



INTERIM FINANCIAL STATEMENTS

BLUMONT CANADIAN FUND | BLUMONT NORTH AMERICAN FUND

JUNE 2008



BLUMONT
CAPITAL

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BluMont Canadian Fund

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BluMont North American Fund

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STATEMENT OF NET ASSETS
As at June 30, 2008 and December 31, 2007
Unaudited

BLUMONT CANADIAN FUND

| | 2008 | 2007 |
|--|----------------------|----------------------|
| ASSETS | | |
| Long positions at fair value* | | |
| Canadian equities | \$ 13,575,859 | \$ 15,615,403 |
| U.S. equities | <u>1,279,466</u> | <u>822,451</u> |
| | 14,855,325 | 16,437,854 |
| Cash and short-term investments | 5,310,438 | 4,056,043 |
| Accrued investment income | 22,036 | 13,275 |
| Accounts receivable: | | |
| Subscriptions receivable | 262,000 | 12,019 |
| Receivable from investment sales | <u>639,834</u> | <u>-</u> |
| Total Assets | <u>21,089,633</u> | <u>20,519,191</u> |
| LIABILITIES | | |
| Short positions at fair value** | | |
| Canadian equities | 190,040 | - |
| U.S. equities | <u>356,170</u> | <u>-</u> |
| | 546,210 | - |
| Accounts payable: | | |
| Fees and operating expenses | 46,827 | 101,075 |
| Dividends payable | 1,639 | - |
| Payable for investment purchases | 274,825 | - |
| Redemptions payable | <u>100,065</u> | <u>1,558</u> |
| Total Liabilities | <u>969,566</u> | <u>102,633</u> |
| NET ASSETS REPRESENTING UNITHOLDERS' EQUITY | <u>\$ 20,120,067</u> | <u>\$ 20,416,558</u> |
| NUMBER OF UNITS OUTSTANDING (Note 4) | <u>867,567</u> | <u>873,091</u> |
| NET ASSET VALUE PER UNIT | <u>\$ 23.19</u> | <u>\$ 23.38</u> |
| *Long positions, at cost | <u>\$ 12,425,565</u> | <u>\$ 12,342,226</u> |
| **Proceeds on short positions | <u>\$ (546,253)</u> | <u>\$ -</u> |

Approved by the Board of Directors of BluMont Capital Corporation

"Veronika Hirsch"

Veronika Hirsch
Director

"Stephen Johnson"

Stephen Johnson
Director

The accompanying notes are an integral part of these financial statements.

STATEMENT OF OPERATIONS

For the six months ended June 30, 2008 and 2007

Unaudited

BLUMONT CANADIAN FUND

| | 2008 | 2007 |
|--|---------------------|---------------------|
| INVESTMENT INCOME | | |
| Dividends, net of dividends paid on investments sold short | \$ 77,814 | \$ 137,654 |
| Less: Foreign withholding taxes | <u>1,261</u> | <u>381</u> |
| | 76,553 | 137,273 |
| Interest | <u>71,337</u> | <u>2,156</u> |
| | <u>147,890</u> | <u>139,429</u> |
| EXPENSES (Notes 6 and 7) | | |
| Management fees | 207,459 | 211,678 |
| Operating expenses | 109,175 | 124,420 |
| Audit fees | 11,101 | 24,993 |
| Legal fees | 8,968 | 19,785 |
| Securityholders reporting costs | 5,449 | 20,000 |
| Custodian and Trustees' fees | 1,697 | 4,221 |
| Interest expense | <u>3,198</u> | <u>70</u> |
| | 347,047 | 405,167 |
| Less: Expenses absorbed by the Manager | <u>73,777</u> | <u>39,785</u> |
| | <u>273,270</u> | <u>365,382</u> |
| NET INVESTMENT LOSS | <u>(125,380)</u> | <u>(225,953)</u> |
| NET REALIZED GAIN ON INVESTMENT TRANSACTIONS | 1,643,312 | 1,560,281 |
| TRANSACTION COSTS (Note 2(III)) | (36,364) | (27,195) |
| NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENTS | (1,665,825) | 439,884 |
| EXCHANGE LOSS ON FOREIGN CURRENCIES AND OTHER NET ASSETS | <u>(4,575)</u> | <u>(3,736)</u> |
| NET GAIN (LOSS) ON INVESTMENTS AND TRANSACTION COSTS | <u>(63,452)</u> | <u>1,969,234</u> |
| NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS | <u>\$ (188,832)</u> | <u>\$ 1,743,281</u> |
| INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT | <u>\$ (0.22)</u> | <u>\$ 2.00</u> |

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
For the six months ended June 30, 2008 and 2007
Unaudited

BLUMONT CANADIAN FUND

| | 2008 | 2007 |
|--|----------------------|----------------------|
| Net Assets, Beginning of Period | \$ 20,416,558 | \$ 20,449,479 |
| Change in Accounting Policy <i>(Note 2(III))</i> | <u>-</u> | <u>(45,114)</u> |
| | <u>20,416,558</u> | <u>20,404,365</u> |
| Net Increase (Decrease) in Net Assets from Operations | <u>(188,832)</u> | <u>1,743,281</u> |
| From Capital Unit Transactions: <i>(Note 4)</i> | | |
| Proceeds from issue of units | 1,041,844 | 213,710 |
| Consideration paid for redemptions of units | <u>(1,149,503)</u> | <u>(3,167,845)</u> |
| | <u>(107,659)</u> | <u>(2,954,135)</u> |
| Net Assets, End of Period | <u>\$ 20,120,067</u> | <u>\$ 19,193,511</u> |

The accompanying notes are an integral part of these financial statements.

