

How this Fund Invests

This mutual fund invests in a broadly diversified portfolio of 50 to 75 “blue chip” stocks comprising the S&P/TSX Equity Income Index - an index focused on dividend income. This index is rebalanced quarterly. This fund passively follows the Index and the fund may also actively write covered call options on up to 25% of total assets and boost the annual targeted cash distribution to 7.00%. This fund is suitable for investors seeking dividend paying firms. 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 50 - 75 dividend paying companies with sustainable dividends and high cash flows
2. Downside protection and lower overall portfolio volatility potential through optional covered call writing
3. Targeted 7% cash distributions + capital appreciation potential
4. Corporate class structure defers taxes and provides tax efficient capital gains growth potential
5. Freedom to switch to any other class of a Terra Mutual Fund on a tax-deferred basis.

Fund Details

Fund Category: Canadian Dividend & Income Equity

Style: Passive Index + Active Covered Call Writing

Fund Type: Corporate class mutual fund

Fund Codes: TER 600 (A); TER 610 (F); TER 620 (R)

Fund Inception: September 30, 2011

Portfolio Advisor: Marquest Asset Management

Dividend Yield: 5.1%

Assets: \$1,358,822

NAV: Mar 31, 2012: \$9.33 (A) \$9.34 (F); \$9.42 (R)

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

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

Valuations & Redemptions: Monthly

Distribution Frequency: Quarterly

Fund expenses: 1.85% (A, R); 1.35% (F) + HST & trading costs

Performance Fee: NA

Redemption Fee: A & F class: NA R class: First 24 months - 5%

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

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

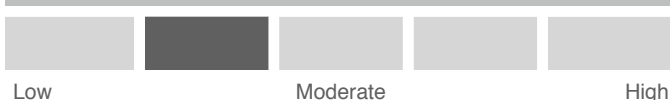
Compounded Returns (%) - A class

1 mo.	3 mo.	6 mo.	1 year	3 years	5 years	Inception
-8.02	-7.30	-6.68	-	-	-	-6.68

Calendar Returns (%) - A class

YTD 2011	2010		
-7.30	-		

Risk Tolerance



Sector - as of March 31, 2012

Sector	Weight
Cash	39.31%
Energy	25.61%
Financials	9.16%
Telecommunication Services	9.13%
Industrials	3.98%
Materials	3.96%
Consumer Discretionary	1.01%
Utilities	1.70%
Consumer Staples	0.66%
Health Care	0.19%

Top Holdings* - as of March 31, 2012

Top Holdings*	%
Cash	39.31%
Rogers Communications	2.11%
Bank of Montreal	2.05%
Telus Corp.	2.04%
BCE Inc.	2.03%
CIBC	2.00%
TransCanada Corp.	2.00%
Thomson Reuters Corp.	1.95%
Manulife Financial	1.79%
Shaw Communications	1.41%
Top Holdings (% of Portfolio)	56.69%
Total Portfolio Holdings	80

*Holdings are subject to change

Terra Fund Management Ltd. 207-517 Wellington Street W., Toronto, ON M5V 1G1 1-888-449-4645 www.terrafunds.ca

TerraTundra Equity Income 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.