

C M P 2 0 1 1 R E S O U R C E  
L I M I T E D P A R T N E R S H I P

## Semi-Annual Report

June 30, 2011

The semi-annual management report of fund performance contains financial highlights, but does not contain the complete semi-annual or annual financial statements of the Partnership. For your reference, the semi-annual financial statements of the Partnership are attached to the semi-annual management report of fund performance. You may obtain additional copies of these documents or a copy of the annual financial statements at your request, and at no cost, by calling toll free 1-800-268-8186, by visiting our website at [www.cmpfunds.ca](http://www.cmpfunds.ca) or SEDAR at [www.sedar.com](http://www.sedar.com) or by writing to us at: Dundee Securities Ltd., Dundee Place, 1 Adelaide Street East, 20th Floor, Toronto, Ontario, M5C 2V9.

Securityholders may also contact us using one of these methods to request a copy of the Partnership's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.



# CMP 2011 Resource Limited Partnership

## MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

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The accompanying financial statements have been prepared by Dundee Securities Ltd., in its capacity as manager (the "Manager") of the Limited Partnership and have been approved by the Board of Directors of CMP 2011 Corporation, in its capacity as general partner (the "General Partner") of the Limited Partnership. The Board of Directors of the General Partner is responsible for the information and representations contained in these financial statements.

The Manager maintains appropriate processes to provide reasonable assurance that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include certain amounts that are based on estimates and judgements made by the Manager. The significant accounting policies which the Manager believes are appropriate for the Limited Partnership are described in Note 2 to the financial statements.

The Board of Directors of the General Partner has delegated responsibility for oversight of the financial reporting process to the Board of Directors of the Manager. The Board of Directors of the Manager is responsible for reviewing the financial statements and recommending them to the Board of Directors of the General Partner for approval, in addition to meeting with management, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

PricewaterhouseCoopers LLP are the external auditors of the Limited Partnership, appointed by the limited partners. The auditors of the Limited Partnership have not reviewed these financial statements. Applicable securities laws require that if an external auditor has not reviewed the Limited Partnership's financial statements, this must be disclosed in an accompanying notice.



ROBERT M. SELLARS  
Executive Vice President, Chief Operating Officer and Chief Financial Officer  
Dundee Securities Ltd.

August 9, 2011

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# CMP 2011 Resource Limited Partnership

## MANAGEMENT REPORT OF FUND PERFORMANCE

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### Investment Objective and Strategies

CMP 2011 Resource Limited Partnership (the “Partnership”) aims to provide for a tax-assisted investment in a diversified portfolio of flow-through shares and other securities, if any, of resource companies with a view to earning income and achieving capital appreciation for limited partners.

The investment strategy of the Partnership involves initially investing in flow-through shares of resources companies engaged in oil and gas or mining exploration, development and/or production or certain energy production that may incur Canadian renewable and conservation expense. The general partner of the Partnership intends to invest such that limited partners with sufficient income will be entitled to claim deductions for Canadian federal income tax purposes in respect of Canadian exploration expense incurred and renounced to the Partnership and may be entitled to certain investment tax credits deductible from tax payable. For tax purposes, any sale of flow-through shares generally is expected to result in a capital gain equal to the net proceeds because the adjusted cost base of flow-through shares is expected to be nil.

### Risk

The risks associated with investing in the Partnership are as described in the simplified prospectus.

### Results of Operations<sup>(1)</sup>

For the period since inception, January 21, 2011 to June 30, 2011 (the “period”), the units of the Partnership generated a since inception return of negative 28.6%. These returns do not include the tax deductions and credits passed on to limited partners via the purchase of flow-through shares from resource companies. Partnership returns are reported net of all management fees and expenses for all series, unlike the returns of the Partnership’s benchmark, which is based on the performance of an index that does not pay fees or incur expenses.

The Partnership’s broad-based benchmark, the S&P/TSX Composite Index, returned 0.1% during the same period. This is a broad economic sector index comprising approximately 95% of the market capitalization for Canadian-based, Toronto Stock Exchange listed companies. We have included a comparison to this broad-based index to help you understand the Partnership’s performance relative to the general performance of the market.

The Partnership underperformed the broad-based benchmark as a result of issue costs associated with the Partnership’s initial public offering of units, premiums paid for the flow-through shares purchased at a cost above market price, and volatility in equity markets providing greater downside to the Partnership’s investments in smaller-cap, exploration- and development-stage resource companies as compared to the benchmark’s mix of larger-cap companies where only half the index is exposed to the resource sector.

Risk aversion was prevalent in the second quarter of 2011, resulting in negative returns for both the energy and mining components of the

portfolio, a stark contrast to the wide-spread positive returns recorded in Canadian equity markets during the first quarter of 2011. There was no shortage of negative events to cause significant headwinds for a fatigued resource sector as a tenuous global economic recovery, political upheaval in oil producing nations of the Middle East and North Africa (MENA), an earthquake and near nuclear meltdown in Japan, the end of the US Federal Reserve’s second round of quantitative easing (QE2) in June and fears of a credit contagion occurring in Europe – on the back of a possible default by Greece on its sovereign debt – all helped dissuade investors from the resource sector.

The macro-economic environment surrounding gold remained mostly supportive during the period as momentum from increased monetary reflation gave way to a burgeoning sovereign debt crisis in Europe. Gold prices benefitted from the uncertainty surrounding the ability of Portugal, Ireland, Italy, Greece and Spain to service sovereign debt levels that had well surpassed their annual income as measured by gross domestic product (GDP). With credit markets pricing a potential default for Greece’s sovereign debts, the price of gold climbed from US\$1405 to US\$1505 over the first half of 2011 – even with the headwinds provided by a stronger US dollar – as investors sought the protection of what is often a currency of last resort. While positive performance was provided by a number of the Partnership’s holdings in this sector, premium costs were also markedly higher during the period as the positive outlook for gold & precious metals companies translated into a higher demand for flow-through share offerings from some of the higher quality intermediate companies operating in the sector.

In the energy sector, crude oil prices remained volatile during the period. While political unrest in MENA’s oil-producing nations helped send oil prices above US\$110 per barrel, prices ended the period close to where they began at just over US\$90/bbl after the approval by the International Energy Agency (IEA) to release 60 million barrels of strategic crude oil and refined product inventories into the market. Natural gas prices, for their part, remained mostly flat for the period, hovering close to US\$4.50/mmBtu. Performance from the Partnership’s investments in the energy sector was equally as mixed during the period with strong returns from intermediate producers such as Tourmaline Oil and Waldron Energy Corp offset by declines in holdings such as Kallisto Energy Corporation and Alberta Oilsands Inc. While differences in operating results accounted for most of the performance variation in the energy component of the portfolio, market capitalization sizes were a contributing factor as investors seeking to reduce risk from their portfolios targeted smaller resource companies with less capital as sell candidates versus the sector’s larger producers whose larger capital bases made them an attractive alternative.

The Partnership’s net asset value decreased by 28.6% to approximately \$89.3 million at June 30, 2011, from the IPO’s gross proceeds of \$125.0 million. The decrease is attributed to investment performance of approximately negative \$26.3 million and issuance costs of approximately \$9.4 million. The investment performance of the Partnership includes earned income and expenses which vary year over year due to portfolio activity. Prior year results are not available for comparative purposes as the Partnership commenced operations during the current year.

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(1) All references to net assets or net asset value in this section refer to Transactional NAV (net asset value), which may differ from GAAP Net Assets (net assets).

# CMP 2011 Resource Limited Partnership

## MANAGEMENT REPORT OF FUND PERFORMANCE

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### **Borrowing**

The Partnership established credit facilities with a Canadian chartered bank (the "Bank") up to an amount not exceeding 9% of the gross proceeds raised at inception. The loan proceeds were used for the payment of issuance costs and the Partnership provided the Bank with a security interest in all of the assets of the Partnership. The maximum and minimum amounts borrowed during the period ended June 30, 2011 were \$9,350,000 and \$9,350,000, respectively. The average interest rate on the outstanding balances during the period ended June 30, 2011 was 2.8%.

