HILLSDALE

PRESS RELEASE

Hillsdale Launches Two Hedge Funds Targeted to Canadian Institutions – Receives $38 Million Seeding

Toronto, ON, November 8, 2001 — Hillsdale Investment Management is pleased to announce the launch and seeding of the institutional class of two of its funds: the Hillsdale Canadian Market Neutral Equity Fund and the Hillsdale Canadian Aggressive Hedged Equity Fund. Based on Hillsdale's six years of experience in equity hedge management, these funds are designed to offer protection during declining markets, low correlation to traditional asset classes; and to qualify as domestic content for Canadian registered pension plans.

After seeding of $38 million by a major Canadian institution, the funds' initial offering will be limited to $150 million and is expected to be completed by early 2002. The two institutional class hedge funds join Hillsdale's "A" class funds launched in 2000 and currently available to investment advisors through the FundServ network.

The Hillsdale Canadian Market Neutral Equity Fund is an "absolute return strategy" targeting annual returns of 8-12% with no exposure to market direction. The Hillsdale Canadian Aggressive Hedged Equity Fund is a "long-short equity strategy' targeting returns in excess of the TSE 300 with exposure to approximately one-half of the market's direction.

"Both funds are designed with stringent risk budgets", says Chris Guthrie, President of Hillsdale Investment Management Inc. They feature a full-time commitment to short selling as well as investment restrictions on the use of leverage, number of positions, size of positions and minimum market capitalization which are outlined in the offering documents. "At Hillsdale, commitment to risk control is the most important part of managing hedge funds".

In addition, the funds feature daily valuation performed by TD Bank, Prime Brokerage services provided by BMO Nesbitt Burns and Trusteeship by Canada Trust. Deloitte and Touche have been appointed as auditors. Liquidity is available on 90-days notice and transparency is provided as per client requirements.

Hillsdale products are managed on a proprietary investment platform that uses a dynamic, fundamental based, multi-factor approach to stock selection and portfolio construction. Arun Kaul, CFA, principal of Hillsdale and Pierre Raymond, MA, Associate Portfolio Manager, manage both the Hillsdale Canadian Market Neutral and the Hillsdale Aggressive Hedged funds.

Hillsdale Investment Management Inc. is a Canadian leader in alternative investment management strategies and offers one of the most sophisticated and disciplined equity management approaches available in Canada. Hillsdale offers its funds on a branded and a co-branded basis and sells to both the institutional and private client markets in Canada, the US and globally to offshore investors. The firm, founded in 1996, is majority owned by its employees and is registered with the Ontario Securities Commission as an Investment Counsel, Portfolio Manager and a Limited Market Dealer and is a member of the Investment Counsel Association of Canada and the Association of Canadian Pension Management.

For more information, please visit www.hillsdaleinv.com or contact:

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