



FUND PERFORMANCE

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2005	-	-	-	-	-	0.72	3.62	0.93	3.43	-3.43	2.86	3.68	12.21
2006	3.78	-0.86	3.66	1.02	-0.28	-1.41	0.07	1.22	-1.40	1.97	1.86	1.72	11.76
2007	0.62	3.94	0.73	1.44	1.38	2.48	3.41	0.27	1.23	1.99	0.48	0.75	20.31
2008	-2.70	1.39	0.00	-1.52	-1.83	1.34	0.83	-0.68	-2.05	-3.50	-2.99	1.15	-10.22
2009	1.51	-4.16	4.62	2.40	4.15	-1.28	-0.05	0.78	1.63	2.00	0.74	0.68	13.49
2010	1.45	1.57	0.34	-0.06	-1.10	-0.92	-0.41	-	-	-	-	-	0.84

Returns from June 2005 to April 2007 are actual returns for the Focused Opportunities Fund (Canadian onshore), adjusted to reflect offshore fee structure. Returns since May 2007 are actual performance numbers for the Focused Opportunities Offshore Ltd.

FUND COMMENTARY

In July, North American equity markets rebounded after two decidedly negative months in a row resulting in only minor losses across the board year to date. In Canada, the S&P/TSX Composite Index rose 3.71%. Meanwhile the US markets posted very positive returns; the S&P 500 gained 6.88% in July and the DJIA was also positive for the month (+7.08%). The NASDAQ index posted a significant increase of 6.90%. Year to date the S&P/TSX Composite Index has lost (-0.28%), the S&P 500 has fallen (-1.21%), the DJIA is up (+0.36%) and the NASDAQ index is down (-0.64%).

The Focused Opportunities Offshore Ltd. maintained a positive net market exposure of 38% (beta adjusted net exposure= +15%) during July and experienced a loss of 0.41% on the month. Year to date the fund is up 0.84%. The loss can be attributed to positions in the basic materials and consumer cyclical sectors as well as various index unit short positions. Meanwhile positions in the technology and communications sector offset some of these losses.

Specifically, positions in the basic materials sector fell (-0.3%), while positions in the consumer cyclical sector also dragged on returns (-0.1%) for the month. Various index unit short positions combined to drag returns another (-1.8%) on the month.

These losses were offset by gains in the technology sector (combined = +0.8%) as well communications sector positions which added (+0.5%) in July.

A loss was recorded by the Canadian and US short books (-2.7%) while gains were recorded by the Canadian and US long books (approximately +2.3% contribution) on the month.

At the end of July the fund was net long in Canada (+28%) and net long in the US (+10%). Overall, approximately 50% of the fund was invested in Canada and 50% in the US. Net exposure stood at +38% by the end of the month due mainly to security-specific investment ideas, while gross exposure stood at approximately 97%.

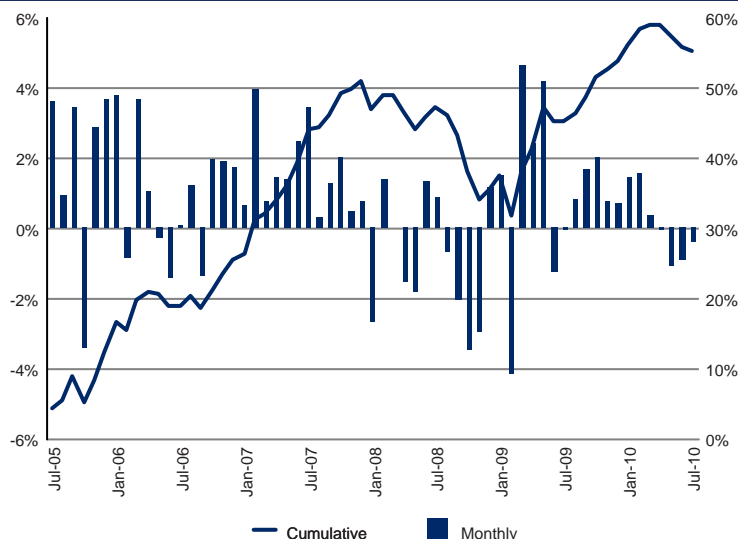
With the ongoing uncertainty in the economy, several longer term structural issues and rising deflationary risks, the manager intends to maintain a defensive stance. We continue to believe that the returns of this fund will be generated by security specific events rather than the overall movements of the equity markets. Since inception, the fund has delivered strong risk-adjusted performance with a 8.9% annualized return, and a low correlation to equity markets while the benchmark S&P/TSX Composite Index has returned 3.9% annualized over the same period. Since inception the Focused Opportunities Offshore Ltd. has had a volatility of 6.8% versus 16.9% for its benchmark. The fund has also protected capital well with a maximum drawdown since inception of 14% compared to a 44% drawdown for the S&P/TSX Composite over the same time period.

