

GMP Diversified Alpha Fund

Description

The GMP Diversified Alpha Master Fund (the "Fund") is a tax-effective¹ Multi-Strategy Fund consisting of diversified investments. Our objective is to generate superior risk-adjusted absolute returns over the long term. The Fund will also seek to preserve capital through the use of prudent risk management tools.

Performance Attribution

In August, the Master Fund generated a negative return of 1.16%, net of fees. Equity markets worldwide participated in historical daily swings, principally negative at the beginning of the month and then both positive and negative through the later part of the month. As has been the case for the past several months, liquidity and capital preservation remained the Fund's focus.

Equity

The Equity strategy generated a negative return in August. Gold rallied on the back of broad global market volatility, resulting in the TSX ending the month relatively stronger than most other global markets, though still down. The S&P 500 had a negative month, down over 5.6%, and at its lows, down over 13%.

Credit

The Credit strategy was down small in August. The Credit markets were down significantly in the month and did not participate in the rebounds experienced in the equity markets.

Quantitative

The Quantitative Strategy was up 0.77% in August led by the Tactical trading strategy which was long gold, short the Russell 2000 and was actively trading the TSX 60 and SPX.

Statistics

Last 12 Month Statistics

	Alpha Master Fund ²	Bloomberg Multi Strat Index	Credit Suisse Multi Strat Index	Barclay Multi Strat Index	S&P 500 Index	S&P TSX Index	S&P TSX60 Index	S&P TSX Venture
12 Month Return	10.81%	15.20%	10.17%	6.10%	16.16%	7.18%	4.92%	20.75%
Annualized Volatility	4.98%	10.15%	4.50%	4.24%	13.90%	9.31%	9.27%	28.87%
Winning Months	66.67%	58.33%	75.00%	58.33%	50.00%	50.00%	50.00%	50.00%
Average Monthly Gain	1.69%	2.82%	1.38%	1.34%	4.55%	2.90%	2.68%	8.97%
Average Monthly Loss	-0.78%	-1.01%	-0.87%	-0.67%	-1.89%	-1.68%	-1.82%	-5.18%
Sharpe Ratio (Rf = 0)	2.07	1.40	2.16	1.40	1.08	0.75	0.52	0.66
Correlations (Alpha to)	1.00	0.62	0.77	0.87	0.74	0.80	0.75	0.80

Monthly Performance (Inception April 2008)

	Sept/10	Oct/10	Nov/10	Dec/10	Jan/11	Feb/11	Mar/11	April/11	May/11	Jun/11	Jul/11	Aug/11	Last 12 Mo.	Since Inception
Master Fund (Net)	1.86	1.99	1.70	3.10	2.42	1.65	-0.84	-0.19	0.31	-0.92	0.49	-1.16	10.81	29.58
Class A Units (Net)	1.78	1.92	1.64	3.02	2.35	1.58	-0.90	-0.25	0.25	-0.96	0.45	-1.19	10.04	25.25
S&P TSX 60 (Gross)	3.03	1.82	1.82	3.68	1.30	4.45	-0.51	-1.39	-1.10	-3.20	-4.01	-0.70	4.92	-7.05
S&P 500 (Gross)	8.76	3.69	-0.23	6.53	2.26	3.20	-0.10	2.85	-1.35	-1.83	-2.15	-5.68	16.16	-7.85

¹ All references to tax herein are from a Canadian perspective. Non-Canadian investors should seek independent tax advice.

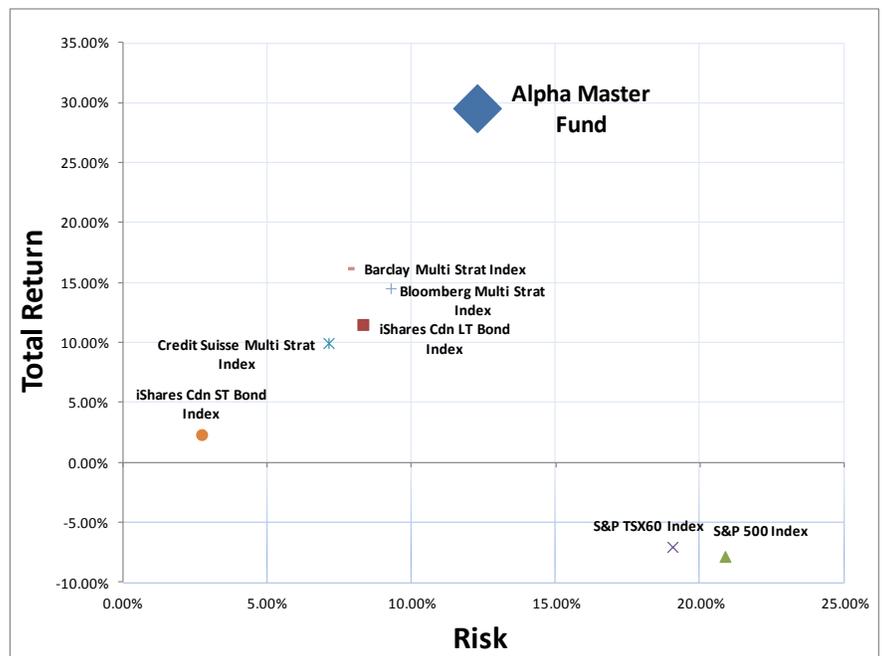
² Alpha Master Fund Performance is shown net of fees. Investors will gain access to the Alpha Master Fund returns through a share class unit, which will have returns reduced by costs associated with the specific share class held. Investment funds are not guaranteed, their values change frequently and past performance August not be repeated. The above mentioned returns are not meant to act as a benchmark against which the Alpha Master Fund should be measured, rather, they are presented to show the risk and return characteristics of the different indices.