BLUMONT CANADIAN FUND
STATEMENT OF INVESTMENTS AND OTHER NET ASSETS
As at June 30, 2008
Unaudited

| | Number of Shares | Long: Avg Cost Short: Proceeds | Fair Value | % of Total Net Asset Value |
|----------------------------------|---------------------|-----------------------------------|---------------|-------------------------------|
| LONG POSITIONS | | | | |
| Canadian Equities | | | | |
| Energy | | | | |
| Angle Energy Inc. | 10,000 | \$ 80,000 | \$ 85,100 | |
| Bankers Petroleum Limited | 25,000 | 21,643 | 45,250 | |
| Breaker Energy Limited 'A ' | 29,000 | 327,630 | 363,080 | |
| Calfrac Well Services Limited | 6,000 | 176,906 | 192,780 | |
| Crew Energy Inc. | 10,000 | 124,950 | 184,400 | |
| Duvernay Oil Corporation | 4,000 | 228,950 | 248,720 | |
| EnCana Corporation | 3,000 | 271,815 | 278,250 | |
| Epsilon Energy Limited | 15,000 | 116,781 | 119,700 | |
| Fairborne Energy Limited | 10,000 | 130,700 | 130,600 | |
| Midnight Oil Exploration Limited | 20,000 | 41,430 | 41,200 | |
| Nexen Inc. | 6,000 | 188,902 | 242,700 | |
| Niko Resources Limited | 1,600 | 82,828 | 156,144 | |
| Open Range Energy Corporation | 40,000 | 168,000 | 318,400 | |
| Orleans Energy Limited | 66,800 | 268,603 | 350,032 | |
| Phoenix Technology Income Fund | 18,000 | 267,262 | 319,860 | |
| Talisman Energy Inc. | 10,000 | 201,068 | 225,000 | |
| TransCanada Corporation | 8,000 | 313,154 | 315,680 | |
| TriStar Oil & Gas Limited | 15,000 | 220,469 | 309,150 | |
| Zongshen Pem Power Systems Inc. | 10,600 | 37,683 | 26,500 | |
| | | 3,268,774 | 3,952,546 | 19.6 |

Basic Materials

| | | | | |
|--|---------|---------|-----------|--|
| Agrium Inc. | 6,200 | 422,275 | 679,396 | |
| Allen-Vanguard Corporation | 20,000 | 177,120 | 49,200 | |
| Andina Minerals Inc. | 40,000 | 169,662 | 150,800 | |
| Centamin Egypt Limited | 122,000 | 154,279 | 141,520 | |
| Chariot Resources Limited | 100,000 | 99,913 | 94,000 | |
| Colossus Minerals Inc. | 10,000 | 33,580 | 38,500 | |
| Consolidated Thompson Iron Mines Limited | 26,500 | 161,393 | 232,935 | |
| Detour Gold Corporation | 48,000 | 210,000 | 1,179,361 | |
| Eastern Platinum Limited | 40,000 | 82,950 | 108,800 | |
| Equinox Minerals Limited | 40,000 | 70,962 | 177,600 | |
| Erdene Resource Development Corporation | 26,000 | 34,692 | 23,400 | |
| First Majestic Silver Corporation | 25,000 | 126,750 | 115,000 | |
| Fording Canadian Coal Trust | 2,000 | 63,955 | 194,000 | |
| Gastem Inc. | 32,000 | 77,741 | 76,160 | |
| Goldsource Mines Inc. | 4,000 | 66,549 | 73,400 | |
| HudBay Minerals Inc. | 25,000 | 495,450 | 354,250 | |
| Jaguar Mining Inc. | 11,000 | 140,169 | 108,350 | |

| | Number of Shares | Long: Avg Cost Short: Proceeds | Fair Value | % of Total Net Asset Value |
|---|---------------------|-----------------------------------|---------------|-------------------------------|
| Basic Materials cont'd | | | | |
| Keegan Resources Inc. | 20,000 | \$ 85,748 | \$ 68,200 | |
| Labrador Iron Mines Holdings Limited | 22,300 | 90,320 | 86,970 | |
| Labrador Iron Ore Royalty Trust | 4,800 | 211,828 | 267,360 | |
| MagIndustries Corporation | 40,000 | 91,770 | 136,800 | |
| Mercator Minerals Limited | 14,000 | 122,474 | 169,960 | |
| Nevoro Inc. | 100,000 | 69,030 | 30,000 | |
| New Millennium Capital Corporation | 58,000 | 126,670 | 100,340 | |
| Paladin Resources Limited | 1,000 | 5,267 | 6,230 | |
| Potash Corporation of Saskatchewan Inc. | 1,800 | 353,834 | 420,210 | |
| Potash One Inc. | 6,000 | 27,874 | 32,220 | |
| Solana Resources Limited | 45,200 | 149,843 | 255,380 | |
| Thompson Creek Metals Limited | 10,000 | 130,767 | 198,200 | |
| Western Goldfields Inc. | 15,000 | 52,901 | 34,950 | |
| Yamana Gold Inc. | 12,000 | 174,231 | 201,960 | |
| | | 4,279,997 | 5,805,452 | 28.9 |
| Industrials | | | | |
| Aecon Group Inc. | 14,000 | 247,188 | 225,680 | |
| Bombardier Inc. 'B' | 25,000 | 158,483 | 183,250 | |
| Day4 Energy Inc. | 14,000 | 94,961 | 58,800 | |
| Intermap Technologies Corporation | 25,000 | 200,625 | 146,500 | |
| Lockerbie & Hole Inc. | 8,000 | 82,000 | 110,000 | |
| Russel Metals Inc. | 11,000 | 310,551 | 332,200 | |
| Stantech Inc. | 10,000 | 102,366 | 261,900 | |
| Westshore Terminals Income Fund | 8,000 | 151,440 | 158,160 | |
| | | 1,347,614 | 1,476,490 | 7.3 |
| Consumer Discretionary | | | | |
| Canadian Tire Corporation 'A' | 5,700 | 316,884 | 301,416 | |
| Cogeco Cable Inc. | 3,800 | 163,275 | 140,220 | |
| | | 480,159 | 441,636 | 2.2 |
| Consumer Staples | | | | |
| Metro Inc. 'A' | 11,500 | 339,725 | 278,760 | |
| Shoppers Drug Mart Corporation | 2,000 | 100,855 | 111,760 | |
| Viterra Inc. | 18,000 | 214,094 | 251,640 | |
| | | 654,674 | 642,160 | 3.2 |
| Financials | | | | |
| DundeeWealth Inc. | 19,000 | 308,856 | 247,570 | |
| TMX Group Inc. | 10,000 | 309,720 | 420,200 | |
| | | 618,576 | 667,770 | 3.3 |

