

Interim Management Report of Fund Performance

As at June 30, 2008

Integra U.S. Value Growth Fund

This semi-annual report of fund performance contains financial highlights but does not contain the complete semi-annual financial statements for the investment fund. You may request a copy of the semi-annual financial statements at no cost, by calling 1-877-446-8347, by writing to us Integra Capital Limited ("Integra"), 2020 Winston Park Drive, Suite 200, Oakville ON L6H 6X7 or by visiting our website at www.integra.com or the SEDAR website at www.sedar.com.

Security holders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or portfolio disclosure relation to the investment fund.

Management Discussion of Fund Performance

Results of Operations

For the six months ended June 30th, the Fund lost 11.1% compared to a 9.5% loss by the S&P 500 index while the Fund's benchmark (90% Russell 1000 Index plus 10% Scotia Capital 91-day Government of Canada Treasury Bill Total Return Index) dropped 8.2%. All of the returns are presented in Canadian dollar terms. Over the past year, the strength of the loonie relative to the American currency has diminished the returns of Canadian investors in U.S. stocks.

The first six months of 2008 witnessed a continuation of the slide in equity markets which began last summer. Financial Services stocks (down 27.8%) continued to lead the U.S. market lower, while the Energy (up 11.9%) and Materials (up 4.1%) sectors have been the only bright spots in the broad market during the first half of the year.

The Financial Services sector, with its sub-prime mortgage exposures and structured products has not provided investors with any reason to be confident that the worst is behind it. The Federal Reserve's bailout of Bear Stearns in late March gave some hope that the market had reached its low point and the stock prices experienced a nice bounce in the weeks that followed. However by early June, the S&P 500 had started what was to become a 6.5% decline during the month. The banks, insurance companies and brokerages began another round of asset write-offs, set up more provisions and, in many cases, were forced to seek new equity to maintain their capital bases. Furthermore, financial institutions have tightened their lending standards and that has negative implications for consumer and corporate spending.

The recent sharp jumps in food and energy prices have renewed inflationary fears. The higher costs for these non-discretionary items coupled with the unprecedented deterioration in the housing market puts the American consumer in an uncomfortable situation of less wealth and higher day to day living expenses. The current level of consumer price increases is leaving the Federal Reserve little room to maneuver to keep the American economy from sliding into a recession.

Consequently, only the Energy and Materials sectors generated positive returns during the first six months of the year, while the other eight industry groupings, despite brief rallies, experienced lower valuations as at the end of June.

With respect to the Fund, stock selection hampered performance. Holdings in the Financial Services, Health Care and Information Technology sectors did not match the returns of those business groups in the benchmark. Specific stocks that negatively impacted the Fund's return were Bear Stearns, Wellpoint and UnitedHealth Group. Shares of Bear Stearns had been purchased in the summer of 2007 based on favourable value characteristics, an earnings record of 83 consecutive years of profitability and a 30% ownership stake by its employees. It was estimated that 15% of the Bank's profits came from the weakening mortgage business, but the rest of the firm was thought to be in good shape given its history of conservative risk management. Unfortunately, Bear Stearns suffered a massive liquidity crisis which combined with rumors and short-selling turned into a vicious circle. Eventually the Federal Reserve had to step in to resolve the situation leading to the take-out of the long-established bank by J.P. Morgan Chase.

Wellpoint and UnitedHealth Group, two of the largest health insurers in the United States, fell sharply on fears of a price war. While cost trends in managed care are rising for the first time in several years, both firms have a history of controlling costs and improving their pricing.

Positive contributors to the Fund's performance was an underweight in the Financial Services sector and stock selection in the Energy industry. The focus amongst oil & gas stocks was on large companies such as ConocoPhillips and Occidental Petroleum which should be capable of performing well in a variety of commodity price environments.

Recent Developments

The American economy has lost over 400 thousand jobs this year. However, the Federal Reserve is not in a favourable position to stimulate the economy with lower interest rates as the U.S. Consumer Price Index (CPI) is now sitting at 4.2%.

Currently, the U.S. stock market is trading at 17x earnings which suggests equities are not a bargain. However, should energy prices decline and inflationary pressures ease, stocks could perform reasonably well. More specifically, the recent market volatility and economic uncertainty has caused the shares of some quality companies to become meaningfully inexpensive.

