



Hatteras Core Alternatives Fund, L.P.

QUARTERLY FACT SHEET AS OF MARCH 31, 2012

FUND HIGHLIGHTS

- Designed as a core alternative investment solution for all qualified clients
- 25% fund of private investment funds target for potential return enhancement
- 75% fund of hedge funds target for potential risk mitigation

FUND BENEFITS

Private Investments – 7 vintage years diversified by strategy, stage, type, manager, and geography – *Mature Private Investment Portfolio* – New investors gain immediate access to a mature private investments portfolio

Hedge Funds – 4 hedge fund strategies diversified by sector, geography, and manager

FUND FACTS

Master Fund Assets: \$1.5 Billion

Master Fund Inception Date: 01/01/2005

Fund Inception Date: 04/01/2005

JV Partner: Morgan Creek Capital Management

Manager Tenure: Since inception

Number of Underlying Funds: 205

Benchmark: HFRX Global Hedge Fund Index

TERMS

Fund Structure: 1933 and 1940 Act Registered¹

Investor Qualifications: > \$2,000,000 net worth²

Minimum Investment: \$50,000

Subsequent Investment: \$5,000

Contribution Period: Monthly

Lock-Up Period: 1 Year³

Liquidity: Quarterly, with 65 days notice⁴

FEES

Management Fee: 1.00%⁵

Servicing Fee: 0.85%

Performance Allocation: 10% of profits above 90-day U.S. T-Bills

STRATEGY ALLOCATION*

	TARGET	CURRENT
Hedged Strategies	75.0%	74.0% ▼
Opportunistic Equity	30.0	34.0 ▲
Enhanced Fixed-Income	20.0	21.0 ▲
Absolute Return	15.0	12.0 ▼
Tactical Trading	10.0	7.0 ▼
Private Investments	25.0	26.0 ▲



*Percentages are based on total portfolio investments exclusive of cash, cash equivalents, money market funds, and short-term investments.

AVERAGE ANNUAL RETURNS AS OF MARCH 31, 2012

	CORE ALT. 04/01/05	CORE ALT. TEI 04/01/05	HFRX GLOBAL HEDGE FUND INDEX ⁶ 04/01/05	S&P 500 TR INDEX ⁷ 04/01/05
Qtr	2.68%	2.63%	3.14%	12.59%
YTD	2.68	2.63	3.14	12.59
1-Yr	-3.52	-3.62	-6.38	8.54
2-Yr	1.04	0.95	-1.36	12.03
3-Yr	5.50	5.43	3.65	23.42
5-Yr	-1.08	-1.22	-2.46	2.01
Since Inception	1.77	1.61	0.24	4.71

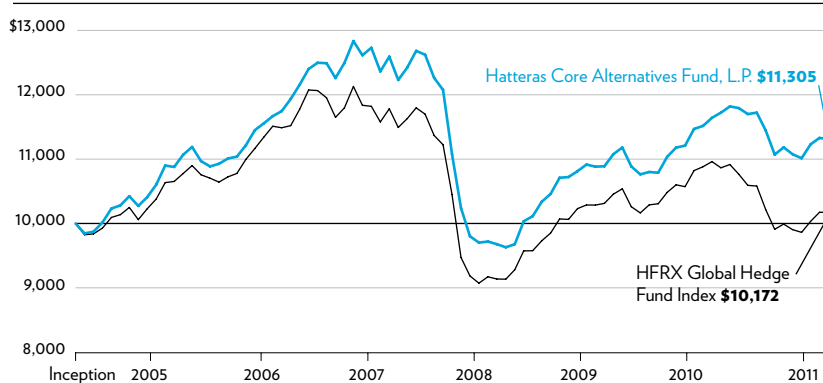
Dates shown above indicate fund inception. Periods less than 1 year are not annualized.