| | Number of Shares | Long: Avg Cost Short: Proceeds | Fair Value | % of Total Net Asset Value |
|---|---------------------|-----------------------------------|-------------------|-------------------------------|
| Information Technology | | | | |
| Absolute Software Corporation | 13,500 | \$ 193,700 | \$ 140,805 | |
| Gemcom Software International Inc. | 50,000 | 80,400 | 151,000 | |
| Research In Motion Limited | 2,500 | 299,976 | 298,000 | |
| | | 574,076 | 589,805 | 2.9 |
| Total Canadian Equities - Long | | 11,223,870 | 13,575,859 | 67.4 |
| U.S. Equities | | | | |
| Energy | | | | |
| Forest Oil Corporation | 3,000 | 203,615 | 227,339 | |
| Kodiak Oil & Gas Corporation | 5,000 | 20,543 | 22,905 | |
| Market Vectors-Coal ETF | 6,000 | 296,853 | 353,469 | |
| | | 521,011 | 603,713 | 3.1 |
| Basic Materials | | | | |
| Alcoa Inc. | 6,200 | 284,388 | 224,882 | 1.1 |
| Industrials | | | | |
| CF Industries Holdings Inc. | 2,000 | 275,685 | 310,652 | 1.5 |
| Utilities | | | | |
| Equitable Resources Inc. | 2,000 | 142,632 | 140,219 | 0.7 |
| Total U.S. Equities - Long | | 1,223,716 | 1,279,466 | 6.4 |
| Total Long Positions Including Transaction Costs | | 12,447,586 | 14,855,325 | 73.8 |
| Transaction costs | | (22,021) | - | - |
| Total Long Positions Before Transaction Costs | | 12,425,565 | 14,855,325 | 73.8 |
| SHORT POSITIONS | | | | |
| Canadian Equities | | | | |
| Energy | | | | |
| Trican Well Service Limited | (6,000) | (141,466) | (152,640) | (0.8) |
| Information Technology | | | | |
| WebTech Wireless Inc. | (10,000) | (31,800) | (37,400) | (0.2) |
| Total Canadian Equities - Short | | (173,266) | (190,040) | (0.9) |

| | Number of Shares | Long: Avg Cost Short: Proceeds | Fair Value | % of Total Net Asset Value |
|--|---------------------|-----------------------------------|----------------------|-------------------------------|
| U.S. Equities | | | | |
| Financials | | | | |
| KBW Regional Banking ETF | (8,000) | \$ (229,484) | \$ (217,363) | |
| Merrill Lynch & Company Inc. | (4,300) | (142,909) | (138,807) | |
| | | (372,393) | (356,170) | (1.8) |
| Total U.S. Equities - Short | | (372,393) | (356,170) | (1.8) |
| Total Short Positions Including Transaction Costs | | (545,659) | (546,210) | (2.7) |
| Transaction costs | | (594) | - | - |
| Total Short Positions Before Transaction Costs | | (546,253) | (546,210) | (2.7) |
| TOTAL INVESTMENT PORTFOLIO | | \$ 11,879,312 | 14,309,115 | 71.1 |
| Other Assets Net of Liabilities ¹ | | | 5,810,952 | 28.9 |
| TOTAL NET ASSETS REPRESENTING UNITHOLDERS' EQUITY | | | \$ 20,120,067 | 100.00 |

¹This amount is comprised of cash and short-term investments plus accrued investment income plus accounts receivable less accounts payable.

The accompanying notes are an integral part of these financial statements.

BLUMONT CANADIAN FUND
DISCUSSION OF FINANCIAL RISK MANAGEMENT (Note 3)
June 30, 2008
Unaudited

A. FINANCIAL RISK MANAGEMENT

The investment objective of BluMont Canadian Fund (the “Fund”) is to achieve superior capital appreciation over both short and long term horizons primarily by investing in Canadian equity securities. The Fund may invest in companies of any capitalization size.

The Fund may invest in bonds and other debt instruments from time to time, if determined to be appropriate by BluMont Capital Corporation (the “Manager”). The Fund will not specialize in any one industry other than to concentrate investments in those industries that the Manager believes offer the best opportunities for exceptional returns at each stage of the economic and market cycle. At the discretion of the portfolio advisor, the Fund may also invest in options, including put options (i.e. the option to sell) or call options (i.e. the option to purchase) either in respect of a specific security or in respect of a stock exchange index as a means to reduce volatility. The Fund also has the ability to take short positions, in total not exceeding 20% of the net asset value of the Fund. The Fund’s overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund’s financial performance in a manner consistent with the Fund’s investment objective. The Manager manages the potential effects of these financial risks on the Fund’s performance by employing and overseeing professional and experienced portfolio advisors that monitor the Fund’s investments and market events on a daily basis.

A general discussion of financial risk management for the Fund appears as Note 3: FINANCIAL RISK MANAGEMENT on page 21.

B. CREDIT RISK

As at June 30, 2008, the Fund had no investments in debt instruments and/or derivatives, and therefore was not subject to credit risk.

C. INTEREST RATE RISK

As at June 30, 2008, the Fund did not hold any interest-bearing securities, and therefore was not subject to interest rate risk.

D. OTHER PRICE RISK

The Statement of Investments and Other Net Assets classifies securities by market segment.

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund’s return as compared to the return of the Fund’s benchmark, as at June 30, 2008, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 114 data points based on the monthly net returns of the Fund.

| Benchmark | Impact on NAV |
|----------------------------|---------------|
| S&P/TSX Total Return Index | \$179,000 |

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

E. CURRENCY RISK

Currencies to which the Fund had exposure as at June 30, 2008, are as follows:

| Currencies | Financial Instruments | Percentage of NAV |
|----------------------|------------------------------|--------------------------|
| United States Dollar | \$1,845,522 | 9.17% |

The amounts in the above table are based on the market value of the Fund's financial instruments (including cash and cash equivalents). Other financial assets (including dividends and interest receivable, and receivable for investments sold) and financial liabilities (including payable for investments purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk.

