

EXEMPLAR

PORTFOLIOS



INTERIM FINANCIAL STATEMENTS JUNE 2011

EXEMPLAR CANADIAN FOCUS PORTFOLIO | EXEMPLAR GLOBAL OPPORTUNITIES PORTFOLIO | EXEMPLAR DIVERSIFIED PORTFOLIO

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MANAGEMENT'S STATEMENT ON FINANCIAL REPORTING

TO THE SHAREHOLDERS OF EXEMPLAR CANADIAN FOCUS PORTFOLIO, EXEMPLAR GLOBAL OPPORTUNITIES PORTFOLIO AND EXEMPLAR DIVERSIFIED PORTFOLIO (COLLECTIVELY THE "PORTFOLIOS")

BluMont Capital Corporation (the "Manager") is responsible for the accompanying financial statements and all information in this report. The financial statements have been approved by the Board of Directors of the Manager. The financial statements have been prepared in accordance with accounting principles generally accepted in Canada and, where appropriate, reflect management's judgment and best estimates.

Management has established systems of internal control that provide assurance that assets are safeguarded from loss or unauthorized use and produce reliable accounting records for the preparation of financial information. The systems of internal controls meet management's responsibilities for the integrity of the financial statements.

The Board of Directors of the Manager meets with management and the auditors to discuss the Portfolios' financial reporting and internal control. The Board of Directors reviews the results of the audits by the auditors and their audit report. The external auditors have unrestricted access to the Board of Directors.

The Manager recognizes its responsibility to conduct the Portfolios' affairs in the best interest of its shareholders.

Respectfully,

"James Wanstall"

Chief Executive Officer
BluMont Capital Corporation
August 25, 2011

NOTICE TO SHAREHOLDERS

The auditors of the Portfolios have not reviewed these financial statements.

The Manager of the Portfolios appoints an independent auditor to audit the Portfolios' annual financial statements. Applicable securities laws require that if an auditor has not reviewed the Portfolios' interim financial statements, this must be disclosed in an accompanying notice.

STATEMENT OF NET ASSETS
As at June 30, 2011 and December 31, 2010
Unaudited

EXEMPLAR CANADIAN FOCUS PORTFOLIO

	2011	2010
ASSETS		
Long positions at fair value*		
Canadian equities	\$ 45,212,154	\$ 39,087,513
Canadian bonds	1,863,630	1,207,937
U.S. equities	1,971,636	1,510,854
Global equities	<u>1,860,979</u>	<u>2,025,108</u>
	50,908,399	43,831,412
Cash and broker deposits	18,607,001	10,774,362
Short-term investments	-	-
Accrued investment income	93,190	104,087
Accounts receivable:		
Subscriptions receivable	213,058	397,543
Receivable from investment sales	126,142	-
Income tax receivable	<u>324,586</u>	<u>168,697</u>
Total Assets	<u>70,272,376</u>	<u>55,276,101</u>
LIABILITIES		
Short positions at fair value**		
Canadian equities	<u>774,968</u>	<u>790,333</u>
Accounts payable:		
Fees and operating expenses	127,547	105,949
Performance fees payable	2,331	1,648,540
Dividends payable	6,600	6,300
Payable for investment purchases	347,187	117,751
Commissions payable	-	8,209
Redemptions payable	168,245	10,864
Capital tax payable	<u>2,606</u>	<u>2,606</u>
Total Liabilities	<u>1,429,484</u>	<u>2,690,552</u>
NET ASSETS REPRESENTING SHAREHOLDERS' EQUITY[†]		
Series A	50,366,834	36,870,858
Series F	11,120,986	6,957,117
Series I	1,522,142	1,518,714
Series R	<u>5,832,930</u>	<u>7,238,860</u>
	<u>\$ 68,842,892</u>	<u>\$ 52,585,549</u>

[†]Net assets representing shareholders' equity carried forward to next page

STATEMENT OF NET ASSETS - CONTINUED
As at June 30, 2011 and December 31, 2010
Unaudited

EXEMPLAR CANADIAN FOCUS PORTFOLIO

	2011	2010
NET ASSETS REPRESENTING SHAREHOLDERS' EQUITY[†]		
†Net assets representing shareholders' equity carried forward from previous page		
Series A	50,366,834	36,870,858
Series F	11,120,986	6,957,117
Series I	1,522,142	1,518,714
Series R	5,832,930	7,238,860
	<u>\$ 68,842,892</u>	<u>\$ 52,585,549</u>
NUMBER OF SHARES OUTSTANDING (Note 4)		
Series A	3,540,071	2,515,307
Series F	761,347	464,840
Series I	106,190	103,836
Series R	489,595	590,234
	<u>489,595</u>	<u>590,234</u>
NET ASSETS PER SHARE		
Series A	\$ 14.23	\$ 14.66
Series F	\$ 14.61	\$ 14.97
Series I	\$ 14.33	\$ 14.63
Series R	\$ 11.91	\$ 12.26
	<u>\$ 45,831,665</u>	<u>\$ 33,685,176</u>
*Long positions, at cost	<u>\$ 45,831,665</u>	<u>\$ 33,685,176</u>
**Proceeds on short positions	<u>\$ (670,323)</u>	<u>\$ (737,216)</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,
Unaudited

EXEMPLAR CANADIAN FOCUS PORTFOLIO

	2011	2010
INVESTMENT INCOME		
Dividends	\$ 309,732	\$ 170,791
Less: Foreign withholding taxes	<u>2,107</u>	<u>535</u>
	307,625	170,256
Interest	<u>137,687</u>	<u>4,972</u>
	<u>445,312</u>	<u>175,228</u>
EXPENSES (Notes 6 and 7)		
Management fees	505,218	234,472
Performance fees	2,331	156,943
General operating expenses	253,072	147,674
Dividends on investments sold short	13,593	1,234
Audit fees	1,290	17,409
Legal fees	12,163	36,509
Securityholders' reporting costs	27,543	18,520
Custodian and trustees' fees	23,233	50
Interest	<u>103</u>	<u>55</u>
	838,546	612,866
Less: Expenses absorbed by the Manager	<u>82,644</u>	<u>116,818</u>
	<u>755,902</u>	<u>496,048</u>
INVESTMENT LOSS BEFORE INCOME TAXES	<u>(310,590)</u>	<u>(320,820)</u>
PROVISION FOR INCOME TAXES (RECOVERY)		
Future	-	26,115
Current	<u>-</u>	<u>(68,384)</u>
	<u>-</u>	<u>(42,269)</u>
NET INVESTMENT LOSS	<u>(310,590)</u>	<u>(278,551)</u>
NET REALIZED GAIN ON INVESTMENT TRANSACTIONS	3,398,779	840,614
TRANSACTION COSTS (Notes 2(1) and 7)	(104,732)	(38,942)
NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENTS	(5,121,030)	102,007
EXCHANGE GAIN (LOSS) ON FOREIGN CURRENCIES AND OTHER NET ASSETS	<u>(35,271)</u>	<u>20,624</u>
NET GAIN (LOSS) ON INVESTMENTS AND TRANSACTION COSTS	<u>(1,862,254)</u>	<u>924,303</u>
NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A	(1,680,891)	292,242
Series F	(294,878)	63,118
Series I	(32,072)	36,577
Series R	<u>(165,003)</u>	<u>253,815</u>
	<u>\$ (2,172,844)</u>	<u>\$ 645,752</u>
NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE (Note 2(VII))		
Series A	\$ (0.53)	\$ 0.21
Series F	\$ (0.47)	\$ 0.24
Series I	\$ (0.30)	\$ 0.36
Series R	<u>\$ (0.31)</u>	<u>\$ 0.29</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,
Unaudited

EXEMPLAR CANADIAN FOCUS PORTFOLIO

	2011	2010
Net Assets, Beginning of Period		
Series A	36,870,858	14,563,616
Series F	6,957,117	2,948,459
Series I	1,518,714	1,176,093
Series R	7,238,860	10,673,530
	<u>\$ 52,585,549</u>	<u>\$ 29,361,698</u>
Net Increase (Decrease) in Net Assets from Operations		
Series A	(1,680,891)	292,242
Series F	(294,878)	63,118
Series I	(32,072)	36,577
Series R	(165,003)	253,815
	<u>(2,172,844)</u>	<u>645,752</u>
From Capital Share Transactions: (Note 4)		
Proceeds from issue of shares		
Series A	16,723,105	5,350,154
Series F	5,035,780	1,313,062
Series I	35,500	42,000
	<u>21,794,385</u>	<u>6,705,216</u>
Consideration paid for redemptions of shares		
Series A	(1,546,238)	(1,588,440)
Series F	(577,033)	(344,274)
Series R	(1,240,927)	(3,179,555)
	<u>(3,364,198)</u>	<u>(5,112,269)</u>
Net Assets, End of Period		
Series A	50,366,834	18,617,572
Series F	11,120,986	3,980,365
Series I	1,522,142	1,254,670
Series R	5,832,930	7,747,790
	<u>\$ 68,842,892</u>	<u>\$ 31,600,397</u>

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

EXEMPLAR CANADIAN FOCUS PORTFOLIO
STATEMENT OF INVESTMENTS AND OTHER NET ASSETS
As at June 30, 2011
Unaudited

	Number of Shares	Long: Avg Cost Short: Proceeds	Fair Value	% of Total Net Asset Value
LONG POSITIONS				
Canadian Equities				
Energy				
Advantage Oil & Gas Limited	31,200	\$ 265,351	\$ 238,368	
Bellatrix Exploration Limited	138,000	595,368	626,520	
Cameco Corporation	24,400	844,722	618,784	
Canyon Services Group Inc.	72,400	849,268	963,644	
Capital Power Corporation	1,600	39,915	39,968	
Celtic Exploration Limited	35,700	474,294	760,767	
Compass Petroleum Limited	150,000	315,000	237,000	
Epsilon Energy Limited	106,000	416,073	355,100	
Equal Energy Limited	36,800	259,990	231,840	
Gasfrac Energy Services, Inc.	68,900	614,385	604,942	
IROC Energy Services Corporation	411,500	596,175	823,000	
Novus Energy Inc.	211,400	224,709	192,374	
Open Range Energy Corporation	133,800	624,536	639,564	
Palliser Oil & Gas Corporation	241,000	482,674	318,120	
Progress Energy Resources Corporation	16,800	220,787	230,496	
Pure Energy Services Limited	60,100	363,754	459,765	
Rainy River Resources Limited	80,100	450,866	745,731	
Rock Energy Inc.	51,600	282,764	212,592	
Savanna Energy Services Corporation	80,000	710,508	693,600	
SouthGobi Resources Limited	20,300	301,470	215,586	
Suncor Energy Inc.	17,300	745,040	651,864	
Surge Energy Inc.	76,900	572,988	745,161	
Tamarack Valley Energy Limited	539,600	263,077	210,444	
Tourmaline Oil Corporation	28,500	757,186	912,000	
Trican Well Service Limited	19,400	412,721	439,216	
Tuscany International Drilling Inc.	325,500	452,280	292,950	
Wild Stream Exploration Inc.	51,400	317,592	582,362	
		12,453,493	13,041,758	18.8