Past performance does not guarantee future results and current performance may be lower or higher than the figures shown. The principal value of the Fund will fluctuate so that an investor's units, when redeemed, may be worth more or less than the original cost. Returns are net of all expenses of the Fund, including the management fee and incentive allocations, and reflect reinvestment of all distributions, if applicable. Returns do not reflect payment of up-front placement fees, which could be up to 2%, or redemption fees of up to 5%, which would reduce returns shown above. To obtain performance information current to the most recent month-end, please call 866.388.6292. The net expense ratio and total expense ratio for the Core Alternatives Fund are 2.32% and 6.52%, respectively. The net expense ratio and total expense ratio for the Core Alternatives TEI Fund are 2.39% and 6.59%, respectively. The total expense ratios include Acquired Fund Fees and Expenses of 4.20%. The Investment Manager has contractually agreed to waive fees and or reimburse certain expenses through July 31, 2012 so that the total annual expenses will not exceed 2.35%. Please see the current Prospectus for detailed information regarding the expenses of the Fund. **1** Registration does not imply that the SEC or any other regulatory authority has approved or disapproved the securities or passed upon the accuracy of the offering materials or the merits of an investment in the securities. However, registered closed-end investment companies such as the Fund are required by SEC rules and regulations to meet certain standards typically not required of non-registered funds. Registration requirements include: existence of an independent Board of Directors and that all holdings be reported to the SEC and made publicly available on a quarterly basis. **2** Any prospective investor will be required to certify he/she is a "qualified client" as defined by federal securities laws. **3** A Partner may be subject to a repurchase fee equal to 5% of the amount requested if such Partner has been a Partner for less than 12 months prior to the valuation date. **4** Please see footnotes on reverse. **5** Investors in the Funds will bear their pro-rata share of the management fee, fund servicing fee, and other expenses as set forth in the applicable prospectus (including insurance costs, director fees and the applicable portion of the Funds' total expenses). Such fees do not include other fees and expenses that may be borne by shareholders, such as placement fees, if applicable, at the Fund level, and indirectly, similar fees, expenses and incentive-based fees/allocations of the investments in which the Master Fund invests. (continued on reverse)

FOR MORE INFORMATION, CALL 866.388.6292 OR VISIT HATTERASFUNDS.COM

Defining Alternatives

GROWTH OF \$10,000 SINCE INCEPTION



This chart illustrates a hypothetical investment.

HISTORICAL DATA SINCE INCEPTION

	CORE ALT.	HFRX GLOBAL HEDGE FUND INDEX ⁵	S&P 500 TR INDEX ⁶
Cumulative Return	13.05%	1.72%	38.04%
Standard Deviation ⁸	6.95%	6.89%	16.47%
Correlation (vs. S&P) ⁹	0.69	0.72	—
Annualized Alpha (vs. S&P) ¹⁰	0.27%	-1.30%	—
Beta (vs. S&P) ¹¹	0.29	0.30	—

UP CAPTURE AND DOWN CAPTURE VS S&P 500 TR INDEX

	UP CAPTURE	DOWN CAPTURE
Hatteras Core Alternatives Fund, L.P.	26.09%	51.15%

CALENDAR YEAR PERFORMANCE*

	Q1	Q2	Q3	Q4	YEAR
2012	2.68%	—%	—%	—%	—%
2011	2.20	-0.19	-5.38	-0.50	-3.97
2010	1.48	-2.83	2.52	3.93	5.06
2009	-0.75	5.02	5.90	1.92	12.50
2008	-3.93	3.21	-12.25	-12.40	-23.79
2007	3.27	4.72	-0.01	1.87	10.16
2006	4.38	-1.63	1.40	4.69	8.98
2005	—	0.16	4.08	1.72	6.04

TOP FIVE MANAGERS

Valiant Capital Partners Strategy: Opportunistic Equity	Allocation: 2.7%
Citadel Wellington Partners Strategy: Absolute Return	Allocation: 2.4
Providence MBS Fund Strategy: Enhanced Fixed Income	Allocation: 2.3
Ashoka Fund Strategy: Opportunistic Equity	Allocation: 2.1
Senator Global Opportunity Fund Strategy: Enhanced Fixed Income	Allocation: 2.0

