CRESTSTREET

Creststreet Resource Fund

January 2009 Newsletter

Net Asset Value Per Share

January 31, 2009: $2.5523

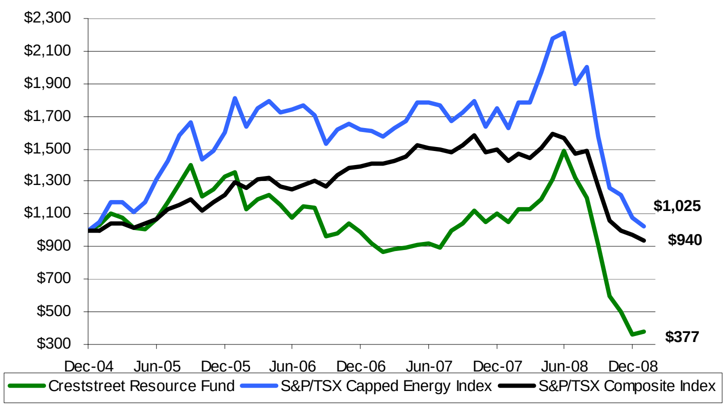
Fund Description

The Creststreet Resource Fund (the "Fund" or "CRF") provides Canadian investors with exposure to a broad array of investments in the conventional energy market in Canada. The Fund's investment objective is to provide the potential for long-term growth of capital and to a lesser extent, the production of income. The Fund invests primarily in equity securities of Canadian resource issuers. The Fund may also invest in international securities.

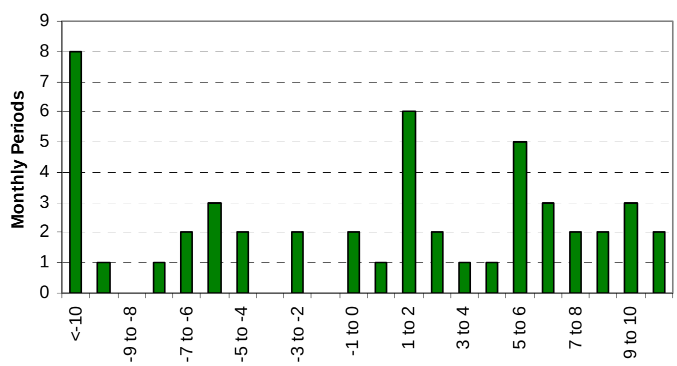
Historical Performance [(1)]

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2005	3.0%	7.5%	-2.8%	-5.6%	-0.5%	5.9%	9.7%	9.7%	8.9%	-13.5%	3.6%	6.3%	33.4%
2006	1.5%	-16.8%	5.4%	2.4%	-5.0%	-6.6%	6.2%	-0.4%	-15.3%	1.4%	6.2%	-4.8%	-25.6%
2007	-7.5%	-5.2%	1.6%	1.3%	1.5%	1.5%	-2.6%	10.9%	4.2%	8.3%	-6.6%	5.4%	11.6%
2008	-5.0%	7.2%	0.6%	5.2%	9.9%	13.4%	-10.9%	-9.2%	-24.1%	-34.3%	-16.0%	-29.0%	-67.7%
2009	5.4%												5.4%

Performance[(1)(2)]



Distribution of Returns[(1)]



[(1)] Inception date of the Fund is December 31, 2004. The indicated rates of return are historical annual compound total returns and do not take into account sales, redemptions, distributions or operational charges, or income taxes payable by any security holder that would have reduced returns. Performance is calculated net of fees.
[(2)] See Use of Benchmarks Disclaimer on page 2.

Statistics[(1)(2)]

	CRF	S&P/TSX Capped Energy Index	S&P/TSX Composite Index
Compounded Annual Return (since inception)	-21.2%	0.6%	-1.5%
1 Year Return	-64.1%	-36.9%	-33.9%
Standard Deviation	10.3%	8.2%	4.7%
R-Squared		0.62	0.58
Correlation		0.79	0.76
Beta		0.99	1.68
Monthly Alpha		-1.8%	-1.4%
Largest Month Gain	13.4%	13.6%	6.0%
Largest Month Loss	-34.3%	-21.4%	-16.9%

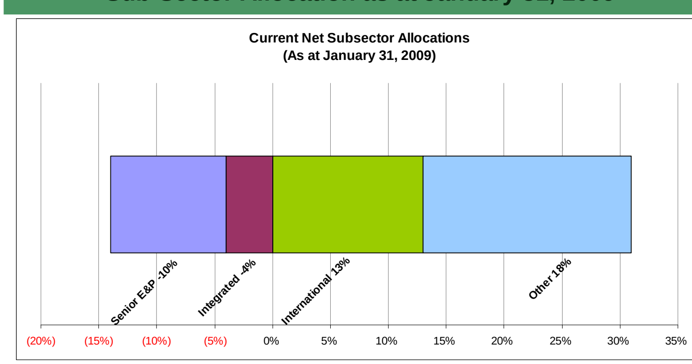
Top Holdings as at January 31, 2009[*long positions only]

- Athabasca Oil Sands Corp.
- Verenex Energy Inc.
- Progress Energy Resources Corp.
- Gran Tierra Energy Inc.
- Laricina Energy Ltd.
- Crew Energy Inc.
- Pienza Petroleum Inc.
- Ridgeback Exploration Ltd.

