



Rivemont MicroCap Fund

March 2023

Investing today in the large companies of tomorrow



Explanatory Notes

Future results will differ from past results. Units of the Rivemont MicroCap Fund are available under exemptions from the prospectus requirements, pursuant to National Instrument 45-106 Prospectus and Registration Exemptions, and are available only to qualified investors. This document is not a recommendation nor an investment advice and is presented for informational purposes only.



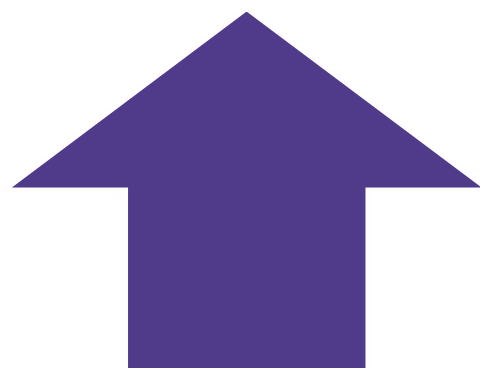
Definition

Microcap

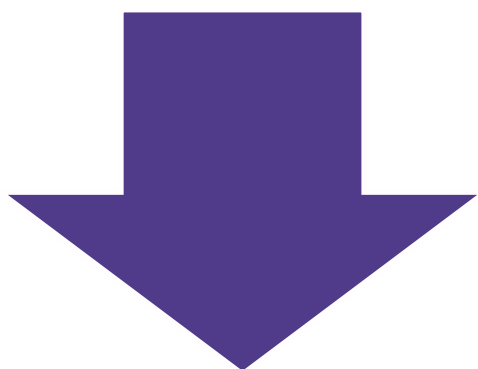
A public company with a market cap of less than \$300 million.



