our natural gas supplies coming from these large, but very tight, reservoirs. In the past, only gas reservoirs in more permeable and porous rock were developed, as the technology was not available to develop these resources. The recent advent of horizontal drilling and multi-stage fracturing technology in oil and gas drilling is opening up new reserves to feed humankind's insatiable demand for ever more energy.

The fastest growing natural gas production in North America today is coming from a field in Texas, called the Barnett Shale, which is analogous in many ways to the Quebec Utica shale. The Barnett Shale today is producing over 2 billion cubic feet of natural gas per day for North American consumers and production continues to climb. It is just this comparison to the Barnett Shale that perked Forest and Gastem's interest in exploring the Utica Shale. With the recent announcement, increased work on the resource is starting to occur. Importantly for Gastem, the two wells that were drilled last summer that have caused all the excitement are on lands where they are partnered with Forest. Gastem has in excess of 130,000 acres of land on the Utica play.

In comparing the Utica shale and Barnett shale there are many points to consider, but so far it appears that the Utica is as attractive as the Barnett, but importantly it is shallower, making development likely easier. Some of the key considerations are:

- 1) Depth of 2000-6000 feet versus 4500-9000 feet for the Barnett. This should make long-term development of the Utica cheaper as one of the biggest costs is drilling and completions work, which is directly related to depth.
- 2) Shale thickness of around 500 feet, similar to the Barnett, with good Total Organic Content (TOC). While it was known that a large amount of shale was present earlier, the TOC's content had not been well tested until recent wells and it is these results that prompted Forest to announce the discovery.
- 3) Rock appears to fracture well, similar to the Barnett shale. As with the TOC's, this was one of the biggest concerns about the Utica, as being able to effectively fracture stimulate the rock is essential to successful shale gas development. The recent well fracs done by Forest and Gastem were one of the other key developments allowing them to announce the discovery.
- 4) Natural gas sold from the Quebec Utica should be at a premium price, as the deposit sits close to major pipelines and is very close to major consuming markets. The attractive geography allows any production to be sold at a higher price than production from other producing basins that are further from market. This increases both the value of the gas reserves discovered as well as the long-term reserves developable, since the break-even point for the wells will be much lower due to the premium pricing.

So fortunately, due to some early scoping work by my colleague Hugh Cleland and me, we have been able to get a substantial ownership position for our funds in the midst of a potentially massive gas resource development in a brand new producing basin that is close to the consuming markets. Now, while the funds have benefited from our early discovery of this potential valuable asset, some people have asked why we continue to hold the stock after it has doubled in value. The answer is that we feel that we are fairly early on in the discovery and development of a

massive resource that is not yet adequately valued in the marketplace. In our view, the upward valuation for the company was warranted given the magnitude of the news. While we are still at an early stage in the exploration and development of the Utica, the risk of the various different scenarios of Gastem's value has changed radically in the last month due to the good news from the wells. We now believe the risked net asset value is substantially higher than the present share price and so it makes sense to continue to hold the stock.

If one looks at the development of other shale and tight gas plays, such as Pinedale, Jonah, Barnett shale, and Fayetteville shale, you can see the potential for Gastem to become a substantially more valuable company than it presently is. With the combination of good results from last year's wells, an attractive development model, further exploration and development to come over the coming years, and an attractive discount to our risked value for the company, we believe the company should continue to add solid value to our portfolios going forward.

So with this brief overview, we will again emphasize that we think the outlook for the Energy Fund continues to be very strong and we continue to find many fundamentally undervalued opportunities to invest in. With oil over \$110 and gas over \$10, every investor should have exposure to some well managed energy assets.

Northern Rivers Conservative Growth Fund LP

Fund performance in March was held back by a drop in the value of eight of our ten largest holdings, despite continued solid fundamentals. As with the Energy Fund, the biggest positive for the fund actually occurred in April, with Gastem's natural gas discovery in Quebec. Gastem's performance should help the fund to a much better April result.

The biggest effect on the markets in March was the near bankruptcy of Bear Stearns, which experienced a "run on assets" as rumours of problems at Bear prompted customers to withdraw business from the firm. The U.S. Federal Reserve wisely stepped in to broker a takeover of Bear by JP Morgan and ensured as it always has that the financial system continues to function. While the extent of undisciplined sub-prime lending in the U.S. over the course of the last several years continues to exact a great deal of pain on many financial institutions, most central banks are continuing to do exactly what they need to do to ensure effective functioning of the financial markets and help get economies headed back in the right direction. As fear of a meltdown in the financial system lessens later in the year, both markets and the economy will be helped. Some prognosticators are even calling the March pullback the bottom for the year.

The markets have had a weak start to the year and now appear to be trading sideways. A weak economy, with weaker earnings overall is causing many investors concern, while attractive valuations and an increasing level of confidence in central bank and government stimulus becoming effective is cause for optimism for others. I expect to see the markets continue to be in a bit of a trading range for the shorter term, after which we should see better general market returns as economic conditions stabilize and fear subsides.

The structure for the portfolio has not changed much from last month, with the largest weightings being in the energy and precious minerals areas. Energy prices continue to hit new highs daily and with great long-term prospects this continues to be an essential part of the portfolio. The precious minerals weighting reflects valuations that look extremely attractive in today's environment.

Financials exposure continues to run at below our normal weighting as short-term woes continue to point us to other sectors in the short term. Stability will eventually return to this sector and we will increase our weightings in financials sometime in the next year. We have a multitude of companies we are watching as potential additions.

Our consumer staples weighting recently increased due to a recent new addition to our top ten holdings, Phillip Morris International. We will talk about Phillip Morris more in future letters, but suffice it to say that we see this being a core holding for quite some time to come, as we see a great long-term investment opportunity in this company. Our other core holdings remain intact as they continue to prosper despite the current pullback in the market.

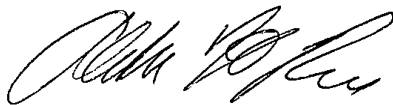
We believe the strategy we have mapped out for the Growth Fund, along with continued strong progress from many of our existing holdings provides a very positive outlook for continued good returns. Present market weakness is creating great long-term investment opportunities in a number of specific situations. As I have strong conviction for the appreciation potential of the portfolio, I will be adding to my holdings in the mandate this month. I encourage all of you to join us in investing in the fund.

April 30th Next LP Closing

The next closing for the Northern Rivers Global Energy Fund LP and the Northern Rivers Conservative Growth Fund LP is April 30, 2008. The Innovation RSP Fund also remains open to both registered and non-registered investment. Please also ask us about our two new mutual funds, co-managed by my colleague, Hugh Cleland and me.

As always, my colleagues and I will make ourselves available for meetings with interested parties. Please contact Robyn Graham, Vice President Sales & Marketing or Jeffrey Zicherman, Sales Associate for more information or to set up an appointment, or call 416-597-1226 to speak with any one of us concerning the specific funds we manage.

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 returns are the simple rates of return (YTD, 1 month, 3 month, 6 month, and 1 year) or the historical annual compounded total returns (2 year and since inception). All returns are net of fees. Rates of return shown 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.