



HILLSDALE
INVESTMENT MANAGEMENT INC.

Hillsdale Investment Management Inc.

Fund Objective

The investment objective of the Fund is to provide Unitholders with a rate of return in excess of traditional balanced funds with a low correlation to equities and a very low correlation to bonds.

The Fund invests a minimum of 80% of its assets in other investment funds managed by Hillsdale, up to a maximum of 30% per fund. Such investments will be in classes of units of the funds that do not bear any management, performance, sales or redemption fees.

By purchasing units in the Fund, Unitholders can obtain the benefits of the diversification of a portfolio of funds that are not correlated with one another, and the benefits of tactical asset allocation, without the necessity of actively managing the mix of investments themselves or investing in a number of different investment funds each with their own minimum investment requirements.

Inception Date

August 2000

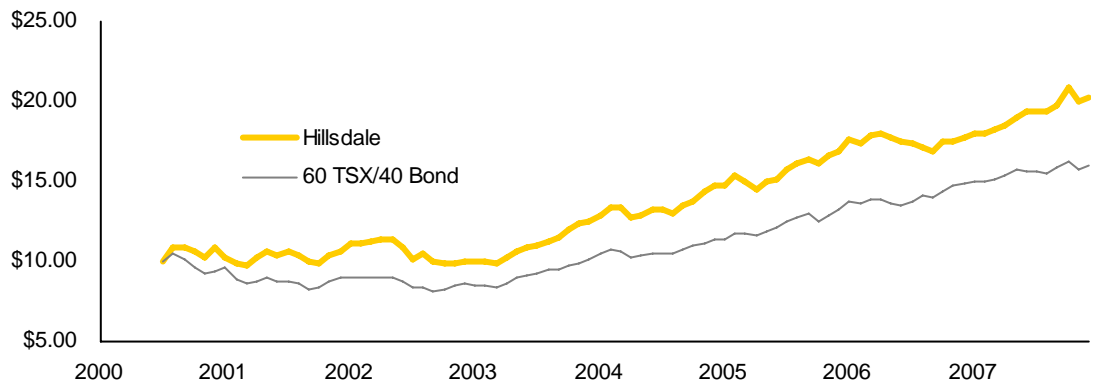
Hillsdale Suite *Pro Forma*

as at December 31, 2007

Monthly Net Returns ¹

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	60 TSX/40 Bond
2000								9.1%	0.1%	-2.6%	-4.0%	6.6%	8.8%	-6.5%
2001	-5.8%	-3.6%	-0.7%	4.4%	4.1%	-2.1%	1.6%	-2.1%	-3.7%	-15%	5.0%	3.0%	-2.2%	-4.2%
2002	4.1%	0.8%	0.3%	13%	0.5%	-4.3%	-7.5%	3.9%	-5.2%	-0.4%	-0.8%	1.1%	-6.6%	-4.2%
2003	0.8%	-0.8%	-0.2%	2.9%	4.4%	1.9%	1.6%	1.6%	2.3%	5.2%	2.5%	1.5%	26.1%	18.4%
2004	3.1%	3.6%	0.1%	-4.6%	1.0%	2.4%	0.0%	-2.1%	4.6%	1.1%	5.0%	2.7%	17.8%	11.6%
2005	0.1%	3.9%	-2.4%	-3.0%	3.0%	1.2%	4.3%	2.4%	1.2%	-1.2%	3.0%	1.3%	14.4%	16.9%
2006	4.3%	-1.4%	2.9%	0.9%	-1.3%	-1.7%	-0.6%	-1.7%	-1.5%	3.7%	0.2%	1.7%	5.4%	12.0%
2007	0.8%	0.5%	1.5%	1.3%	2.6%	2.1%	0.1%	-0.4%	2.2%	5.5%	-4.4%	1.5%	13.8%	7.5%

Track Record



5D Investment Metrics

Returns ^{1,3}	Hillsdale	60 TSX/40 Bond
1 Month	1.5%	1.0%
3 Month	2.4%	0.4%
6 Month	4.3%	2.3%
1 Year	13.8%	7.5%
2 Year (annualized)	9.5%	9.7%
3 Year (annualized)	11.1%	12.1%
4 Year (annualized)	12.7%	11.9%
5 Year (annualized)	15.3%	13.2%
Incept. (annualized) ¹	9.9%	6.4%

Risk (Annualized Volatility)	Hillsdale	60 TSX/40 Bond
3 Year	7.8%	6.3%
5 Year	7.9%	6.1%
Since Inception	10.2%	8.3%

Correlation	Hillsdale	60 TSX/40 Bond
3 Year	76.9%	
5 Year	76.0%	
Since Inception	71.4%	

Maximum Drawdown	Hillsdale	60 TSX/40 Bond
Period	Jun 02 - Nov 02	Sep 00 - Sep 02
Draw down	-13.8%	-22.8%

Time Underwater	Hillsdale	60 TSX/40 Bond
Period	Oct 00 - Dec 01	Sep 00 - Jan 04
Quarters	5	14

Other Metrics

Alpha (monthly)	Hillsdale
3 Year	-0.01%
5 Year	0.18%
Since Inception	0.35%

Beta	Hillsdale
3 Year	0.94
5 Year	0.98
Since Inception	0.88

Pro Forma Results

The above returns are hypothetical returns for the period from August 2000 to December 2007; assuming an equal investment of 20% in each of the five underlying funds, rebalanced monthly. Returns are after management fees of 2% per annum and performance fees of 20% per annum, subject to a high water mark and hurdle rate.