Why Microcaps

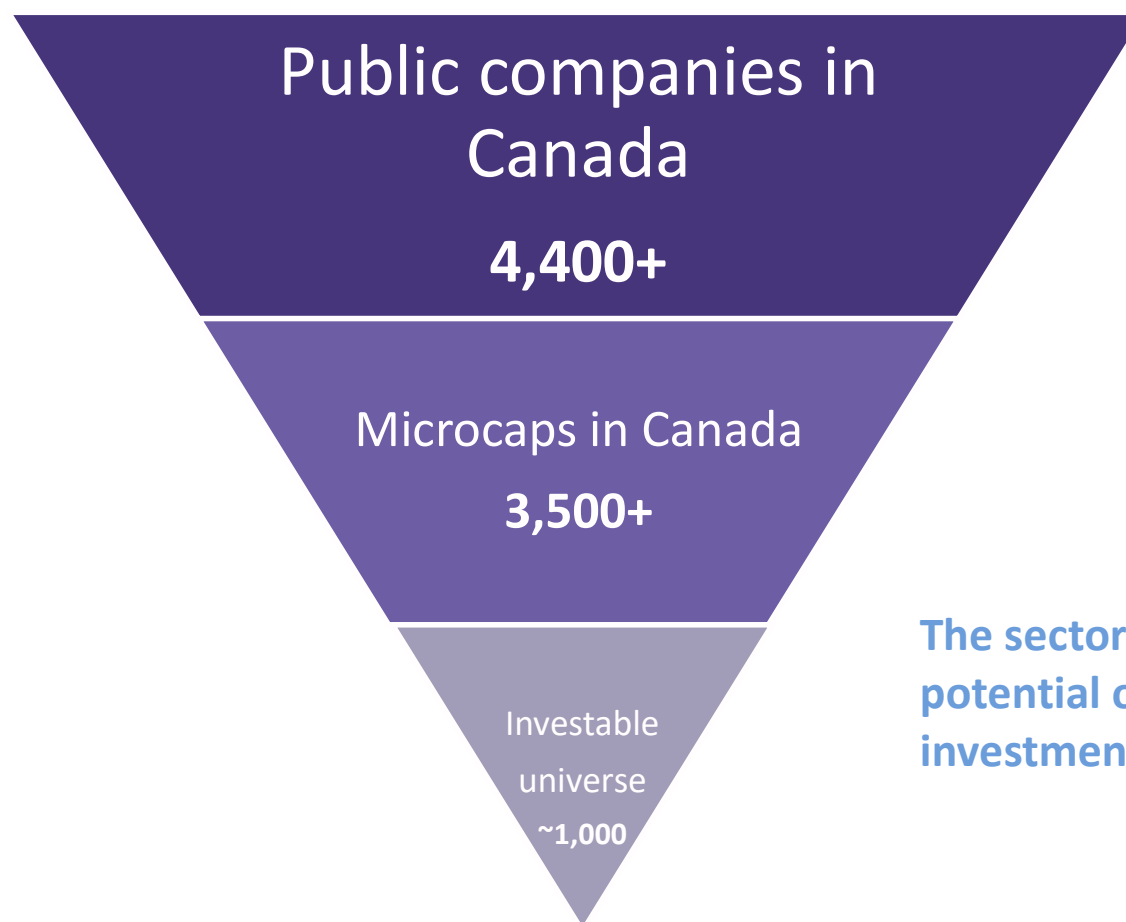


Higher return
potential



Decrease in portfolio
risk (diversification)

Microcap Sector: The Perfect Hunting Ground



The sector presents a large pool of potential opportunities where few investment professionals are looking.

RIVEMONT



THE FIRM

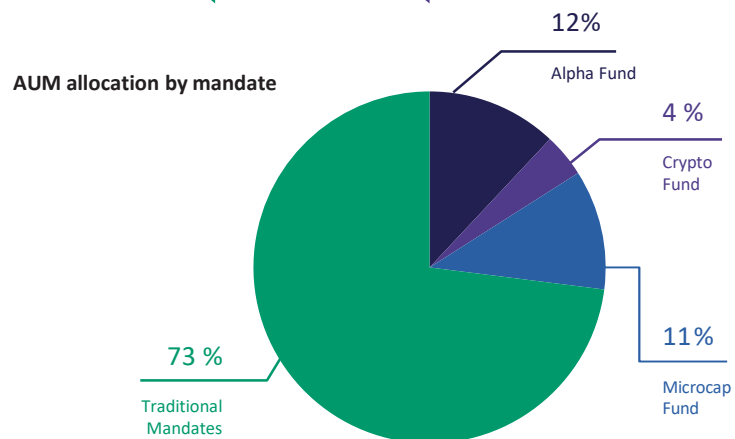
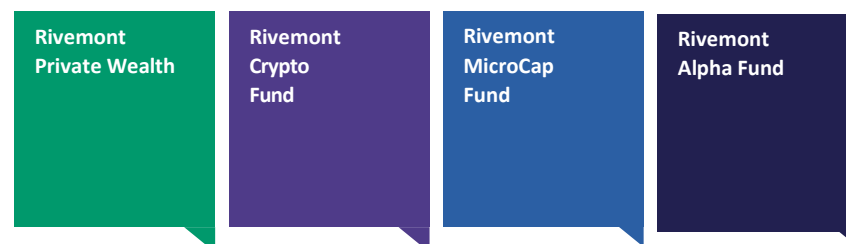
Rivemont Investments

Rivemont Investments is a Quebec-based firm founded in 2010 and duly registered with the « *Autorité des marchés financiers* » in Québec and the securities commissions of Alberta, British-Columbia, New-Brunswick, Manitoba, Ontario and Saskatchewan.

At Rivemont, our objective is to grow the portfolios of our clients by offering performing strategies in all market conditions. To that end, we manage the Rivemont MicroCap Fund that improves the risk/return profile of diversified portfolios.

- President and Founder: Martin Lalonde, CFA, MBA
- Firm assets: \$103 million

Our product offering





Our Team



Martin Lalonde

MBA, CFA

President and
Portfolio Manager



Valérie Marquis

Client Servicing and
Business
Development



Mathieu Martin

CFA

Portfolio Manager



Philippe Lapointe

Equity Research
Analyst



MicroCap Investment Team



Mathieu Martin

CFA
Portfolio Manager

- 8+ years of experience in the microcap sector.
- Chartered Financial Analyst (CFA) charterholder.
- President of Espace MicroCaps, a blog (www.espacemc.com) and forum established as the premier source for microcap investing in Canada since 2014.
- Most of his personal net worth is invested in the Rivemont MicroCap Fund.