FUND STRATEGY

The Focused Opportunities Offshore Ltd. seeks absolute return on capital through a classic long-short hedged style. The Fund invests in North American equities and stresses hands-on fundamental research. JCClark manages approximately \$300 million.

The manager seeks to execute a focused investment strategy by managing a concentrated portfolio of the firm's most promising investment ideas. The manager avoids directional "bets" on the market and aims for minimal market exposure. All investments are made in publicly-traded securities (mainly equities). Security selection is the primary focus as the manager attempts to buy high quality companies trading at a significant discount to their intrinsic values and short businesses with: weak fundamentals, poor or overly promotional management, and aggressive accounting. The manager and investment team perform significant internal due diligence on all investment ideas.

MONTHLY AND CUMULATIVE RETURNS

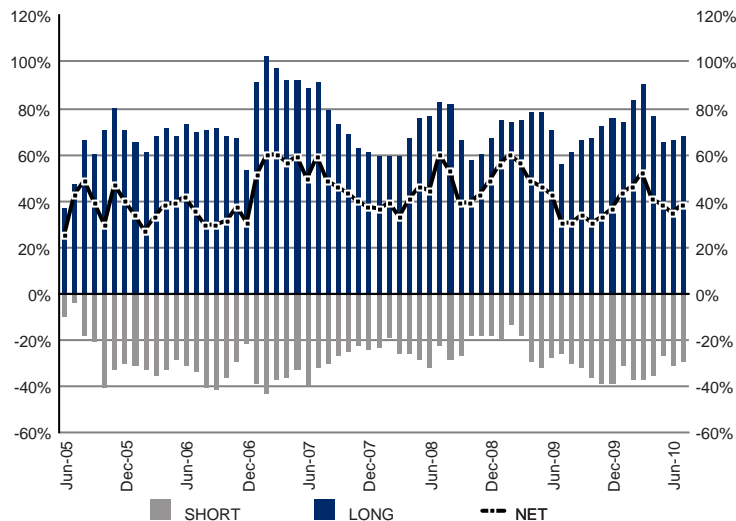


RETURN ANALYSIS

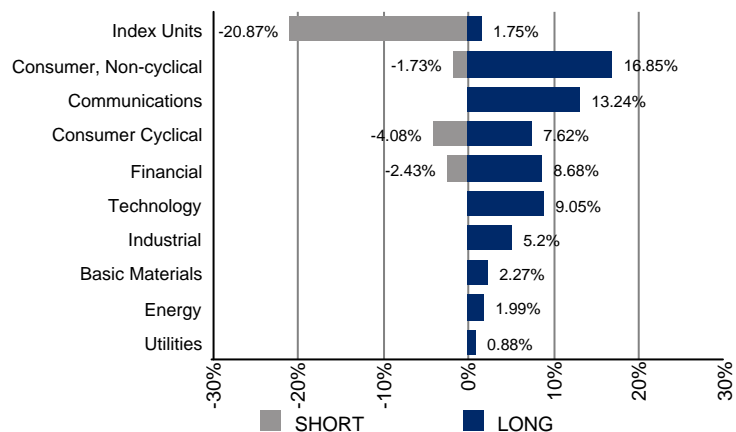
	Focused Opportunities Offshore Ltd	Benchmark
Avg. Monthly Return (since incep.)	0.73%	0.44%
Months with Positive 1-year Return	80.39%	72.55%
Months with Negative 1-year Return	19.61%	27.45%
Annualized Returns		
Since Inception	8.86%	3.91%
1 Year	6.85%	8.60%
3 Year	2.49%	-5.47%
5 Year	8.23%	2.36%
10 Year	n/a	n/a
Best Month	4.62%	11.21%
Worst Month	-4.16%	-16.93%
Best 12 Month Return	23.14%	43.17%
Worst 12 Month Return	-11.47%	-40.19%
Advancing Months	67.74%	62.90%
Declining Months	32.26%	37.10%