As at June 30, 2008, if the Canadian dollar had strengthened or weakened by 1 percent in relation to all currencies, with all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$18,000.

In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

STATEMENT OF NET ASSETS
As at June 30, 2008 and December 31, 2007
Unaudited

BLUMONT NORTH AMERICAN FUND

| | 2008 | 2007 |
|--|---------------------|---------------------|
| ASSETS | | |
| Long positions at fair value* | | |
| Canadian equities | \$ 3,473,000 | \$ 3,890,663 |
| U.S. equities | <u>2,173,695</u> | <u>1,841,200</u> |
| | 5,646,695 | 5,731,863 |
| Cash and short-term investments | 816,505 | 1,549,095 |
| Accrued investment income | 2,837 | 2,843 |
| Accounts receivable: | | |
| Receivable from investment sales | <u>89,182</u> | <u>-</u> |
| Total Assets | <u>6,555,219</u> | <u>7,283,801</u> |
| LIABILITIES | | |
| Short positions at fair value** | | |
| U.S. equities | <u>202,083</u> | <u>-</u> |
| Accounts payable: | | |
| Fees and operating expenses | 14,237 | 31,964 |
| Dividends payable | 807 | - |
| Payable for investment purchases | 71,190 | 101,389 |
| Redemptions payable | <u>15,057</u> | <u>2,500</u> |
| Total Liabilities | <u>303,374</u> | <u>135,853</u> |
| NET ASSETS REPRESENTING UNITHOLDERS' EQUITY | <u>\$ 6,251,845</u> | <u>\$ 7,147,948</u> |
| NUMBER OF UNITS OUTSTANDING (Note 4) | <u>270,556</u> | <u>295,997</u> |
| NET ASSET VALUE PER UNIT | <u>\$ 23.11</u> | <u>\$ 24.15</u> |
| *Long Positions, at cost | <u>\$ 5,321,496</u> | <u>\$ 4,755,288</u> |
| **Proceeds on short positions | <u>\$ (233,354)</u> | <u>\$ -</u> |

Approved by the Board of Directors of BluMont Capital Corporation

"Veronika Hirsch"

Veronika Hirsch
Director

"Stephen Johnson"

Stephen Johnson
Director

The accompanying notes are an integral part of these financial statements.

STATEMENT OF OPERATIONS

For the six months ended June 30, 2008 and 2007

Unaudited

BLUMONT NORTH AMERICAN FUND

| | 2008 | 2007 |
|--|---------------------|-------------------|
| INVESTMENT INCOME | | |
| Dividends, net of dividends paid on investments sold short | \$ 17,458 | \$ 46,733 |
| Less: Foreign withholding taxes | <u>2,952</u> | <u>60</u> |
| | 14,506 | 46,673 |
| Interest | <u>18,587</u> | <u>54,955</u> |
| | <u>33,093</u> | <u>101,628</u> |
| EXPENSES (Notes 6 and 7) | | |
| Management fees | 63,813 | 76,280 |
| Operating expenses | 58,786 | 47,539 |
| Audit fees | 8,346 | 19,994 |
| Legal fees | 7,885 | 15,828 |
| Securityholders reporting costs | 5,449 | 10,000 |
| Custodian and Trustees' fees | 713 | 2,408 |
| Interest expense | <u>2,959</u> | <u>216</u> |
| | 147,951 | 172,265 |
| Less: Expenses absorbed by the Manager | <u>59,637</u> | <u>35,822</u> |
| | <u>88,314</u> | <u>136,443</u> |
| NET INVESTMENT LOSS | <u>(55,221)</u> | <u>(34,815)</u> |
| NET REALIZED GAIN ON INVESTMENT TRANSACTIONS | 389,126 | 539,351 |
| TRANSACTION COSTS (Note 2(III)) | (17,494) | (10,030) |
| NET CHANGE IN UNREALIZED DEPRECIATION OF INVESTMENTS | (620,105) | (130,327) |
| EXCHANGE GAIN (LOSS) ON FOREIGN CURRENCIES AND OTHER NET ASSETS | <u>7,242</u> | <u>(4,624)</u> |
| NET GAIN (LOSS) ON INVESTMENTS AND TRANSACTION COSTS | <u>(241,231)</u> | <u>394,370</u> |
| NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS | \$ <u>(296,452)</u> | \$ <u>359,555</u> |
| INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT | \$ <u>(1.04)</u> | \$ <u>1.13</u> |

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
For the six months ended June 30, 2008 and 2007
Unaudited

BLUMONT NORTH AMERICAN FUND

| | 2008 | 2007 |
|--|---------------------|---------------------|
| Net Assets, Beginning of Period | \$ 7,147,948 | \$ 8,661,397 |
| Change in Accounting Policy <i>(Note 2(II))</i> | <u>-</u> | <u>(13,619)</u> |
| | <u>7,147,948</u> | <u>8,647,778</u> |
| Net Increase (Decrease) in Net Assets from Operations | <u>(296,452)</u> | <u>359,555</u> |
| From Capital Unit Transactions: <i>(Note 4)</i> | | |
| Proceeds from issue of units | 75,693 | 223,495 |
| Consideration paid for redemptions of units | <u>(675,344)</u> | <u>(1,521,812)</u> |
| | <u>(599,651)</u> | <u>(1,298,317)</u> |
| Net Assets, End of Period | <u>\$ 6,251,845</u> | <u>\$ 7,709,016</u> |

The accompanying notes are an integral part of these financial statements.