Philippe Lapointe

Analyst

- Bachelor of Commerce from McGill University.
- Previously was a commodity trader in the energy sector, specialized in electricity and natural gas.
- Most of his personal net worth is invested in the Rivemont MicroCap Fund.

RIVEMONT

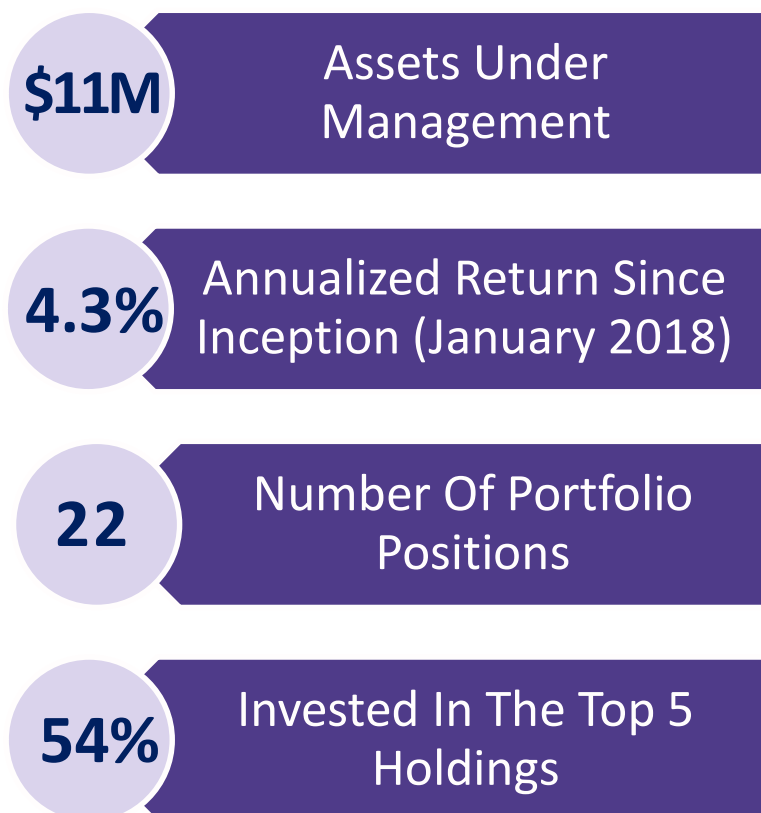


THE FUND



Fund Snapshot

At February 28th, 2023



Sector Allocation:

Consumer Discretionary	1.5%
Consumer Staples	9.7%
Energy	0.0%
Financials	2.2%
Healthcare	20.2%
Industrials	0.6%
Information Technology	53.9%
Materials	0.0%
Real Estate	0.0%
Telecommunication Services	0.0%
Utilities	0.0%
Cash	8.7%



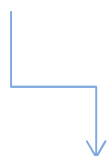
The Goal

To invest early in small, **undiscovered** companies that exhibit **strong fundamentals** and that are led by outstanding **management teams**.



The Discovery Cycle of Microcap Companies

Our goal is to invest as early as possible in the discovery cycle



No man's land

- ✓ Typically below \$100 million in market cap
- ✓ Low trading volume
- ✓ Few institutional investors and analysts
- ✓ Difficult to raise growth capital

Increasing awareness

- ✓ Companies that execute get rewarded with a higher valuation
- ✓ Trading volume improves
- ✓ Analysts begin to cover the company
- ✓ Small institutional investors begin to buy the stock
- ✓ Raising capital becomes easier

Full Discovery

- ✓ Valuation multiples expand
- ✓ Stock price increases rapidly
- ✓ Trading volume improves dramatically
- ✓ Analysts from all major brokerage firms cover the company
- ✓ The stock becomes a must-own for smallcap institutional investors
- ✓ Multiple options to raise capital at attractive terms



