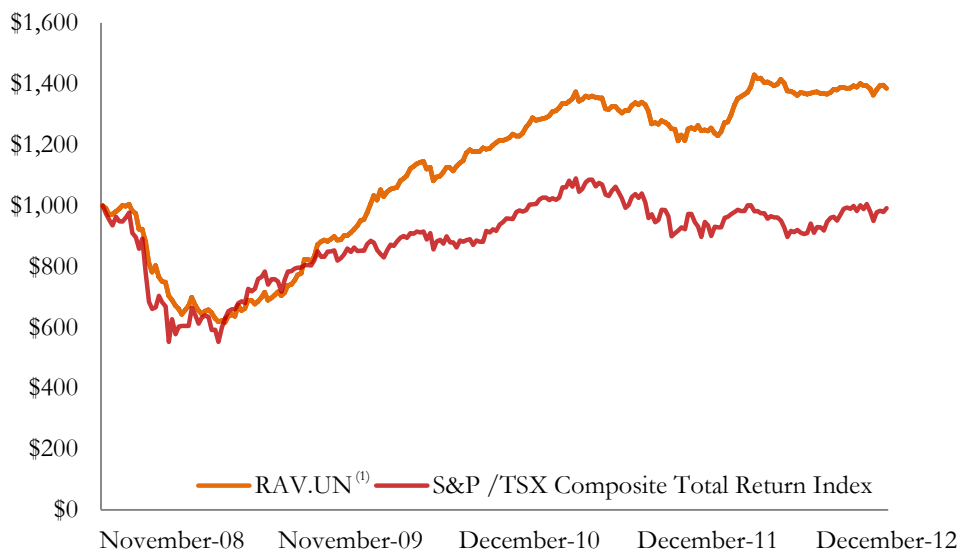


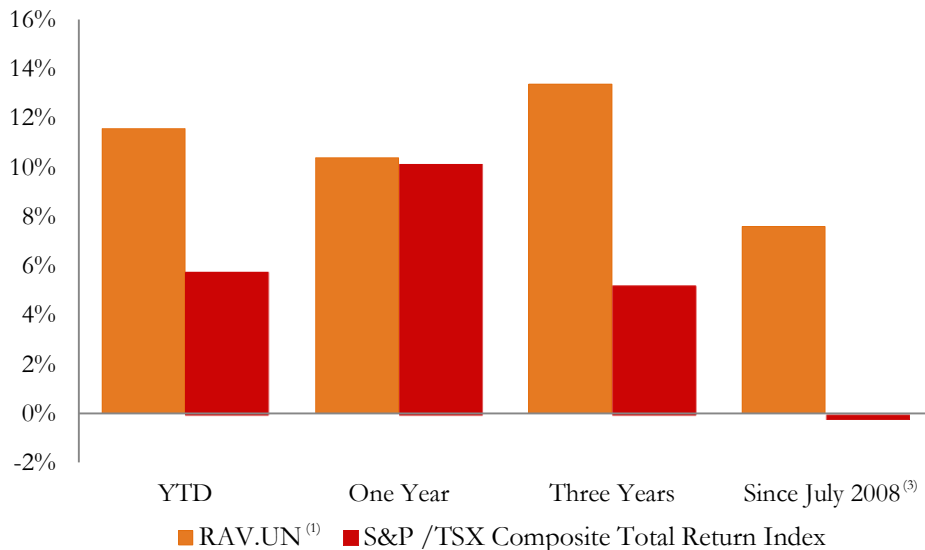
FUND DESCRIPTION

The Ravensource Fund is a closed-end investment fund that is listed on the Toronto Stock Exchange under the symbol RAV.UN. The principal objective of Ravensource is to achieve absolute annual returns, with an emphasis on capital gains, through investments in selected North American securities. Ravensource invests primarily in high yielding securities, distressed securities and special situation equity securities. Ravensource utilizes extensive due diligence and active involvement by the manager to identify and create catalysts and capture value in situations overlooked by traditional investors.