BLUMONT NORTH AMERICAN FUND
STATEMENT OF INVESTMENTS AND OTHER NET ASSETS
As at June 30, 2008
Unaudited

| | Number of Shares | Long: Avg Cost Short: Proceeds | Fair Value | % of Total Net Asset Value |
|--|---------------------|-----------------------------------|---------------|-------------------------------|
| LONG POSITIONS | | | | |
| Canadian Equities | | | | |
| Energy | | | | |
| Bankers Petroleum Limited | 120,000 | \$ 152,032 | \$ 217,200 | |
| Bronco Energy Limited | 1,500 | 18,903 | 20,850 | |
| Cathedral Energy Services Limited | 9,000 | 143,095 | 139,140 | |
| OPTI Canada Inc. | 8,000 | 166,153 | 184,480 | |
| Pason Systems Inc. | 7,500 | 134,228 | 123,300 | |
| TriStar Oil & Gas Limited | 12,000 | 156,945 | 247,320 | |
| Zongshen Pem Power Systems Inc. | 35,000 | 109,288 | 87,500 | |
| | | 880,644 | 1,019,790 | 16.3 |
| Basic Materials | | | | |
| Centamin Egypt Limited | 100,000 | 125,700 | 116,000 | |
| Chariot Resources Limited | 175,000 | 174,288 | 164,500 | |
| Consolidated Thompson Iron Mines Limited | 35,000 | 209,700 | 307,650 | |
| Detour Gold Corporation | 14,000 | 83,262 | 343,980 | |
| Eastern Platinum Limited | 10,000 | 25,418 | 27,200 | |
| Hanfeng Evergreen Inc. | 3,000 | 37,895 | 39,210 | |
| Katanga Mining Limited | 9,000 | 129,253 | 117,180 | |
| Largo Resources Limited | 25,000 | 27,550 | 29,000 | |
| Migao Corporation | 12,000 | 96,077 | 101,040 | |
| Pacific Rubiales Energy Corporation | 4,000 | 30,607 | 53,640 | |
| Potash One Inc. | 10,000 | 49,065 | 53,700 | |
| | | 988,815 | 1,353,100 | 21.6 |
| Industrials | | | | |
| AG Growth Income Fund | 3,700 | 94,593 | 112,480 | |
| Aecon Group Inc. | 3,000 | 48,749 | 48,360 | |
| Bird Construction Income Fund | 1,500 | 65,002 | 61,875 | |
| IBI Group Income Fund | 1,600 | 36,742 | 35,440 | |
| Mecachrome International | 10,000 | 87,042 | 39,000 | |
| Rocky Mountain Dealership Inc. | 7,000 | 102,135 | 108,500 | |
| | | 434,263 | 405,655 | 6.5 |
| Consumer Discretionary | | | | |
| Quebecor Inc. 'B' | 8,500 | 287,923 | 239,700 | 3.8 |
| Financials | | | | |
| Dundee Corporation 'A' | 7,000 | 126,233 | 86,100 | 1.4 |

| | Number of Shares | Long: Avg Cost Short: Proceeds | Fair Value | % of Total Net Asset Value |
|--|---------------------|-----------------------------------|------------------|-------------------------------|
| Information Technology | | | | |
| Absolute Software Corporation | 14,500 | \$ 166,731 | \$ 151,235 | |
| Gemcom Software International Inc. | 30,000 | 56,854 | 90,600 | |
| Sierra Wireless Inc. | 8,500 | 146,388 | 126,820 | |
| | | 369,973 | 368,655 | 5.9 |
| Total Canadian Equities - Long | | 3,087,851 | 3,473,000 | 55.6 |
| U.S. Equities | | | | |
| Basic Materials | | | | |
| Compass Minerals International Inc. | 1,000 | 36,412 | 82,000 | |
| Minerals Technologies Inc. | 3,000 | 196,771 | 194,204 | |
| | | 233,183 | 276,204 | 4.4 |
| Industrials | | | | |
| Freightcar America Inc. | 5,400 | 225,212 | 195,260 | |
| Owens-Illinois Inc. | 4,000 | 206,882 | 169,761 | |
| Rock-Tenn Company 'A' | 5,500 | 194,501 | 168,138 | |
| Seaspan Corporation | 8,000 | 222,675 | 195,211 | |
| | | 849,270 | 728,370 | 11.6 |
| Consumer Staples | | | | |
| Dean Foods Company | 4,000 | 102,876 | 79,770 | |
| McCormick & Company Inc. Non Voting Shares | 5,800 | 212,120 | 210,255 | |
| | | 314,996 | 290,025 | 4.6 |
| Health Care | | | | |
| AMAG Pharmaceuticals Inc. | 600 | 36,218 | 20,804 | |
| Emergency Medical Services Corporation 'A' | 7,500 | 192,626 | 172,856 | |
| Phase Forward Inc. | 4,500 | 81,501 | 82,412 | |
| | | 310,345 | 276,072 | 4.4 |
| Financials | | | | |
| CBIZ Inc. | 11,000 | 98,726 | 89,024 | 1.4 |
| Information Technology | | | | |
| Waters Corporation | 1,400 | 91,578 | 91,925 | 1.5 |
| Telecommunication Services | | | | |
| NTELOS Holdings Corporation | 2,500 | 69,253 | 64,516 | 1.0 |

| | Number of Shares | Long: Avg Cost Short: Proceeds | Fair Value | % of Total Net Asset Value |
|--|---------------------|-----------------------------------|---------------------|-------------------------------|
| Utilities | | | | |
| Equitable Resources Inc. | 5,100 | \$ 275,089 | \$ 357,559 | 5.7 |
| Total U.S. Equities - Long | | 2,242,440 | 2,173,695 | 34.8 |
| Total Long Positions Including Transaction Costs | | 5,330,291 | 5,646,695 | 90.3 |
| Transaction costs | | (8,795) | - | - |
| Total Long Positions Before Transaction Costs | | 5,321,496 | 5,646,695 | 90.3 |
| SHORT POSITIONS | | | | |
| U.S. Equities | | | | |
| Basic Materials | | | | |
| Louisiana-Pacific Corporation | (6,000) | (77,032) | (51,979) | (0.8) |
| Consumer Discretionary | | | | |
| SPDR S&P Retail ETF | (5,000) | (156,116) | (150,104) | (2.4) |
| Total U.S. Equities - Short | | (233,148) | (202,083) | (3.2) |
| Total Short Positions Including Transaction Costs | | (233,148) | (202,083) | (3.2) |
| Transaction costs | | (206) | - | - |
| Total Short Positions Before Transaction Costs | | (233,354) | (202,083) | (3.2) |
| TOTAL INVESTMENT PORTFOLIO | | \$ 5,088,142 | 5,444,612 | 87.1 |
| Other Assets Net of Liabilities ¹ | | - | 807,233 | 12.9 |
| TOTAL NET ASSETS REPRESENTING UNITHOLDERS' EQUITY | | | \$ 6,251,845 | 100.00 |

¹This amount is comprised of cash and short-term investments plus accrued investment income plus accounts receivable less accounts payable.