As at June 30, 2011, the loan outstanding represents a 90-day banker's acceptance ("BA") credit facility with a face value of \$9,350,000, representing 10.5% of net assets.

The interest paid on the drawdown or renewal of the BA is deferred and amortized over the term of the BA. The unamortized portion of the deferred interest is included in the Statement of Net Assets in "Accrued interest, dividends and other". For the period ended June 30, 2011, the Partnership incurred interest expense on the BA of \$127,000.

### **Recent Developments**

#### ***Change in Manager***

On February 1, 2011, The Bank of Nova Scotia ("Scotiabank") completed the DundeeWealth Transaction, acquiring DundeeWealth Inc. ("DundeeWealth"). Upon completion of the DundeeWealth Transaction, Scotiabank became the ultimate parent company of Goodman & Company, Investment Counsel Ltd. ("GCICL").

In connection with the DundeeWealth Transaction, the management agreement between GCICL and all Partnerships was assigned to Dundee Securities Ltd. ("DSL" or the "Manager") pursuant to an assignment and assumption agreement dated January 28, 2011 between GCICL and DSL. Consequently, DSL assumed responsibility for the management of all Partnerships effective January 28, 2011.

All references to the Manager in this document after the completion of the DundeeWealth Transaction are to DSL and all references to the Manager in this document prior to the completion of the DundeeWealth Transaction are to GCICL.

In addition, as a result of the of the DundeeWealth Transaction, DundeeWealth has divested its capital markets business previously conducted through Dundee Securities Corporation ("DSC") that operated under the Dundee Capital Markets brand, and certain other assets, by way of distribution to its shareholders of shares of Dundee Capital Markets Inc. ("DCM"), parent company of DSL. Prior to such distribution, certain businesses operated by DSC and GCICL were transferred to DSL by way of an asset transfer on January 28, 2011. DSL continues to provide services to the Partnership such as trade execution and professional services. As a result, any brokerage commissions on securities transactions and professional services fees paid by the Partnership to DSL will continue to be considered related party transactions.

#### ***Changeover to International Financial Reporting Standards***

In accordance with the Canadian Accounting Standards Board proposals, effective January 1, 2011, International Financial Reporting Standards ("IFRS") replaced Canadian GAAP for publicly accountable

enterprises. However, in January 2011, the Canadian Accounting Standards Board approved a deferral of the effective date for the changeover to IFRS for investment funds to January 1, 2013. Consequently, IFRS will be applicable to the Partnership for the fiscal year beginning January 1, 2013.

The Manager has already initiated the process of developing its IFRS change-over plan by performing an impact assessment and identifying differences between current Canadian GAAP and IFRS. The process of evaluating the potential impact of IFRS on the financial statements is ongoing as the International Accounting Standards Board and the Canadian Accounting Standards Board continue to issue new standards and recommendations.

The Manager will continue to evaluate potential changes to the financial statements along with the impact on accounting policies, business functions, information technology and internal controls.

Based on the Manager's current evaluation of the differences between Canadian GAAP and IFRS, the Manager expects that the impact of IFRS on the Partnership's financial statements will be additional disclosures and potentially different presentation of certain items. Further, the value used to determine the price of the Partnership's units (Transactional NAV) is not expected to be affected.

#### ***Harmonized Sales Tax***

Effective July 1, 2010, the Government of Ontario and the Government of British Columbia replaced the provincial sales tax ("PST") with a single harmonized sales tax ("HST"). The HST combines the federal goods and services tax ("GST") rate of 5% with the respective PST rate. The harmonization results in an HST rate of 13% in Ontario.

The new HST will result in higher overall management expense ratios as management fees and certain other expenses charged to the Partnership are now subject to the new HST.

### **Related Party Transactions**

The following arrangements listed below are considered related party transactions:

#### ***Initial Offering of the Partnership***

The Partnership paid agents' fees of 7.00% for each unit sold in connection with the offering of the Partnership. DSC received approximately \$1,025,000 of these fees.

#### ***Management Fees***

The Partnership pays the Manager a management fee for the continuous advice, recommendations and services provided to the Partnership. This includes acting as the Manager, Portfolio Advisor and Principal Distributor to the Partnership. The Manager is also responsible for the Partnership's day-to-day operations.

In consideration for portfolio advisory services received from the Manager, the Partnership incurred a management fee, inclusive of sales tax, of \$1.0 million.

#### ***Operating Expenses and Administrative Services***

The Partnership is responsible for its operating expenses relating to the carrying on of its business, including custodial services, legal, Independent Review Committee fees, audit fees, transfer agency

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# CMP 2011 Resource Limited Partnership

## MANAGEMENT REPORT OF FUND PERFORMANCE

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services and the cost of financial and other reports in compliance with all applicable laws, regulations and policies. Such expenses are calculated and accrued daily based on the average net asset value the Partnership. The Manager pays for such expenses on behalf of the Partnership, except for certain expenses such as interest and taxes, and is then reimbursed by the Partnership. In addition, the Partnership paid the Manager \$165,000 for administrative services performed by the Manager during the period.

### ***Performance Bonus***

The Manager is entitled to a performance bonus to be paid by the Partnership equal to 20% of the amount by which the net asset value per unit exceeds \$1,120 on the performance bonus date. The performance bonus is calculated on a per unit basis and multiplied by the number of units existing at the performance bonus date. The performance bonus date is on the earlier of the date on which the Partnership assets are transferred to DMP Resource Class of Dynamic Managed Portfolios Ltd. and the day immediately prior to the date of dissolution or termination of the Partnership. The performance bonus will be calculated on the performance bonus date and paid as soon as practicable thereafter. As at June 30, 2011, the Partnership accrued a performance bonus, inclusive of sales tax, of nil.

### ***Underwriting of Securities***

The Partnership invested in securities offerings where an affiliate of the Manager acted as underwriter in the offering of the securities. For these transactions, the Manager received exemptive relief from securities regulatory authorities or received approval from the Independent Review Committee established for the Partnership in accordance with requirements of National Instrument 81-107 – Independent Review Committee for Investment Funds.

### ***Standing Instructions from the Independent Review Committee***

Pursuant to National Instrument 81-107 – Independent Review Committee for Investment Funds, an independent review committee (the “Prior IRC”) was appointed by GCICL and became operational in 2007. Following completion of the DundeeWealth Transaction on February 1, 2011, the Prior IRC was discontinued in accordance with the requirements of NI 81-107 and the Manager has appointed a new

independent review committee (the “IRC”) to oversee the Partnership. Costs and expenses, including the remuneration of Prior IRC and IRC members, the costs of legal and other advisors to, and legal and other services for, Prior IRC and IRC members, and insurance costs are chargeable to the Partnership. As at June 30, 2011, the IRC consisted of three members, all of whom are independent of the Manager.

The Partnership received the following standing instructions with respect to related party transactions from the Prior IRC and the IRC:

- (i) paying brokerage commissions to DSC or DSL, as applicable, for effecting security transactions on an agency and principal basis on behalf of the Partnership (referred to as “Related Brokerage Commissions”);
- (ii) subject to receipt of exemptive relief in certain circumstances, purchases or sales of securities of an issuer from or to another investment fund managed by the Manager (referred to as “Inter-Fund Trades”); and
- (iii) executing foreign exchange transactions with DSC or DSL on behalf of the Partnership.

The applicable standing instructions require that the Manager establish policies and procedures that it will follow with respect to related party transactions. The Manager is required to advise the IRC of any material breach of a condition of the standing instructions. The standing instructions require, among other things, that the investment decision in respect to a related party transaction: (a) is made by the Manager free from any influence by an entity related to the Manager and without taking into account any consideration to any associate or affiliate of the Manager; (b) represents the business judgment of the Manager uninfluenced by considerations other than the best interests of the Partnership; and (c) is made in compliance with the Manager’s written policies and procedures. Transactions made by the Manager under the standing instructions are subsequently reviewed by the IRC to monitor compliance.

The Partnership relied on Prior IRC or IRC standing instructions regarding related party transactions during the period.

