

**Integra Newton Global Equity Fund**  
**Semi-Annual Management Report of Fund Performance**  
**As at June 30, 2011**

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 1-800-363-2480, by writing to us at Integra Capital Limited ("Integra"), 2020 Winston Park Drive, Suite 200, Oakville ON L6H 6X7 or by visiting our website at [www.integra.com](http://www.integra.com) or the SEDAR website at [www.sedar.com](http://www.sedar.com).

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

**Management Discussion of Fund Performance**  
**Results of Operations**

The Fund gained 2.99% during the first six months of 2011. In comparison, the Fund's benchmark (100% Morgan Stanley Capital International – World NDR Index) generated a return of 2.26% during the first half of the year. The complete benchmark history of the fund is available upon request. All of the returns are presented in Canadian dollar terms and gross of fees.

While during the first three months of this year, markets withstood the shocks of the earthquake and tsunami in Japan and the social unrest in the Middle East, the second quarter brought more challenges and as has become commonplace, these led to significant volatility in asset prices. Among the problems that global economies faced were elevated energy prices, continued unrest in a number of Middle Eastern and African regimes, the disruption of global supply chains after March's earthquake and tsunami in Japan and the completion of the U.S. Federal Reserve's 'QE2' program at the end of June. Despite the threats that these issues presented, it was the European sovereign debt crisis that was the most dominant driver of investment returns. In June, the threat of a Greek sovereign default pushed markets sharply lower in a risk-averse move similar to what was experienced mid-2010. However, the markets staged a rapid recovery late in the quarter following the passing of first the Greek government's confidence vote and then its austerity plan, the latter of which paved the way for the country to receive further financial assistance, diminishing the threat of its immediate default.

There are other positives in the international markets. Corporate earnings continue to grow, profit margins are still expanding and companies are holding large cash positions on their balance sheets. Additionally, Japan generated better than expected manufacturing and supply data following the effects of the natural disasters and potential nuclear catastrophe.

Despite the considerable volatility over the past few months, in broad terms equity markets overseas managed to hold on to the gains generated during the first quarter. Nonetheless, there was significant divergence in the performance of various sectors. In general, defensive stocks outperformed cyclicals. The top performers included Health Care, Telecom Services and Consumer Staples. Three sectors experienced negative returns including Information Technology, which lost slightly less than 5% over the first six months of the year.

During the first half of 2011, amongst global equities, there was a wide dispersion of returns across the ten industrial sectors. The top performers included more defensive areas Health Care, Telecom Services and Consumer Staples. Three sectors experienced negative returns including Information Technology which lost approximately 2% over the first six months of the year.

The principal sources of relative strength for the Fund were stock selection in the Information Technology and Industrials Services coupled with an underweight position in Financial Services. On a geographic basis, stocks in Hong Kong, the United States, Japan and the Euro-zone generated value add versus the MSCI World NDR Index. Specific stocks that contributed to the out-performance included Jardine Matheson Holdings, Sprint Nextel and Roche Holdings.

The Fund experienced net redemptions of \$11.1 million during the first six months of 2011.

Fund expenses vary period over period mainly as the result of changes in average Net Asset Values and investment activity. Custody expenses were lower year over year due to a fee renegotiation with the Fund's custodian.

### **Recent Developments**

What is clearly different now is that, despite weaker indications of growth, pricing pressures curtail the scope for yet lower rates or more quantitative easing, for now at least. Fiscal stimulus also appears exhausted, as many economies need to rein in deficit spending and produce credible plans for debt reduction. Moreover, in the economies which managed to sidestep the global recession, tighter policy and/or stronger currencies have had an impact. In China, for example, the recent purchasing managers indicator was at a lower-than-expected 50.9 (where readings above 50 mark expectations of expansion), indicating moderating growth, and in Australia both retail sales and construction activity appear to be contracting.

Weaker global economic numbers have already had a knock-on effect on energy and commodity prices. This should moderate concerns about runaway inflation, cool expectations about policy tightening and ultimately help support growth expectations. This pattern illustrates well the sort of volatile mini-cycle environment that we appear to be experiencing as we work through the global debt crisis. The scale of the liabilities and the number of economies involved places an unprecedented drag on global economic activity. It has in turn, however, unleashed an equally unprecedented reflationary response in terms of monetary and fiscal intervention. The interaction between these two forces has created a volatile backdrop, against which investors flip-flop between fears of inflation and recession. The investment world is further distorted by zero interest policies because of the interplay between so-called 'risk-free' assets (government bonds) and the valuation of risk assets like equities, real estate and corporate debt. This means being vigilant about what to own (there are very real solvency risks to contend with) and trying to focus on assets that can generate real cash flows from reliable sources.