The accompanying notes are an integral part of these financial statements.

BLUMONT NORTH AMERICAN FUND
DISCUSSION OF FINANCIAL RISK MANAGEMENT (Note 3)
June 30, 2008
Unaudited

A. FINANCIAL RISK MANAGEMENT

The investment objective of BluMont North American Fund (the “Fund”) is to achieve superior capital appreciation over both short and long-term horizons primarily by investing in North American equity securities.

The Fund will seek to achieve its objective primarily by investing in equity securities of North American companies, which BluMont Capital Corporation (the “Manager”) believes to have the potential for exceptional returns, encompassing mainly mid to smaller capitalized companies. The Fund may invest in bonds and other debt instruments from time to time, if determined to be appropriate by the Manager. The Fund will not specialize in any one industry other than to concentrate investments in those industries that the Manager believes offer the best opportunities for exceptional returns at each stage of the economic and market cycle. The Fund will allocate investments between Canada and the U.S. based on available opportunities. At the discretion of the portfolio advisor, the Fund may also invest in options, including put options (i.e., the option to sell) or call options (i.e., the option to purchase) either in respect of a specific security or in respect of a stock exchange index as a means to reduce volatility. The Fund also has the ability to take short positions, in total not exceeding 20% of the net asset value of the Fund. The Fund’s overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund’s financial performance in a manner consistent with the Fund’s investment objective. The Manager manages the potential effects of these financial risks on the Fund’s performance by employing and overseeing professional and experienced portfolio advisors that monitor the Fund’s investments and market events on a daily basis.

A general discussion of financial risk management for the Fund appears as Note 3: FINANCIAL RISK MANAGEMENT on page 21.

B. CREDIT RISK

As at June 30, 2008, the Fund had no investments in debt instruments and/or derivatives, and therefore was not subject to credit risk.

C. INTEREST RATE RISK

As at June 30, 2008, the Fund did not hold any interest-bearing securities, and therefore was not subject to interest rate risk.

D. OTHER PRICE RISK

The Statement of Investments and Other Net Assets classifies securities by market segment.

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund’s return as compared to the return of the Fund’s benchmark, as at June 30, 2008, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 8 data points based on the monthly net returns of the Fund.

| Benchmark | Impact on NAV |
|---|---------------|
| S&P/TSX Small Cap Index / S&P MidCap 400* | \$47,500 |

*The blended benchmark index is represented by 50% S&P/TSX Small Cap Index and 50% S&P MidCap 400 effective on November 12, 2007.

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

E. CURRENCY RISK

Currencies to which the Fund had exposure as at June 30, 2008, are as follows:

| Currencies | Financial Instruments | Percentage of NAV |
|----------------------|-----------------------|-------------------|
| United States Dollar | \$2,300,506 | 36.80% |

The amounts in the above table are based on the market value of the Fund's financial instruments (including cash and cash equivalents). Other financial assets (including dividends and interest receivable, and receivable for investments sold) and financial liabilities (including payable for investments purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk.

As at June 30, 2008, if the Canadian dollar had strengthened or weakened by 1 percent in relation to all currencies, with all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$23,000.

In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2008 AND 2007

Unaudited

1. THE FUNDS

BluMont Canadian Fund ("Canadian Fund") and BluMont North American Fund ("North American Fund"), individually a "Fund" and collectively the "Funds", are unincorporated open-ended mutual fund trusts created under the laws of the Province of Ontario pursuant to declarations of trust dated November 8, 2007, as amended from time to time (the "Declarations of Trust").

BluMont Canadian Fund, formerly known as Halcyon Hirsch Opportunistic Canadian Fund, was created on August 25, 1997. BluMont North American Fund, formerly known as Halcyon Hirsch Opportunistic Tactical Allocation Fund, was created on May 5, 1998.

On November 7, 2007, Halcyon Canadian Demographic Fund was merged into Halcyon Hirsch Opportunistic Canadian Fund. On November 8, 2007, Halcyon Fund Management Inc. resigned as trustee of the Funds and BluMont Capital Corporation ("BluMont Capital") was appointed as the manager (the "Manager") and trustee (the "Trustee").

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are presented in accordance with Canadian Generally Accepted Accounting Principles ("GAAP").

A summary of the significant accounting policies is summarized below.

(I) Adoption of New Accounting Policies - Section 3862, Financial Instruments – Disclosure and Section 3863, Financial Instruments – Presentation

On January 1, 2008, the Funds adopted Canadian Institute of Chartered Accountants' (CICA) Handbook Section 3862, "Financial Instruments – Disclosure" and Section 3863, "Financial Instruments – Presentation". These new sections replace Section 3861, "Financial Instruments – Disclosure and Presentation" and establish standards regarding the comprehensive disclosure and presentation of risks associated with financial instruments and how those risks are managed. Please refer to Note 3 and each Fund's Discussion of Financial Risk Management.

Adoption of the new standards does not impact the daily price of the Funds' securities for subscription and redemption purposes, nor for the calculation of Net Assets.

(II) Valuation of Investments

Investments are recorded in the accounts at their market value, determined as follows:

The Canadian Institute of Chartered Accountants' (CICA) Handbook Section 3855, "Financial Instruments – Recognition and Measurement" ("Section 3855"), which applies to the interim periods and fiscal years beginning on or after October 1, 2006, requires that the fair value of financial instruments, which are actively traded, be measured based on the bid/ask price for the security. Prior to that, fair value for GAAP was based on the last traded price for the day, when

available. For financial reporting purposes, effective January 1, 2007, each Fund adopted the amended valuation policy for actively traded securities held by that Fund retroactively without restatement of prior periods. Accordingly, the January 1, 2007 opening net asset value adjustment is disclosed in the Statements of Changes in Net Assets. In addition, a reconciliation as at June 30, 2008 between each Fund's net asset value for financial reporting ("GAAP NAV") and each Fund's net asset value for purposes other than financial reporting, such as purchases and redemptions, ("Trading NAV") has been provided in Note 8.