# CMP 2011 Resource Limited Partnership

## MANAGEMENT REPORT OF FUND PERFORMANCE

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### Financial Highlights

The following tables show selected key financial information about the Partnership and are intended to help you understand the Partnership's financial performance for the periods indicated. The information on the following tables is based on prescribed regulations and as a result, is not expected to add down due to the increase (decrease) in net assets from operations being based on average units outstanding during the period and all other numbers being based on actual units outstanding at the relevant point in time.

#### *The Partnership's Net Assets per Partnership Unit<sup>(1)</sup>*

	(commencement of operations January 21, 2011)
	June 30, 2011
<b>Initial offering price</b>	<b>\$1,000.00</b>
Issuance costs	(74.80)
<b>Net assets, beginning of period<sup>(1)(2)</sup></b>	<b>\$925.20</b>
<b>Increase (decrease) in net assets from operations:</b>	
Total revenue	\$2.10
Total expenses	(10.78)
Realized gain (loss) for the period	-
Unrealized gain (loss) for the period	(206.40)
<b>Total increase (decrease) in net assets from operations<sup>(2)</sup></b>	<b>\$(215.08)</b>
<b>Distributions to unitholders:</b>	
From income (excluding dividends)	\$-
From dividends	-
From net realized gain (loss) on investments	-
From return of capital	-
<b>Total annual distributions<sup>(2)</sup></b>	<b>\$-</b>
<b>Net assets, end of period<sup>(1)(2)</sup></b>	<b>\$710.12</b>
<b>Ratios and Supplemental Data</b>	
Total net asset value (in 000s) <sup>(6)</sup>	\$89,267
Number of units outstanding	125,001
Management fee	2.00%
Management expense ratio ("MER") <sup>(3)</sup>	12.18%*
MER before waivers or absorptions <sup>(3)</sup>	12.18%*
Trading expense ratio <sup>(4)</sup>	n/a
Portfolio turnover rate <sup>(5)</sup>	n/a
<b>Net asset value per unit<sup>(6)</sup></b>	<b>\$714.13</b>

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# CMP 2011 Resource Limited Partnership

## MANAGEMENT REPORT OF FUND PERFORMANCE

\* Annualized, except for issuance costs included in the MER for June 30, 2011, which are treated as one-time expenses.

- (1) This information is derived from the Partnership's audited (for fiscal year ends) and unaudited (for current period end) financial statements. Net assets per unit presented in the financial statements may differ from net asset value calculated for pricing purposes. An explanation of these differences can be found in the notes to the financial statements. Some of the nil balances reported in the Financial Highlights may include amounts that are rounded to zero.
- (2) Net assets per unit and distributions per unit are based on the actual number of units outstanding at the relevant time. The increase (decrease) in net assets from operations per unit is based on the weighted average number of units outstanding over the fiscal period.
- (3) The management expense ratio ("MER") is based on the total expenses (excluding commissions and other portfolio transaction costs) of the Partnership for the stated period expressed as an annualized percentage of daily average net asset value during the period. The June 30, 2011 MER is an annualized MER, which is calculated in accordance with regulatory requirements. This ratio is subject to change due to fluctuations in the average net asset value, and in the expenses charged to the Partnership over the remainder of the fiscal year, and may differ significantly from the final MER for the year ending December 31, 2011. The annualized MER for June 30, 2011 (the year of inception) includes issuance costs comprised of expenses of the offering of \$600,000 and agents' fees of approximately \$8.8 million, which are treated as one-time expenses and therefore not annualized. The following MER statistics are presented for information purposes:

(percent %)	June 30, 2011
MER excluding issuance cost	3.00
MER excluding issuance cost and sales tax	2.67

- (4) The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs of the Partnership expressed as an annualized percentage of daily average net asset value of the Partnership during the period.
- (5) The Partnership's portfolio turnover rate indicates how actively the Partnership's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to an investment fund buying and selling all of the securities in its portfolio once in the course of the fiscal period. The higher the portfolio turnover rate in a period, the greater the trading costs payable by an investment fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of an investment fund. The portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the period, excluding any portfolio re-balancing transactions following a merger and short-term investments maturing in less than one year, by the average market value of investments during the period.
- (6) National Instrument 81-106 — "Investment Partnership Continuous Disclosure" ("NI 81-106") requires all investment funds to calculate net asset value for all purposes other than for financial statements in accordance with part 14.2, which differs in some respects from the requirements of Section 3855 of Canadian GAAP. Canadian GAAP includes the requirement that the fair value of financial instruments listed on a recognized public stock exchange be valued at their last bid price for securities held in a long position and at their last ask price for securities held in a short position, instead of their close price or the last sale price of the security for the day as required by NI 81-106. This results in differences between net assets calculated based on Canadian GAAP ("GAAP Net Assets") and net asset value calculated based on NI 81-106 ("Transactional NAV"). A reconciliation between GAAP Net Assets and Transactional NAV is provided below.

### Reconciliation of GAAP Net Assets and Transactional NAV

	Total (\$000's)	Per Unit (\$)
Transactional NAV (net asset value)	89,267	714.13
Application of Section 3855 adjustment	(501)	(4.01)
GAAP Net Assets (net assets)	88,766	710.12

### Management Fee

The management fee is an annualized rate based on the net asset value of the Partnership and is accrued daily and paid monthly as a percentage of the month end net asset value. Of the management fee incurred by the Partnership, 100% is attributed to the portfolio advisory services.

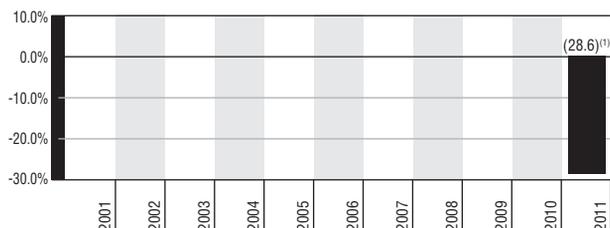
### Past Performance

The following shows the past performance of the Partnership and will not necessarily indicate how the Partnership will perform in the future. In addition, the information does not take into account optional charges that would have reduced returns or performance.

#### Year-by-Year Returns

The following chart shows the annual performance of the Partnership and illustrates how the Partnership's performance has varied from year to year. The chart shows, in percentage terms, how much an investment held on the first day of each fiscal year would have increased or decreased by the last day of each fiscal year.

(for fiscal years ended December 31)



- (1) Since inception to June 30, 2011.

# CMP 2011 Resource Limited Partnership

## MANAGEMENT REPORT OF FUND PERFORMANCE

### Summary of Investment Portfolio

The Summary of Investment Portfolio may change due to ongoing portfolio transactions. Updates are available quarterly on our website at [www.cmpfunds.ca](http://www.cmpfunds.ca) 60 days after quarter end, except for December 31, which is the fiscal year end, when they are available after 90 days.

BY COUNTRY/REGION <sup>(1)</sup>	Percentage of Total Net Asset Value <sup>†</sup>
Canada	92.3
Cash and Cash Equivalents (Bank Overdraft)	19.3

BY INDUSTRY <sup>(1)(2)</sup>	Percentage of Total Net Asset Value <sup>†</sup>
Gold and Precious Metals	64.7
Cash and Cash Equivalents (Bank Overdraft)	19.3
Energy	17.5
Diversified Metals and Mining	4.6
Other	3.6
Energy (Other) <sup>^</sup>	1.9

BY ASSET TYPE	Percentage of Total Net Asset Value <sup>†</sup>
Equities	92.3
Cash and Cash Equivalents (Bank Overdraft)	19.3
Other Net Assets (Liabilities)	(11.6)

TOP 25 HOLDINGS	Percentage of Total Net Asset Value <sup>†</sup>
Cash and Cash Equivalents (Bank Overdraft)	19.3
IAMGOLD Corporation	13.5
San Gold Corporation, Restricted	12.4
Sabina Gold & Silver Corp.	10.7
ATAC Resources Ltd.	7.0
Golden Predator Corp., Restricted	6.1
Tourmaline Oil Corp., Restricted	4.0
Osisko Mining Corporation, Restricted	3.8
Waldron Energy Corporation, Restricted	2.9
Peregrine Diamonds Ltd., Restricted	2.6
Colorado Resources Ltd., Restricted	2.0
Ridgemont Iron Ore Corp., Restricted	1.6
Ocean Park Ventures Corp., Restricted	1.6
North Country Gold Corp., Restricted	1.6
DeeThree Exploration Ltd.	1.5
Yukon-Nevada Gold Corp., Restricted	1.4
Mega Precious Metals Inc.	1.3
Waldron Energy Corporation	1.1
Shoreline Energy Corp., Subscription Receipts	1.0
Ethos Capital Corp., Restricted	1.0
Metalex Ventures Ltd., Restricted	0.9
Forum Uranium Corp., Restricted	0.9
Constantine Metal Resources Ltd., Restricted	0.8
Expedition Mining Inc., Restricted	0.7
Canada Zinc Metals Corp., Restricted	0.7

(1) Excludes other net assets (liabilities) and derivatives.