GROWTH OF \$1,000



PERFORMANCE⁽²⁾



FUND DETAILS

NET ASSET VALUE ("NAV")	\$10.75
MARKET PRICE	\$10.52
DISCOUNT TO NAV	2.15%
TICKER:	RAV.UN
MARKET CAP:	17,888,944
UNITS OUTSTANDING:	1,700,470
MANAGEMENT & ADMIN FEE:	1%
PERFORMANCE FEE:	20% OVER 5%
REDEMPTION RIGHTS:	ANNUAL @ NAV

FUND TRUSTEE:
Computershare Trust Company Of Canada

FUND ADMINISTRATOR:
SGGG Fund Services Inc.

PRIME BROKER:
TD Securities

AUDITOR:
Deloitte & Touche LLP

LEGAL COUNSEL:
Borden Ladner Gervais LLP

FUND MANAGER:
Stornoway Portfolio Management Inc.

ABOUT STORNOWAY PORTFOLIO MANAGEMENT

Founded in 2004, Stornoway Portfolio Management Inc. ("Stornoway") is an asset management firm located in Toronto, Canada. Stornoway manages the Stornoway Recovery Fund LP and the Ravensource Fund. Stornoway's investment team, comprised of Scott Reid and Steve Schaus, conduct extensive fundamental analysis and due diligence and will use their expertise, experience and network to play an active role in the investee companies and other value-enhancing initiatives in order to protect the Fund's investments and generate returns.

CONTACT

Scott Reid, President
info@stornowayportfolio.com
 416.250.2845
www.ravensource.ca
www.stornowayportfolio.com

INVESTMENT STRATEGIES

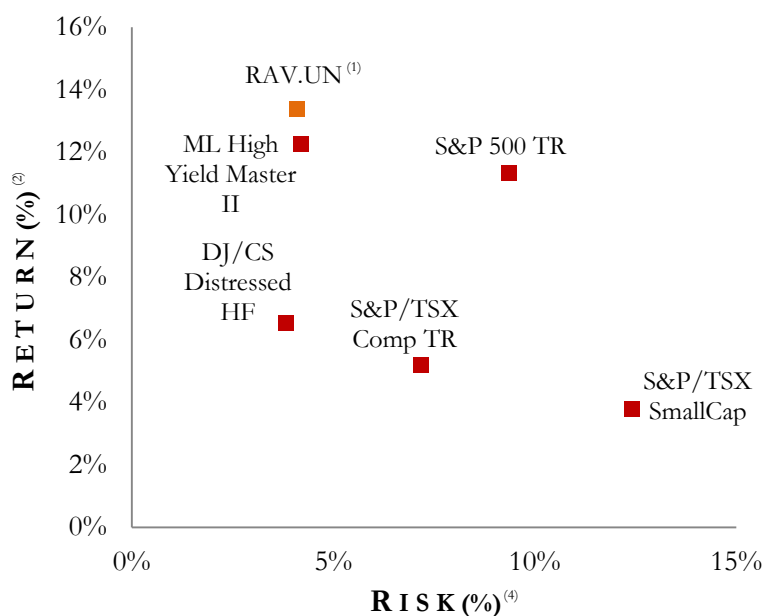
To achieve its investment objectives, Ravensource's investments fall primarily in three strategies:

1. *High Yielding Securities*: investing in corporate debt, income fund units, or other securities that produce a sustainable high level of income for the underlying credit risk.
2. *Distressed Securities*: investing in corporate debt, creditor claims and/or equity securities of companies which are in or perceived to be in, financial distress at a value different from what we believe to be the underlying fundamental value.
3. *Special Situations Equities*: investing primarily in Canadian and U.S. small and midcap equities that have been identified as not only attractively valued but also with the catalysts to unlock value.