Section 3855 also requires that transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by each Fund be charged to net income in the period. Accordingly, these costs must be expensed and are included in "Transaction Costs" in the Statements of Operations. Until December 31, 2006, each Fund's policy has been to add these expenses to the cost of securities purchased or deduct them from the proceeds of sale. Effective January 1, 2007, each Fund adopted the new accounting policy retroactively, without restatement of prior periods.

Securities listed upon a recognized public stock exchange are valued at their bid/ask prices on the financial statement date. Securities with no bid/ask prices are valued at their closing sale prices. Securities not listed upon a recognized public stock exchange are valued using valuation techniques, on such basis and in such manner established by the Manager.

Short-term investments are recorded at fair market value.

The difference between market value and the average cost is shown as the net change in unrealized appreciation (depreciation) of investments.

(III) Investment Transactions and Income Recognition

Investment transactions are accounted for as of the trade date. Income and expenses are recorded on an accrual basis. Dividend income is recorded on the ex-dividend date. Interest income is recorded daily as it is earned. Realized gains and losses from security transactions are calculated using the average cost basis.

(IV) Valuation of Fund Units

The Funds' units are issued and redeemed at the net asset value per unit, which is determined as of the close of Valuation Day. A "Valuation Day" is any day that the Toronto Stock Exchange is open for business or such other trading day or days as the Manager may determine.

The net asset value per unit of each Fund is determined by dividing the total market value of each Fund's net assets by the number of units outstanding.

For each Fund unit sold, the Fund receives an amount equal to the net asset value per unit on the date of sale, which is included in unitholders' equity. Units are redeemable at the option of the unitholders at their net asset value on any Valuation Day. For each unit redeemed, the number of issued and outstanding units is reduced and the equity in the Fund is reduced by the related net asset value on the date of redemption.

(V) Foreign Currency Translation

Assets, including market value of investments and liabilities denominated in foreign currencies, are converted to Canadian dollars at the rates of exchange established on each Valuation Day.

Purchases and sales of investments, dividends and interest income denominated in foreign currencies are converted into Canadian dollars at the rates of exchange prevailing on the respective dates of such transactions.

Realized exchange gains (losses) on investments are included in “Net Realized Gain (Loss) on Investment Transactions” in the Statements of Operations.

Unrealized exchange gains (losses) on investments are included in “Net Change in Unrealized Appreciation (Depreciation) of Investments” in the Statements of Operations.

Realized and unrealized exchange gains (losses) on assets (other than investments), liabilities and investment income denominated in foreign currencies are included in “Exchange Gain (Loss) on Foreign Currencies and Other Net Assets” in the Statements of Operations.

(VI) Use of Estimates

These financial statements, prepared in accordance with Canadian generally accepted accounting principles, include estimates and assumptions by management that affect the reported amounts of certain assets and liabilities and disclosure of contingent liabilities, at the date of the financial statements, and the reported amounts of certain revenue and expenses during the period. Actual results could differ from these estimates.

(VII) Increase (Decrease) in Net Assets from Operations Per Unit

Increase (Decrease) in Net Assets from Operations per Unit amount is determined by dividing the Net Increase (Decrease) in Net Assets from Operations by the average number of units outstanding during the year.

3. FINANCIAL RISK MANAGEMENT

In the normal course of business, each Fund is exposed to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, other price risk and currency risk) that could result in a reduction in the value of the Funds' net assets. The value of investments within a fund's portfolio can fluctuate on a daily basis as a result of changes in interest rates, economic conditions, market and company news related to specific securities within the Fund. The level of risk depends on the Fund's investment objectives and the type of securities it invests in. Please refer to Discussion of Financial Risk Management (an addendum to Note 3 on pages 9 and 17 of this report) for each Fund's specific risk disclosure.

(I) Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with a fund.

Where a fund invests in debt instruments and derivatives, this represents the main concentration of credit risk. The market value of debt instruments and derivatives includes consideration of the credit worthiness of the issuer, and accordingly, represents the maximum credit risk exposure of the fund.

All transactions executed by a fund in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

(II) Liquidity Risk

Liquidity risk is defined as the risk that a fund may not be able to settle or meet its obligation on time or at a reasonable price.

Each Fund is exposed to daily cash redemptions of redeemable units. The units of each Fund are issued and redeemed daily at the Fund's Trading NAV per unit at the option of the unitholder.

Liquidity risk is managed by investing the majority of each Fund's assets in investments that are traded in an active market and can be readily disposed. In accordance with securities regulations, each Fund must maintain at least 90% of assets in liquid investments (i.e. investments that are traded in an active market and can be readily disposed of). In addition, each Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity, and has the ability to borrow up to 5% of its net assets for the purpose of funding redemptions.

Each Fund may, from time to time, invest in securities that are not traded in an active market and may be illiquid. Such investments are identified as private and restricted securities in each Fund's Statement of Investments and Other Net Assets.

The Funds may employ the use of derivatives to moderate certain risk exposures. There is no guarantee that a market will exist for some derivatives and it is possible that the exchanges may impose limits on trading of derivatives.

(III) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments.

Interest rate risk arises when a fund invests in interest-bearing financial instruments. The fund is exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. There is minimal sensitivity to interest rate fluctuations on any cash and cash equivalents, invested at short-term market interest rates.

(IV) Other Price Risk

Other price risk is the risk that the market value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

All investments represent a risk of loss of capital. The Manager of each Fund moderates this risk through a careful selection and diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy. The maximum risk resulting from financial instruments is determined by the market value of the financial instruments, unless the Fund holds short positions in financial instruments, as further described below. Each Fund's overall market positions are monitored on a daily basis by the Manager. Financial instruments held by each Fund are susceptible to market price risk arising from uncertainties about future prices of the instruments.

Each Fund has received approval from the Canadian securities regulators to begin short selling securities on a limited and controlled basis, effective December 1, 2007.

