

June 20, 2005.

Arrow Hedge Partners Inc. Announces Launch of New Arrow Fund of Hedge Funds

Arrow Hedge Partners Inc. launches the Arrow Enhanced Income Fund.

Toronto, Canada – June 20, 2005 – Arrow Hedge Partners Inc. today announced the launch of the Arrow Enhanced Income Fund, the newest addition to the Arrow Fund of Funds line up which includes the Arrow Global Equity Long/Short Fund and the Arrow Multi-Strategy Fund. The Arrow Enhanced Income Fund provides high net worth sophisticated investors and institutional investors with access to a broadly diversified portfolio of hedge funds diversified by manager, investment style, and regional focus.

The Arrow Enhanced Income Fund currently allocates to 10 single hedge fund managers which encompass 5 different investment styles focused around hedged credit and fixed income strategies. The Fund's investment objective is to provide a stable income stream and potential capital gains with low volatility. The Fund is expected to have a low correlation to major bond and credit market indices. The fund will have a monthly distribution of \$0.04 per unit.

"The mission of Arrow Hedge Partners is to provide sophisticated individual and institutional investors in Canada with access to high quality single manager hedge funds and multi-manager funds that provide superior absolute performance with lower levels of risk" explained Arrow's Mark Purdy, Managing Director and Portfolio Manager.

"This newest offering further enhances our product line so that high net worth and institutional investors can select from Arrow Hedge Single or Multi-Manager Funds that are simply constructed with high levels of transparency and liquidity. They are tax efficient, and above all, target outperformance with lower volatility than their corresponding benchmarks," concluded Jim McGovern, Managing Director and CEO of Arrow Hedge Partners Inc.

Arrow Hedge Partners Inc. is an investment management company that specializes in providing access to high quality hedge fund managers and multi-manager fund of funds to a wide range of clients including family offices, institutions, pension funds and high net worth individuals.

Arrow Hedge distinguishes itself as a hedge fund leader in Canada by adhering to three key principles - **Focus, Risk Management, Integrity** - in its products,

investment philosophy, rigorous manager selection process, ongoing monitoring and risk management procedures.

Arrow Hedge maintains its commitment to investors, through monitoring each fund's composition, strategy and execution on a daily basis. We also provide investors with reliable and frequent fund reporting. This helps investors better understand and appreciate our investment strategies and expected results.

Arrow Hedge Partners Inc. is a member of AIMA (Alternative Investment Management Association) and is a substantial co-investor in its own funds.

Arrow Hedge Partners Inc. is headquartered in Toronto, Canada, with sales offices in Vancouver, Calgary, Ottawa, Montreal and Geneva. Arrow Hedge currently manages over CDN\$475 million on behalf of Canadian retail and institutional investors.

More information on Arrow Hedge Partners and its products can be found on www.arrowhedge.com, the company's website, or contact us at 1-877-327-6048.

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