



Fund Objective

The investment objective of the strategy is to provide a non-correlated rate of return on capital in excess of Canadian T-bills over a three-year period with volatility equal to or less than that of long-term bonds.

The Fund invests in a diversified selection of at least 100 corporations and trusts trading on major stock exchanges with at least CAD\$100 million market capitalization at the time of purchase or short sale. No equity holding of a single corporation or trust trading on a major stock exchange, either through direct holdings or indirectly through an investment in another investment fund, will exceed 3% of its Total Assets.

The aggregate investment in corporations or trusts in any one country will not exceed 60% of Total Assets. The Fund may use derivative instruments, in order to protect against losses from changes in market indices and for non-hedging purposes as a substitute for direct investment. Leverage is limited to a maximum of two times the Fund's Net Asset Value. The Net Market Exposure of the Fund remains between -20% and +20% at all times.

Inception Date

May 2000

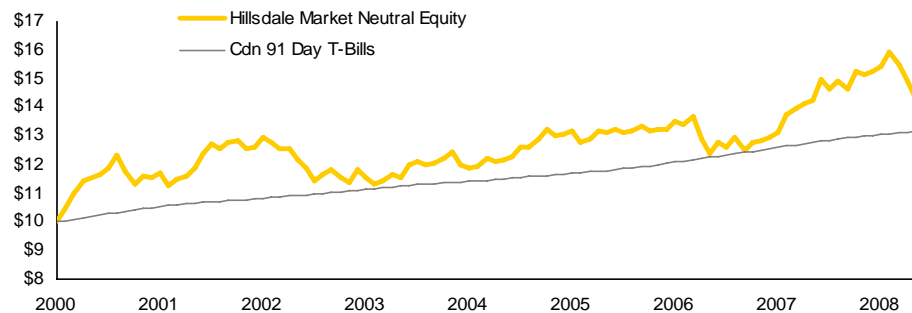
Hillsdale Market Neutral Equity

as at September 30, 2008

Monthly Net Returns ¹

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Cdn 91 Day T-Bills
2000						4.9%	4.7%	4.2%	0.8%	0.8%	2.1%	4.0%	23.5%	3.3%
2001	-4.6%	-3.8%	2.4%	-0.5%	1.4%	-3.7%	1.6%	1.2%	2.5%	4.4%	2.3%	-1.1%	1.8%	3.8%
2002	1.8%	0.5%	-2.1%	0.4%	2.5%	-1.2%	-1.8%	-0.1%	-3.3%	-2.4%	-3.5%	1.7%	-7.4%	2.6%
2003	1.4%	-2.0%	-1.5%	3.9%	-2.1%	-2.1%	0.7%	2.0%	-0.6%	3.5%	1.2%	-1.0%	3.1%	2.9%
2004	0.5%	1.4%	1.8%	-3.8%	-0.8%	0.7%	2.1%	-0.8%	0.3%	0.9%	2.7%	0.3%	5.2%	2.2%
2005	2.1%	2.4%	-1.6%	0.5%	0.6%	-2.8%	0.7%	2.5%	-0.5%	0.8%	-1.0%	0.6%	4.3%	2.8%
2006	1.2%	-1.4%	0.5%	0.0%	2.4%	-1.1%	2.0%	-5.6%	-4.0%	3.2%	-1.2%	2.6%	-1.7%	4.1%
2007	-3.5%	2.2%	0.6%	1.0%	1.2%	4.6%	1.5%	1.5%	0.7%	5.0%	-2.0%	1.9%	15.3%	4.2%
2008	-2.0%	4.1%	-0.6%	0.7%	1.2%	3.1%	-2.8%	-3.7%	-4.0%				-4.2%	1.9%

Track Record



5D Investment Metrics

Returns ^{1,3}	Hillsdale	Cdn 91 Day T-Bills
1 Month	-4.0%	0.2%
3 Month	-10.1%	0.6%
6 Month	-5.6%	1.2%
1 Year	0.4%	2.9%
2 Year (annualized)	7.5%	3.6%
3 Year (annualized)	2.9%	3.7%
4 Year (annualized)	4.2%	3.4%
5 Year (annualized)	4.3%	3.2%
Incept. (annualized) ²	4.0%	3.3%

Risk (Annualized Volatility)	Hillsdale	Cdn 91 Day T-Bills
3 Year	8.8%	0.2%
5 Year	7.8%	0.2%
Since Inception	8.2%	0.3%

Correlation (vs TSX)	Hillsdale	Cdn 91 Day T-Bills
3 Year	38.3%	
5 Year	36.0%	
Since Inception	30.6%	

Maximum Drawdown	Hillsdale	Cdn 91 Day T-Bills
Period	May 02 - Jun 03	N/A
Draw down	-12.6%	0.0%

Time Underwater	Hillsdale	Cdn 91 Day T-Bills
Period	May 02 - Jan 05	N/A
Quarters	11	0