Basic Materials

Alderon Resource Corporation	110,800	414,578	329,076	
Balmoral Resources Limited	550,000	330,000	489,500	
Belo Sun Mining Corporation	159,500	199,699	165,880	
Black Diamond Group Limited	20,900	433,937	657,932	
Calvista Gold Corporation	400,000	396,000	332,000	
Candente Resource Corporation	140,200	293,993	158,426	
Cline Mining Corporation	78,200	298,789	178,296	
Continental Gold Limited	60,900	577,197	447,006	
Detour Gold Corporation	55,800	750,970	1,557,378	
Goldgroup Mining Inc.	41,400	62,085	46,782	
Grande Cache Coal Corporation	28,400	305,357	248,784	

	Number of Shares	Long: Avg Cost Short: Proceeds	Fair Value	% of Total Net Asset Value
Basic Materials – Cont'd				
Great Western Minerals Group Limited	90,800	\$ 68,271	\$ 62,652	
Imperial Metals Corporation	38,200	874,256	739,170	
Kiska Metals Corporation	257,400	287,753	175,032	
Labrador Iron Ore Royalty Corporation Stapled Units	36,600	966,803	1,416,420	
Levon Resources Limited	100,000	195,000	170,000	
Lundin Mining Corporation	35,400	277,957	261,606	
Malbex Resources Inc.	81,600	51,254	32,640	
Midas Gold Corporation	50,000	162,500	162,500	
Midway Gold Corporation	156,700	227,621	291,462	
Neo Material Technologies Inc.	68,600	477,789	634,550	
New Gold Inc.	54,425	524,332	539,896	
Northern Superior Resources Inc.	195,700	166,664	56,753	
Rukwa Uranium Limited ²	750,000	37,500	37,500	
Sabina Gold & Silver Corporation	66,100	364,739	389,990	
Silver Quest Resources Limited	241,600	183,163	277,840	
Silver Wheaton Corporation	5,700	79,987	181,374	
Sulliden Exploration Inc.	122,400	147,600	210,528	
Trelawney Mining and Exploration Inc.	145,200	382,068	638,880	
Uranium World Energy Inc. ²	1,400,000	-	-	
Volta Resources Inc.	184,300	268,388	298,566	
Western Troy Capital Resources Inc.	221,600	149,422	52,076	
Wildcat Silver Corporation	178,600	394,932	287,546	
		10,350,604	11,528,041	16.8
Industrials				
CAE Inc.	50,300	591,983	652,894	
Canadian National Railway Company	16,800	1,208,486	1,293,431	
Horizon North Logistics Inc.	66,100	237,904	294,145	
Student Transportation Inc.	58,500	372,566	360,360	
Twin Butte Energy Limited	16,300	52,809	39,446	
		2,463,748	2,640,276	3.8
Consumer Discretionary				
Astral Media Inc. 'A'	15,800	547,455	587,918	
Cineplex Inc.	30,400	645,453	808,640	
Imax Corporation	15,600	373,563	479,856	
MI Developments Inc	18,700	547,596	548,213	
The Forzani Group Limited 'A'	10,600	279,370	279,204	
Torstar Corporation 'B'	49,100	634,343	589,200	
		3,027,780	3,293,031	4.8
Consumer Staples				
Shoppers Drug Mart Corporation	19,900	809,223	789,433	1.2

	Number of Shares/ Par Value	Long: Avg Cost Short: Proceeds	Fair Value	% of Total Net Asset Value
Health Care				
Paladin Labs Inc.	11,900	\$ 229,856	\$ 479,094	
Valeant Pharmaceuticals International Inc.	26,800	1,289,751	1,342,412	
		1,519,607	1,821,506	2.7
Financials				
Brookfield Asset Management Inc. 'A'	44,200	1,438,587	1,412,190	
Canadian Western Bank	42,300	1,066,843	1,301,994	
CI Financial Corporation	13,000	271,267	296,790	
National Bank of Canada	24,500	1,642,101	1,913,695	
TMX Group Inc.	29,800	1,140,259	1,294,810	
		5,559,057	6,219,479	9.0
Information Technology				
CGI Group Inc. 'A'	20,300	342,149	482,125	
Nexl Systems Inc.	16,000	145,055	140,960	
Open Text Corporation	11,100	538,623	682,539	
SXC Health Solutions Corporation	14,200	248,711	801,306	
The Descartes Systems Group Inc.	62,400	367,714	430,560	
Wi-LAN Inc.	12,000	83,424	93,120	
		1,725,676	2,630,610	3.8
Telecommunication Services				
BCE Inc.	45,000	1,186,605	1,701,900	
Telus Corporation	16,800	731,361	850,920	
		1,917,966	2,552,820	3.7
Utilities				
Emera Inc.	22,000	681,831	695,200	1.0
Total Canadian Equities - Long		40,508,985	45,212,154	65.6
Canadian Bonds				
Detour Gold Corporation 5.50%, November 30, 2017	750,000	765,415	793,924	
Neo Material Technologies 5.00%, December 31, 2017	350,000	339,816	338,906	
Progress Energy Resource 5.75%, June 30, 2016	500,000	500,000	514,300	
Rocky Mountain Dealership 7.00%, September 30, 2017	200,000	200,000	216,500	
Total Canadian Bonds - Long		1,805,231	1,863,630	2.7
U.S. Equities				
Basic Materials				
Allied Nevada Gold Corporation	22,100	504,174	747,422	1.1

	Number of Shares	Long: Avg Cost Short: Proceeds	Fair Value	% of Total Net Asset Value
Financials				
KKR & Company LP	34,700	\$ 594,058	\$ 546,449	0.8
Information Technology				
International Business Machines Corporation	4,100	557,424	677,765	1.0
Total U.S. Equities - Long		1,655,656	1,971,636	2.9
Global Equities				
Australia				
Bannerman Resources Limited	306,500	248,661	82,755	
CGA Mining Limited	195,300	602,551	576,135	
Intrepid Mines Limited	309,800	558,052	449,210	
		1,409,264	1,108,100	1.6
United Kingdom				
Verde Potash PLC	113,900	510,242	752,879	1.1
Total Global Equities - Long		1,919,506	1,860,979	2.7
Total Long Positions Including Transaction Costs		45,889,378	50,908,399	73.9
Transaction Costs		(57,713)	-	-
Total Long Positions Before Transaction Costs		45,831,665	50,908,399	73.9
SHORT POSITIONS				
Canadian Equities				
Basic Materials				
Rubicon Minerals Corporation	(2,200)	(7,854)	(7,568)	
Tanzanian Royalty Exploration Corporation	(20,000)	(128,263)	(129,600)	
		(136,117)	(137,168)	(0.2)
Telecommunication Services				
Telus Corporation	(12,000)	(533,580)	(637,800)	(0.9)
Total Canadian Equities - Short		(669,697)	(774,968)	(1.1)
Total Short Positions Including Transaction Costs		(669,697)	(774,968)	(1.1)
Transaction Costs		(626)	-	-
Total Short Positions Before Transaction Costs		(670,323)	(774,968)	(1.1)
TOTAL INVESTMENT PORTFOLIO		\$ 45,161,342	50,133,431	72.8
Other Assets, Net of Liabilities ¹			18,709,461	27.2
TOTAL NET ASSETS REPRESENTING UNITHOLDERS' EQUITY			\$ 68,842,892	100.0

¹This amount is comprised of cash and broker deposits plus accrued investment income plus accounts receivable plus income tax receivable less accounts payable.

²Private and/or illiquid securities.

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

EXEMPLAR CANADIAN FOCUS PORTFOLIO
SUMMARY OF INVESTMENT PORTFOLIO
As at June 30, 2011 and December 31, 2010
Unaudited

SECTOR MIX	% of Total Net Assets	
	2011	2010
Long Positions		
Energy	18.8	20.4
Basic Materials	20.6	32.0
Industrials	3.8	4.2
Consumer Discretionary	4.8	5.7
Consumer Staples	1.2	1.6
Health Care	2.7	0.6
Financials	9.8	7.8
Information Technology	4.8	4.6
Telecommunication Services	3.7	4.1
Utilities	1.0	-
Corporate Bonds	2.7	2.3
Other Assets, Net of Liabilities	27.2	18.2
Short Positions		
Basic Materials	(0.2)	(0.3)
Financials	-	(0.2)
Telecommunication Services	(0.9)	(1.0)

GEOGRAPHIC MIX	% of Total Net Assets	
	2011	2010
Long Positions		
Canada	68.3	76.6
U.S.	2.9	2.9
Australia	1.6	2.9
United Kingdom	1.1	0.9
Other Assets, Net of Liabilities	27.2	18.2
Short Positions		
Canada	(1.1)	(1.5)

ASSET MIX	% of Total Net Assets	
	2011	2010
Long Positions		
Canadian Equities	65.6	74.3
Canadian Bonds	2.7	2.3
U.S. Equities	2.9	2.9
Global Equities	2.7	3.8
Other Assets, Net of Liabilities	27.2	18.2
Short Positions		
Canadian Equities	(1.1)	(1.5)

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

EXEMPLAR CANADIAN FOCUS PORTFOLIO
DISCUSSION OF FINANCIAL INSTRUMENTS RISK MANAGEMENT (Note 3)
June 30, 2011
Unaudited

A. FINANCIAL RISK MANAGEMENT

The investment objective of the Exemplar Canadian Focus Portfolio (the "Portfolio") is to achieve superior capital appreciation over both short and long term horizons primarily through the selection and management of a concentrated group of long and short positions in Canadian equity securities and equity derivative securities.

The Portfolio invests predominantly in large and mid capitalization companies. The Portfolio may also invest in bonds and other debt instruments if warranted by financial conditions. The Portfolio does not specialize in any one industry other than to concentrate investments in those industries that offer the best opportunities for exceptional returns at each stage of the economic and market cycle. The Portfolio may also invest in options, including put options or call options either in respect of a specific security or in respect of a stock exchange index as a means to reduce volatility.

The Portfolio may engage in short selling of securities which the Manager believes are overvalued, especially securities of issuers with deteriorating fundamentals and weak balance sheets. Short positions of index securities such as exchange traded funds may also be employed for capital preservation and hedging purposes. Short selling positions will not in total exceed 40% of the Net Asset Value of the Portfolio.

The Portfolio holds cash and invests in short term securities for the purpose of preserving capital and/or maintaining liquidity, based upon the Manager's ongoing evaluation of current and anticipated economic and market conditions. The Portfolio may also invest in foreign securities of the same type and characteristics as described above.

The Portfolio may use derivatives for hedging and non-hedging purposes as permitted by applicable securities laws. The Portfolio may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income or as a short-term cash management tool.

The Portfolio is permitted to leverage its assets. The Portfolio will generally not use leverage in excess of 20% of its Net Asset Value.

The Portfolio's overall risk management program seeks to minimize the potentially adverse effect of risk on the Portfolio's financial performance in a manner consistent with the Portfolio's investment objective. The Manager manages the potential effects of these financial risks on the Portfolio's performance by employing and overseeing professional and experienced portfolio advisors that monitor the Portfolio's investments and market events on a daily basis.

A general discussion of financial risk management for the Exemplar Portfolios is contained in Note 3: FINANCIAL INSTRUMENTS RISK MANAGEMENT on page 44.