*Performance shown for Hatteras Core Alternatives Fund, L.P. ⁴ The Funds intend to make quarterly offers to repurchase units at the sole discretion of the Board of Directors as described in the Funds' Prospectus. ⁵ (continued) Please see the applicable prospectus for a more detailed discussion of the costs and expenses investors will bear, directly or indirectly, by investing in the Fund or the Master Fund. ⁶ HFRX Global Hedge Fund Index is an uninvestable, unmanaged index that is designed to be representative of the overall composition of the hedge fund universe. It is comprised of eight strategies that are asset weighted based on the distribution of assets in the hedge fund industry. ⁷ Standard & Poor's 500 TR Index is a widely recognized unmanaged, uninvestable index including a representative sample of 500 leading companies in leading sectors of the U.S. economy and is not available for purchase. ⁸ Measurement of the investment's volatility. ⁹ A statistical measure of how two securities move in relation to each other. ¹⁰ Alpha measures excess return relative to the market; often referred to as a measurement of "manager skill." ¹¹ Measure of a fund's risk relative to the benchmark. **Returns are net of all expenses of the Fund, including the management fee and incentive allocations, and reflect reinvestment of all distributions, if applicable. Returns do not reflect payment of up-front placement fees, which could be up to 2%, or redemption fees of up to 5%, which would reduce returns shown above. This is not an offering to subscribe for units in any fund and is intended for informational purposes only. Important Disclosures and Risk Factors: An offering can only be made by delivery of the Prospectus to "qualified clients" within the meaning of U.S. securities laws. Please carefully consider the investment objectives, risks, and charges and expenses of the Fund before investing. Please read the Prospectus carefully before investing as it contains important information on the investment objectives, composition, fees, charges and expenses, risks, suitability, and tax obligations of investing in the Fund. Copies of the Prospectus and performance data current to the most recent month-end may be obtained online at hatterasfunds.com or by contacting Hatteras Funds at 866.388.6292. Past Performance does not guarantee future results.** Hatteras Core Alternatives Fund, L.P. and Hatteras Core Alternatives TEI Fund, L.P. (collectively referred to herein as the "Hatteras Core Alternatives Fund" or the "Fund") are Delaware limited partnerships that are registered under the Investment Company Act of 1940 (the "1940 Act"), as amended, as non-diversified, closed-end management investment companies whose units are registered under the Securities Act of 1933, as amended. Hatteras Core Alternatives Fund is funds of alternative investments. As such, the Fund invests in private hedge funds and private equity investments. Hedge funds are speculative investments and are not suitable for all investors, nor do they represent a complete investment program. A hedge fund can be described generally as a private and unregistered investment pool that accepts investors' money and employs hedging and arbitrage techniques using long and short positions, leverage and derivatives, and investments in many markets.

Key Risk Factors: The Fund, through an investment in the Master Fund, will invest substantially all of their assets in underlying funds that are generally not registered as investment companies under the 1940 Act and, therefore, the Fund will not have the benefit of various protections provided under the 1940 Act with respect to an investment in those underlying funds. The Fund can be highly volatile, carry substantial fees, and involve complex tax structures. Investments in the Fund involves a high degree of risk, including loss of entire capital. The underlying funds may engage in speculative investment strategies and practices, such as the use of leverage, short sales, and derivatives transactions, which can increase the risk of investment loss. The Fund provides limited liquidity, and units in the Fund are not transferable. Liquidity will be provided only through repurchase offers made by the Fund from time to time, generally on a quarterly basis upon prior written notice. The success of the Fund is highly dependent on the financial and managerial expertise of its principals and key personnel of the Fund's investment manager. Although the investment manager for the Fund expects to receive detailed information from each underlying fund on a regular basis regarding its valuation, investment performance, and strategy, in most cases the investment manager has little or no means of independently verifying this information. The underlying funds are not required to provide transparency with respect to their respective investments. By investing in the underlying funds indirectly through the Fund, investors will be subject to a dual layer of fees, both at the Fund and underlying fund levels. Certain underlying funds will not provide final Schedule K-1s for any fiscal year before April 15th of the following year. Those funds, however, will endeavor to provide estimates of taxable income or losses with respect to their investments. Please see the Prospectus for a detailed discussion of the specific risks disclosed here and other important risks and considerations.

Securities offered through Hatteras Capital Distributors, LLC, member FINRA/SIPC. Hatteras Capital Distributors, LLC is affiliated with Hatteras Investment Partners, LLC by virtue of common control/ownership. This document is not an offering to subscribe for units of any fund and is intended for informational purposes only.