

# NORTHWATER

**Northwater Five-Year Market-Neutral Trust**  
**Summary of Investment Portfolio as at March 31, 2009**  
(Unaudited)

Financial Highlights (in CDN\$)	
Net asset value	\$ 26,475,740
Number of units outstanding	2,263,500
Net asset value per unit	\$ 11.70

### Summary of Investment Portfolio <sup>(1)(2)</sup>

The following table presents information regarding the Hedge Fund Portfolio to which the Trust has exposure through a forward purchase and sale agreement ("the Forward") as at March 31, 2009. The multi-strategy funds have not been allocated to any of the underlying hedge fund strategies set out in this table.

Strategy	Asset allocation by hedge fund strategy			Largest individual hedge fund holding as a percentage of Net Assets of the Trust
	No. of Hedge Funds	Fair Value (in USD)		
Asset-backed securities arbitrage	2	\$ 1,677,983	11%	7.27%
Distressed securities	3	2,571,522	17%	7.13%
Fixed-income arbitrage	3	2,088,762	14%	5.74%
Mortgage-backed security	3	2,819,347	18%	7.66%
Multi-strategy	6	4,165,011	27%	4.63%
Re-insurance	1	234,029	2%	1.11%
Statistical arbitrage	3	106,651	1%	0.20%
Structured finance	2	1,553,083	10%	7.38%
	23	\$ 15,216,388	100%	41.12%

The following table lists the largest 23 hedge funds by fair value to which the Trust has exposure through a forward purchase and sale agreement ("the Forward") as at March 31, 2009. The Trust will disclose the names of those hedge funds to which it has exposure that represent more than 5% of the net assets of the Trust at period-end. For hedge funds that represent less than 5% of the Trust's net assets, the Trust has adopted unique fund numbers as identifiers. These numbers are used consistently in the Trust's reporting.

Top 23 Investments	Type of Investment	Cost (in USD)	Fair Value (in USD)	Percentage of Net Assets of the Trust
Sorin Offshore Fund, Ltd*	Participating shares	\$1,620,000	\$ 1,612,894	7.66%
BDC Offshore Fund Ltd*	Participating shares	1,400,000	1,553,077	7.38%
CRC Global Structured Credit Fund, Ltd.*	Participating shares	1,200,000	1,530,332	7.27%
Cerberus International, Ltd*	Participating shares	1,112,918	1,500,718	7.13%
Platinum Grove Contingent Capital Offshore Fund, Ltd*	Participating shares	2,400,000	1,207,426	5.74%
Fund 101*	Participating shares	1,526,762	973,841	4.63%
Fund 121**	Participating shares	922,240	923,232	4.39%
Fund 130*	Participating shares	931,520	878,604	4.18%
Fund 183*	Participating shares	801,562	771,025	3.66%
Fund 208*	Participating shares	823,340	696,519	3.31%
Fund 140*	Participating shares	940,621	664,361	3.16%
Fund 103*	Participating shares	1,170,077	612,565	2.91%
Fund 190*	Participating shares	700,000	593,888	2.82%
Fund 212*	Participating shares	-	374,286	1.78%
Fund 118*	Participating shares	298,844	347,210	1.65%
Fund 146*	Participating shares	465,440	271,100	1.29%
Fund 195*	Participating shares	187,255	234,029	1.11%
Fund 191*	Participating shares	830,198	216,976	1.03%
Fund 171*	Participating shares	166,669	147,650	0.70%
Fund 104*	Participating shares	52,151	41,987	0.20%
Fund 226*	Participating shares	49,894	38,018	0.18%
Fund 211*	Participating shares	33,964	26,646	0.13%
Fund 187*	Participating shares	700,000	5.13	0.00%

\* held by other investment funds managed or advised by Northwater Fund Management Inc.

The Trust also has holdings in the following common shares as at March 31, 2009. The Trust does not have economic exposure to these holdings as these common shares have been sold forward by the Trust for a price based on the return of a portfolio of hedge funds.

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<b>Share Investments</b>	<b>Type of Investment</b>	<b>Percentage of Net Assets of the Trust</b>
Agnico-Eagle Mines	Common shares	7.44%
Agrium Inc	Common shares	7.10%
Alamos Gold Inc.	Common shares	4.16%
Barrick Gold Corp	Common Shares	6.97%
CGI Group Inc	Common shares	8.65%
Gildan Activewear Inc	Common shares	1.30%
Imperial Oil Ltd	Common shares	7.75%
MacDonald Dettwiler & Associates	Common shares	4.62%
Metro Inc –A	Common shares	6.96%
Research In Motion Ltd	Common shares	5.88%
Sino-Forest Corp	Common shares	6.06%
Suncor Energy Inc	Common shares	6.14%
Westjet	Common Shares	5.10%

- (1) The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Trust. There are no non-arm's length relationships between the Trust or Northwater Fund Management Inc. and any of the hedge funds for which the Trust has exposure. On a quarterly basis, an updated listing of holdings will be available.
- (2) At March 31, 2009 the Trust held cash and short-term investments of \$7,512,488.