B. CREDIT RISK

As at June 30, 2011 and December 31, 2010, the Portfolio invested in debt instruments and/or derivatives with the following credit ratings:

Debt Instruments by Credit Rating	Percentage of Net Assets (%)	
	As at June 30, 2011	As at December 31, 2010
Not Rated	2.7%	2.3%

Credit ratings are obtained from Standard & Poor's, Moody's and/or Dominion Bond Rating Services. Where multiple ratings were obtained for a security, the lowest rating has been used.

C. LIQUIDITY RISK

The following table outlines cash flows associated with the maturities of the Portfolio's financial assets and liabilities as of:

June 30, 2011

	Less than 1 year (\$)	1 - 3 years (\$)	3 - 5 Years (\$)	Beyond 5 Years	No maturity date (\$)
Financial Assets					
Equities - Long	-	-	-	-	49,044,769
Bonds	-	514,300	-	1,349,330	-
Other receivables	756,976	-	-	-	-
Cash and broker deposits	18,607,001	-	-	-	-
Total	19,363,977	514,300	-	1,349,330	49,044,769
Liabilities					
Equities - Short	-	-	-	-	(774,968)
Other liabilities	(654,516)	-	-	-	-
Total	(654,516)	-	-	-	(774,968)

December 31, 2010

	Less than 1 year (\$)	1 - 3 years (\$)	3 - 5 Years (\$)	Beyond 5 Years	No maturity date (\$)
Financial Assets					
Equities - Long	-	-	-	-	42,623,475
Bonds	-	-	-	1,207,937	-
Other receivables	670,327	-	-	-	-
Cash and broker deposits	10,774,362	-	-	-	-
Total	11,444,689	-	-	1,207,937	42,623,475
Liabilities					
Equities - Short	-	-	-	-	(790,333)
Other liabilities	(1,900,219)	-	-	-	-
Total	(1,900,219)	-	-	-	(790,333)

D. INTEREST RATE RISK

As at June 30, 2011 and December 31, 2010, the Portfolio held the following interest-bearing securities:

Debt Instruments by Maturity	Financial Instruments	
	As at June 30, 2011 (\$)	As at December 31, 2010 (\$)
Less than 1 year	-	-
1-3 years	514,300	-
3-5 years	-	-
Greater than 5 years	1,349,330	1,207,937

As at June 30, 2011, if the yield curve shifted in parallel by 25 basis points, with all other variables held constant, Net Assets would have increased or decreased, respectively, by approximately \$603 (December 31, 2010 - \$381).

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

E. OTHER PRICE RISK

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

The impact on Net Assets of the Portfolio due to a 5 percent change in benchmark, using historical correlation between the Portfolio's return as compared to the return of the Portfolio's benchmark, as at June 30, 2011 and December 31, 2010, with all other variables held constant, is presented in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 38 data points (December 31, 2010 – 32 data points) based on the monthly net returns of the Portfolio.

Benchmark	Impact on Net Assets	
	June 30, 2011	December 31, 2010
S&P/TSX Total Return Index	\$746,923	\$524,618

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

F. CURRENCY RISK

Currencies to which the Portfolio had exposure as at June 30, 2011 and December 31, 2010, are as follows:

Currency	As at June 30, 2011		As at December 31, 2010	
	Financial Instruments (\$)	Percentage of Net Assets (%)	Financial Instruments (\$)	Percentage of Net Assets (%)
United States Dollar (long)	2,905,256	4.2	2,128,525	4.0
United States Dollar (short)	(333,312)	(0.5)	(28,652)	(0.1)

The amounts in the above table are based on the fair value of the Portfolio's financial instruments (including cash and cash equivalents). Other financial assets and financial liabilities that are denominated in foreign currencies do not expose the Portfolio to significant currency risk.

As at June 30, 2011, if the Canadian dollar had strengthened or weakened by 5 percent in relation to all currencies, with all other variables held constant, Net Assets would have increased or decreased, respectively, by approximately \$129,000 (December 31, 2010 – \$105,000).

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

G. FAIR VALUE ESTIMATION

The following table analyzes the Portfolio's financial assets and liabilities within the fair value hierarchy measured at fair value.

June 30, 2011

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Assets				
Equity securities - long	48,844,769	-	200,000	49,044,769
Bonds	-	1,863,630	-	1,863,630
Total Assets	48,844,769	1,863,630	200,000	50,908,399
Liabilities				
Equity securities - short	(774,968)	-	-	(744,968)
Total Liabilities	(744,968)	-	-	(744,968)

December 31, 2010

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Assets				
Equity securities - long	41,557,925	1,028,050	37,500	42,623,475
Bonds	-	1,207,937	-	1,207,937
Total Assets	41,557,925	2,235,987	37,500	43,831,412
Liabilities				
Equity securities - short	(790,333)	-	-	(790,333)
Total Liabilities	(790,333)	-	-	(790,333)

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities. The Manager does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include restricted securities, warrants on restricted securities (4 month trading holds) and bonds. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. As observable prices are not available for these securities, the Manager has used its best judgment to derive the fair value.

The level 3 equity amount consists of a 2 private equity or restricted positions. The Manager considers original transaction price, recent transactions in the same or similar instruments and completed third-party transactions in comparable instruments and adjusts the prices as deemed necessary.

The following table presents the movement in level 3 instruments for the period ended June 30, 2011 and the year ended December 31, 2010 by class of financial instrument.

	Equity Securities (\$)	
	June 30, 2011	December 31, 2010
Opening balance	37,500	592,795
Net purchases and sales	162,500	-
Net transfers in (out)	-	(555,295)
Realized	-	-
Unrealized	-	-
Closing balance	200,000	37,500

There were no transfers between level 1 and level 2 during the year.

There was no change in unrealized appreciation (depreciation) for level 3 financial instruments held as at June 30, 2011 and December 31, 2010.

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

STATEMENT OF NET ASSETS

As at June 30, 2011 and December 31, 2010

Unaudited

EXEMPLAR GLOBAL OPPORTUNITIES PORTFOLIO

	2011	2010
ASSETS		
Long positions at fair value*		
Canadian equities	\$ 1,290,645	\$ 1,809,993
Canadian bonds	176,484	182,490
U.S. equities	5,220,468	6,792,717
U.S. bonds	2,449,292	2,251,363
U.S. options	1,664	7,630
Global equities	5,220,818	3,997,400
Global bonds	<u>492,125</u>	<u>161,364</u>
	14,851,496	15,202,957
Cash and broker deposits	5,773,028	6,828,728
Accrued investment income	98,943	43,755
Accounts receivable:		
Receivable from investment sales	-	120,170
Subscriptions receivable	<u>200,000</u>	<u>20,000</u>
Total Assets	<u>20,923,467</u>	<u>22,215,610</u>
LIABILITIES		
Short positions at fair value**		
U.S. equities	3,094,713	2,542,556
U.S. options	<u>453,707</u>	<u>884,601</u>
	3,548,420	3,427,157
Accounts payable:		
Fees and operating expenses	32,594	36,429
Performance fees payable	135	137,903
Dividends payable	1,902	1,690
Payable for investment purchases	-	70,717
Redemptions payable	6,529	5,129
Capital tax payable	<u>2,998</u>	<u>2,998</u>
Total Liabilities	<u>3,592,578</u>	<u>3,682,023</u>
NET ASSETS REPRESENTING SHAREHOLDERS' EQUITY[†]		
Series A	10,379,393	12,016,355
Series F	<u>6,951,496</u>	<u>6,517,232</u>
	<u>\$ 17,330,889</u>	<u>\$ 18,533,587</u>

[†]Net assets representing shareholders' equity carried forward to next page

STATEMENT OF NET ASSETS – CONTINUED
As at June 30, 2011 and December 31, 2010
Unaudited

EXEMPLAR GLOBAL OPPORTUNITIES PORTFOLIO

	2011	2010
NET ASSETS REPRESENTING SHAREHOLDERS' EQUITY[†]		
†Net assets representing shareholders' equity carried forward from previous page		
Series A	10,379,393	12,016,355
Series F	<u>6,951,496</u>	<u>6,517,232</u>
	<u>\$ 17,330,889</u>	<u>\$ 18,533,587</u>
NUMBER OF SHARES OUTSTANDING (Note 4)		
Series A	1,000,125	1,093,198
Series F	<u>646,727</u>	<u>576,403</u>
NET ASSETS PER SHARE		
Series A	\$ 10.38	\$ 10.99
Series F	<u>\$ 10.75</u>	<u>\$ 11.31</u>
*Long positions, at cost	<u>\$ 15,113,547</u>	<u>\$ 13,362,034</u>
**Proceeds on short positions	<u>\$ (2,586,941)</u>	<u>\$ (2,823,437)</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,

Unaudited

EXEMPLAR GLOBAL OPPORTUNITIES PORTFOLIO

	2011	2010
INVESTMENT INCOME		
Dividends	\$ 192,237	\$ 151,112
Less: Foreign withholding taxes	<u>27,884</u>	<u>15,567</u>
	164,353	135,545
Interest	<u>233,846</u>	<u>66,056</u>
	<u>398,199</u>	<u>201,601</u>
EXPENSES (Notes 6 and 7)		
Management fees	147,974	131,540
Performance fees	135	33,634
General operating expenses	137,627	96,656
Dividends on investments sold short	9,152	3,482
Audit fees	1,040	15,480
Legal fees	3,625	19,572
Securityholders' reporting costs	17,604	6,918
Custodian and trustees' fees	15,121	50
Interest	<u>102</u>	<u>368</u>
	332,380	307,700
Less: Expenses absorbed by the Manager	<u>100,215</u>	<u>80,997</u>
	<u>232,165</u>	<u>226,703</u>
INVESTMENT GAIN (LOSS) BEFORE INCOME TAXES	<u>166,034</u>	<u>(25,102)</u>
PROVISION FOR INCOME TAXES (RECOVERY)		
Future	-	26,091
Current	<u>-</u>	<u>55,742</u>
	<u>-</u>	<u>81,833</u>
NET INVESTMENT GAIN (LOSS)	<u>166,034</u>	<u>(106,935)</u>
NET REALIZED GAIN (LOSS) ON INVESTMENT TRANSACTIONS	1,363,659	(39,303)
TRANSACTION COSTS (Notes 2(1) and 7)	(23,109)	(27,524)
NET CHANGE IN UNREALIZED DEPRECIATION OF INVESTMENTS	(2,460,733)	(278,585)
EXCHANGE GAIN (LOSS) ON FOREIGN CURRENCIES AND OTHER NET ASSETS	<u>(25,014)</u>	<u>97,369</u>
NET GAIN (LOSS) ON INVESTMENTS AND TRANSACTION COSTS	<u>1,145,197</u>	<u>(248,043)</u>
NET DECREASE IN NET ASSETS FROM OPERATIONS		
Series A	(627,489)	(272,848)
Series F	<u>(351,674)</u>	<u>(82,130)</u>
	\$ (979,163)	\$ (354,978)
NET DECREASE IN NET ASSETS FROM OPERATIONS PER SHARE (Note 2(VII))		
Series A	\$ (0.60)	\$ (0.26)
Series F	<u>\$ (0.57)</u>	<u>\$ (0.16)</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,
Unaudited

