CRESTSTREET

Creststreet Resource Fund

July 2009 Newsletter

Net Asset Value Per Share

July 31, 2009: $2.8389

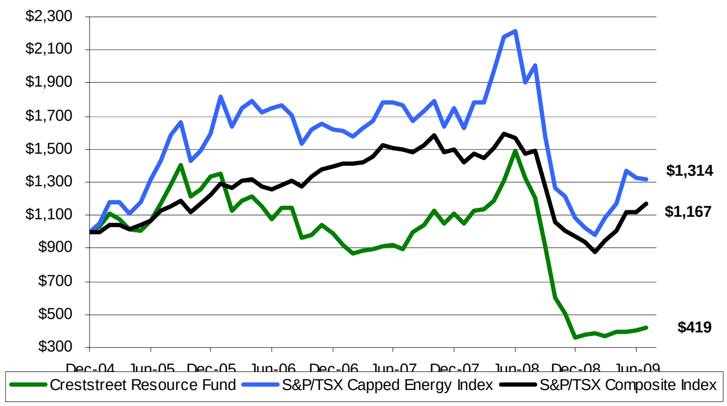
Fund Description

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.

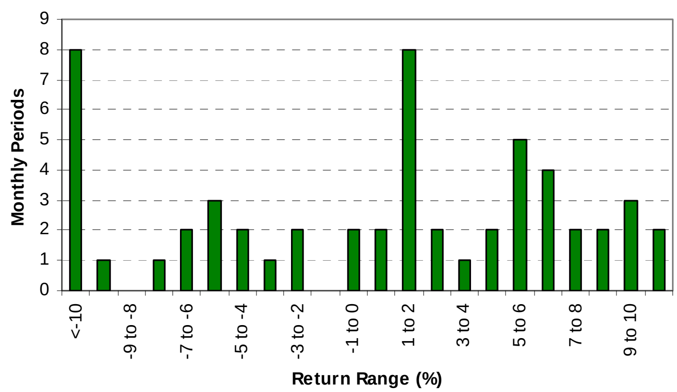
Historical Performance (1)

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%	1.6%	-3.9%	6.3%	1.7%	0.5%	5.0%						17.2%

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)	-17.3%	6.1%	3.4%
1 Year Return	-68.3%	-30.8%	-20.6%
Standard Deviation	9.8%	8.3%	5.0%
R-Squared		0.55	0.49
Correlation		0.74	0.70
Beta		0.89	1.38
Monthly Alpha		-1.8%	-1.6%
Largest Month Gain	13.4%	16.7%	11.2%
Largest Month Loss	-34.3%	-21.4%	-16.9%

Top Holdings as at July 31, 2009*long positions only

Athabasca Oil Sands Corp.

Advantage Oil & Gas Ltd.

Verenex Energy Inc.

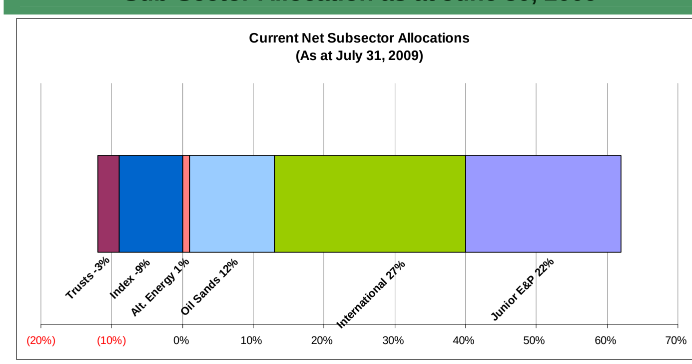
TransGlobe Energy Corporation

Bankers Petroleum Ltd.

Terms

Fund AUM	$22.4M	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 June 30, 2009



Fund Commentary

The Creststreet Resource Fund was up 5.0 percent during the month of July 2009 compared to the S&P/TSX Capped Energy Index, which was down 0.6 percent, and the S&P/TSX Composite Index, which up 4.0%.

Outlook

After declining for the first two weeks of July, North American equity markets rebounded strongly during the second half of the month, leading to significant gains of 7.4% for the S&P, 8.6% for the DJIA, and 4.0% for the TSX. This latest upswing has been fuelled by several large-cap companies in the US delivering better than expected earnings (earnings "beats") and economic data points that indicate that the rate of contraction has continued to soften, supporting a widely held thesis that US GDP growth will turn positive in Q3. While understanding that a GDP up-tick in the current quarter remains probable due to a potential inventory rebuild and stronger federal government spending, we continue to be cautious on the medium and long-term prospects for economic growth and as a consequence on the potential for sustainable broader equity market appreciation. Our view on the equity markets is driven by two pieces of fundamental analysis. First, earnings per share will be reduced in the medium to long-term by corporate deleveraging and a likely increase to corporate tax rates that will be necessary to help reduce the US federal deficit. It is also important to keep in mind that the recent earnings "beats" were often on very conservative and downwardly revised estimates. Many of the "beats" resulted in year over year profitability comparisons being down in the order of 20-50%. Furthermore, the upside surprise to the suppressed earnings estimates was primarily due to cost-cutting measures and employment reductions, not revenue growth. In fact, several of the "beats" were accompanied by revenue estimate misses, signaling economic weakness and raising doubt over the long-term sustainability of the earnings numbers. Second, we are concerned about the state of the American consumer, which has been responsible for 70% of US GDP and 80% of US GDP growth over the past decade. The consumer is facing a contracting credit market and continues to experience substantial job losses after having undergone a personal wealth shock as a result of the housing and equity market crashes. These factors helped cause Personal Consumption Expenditures to contract at an annualized rate of -1.3% in June and remain as a significant drag on GDP growth for the entire second quarter. It will be difficult for corporate profits to grow if this former engine of economic growth remains weak. China and other emerging countries are backfilling the hole left by a diminished American consumer by providing cheap credit, thus far an effective mechanism but not sustainable in the longer term.

Commodities Review

NYMEX crude oil closed the month of July at US$69.45, a decline of 0.6 percent month-over-month. The price of oil remains strong as the market continues to look past the current supply overhang in the form of increased OPEC spare capacity and record storage levels to a period of renewed tightness in supply.

NYMEX natural gas prices continued to remain soft closing the month at US$3.65 per million British thermal units (mmbtu), down 4.7% from the previous month. The continued weakness was largely the result of demand declines in the industrial and power generation sectors combined with record levels of supply as production has yet to fall significantly in response to the rapid decline in the rig count. We expect soft natural gas prices to persist for most of the next year.

Fund Performance and Strategy

During the month of July, the Fund maintained its exposure to a number of junior and intermediate oil-weighted names with significant growth prospects both domestically and internationally. With the rapid rise in crude oil from its lows earlier in the year, we have seen renewed enthusiasm from the markets with respect to oil producers and we believe that funds will continue to flow into the best companies driving valuations back to their historic norms. At the same time, we remain bearish on natural gas in the near-term and believe that the over-leveraged, high cost producers will struggle over the coming months, particularly with the recent moves in the Canadian dollar. As such, we remain cautious with respect to investing in natural gas producers and have limited our exposure to those names with the lowest cost projects that will generate material growth over time while 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. However, we continue to 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.

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
Robert J. Toole
Managing Director
Tel: (416) 862-7018
rtoole@creststreet.com

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