Other Fund Metrics

Alpha (monthly)	Hillsdale
3 Year	0.16%
5 Year	0.16%
Since Inception	0.28%

Beta (vs TSX)	Hillsdale
3 Year	0.23
5 Year	0.22
Since Inception	0.17

Long/Short Exposure	Hillsdale
\$ Long	\$0.91
\$ Short	\$0.97
% Long	48.4%
% Short	51.6%

NAV Per Unit	Hillsdale
Class A	\$13.98

Assets Under Management ³	Hillsdale
AUM(\$ Millions)	\$7.3

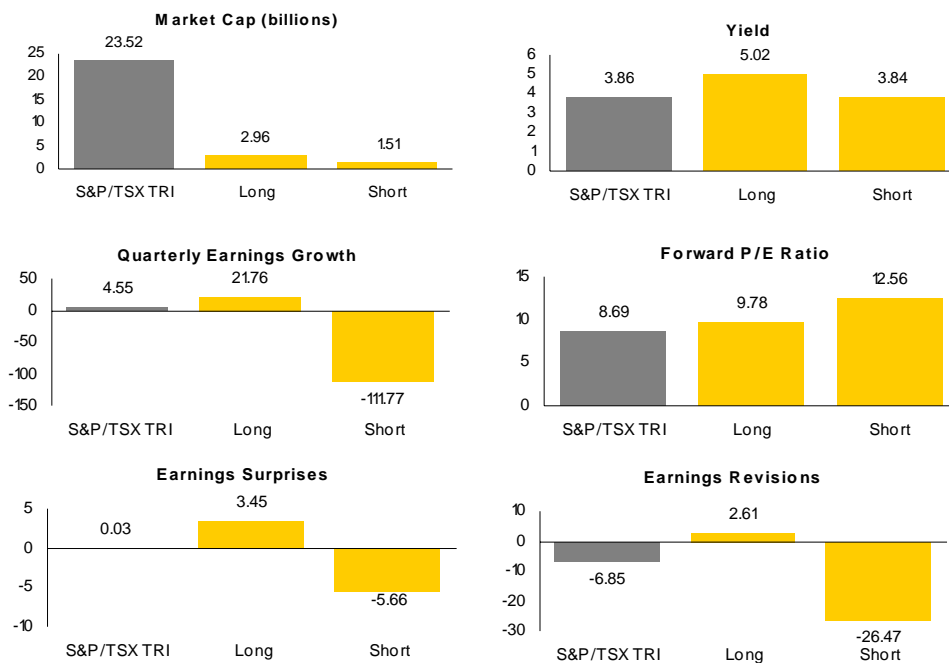
Hillsdale Market Neutral Equity

as at September 30, 2008

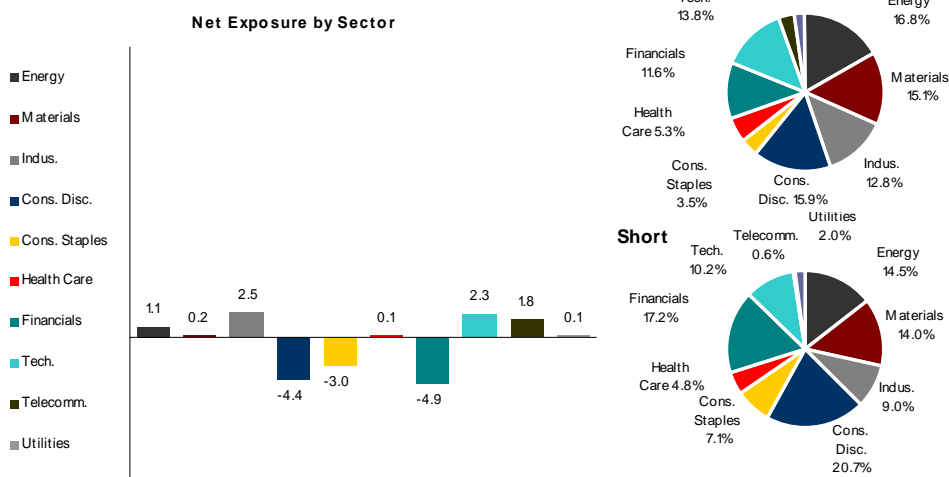


HILLSDALE
INVESTMENT MANAGEMENT INC.

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.

Hillsdale Investment Management Inc.

- 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 Fund (May 1, 2000).
- The Market Neutral Equity Fund assets at September 30, 2008 were \$7.3 Million, which represented 14% of the firm's total assets, including assets that Hillsdale manages through subadvisory relationships. Fees are paid by all unitholders of the Fund. Leverage may be employed up to a maximum of two times the Fund's net assets. 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 annually by Deloitte & Touche LLP for the years ended November 30, 2001 to 2007.