(2) Excludes bonds and debentures and preferred equities.

† This refers to transactional net asset value; therefore weightings presented in the Statement of Investments will differ from the ones disclosed above.

<sup>^</sup> The "Energy (Other)" component of the portfolio consists of companies whose primary focus is on the exploration, development and production of alternative energy sources (outside of oil and natural gas), including uranium, wind generation and geothermal energy.

# **CMP 2011 Resource Limited Partnership**

## **MANAGEMENT REPORT OF FUND PERFORMANCE**

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### **Caution regarding forward-looking statements**

Certain portions of this report, including, but not limited to, “Recent Developments”, may contain forward-looking statements about the Partnership, as applicable, including statements with respect to strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” and similar forward-looking expressions or negative versions thereof.

In addition, any statement that may be made concerning future performance, strategies or prospects and possible future Partnership action is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future general economic, political and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, and the general business environment, in each case assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among other things, risks and uncertainties, some of which may be unforeseeable. Accordingly, current assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance and actual events could differ materially from those expressed or implied in any forward-looking statements made by the Partnership. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, such as interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government relations, unexpected judicial or regulatory proceedings and catastrophic events. We stress that the above mentioned list of important factors is not exhaustive.

We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing any undue reliance on forward-looking statements. Further, you should be aware of the fact that the Partnership has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next management report of partnership performance.

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# CMP 2011 Resource Limited Partnership

## STATEMENT OF INVESTMENTS (unaudited)

As at June 30, 2011

	Par Value (000s)/ Number of Shares/Units	Average Cost† (000s)	Fair Value (000s)
<b>EQUITIES (92.2%)</b>			
<b>Diversified Metals and Mining (4.3%)</b>			
Canada Zinc Metals Corp., Restricted	1,445,000	\$1,113	\$578
Canada Zinc Metals Corp., Restricted, Warrants, Aug. 28 12*	722,500	–	12
Confederation Minerals Ltd., Restricted	807,500	646	476
Lions Gate Metals Inc., Restricted	894,737	850	519
Murgor Resources Inc., Restricted	3,226,000	500	419
North American Nickel Inc., Restricted	2,594,700	571	493
Ridgemont Iron Ore Corp., Restricted	2,550,000	2,550	1,326
		<b>6,230</b>	<b>3,823</b>
<b>Energy (17.4%)</b>			
Alberta Oilsands Inc.	2,098,000	1,049	514
Artek Exploration Ltd.	112,400	337	215
Birch Lake Energy Inc., Restricted Units	2,749,000	550	550
DeeThree Exploration Ltd.	369,600	1,903	1,327
Expand Energy Corporation, Restricted*	349,100	367	367
FairWest Energy Corporation, Restricted	1,827,500	457	201
Forent Energy Ltd., Restricted	1,885,700	453	321
Invicta Energy Corp.	1,511,500	453	310
Kallisto Energy Corp.	2,352,900	2,000	588
Online Energy Inc., Restricted	799,500	456	234
Rock Energy Inc.	136,000	830	560
Shoal Point Energy Ltd., Restricted	1,406,219	562	380
Shoal Point Energy Ltd., Restricted, Warrants, Sep. 03 12*	703,110	–	45
Shoreline Energy Corp., Subscription Receipts	114,600	1,375	928
Sundance Energy Corporation, Restricted	1,022,491	562	256
Torquay Oil Corp., Class "A"	220,000	440	341
Tourmaline Oil Corp., Restricted	112,500	3,375	3,600
Traverse Energy Ltd., Restricted	475,000	451	394
Waldron Energy Corporation	355,000	1,331	1,001
Waldron Energy Corporation, Restricted	901,000	3,559	2,541
Yangarra Resources Ltd., Restricted	670,000	536	415
Yoho Resources Inc.	117,300	563	375
		<b>21,609</b>	<b>15,463</b>
<b>Energy (Other) (1.9%)</b>			
Forum Uranium Corp., Restricted	6,430,000	1,157	772
Mega Uranium Ltd., Restricted	1,532,600	1,678	513
Mega Uranium Ltd., Restricted, Warrants, Mar. 14 13*	766,300	8	21
Uranium North Resources Corp.	2,900,000	1,102	392
		<b>3,945</b>	<b>1,698</b>
<b>Gold and Precious Metals (65.1%)</b>			
ATAC Resources Ltd.	850,000	6,375	6,163
Colorado Resources Ltd., Restricted	1,915,000	2,011	1,819
Constantine Metal Resources Ltd., Restricted	4,207,500	1,262	673
Ethos Capital Corp., Restricted	770,000	924	885
Expedition Mining Inc., Restricted	2,231,000	892	602
Expedition Mining Inc., Restricted, Warrants, Sep. 10 12*	1,115,500	–	77
Gold Canyon Resources Inc., Restricted	207,600	758	548
Golden Predator Corp., Restricted	5,666,950	5,100	5,497
IAMGOLD Corporation	666,400	16,980	12,062
Mega Precious Metals Inc.	2,500,000	2,000	1,112
Metals Creek Resources Corp.	3,125,000	1,000	313

The accompanying notes are an integral part of these financial statements.

# CMP 2011 Resource Limited Partnership

## STATEMENT OF INVESTMENTS (cont'd) (unaudited)

As at June 30, 2011

	Par Value (000s)/ Number of Shares/Units	Average Cost† (000s)	Fair Value (000s)
<b>EQUITIES (92.2%) (cont'd)</b>			
<b>Gold and Precious Metals (65.1%) (cont'd)</b>			
North Country Gold Corp., Restricted	906,000	\$1,468	\$1,386
Ocean Park Ventures Corp., Restricted	2,756,000	1,791	1,327
Ocean Park Ventures Corp., Restricted, Warrants, May 11 13*	1,378,000	–	123
Osisko Mining Corporation, Restricted	228,600	4,001	3,418
Sabina Gold & Silver Corp.	1,615,000	10,659	9,528
San Gold Corporation, Restricted	3,400,000	12,750	10,982
Yukon-Nevada Gold Corp., Restricted	3,000,000	2,550	1,245
		<b>70,521</b>	<b>57,760</b>
<b>Other (3.5%)</b>			
Metalex Ventures Ltd., Restricted	1,542,000	1,542	817
Peregrine Diamonds Ltd., Restricted	1,366,000	3,825	2,310
		<b>5,367</b>	<b>3,127</b>
<b>AVERAGE COST AND FAIR VALUE OF INVESTMENTS (92.2%)</b>		<b>107,672</b>	<b>81,871</b>
<b>TRANSACTION COSTS (0.0%) (Note 2)</b>		–	–
<b>TOTAL AVERAGE COST AND FAIR VALUE OF INVESTMENTS (92.2%)</b>		<b>107,672</b>	<b>81,871</b>
<b>LOAN PAYABLE (–10.5%) (Note 3)</b>		<b>(9,350)</b>	<b>(9,350)</b>
<b>CASH AND CASH EQUIVALENTS (BANK OVERDRAFT) (19.4%)</b>			
Canadian		5,892	5,892
Foreign		–	–
<b>Short-Term Investments</b>			
Bank of Montreal, Term Deposit, 1.00%, Jul. 04 11	5,082	5,082	5,082
Bank of Nova Scotia, Term Deposit, 0.95%, Jul. 04 11	6,211	6,211	6,211
		<b>17,185</b>	<b>17,185</b>
<b>OTHER NET ASSETS (LIABILITIES) (–1.1%)</b>		<b>(940)</b>	<b>(940)</b>
<b>NET ASSETS (100.0%)</b>		<b>\$114,567</b>	<b>\$88,766</b>

Average cost or fair values of some securities may include non-zero amounts that are rounded to zero.