MARKET EXPOSURE

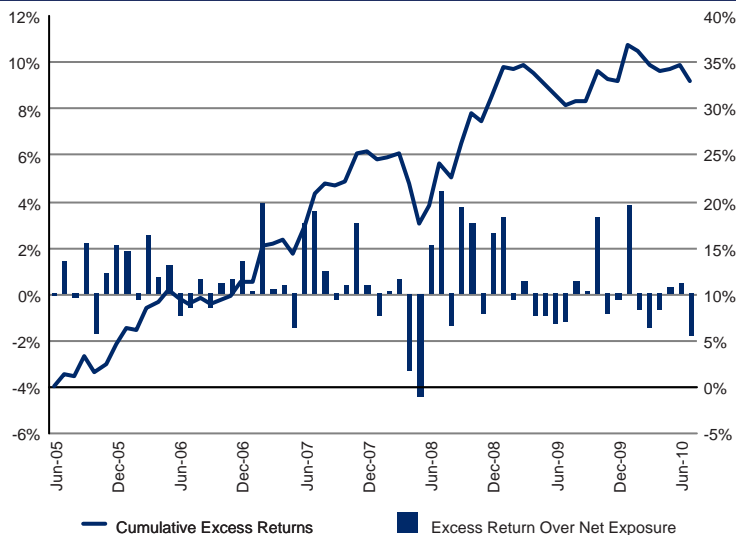
The Focused Opportunities Fund maintains a *variable bias* and its beta-adjusted net exposure is generally lower than its dollar-weighted net exposure.



SECTOR EXPOSURE



VALUE ADDED



*Excess Return = Monthly Fund Return - (Net Exposure x Monthly Benchmark Return)

RISK MANAGEMENT

	Focused Opportunities Offshore Ltd	Benchmark
Annualized Standard Deviation		
Since Inception	6.85%	16.90%
Last 12 Months	3.53%	13.93%
Kurtosis		
	-0.05	2.47
Skewness		
	-0.30	-1.10
Up Months		
Average Monthly Return	1.81%	3.42%
Standard Deviation	1.22%	2.25%
Down Months		
Average Monthly Return	-1.61%	-4.60%
Standard Deviation	1.23%	3.99%
Sharpe Ratio (4%)		
Since Inception	0.71	-0.01
Last 12 Months	0.81	0.33
Largest Peak to Valley Drawdown		
	-12.66%	-44.80%

MARKET EXPOSURE

Correlation to Benchmark	0.62
Net Exposure (dollar-weighted)	
Last Month	38.44%
Last 12 Months Average	38.02%
Alpha (excess over: benchmark x L12M beta)	
Last Month	-0.55%
Last 12 Months	4.61%
Beta (vs Benchmark)	
Since Inception	0.25
Last 12 Months	0.04

MANAGER

The Manager of the Fund is Alexander Ernst Ltd., a Barbados corporation.

The Investments Advisor for Focused Opportunities Offshore Ltd. is JCClark Ltd., a Toronto based 14-person hedge fund management firm. JCClark Ltd. was founded by John Clark, former chairman of the Toronto Stock Exchange, co-founder of Connor Clark & Co., a leading wealth management firm and co-founder of Connor, Clark & Lunn a large pension fund manager. He has 37 years of investment management experience and over 20 years of long/short experience. He has successfully managed money through 6 bear markets during his career.

Portfolio Manager Colin Stewart has worked directly with John Clark as a key member of the investment team since 1999. Colin has 10 years of experience managing long/short strategies and is directly responsible for the day to day management of the Focused Opportunities Fund.

Colin is supported by an investment team, trader, in-house compliance officer, operations staff and business development personnel. The firm focuses on opportunistic, high-return investment opportunities and emphasizes open and transparent client relationships.

TERMS

Fund AUM:	US\$8m
Program AUM:	US\$50m
Subscriptions/Redemptions:	Monthly, 90 days notice
Management Fee:	2% of net assets per annum
Performance Fee:	20%
Hurdle Rate:	0%
High Water Mark:	Yes (perpetual)
Auditor:	Deloitte & Touche
Prime Broker:	National Bank Financial
Legal Advisor:	Ogilvy Renault