Strong Fundamentals

Financial results

Proven business model

Company and industry growth

Profitability

Healthy balance sheet

Competitive advantages

Intangible assets

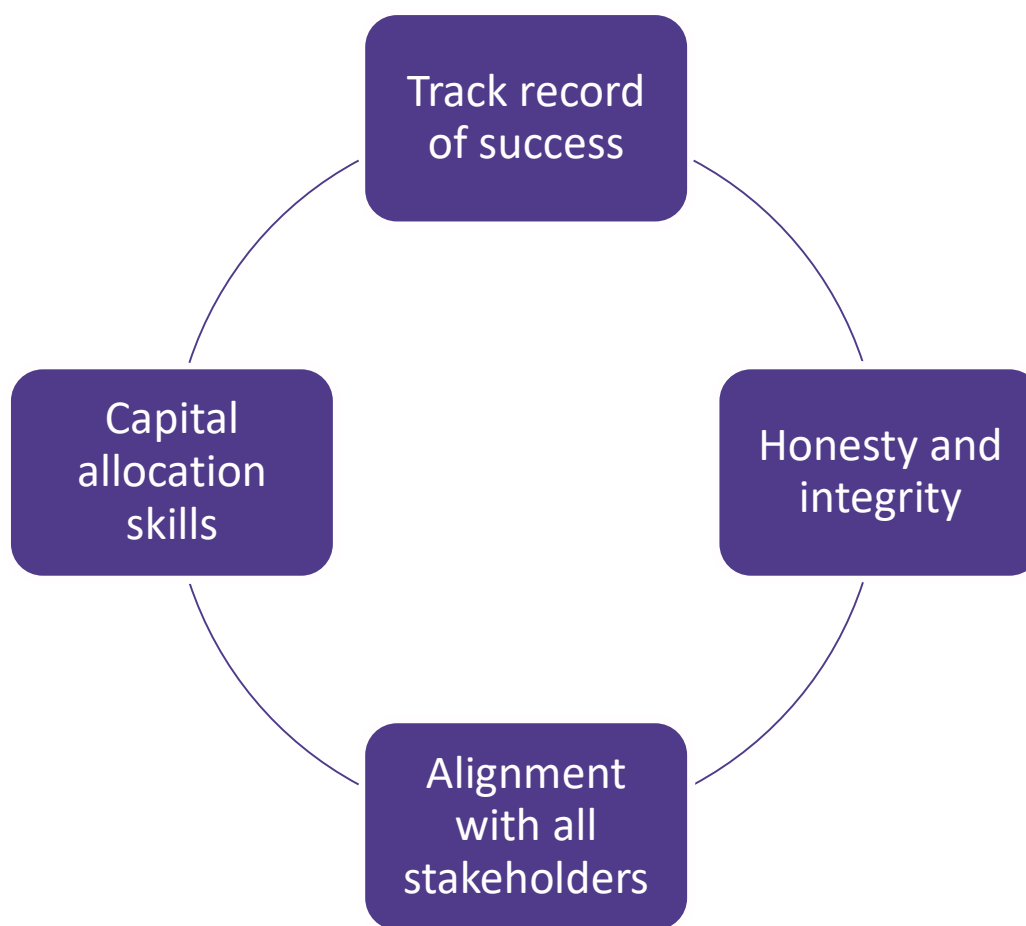
Switching costs

Network effects

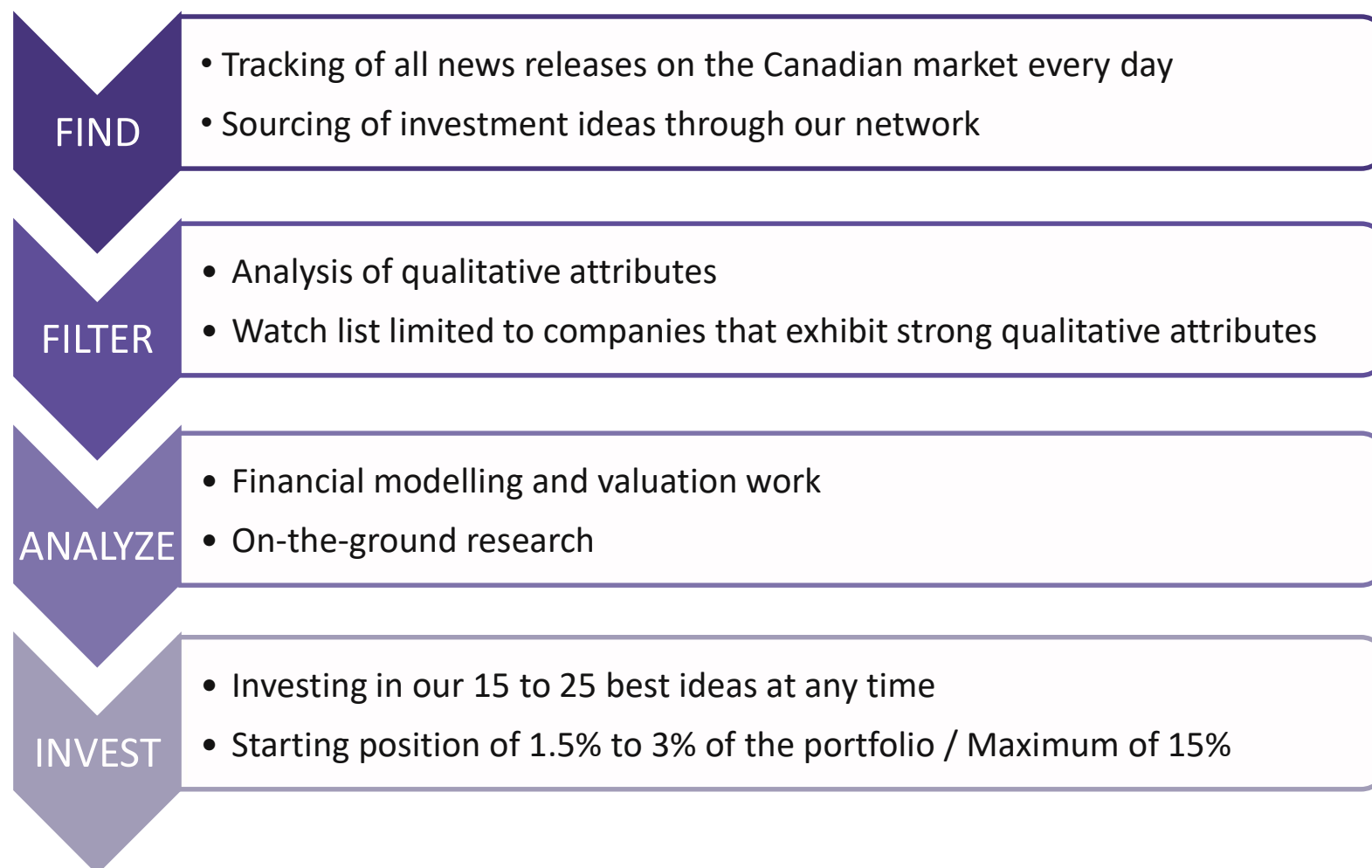
Cost advantages



Outstanding Management Team

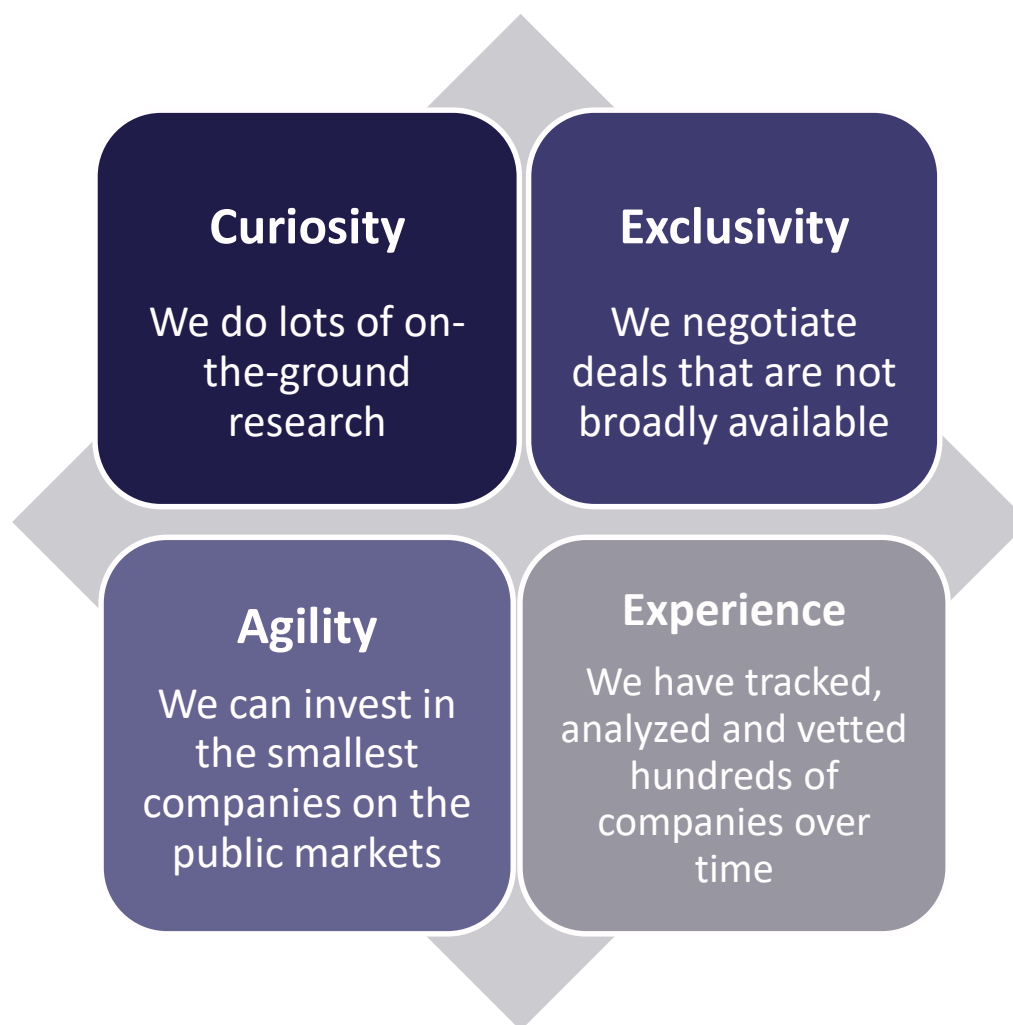


Due Diligence Process





Our Core Strengths



Success Stories



Xebec Adsorption (TSX-V: XBC)

- From \$0.70 to \$8.92*
- 1,174% return in 34 months



Kraken Robotics (TSX-V: PNG)