† Where applicable, distributions received from holdings as a return of capital are used to reduce the adjusted cost base of the securities in the portfolio.

\* These securities have no quoted market values and are valued using valuation techniques.

# CMP 2011 Resource Limited Partnership

## DISCUSSION ON FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (unaudited)

As at June 30, 2011

### Risk Management

CMP 2011 Resource Limited Partnership (the "Partnership") aims to provide for a tax-assisted investment in a diversified portfolio of flow-through shares and other securities, if any, of resource companies with a view to earning income and achieving capital appreciation for limited partners.

The investment activities of the Partnership expose it to a variety of financial risks (for a general discussion of these risks see Note 7 of the financial statements). The Statement of Investments of the Partnership groups the securities held by asset type, geographic region and/or market segment. The Manager seeks to minimize potential adverse effects of these risks on the Partnership's performance by employing and overseeing professional and experienced portfolio advisors that regularly monitor the Partnership's optimal asset mix and market events, as well as diversify the investment portfolio within the constraints of the investment objective.

To assist in managing risks, the Manager has established and maintains a governance structure that oversees the Partnership's investment activities and monitors compliance with the Partnership's stated investment objectives and guidelines. Significant risks that are relevant to the Partnership are discussed below.

#### Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge a commitment that it has entered into with the Partnership. The fair value of a financial instrument takes into account the credit rating of its issuer, and accordingly, represents the maximum credit risk exposure of the Partnership. Credit risk arising on debt instruments is mitigated by investing primarily in rated instruments issued by approved counterparties. Credit ratings are reviewed regularly by the Manager. In instances where a holding's credit rating were to fall below the approved rating, the Manager would take appropriate action.

As at June 30, 2011, the Partnership invested in debt instruments with the following credit ratings:

Credit Ratings*	Percentage of Net Assets
	June 30, 2011
AA-	7.0
A+	5.7
<b>Total</b>	<b>12.7</b>

\* Excludes cash.

#### Interest Rate Risk

The following table summarizes the Partnership's exposure to interest rate risks as at June 30, 2011.

Maturity Date*	Fair Value (in 000s)
	June 30, 2011
3 months or less	\$20,643
Over 3 months to 1 year	—
Over 1 year to 5 years	—
Over 5 years	—
<b>Total</b>	<b>\$20,643</b>

\* Earlier of maturity date or interest reset date. Excludes cash and overdrafts.

If prevailing interest rates had been raised or lowered by 1%, with all other variables held constant, net assets of the Partnership would have decreased or increased, respectively, by approximately \$206,000. In practice, actual results will differ from this sensitivity analysis as the components of the Partnership's portfolio are not identical to the components of the market and the difference could be material.

#### Other Price Risk

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment.

Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2011, approximately 92% of the Partnership's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 5%, with all other variables held constant, net assets of the Partnership would have decreased or increased, respectively, by approximately \$4,094,000. In practice, actual results will differ from this sensitivity analysis and the difference could be material.

#### Currency Risk

The Partnership did not have significant currency risk exposure as at June 30, 2011.

*The accompanying notes are an integral part of these financial statements.*

# CMP 2011 Resource Limited Partnership

## DISCUSSION ON FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (cont'd) (unaudited)

As at June 30, 2011

### Financial Instruments

#### Fair Value Hierarchy

The following table summarizes the fair value hierarchy of the Partnership's financial assets and liabilities ("financial instruments") as at June 30, 2011. Further details of the required disclosures are provided in Note 8 of the financial statements.

(In 000's)	June 30, 2011			Total
	Level 1	Level 2	Level 3	
Equities	\$79,117	\$2,109	\$367	\$81,593
Preferred shares	—	—	—	—
Bonds and debentures	—	—	—	—
Underlying funds	—	—	—	—
Warrants	—	278	—	278
Purchased options	—	—	—	—
<b>Total Investments</b>	<b>79,117</b>	<b>2,387</b>	<b>367</b>	<b>81,871</b>
Short-term investments	—	11,293	—	11,293
Derivative assets	—	—	—	—
Derivative liabilities	—	—	—	—
<b>Total Financial Instruments</b>	<b>\$79,117</b>	<b>\$13,680</b>	<b>\$367</b>	<b>\$93,164</b>

#### Transfers Between Levels

During the period ended June 30, 2011, there were no transfers between Level 1 and Level 2.

#### Reconciliation of Level 3 Financial Instruments

The following table presents the movement in the Partnership's Level 3 financial instruments for the period ended June 30, 2011.

(In 000's)	June 30, 2011		Total
	Equities	Other	
Beginning of period	\$—	\$—	\$—
Purchases	367	—	367
Sales	—	—	—
Transfers into Level 3	—	—	—
Transfers out of Level 3	—	—	—
Net realized gains (losses)	—	—	—
Net change in unrealized appreciation (depreciation)*	—	—	—
<b>End of period</b>	<b>\$367</b>	<b>\$—</b>	<b>\$367</b>

\* Net change in unrealized appreciation (depreciation) for Level 3 financial instruments held as at June 30, 2011, was nil.

The net realized gains (losses) in the table above are reflected in the Statement of Operations in "Net realized gain (loss) on sale of investments". The net change in unrealized appreciation (depreciation) relates to those financial instruments held by the Partnership as at June 30, 2011, and are reflected in the Statement of Operations in "Change in unrealized appreciation (depreciation) in value of investments".

If the significant unobservable inputs used in determining fair value of the Partnership's Level 3 financial instruments decreased or increased by 5%, with all other variables held constant, net assets of the Partnership would have decreased or increased, respectively, by approximately \$18,000.

# CMP 2011 Resource Limited Partnership

## STATEMENT OF NET ASSETS (unaudited)

As at	June 30, 2011
(in 000s of Canadian dollars except number of units and per unit amounts)	
<b>Assets</b>	
Investments, at fair value*	\$81,871
Cash and cash equivalents	17,185
Receivable for investment securities sold	–
Accrued interest, dividends and other (Note 3)	71
	<u>99,127</u>
<b>Liabilities</b>	
Bank overdraft	–
Loan payable (Note 3)	9,350
Payable for investment securities purchased	550
Management fee payable	168
Issuance costs payable	224
Performance bonus payable	–
Accrued expenses	69
	<u>10,361</u>
<b>Net assets – representing partners' equity (Note 5)</b>	<b>\$88,766</b>
Partners' capital	115,651
Retained earnings (accumulated deficit) (Note 5)	(26,885)
	<u>\$88,766</u>
*Investments, at average cost	\$107,672
<b>Number of units outstanding (Note 5)</b>	<b>125,001</b>
<b>Net assets per unit (Note 2)</b>	<b>\$710.12</b>

## STATEMENT OF OPERATIONS (unaudited)

For the period ended (Note 1)	June 30, 2011
(in 000s of Canadian dollars except per unit amounts)	
<b>Investment Income</b>	
Interest	\$199
Dividends	64
Foreign withholding taxes	–
	<u>263</u>
<b>Expenses (Note 4)</b>	
Management fee	1,012
Performance bonus	–
Independent Review Committee fees	1
Unitholder reporting costs	9
Unitholder administration costs	174
Custodian fee and bank charges	6
Audit fees	14
Legal fees	1
Filing fees	3
Interest expense (Note 3)	127
Transaction costs (Note 2)	–
	<u>1,347</u>
<b>Net investment income (loss)</b>	<b>(1,084)</b>
<b>Realized and unrealized gain (loss) on investments</b>	
Net realized gain (loss) on sale of investments	–
Net realized and change in unrealized foreign exchange gain (loss)	–
Change in unrealized appreciation (depreciation) in value of investments	(25,801)
	<u>(25,801)</u>
<b>Net gain (loss) on investments</b>	<b>(25,801)</b>
<b>Increase (decrease) in net assets from operations</b>	<b>\$(26,885)</b>
<b>Increase (decrease) in net assets from operations per unit (Note 2)</b>	<b>\$(215.08)</b>

The accompanying notes are an integral part of these financial statements.

