

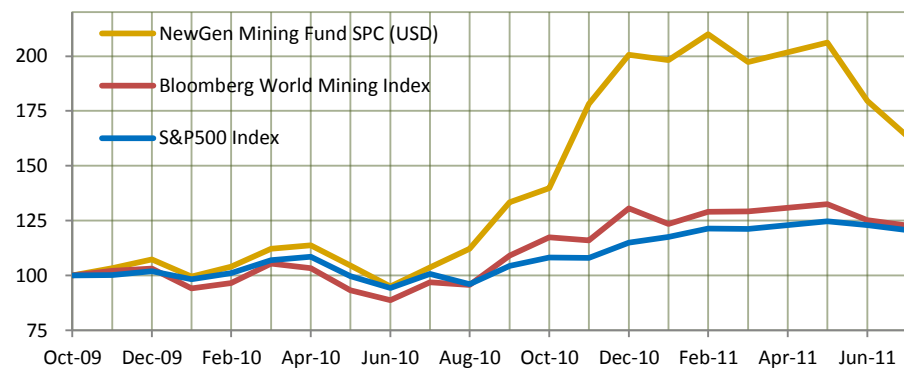
MONTHLY COMMENTARY

For the Month of June, the NewGen Mining Fund SPC was down -8.94% with the small cap component of the Fund suffering the most in a volatile and low liquidity environment. The negative overhangs that have dominated market sentiment over the last few months remained unresolved with politicians taking a “laissez faire” approach to issues of major global consequence. Despite another disappointing month, there was a slight shift in sentiment towards month-end as small amounts of capital began to flow back into the sector. When comparing the first half of 2011 with 2010, there is a clear similarity with heightened volatility and risk aversion, consolidating gains from the previous year. We once again expect this seasonality to prevail as the market begins to focus on fundamentals rather than fear and corporate cash piles translate into M&A and share buybacks. The fund is currently balanced between (1) precious metals, which should serve as a buffer in case risk remains in the market ; and (2) base metals, which should benefit first from renewed economic optimism. Furthermore, the Manager continues to build out its investment team with the addition of a new trader, Chris Rowan (formerly a portfolio manager/trader at the CPP Investment Board), whom we expect to add to the Fund’s ability to generate return and manage downside risk

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 | USD Class | NAVPS | 198.15 | 209.92 | 197.33 | 206.14 | 179.67 | 163.62 | - | - | - | - | - | - | - |
| | | Return | -1.31% | 5.94% | -6.00% | 4.47% | -12.84% | -8.94% | - | - | - | - | - | - | -18.51% |
| | CAD Class | NAVPS | 183.64 | 190.33 | 177.80 | 183.62 | 161.49 | 146.25 | - | - | - | - | - | - | - |
| | | Return | -1.27% | 3.64% | -6.59% | 3.28% | -12.05% | -9.44% | - | - | - | - | - | - | -21.38% |
| | Bench-marks | BWMING | -5.5% | 4.51% | 0.16% | 2.56% | -5.59% | -1.92% | - | - | - | - | - | - | -6.05% |
| | | S&P500 | 2.26% | 3.20% | -0.10% | 2.85% | -1.35% | -1.83% | - | - | - | - | - | - | 5.01% |
| 2010 | USD Class | NAVPS | 99.49 | 104.05 | 112.26 | 113.79 | 104.56 | 95.01 | 103.74 | 112.23 | 133.43 | 139.81 | 178.36 | 200.78 | - |
| | | Return | -7.31% | 4.59% | 7.89% | 1.36% | -8.11% | -9.16% | 9.20% | 8.14% | 18.89% | 4.78% | 27.47% | 12.57% | 87.06% |
| | CAD Class | NAVPS | - | - | - | - | - | - | - | 112.23 | 127.51 | 131.74 | 169.08 | 186.01 | - |
| | | Return | - | - | - | - | - | - | - | 10.13% | 15.79% | 3.31% | 28.30% | 10.01% | 86.01% |
| | Bench-marks | BWMING | -8.81% | 2.64% | 9.21% | -1.97% | -9.80% | -4.80% | 9.24% | -1.33% | 13.90% | 7.74% | -1.17% | 12.56% | 26.66% |
| | | S&P500 | -3.70% | 2.85% | 5.88% | 1.48% | -8.20% | -5.39% | 6.88% | -4.74% | 8.76% | 3.69% | -0.23% | 6.53% | 12.78% |
| 2009 | USD Class | NAVPS | - | - | - | - | - | - | - | - | - | 103.29 | 107.33 | - | |
| | | Return | - | - | - | - | - | - | - | - | - | 3.29% | 3.92% | 7.33% | |
| | Bench-marks | BWMING* | - | - | - | - | - | - | - | - | - | - | 2.08% | 1.09% | -5.50% |
| S&P500* | | - | - | - | - | - | - | - | - | - | - | 0.20% | 1.80% | - | |

* The NewGen Mining Fund SPC launched November 9th, 2009. Benchmark returns calculated over same period.

NEWGEN ASSET MANAGEMENT LIMITED

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|--------------------|---------------|-----------------|----------------------------|-----------------------------------|
| 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: | BCB Fund Services | 25 King Street West, P.O. Box 405 |
| Min Investment: | \$100,000 | Auditor: | Marcum (Cayman) | Toronto, Ontario, Canada M5L 1G3 |
| Base Currency: | USD / CAD | Lawyer: | CARD | www.newgenfunds.com |