EXEMPLAR GLOBAL OPPORTUNITIES PORTFOLIO

	2011	2010
Net Assets, Beginning of Period		
Series A	12,016,355	9,820,880
Series F	<u>6,517,232</u>	<u>5,391,303</u>
	\$ 18,533,587	\$ 15,212,183
Net Decrease in Net Assets from Operations		
Series A	(627,489)	(272,848)
Series F	<u>(351,674)</u>	<u>(82,130)</u>
	<u>(979,163)</u>	<u>(354,978)</u>
From Capital Share Transactions: (Note 4)		
Proceeds from issue of shares		
Series A	958,260	3,228,522
Series F	<u>1,909,361</u>	<u>1,717,845</u>
	<u>2,867,621</u>	<u>4,946,367</u>
Consideration paid for redemptions of shares		
Series A	(1,967,733)	(1,562,931)
Series F	<u>(1,123,423)</u>	<u>(1,419,263)</u>
	<u>(3,091,156)</u>	<u>(2,982,194)</u>
Net Assets, End of Period		
Series A	10,379,393	11,213,623
Series F	<u>6,951,496</u>	<u>5,607,755</u>
	\$ 17,330,889	\$ 16,821,378

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

EXEMPLAR GLOBAL OPPORTUNITIES PORTFOLIO
STATEMENT OF INVESTMENTS AND OTHER NET ASSETS
As at June 30, 2011
Unaudited

	Number of Shares/Options /Par Value	Long: Avg Cost Short: Proceeds	Fair Value	% of Total Net Asset Value
LONG POSITIONS				
Canadian Equities				
Energy				
Niko Resources Limited	840	\$ 70,258	\$ 50,232	
Suncor Energy Inc.	4,800	180,364	181,081	
		250,622	231,313	1.3
Basic Materials				
Barrick Gold Corporation	13,000	556,122	567,906	
Cameco Corporation	15,400	449,793	391,027	
Gran Colombia Gold Corporation	40,800	41,616	32,232	
Gran Colombia Gold Corporation Warrants	11,957	7,174	3,647	
Uranium Participation Corporation	10,225	66,421	64,520	
		1,121,126	1,059,332	6.1
Total Canadian Equities - Long		1,371,748	1,290,645	7.4
Canadian Bonds				
First Uranium Corporation 4.25% June 30, 2012	231,000	181,412	176,484	
Total Canadian Bonds - Long		181,412	176,484	1.0
U.S. Equities				
Energy				
Chesapeake Energy Corporation	12,000	272,976	343,346	
Nexen Inc.	15,200	344,534	329,807	
		617,510	673,153	3.9
Basic Materials				
AngloGold Ashanti Limited ADR	9,600	399,724	389,473	
Newmont Mining Corporation	10,000	528,081	520,266	
Range Resources Corporation	5,400	207,384	288,911	
		1,135,189	1,198,650	7.0
Industrials				
Lockheed Martin Corporation	5,100	401,643	398,225	2.3

	Number of Shares/Options /Par Value	Long: Avg Cost Short: Proceeds	Fair Value	% of Total Net Asset Value
Consumer Staples				
The Kroger Company	12,100	\$ 265,263	\$ 289,498	
Tyson Foods Inc. 'A'	8,100	103,428	151,538	
Wal-Mart Stores Inc.	9,800	539,952	501,922	
		908,643	942,958	5.4
Health Care				
Aetna Inc.	8,300	267,864	352,660	
AstraZeneca PLC ADR	2,900	137,689	139,942	
Eli Lilly & Company	8,300	288,832	300,313	
		694,385	792,915	4.6
Information Technology				
Microsoft Corporation	5,400	169,820	135,290	
Nippon Telegraph & Telephone - ADR	8,900	201,252	207,615	
Nokia Corporation ADR	40,800	364,736	252,597	
		735,808	595,502	3.4
Telecommunication Services				
Telekomunik Indonesia - ADR	6,200	205,572	206,035	1.2
Utilities				
Exelon Corporation	10,000	402,923	413,030	2.4
Total U.S. Equities - Long		5,101,673	5,220,468	30.2
U.S. Bonds				
Alcatel-Lucent USA Inc. 2.75% June 15, 2025	260,000	247,006	245,874	
Bristow Group Inc. 3.00% June 15, 2038	142,000	128,127	140,451	
C5 Capital SPV Limited Floating Rate December 31, 2049	155,000	113,848	107,621	
Dean Foods Company 7.00% June 1, 2016	100,000	94,287	96,117	
Delta Petroleum 3.75% May 1, 2037 Convertible	184,000	81,952	152,687	
Delta Petroleum Corporation 7.00% April 1, 2015	433,000	250,155	317,348	
Fannie Mae FNS 334 22 5.00% February 01, 2018	183,008	20,406	18,269	
Fannie Mae 2011-16 4.00% March 25, 2026	2,316,730	224,091	191,540	
Fannie Mae 2010-70 4.50% March 25, 2026	1,522,133	173,027	149,221	
Freddie Mac 4.00% January 15, 2024 Series 3720 Class EI	3,216,610	301,290	339,982	
Freddie Mac 3.50% February 15, 2025	273,348	33,958	31,946	
Freddie Mac 5.50% March 15, 2033 Series 2581 Class IL	372,670	162,606	127,190	
GNMA 4.50% July 20, 2039 Series 2010-30	953,053	183,380	181,887	
Gold Reserve Inc. 5.50% June 15, 2022 Convertible	87,000	44,630	62,672	
JPMorgan Chase & Company 10.90% May 18, 2012	180,000	175,914	168,861	
USEC Inc. 3.00% October 1, 2014	170,000	131,955	117,626	
Total U.S. Bonds - Long		2,366,632	2,449,292	14.2

	Number of Shares/Options /Par Value	Long: Avg Cost Short: Proceeds	Fair Value	% of Total Net Asset Value
Global Equities				
Australia				
Newcrest Mining Limited	11,050	\$ 390,341	\$ 430,831	2.5
Bermuda				
Luks Group (Vietnam Holdings) Company Limited	196,000	67,064	50,037	0.3
Brazil				
Centrais Eletricas Brasileiras S.A. ADR Preferred	19,000	331,715	314,050	1.8
Egypt				
Eastern Tobacco	3,300	67,830	56,053	
Egyptian Financial Group-Hermes Holding	37,500	129,361	120,604	
Oriental Weavers Company	29,867	167,089	140,029	
		364,280	316,686	1.8
France				
Areva SA	2,550	117,775	91,815	
Electricite de France	10,600	449,148	402,292	
Thales SA	11,450	542,890	476,636	
		1,109,813	970,743	5.6
Hong Kong				
Guoco Group Limited	6,000	62,157	70,639	0.3
India				
India Cements Limited	64,200	138,512	98,333	0.5
Indonesia				
PT Medco Energi Internasional Tbk	380,000	128,125	99,330	0.6
Italy				
Finmeccanica SpA	15,600	188,918	181,078	
Telecom Italia SpA - RNC	164,000	206,208	183,245	
		395,126	364,323	2.1

	Number of Shares/Options /Par Value	Long: Avg Cost Short: Proceeds	Fair Value	% of Total Net Asset Value
Japan				
East Japan Railway Company	3,600	\$ 194,130	\$ 197,581	
Mitsui & Company Limited	3,900	53,070	64,400	
Mitsui Sumitomo Insurance Group Holdings Inc.	5,700	138,879	127,725	
Sankyo Company Limited	1,900	106,038	93,942	
Sumitomo Mitsui Trust Holdings Inc.	47,780	189,337	158,826	
West Japan Railway Company	5,100	199,704	191,178	
		881,158	833,652	4.8
Lebanon				
Solidere GDR	3,600	65,924	60,476	0.3
Luxembourg				
Stolt-Nielsen Limited	3,425	59,007	75,557	0.4
Russia				
Federal Hydrogenerating Company ADR	40,900	205,989	189,518	
OAD Gazprom ADR	9,250	105,234	130,057	
Polyus Gold ADR	7,100	199,731	215,676	
		510,954	535,251	3.1
South Africa				
Gold Fields Limited ADR	30,600	450,927	429,947	
Simmer and Jack Mines Limited	527,325	2,708	1,505	
Village Main Reef Limited	249,896	64,155	43,152	
		517,790	474,604	2.8
South Korea				
KT Corporation ADR	6,925	132,651	129,756	
Korea Electric Power Corporation ADR	16,000	253,045	204,750	
		385,696	334,506	1.9
Turkey				
Turkcell Iletisim Hizmetleri AS	14,700	213,333	191,801	1.1
Total Global Equities - Long		5,620,995	5,220,819	29.9
Global Bonds				
Venezuela				
Petroleos De Venezuela 4.90% October 28, 2014	265,000	164,727	194,059	
Petroleos De Venezuela 5.00% October 28, 2015	318,000	194,348	207,089	
		359,075	401,148	2.3

	Number of Shares/Options /Par Value	Long: Avg Cost Short: Proceeds	Fair Value	% of Total Net Asset Value
Argentina				
Provincia De Buenos Aire 10.875% January 26, 2021	100,000	\$ 94,731	\$ 90,976	0.5
Total Global Bonds - Long		453,806	492,124	2.8

U.S. Written Put Options

Autozone Inc., \$200, January 2011	15	35,188	1,664	0.0
Total U.S. Written Put Options		35,188	1,664	0.0
Total Long Positions Including Transaction Costs		15,131,454	14,851,496	85.7
Transaction Costs		(17,907)	-	-
Total Long Positions Before Transaction Costs		15,113,547	14,851,496	85.7

SHORT POSITIONS

U.S. Equities

Basic Materials

Sigma-Aldrich Corporation	(3,895)	(228,483)	(275,663)	(1.6)
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Consumer Discretionary

Amazon.com Inc.	(1,360)	(185,793)	(268,190)	
Chipotle Mexican Grill Inc.	(1,480)	(232,916)	(439,602)	
Green Mountain Coffee Roasters Inc.	(5,600)	(178,780)	(482,089)	
Panera Bread Company 'A'	(3,370)	(302,677)	(408,409)	
Tiffany & Company	(6,800)	(357,265)	(514,835)	
Urban Outfitters Inc.	(6,700)	(257,486)	(181,945)	
		(1,514,917)	(2,295,070)	(13.2)

Information Technology

Apple Inc.	(405)	(137,132)	(131,100)	
Netflix Inc.	(700)	(95,379)	(177,334)	
Salesforce.com Inc.	(1,500)	(168,659)	(215,546)	
		(401,170)	(523,980)	(3.0)
Total U.S. Equities - Short		(2,144,570)	(3,094,713)	(17.9)

U.S Written Call Options

Aetna Inc., \$35, Jan 2012	(83)	(21,104)	(81,242)	
AngloGold Ashanti Limited, \$45, Jan 2012	(44)	(22,572)	(12,093)	
AngloGold Ashanti Limited, \$50, Jan 2012	(4)	(988)	(559)	
AstraZeneca PLC ADR, \$50, Jan 2012	(29)	(7,947)	(8,250)	
Barrick Gold Corporation, \$50, Jan 2012	(65)	(32,604)	(13,853)	
Cameco Corporation, \$35, Jan 2012	(71)	(16,689)	(3,766)	
Cameco Corporation, \$45, Jan 2012	(64)	(26,012)	(617)	
Chesapeake Energy Corporation, \$25, Jan 2012	(90)	(21,735)	(51,641)	
Chesapeake Energy Corporation, \$30, Jan 2012	(30)	(11,138)	(8,101)	

