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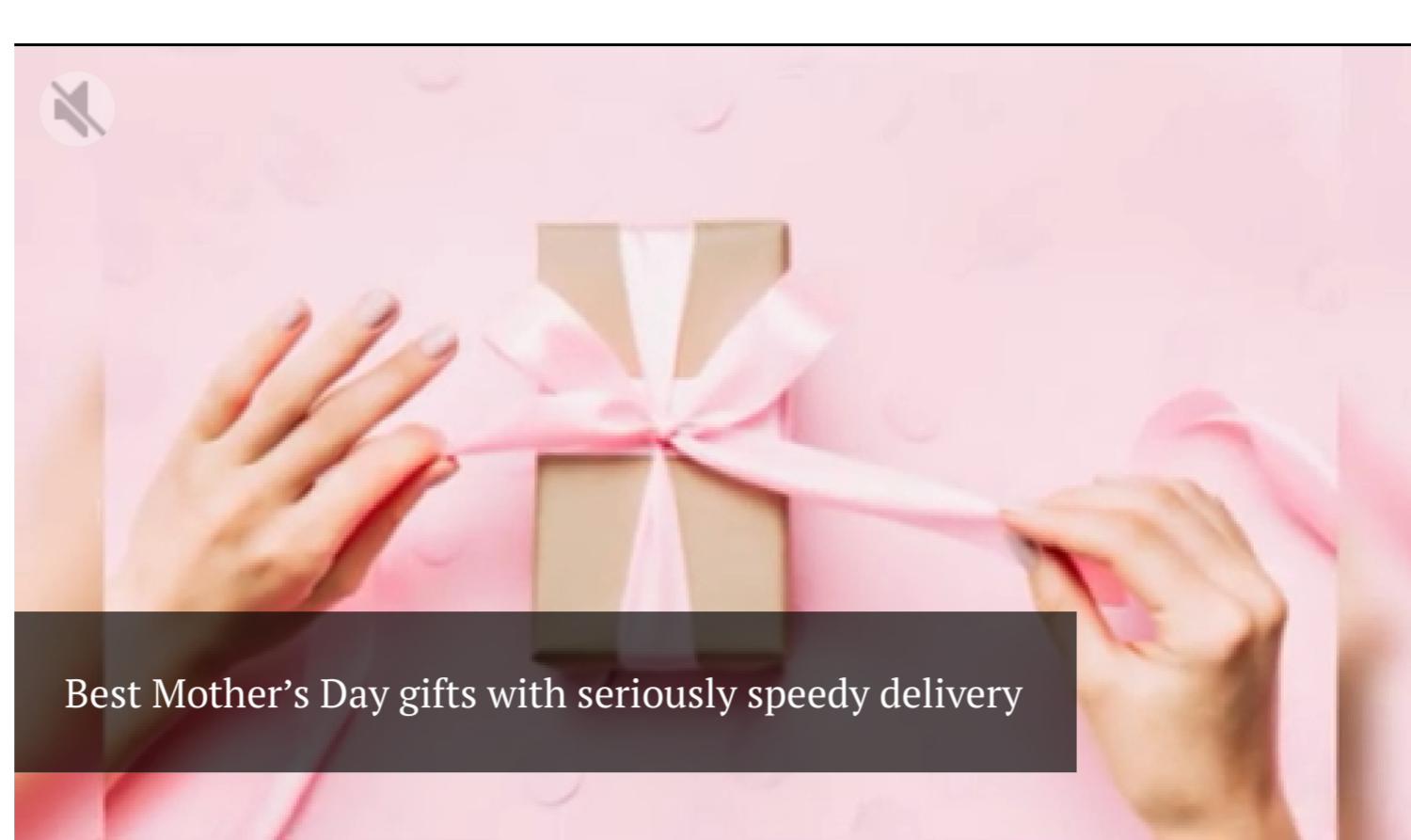
## End of losses as Salida Strategic Growth Fund gets the axe

*News of the decision to terminate the fund, a decision made by the fund's manager Salida Capital and deemed to be in the 'best interests of unitholders' is contained in a recent one-page letter*

Barry Critchley  
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If nothing else, the decision to terminate the Salida Strategic Growth Fund, (known previously as the Salida Multi Strategy Hedge Fund), means the unitholders won't be subject to any more losses on their investment – or potential gains.

Of the two, losses have been more common of late.



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In 2011, for instance, the fund was off by 53.39%; in 2012, the return was a loss of 53.02%, while for the first two months of this year, the Class A units are off by 24.98%. On its website, Salida posts a chart showing how \$1,000 invested in 2004 (the year the fund started) would have grown to at the end of February 2013. It ain't pretty: the performance line is still above \$1000 but it is at its lowest level since the fund started.

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"Extremely volatile and illiquid markets, particularly in the junior and mid cap resource space over the last couple of years have made it very difficult for our style of investing," said the letter that is signed by Courtney Wolfe, a director. "Due to poor performance and ongoing redemptions this fund is no longer of a size that is economically viable to manage."

STORY CONTINUES BELOW

Accordingly, says the letter, "the result of this decision is the mandatory redemption of the Fund and the return of the remaining capital to all investors. No decision need be taken by you to effect this mandatory redemption."

Plans call for the fund to be wound up effective April 30. "All such redemptions will occur as of the April 30 mandatory redemption date to ensure that all investors are treated equally," said the letter, noting that those who had wanted to redeem their units as of March 31 2013, will not be affected by the mandatory wind-up at the end of this month. (Those who wanted out as at the end of March were required to give 90-days notice.)

In the letter, Wolfe said that unitholders "have been with us through one of our most challenging periods. We know it has been a very difficult couple of years, and we are extremely grateful for your loyalty throughout this time." Calls to Salida were not immediately returned.

The Salida Strategic Growth Fund isn't the only Salida fund being wound up at month's end.

Salida Capital has also decided to terminate its publicly listed fund, the Salida Wealth Preservation Fund. Salida made that decision because "it has determined that it would be in the best interests of holders of units of the fund to terminate the fund," noting that the termination will occur on or about the end of the month. But the units will stop being listed on the TSX on April 23.

The fund operates with a forward agreement. Once that is settled, the fund will distribute to unitholders their "pro rata portion of the remaining assets of the fund, after all liabilities of the fund have been satisfied or provided for."

The fund was taken public in early 2010. It has generated a mixed performance: it returned 19.53% in 2010; but made losses in 2011 (down 14.41%); in 2012 (off 12.23%) and so far in 2013 (it's lower by 5.30%). At March 28, the fund's NAV was \$6.8166. The units closed Thursday at \$6.55.



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