



Creststreet Alternative Energy Fund

August 2009 Newsletter

Net Asset Value Per Share

August 31, 2009:

Series A - \$38.4435
Series B - \$38.2411
Series F - \$38.3398

Fund Description

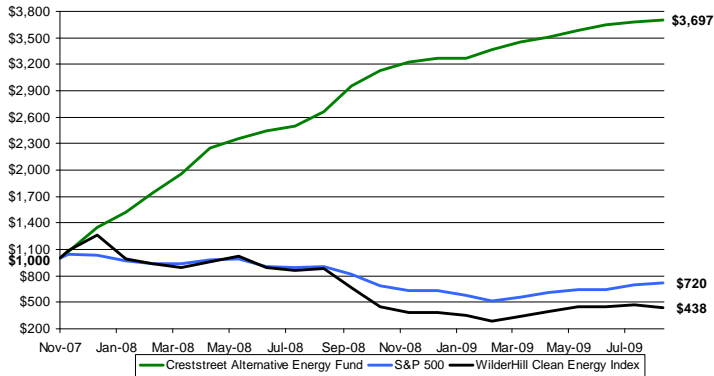
The Creststreet Alternative Energy Fund (the "Fund" or "CAEF") provides Canadian investors with exposure to a broad array of investments in sub-sectors of the energy market outside of conventional oil and natural gas. The investment objective is to provide stable long-term growth of capital while conservatively managing value at risk. The Fund invests primarily in securities of North American issuers whose businesses exploit opportunities to generate energy beyond what traditional dependence on carbon-emitting sources supply.

Historical Performance ⁽¹⁾

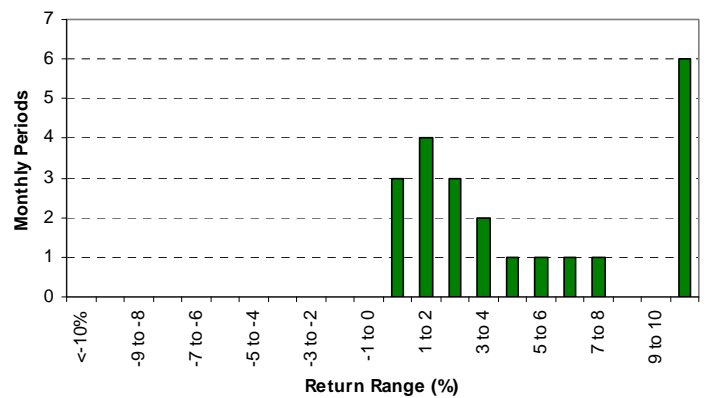
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2007											7.6%	25.3%	34.8%
2008	12.6%	14.5%	12.9%	14.9%	4.7%	3.8%	2.0%	6.4%	11.3% *	5.7%	3.2%	1.5%	142.1%
2009	0.1%	2.8%	2.7%	1.5%	2.1%	1.8%	0.9%	0.4%					13.0%

* Manager clarified performance fee calculation language in prospectus in favor of unitholders resulting in a +9.6% increase in NAV.

Performance ⁽¹⁾⁽²⁾



Distribution of Returns ⁽¹⁾



Statistics ⁽¹⁾⁽²⁾

	CAEF	S&P 500 Index	WilderHill Clean Energy Index
Compounded Annual Return (since inception)	108.6%	-16.8%	-37.1%
1 Year Return	39.2%	-20.4%	-50.2%
Standard Deviation	6.4%	6.9%	13.8%
R-Squared		0.01	0.00
Correlation		(0.11)	0.04
Beta		(0.10)	0.02
Monthly Alpha		6.2%	6.3%
Sharpe Ratio	6.50	-1.51	-1.12
Largest Month Gain	25.3%	9.4%	17.5%
Largest Month Loss	n.a.	-16.9%	-32.1%

Top 5 Holdings as at August 31, 2009 ⁽¹⁾ long positions only

- 5N Plus Inc.
- Advantage Oil & Gas Ltd.
- Fairborne Energy Ltd.
- RuggedCom Inc.
- Storm Exploration Ltd.