- From \$0.17 to \$1.15*
- 576% return in 36 months

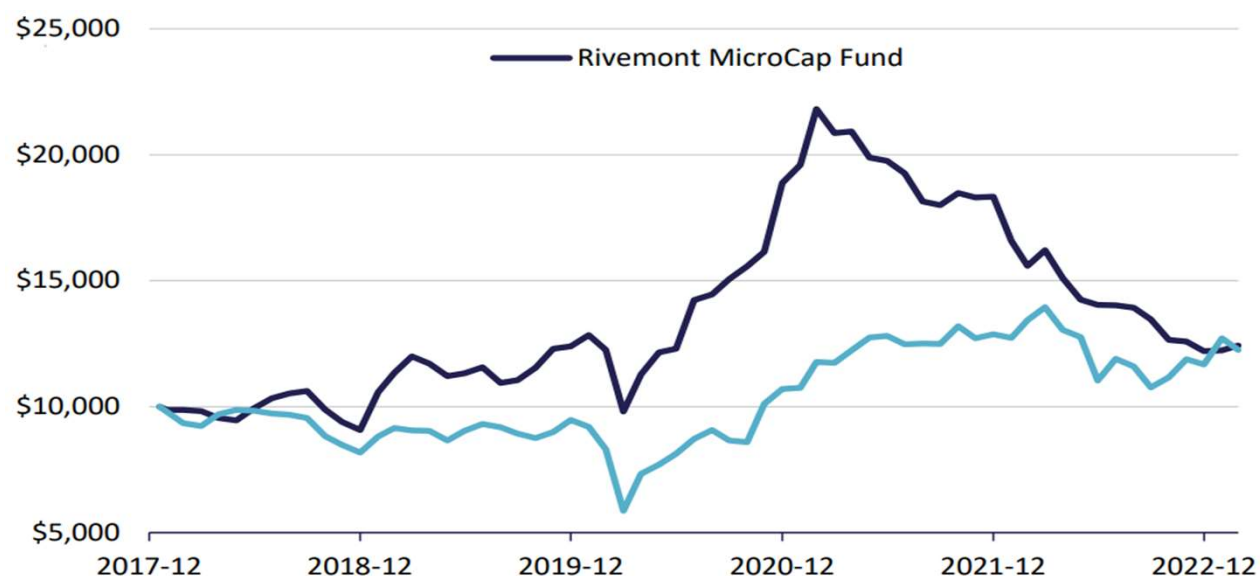


MediaValet (TSX-V: MVP)

- From \$0.41 to \$2.92*
- 612% return in 27 months

** Our initial cost basis to the highest price we have sold shares.*

Historical Performance – At February 28th, 2023



Annualized returns	1 mo.	3 mos.	6 mos.	YTD	1 yr	2 yrs	3 yrs	Inception
Rivemont MicroCap Fund	1.5	-1.2	-10.7	1.8	-20.3	-24.5	0.5	4.3
Benchmark	-3.6	3.0	5.7	4.9	-8.8	2.0	13.9	4.0
Annual returns	2018	2019	2020	2021	2022	2023		
Rivemont MicroCap Fund	-9.3	36.5	52.4	-2.9	-33.4	1.8		
Benchmark	-18.2	15.8	12.9	20.3	-9.3	4.9		

Explanatory notes: Returns are net of all fees (management, custody and commissions) and in Canadian dollars. Returns are those of the Rivemont MicroCap Fund Class A. The benchmark is the S&P/TSX Smallcap Index. Future investment results will differ from past results.

Management Fees

Annual rate	CLASS A \$100k - \$1M	CLASS B \$1M and more
Fixed fee	1.75%	1.50%
Performance fee*	20%	20%
High water mark	Yes	Yes

* Applied on returns in excess of 7%, net of fixed fees.

** Another class is also available for institutional investors.



Contact us:

Mathieu Martin

Portfolio Manager

819-246-8800

mathieu.martin@rivemont.ca

Valérie Marquis

Client Servicing and Business Development

819-246-8800

valerie.marquis@rivemont.ca

Appendix A

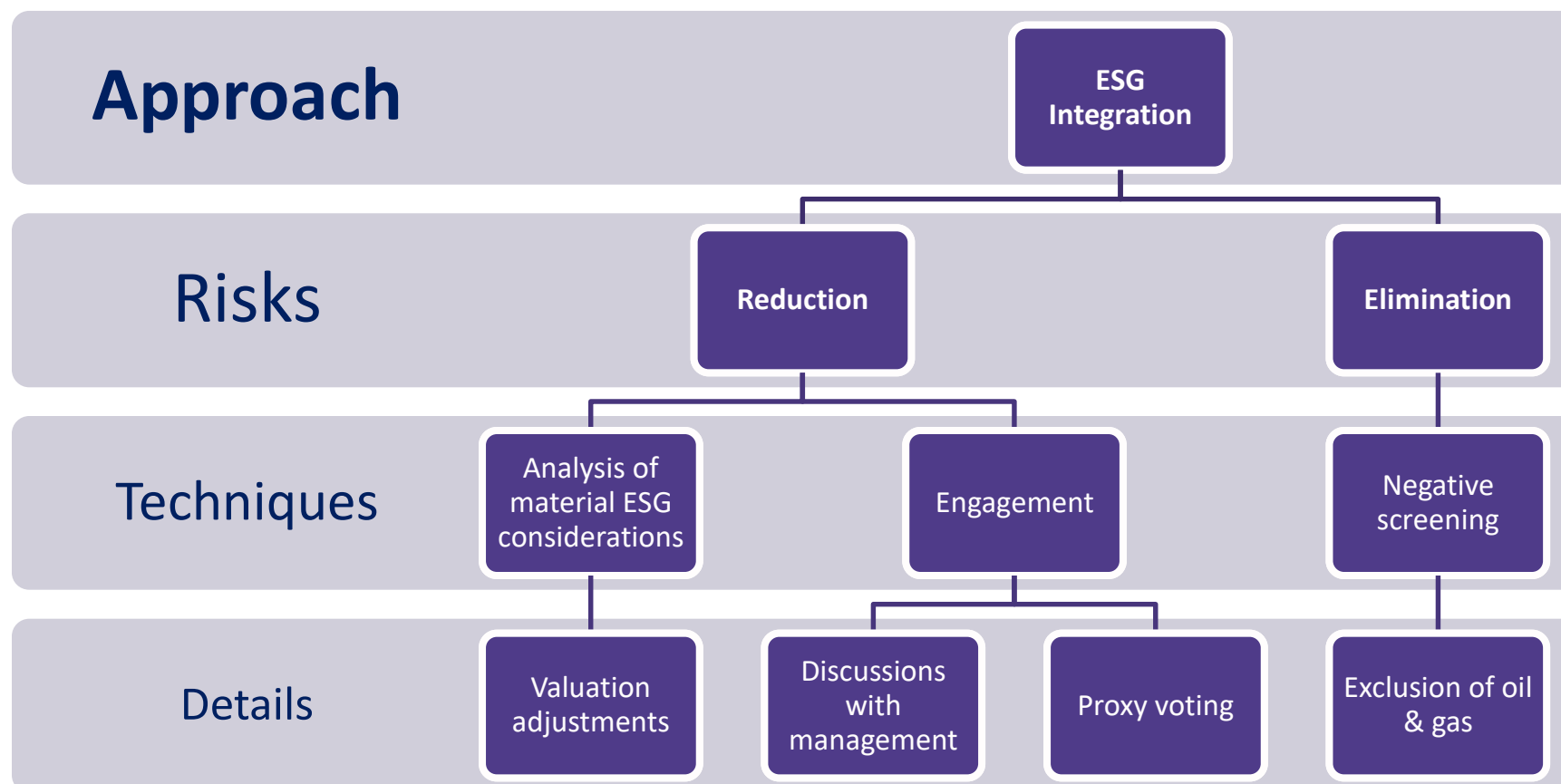
Structure and Stakeholders

Structure	Mutual Fund Trust	Administrator	SGGG Fund Services
Units	Private placements, accredited investors only	Registrar	SGGG Fund Services
Investment Fund Manager	Majestic Asset Management	Prime Brokers	NBCN, Interactive Brokers Canada Inc.
Investment Advisor	Rivemont Investments Inc.	Auditor	KPMG
Eligible for RRSP and TFSA	Yes	Legal Documents	Fasken Martineau
Valuation/subscriptions/redemptions	Weekly	Trustee	Equity Financial Trust Company
High Water Mark	Yes		



Appendix B

Responsible Investing



Appendix C

Diversification Benefits

Microcaps are not perfectly correlated with other asset classes, notably large caps.

Adding microcaps to a diversified portfolio can provide two important benefits:

- An **increase** in potential returns
- A **decrease** in volatility (risk)

Adding a microcap allocation to a portfolio of stocks and bonds, 25 years ending 12/31/2003				
Allocation			Annualized Return	Standard Deviation
Stocks	Bonds	Microcaps		
60	40	0	7,7%	13,3%
55	40	5	8,2%	12,7%
50	40	10	8,7%	11,6%
45	40	15	9,2%	10,6%
40	40	20	9,6%	9,9%
35	40	25	10,2%	9,3%
30	40	30	10,6%	9,0%
25	40	35	10,9%	8,8%
20	40	40	11,1%	8,6%
15	40	45	11,2%	8,9%

Stocks: S&P 500, Bonds: Lehman Government Corporation, Microcaps: Dow Jones Wilshire US Micro-Cap

Source: Richard Imperiale, The Micro Cap Investor