Recent additions to the portfolio include Quicksilver Resources, Southwestern Energy, Equinix, Priceline, and Airgas. As well, in the Financial Services sector, stocks that are close to the point of maximum pessimism include SLM Corp. and AIG where the Fund has established positions.

Integra U.S. Value Growth Fund

Related Party Transactions

Manager, Portfolio Manager and Transfer Agent

The Fund is managed by Integra. Integra provides or arranges for the provision of all general management and administrative services rendered by the Fund in its day-to-day operations, including providing or arranging the provision of investment advice and record-keeping services for the Fund.

As a result of providing investment advisory and management services, Integra is entitled to receive a monthly fee from investors in the Fund.

Integra U.S. Value Growth Fund
Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the six-month period ended June 30, 2008 and for the remaining financial years ended December 31, as indicated. This information is derived from the Fund's unaudited interim financial statements and audited annual financial statements.

The Fund's Net Asset Value (NAV) per [Unit Data]

For the periods ended	June 30, 2008 (\$)	Dec 31, 2007 (\$)	Dec 31, 2006 (\$)	Dec 31, 2005 (\$)	Dec 31, 2004 (\$)
Net Asset Value, Beginning of Period	\$ 8.07	\$ 8.95	\$ 8.04	\$ 7.70	\$ 7.11
Adjustment for New Accounting Standards	\$ (0.01)	\$ -	\$ -	\$ -	\$ -
Net Assets, Beginning of Period	\$ 8.06	\$ -	\$ -	\$ -	\$ -
Increase (Decrease) From Operations:					
Total revenue	\$ 0.15	\$ 0.23	\$ 0.13	\$ 0.11	\$ 0.10
Total expenses	\$ (0.01)	\$ (0.02)	\$ (0.02)	\$ (0.03)	\$ (0.03)
Realized gains for the period	\$ 0.04	\$ 0.25	\$ -	\$ 0.14	\$ 0.03
Unrealized gains (losses) for the period	\$ (1.10)	\$ (1.06)	\$ 0.88	\$ 0.20	\$ 0.59
Total Increase (Decrease) From Operations (1)	\$ (0.92)	\$ (0.60)	\$ 0.99	\$ 0.42	\$ 0.69
Distributions:					
From income (excluding dividends)	\$ -	\$ (0.21)	\$ (0.03)	\$ (0.07)	\$ (0.07)
From dividends	\$ -	\$ -	\$ -	\$ -	\$ -
From capital gains	\$ -	\$ (0.02)	\$ -	\$ -	\$ -
Return of capital	\$ -	\$ -	\$ -	\$ -	\$ -
Total Annual Distributions (2)	\$ -	\$ (0.23)	\$ (0.03)	\$ (0.07)	\$ (0.07)
Net Assets, End of Period	\$ 7.14	\$ 8.06	\$ 8.95	\$ 8.04	\$ 7.70

Ratios and Supplemental Data

	2008	2007	2006	2005	2004
Net Asset Value (000's)	\$ 56,557	\$ 65,095	\$ 75,016	\$ 60,995	\$ 52,994
Number of units outstanding	7,916,720	8,080,446	8,384,263	7,582,320	6,884,735
Management expense ratio (%)	2.35%	2.31%	2.38%	2.44%	2.44%
Management expense ratio before waivers or absorptions (%)	2.35%	2.31%	2.38%	2.44%	2.44%
Portfolio turnover rate (%) ⁽³⁾	14.05%	23.33%	22.5%	37.6%	19.5%
Trading expense ratio (%) ⁽⁴⁾	0.03%	0.05%	0.06%	0.10%	0.08%

Supplementary information to the Financial Highlights calculations are based on the following:

1. Net asset and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the period.
2. Distributions were paid in cash/reinvested in additional units of the Fund, or both.
3. The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.
4. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average Net Asset Values during the period.

