



Creststreet Energy Opportunities Fund

December 2009 Newsletter

Net Asset Value Per Share

December 31, 2009:

Series A: \$15.3214
Series F: \$15.4455
Series 2009: \$15.2523

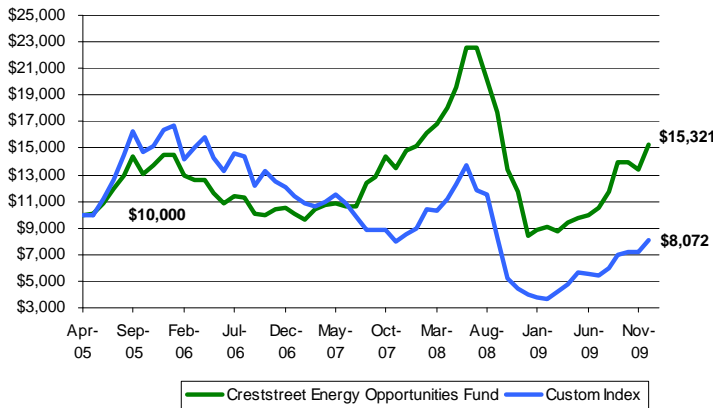
Fund Description

Creststreet Energy Opportunities Fund (The "Fund" or "CEOF" seeks to provide shareholders with long-term capital growth by employing fundamental securities selection by taking both long and short investment positions in equity, debt and derivative securities and through strategic trading. The Fund's portfolio will consist primarily of securities of issuers engaged in the global, albeit primarily North American, energy sector.

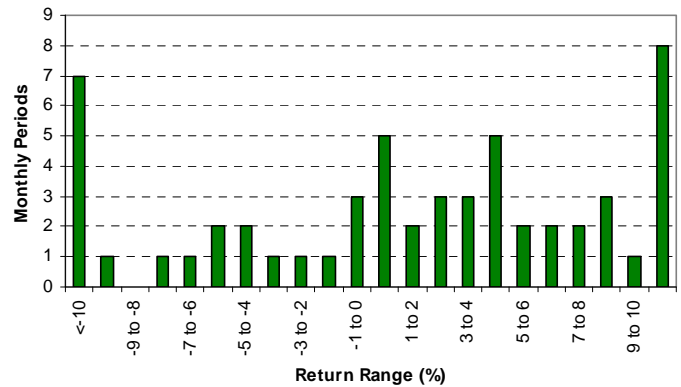
Historical Performance ⁽¹⁾⁽²⁾

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2005					1.3%	6.6%	10.3%	8.4%	11.7%	-9.3%	4.8%	5.4%	44.5%
2006	0.4%	-10.5%	-2.5%	-0.6%	-7.2%	-6.9%	5.0%	-0.8%	-11.5%	-0.5%	4.9%	0.2%	-27.5%
2007	-3.4%	-5.1%	8.1%	3.0%	1.0%	-1.9%	0.4%	16.4%	3.9%	11.4%	-6.0%	9.6%	41.2%
2008	2.9%	6.0%	4.2%	7.4%	8.3%	15.3%	0.2%	-11.0%	-12.0%	-24.4%	-12.7%	-27.6%	-42.8%
2009	4.7%	2.5%	-4.1%	7.7%	3.8%	2.0%	5.8%	11.6%	18.6%	0.5%	-4.0%	14.1%	81.1%

Performance ⁽¹⁾⁽²⁾



Distribution of Returns ⁽¹⁾



⁽¹⁾ The indicated historical performance and rate of return of the Creststreet Energy Opportunities Fund (the "Fund"), includes the historical performance of its predecessor fund, the Creststreet Energy Hedge Fund L.P. ("CEHFLP") for the period of May 5, 2005 to Sept. 24, 2008. CEHFLP, which has the identical investment mandate and strategies as the Fund, was rolled into and established the Fund on September 24, 2008. The performance and other statistics presented in this document may not be indicative of the performance or statistics of the specific series of shares held by a particular investor. ⁽²⁾ See "Use of Benchmarks" on page 2.

Statistics ⁽¹⁾⁽²⁾

	CEOF	Creststreet Custom Index	S&P/TSX Capped Energy Index	S&P/TSX Composite Index
Compounded Annual Return (since inception)	9.6%	-4.5%	6.4%	5.0%
1 Year Return	81.1%	104.1%	37.3%	30.7%
Since Inception (simple return)	53.2%	-19.3%	33.4%	25.4%
Standard Deviation	9.1%	11.2%	8.1%	5.0%
R-Squared		0.49	0.35	0.29
Correlation		0.70	0.59	0.54
Beta		0.57	0.66	0.98
Monthly Alpha		1.0%	0.6%	0.7%
Largest Month Gain	18.6%	19.9%	16.7%	11.2%
Largest Month Loss	-27.6%	-36.6%	-21.4%	-16.9%

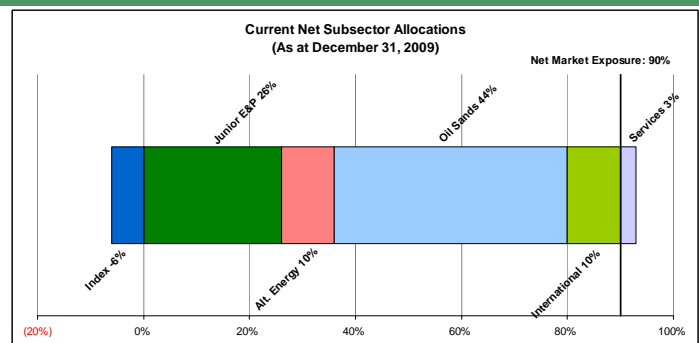
Top Holdings as at December 31, 2009 ^{long positions only}

- Advantage Oil & Gas Ltd.
- Athabasca Oil Sands Corp.
- Midway Energy Ltd.
- Peyto Energy Trust
- RuggedCom Inc.