	Number of Shares/Options /Par Value	Long: Avg Cost Short: Proceeds	Fair Value	% of Total Net Asset Value
U.S Written Call Options – Cont'd				
Eli Lilly & Company, \$35, Jan 2012	(83)	\$ (16,184)	\$ (26,013)	
Exelon Corporation, \$43, Jan 2012	(100)	(18,400)	(20,733)	
Gold Fields Limited, \$16, Jan 2012	(47)	(3,958)	(3,807)	
Gold Fields Limited, \$18, Jan 2012	(106)	(15,249)	(4,804)	
Lockheed Martin Corporation, \$85, Jan 2012	(51)	(17,824)	(12,050)	
Microsoft Corporation, \$30, Jan 2012	(54)	(6,892)	(1,823)	
Newmont Mining Corporation, \$58, Jan 2012	(50)	(31,573)	(14,947)	
Nexen Inc., \$26, Sep 2011	(82)	(16,089)	(3,954)	
Nippon Telegraph & Telecom, \$25, Sep 2011	(30)	(1,603)	(2,170)	
Nokia Corporation AD, \$10, Jan 2012	(178)	(12,119)	(2,403)	
Nokia Corporation AD, \$13, Jan 2012	(122)	(9,294)	(706)	
Range Resources Corporation, \$38, Jan 2012	(54)	(34,094)	(98,942)	
Suncor Energy Inc., \$40, Jan 2012	(24)	(14,614)	(8,101)	
Suncor Energy Inc., \$45, Jan 2012	(24)	(9,362)	(3,958)	
The Kroger Company, \$23, Jan 2012	(121)	(22,733)	(37,340)	
Turkcell Iletisim Hizmetleri AS, \$18, Jul 2011	(65)	(2,187)	(627)	
Turkcell Iletisim Hizmetleri AS, \$15, Oct 2011	(82)	(6,868)	(4,349)	
Tyson Foods Inc. 'A', \$18, Jan 2012	(81)	(15,947)	(22,653)	
Wal-Mart Stores Inc, \$58, Jan 2012	(49)	(10,762)	(3,024)	
Wal-Mart Stores Inc., \$60, Jan 2012	(49)	(6,544)	(1,181)	
Total U.S. Options - Short		(433,085)	(453,707)	(2.6)
Total Short Positions Including Transaction Costs		(2,577,655)	(3,548,420)	(20.5)
Transaction Costs		(9,286)	-	-
Total Short Positions Before Transaction Costs		(2,586,941)	(3,548,420)	(20.5)
TOTAL INVESTMENT PORTFOLIO		\$ 12,526,606	11,303,076	65.2
Other Assets, Net of Liabilities ¹			6,027,813	34.8
TOTAL NET ASSETS REPRESENTING UNITHOLDERS' EQUITY			\$ 17,330,889	100.0

¹This amount is comprised of cash and broker deposits plus accrued investment income plus accounts receivable less accounts payable.

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

EXEMPLAR GLOBAL OPPORTUNITIES PORTFOLIO
SUMMARY OF INVESTMENT PORTFOLIO
As at June 30, 2011 and December 31, 2010
Unaudited

SECTOR MIX	% of Total Net Assets	
	2011	2010
Long Positions		
Energy	7.7	12.1
Basic Materials	19.8	19.8
Industrials	9.7	6.7
Consumer Discretionary	1.4	3.4
Consumer Staples	5.8	7.4
Health Care	4.6	6.6
Financials	3.7	1.2
Information Technology	3.4	6.1
Telecommunication Services	4.1	1.6
Utilities	7.6	3.1
Bonds	17.9	14.1
Options	-	-
Other Assets, Net of Liabilities	34.8	36.4
Short Positions		
Basic Materials	(1.6)	(1.4)
Consumer Discretionary	(13.3)	(10.6)
Information Technology	(3.0)	(1.7)
Options	(2.6)	(4.8)

ASSET MIX	% of Total Net Assets	
	2011	2010
Long Positions		
Canadian Equities	7.5	11.7
Canadian Bonds	1.0	1.0
U.S. Equities	30.2	34.8
U.S. Bonds	14.1	12.2
U.S. Options	-	-
Global Equities	30.1	21.5
Global Bonds	2.8	0.9
Other Assets, Net of Liabilities	34.8	36.4
Short Positions		
U.S. Equities	(17.9)	(13.7)
U.S. Options	(2.6)	(4.8)

GEOGRAPHIC MIX	% of Total Net Assets	
	2011	2010
Long Positions		
Canada	8.5	10.8
U.S.	44.3	48.9
Argentina	0.5	-
Australia	2.5	1.1
Bermuda	0.3	-
Brazil	1.8	1.7
Egypt	1.8	0.7
France	5.6	3.0
Hong Kong	0.4	0.3
India	0.6	-
Indonesia	0.6	0.5
Italy	2.1	1.6
Japan	4.8	2.4
Lebanon	0.4	-
Luxembourg	0.4	1.3
Norway	-	1.6
Russia	3.1	2.0
South Africa	2.7	2.6
South Korea	1.9	1.6
Sweden	-	0.2
Switzerland	-	0.9
Turkey	1.1	-
Venezuela	2.3	0.9
Other Assets, Net of Liabilities	34.8	36.4
Short Positions		
U.S.	(20.5)	(18.5)

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

EXEMPLAR GLOBAL OPPORTUNITIES PORTFOLIO
DISCUSSION OF FINANCIAL INSTRUMENTS RISK MANAGEMENT (Note 3)
June 30, 2011
Unaudited

A. FINANCIAL RISK MANAGEMENT

The investment objective of Exemplar Global Opportunities Portfolio (the "Portfolio") is to seek superior capital appreciation over both short and long term horizons primarily through the selection and management of long and short positions in equity, debt and derivative securities globally.

The Portfolio predominantly invests in global equity securities, including American Depository Receipts, that the portfolio advisor's research process has identified as undervalued. The Portfolio invests in bonds and other debt instruments from time to time. The Portfolio may also invest in convertible securities, put and call options and other equity derivatives that represent better value than a direct exposure to a particular company.

The Portfolio may hold cash or invest in short term securities for the purpose of preserving capital and/or maintaining liquidity, based upon the Manager's ongoing evaluation of current and anticipated economic and market conditions.

The Portfolio may use derivatives for hedging and non-hedging purposes as permitted by applicable securities laws. The Portfolio may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income or as a short-term cash management tool.

The Portfolio is permitted to leverage its assets. The Portfolio generally does not use leverage in excess of 20% of its Net Asset Value.

The Portfolio also has the ability to take short positions, in total not exceeding 40% of the Net Asset Value of the Portfolio.

The Portfolio's overall risk management program seeks to minimize the potentially adverse effect of risk on the Portfolio's financial performance in a manner consistent with the Portfolio's investment objective. The Manager manages the potential effects of these financial risks on the Portfolio's performance by employing and overseeing professional and experienced portfolio advisors that monitor the Portfolio's investments and market events on a daily basis.

A general discussion of financial risk management for the Exemplar Portfolios is contained in Note 3: FINANCIAL INSTRUMENTS RISK MANAGEMENT on page 44.

B. CREDIT RISK

As at June 30, 2011 and December 31, 2010, the Portfolio invested in debt instruments and/or derivatives with the following credit ratings:

Debt Instruments by Credit Rating	Percentage of Net Assets (%)	
	As at June 30, 2011	As at December 31, 2010
AAA	5.6	4.2
BBB	-	0.2
BB	0.8	1.3
B	4.6	5.0
CCC	3.7	1.3
Not Rated	2.2	2.1

Credit ratings are obtained from Standard & Poor's, Moody's and/or Dominion Bond Rating Services. Where multiple ratings were obtained for a security, the lowest rating has been used.

C. LIQUIDITY RISK

The following table outlines cash flows associated with the maturities of the Portfolio's financial assets and liabilities as of:

June 30, 2011

	Less than 1 year (\$)	1 - 3 years (\$)	3 - 5 years (\$)	Longer than 5 years (\$)	No maturity date (\$)
Financial Assets					
Equities - Long	-	-	-	-	11,731,931
Options	1,664	-	-	-	-
Bonds	345,345	311,685	620,554	1,840,317	-
Other receivables	298,943	-	-	-	-
Cash and broker deposits	5,773,028	-	-	-	-
Total	6,418,980	311,685	620,554	1,840,317	11,731,931
Liabilities					
Equities - Short	-	-	-	-	(3,094,713)
Options	(453,707)	-	-	-	-
Other liabilities	(44,158)	-	-	-	-
Total	(497,865)	-	-	-	(3,094,713)

December 31, 2010

	Less than 1 year (\$)	1 - 3 years (\$)	3 - 5 years (\$)	Longer than 5 years (\$)	No maturity date (\$)
Financial Assets					
Equities - Long	-	-	-	-	12,600,110
Options	7,630	-	-	-	-
Bonds	-	314,450	291,154	1,989,613	-
Other receivables	183,925	-	-	-	-
Cash and broker deposits	6,828,728	-	-	-	-
Total	7,020,283	314,450	291,154	1,989,613	12,600,110
Liabilities					
Equities - Short	-	-	-	-	(2,542,556)
Options	(884,601)	-	-	-	-
Other liabilities	(254,866)	-	-	-	-
Total	(1,139,467)	-	-	-	(2,542,556)

D. INTEREST RATE RISK

As at June 30, 2011 and December 31, 2010, the Portfolio held the following interest-bearing securities:

Debt Instruments by Maturity	Financial Instruments	
	As at June 30, 2011 (\$)	As at December 31, 2010 (\$)
Less than 1 year	345,345	-
1-3 years	311,685	314,450
3-5 years	620,554	291,154
Greater than 5 years	1,840,316	1,989,613

As at June 30, 2011, if the yield curve shifted in parallel by 25 basis points, with all other variables held constant, Net Assets would have increased or decreased, respectively, by approximately \$4,282 (December 31, 2010 - \$3,700).

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

E. OTHER PRICE RISK

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

The impact on Net Assets of the Portfolio due to a 5 percent change in benchmark, using historical correlation between the Portfolio's return as compared to the return of the Portfolio's benchmark, as at June 30, 2011 and December 31, 2010, with all other variables held constant, is presented in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 38 data points (2010 - 32 data points) based on the monthly net returns of the Portfolio.