# CMP 2011 Resource Limited Partnership

## STATEMENT OF CHANGES IN NET ASSETS (unaudited)

For the period ended (Note 1)

(in 000s of Canadian dollars)	June 30, 2011
<b>Net assets, beginning of period</b>	\$-
<b>Increase (decrease) in net assets from operations</b>	(26,885)
<b>Partners' transactions</b>	
Proceeds from issue	125,001
Issuance costs	(9,350)
Payments on redemption	-
	115,651
<b>Increase (decrease) in net assets</b>	88,766
<b>Net assets, end of period</b>	<b>\$88,766</b>

## STATEMENT OF CASH FLOWS (unaudited)

For the period ended (Note 1)

(in 000s of Canadian dollars)	June 30, 2011
<b>Cash flows from operating activities:</b>	
Net investment income (loss)	\$(1,084)
<b>Changes in non-cash working capital:</b>	
(Increase) decrease in accrued interest, dividends and other	(71)
Increase (decrease) in other payables	461
(Increase) decrease in receivable for investments securities sold	-
Increase (decrease) in payable on investment securities purchased	550
(Investments purchased)	(107,672)
Proceeds from sale of investments	-
Net realized and change in unrealized foreign exchange gain (loss)	-
Net cash provided by (used in) operating activities	(107,816)
<b>Cash flows from financing activities:</b>	
Proceeds from issue	125,001
Issuance costs	(9,350)
Increase (decrease) in loan payable	9,350
Net cash provided by (used in) financing activities	125,001
Net Cash provided (used) during the period	17,185
<b>Cash and cash equivalents (bank overdraft), beginning of period</b>	-
<b>Cash and cash equivalents (bank overdraft), end of period</b>	<b>\$17,185</b>
<b>Cash flows from operating activities include:</b>	
Interest paid	\$127
<b>Cash and cash equivalents are comprised of:</b>	
Cash (bank overdraft)	\$5,892
Short-term investments	11,293
	<b>\$17,185</b>

The accompanying notes are an integral part of these financial statements.

# CMP 2011 Resource Limited Partnership

## NOTES TO THE FINANCIAL STATEMENTS (unaudited)

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For the periods indicated in Note 1

### 1. The Partnership

#### a) Organization of the Limited Partnership

CMP 2011 Resource Limited Partnership (the "Partnership") was formed as a limited partnership under the laws of the Province of Ontario and aims to provide for a tax-assisted investment in a diversified portfolio of flow-through shares and other securities, if any, of resource companies with a view to earning income and achieving capital appreciation for limited partners. The Partnership commenced operations on January 21, 2011.

CMP 2011 Corporation (the "General Partner") is the General Partner of the Partnership, as indicated in the Limited Partnership Agreement. The General Partner is responsible for the management of the Partnership in accordance with the terms and conditions of the partnership agreement.

#### b) Change in Manager

On February 1, 2011, The Bank of Nova Scotia ("Scotiabank") completed the DundeeWealth Transaction, acquiring DundeeWealth Inc. ("DundeeWealth"). Upon completion of the DundeeWealth Transaction, Scotiabank became the ultimate parent company of Goodman & Company, Investment Counsel Ltd. ("GCICL").

In connection with the DundeeWealth Transaction, the management agreement between GCICL and all Partnerships was assigned to Dundee Securities Ltd. ("DSL" or the "Manager") pursuant to an assignment and assumption agreement dated January 28, 2011 between GCICL and DSL. Consequently, DSL assumed responsibility for the management of all Partnerships effective January 28, 2011.

All references to the Manager in this document after the completion of the DundeeWealth Transaction are to DSL and all references to the Manager in this document prior to the completion of the DundeeWealth Transaction are to GCICL.

In addition, as a result of the of the DundeeWealth Transaction, DundeeWealth has divested its capital markets business previously conducted through Dundee Securities Corporation ("DSC") that operated under the Dundee Capital Markets brand, and certain other assets, by way of distribution to its shareholders of shares of Dundee Capital Markets Inc. ("DCM"), parent company of DSL. Prior to such distribution, certain businesses operated by DSC and GCICL were transferred to DSL by way of an asset transfer on January 28, 2011. DSL continues to provide services to the Partnership such as trade execution and professional services. As a result, any brokerage commissions on securities transactions and professional services fees paid by the Partnership to DSL will continue to be considered related party transactions.

#### c) Semi-Annual Financial Reporting Dates

The Statement of Investments is at June 30, 2011. The Statement of Net Assets is as at June 30, 2011. The Statement of Operations, Changes in Net Assets and Cash Flows are for the period from commencement of operations on January 21, 2011 to June 30, 2011. Throughout this document, reference to the period refers to the reporting period described here.

These financial statements present the financial position and results of operations of the Partnership and as such, do not include all assets, liabilities, revenues or expenses of the partners.

#### d) Transactions of the Manager

All directors, officers and employees of the Manager ("Employees") are subject to its Compliance Manual (the "Manual") and all Employees involved in its investment fund business are also subject to the Investment Funds Supplement to the Manual (the "Supplement"). The Manual governs all aspects of the Manager's investment dealer business and ensures compliance with requirements of IIROC, while the Supplement implements additional procedures and protections for interests of all investors of the Partnership and, as such, governs its investment funds business. The Board of Directors of the Manager has reviewed and approved the Manual and the Supplement and the independent review committee of the Partnership has reviewed and approved the Supplement. The Manual includes a Trading Policy applicable to all Employees and the Supplement includes additional trading restrictions applicable to Employees involved in its investment fund business.

### 2. Summary of Significant Accounting Policies and Basis of Presentation

The financial statements of the Partnership are prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). The following is a summary of significant accounting policies used by the Partnership:

#### a) Use of Estimates

The preparation of the financial statements in accordance with Canadian GAAP requires the Manager to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are made based on information available as at the date of issuance of the financial statements. Actual results could materially differ from those estimates.

Key areas of estimation, where the Manager has made complex or subjective judgments, include the determination of fair values of financial instruments that are not quoted in an active market. The use of valuation techniques for financial instruments that are not quoted in an active market

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# CMP 2011 Resource Limited Partnership

## NOTES TO THE FINANCIAL STATEMENTS (cont'd) (unaudited)

For the periods indicated in Note 1

### 2. Summary of Significant Accounting Policies and Basis of Presentation (cont'd)

requires the Manager to make assumptions that are based on market conditions existing as at the date of the financial statements. Changes in these assumptions as a result of changes in market conditions could affect the reported fair value of financial instruments.

#### b) Valuation of Investments

In accordance with Section 3855, "Financial Instruments – Recognition and Measurement", the Partnership's investments are deemed to be categorized as held for trading and are required to be recorded at fair value. The main impact of Section 3855 relates to the determination of the fair value of financial instruments listed on an active market with the bid price instead of the closing price.

National Instrument 81-106 – "Investment Fund Continuous Disclosure" ("NI 81-106") requires all investment funds to calculate net asset value for all purposes other than for financial statements in accordance with part 14.2, which differs in some respects from the requirements of Section 3855 of Canadian GAAP. Canadian GAAP includes the requirement that the fair value of financial instruments listed on a recognized public stock exchange be valued at their last bid price instead of their close price or the last sale price of the security for the day as required by NI 81-106. This results in differences between net assets calculated based on Canadian GAAP ("GAAP Net Assets") and net asset value calculated based on NI 81-106 ("Transactional NAV"). A reconciliation between GAAP Net Assets per unit and Transactional NAV per unit is provided in Note 6.