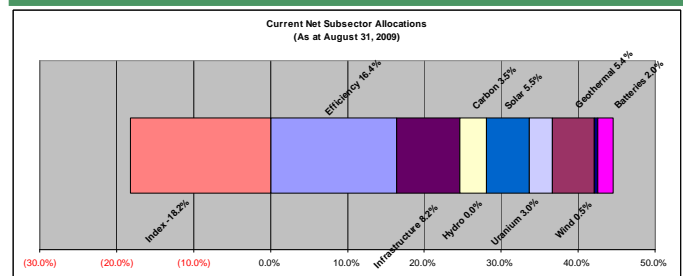
⁽¹⁾ Inception date of the Fund is November 21, 2007. The indicated rates of return are historical annual compound total returns and do not take into account sales, redemption, distribution or operational charges or income taxes payable by any security holder that would have reduced returns. Performance shown is based on Series A of the Fund. Performance is calculated net of fees.

⁽²⁾ See Use of Benchmarks Disclaimer on page 3.

Terms

Fund AUM: \$48.1M	Pricing: Weekly
Minimum Initial Subscription: \$ 1,000	Redemptions and Contributions: Weekly
Performance Fee: 20% with hurdle rate above S&P 500	Year End: December 31
Management Fee: 2%	Auditors: KPMG LLP
Type: North American Equity	Administrator: RBC Dexia Investor Services
Fund Codes & Load Type: CAM400-FEL -0.5% Trailer CAM401-FEL -1.0% Trailer CAM402-F Class only	RRSP / TFSA eligible: Yes

Sub-Sector Allocation as at August 31, 2009



Fund Commentary

The Creststreet Alternative Energy Fund was up 0.4 percent during the month of August compared to the S&P 500 Index, which was up 3.4%, and the Wilderhill Clean Energy Index, which was down 6.3 percent.

Outlook

After exhibiting strong gains during July, North American equity markets fluctuated within narrow bands for most of August, with the S&P gaining 3.5%, the Dow 3.4%, and the TSX 0.8%. These minor gains came on several signs that during the current quarter there is likely to be GDP growth in the US economy for the first time since Q2 2008. New orders of durable goods increased 4.9% from June to July and the Industrial Production Index rose for the first time since October 2008. Furthermore, the ISM Manufacturing Purchasing Manager's Index rose to 52.9 during August, its seventh consecutive monthly increase and the first reading of an expansion (above 50) in the manufacturing sector since July 2008.

Despite the likely prospect of economic growth during the current quarter, our medium and long-term macroeconomic view remains cautious as we believe that the risk of either a double-dip recession in 2010 or a prolonged period of stagnation in the North American economy remains significant. This view is founded on our analysis of the weakness in the US employment situation and the economic headwinds facing the US consumer, which currently comprises approximately 20% of global GDP.

Economic data released over the last month are supportive of this hypothesis. The US consumer continues to be a drag on the overall economy. First, the consumer is not yet earning more income. Despite generous tax breaks and increased social benefits from the federal government, the US consumer's real disposable income actually fell 0.1% in July from June. Second, the consumer is not spending. Despite significant stimulus provided by the cash for clunkers program, US Retail Sales declined 0.1% in July from June and Personal Consumption Expenditures rose just 0.2%.

The outlook for this former engine of economic growth becomes even more dampened when analyzing the US employment situation. In August, the core unemployment rate reached 9.7%, its highest level since May 1983; but a more expanded definition of the unemployed, one that includes those that are working part-time but would prefer full-time employment, increased to 16.8% for the month, showing just how much capacity remains in the US labour market.

The Fund remains cautiously net long, primarily as a trading oriented call, and is willing and able to reduce market exposure aggressively should our comfort level diminish. We consider the majority of our positions to be relatively defensive in nature – with a lower propensity for upside torque, but limited downside supported by compelling valuations. To the contrary, the Fund's short position tends to be comprised of higher beta and more speculative resource exposure to which the Canadian equity markets are biased. As a result, we remain diligent in focusing on what we believe to be the beta-adjusted exposure of the Fund's net long position.

We believe there are several potential catalysts that will be realized before the end of 2009 within our sector. In early September, the US Department of Energy announced several Loan Guarantees concentrated on the wind subsector. We believe that similar announcements will be forthcoming, both in the form of grants and loan guarantees to other subsectors, and have positioned the fund's holdings to benefit.

Use of Benchmarks - Wilderhill Clean Energy Index (WCEI) is comprised of North American renewable energy companies and is used as a benchmark to show how the Fund is performing in relation to a basket of similar companies to those in which the Fund invests. The S&P 500 is comprised of 500 U.S. large cap companies and is used as a benchmark to show how the Fund is performing in relation to the broader North American market on a relative basis.

About Creststreet

Creststreet is a performance-driven investment management firm focused exclusively on the energy sector. Founded in 2000, our mission is to achieve **excellence in energy investing** through strong and consistent investment performance across all of our energy investment products for our Canadian and international institutional and high net worth investors.

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