Benchmark	Impact on Net Assets	
	June 30, 2011	December 31, 2010
MSCI World Index	\$187,739	\$199,716

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

F. CURRENCY RISK

Currencies to which the Portfolio had exposure as at June 30, 2011 and December 31, 2010, are as follows:

Currencies	As at June 30, 2011		As at December 31, 2010	
	Financial Instruments (\$)	Percentage of Net Assets (%)	Financial Instruments (\$)	Percentage of Net Assets (%)
Australian Dollar	439,108	2.5	206,375	1.1
Egyptian Pound	325,145	1.9	127,347	0.7
Euro Currency	1,370,376	7.9	864,518	4.7
Hong Kong Dollar	123,393	0.7	80,730	0.4
Indonesian Rupiah	99,330	0.6	96,132	0.5
Japanese Yen	970,945	5.6	449,444	2.4
Norwegian Krone	82,655	0.5	249,041	1.3
South African Rand	44,657	0.3	-	-
United States Dollar (long)	11,281,607	65.0	13,164,312	71.0
United States Dollar (short)	(3,548,420)	(20.0)	(3,427,157)	(18.5)

The amounts in the above table are based on the fair value of the Portfolio's financial instruments (including cash and cash equivalents). Other financial assets and financial liabilities that are denominated in foreign currencies do not expose the Portfolio to significant currency risk.

As at June 30, 2011, if the Canadian dollar had strengthened or weakened by 5 percent in relation to all currencies, with all other variables held constant, Net Assets would have increased or decreased, respectively, by approximately \$559,000 (December 31, 2010 - \$590,000).

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

G. FAIR VALUE ESTIMATION

The following table analyzes the Portfolio's financial assets and liabilities within the fair value hierarchy measured at fair value.

As at June 30, 2011

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Assets				
Equity securities	11,731,932	-	-	11,731,932
Bonds	-	3,117,900	-	3,117,900
Options	1,664	-	-	1,664
Total assets	11,733,596	3,117,900	-	14,851,496
Liabilities				
Equity securities sold short	(3,094,714)	-	-	(3,094,714)
Options	(453,706)	-	-	(453,706)
Total liabilities	(3,548,420)	-	-	(3,548,420)

As at December 31, 2010

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Assets				
Equity securities	12,600,110	-	-	12,600,110
Bonds	-	2,595,217	-	2,595,217
Options	7,630	-	-	7,630
Total assets	12,607,740	2,595,217	-	15,202,957
Liabilities				
Equity securities sold short	(2,542,556)	-	-	(2,542,556)
Options	(884,601)	-	-	(884,601)
Total liabilities	(3,427,157)	-	-	(3,427,157)

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities and exchange traded derivatives. The Manager does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include investment-grade corporate bonds. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

There were no movements between levels during the period.

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

STATEMENT OF NET ASSETS

As at June 30, 2011 and December 31, 2010

Unaudited

EXEMPLAR DIVERSIFIED PORTFOLIO

	2011	2010
ASSETS		
Futures deposits	\$ 10,310,175	\$ 6,694,554
Futures contracts receivable	-	350,751
Cash	26,414,571	19,527,114
Subscriptions receivable	461,069	161,035
Total Assets	<u>37,185,815</u>	<u>26,733,454</u>
LIABILITIES		
Futures contracts payable	63,243	-
Accounts payable:		
Fees and operating expenses	71,483	51,102
Performance fees payable	-	508,087
Redemptions payable	15,705	5,000
Capital tax payable	14,859	14,859
Total Liabilities	<u>165,290</u>	<u>579,048</u>
NET ASSETS REPRESENTING SHAREHOLDERS' EQUITY		
Series A	22,533,558	15,162,217
Series F	14,486,967	10,992,189
	<u>\$ 37,020,525</u>	<u>\$ 26,154,406</u>
NUMBER OF SHARES OUTSTANDING (Note 4)		
Series A	1,870,233	1,261,728
Series F	1,176,163	899,810
NET ASSETS PER SHARE		
Series A	\$ 12.05	\$ 12.02
Series F	<u>\$ 12.32</u>	<u>\$ 12.22</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,
Unaudited

EXEMPLAR DIVERSIFIED PORTFOLIO

	2011	2010
INVESTMENT INCOME		
Derivative income (loss)	\$ 201,549	\$ (18,228)
Interest	<u>103,160</u>	<u>-</u>
	<u>304,709</u>	<u>(18,228)</u>
EXPENSES (Notes 6 and 7)		
Management fees	271,246	107,832
Performance fees	-	27
General operating expenses	115,718	83,267
Audit fees	3,241	13,829
Legal fees	5,853	5,566
Securityholders' reporting costs	19,207	-
Custodian and trustees' fees	15,362	-
Capital tax expense	-	2,051
Interest	<u>-</u>	<u>620</u>
	430,627	213,192
Less: Expenses absorbed by the Manager	<u>57,310</u>	<u>59,484</u>
	<u>373,317</u>	<u>153,708</u>
NET INVESTMENT LOSS	<u>(68,608)</u>	<u>(171,936)</u>
EXCHANGE LOSS ON FOREIGN CURRENCIES AND OTHER NET ASSETS	<u>(3,228)</u>	<u>(15,389)</u>
NET LOSS ON INVESTMENTS	<u>(3,228)</u>	<u>(15,389)</u>
NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A	(104,691)	(128,136)
Series F	<u>32,855</u>	<u>(59,189)</u>
	\$ (71,836)	\$ (187,325)
NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE (Note 2(VII))		
Series A	\$ (0.07)	\$ (0.16)
Series F	<u>\$ 0.03</u>	<u>\$ (0.11)</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,
Unaudited

EXEMPLAR DIVERSIFIED PORTFOLIO

	2011	2010
Net Assets, Beginning of Period		
Series A	15,162,217	3,686,174
Series F	<u>10,992,189</u>	<u>5,111,778</u>
	\$ 26,154,406	\$ 8,797,952
Net Increase (Decrease) in Net Assets from Operations		
Series A	(104,691)	(128,136)
Series F	<u>32,855</u>	<u>(59,189)</u>
	<u>(71,836)</u>	<u>(187,325)</u>
From Capital Share Transactions: (Note 4)		
Proceeds from issue of shares		
Series A	8,070,585	6,121,731
Series F	<u>4,033,568</u>	<u>3,212,252</u>
	<u>12,104,153</u>	<u>9,333,983</u>
Consideration paid for redemptions of shares		
Series A	(594,553)	(424,125)
Series F	<u>(571,645)</u>	<u>(197,835)</u>
	<u>(1,166,198)</u>	<u>(621,960)</u>
Net Assets, End of Period		
Series A	22,533,558	9,255,644
Series F	<u>14,486,967</u>	<u>8,067,006</u>
	\$ 37,020,525	\$ 17,322,650

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

EXEMPLAR DIVERSIFIED PORTFOLIO
STATEMENT OF INVESTMENTS AND OTHER NET ASSETS
As at June 30, 2011
Unaudited

	Number of contracts	Contract Size	Fair value	% of Total Net Assets
LONG POSITIONS				
COMMODITY FUTURES				
10 Year Mini JGB Futures September 2011	49	100,000	\$ 3,181	
COFF Robusta 10 tn September 2011	19	10	13,386	
Coffee 'C' Futures September 2011	3	37,500	19,908	
Copper Futures September 2011	8	25,000	27,364	
Corn Futures December 2011	17	5,000	(92,204)	
Gas Oil Futures (ICE) August 2011	8	100	38,671	
Gold 100 Oz Futures August 2011	9	100	(15,651)	
Heating Oil Futures August 2011	4	42,000	28,076	
LME PRI Aluminum Futures August 2011	11	25	(32,179)	
LME PRI Aluminum Futures September 2011	5	25	(11,488)	
Long Gilt Futures September 2011	33	1,000	(27,272)	
Natural Gas Futures February 2012	5	10,000	(9,508)	
Natural Gas Futures March 2012	6	10,000	(17,667)	
Platinum Futures October 2011	11	50	16,124	
Rubber Futures TCOM November 2011	3	5,000	(1,273)	
Soybean Futures November 2011	15	5,000	(51,376)	
Soybean Oil Futures December 2011	29	60,000	(31,285)	
Sugar #11 (World) October 2011	11	112,000	(11,870)	
White Sugar (LIF) August 2011	43	50	48,897	
WTI Crude Futures August 2011	19	1,000	19,991	
			(86,175)	(0.2)
CURRENCY FUTURES				
90 Day EURO Futures December 2011	47	2,500	2,857	
90 Day Sterling Futures March 2012	99	1,250	6,353	
90 Day Bank Bill September 2011	232	1,000,000	45,984	
A\$ Currency Futures September 2011	25	100,000	15,497	
BP Currency Futures September 2011	22	62,500	(34,638)	
C\$ Currency Futures September 2011	23	100,000	37,205	
CHF Currency Futures September 2011	36	125,000	(20,143)	
EURO FX Currency Futures September 2011	11	125,000	2,302	
EURO/British Pound September 2011	33	100,000	43,642	
EURO-BOBL Futures September 2011	34	1,000	(29,376)	
JPN YEN Currency Futures September 2011	16	12,500,000	(12,778)	
Mexican Peso Futures September 2011	58	500,000	18,130	
			75,035	0.2

	Number of contracts	Contract Size	Fair value	% of Total Net Assets
INDEX FUTURES				
DAX Index Futures September 2011	7	25	\$ 56,340	
FTSE/JSE Top 40 September 2011	14	10	12,250	
Hang Sang Index Futures July 2011	8	50	14,208	
MINI HSI Index Futures July 2011	19	10	7,022	
NASDAQ 100 E-Mini September 2011	27	20	36,532	
S&P/TSX 60 Index Futures September 2011	11	200	45,642	
S&P500 Emini Futures September 2011	40	50	86,473	
			258,467	0.6
BOND FUTURES				
3 Month EURO EURIBOR September 2011	38	2,500	(3,956)	
Australian 10 Year Bond Futures September 2011	40	1,000	(35,774)	
Bank Accept Futures September 2011	36	2,500	10,175	
Bank Acceptance Futures December 2011	107	2,500	(15,275)	
CAN 10 Year Bond Futures September 2011	38	1,000	(41,460)	
EURO-BUND Futures September 2011	18	1,000	(13,064)	
US 10 Year Note Futures September 2011	41	1,000	(32,502)	
US 5 Year Note (CBT) September 2011	32	1,000	(15,511)	
US Long Bond (CBT) September 2011	18	1,000	(51,080)	
			(198,447)	(0.5)
Total Long Positions			48,880	0.1
SHORT POSITIONS				
COMMODITY FUTURES				
Cocoa Futures September 2011	(23)	10	(39,056)	
Leans Hogs Futures August 2011	(34)	40,000	10,116	
Live Cattle Futures August 2011	(10)	40,000	(15,767)	
LME Zinc Futures September 2011	(1)	25	(2,706)	
Natural Gas Futures August 2011	(11)	10,000	(13,183)	
Natural Gas Futures March 2012	(3)	10,000	781	
Silver Futures September 2011	(1)	5,000	(2,252)	
Wheat Futures (CBT) September 2011	(16)	5,000	39,321	
			(22,746)	(0.1)
CURRENCY FUTURES				
90 Day Euro \$ Futures March 2012	(121)	2,500	(1,289)	
EURO/Swiss Franc September 2011	(27)	100,000	(47,011)	
			(48,300)	(0.1)

	Number of contracts	Contract Size	Fair value	% of Total Net Assets
INDEX FUTURES				
NIKKEI 225 (SGX) September 2011	(12)	500	\$ (24,961)	
SPI 200 Futures September 2011	(6)	25	(16,116)	
			(41,077)	(0.1)
Total Short Positions			(112,123)	(0.3)
TOTAL INVESTMENT PORTFOLIO			(63,243)	(0.2)
Other Assets, Net of Liabilities ¹			37,083,768	100.2
TOTAL NET ASSETS REPRESENTING SHAREHOLDERS' EQUITY			\$ 37,020,525	100.0

¹This amount is comprised of futures deposits plus futures contracts receivable plus cash plus subscriptions receivable less accounts payable.