The fair value of the Partnership's investments as at the financial reporting date is determined as follows:

- i) All long securities listed on a recognized public stock exchange are valued at their last bid price. Securities that are traded on an over-the-counter market basis are valued at the last bid price as quoted by a major dealer.

Investments in securities having no quoted market values or in illiquid securities are valued using valuation techniques. Valuation techniques include, but are not limited to, referencing the current value of similar instruments, using recent arm's length market transactions, discounted cash flow analyses or other valuation models.

The fair value of certain securities may be estimated using valuation techniques based on assumptions that are not supported by observable market inputs. In a situation where, in the opinion of the Manager, a market quotation for a security is inaccurate, not readily available or does not accurately reflect fair value, the fair value is determined by the Manager.

- ii) Bonds and debentures are valued at their last evaluated bid price received from recognized investment dealers.
- iii) Short-term securities are valued using market quotations or amortized costs plus accrued interest, both of which approximate fair value.
- iv) Unlisted warrants are valued based on a pricing model which considers factors such as the market value of the underlying security, strike price, volatility and terms of the warrant.
- v) The fair value of investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange established at noon on each day on which the Toronto Stock Exchange is open for business ("valuation date"). Under the Partnership's valuation policy, when the rates of exchange established at 3 p.m. are materially different from the noon exchange rates on a given valuation date, the market value of investments and other assets and liabilities denominated in foreign currencies will be translated at the 3 p.m. exchange rates for that valuation date.
- vi) In accordance with the Emerging Issues Committee Abstract 173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities", the Manager has reviewed its policy with respect to valuation of assets and liabilities and believes that the fair values ascribed to the financial assets and financial liabilities in these financial statements incorporates appropriate levels of credit risk.

#### c) Other Assets and Liabilities

Accrued interest and dividends receivable, amount due from brokers and other assets are designated as loans and receivables and are recorded at amortized cost. Similarly, accrued expenses, amounts due to brokers and other liabilities are designated as other financial liabilities and are recorded at amortized cost. These balances are short-term in nature, therefore, amortized cost approximates fair value for these assets and liabilities.

#### d) Investment Transactions

Investment transactions are recorded on a trade date basis. The cost of investments represents the amount paid for each security and is determined on an average cost basis excluding transaction costs.

#### e) Transaction Costs

Transaction costs are incremental costs directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges and transfer taxes and duties. In accordance with Section 3855, transaction costs are expensed and are included in the Statement of Operations in "Transaction costs".

# CMP 2011 Resource Limited Partnership

## NOTES TO THE FINANCIAL STATEMENTS (cont'd) (unaudited)

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For the periods indicated in Note 1

### 2. Summary of Significant Accounting Policies and Basis of Presentation (cont'd)

#### f) Cash and Cash Equivalents

Cash and cash equivalents is comprised of cash on deposit, short-term debt instruments with terms to maturity less than 90 days and bank overdrafts, as applicable.

#### g) Income Recognition

Income from investments held is recognized on an accrual basis. Interest income is accrued as earned and dividend income and distributions from investment trusts are recognized on the ex-dividend date.

Distributions received from investment trusts are recorded as income, capital gains or a return of capital, based on the best information available to the Manager. Due to the nature of these investments, actual allocations could vary from this information. Distributions from investment trusts that are treated as a return of capital for income tax purposes reduce the average cost of the underlying investment trust on the Statement of Investments.

For income tax purposes, the adjusted cost base of flow-through shares is reduced by the amount of expenditures renounced to the Partnership. Upon disposition of such shares, a capital gain will result and will be allocated to the limited partners based upon their proportionate share of the Partnership.

#### h) Translation of Foreign Currency

The reporting currency for all the Partnership is the Canadian dollar which is the functional currency. Any other currency other than Canadian dollars represents foreign currency of the Partnership.

The fair value of investments and other assets and liabilities denominated in a foreign currency are translated into Canadian dollars at the rate of exchange which is current on the valuation date. Transactions denominated in a foreign currency are translated into Canadian dollars at the rate of exchange prevailing at the date of the transactions. Realized and unrealized foreign currency gains or losses on investments are included in the Statement of Operations in "Net realized gain (loss) on sale of investments" and "Change in unrealized appreciation (depreciation) in value of investments", respectively. Realized and unrealized foreign currency gains or losses on monetary assets and liabilities other than investments denominated in foreign currencies are included in the Statement of Operations in "Net realized and change in unrealized foreign exchange gain (loss)".

#### i) Valuation of Partnership Units for Transactional NAV Purposes

The net asset value per unit of the Partnership is calculated at the end of each valuation date by dividing the net asset value of the Partnership by its outstanding units.

#### j) Increase (Decrease) in Net Assets from Operations per Unit

The "Increase (decrease) in net assets from operations per unit" is disclosed in the Statement of Operations and represents the increase or decrease in net assets from operations for the period divided by the average number of units outstanding during the period.

#### k) Allocation of Partnership Income and Loss

99.99% of the income or loss of the Partnership for the fiscal year is allocated to limited partners at the end of the fiscal year in proportion to the number of limited Partnership units owned. The Partnership is not itself a taxable entity. Accordingly, no provision for income tax is required.

The General Partner is entitled to 0.01% of the net income or loss of the Partnership. Net Income is determined in accordance with GAAP.

#### l) Non-zero Amounts

Some of the balances reported in the financial statements may include amounts that are rounded to zero.

### 3. Borrowing

The Partnership established credit facilities with a Canadian chartered bank (the "Bank") up to an amount not exceeding 9% of the gross proceeds raised at inception. The loan proceeds were used for the payment of issuance costs and the Partnership provided the Bank with a security interest in all of the assets of the Partnership. The maximum and minimum amounts borrowed during the period ended June 30, 2011 were \$9,350,000 and \$9,350,000, respectively. The average interest rate on the outstanding balances during the period ended June 30, 2011 was 2.8%.

As at June 30, 2011, the loan outstanding represents a 90-day banker's acceptance ("BA") credit facility with a face value of \$9,350,000, representing 10.5% of net assets.

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# CMP 2011 Resource Limited Partnership

## NOTES TO THE FINANCIAL STATEMENTS (cont'd) (unaudited)

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For the periods indicated in Note 1

### 3. Borrowing (cont'd)

The interest paid on the drawdown or renewal of the BA is deferred and amortized over the term of the BA. The unamortized portion of the deferred interest is included in the Statement of Net Assets in "Accrued interest, dividends and other". For the period ended June 30, 2011, the Partnership incurred interest expense on the BA of \$127,000.

### 4. Expenses and Related Party Transactions

#### a) Management Fee

The Partnership pays the Manager a management fee for the continuous advice, recommendations and services provided to the Partnership. This includes acting as the Manager, Portfolio Advisor and Principal Distributor to the Partnership. The Manager is also responsible for the Partnership's day-to-day operations.

The management fee is an annualized rate of 2% based on the net asset value of the Partnership and is accrued daily and paid monthly as a percentage of the month end net asset value, in accordance with the terms of the Management Agreement for the Partnership.

In consideration for portfolio advisory services received from the Manager, the Partnership incurred a management fee, inclusive of sales tax, of \$1.0 million.

#### b) Performance Bonus

The Manager is entitled to a performance bonus to be paid by the Partnership equal to 20% of the amount by which the net asset value per unit exceeds \$1,120 on the performance bonus date. The performance bonus is calculated on a per unit basis and multiplied by the number of units existing at the performance bonus date. The performance bonus date is on the earlier of the date on which the Partnership assets are transferred to DMP Resource Class of Dynamic Managed Portfolios Ltd. and the day immediately prior to the date of dissolution or termination of the Partnership. The performance bonus will be calculated on the performance bonus date and paid as soon as practicable thereafter. As at June 30, 2011, the Partnership accrued a performance bonus, inclusive of sales tax, of nil.