Prices and Performance/Unit

Class	A*	F*	A-I*	F-I*
NAV*($\$$)	1,252.47	1,264.92	116.27	116.27
Return	-1.19%	-1.19%	-1.19%	-1.19%

*Net of Fees (includes Forward Agreement costs for domestic Investors that allows for potential tax deferral. Refer to the Offering Memorandum for complete disclosure).

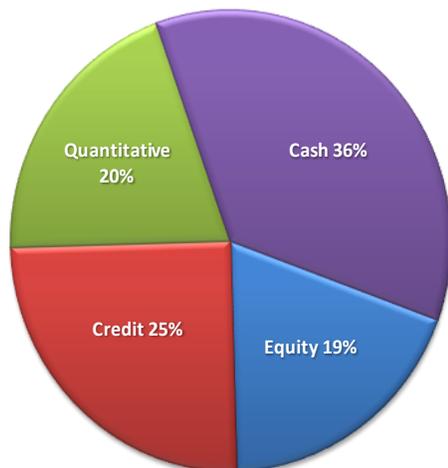
Focus on Risk Adjusted Returns



Source: Bloomberg, Total Return and Annualized Volatility since Alpha Master Fund inception

GMP Diversified Alpha Fund

Portfolio Allocation At Sept 1, 2011



About the Alpha Fund

Alpha Fund:	\$427MM (as at September 1, 2011)
Fund Inception:	April 2008
Fund Details:	2% Management Fee 20% Performance Fee High Water Mark, no reset RSP Eligible
Fund Advisor:	GMP Investment Management L.P.
Prime Broker:	TD Securities RBC Capital Markets
Administrator:	Citigroup Fund Services
Auditor:	Deloitte & Touche LLP
Lawyer:	McMillan LLP
FundSERV:	GMP104 (A-I Class) GMP105 (F-I Class)

Allocation Commentary

The Fund remained conservatively positioned through August, as we have been for the last 3 months. Notwithstanding our conservative position, August was one of the most volatile months on record, and the Fund was down 1.16% (net). As of the 9th of the month, the Dow had swung 400 points on 4 consecutive days. Over the month of August the volatility of the S&P 500 was 46.8%, the TSX 60 was 31.09%, while the Alpha Master Fund was 4.50%. All risk markets attempted to balance the risks posed to both the economy and financial system. This caused correlations across the High Yield and Equity markets to increase dramatically. Within this environment, money flows moved out of risk assets (including both equity and credit funds) which exacerbated the volatility. Rallies experienced by the equity markets were not followed by the credit markets which recorded historically high redemptions. With equity sector correlation high, the Fund experienced losses in economically sensitive sectors and gains in selected gold and defensive names. We continued to hedge our beta exposure across the Equity strategy. The high yield bond market suffered losses during August which were the highest since the fall of 2008. Prospectively, this hard selloff should create opportunities in the credit space, and the Fund's large cash position is prepared to take advantage of the best selected opportunities. The Quantitative book performed well through this volatile market, taking advantage of short term reversals and also profiting from being long gold and short the Russell 2000. Overall, we continued to be very overweight cash through the month. This has been the case since the spring. Our priority on preserving capital and managing volatility has been prudent over these last months given the extreme negative sentiment and historic price swings in the market. Going forward, our overweight cash position will allow the Fund to selectively deploy capital when opportunities with the appropriate risk / return profile present themselves.

GPIM at a Glance

People

We have 21 experienced capital markets professionals involved in managing the Fund. All Managing Partners have significant personal investments in the Fund. The Fund has an oversight board and dedicated compliance and finance functions. We involve reputable and independent firms to provide audit, legal and operations oversight.

Process

The Fund is managed to minimize risk and maximize return over time. Our real time risk management system emphasizes both capital preservation and managing risk across positions and sectors. We apply absolute risk limits within the Fund in addition to proprietary models to maximize our risk/return posture.

Performance

The Fund seeks to provide absolute returns over time. Our goal is to limit the variability of monthly returns and to achieve positive monthly performance. The Fund will reinvest income earned to achieve long term total return for investors.

Benefits

Investors benefit from the rigorous processes deployed in the management of the Fund, including risk management, portfolio allocation and the tax structure.

This material is for information only, and is not to be construed as an invitation to make an investment in our funds, nor does it constitute a public offering to sell the Fund or any other products described herein. This material should not be relied upon when evaluating the merits of a potential investment in any funds managed by GMP Investment Management L.P. Applications for the Fund will only be considered in accordance with terms stated in the Fund's confidential offering memorandum (the "Offering Memorandum"). The information contained in this material is subject to change without notice and GMP Investment Management L.P. and its affiliates will not be held liable for any inaccuracies or misprints. Past performance August not be repeated. An investment in the Fund is not intended as a complete investment program and should only be made after consultation with independent investment and tax advisors. Please refer to the Offering Memorandum for a further discussion of the risks of investing in the Fund. GMP Investment Management L.P. is registered as an Investment Fund Manager, Portfolio Manager and Exempt Market Dealer, and as such is prepared to engage as an Adviser or Exempt Market Dealer in respect of securities of its related issuers and, in the course of distribution, of securities of connected issuers, but only to the extent from time to time permitted by applicable securities legislation or rule, policy, directive or order of any securities regulatory authority.