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

EXEMPLAR DIVERSIFIED PORTFOLIO

DISCUSSION OF FINANCIAL INSTRUMENTS RISK MANAGEMENT (Note 3)

June 30, 2011

Unaudited

A. FINANCIAL RISK MANAGEMENT

The investment objective of the Exemplar Diversified Portfolio (the "Portfolio") is to seek superior long term absolute and risk-adjusted returns with the potential for low correlation to global equity and fixed-income market returns through the selection and management of long and short positions in a globally diversified portfolio of futures, options, forward contracts and other financial derivative instruments on agricultural and soft commodities, metals, energies, currencies, interest rates and equity indices.

The core investment strategy of the Portfolio is based on a risk budgeting strategy of allocating capital to markets and utilizing that capital based on the amount of risk premium being priced into markets. As a result of this allocation methodology, generally 50% of the portfolio risk budget is allocated to globally-traded industrial and agricultural commodity futures markets, and 50% is allocated to global currency, treasury debt and equity index futures markets.

The Portfolio transacts on highly liquid exchanges globally that may include, but are not limited to, all futures exchanges in the United States and Canada, the London Metals Exchange (LME), Euronext-LIFFE (LIFFE), the Eurex Deutschland (EUREX), The International Petroleum Exchange of London Limited (IPE), the Singapore International Monetary Exchange (SIMEX), the Sydney Futures Exchange Ltd. (SFE) and The Tokyo Commodities Exchange (TCE).

The Portfolio also has the ability to take short positions, in total not exceeding 40% of the Net Asset Value of the Portfolio.

The Portfolio may hold cash or invest in short term securities for the purpose of preserving capital and/or maintaining liquidity, based upon the portfolio manager's ongoing evaluation of current and anticipated economic and market conditions.

The Portfolio's overall risk management program seeks to minimize the potentially adverse effect of risk on the Portfolio's financial performance in a manner consistent with the Portfolio's investment objective. The Manager manages the potential effects of these financial risks on the Portfolio's performance by employing and overseeing professional and experienced portfolio advisors that monitor the Portfolio's investments and market events on a daily basis.

A general discussion of financial risk management for the Exemplar Portfolios is contained in Note 3: FINANCIAL INSTRUMENTS RISK MANAGEMENT on page 44.

B. CREDIT RISK

As at June 30, 2011 and December 31, 2010, the Portfolio had no investments in debt instruments and therefore was not subject to related credit risk. The Portfolio holds derivatives, however the risk of default is considered minimal as the counterparty to all listed securities transactions are exchange clearinghouses. The trade will fail if the exchange clearinghouse fails to meet its obligation.

C. LIQUIDITY RISK

The following table outlines cash flows associated with the maturities of the Portfolio's financial assets and liabilities:

As at June 30, 2011

	Less than 3 months (\$)	3 months to 1 year (\$)	Greater than 1 year (\$)	Total (\$)
Financial Assets				
Other receivables	461,069	-	-	461,069
Cash and futures deposits	36,724,746	-	-	36,724,746
Total	37,185,815	-	-	37,185,815
Liabilities				
Other liabilities	(102,047)	-	-	(102,047)
Futures contracts payable	(63,243)	-	-	(63,243)
Total	(165,290)	-	-	(165,290)

As at December 31, 2010

	Less than 3 months (\$)	3 months to 1 year (\$)	Greater than 1 year (\$)	Total (\$)
Financial Assets				
Futures contracts receivable	349,154	1,597	-	350,751
Other receivables	161,035	-	-	161,035
Cash and futures deposits	26,221,668	-	-	26,221,668
Total	26,731,857	1,597	-	26,733,454
Liabilities				
Other liabilities	(579,048)	-	-	(579,048)
Total	(579,048)	-	-	(579,048)

D. INTEREST RATE RISK

As at June 30, 2011 and December 31, 2010, the Portfolio did not hold any interest-bearing securities, and therefore was not subject to significant interest rate risk.

E. OTHER PRICE RISK

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

The impact on Net Assets of the Portfolio due to a 5 percent change in benchmark, using historical correlation between the Portfolio's return as compared to the return of the Portfolio's benchmark, as at June 30, 2011 and December 31, 2010, with all other variables held constant, is presented in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 26 data points (2010 – 20 data points) based on the monthly net returns of the Portfolio.

Benchmark	Impact on Net Assets	
	June 30, 2011	December 31, 2010
New Edge Commodity Trading Index	\$2,771,188	\$2,006,825

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

F. CURRENCY RISK

Currencies to which the Portfolio had exposure to as at June 30, 2011 and December 31, 2010 are as follows:

Currencies	As at June 30, 2011		As at December 31, 2010	
	Financial Instruments (\$)	Percentage of Net Assets (%)	Financial Instruments (\$)	Percentage of Net Assets (%)
Australian Dollar	(1,649)	(0.00)	21,098	0.08
Euro Currency	(12,058)	(0.03)	3,089	0.01
British Pound Sterling	20,384	0.06	(9,927)	(0.04)
Hong Kong Dollar	(555,606)	(1.50)	129,574	0.50
Swiss Franc	16,205	0.04	-	-
Japanese Yen	185,079	0.50	3,704,627	14.16
South African Rand	(90,733)	(0.25)	20,512	0.08
United States Dollar	(386,650)	(1.04)	518,958	1.98

The amounts in the above table are based on the fair value of the Portfolio's financial instruments (including cash and cash equivalents). Other financial assets and financial liabilities that are denominated in foreign currencies do not expose the Portfolio to significant currency risk.

As at June 30, 2011, if the Canadian dollar had strengthened or weakened by 5 percent in relation to all currencies, with all other variables held constant, Net Assets would have increased or decreased, respectively, by approximately \$(41,250) (December 31, 2010 - \$219,400).

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

G. FAIR VALUE ESTIMATION

The following table analyzes the Portfolio's financial assets and liabilities within the fair value hierarchy measured at fair value.

As at June 30, 2011

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Futures Contracts Payable	(63,243)	-	-	(63,243)

As at December 31, 2010

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Futures Contracts Receivable	350,751	-	-	350,751

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include exchange traded derivatives. The Manager does not adjust the quoted price for these instruments.

There were no movements between levels during the period.

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

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2011

Unaudited

1. THE PORTFOLIOS

Exemplar Portfolios Ltd. (the "Company") is a mutual fund corporation incorporated under the Business Corporations Act (Ontario). The Company was incorporated on March 18, 2008. These financial statements represent the financial positions of three classes of the Company: Exemplar Canadian Focus Portfolio (the "Canadian Focus Portfolio"), Exemplar Global Opportunities Portfolio (the "Global Opportunities Portfolio") and Exemplar Diversified Portfolio (the "Diversified Portfolio"), individually a "Portfolio" and collectively the "Portfolios".

On May 27, 2011, the Company launched the Exemplar Market Neutral Portfolio (the "Market Neutral Portfolio"). Due to the short operating history of the Market Neutral Portfolio, the financial statements as of June 30, 2011 are not available.

BluMont Capital Corporation ("BluMont Capital") is the Manager and Investment Advisor of the Portfolios.

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) Valuation of Investments

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

The fair value of financial instruments, which are actively traded, is measured based on the bid price for long positions and ask price for short positions. Prior to January 1, 2007, fair value for GAAP was based on the last traded price for the day, when available. A reconciliation as at June 30 between each Portfolio's net assets for financial reporting ("Net Assets") and each Portfolio's net assets for purposes other than financial reporting, such as subscriptions and redemptions, ("Net Asset Value") has been provided in Note 8. The Portfolios continue to use the last traded price for investments and securities sold short for Net Asset Value calculations.

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by each Portfolio are charged to net increase (decrease) in net assets from operations in the period. Accordingly, these costs are expensed and are included in "Transaction Costs" in the Statements of Operations.

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, including notes and money market instruments, are carried at fair value.

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

When a Portfolio sells a security short, it will borrow that security from a broker to complete the sale. The Portfolio will incur a loss as a result of a short sale if the price of the borrowed security increases between the date of the short sale and the date on which the Portfolio closes out its short position by buying that security. The Portfolio will realize a gain if that security declines in price between those dates.

The maximum gain that the Portfolio can realize on a short position is the proceeds received, while the loss that could be realized is unlimited.

There can be no assurance that the Portfolio will be able to close out a short position at an acceptable time or price. Until the Portfolio replaces a borrowed security it will maintain a margin account with a broker containing cash and liquid securities.

Short positions are valued based on the cost that would be incurred to close out the position at the last ask price as of every Valuation Day (as defined below).

(II) Options

The premium received upon writing a call option is recorded as a deferred credit. Upon expiry of the option or when the option is exercised by its holder, the premium is recognized as a gain and is included in “Net realized gain (loss) on investment transactions”.

The premium paid upon purchasing a put option is recorded as a deferred debit. Upon expiry of the option or when the option is exercised by the Manager, the premium is recognized as a reduction in the gain and is included in “Net realized gain (loss) on investment transactions”.

(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 and expense is recorded on the ex-dividend date. Interest income and expense is recorded daily as it is earned and incurred. Realized gains and losses from security transactions are calculated using the average cost basis.

(IV) Valuation of Portfolio Shares

The Portfolios' shares are issued and redeemed at the Net Asset Value per share, per Series, 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 share per Series of each Portfolio is determined by dividing the total market value of each Portfolio's Net Asset Value attributable to that Series by the number of shares outstanding of that Series.

For each Portfolio share sold, the Portfolio receives an amount equal to the Net Asset Value per share on the date of sale, which is included in shareholders' equity. Shares are redeemable at the option of the shareholders at their Net Asset Value on any Valuation Day. For each share redeemed, the number of issued and outstanding shares is reduced and the equity in the Portfolio is reduced by the related Net Asset Value on the date of redemption.

(V) Foreign Currency Translation

Assets, including fair 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 and expense 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 Share

Increase (Decrease) in Net Assets from Operations per Share (per Series) amount is determined by dividing the Net Increase (Decrease) in Net Assets from Operations by the weighted average number of shares outstanding in each Series during the period.

3. FINANCIAL INSTRUMENTS RISK MANAGEMENT

In accordance with CICA Handbook Section 3862, “Financial Instruments – Disclosure” and Section 3863, “Financial Instruments – Presentation”, the Portfolios provide comprehensive disclosure and presentation of risks associated with financial instruments and how those risks are managed.

In the normal course of business, each Portfolio 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 Portfolios’ Net Assets. The value of investments within a Portfolio’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 Portfolio. The level of risk depends on the Portfolio’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 13, 29, and 39 of this report) for each Portfolio’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 Portfolio.

Where a Portfolio 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 Portfolio.

All transactions executed by a Portfolio 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 Portfolio may not be able to settle or meet its obligation on time or at a reasonable price.

