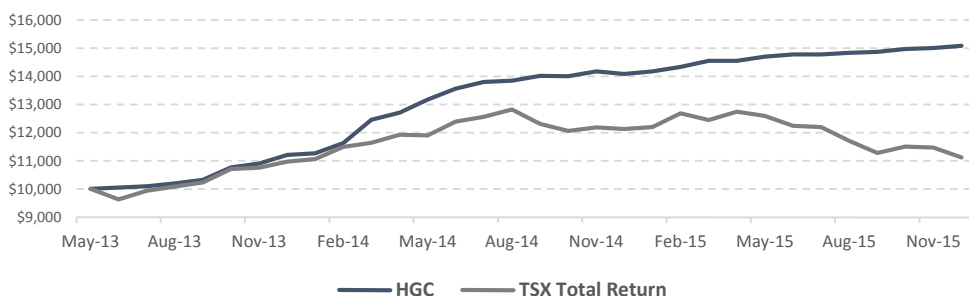


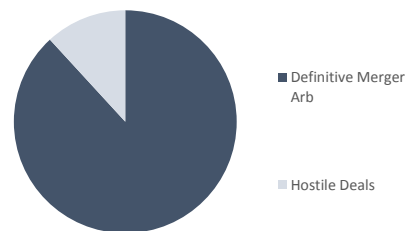
The HGC Arbitrage Fund LP (the "Fund") is a Merger Arbitrage fund which targets over 70% exposure to definitive deals. The Fund specializes in the North American small and mid-cap market. The balance of the portfolio is invested in other short term alpha events such as spin-offs, financings and alpha shorts. Other primary objectives of the Fund are short duration (quick portfolio turnover) and high liquidity. The Fund seeks to further returns through actively trading deal spreads both long and short.

Summary of Returns Inception Date: June 12, 2013 – Net of all fees

	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD *	INCEP**
HGC LP	2015	0.64%	1.07%	1.51%	0.01%	1.06%	0.51%	0.03%	0.39%	0.20%	0.71%	0.18%	0.54%	7.06%	50.79%
HGC LP	2014	0.54%	3.19%	7.14%	1.97%	3.68%	2.95%	1.75%	0.30%	1.28%	-0.11%	1.19%	-0.59%	25.66%	
HGC LP	2013						0.52%	0.39%	1.09%	1.23%	4.29%	1.19%	2.86%	12.10%	
HFRI****	2015	0.34%	1.42%	0.35%	0.57%	0.98%	-0.59%	0.01%	-0.66%	-1.18%	1.01%	-0.01%	1.17%	3.41%	8.20%
TSX ***	2015	0.55%	3.98%	-1.88%	2.43%	-1.22%	-2.78%	-0.32%	-4.04%	-3.67%	1.96%	-0.23%	-3.07%	-8.32%	11.21%



Strategy Based on AUM

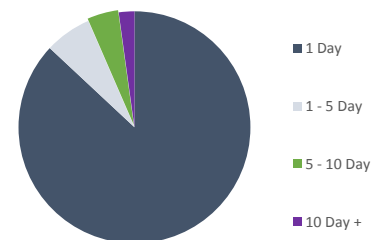


The Fund returned 0.54% in December vs. -3.07% for the TSX Total Return.

2015 was a challenging year for the broader markets, as the TSX Total Return finished -8.32%, the S&P 500 -0.73% and the Dow -2.23%. The markets initial start to 2016 has substantially increased the spotlight on volatility, that has now existed for the past 5 quarters dating to September 2014.

Looking back, 2015 demonstrates how our disciplined investment philosophy and risk management has resulted in consistent positive returns for our investors in spite of volatile and poor performing markets. The fund kept the deal quality high and the duration short as it invested in excess of 250 deals. The fund returned +7.06% for the year, beating our benchmark S&P TSX Total Return by over 15% with a fraction of the volatility and no negative months.

Liquidity Based on 30 Day Volume



We are very proud of this performance and are optimistic for the M&A environment in 2016.

Sincerely,

Dave Heden

Performance Statistics				Portfolio Analytics at Month End		Contact
Ann. Return since Inception	16.99%	Average Monthly Return	1.35%	Duration (Average Days to Close)	25.7	HGC Investment Management Inc. 366 Adelaide St West #601 Toronto, ON Tel: (647) 776.2198 blindros@hgcinvest.com
Positive Months	94%	Highest Monthly Return	7.14%	Percent in Large Cap (+\$1B)	69.4%	
Negative Months	6%	Lowest Monthly Return	-0.59%	Leverage (debt:equity)	77.7%	
Largest Draw Down	-0.59%	Sharpe Ratio (Monthly)	0.86	Net Long Exposure	66.2%	

* Performance returns are of the lead series of Class A units

** Inception June 12, 2013

*** S&P/TSX Comp Total Return Index - The TSX Total Return Index is a widely-known equity index of Canadian large-cap companies. Investing in US and Canadian equities long and short is the primary strategy for HGC as part of the merger arbitrage strategy but HGC does not invest in all or necessarily any of the securities that compose the market indexes. Reference to the indexes does not imply that HGC will achieve returns similar to the indexes.

**** Hedge Fund Research Inc. : Merger Arbitrage Index - Performance is subject to minor variances due to independent Manager trailing reporting

+ Please see disclaimer at end of presentation for further information on performance.

IMPORTANT: This document is for information purposes only and does not constitute an offering memorandum. All material has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. The 2014 results are unaudited and are based on our best estimates at the times of this report per our third party fund administrator. Performance data is historical, and is not indicative of future performance. Volatility and correlation are calculated from monthly returns. Sharpe ratio is hypothetical and is calculated using monthly standard deviation and domestic 90-day Treasury bill. + The HGC Arbitrage Fund LP was managed by Radiant Investment Management Ltd. from June 12, 2013 to December 31, 2013 and by HGC Investment Management Ltd. thereafter. The Fund's investment strategy has remained the same since inception. The HGC Fund are currently open to Canadian investors who meet certain eligibility requirements. Please contact HGC Investment Management to request the offering documents.