

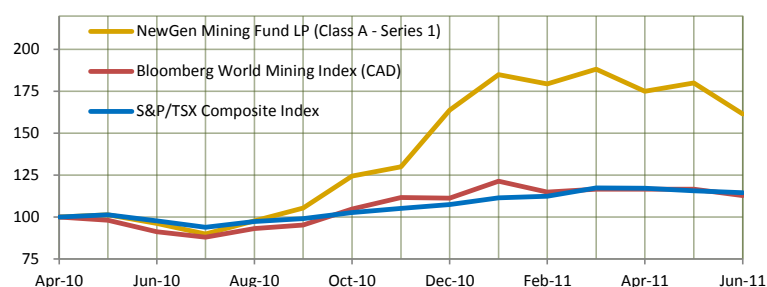
MONTHLY COMMENTARY

During the month of May, the NewGen Mining Fund LP was down 10.37% (Class A - Series 1). The Fund was dramatically impaired by intense liquidation of risk assets as Chinese and US economic data showed further deterioration and the European debt crisis continued to escalate. Risk appetite was completely removed from the market and emotions ran high as headlines dominated and rebounds were sold. The correction was more pronounced in the materials space despite the fact that underlying commodity prices have remained relatively steady - this divergence is particularly notable in the gold sub-sector, with the metal trading near all-time highs. The Fund's small cap component of the portfolio was particularly hard hit as liquidity dried up and panic retail selling ensued. This situation mirrors last year's seasonality and sentiment, which was followed by a strong rebound. Valuations have reached trough multiples as emotions have trumped fundamentals. Within this context, the fund continues to refocus its positioning into larger more liquid equities that are undervalued and stand to benefit once capital flows return to the sector. We are disappointed with this result, but remain confident that the underlying value of the portfolio will be unlocked over the course of the year.

INVESTMENT APPROACH

The NewGen Mining Fund LP 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	180.09	161.41	-	-	-	-	-	-	-	-
		Return	-3.04%	4.90%	-7.03%	2.92%	-10.37%	-	-	-	-	-	-	-	-12.77%
	Class A Series 2	NAVPS		188.21	175.06	180.15	161.50	-	-	-	-	-	-	-	-
		Return		4.90%	-6.41%	2.91%	-10.35%	-	-	-	-	-	-	-	-9.42%
	Class A Series 3	NAVPS			174.28	179.38	179.38	-	-	-	-	-	-	-	-
		Return			-7.40%	2.92%	-10.37%	-	-	-	-	-	-	-	-14.58%
	Class A Series 4	NAVPS			174.28	179.10	179.10	-	-	-	-	-	-	-	-
		Return			-7.40%	2.36%	-9.82%	-	-	-	-	-	-	-	-14.52%
	Class A Series 4	NAVPS					161.41	-	-	-	-	-	-	-	-
		Return					-10.37%	-	-	-	-	-	-	-	-10.37%
	Bench-marks	BWMING*	-5.21%	1.44%	0.06%	-0.13%	-3.25%	-	-	-	-	-	-	-	-7.04%
		S&P/TSX	0.81%	4.31%	-0.14%	-1.21%	-1.02%	-	-	-	-	-	-	-	2.68%
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:	Ryan Coulen	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