Each Portfolio is exposed to daily cash redemptions of redeemable shares. The shares of each Portfolio are issued and redeemed daily at the Portfolio's Net Asset Value per share at the option of the shareholder.

Liquidity risk is managed by investing the majority of each Portfolio's assets in investments that are traded in an active market and can be readily disposed. Each Portfolio aims to retain sufficient cash and cash equivalent positions to maintain liquidity, and has the ability to borrow up to 5% of its Net Asset Value for the purpose of funding redemptions.

Each Portfolio 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 illiquid securities in each Portfolio's Statement of Investments and Other Net Assets.

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

Each Portfolio has received approval from the Canadian securities regulators to short sell securities on a limited and controlled basis.

The aggregate fair value of all securities sold short by each Portfolio will not exceed 40% of its respective total Net Asset Values on a daily marked-to-market basis. No proceeds from short sales will be used by the Portfolios 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 Portfolio'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 Portfolios. Each Portfolio may enter into foreign exchange contracts for hedging purposes to reduce its foreign currency exposure, or to establish exposure to foreign currencies.

(VI) Fair Value Estimation

The Portfolios classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Manager. The Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

4. SHARE TRANSACTIONS

The shares authorized for issuance are unlimited in number, have no nominal or par value and are issued and redeemed at their Net Asset Value. Each Portfolio offers three series of shares (excluding Series R Shares of the Canadian Focus Portfolio). Series A Shares are offered on an initial sales charge basis. Series F Shares are available to investors who participate in fee-based programs through their broker, dealer or advisor. Series I Shares are

charged an annual service fee based on the aggregate Net Asset Value that the investor holds. Series R Shares are not open to new investors, or for additional purchases.

Shares of the Portfolios are issued and redeemed (excluding Series R Shares of the Canadian Focus Portfolio, which can only be redeemed) at the then current Net Asset Value per share at the option of the shareholder. Shareholders are entitled to dividends when declared. The Portfolios have no restrictions or specific capital requirements on the subscription and redemption of shares, other than minimum subscription requirements. The Statements of Changes in Net Assets identify changes in each Portfolio's capital during the period. The Manager manages the capital of the Portfolios in accordance with the Portfolios' investment objectives, including managing their liquidity in order to be able to meet redemptions as discussed in Note 3.

The number of shares issued and redeemed at the Net Asset Value is summarized as follows:

Canadian Focus Portfolio – June 30, 2011

	Shares Outstanding at Beginning of Period	Shares issued for cash	Shares redeemed	Shares Outstanding at End of Period
Series A	2,515,307	1,130,760	(105,996)	3,540,071
Series F	464,840	334,291	(37,784)	761,347
Series I	103,836	2,354	-	106,190
Series R	590,234	-	(100,639)	489,595

Canadian Focus Portfolio – June 30, 2010

	Shares Outstanding at Beginning of Period	Shares issued for cash	Shares redeemed	Shares Outstanding at End of Period
Series A	1,208,323	433,290	(130,833)	1,510,780
Series F	241,507	104,067	(28,025)	317,549
Series I	99,165	3,481	-	102,646
Series R	1,058,226	-	(307,534)	750,692

Global Opportunities Portfolio – June 30, 2011

	Shares Outstanding at Beginning of Period	Shares issued for cash	Shares redeemed	Shares Outstanding at End of Period
Series A	1,093,198	87,639	(180,712)	1,000,125
Series F	576,403	170,514	(100,190)	646,727

Global Opportunities Portfolio – June 30, 2010

	Shares Outstanding at Beginning of Period	Shares issued for cash	Shares redeemed	Shares Outstanding at End of Period
Series A	942,789	308,206	(149,806)	1,101,189
Series F	508,459	160,273	(132,800)	535,932

Diversified Portfolio – June 30, 2011

	Shares Outstanding at Beginning of Period	Shares issued for cash	Shares redeemed	Shares Outstanding at End of Period
Series A	1,261,728	657,222	(48,717)	1,870,233
Series F	899,810	322,021	(45,668)	1,176,163

Diversified Portfolio – June 30, 2010

	Shares Outstanding at Beginning of Period	Shares issued for cash	Shares redeemed	Shares Outstanding at End of Period
Series A	343,949	566,246	(39,147)	871,048
Series F	473,389	293,642	(18,035)	748,996

5. INCOME TAXES

The Portfolios are classes of the Company, which qualifies as a mutual fund corporation under the Income Tax Act (Canada) (the "Tax Act"). The general income tax rules associated with a public corporation also apply to a mutual fund corporation with the exception that income taxes payable on realized capital gains are refundable on a formula basis when shares are redeemed or capital gains dividends are paid.

All of a Portfolio's expenses including expenses common to all series of the Portfolio and management and performance fees and other expenses specific to a particular series of a Portfolio will be taken into account in determining the income or loss of a Portfolio as a whole and applicable taxes payable by the Portfolio as a whole.

Interest and foreign income are taxed at normal corporate rates and can be reduced by permitted deductions for tax purposes.

The Company is subject to Ontario capital tax. Such tax is included in "Capital tax" in the Statement of Operations for each Portfolio.

Temporary differences between the carrying values of assets and liabilities for accounting and income tax purposes give rise to future income tax assets and liabilities. The most significant temporary difference is that between the reported fair value of each Portfolio's investment portfolio and its adjusted cost base ("ACB") for income tax purposes. To the extent that the fair value of a Portfolio's securities exceeds its ACB, a future tax liability arises. Since capital gains taxes payable by the Portfolios are refundable under the relevant provisions of the Tax Act, the future tax liability is fully offset by these future refundable taxes. Conversely, when the ACB exceeds the fair value of the securities, a future tax asset is generated. In such cases, a full valuation allowance is taken to offset this asset given the uncertainty that such future tax assets will ultimately be realized.

6. RELATED PARTY TRANSACTIONS

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

The management fee paid to the Manager by the Canadian Focus Portfolio is 1.65% per annum on Series A and Series R Shares and 0.65% per annum on Series F Shares. The management fee paid to the Manager by the Global Opportunities Portfolio is 1.85% per

annum on Series A Shares and 0.85% per annum on Series F Shares. The management fee paid to the Manager by the Diversified Portfolio is 2.00% per annum on Series A Shares and 1.00% per annum on Series F Shares. No portion of the management fee charged to a Portfolio is borne by Series I Shares of the Portfolios. A holder of Series I Shares of a Portfolio pays a negotiated management fee directly to the Manager.

Each Portfolio pays to the Manager in respect of each fiscal year of the Portfolio ended December 31 a performance bonus per Share (the "Performance Bonus") equal to 20% of the amount by which the Adjusted Net Asset Value per Share at the end of the fiscal year exceeds the highest year end Adjusted Net Asset Value per Share previously achieved. For these purposes, "Adjusted Net Asset Value per Share" of any series of shares of a Portfolio means the Net Asset Value per share of that series at the end of a fiscal year without giving effect to the accrual of any Performance Bonus, plus the aggregate amount of all distributions previously declared on a per Share basis in respect of such series of Shares. The Performance Bonus for a Portfolio is calculated and accrued each day the Net Asset Value of the Portfolio is calculated, but is only payable following the end of the fiscal year of the Portfolio based on the actual annual performance of the Portfolio.

Notwithstanding the foregoing, no Performance Bonus is payable with respect to any fiscal year of a Portfolio unless the Adjusted Net Asset Value per Share at the end of such fiscal year exceeds the Net Asset Value per share at the end of the preceding year (or on the date the Shares are first issued), plus the aggregate amount of all distributions previously declared on a per share basis, by a minimum of 6%.

The Performance Bonus is estimated and accrued each Valuation Date, calculated as at the end of each fiscal year-end of the Portfolios and paid within 15 business days thereafter.

The Manager may, on its own accord, pay for certain operating expenses of each of the Portfolios in order to maintain each Portfolio'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 Portfolio 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 Portfolio. There were no soft dollar commissions for the Portfolios during the period.

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

	<u>2011</u>	<u>2010</u>
Canadian Focus Portfolio	\$104,732	\$38,942
Global Opportunities Portfolio	\$23,109	\$27,524
Diversified Portfolio	\$ -	\$ -

8. RECONCILIATION OF NET ASSET VALUE PER SHARE TO NET ASSETS PER SHARE

As at June 30, 2011

	Per Share (\$)		
	Net Asset Value	Bid/Ask Adjustment	Net Assets
Canadian Focus Portfolio - Series A	\$14.28	\$(0.05)	\$14.23
Canadian Focus Portfolio - Series F	\$14.66	\$(0.05)	\$14.61
Canadian Focus Portfolio - Series I	\$14.39	\$(0.06)	\$14.33
Canadian Focus Portfolio - Series R	\$11.96	\$(0.05)	\$11.91
Global Opportunities Portfolio - Series A	\$10.39	\$(0.01)	\$10.38
Global Opportunities Portfolio - Series F	\$10.77	\$(0.02)	\$10.75
Diversified Portfolio - Series A	\$12.06	\$(0.01)	\$12.05
Diversified Portfolio - Series F	\$12.33	\$(0.01)	\$12.32

As at December 31, 2010

	Per Share (\$)		
	Net Asset Value	Bid/Ask Adjustment	Net Assets
Canadian Focus Portfolio - Series A	\$14.70	\$(0.04)	\$14.66
Canadian Focus Portfolio - Series F	\$15.00	\$(0.03)	\$14.97
Canadian Focus Portfolio - Series I	\$14.66	\$(0.03)	\$14.63
Canadian Focus Portfolio - Series R	\$12.30	\$(0.04)	\$12.26
Global Opportunities Portfolio - Series A	\$11.01	\$(0.02)	\$10.99
Global Opportunities Portfolio - Series F	\$11.33	\$(0.02)	\$11.31
Diversified Portfolio - Series A	\$12.09	\$(0.07)	\$12.02
Diversified Portfolio - Series F	\$12.29	\$(0.07)	\$12.22

9. FUTURE ACCOUNTING CHANGE

In February 2008, the Canadian Accounting Standards Board (“CASB”) confirmed that International Financial Reporting Standards (“IFRS”) will replace current Canadian standards and interpretations for publicly accountable enterprises, which includes investment funds, effective January 1, 2011. However, the CASB has deferred the mandatory transition date to January 1, 2013 for investment funds in light of delays with the International Accounting Standards Board’s project on investment companies. For the Portfolios, IFRS will apply to semi-annual and annual financial statements for fiscal years beginning on or after January 1, 2013. Management has been monitoring developments in the IFRS conversion program and has identified key issues and the likely impacts resulting from the adoption of IFRS. Management has commenced the process of developing a transition plan, which includes identifying differences between the Portfolios’ current accounting policies and those it expects to apply under IFRS, as well as impacts to any accounting policy and implementation decisions, internal controls, information systems and training. Based on management’s review of the differences between Canadian GAAP and IFRS, it is not expected that there would be an impact to the Portfolios’ net asset value or net assets per share. Management has presently determined that the impact of IFRS to the financial statements would be limited to additional note disclosures and modifications to presentation including shareholder interests. However, this present determination is subject to change resulting from the issuance of new standards or new interpretations of existing standards.

PORTFOLIO INFORMATION

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