The aggregate market value of all securities sold short by each Fund will not exceed 20% of its respective total net assets on a daily marked-to-market basis.

No proceeds from short sales will be used by the Funds to purchase long positions other than cash cover.

There are risks associated with short selling, namely that the securities will rise in value or not decline enough to cover a Fund's costs, or that market conditions will cause difficulties in the sale or repurchase of the securities.

(V) Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk arises from financial instruments (including cash and cash equivalents) that are denominated in a currency other than Canadian dollars, which represents the functional currency of the Funds. Each Fund may enter into foreign exchange contracts for hedging purposes to reduce its foreign currency exposure, or to establish exposure to foreign currencies.

4. UNIT TRANSACTIONS

The units authorized for issuance are unlimited in number, have no nominal or par value and are issued and redeemed at their net asset value.

The number of units issued and redeemed at net asset value is summarized as follows:

| | Canadian Fund | |
|---|-----------------------|----------------|
| | 2008 | 2007 |
| Balance at January 1 | 873,091 | 944,370 |
| Units issued for cash | 46,254 | 9,491 |
| Units redeemed | (51,778) | (138,959) |
| Units issued and outstanding at June 30 | <u>867,567</u> | <u>814,902</u> |

| | North American Fund | |
|---|----------------------------|----------------|
| | 2008 | 2007 |
| Balance at January 1 | 295,997 | 350,973 |
| Units issued for cash | 3,154 | 8,759 |
| Units redeemed | (28,595) | (60,087) |
| Units issued and outstanding at June 30 | <u>270,556</u> | <u>299,645</u> |

5. INCOME TAXES

As at December 31, 2007, the Canadian Fund and the North American Fund qualified as mutual fund trusts. The Funds are subject to tax under the Income Tax Act (Canada) (the "Act") on all of its taxable income for the year (including net taxable capital gains) and are permitted a deduction in computing taxable income for all amounts which are paid or payable in the year to their unitholders. It is the policy of each Fund, to the extent practicable, to distribute to the unitholders all income of the Fund for the year so that it generally will not pay any Canadian federal income tax under Part 1 of the Act. Accordingly no provision for income taxes has been made in these financial statements.

6. RELATED PARTY TRANSACTIONS

Under the terms of agreements between the Funds and the Manager, and in return for investment management and administrative services, the Manager receives monthly management fees from each Fund, calculated daily and payable monthly.

The Canadian Fund pays management fees at the rate of 2.15% per year. In addition, the Canadian Fund pays the Manager performance fees equal to 20% of the amount by which the Fund outperforms the S&P/TSX Composite Index.

The North American Fund pays management fees at the rate of 1.9% per year. In addition, the North American Fund pays the Manager performance fees equal to 20% of the amount by which the Fund outperforms its benchmark. As of November 12, 2007, this benchmark was revised from a weighting of 45% of the S&P/TSX Total Return Index, 45% of the Scotia Capital Markets Universe Bond Index and 10% of the S&P's 500 Total Return Index, to a weighting of 50% of the S&P/TSX Small Cap Index and 50% of the S&P MidCap 400.

Performance fees will be payable in all circumstances where the performance of the Fund exceeds that of its applicable benchmark, even in circumstances where the overall performance of the Fund has declined. Performance fees will be calculated and accrued (and payable by the Fund) daily such that, to the extent possible, the unit price each day will reflect any performance fees payable as at the end of such day.

If the performance of a Fund for the period being measured is less than the performance of its benchmark for such period (a "Return Deficiency"), then no performance fees will be payable until the performance of the Fund thereafter relative to its benchmark has exceeded the amount of the Return Deficiency.

The Manager may, on its own accord, pay for certain operating expenses of each of the Funds in order to maintain each Fund's management expense ratio at a competitive level. These absorptions may be terminated at any time by the Manager, and at the Manager's direction may be continued indefinitely. The absorbed amounts are shown in the Statements of Operations.

7. FEES AND OPERATING EXPENSES

Each Fund is responsible, on a separate basis, for the payment of all fees and expenses including, but not limited to, brokerage commissions on portfolio transactions, all regulatory filing fees, registrar and transfer agent fees, audit, accounting, administration, record keeping and legal fees and expenses, custody and safekeeping charges, all taxes, and all other fees relating to the purchase and sale of the assets of the respective Fund. There were no soft dollar commissions for the Funds during the period.

The total brokerage commissions paid by the Funds with respect to security transactions for the periods ended June 30 were:

| | <u>2008</u> | <u>2007</u> |
|---------------------|-------------|-------------|
| Canadian Fund | \$ 36,364 | \$ 27,195 |
| North American Fund | \$ 17,494 | \$ 10,030 |

8. RECONCILIATION OF TRADING NAV TO GAAP NAV

As at June 30, 2008

| | Net Asset Value (\$) | | | Net Asset Value per Unit (\$) | | |
|---------------------|----------------------|----------------------|--------------|-------------------------------|----------------------|----------|
| | Trading NAV | Sec. 3855 Adjustment | GAAP NAV | Trading NAV | Sec. 3855 Adjustment | GAAP NAV |
| Canadian Fund | \$20,180,224 | \$(60,157) | \$20,120,067 | \$23.26 | \$(0.07) | \$23.19 |
| North American Fund | \$6,270,564 | \$(18,719) | \$6,251,845 | \$23.18 | \$(0.07) | \$23.11 |

As at June 30, 2007

| | Net Asset Value (\$) | | | Net Asset Value per Unit (\$) | | |
|---------------------|----------------------|----------------------|--------------|-------------------------------|----------------------|----------|
| | Trading NAV | Sec. 3855 Adjustment | GAAP NAV | Trading NAV | Sec. 3855 Adjustment | GAAP NAV |
| Canadian Fund | \$19,262,269 | \$(68,758) | \$19,193,511 | \$23.64 | \$(0.09) | \$23.55 |
| North American Fund | \$7,732,723 | \$(23,707) | \$7,709,016 | \$25.81 | \$(0.08) | \$25.73 |

9. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's financial statements presentation.

FUND INFORMATION

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