Integra U.S. Value Growth Fund Past Performance

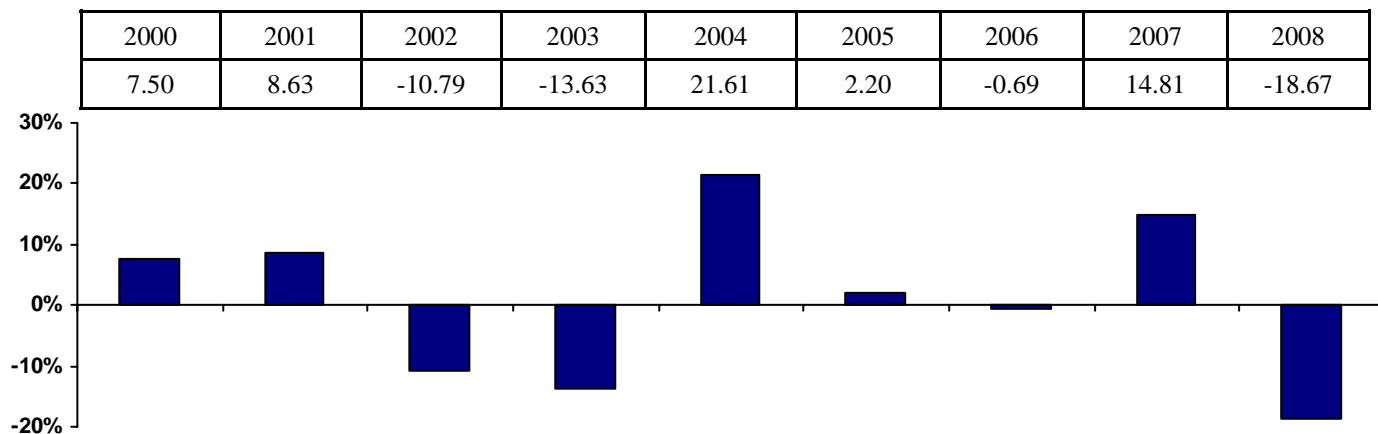
The performance information shown assumes that all distributions made by the investment fund in the periods shown were reinvested in additional securities of the investment fund. Note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the investment fund has performed in the past does not necessarily indicate how it will perform in the future.

Fund Inception - July 24, 1998 (Prior to this date, the Fund was a non-public mutual fund)
Year-by-Year Returns

The following bar chart shows the investment fund's annual performance for each of the years shown, and illustrates how the investment fund's performance was changed from year to year. In percentage terms, the bar chart shows how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.

Annual Returns Chart

Annual Returns ending June 30



Integra U.S. Value Growth Fund
Summary of Investment Portfolio as at June 30, 2008

Asset Mix		Top 25 Holdings	
	% of Fund's Net Assets	(excluding cash equivalents)	% of Fund's Net Assets
U.S. Equities	86.18%	1 Occidental Petroleum Corp.	2.64%
International Equities	9.05%	2 ConocoPhillips	2.28%
Cash and Cash Equivalents	4.77%	3 Weatherford International Ltd.	1.94%
		4 Imperial Tobacco Group PLC, ADR	1.81%
		5 Verizon Communications Inc.	1.71%
		6 Entergy Corp.	1.62%
		7 Illinois Tool Works Inc.	1.57%
		8 Express Scripts Inc	1.49%
		9 AT&T Inc.	1.48%
		10 Honeywell International Inc.	1.39%
		11 Dominion Resources Inc.	1.31%
		12 Wyeth	1.27%
		13 Wellpoint Inc.	1.27%
		14 Baxter International Inc.	1.25%
		15 Pfizer Inc.	1.23%
		16 Philip Morris International Inc.	1.23%
		17 MEMC Electronic Materials Inc.	1.21%
		18 UST Inc.	1.20%
		19 Burlington Northern Santa Fe Corp.	1.18%
		20 SLM Corp.	1.15%
		21 Carnival Corp.	1.13%
		22 Spectra Energy Corp.	1.12%
		23 Southwestern Energy Co.	1.09%
		24 Microchip Technology Inc.	1.09%
		25 Cognizant Technology Solutions Corp	1.07%
		Total Fund Net Assets \$ 56,628,530.08	

US Sector Mix

	% of Fund's Net Assets
Consumer Discretionary	7.80%
Consumer Staples	4.92%
Energy	10.89%
Financials	10.94%
Health Care	15.82%
Industrials	11.42%
Information Technology	12.36%
Materials	2.04%
Telecommunication Services	4.35%
Utilities	5.64%

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the investment fund. The most recent report, semi-annual report or quarterly report is available at no cost, by calling 1-800-363-2480, by writing to us at Integra Capital Limited, 2020 Winston Park Drive, Suite 200, Oakville, ON, L6H 6X7 or by visiting our website at www.integra.com

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