Large global companies in sectors which experience stable end demand should provide a relative haven against this volatile backdrop. Banks in the mature markets are still undergoing a host of problems, from dubious asset quality to uncertain regulation. One needs to be wary, too, in economies characterized by stronger recent growth, such as Australia, where some of the trends (such as rising use of overseas and wholesale funding) which signaled stress in banking systems in the US and the UK previously, are starting to appear.

Recent additions to the portfolio include United Overseas Bank, based in Singapore which is very supportive of bank profitability, ABB whose transmission and distribution business is improving and Microsoft, following the Skype purchase when the drop in share price made for a very compelling valuation.

### **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.

### **Caution Regarding Forward-looking Statements**

This report may contain forward-looking statements about the Fund, including its strategies and expected performance. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to potential future events or market and economic conditions.

In addition, any statement that may be made concerning future performance, strategies or prospects and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to risks, uncertainties and assumptions about the Fund and capital market and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results may differ materially from those expressed or implied in any forward-looking statements made by the Fund. A wide range of factors may contribute to these variances, including general economic, geopolitical and market influences in Canada or globally, interest rates and currencies, capital markets, technology innovations, regulations and catastrophic events.

Investors are encouraged to consider these and other factors including their own investment objectives carefully before making any investment decisions and are urged to avoid placing undue reliance on forward-looking statements.

Additionally, investors should be aware that the Fund has no specific intention to update any forward-looking statements whether as a result of new information or future events, prior to the release of the next Management Report on Fund Performance.

**Integra Newton Global Equity 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, 2011 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, 2011	Dec 31, 2010	Dec 31, 2009	Dec 31, 2008	Dec 31, 2007
Net Asset Value per unit, beginning of period	\$7.43	\$7.27	\$6.71	\$9.82	\$10.00
Adjustment for new accounting standards	(0.01)	(0.02)	(0.03)	(0.02)	—
Net Assets per unit, beginning of period	\$7.42	\$7.25	\$6.68	\$9.80	\$10.00
<b>Increase (decrease) from operations:</b>					
total revenue	0.11	0.18	0.20	0.17	0.01
total expenses	—	—	—	(0.01)	—
realized gains (losses)	0.06	0.02	(0.23)	(1.78)	(0.06)
unrealized gains (losses)	0.06	0.15	0.84	(1.63)	(0.33)
<b>Total increase (decrease) from operations<sup>(1)</sup></b>	<b>\$0.23</b>	<b>\$0.35</b>	<b>\$0.81</b>	<b>(\$3.25)</b>	<b>(\$0.38)</b>
<b>Distributions:</b>					
From income (excluding dividends)	—	(0.18)	(0.20)	(0.13)	—
From dividends	—	—	—	—	—
From capital gains	—	(0.01)	—	—	—
Return of capital	—	(0.01)	—	—	—
<b>Total Annual Distributions<sup>(2)</sup></b>	<b>\$0.00</b>	<b>(\$0.20)</b>	<b>(\$0.20)</b>	<b>(\$0.13)</b>	<b>\$0.00</b>
<b>Net Assets per unit, end of period</b>	<b>\$7.63</b>	<b>\$7.42</b>	<b>\$7.25</b>	<b>\$6.68</b>	<b>\$9.80</b>

**Ratios and Supplemental Data (Based on trading NAV)**

	2011	2010	2009	2008	2007
Net Asset Value (000's)	\$248,948	\$252,174	\$269,135	\$246,084	\$87,436
Number of units outstanding	32,533,838	33,941,781	37,014,967	36,650,693	8,903,721
Management expense ratio	2.05%	2.05%	2.03%	2.13%	0.00%
Management expense ratio before waivers or absorptions	2.05%	2.05%	2.03%	2.13%	0.00%
Portfolio turnover rate <sup>(3)</sup>	25.96%	32.59%	46.00%	102.58%	7.18%
Trading expense ratio <sup>(4)</sup>	0.14%	0.10%	0.12%	0.39%	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 Newton Global Equity 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** - December 1, 2007\*