(see footnote 1 for further details)



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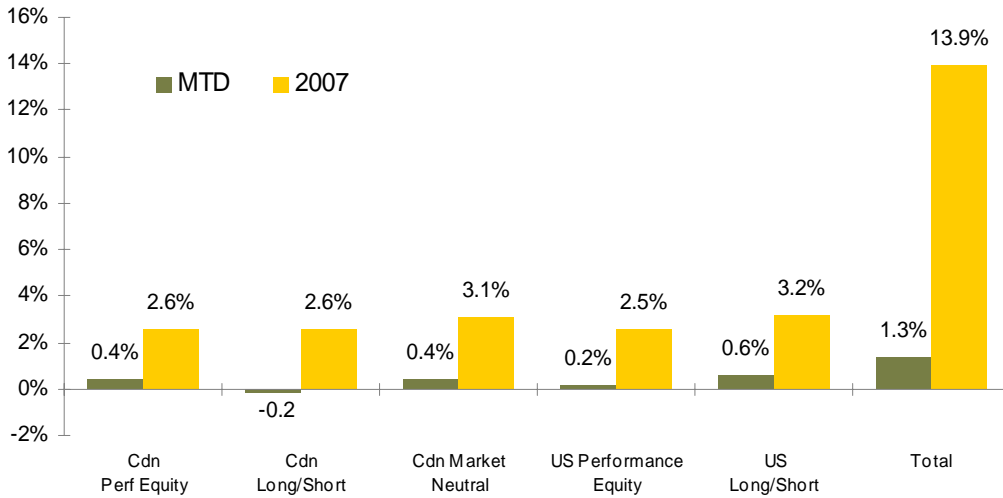
Hillsdale Investment Management Inc.

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.

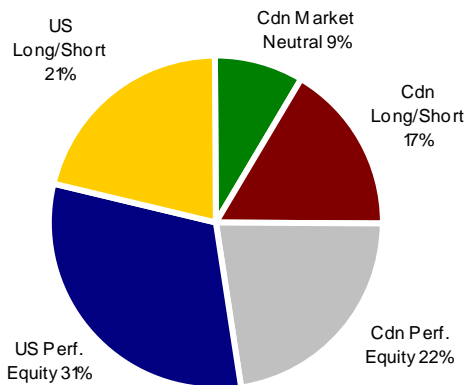
Hillsdale's product line is purposely designed to complement core/index products by focusing on distinct ranges of risk and return not correlated with the majority of equity products offered for sale in Canada. Hillsdale offers its funds on a branded and a co-branded basis and sells to both the private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

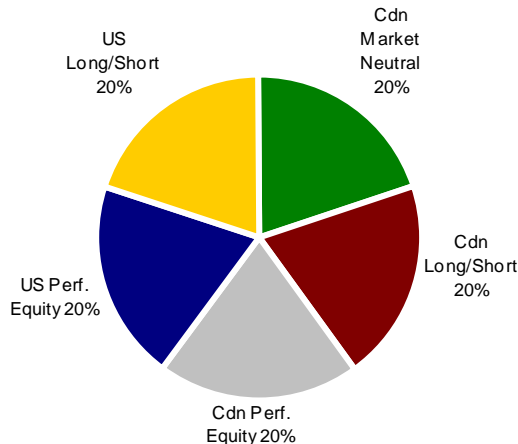
Contribution to Net Return



Contribution to Risk



Asset Allocation



Contact Information

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1. Strategy returns presented are a blended composite of the weighted actual gross returns of the Hillsdale Canadian Performance Equity Fund (20%), Hillsdale US Performance Equity Fund (20%), Hillsdale Canadian Market Neutral Equity Fund (20%), Hillsdale Canadian Long/Short Equity Fund (20%) and the Hillsdale US Long/Short Equity Fund (20%), net of all trading related costs and commissions, rebalanced monthly to 20%. The composite gross return has been reduced by monthly management fees of 2% and monthly performance fees of 20%. Performance fees are subject to a highwater mark and a hurdle rate. The hurdle rate is a combination of 60% of the S&P TSX Composite Total Return Index and 40% of the Scotia Capital Universe Bond Index (the Dex Bond Universe Index, effective November 2007). Returns are calculated in Canadian dollars. The returns have been prepared and presented using a time weighted rate of return methodology. Past performance, hypothetical or otherwise, is not predictive of future returns.

2. Each of the underlying funds have been audited annually by Deloitte & Touche LLP. Offering memorandums and financial statements for each fund are available upon request.