



Hillsdale Investment Management Inc.

Fund Objective

The investment objective of the strategy is to provide a rate of return on capital in excess of, and with volatility equal to or less than, the S&P/TSX Small Cap Index.

The Fund invests a minimum of 75% of its assets in a diversified selection of small capitalization Canadian corporations and trusts trading on major Canadian stock exchanges.

No equity holding of a single corporation or trust trading on a major Canadian stock exchange, either through direct holdings or indirectly through an investment in another investment fund, will exceed 5% of the Fund's Net Asset Value.

The Fund will limit its purchases of securities of corporations and trusts in the S&P/TSX Composite Index so that the aggregate S&P/TSX Composite Index market weight, determined at the time of purchase, of these securities will not exceed 10%.

Inception Date

January 1996

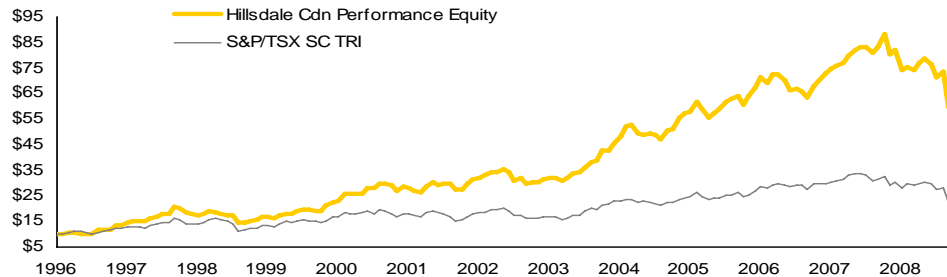
Hillsdale Canadian Performance Equity

as at September 30, 2008

Monthly Net Returns ¹

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	S&P/TSX SC TRI
1996		-1.7%	5.3%	14%	-3.8%	-2.7%	3.1%	14.3%	10%	3.0%	10.0%	14%	34.1%	23.8%
1997	7.5%	3.9%	-0.9%	15%	7.8%	3.4%	7.1%	0.2%	15.3%	-3.8%	-8.9%	-2.6%	32.4%	14.9%
1998	-2.2%	4.4%	5.0%	-2.1%	-2.8%	-3.1%	-0.7%	-18.0%	0.2%	4.2%	4.4%	8.1%	-5.0%	-6.5%
1999	1.1%	-4.4%	6.8%	19%	2.5%	6.0%	10%	0.6%	-15%	0.0%	9.7%	6.1%	33.0%	24.3%
2000	3.3%	11.1%	0.2%	-0.7%	14%	7.4%	0.1%	7.4%	-12%	-18%	-7.8%	5.8%	26.5%	7.2%
2001	-1.2%	-4.4%	-1.1%	7.4%	6.6%	-3.3%	0.5%	0.1%	-6.8%	0.1%	8.3%	4.9%	10.4%	2.1%
2002	2.9%	2.1%	3.8%	10%	2.6%	-3.9%	-9.3%	2.9%	-5.5%	0.7%	0.3%	3.1%	-0.3%	-6.5%
2003	3.0%	0.4%	-4.1%	3.9%	4.2%	2.4%	4.9%	6.6%	12%	9.2%	0.9%	5.8%	45.1%	34.4%
2004	7.0%	8.3%	0.3%	-5.7%	-1.8%	2.0%	-1.8%	-2.8%	6.5%	1.1%	8.8%	3.5%	26.9%	6.5%
2005	0.2%	7.3%	-4.5%	-5.8%	2.8%	3.2%	4.5%	16%	19%	-4.7%	5.1%	5.4%	17.4%	10.6%
2006	5.9%	-3.3%	5.3%	-0.4%	-3.4%	-5.5%	15%	-1.9%	-3.2%	6.4%	3.7%	3.8%	8.2%	11.6%
2007	2.4%	14%	13%	3.6%	2.8%	16%	0.2%	-2.7%	2.5%	6.2%	-8.6%	2.1%	12.7%	0.9%
2008	-10.1%	15%	-13%	4.1%	2.0%	-2.8%	-6.8%	2.9%	-18.7%				-27.5%	-25.5%

Track Record



5D Investment Metrics

Returns ^{1,3}	Hillsdale	S&P/TSX SC TRI ⁵
1 Month	-18.7%	-19.7%
3 Month	-22.0%	-25.2%
6 Month	-19.5%	-22.4%
1 Year	-28.1%	-29.2%
2 Year (annualized)	-3.2%	-9.6%
3 Year (annualized)	-2.2%	-5.1%
4 Year (annualized)	4.3%	-0.2%
5 Year (annualized)	9.0%	2.5%
10 Year (annualized)	15.3%	6.9%
Incept. (annualized) ²	15.2%	6.6%

Risk (Annualized Volatility)