Terms

Fund AUM	\$18.1 M	Minimum Initial Subscription	\$ 25,000
Performance Fee	20% of the increase in NAV of the Shares in each month	Year End	December 31
Management Fee	2%	Redemption	Monthly with 15 days notice
Administrator	RBC Dexia Investor Services	Contributions	Monthly
Lock Up	None	Auditors	KPMG LLP
Early Redemption Fees	3% in the first 6 months, and 1.5% in the subsequent 7th through 18th month	Prime Broker	Scotia Capital Inc.

Sub-Sector Allocation as at December 31, 2009



Fund Commentary

Creststreet Energy Opportunities Fund (the "Fund") was up 14.1 percent for the month of December 2009 compared to the Creststreet Custom Index, which was up 11.7 percent for the month.

Outlook

From its genesis through to November, we held the viewpoint that the rally in North American equity markets was based on technical trading and driven by the tremendous amount of liquidity made available by central banks across the globe. In December and early January our thinking has shifted slightly as we saw critical developments in important economic indicators that show promising signs for economic growth in the short-term. First, there are encouraging signs that the US labour market is beginning to stabilize. The December Employment Report showed a steep reduction in the change in non-farm payrolls as this figure declined to 11K, the smallest job-loss figure since December 2007. Moreover, throughout the month initial jobless claims continued their decline and have now reached levels that indicate there will likely be job growth during Q1 2010. In addition to labour market stabilization, there were indications that, despite the current credit contraction, the US consumer may be a source of growth in the short to medium-term. In particular, both real disposable income and real personal consumption expenditures increased for the second consecutive month. If these data points can continue to show monthly increases in combination with job growth, the potential remains for the current rally to be fuelled by fundamentals during the first half of 2010. Nevertheless, we continue to remain very cautious about the medium and long-term sources of economic growth in the US and by extension across the globe.

Commodities Review

NYMEX crude oil closed the month of November at US\$79.36, an increase of 2.7 percent month-over-month. The price of oil remains range-bound as the market continues strike a balance between the current supply overhang in the form of elevated global petroleum inventories with future expectations for a period of renewed tightness in supply.

NYMEX natural gas prices closed the month at US\$5.57 per million British thermal units (mmbtu), which represents an increase of 14.9 from the previous month. The recent rally in spot natural gas prices is largely a response to extremely cold weather in North America. Although we believe it is only a matter of time for before the supply response from falling rig counts to start to impact natural gas prices, we expect that soft natural gas prices will persist well into 2010 before natural gas storage levels rebalance and natural gas prices improve.

Fund Performance and Strategy

During the month of December, the Fund maintained its exposure to a number of junior and intermediate oil-weighted producers with significant growth prospects both domestically and internationally. We continue to see enthusiasm from the markets with respect to oil producers and we believe that funds will continue to flow into the best companies driving valuations higher. We also continue to remain cautious with respect to investing in natural gas producers in the near-term, as we have only yet seen a limited supply response to the rig count decline that began over a year ago. We have limited our exposure to those names with the lowest cost projects that will generate material growth over time while also maintaining short positions in those companies with high cost structures and too much financial leverage.

The Fund also continues to hold a number of private investments. These investments, which are principally oil sands developers, have been highly successful investments for the Fund. In accordance with its private investment valuation policy, the Fund marks these investments to market based on third party transactions. Recently we have seen increased activity in the market for these securities as well as a corresponding up-tick in valuations. In particular, the Fund's largest position is in Athabasca Oil Sands Corporation. Athabasca recently announced that PetroChina intends on acquiring a 60% interest in its two most advanced oil sands development projects for \$1.9 billion. The value of Athabasca shares have appreciated significantly in private sale transactions that have occurred since this announcement; however, we continue to believe that the net realizable value of these investments could be substantially higher as oil prices continue to recover and stabilize, and recommend that investors retain their investment in the Fund at these levels.

Use of Benchmarks: The Creststreet Custom Index is comprised of 50 widely-followed conventional North American listed energy exploration and development companies. The Creststreet Custom Index is used to provide investors with a relevant benchmark to the Fund. The Index is reset to an equal-value weight on a monthly basis. The S&P/TSX Capped Energy Index is comprised of shares of Canadian companies involved in exploration and/or production of energy resources and is designed to track the performance of the entire energy sector and is used as a benchmark to show how the Fund is performing in relation to the Canadian conventional energy resource sector on a relative basis. The S&P/TSX Composite Index covers approximately 95% of the Canadian-based Toronto Stock Exchange-listed companies and is designed to track the performance of the Canadian equities market as a whole and is used as a benchmark to show how the Fund is performing in relation to the broader Canadian equity 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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