

GMP Diversified Alpha Fund

Description

The GMP Diversified Alpha Master Fund (the "Alpha Master 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 February, the Alpha Master Fund earned a positive 1.65% return this month, net of fees. All sub-strategies were positive. With a volatility of only 4.36%, the Alpha Master Fund outperformed the SPX and TSX on a risk adjusted basis.

Equity

The Equity strategy's gains in February continued from our focus on energy and materials holdings. Additionally, the financial sector rallied and returns in the Equity book were bolstered by strong stock selection.

Credit

The Credit Strategy generated positive performance in February. Notwithstanding the increased volatility in the markets as a result of the geopolitical risks emanating out of the Middle East, the high yield and Canadian ABCP markets continued to generate solid results on the back of strong corporate performance.

Quantitative

Tactical Trading made money in February, and Volatility had negative performance. Gains came from long positions in the Canadian dollar, gold, S&P/TSX60 and from being on the short side of the trade with the Russell 2000 index. Volatility increased during the month which resulted in a slight mitigation of our positive overall strategy returns.

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 | 14.82% | 0.85% | 11.73% | 12.21% | 20.17% | 21.56% | 19.47% | 56.19% |
| Annualized Volatility | 4.36% | 7.35% | 4.83% | 4.06% | 18.61% | 9.67% | 9.51% | 25.16% |
| Winning Months | 83.33% | 58.33% | 83.33% | 83.33% | 66.67% | 83.33% | 83.33% | 75.00% |
| Average Monthly Gain | 1.57% | 1.59% | 1.42% | 1.40% | 4.83% | 2.78% | 2.60% | 7.21% |
| Average Monthly Loss | -0.84% | -2.00% | -1.50% | -1.18% | -4.64% | -3.82% | -3.84% | -5.54% |
| Sharpe Ratio (Rf = 0) | 3.19 | 0.11 | 2.31 | 2.85 | 0.99 | 2.03 | 1.88 | 1.81 |
| Correlations (Alpha to) | 1.00 | 0.40 | 0.79 | 0.80 | 0.71 | 0.69 | 0.70 | 0.74 |

Monthly Performance (Inception April 2008)

| | Mar/10 | Apr/10 | May/10 | Jun/10 | Jul/10 | Aug/10 | Sept/10 | Oct/10 | Nov/10 | Dec/10J | Jan/11 | Feb/11 | Last 12 Mo. | Since Inception |
|---------------------|--------|--------|--------|--------|--------|--------|---------|--------|--------|---------|--------|--------|-------------|-----------------|
| Master Fund (Net) | 1.32 | 1.41 | -1.01 | -0.67 | 0.13 | 0.08 | 1.86 | 1.99 | 1.70 | 3.10 | 2.42 | 1.65 | 14.82 | 32.62 |
| Class A Units (Net) | 1.25 | 1.35 | -1.05 | -0.72 | 0.07 | 0.01 | 1.78 | 1.92 | 1.64 | 3.02 | 2.35 | 1.58 | 13.95 | 28.55 |
| S&P TSX 60 (Gross) | 3.51 | 1.44 | -3.67 | -3.98 | 3.71 | 1.71 | 3.82 | 2.49 | 2.18 | 3.79 | 1.30 | 4.45 | 19.47 | 3.81 |
| S&P 500 (Gross) | 5.88 | 1.48 | -8.20 | -5.39 | 6.88 | -4.74 | 8.76 | 3.69 | -0.23 | 6.53 | 2.26 | 3.20 | 20.17 | 0.34 |

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 may 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.