3 Year	18.3%	18.9%
5 Year	17.5%	16.8%
Since Inception	17.5%	17.5%

Correlation

3 Year	92.2%	
5 Year	89.5%	
Since Inception	86.4%	

Maximum Drawdown

Period	Oct 07 - Sep 08	May 07 - Sep 08
Drawdown	-32.3%	-33.6%

Time Underwater

Period	Sep 97 - Oct 99	Apr 98 - Nov 99
Quarters	8	6

Other Fund Metrics

Alpha (monthly)	Hillsdale
3 Year	0.21%
5 Year	0.55%
Since Inception	0.73%

Beta

3 Year	0.90
5 Year	0.93
Since Inception	0.87

Long/Short Exposure

\$ Long	\$1.00
\$ Short	\$0.00
% Long	100.0%
% Short	0.0%

NAV Per Unit

Class A	\$61.27
Class I	\$110.56

Assets Under Management ⁴

AUM(\$ Millions)	\$104.4
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Hillsdale Canadian Performance Equity

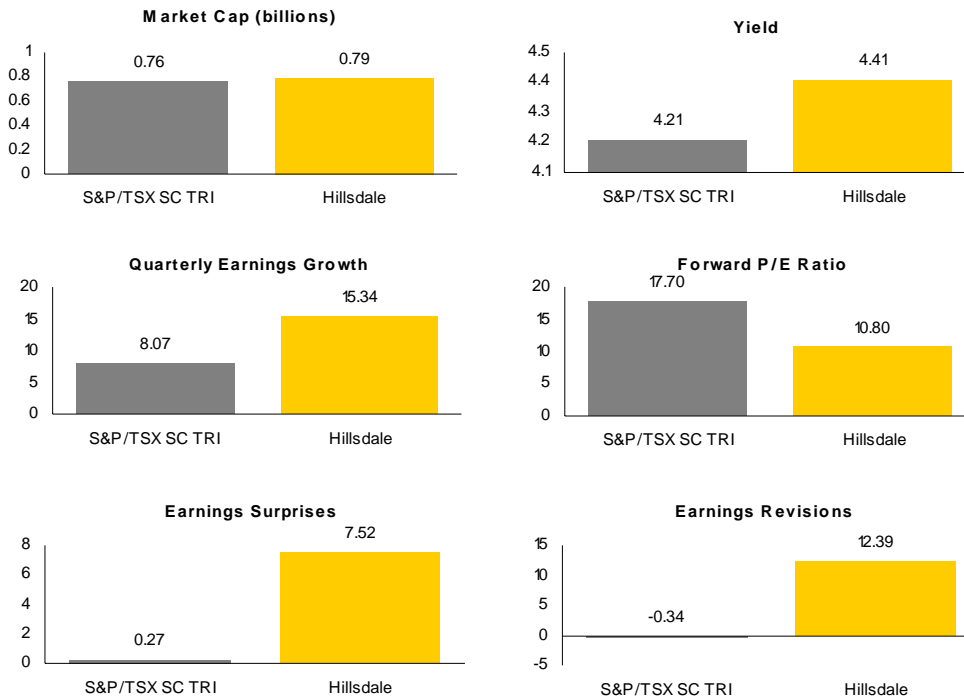
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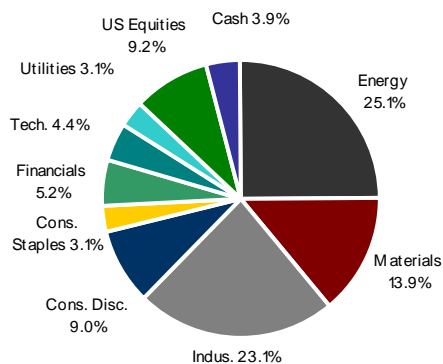
HILLSDALE
INVESTMENT MANAGEMENT INC.

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Predictive Indicators



Sector Allocation



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Hillsdale Investment Management Inc., an investment counselor and portfolio manager, offers one of the most sophisticated and disciplined equity management approaches in Canada. Since the inception of the company in January 1996, Hillsdale has developed and enhanced its proprietary capacity to deliver equity and equity-hedged products in the U.S. and Canadian markets.

Hillsdale's product line is purposely designed to complement core/index products by focusing on distinct ranges of risk and return not correlated with the majority of equity products offered for sale in Canada. Hillsdale offers its funds on a branded and a co-branded basis and sells to both the private client and institutional markets.

The investment strategies are based on a proprietary investment platform that uses a dynamic, fundamental based, multi-factor approach to stock selection and portfolio construction.

- Fund returns are net of all fees and expenses. Returns presented are for Class A units of the Fund only. Past results are not indicative of future performance.
- Since inception of the strategy (January 1, 1996), the Fund was established pursuant to a Declaration of Trust May 9, 2003. Results prior to that date represent composite results. The returns were audited by Deloitte Touche LLP for the period January 1, 1996 through December 31, 2002.
- The Canadian Performance Equity Fund assets at September 30, 2008 were \$73.9 Million, which represented 14.2% of the firm's total assets, including assets that Hillsdale manages through subadvisory relationships. Fees are paid by all unitholders of the Fund. Returns are calculated in Canadian dollars. Hillsdale Investment Management Inc. has prepared and presented these returns using a time weighted rate of return methodology. The Fund has been audited by Deloitte & Touche LLP for the period ended November 30, 2003 and for the years ended November 30, 2004 to 2007.
- Total AUM includes the Fund and other assets managed using the same or similar strategies. Returns presented are for the Fund only.
- Benchmark used for the fund is the TSE 200 from inception to December 2002, at which point it changed to the S&P/TSX SC TRI due to the discontinuance of the TSE 200 index.