

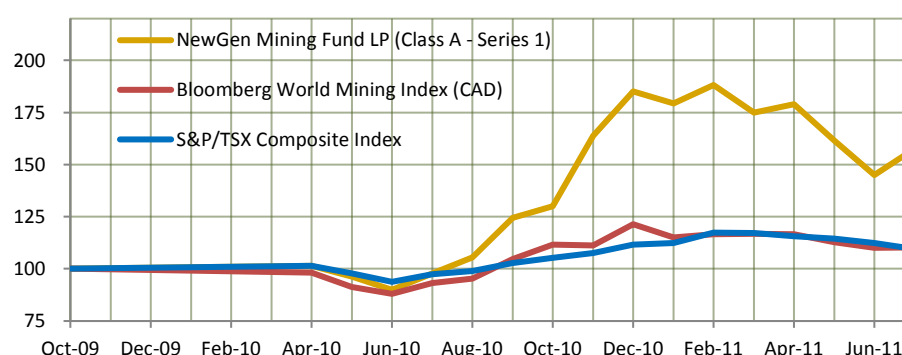
MONTHLY COMMENTARY

We are pleased to report a strong performance for the NewGen Mining Fund in July. It was up 8.64%, whereas the Bloomberg World Mining Index was down .3%. The outperformance was driven by some opportunistic trading off of oversold levels combined with a general flow of capital back into the sector - precious metals in particular. The Fund also benefitted from a rebound in some of its smaller cap holdings, which have been under pressure for most of the year. While it was a good month, there is still no semblance of normalcy or direction in the market, thus making it very difficult to regain upward momentum. The market rallied strongly and sold off twice in July on the developments in Europe and the US. Investors were reminded that politics are never predictable with the market eventually being held hostage by an inability to compromise. Gold has proved to be one of the few winners in this market so the Fund currently maintains a weighting of between 40-50% in gold related equities. This combined with the ability to be nimble should help offset some of the continued weakness until the market regains some degree of predictability.

INVESTMENT APPROACH

The NewGen Mining Fund SPC aims to achieve superior, long-term, absolute returns on strategic investments within the global mining industry. The strategy relies on a rigorous research process that is designed to identify a concentrated portfolio comprising the most prospective advanced explorers, developers and high-growth producers. Diversification is achieved across market caps and sub-sectors, but the manager attempts to overweight commodities that offer the strongest fundamentals. There is a heavy emphasis on risk management and capital preservation. The manager implements an active hedging strategy and maintains good portfolio liquidity to enable the flexibility to react to volatile market conditions. Net exposures are frequently adjusted and typically range from 50-150%.

PERFORMANCE GRAPH SINCE INCEPTION



MONTHLY RETURNS

		Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sept	Oct	Nov	Dec	Year	
2011	Class A Series 1	NAVPS	179.42	188.21	174.97	178.91	161.41	145.04	157.57	-	-	-	-	-	-
		Return	-3.04%	4.90%	-7.03%	2.92%	-10.37%	-10.14%	8.64%	-	-	-	-	-	-14.84%
	Class A Series 2	NAVPS		188.21	175.06	179.00	161.50	145.11	157.62	-	-	-	-	-	-
		Return		4.90%	-6.41%	2.91%	-10.35%	-10.14%	8.64%	-	-	-	-	-	-11.58%
	Class A Series 3	NAVPS			174.28	178.20	160.78	144.47	156.95	-	-	-	-	-	-
		Return			-7.40%	2.92%	-10.37%	-10.14%	8.64%	-	-	-	-	-	-16.61%
	Class A Series 4	NAVPS			174.28	179.10	161.51	145.13	157.67	-	-	-	-	-	-
		Return			-7.40%	2.36%	-9.82%	-10.14%	8.64%	-	-	-	-	-	-16.55%
	Class A Series 5	NAVPS					161.41	145.04	157.57	-	-	-	-	-	-
		Return					-10.37%	-10.14%	8.64%	-	-	-	-	-	-12.50%
Bench- marks	BWMING*	-5.21%	1.44%	0.06%	-0.13%	-3.25%	-2.45%	0.25%	-	-	-	-	-	-0.09	
	S&P/TSX	0.81%	4.31%	-0.14%	-1.21%	-1.02%	-1.83%	-2.67%	-	-	-	-	-	-1.89%	
2010	Class A Series 1	NAVPS	-	-	-	101.40	96.26	89.98	97.78	105.39	124.39	129.95	163.69	185.04	-
		Return	-	-	-	1.40%	-5.06%	-6.52%	8.67%	7.78%	18.04%	4.47%	25.96%	13.04%	85.04%
	Bench- marks	BWMING*	-	-	-	-1.72%	-7.42%	-3.03%	5.73%	2.11%	10.01%	6.71%	-0.49%	9.44%	21.78%
		S&P/TSX	-	-	-	1.44%	-3.67%	-3.98%	3.71%	1.71%	3.82%	2.37%	2.18%	3.79%	11.68%

* Bloomberg World Mining Index is denominated in CAD

NEWGEN ASSET MANAGEMENT LIMITED

Portfolio Manager:	David Dattels	Style/Strategy:	Long/Short Mining Equities	NewGen Asset Management Limited
Research Team:	Norman Chang	Prime Broker:	Scotia Capital	Commerce Court North, Suite 2900
Trader:	Chris Rowan	Administrator:	SGGG Fund Services	25 King Street West, P.O. Box 405
Min Investment:	\$50,000	Auditor:	SGGG LLP	Toronto, Ontario, Canada M5L 1G3
Base Currency:	CAD	Lawyer:	BLG LLP	www.newgenfunds.com