Terms

Fund AUM	$22.9M	Minimum Initial Subscription	$ 1,000
Performance Fee	None	Year End	December 31
Management Fee	2%	Redemptions and Contributions	Weekly
Administrator	RBC Dexia Investor Services	Pricing	Weekly
Type	North American Equity	Auditors	KPMG LLP
Fund Code	CAM 100	RRSP / TFSA eligible	Yes

Sub-Sector Allocation as at January 31, 2009



Fund Commentary

The Creststreet Resource Fund was up 5.4 percent during the month of January 2009 compared to the S&P/TSX Capped Energy Index, which was down 5.2 percent, and the S&P/TSX Composite Index, which was down 3.3 percent for the month.

Economic Weakness Remains

The month of January saw continued uncertainty in financial markets as data released reinforced overall global economic weakness. In the United States weak data on employment, the housing market, and consumer confidence demonstrated the depths the recession had reached during Q4 2008. January's employment report revealed that in December the core unemployment rate (U3) rose to 7.2% and the more expanded definition (U6) climbed to 13.5%, indicating that financial market uncertainty had hit the real economy. Continued declines in the US housing market were evidenced by record lows in the volume of new residential sales, housing starts, and housing completions. The fourth quarter GDP report showed that real output in the economy had contract at an annualized rate of 3.8% in the fourth quarter, its steepest decline since 1981. Nominal GDP, arguably the more important metric for corporate profits declined at an annualized rate of 4.1%, its sharpest contraction since 1951. Signs of this weakness were not confined to the US as China's Gross Domestic Product showed a quarter on quarter contraction in Q4, several European countries reported increased unemployment and lower output, and Japan's Industrial Production and manufacturing sector showed weakness indicative of a potential double digit contraction in Gross Domestic Product.

Weakness in Commodities Continues

During the month, NYMEX crude oil hit a low of US$33.20 before closing the month at US$41.68, a decline of 6.5 percent month-over-month. Economic weakness is likely to continue to depress oil prices in the near term as the demand destruction that caused the rapid declines in the price of oil in recent months exceeds any supply response resulting from announced OPEC production cuts. In the longer term, our view on oil remains that we will see a return to the upward trend in price as global economies begin to stabilize and the industrialization of emerging economies begins to reassert itself, leading to resumption of increasing demand for the commodity. NYMEX natural gas prices declined from US$5.62 per million British thermal units (mmbtu) to close the month at US$4.42 per mmbtu, its lowest level in over two years. The weakness was largely the result accelerating demand declines in the industrial and power generation sectors despite the fact that North America experienced colder than normal temperatures for most of the month. We expect soft natural gas prices to persist for most of the next year.

Fund Performance and Strategy

During the month we began to selectively add exposure in well-funded, undervalued names as we believe that valuations will return to historical norms as energy market conditions stabilize. We also expect to see increased merger and acquisition activity in the space as well-capitalized companies take advantage of the current distressed environment and have, therefore, maintained core positions in certain companies that we believe are most likely to become takeover targets in the near-term. In each case we have hedged our exposure with short positions in those names that we believe are relatively overvalued and will likely have difficulty in the current soft commodity price environment.

We also continue to hold a number of private investments in the Fund. 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. These positions were marked down significantly in December 2008, based off a number of distressed sales which occurred in that period. We believe that the net realizable value of these investments could be substantially higher as oil prices recover and recommend that investors retain their investment in the Fund at these levels.

Outlook

We continue to hold the view that the long-term supply/demand fundamentals of energy commodities have not changed, however, as poor global economic conditions drag demand for energy lower, prices will remain soft in the near-term. In this period of soft energy prices we will manage the Fund to preserve capital until evidence of lower volatility is seen and stronger energy fundamentals return to the market.

Use of Benchmarks 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 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**.**

Creststreet Asset Management Limited
70 University Avenue, Suite 1450
Toronto, Canada M5J 2M4
Tel: (416) 864-6330
Fax: (416) 862-8950
www.creststreet.com

Investor Inquiries
Grant Bunker
VP, Business Development
Tel: (416) 628-2161
gbunker@creststreet.com

Published February 9, 2009