

How this Fund Invests

This mutual fund invests in a select portfolio of 30 to 55 junior, intermediate and senior resource firms active in the Energy and Mining sectors. The fund's investment objective is to achieve capital appreciation through active investment in a diversified portfolio of public securities of resource companies engaged in oil and gas, energy or mineral exploration. This fund is suitable for investors who believe in the long-term growth prospects for Canada's resource sector. The fund also serves as a rollover fund for Terra flow-through limited partnerships.

Why Purchase This Fund

1. Investment in a diversified portfolio of publicly listed energy, base metal and precious metals companies
2. Strong industry fundamentals as demand from emerging economies grows
3. Continuity for investors in prior Terra limited partnerships
4. 5-star portfolio management
5. Corporate class structure defers taxes and provides tax efficient capital gains growth potential
6. Freedom to switch to any other class of a Terra Mutual Fund on a tax-deferred basis.

Fund Details

Fund Category: Natural Resources

Style: Active Investing

Fund Type: Corporate class mutual fund

Fund Codes: TER 500 (A); TER 510 (F); TER 520 (R)

Fund Inception: March 2007

Portfolio Advisor: Marquest Asset Management

Assets: \$8,607,120

NAV: Mar 31, 2012: \$7.66 (A class); \$7.98 (R class)

Minimum Investment: \$10,000 (A); \$25,000 (F)

Minimum Subsequent Investment: \$1,000 (A); \$5,000 (F)

Valuations & Redemptions: Monthly

Distributions: Capital Gains, Income

Fund expenses: 2.25% (A, R); 1.75% (F) + HST & trading costs

Performance Fee: 20% of NAV over 6% threshold

Redemption Fee: NA

Short Term Trading Fee: 2% within 90 days of purchase date.

Initial sales charge: 0% to 5% for Class A shares.

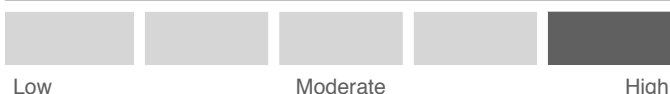
Compounded Returns (%) - A class

1 mo.	3 mo.	6 mo.	1 year	3 years	5 years	Inception
-4.35	12.08	12.96	-35.20	13.27	-5.60	-5.15

Calendar Returns (%) - A class

2012 YTD	2011	2010	2009	2008	2007
12.1	-32.4	54.1	31.2	-47.3	-5.7

Risk Tolerance



Sector - as of March 31, 2012

Sector	Weight
Energy	50.49%
Minerals & Metals	22.76%
Gold	7.41%
Cash	16.91%
Industrial	2.43%

Top Holdings* - as of March 31, 2012

Top Holdings*	%
African Petroleum	6.55%
Lumina Copper	3.85%
Ridgeline Energy	3.61%
Iona Energy	3.22%
Spartan Oil Corp.	2.76%
Strateco Resources	2.71%
Paladin Energy	2.66%
Aurora Oil & Gas	2.65%
Renegade Petroleum	2.58%
Pershimco Resources	2.56%
Top Holdings (% of Portfolio)	33.15%
Total Portfolio Holdings	37

*Holdings are subject to change

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Terra Small Cap Resource Mutual Fund is offered on a private placement basis pursuant to an offering memorandum and is only available to investors who meet certain eligibility or minimum purchase amount requirements under applicable securities legislation. The offering memorandum contains important information about the Fund including its investment objectives and strategies, purchase options, applicable management fees, other charges and expenses and should be read carefully before investing. This communication does not constitute an offer to sell or solicitation to purchase securities of the Fund. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Investors should consult their financial advisor before making a decision as to whether this Fund is a suitable investment for them.