HISTORICAL RETURNS^{(2) (5)}

	YTD	One Year	Three Years	Since July 2008 ⁽⁵⁾
RAV.UN⁽¹⁾	11.6%	10.4%	13.4%	7.6%
S&P/TSX Comp TR	5.7%	10.1%	5.2%	-0.2%
S&P/TSX SmallCap	-3.8%	1.2%	3.8%	-0.1%
DJ/CS Distressed HF	9.4%	8.0%	6.5%	2.8%
ML High Yield Master II	12.9%	13.2%	12.3%	11.4%

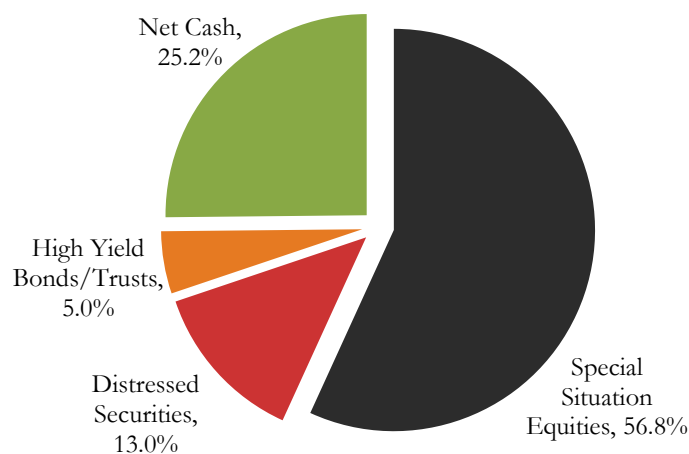
3-YEAR RETURN VERSUS RISK



LEGAL DISCLAIMER

This material should be read in conjunction with the Declaration of Trust, Financial Statements, Management Report on Fund Performance, and Annual Information Form. The information contained herein, while obtained from sources that we believe to be reliable, is not guaranteed as to completeness. All index performance information has been obtained from third parties and should not be relied upon as being complete or accurate. Indices are shown for comparison purpose only. This material is for information purposes only and does not constitute an offer to sell or a solicitation to buy the securities referred to herein. The information presented contains forward looking information which relates to future events or performance and reflects the Manager's expectations and assumptions which are based on information currently available to the Manager. Actual future results may differ materially. The risks, uncertainties and other factors that could influence the actual results are described in the Annual Information Form. All documents listed above can be found on www.sedar.com. Any investment in the Fund involves risk, including the loss of principal. Past performance is no guarantee of future results.

STRATEGIC ALLOCATION AS AT SEP 30, 2012



TOP 10 HOLDINGS AS AT SEPTEMBER 30, 2012

ISSUER/SECURITY	SECURITY TYPE	% OF NAV
Net Cash	Cash	25.2%
Jovian Capital Group	Common Shares	7.7%
Tuckamore Capital	Secured Bonds	6.5%
PlazaCorp Retail Ltd.	Common Shares	6.5%
Crystallex International	Senior Bonds	6.4%
Specialty Foods Group	Secured Bonds	5.0%
Peer 1 Network Enterprises	Common Shares	3.9%
Winpak Ltd.	Common Shares	3.9%
Clairvest Group Inc.	Common Shares	2.9%
Ten Peaks Coffee Company	Common Shares	2.4%

NOTES

- 1) RAV.UN returns are based on NAV per unit, assuming all distributions are reinvested at NAV. Net of fees and expenses.
- 2) All returns are annualized total returns, except YTD. Performance data for 2012 is estimated and unaudited.
- 3) Stornoway Portfolio Management was appointed as Manager of the Ravensource Fund effective July 1, 2008.
- 4) Risk is annualized downward standard deviation expressed in percentage terms computed from monthly return data.
- 5) The indices listed have been selected for purposes of comparing the performance of the Fund with widely-known, broad-based benchmarks. The Fund's Performance may or may not correlate to any of these indices and should not be considered as a proxy for any of these indices. The S&P/TSX Composite TR is the headline index and the principal broad market measure for the Canadian equity markets. The S&P/TSX SmallCap is comprised of a representative sample of investable Canadian small cap companies. The DJ/CS Distressed HF Index tracks the performance of funds that invests in distressed securities. The ML High Yield Master II tracks the performance of U.S. dollar denominated, below investment grade rated corporate debt.