### Year-by-Year Returns

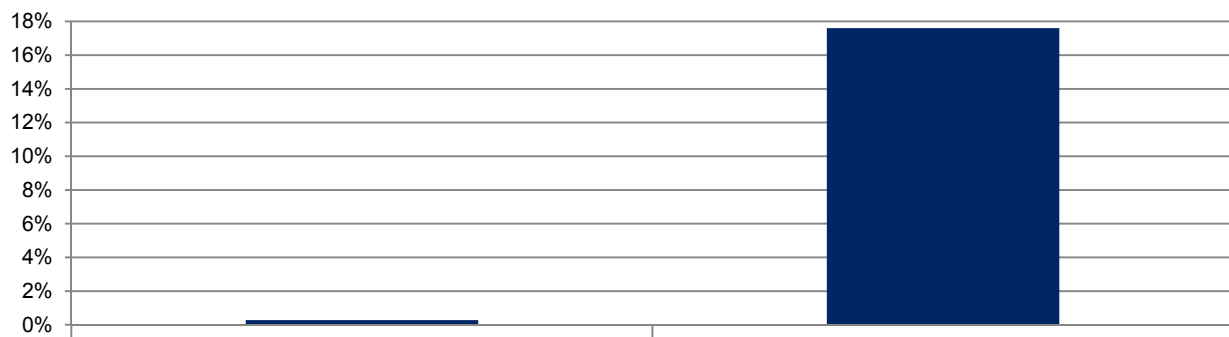
The following bar chart shows the investment fund's annual performance for each of the years shown, and illustrates how the investment fund's performance was changed from year to year. In percentage terms, the bar chart shows how much an investment made on the first day of each financial year would have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

\*Although the fund was established on December 1, 2007, pursuant to securities legislation, the fund cannot disclose performance returns prior to the date it commenced offering its units to the public by way of a prospectus. The Fund commenced offering its units to the public by way of a prospectus on August 27, 2008.

### Annual Returns Chart

Annual Returns ending June 30

2010	2011
0.28%	17.60%



**Integra Newton Global Equity Fund**  
**Summary of Investment Portfolio as at June 30, 2011**

Asset Mix		Top 25 Issuers	
	% of Fund's Net Assets	(excluding cash equivalents)	% of Fund's Net Assets
Global Equities	98.29%		
Other Assets, Net of Liabilities	1.71%		
<b>Country Mix</b>			
	% of Fund's Net Assets		
Australia	4.22%	1	Sprint Nextel Corp. 2.23%
Belgium	0.78%	2	Roche Holding AG Genussscheine 2.13%
Bermuda	0.82%	3	British American Tobacco PLC 1.98%
Brazil	3.70%	4	Newcrest Mining Ltd. 1.92%
Canada	3.54%	5	Jardine Matheson Holdings Ltd. 1.74%
Denmark	0.53%	6	Air Liquide SA 1.51%
France	5.96%	7	Altria Group Inc. 1.48%
Germany	2.47%	8	INPEX CORP. 1.46%
Hong Kong	4.56%	9	Novartis AG, Registered 1.40%
Ireland	2.05%	10	Syngenta AG 1.39%
Italy	0.50%	11	Bayer AG 1.37%
Japan	9.39%	12	Petróleo Brasileiro SA, Sponsored ADR 1.34%
Macau	0.76%	13	Microsoft Corp. 1.29%
Norway	1.00%	14	EMC Corp. 1.27%
Russia	0.66%	15	Toyota Motor Corp. 1.26%
Singapore	1.90%	16	High Tech Computer Corp., GDR 1.22%
South Africa	1.21%	17	TOTAL SA 1.22%
South Korea	0.23%	18	MTN Group Ltd. 1.21%
Spain	0.80%	19	Zurich Financial Services AG 1.17%
Switzerland	11.05%	20	Bangkok Bank Public Co. Ltd., Registered 1.17%
Taiwan	1.22%	21	Nestlé SA, Registered, Series 'B' 1.16%
Thailand	1.99%	22	GlaxoSmithKline PLC 1.16%
Turkey	0.40%	23	Lear Corp. 1.13%
United Kingdom	9.37%	24	Pfizer Inc. 1.12%
United States	29.18%	25	Standard Chartered PLC 1.11%
		Total Fund Net Assets \$ 248,081,183	

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](http://www.integra.com)

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