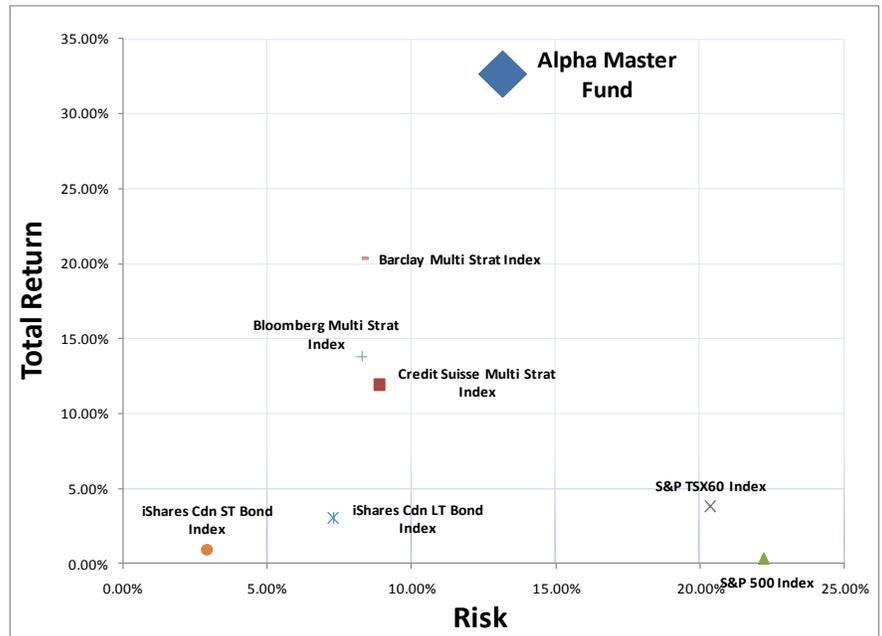
Prices and Performance/Unit

| Class | A* [†] | F* [†] | A-I* [†] | F-I* [†] |
|----------|-----------------|-----------------|-------------------|-------------------|
| NAV*(\$) | 1,285.51 | 1,298.29 | 119.34 | 119.34 |
| Return | 1.58% | 1.58% | 1.58% | 1.58% |

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

[†] Preliminary results

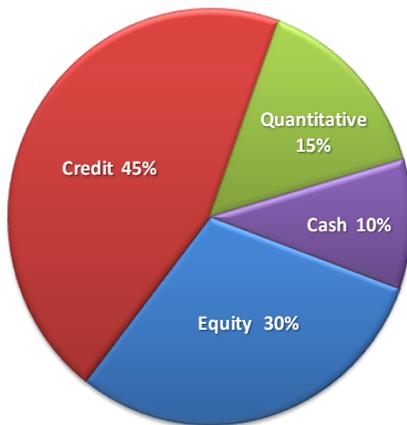
Focus on Risk Adjusted Returns



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

GMP Diversified Alpha Fund

Portfolio Allocation At March 10, 2011



About the Alpha Fund

| | |
|-----------------|---|
| Alpha Fund: | \$401MM (as at Mar 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

February was another strong month for the Fund, up 1.65%. YTD, the Fund is up 4.11% which is at the upper end of our expected return range. Oil continued its price appreciation to over \$100 and fuelled inflation concerns while events in the Middle East continued to raise global geopolitical concern. We continued to focus our Credit Strategy on the ABCP opportunity and profited again from that opportunity. The Canadian ABCP story gathered some momentum south of the border as several U.S. credit funds are now actively engaged in Canadian ABCP. Our Equity Strategy outpaced the market as a whole, driven by performance in our Strategic and Aggressive strategies. The Quantitative Investing strategy enjoyed positive results in February. Tactical Trading was up 1.61% for the month with gains coming from long positions in the Canadian dollar, gold, S&P/TSX60, S&P500 and from the short side of the Russell 2000 equity index. These positive results were somewhat offset by losses in Volatility Trading; partly due to an increase in volatility but primarily due to the fact we were positioned for a pullback during much of the month. Throughout the month of February all of our capital allocation models continued to point to positive returns in the equity market. However, we see two potential headwinds as we head into spring. Firstly the current geopolitical risk in the Middle East and the recent natural disaster in Japan are unquantifiable risks that can not be modeled. Secondly, although our models indicate that the trend should continue to be positive for the equity markets, market history would show that in the midst of an equity market rally of the magnitude experienced over the last two years, healthy corrections are inevitable. As a result, we will continue to deploy various option hedging strategies in order to dampen the potential effects of this correction.

GPIM at a Glance

People

We have 18 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 may 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.