#### c) Operating Expenses and Administrative Services

The Partnership is responsible for its operating expenses relating to the carrying on of its business, including custodial services, legal, Independent Review Committee fees, audit fees, transfer agency services and the cost of financial and other reports in compliance with all applicable laws, regulations and policies. Such expenses are accrued daily. The Manager pays for such expenses on behalf of the Partnership, except for certain expenses such as interest and taxes, and is then reimbursed by the Partnership.

In addition, the Partnership paid the Manager \$165,000 for administrative services performed by the Manager during the period.

#### d) Broker Commissions

Brokerage commissions of nil were paid on securities transactions during the period. Of this amount, the Manager received nil. Note that any broker commissions paid prior to January 28, 2011 were paid to DSC, an affiliate of GCICL, which previously operated the Manager's business. Also included in the total commissions are soft dollar commissions of nil. Soft dollar commissions reflect amounts paid indirectly to third parties through a broker or dealer for services received by the Partnership for services other than trading execution. Refer to Note 1 for the transaction between DSC and DSL.

Brokerage commissions paid on securities transactions are considered to be part of operating expenses. These commissions are not included in the cost of purchasing securities, nor are they netted out of the proceeds from selling securities.

#### e) Harmonized Sales Tax

Effective July 1, 2010, the Government of Ontario and the Government of British Columbia replaced the provincial sales tax ("PST") with a single harmonized sales tax ("HST"). The HST combines the federal goods and services tax ("GST") rate of 5% with the respective PST rate. The harmonization results in an HST rate of 13% in Ontario.

The new HST will result in higher overall management expense ratios as management fees and certain other expenses charged to the Partnership are now subject to the new HST.

#### f) Private Placements

In addition to the commissions paid on security transactions, the Partnership invests in flow-through shares through registered dealers, including DSL and/or DSC. Commissions on flow-through shares are paid directly from the issuer of the shares to the broker/dealer. In certain circumstances, DSL and the other agents may be entitled to receive fees and, in some cases, rights to purchase shares in connection with the sale of flow-through shares to the Partnership.

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# CMP 2011 Resource Limited Partnership

## NOTES TO THE FINANCIAL STATEMENTS (cont'd) (unaudited)

For the periods indicated in Note 1

### 4. Expenses and Related Party Transactions (cont'd)

#### g) Initial Offering of the Partnership

The Partnership paid agents' fees of 7.00% for each unit sold in connection with the offering of the Partnership. DSC received approximately \$1,025,000 of these fees.

#### h) Standing Instructions from the Independent Review Committee

Pursuant to National Instrument 81-107 – Independent Review Committee for Investment Funds, an independent review committee (the "Prior IRC") was appointed by GCICL and became operational in 2007. Following completion of the DundeeWealth Transaction on February 1, 2011, the Prior IRC was discontinued in accordance with the requirements of NI 81-107 and the Manager has appointed a new independent review committee (the "IRC") to oversee the Partnership. Costs and expenses, including the remuneration of Prior IRC and IRC members, the costs of legal and other advisors to, and legal and other services for, Prior IRC and IRC members, and insurance costs are chargeable to the Partnership. As at June 30, 2011, the IRC consisted of three members, all of whom are independent of the Manager.

The Partnership received the following standing instructions with respect to related party transactions from the Prior IRC and the IRC:

- (i) paying brokerage commissions to DSC or DSL, as applicable, for effecting security transactions on an agency and principal basis on behalf of the Partnership (referred to as "Related Brokerage Commissions");
- (ii) subject to receipt of exemptive relief in certain circumstances, purchases or sales of securities of an issuer from or to another investment fund managed by the Manager (referred to as "Inter-Fund Trades"); and
- (iii) executing foreign exchange transactions with DSC or DSL on behalf of the Partnership.

The applicable standing instructions require that the Manager establish policies and procedures that it will follow with respect to related party transactions. The Manager is required to advise the IRC of any material breach of a condition of the standing instructions. The standing instructions require, among other things, that the investment decision in respect to a related party transaction: (a) is made by the Manager free from any influence by an entity related to the Manager and without taking into account any consideration to any associate or affiliate of the Manager; (b) represents the business judgment of the Manager uninfluenced by considerations other than the best interests of the Partnership; and (c) is made in compliance with the Manager's written policies and procedures. Transactions made by the Manager under the standing instructions are subsequently reviewed by the IRC to monitor compliance.

The Partnership relied on Prior IRC or IRC standing instructions regarding related party transactions during the period.

### 5. Partners' Capital

The Partnership's capital represents the net assets of the Partnership and is comprised of issued units and retained earnings. The Partnership is not subject to any regulatory requirements on capital. The capital of the Partnership is managed in accordance with the Partnership's investment objectives, policies and restrictions, as outlined in the Partnership's prospectus. The Partnership units were issued at a price of \$1,000 per unit, subject to a minimum subscription of five units for \$5,000. Prior to July 1, 2013, the Partnership intends to transfer its assets to Dynamic Managed Portfolios Ltd. in exchange for redeemable shares of DMP Resource Class. Pursuant to the terms of the Transfer Agreement and the Partnership Agreement, upon completion of the Mutual Fund Rollover Transaction and the dissolution of the Partnership, Limited Partners would receive their pro rata share of the DMP Resource Class shares on a tax-deferred basis.

All Partnership units are of the same class with equal rights and privileges, including equal participation in any distribution made by the Partnership and the right to one vote at any meeting of the limited partners. On January 21, 2011, 125,000 Partnership units were issued at the initial offering. In addition, one Partnership unit was issued to the General Partner at the date of formation of the Partnership.

Summaries of the outstanding Partnership units and changes to retained earnings (accumulated deficit) are outlined in the following tables:

<b>Outstanding Partnership Units</b>	<b>June 30, 2011</b>
Beginning of period	–
Subscriptions	125,001
Reinvestments	–
Redemptions	–
End of period	<b>125,001</b>

<b>Retained Earnings (Accumulated Deficit) (000s)</b>	<b>June 30, 2011</b>
Retained earnings (accumulated deficit), beginning of period	\$–
Increase (decrease) in net assets from operations	(26,885)
Retained earnings (accumulated deficit), end of period	<b>\$(26,885)</b>

# CMP 2011 Resource Limited Partnership

## NOTES TO THE FINANCIAL STATEMENTS (cont'd) (unaudited)

For the periods indicated in Note 1

### 6. Reconciliation of GAAP Net Assets per Unit and Transactional NAV per Unit

The table below provides a comparison of the GAAP Net Assets per unit and Transactional NAV per unit. The primary reason for the difference between the GAAP Net Assets per unit and Transactional NAV per unit is described in Note 2 above.

	June 30, 2011
Transactional NAV per unit	\$714.13
GAAP Net Assets per unit	\$710.12

### 7. Risk Management

Investment activities of the Partnership expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, other price risk and currency risk). The level of risk depends on the Partnership's investment objectives and the type of securities it invests in.

The Manager seeks to minimize these risks by employing experienced portfolio managers that will manage the security portfolio of the Partnership on a daily basis according to market events and the investment objectives of the Partnership. Section 3862 and Section 3863 disclosures that are specific to the Partnership are presented in the Discussion on Financial Risk Management and Financial Instruments under the Statement of Investments. The sensitivity analysis shown in the Discussion on Financial Risk Management and Financial Instruments may differ from actual results and the difference could be significant.

The Manager maintains a risk management practice that includes monitoring compliance with investment restrictions to ensure that the Partnership is being managed in accordance with the Partnership's stated investment objectives, strategies and securities regulations. In addition, the below noted risk positions are monitored by the portfolio managers on a regular basis and reviewed by the Fund Review Committee on a quarterly basis.

#### ***Credit risk***

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge a commitment that it has entered into with the Partnership. The fair value of a financial instrument takes into account the credit rating of its issuer, and accordingly, represents the maximum credit risk exposure of the Partnership. Exposure to credit risk is mainly in debt securities (such as bonds and debentures). All transactions in securities are settled or paid for upon delivery through brokers. As such, credit risk is considered minimal in the Partnership on investment transactions, as delivery of securities sold is made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation. In addition, custody transactions are carried out by counterparties that have a Standard & Poor's credit rating of A or higher.

#### ***Liquidity risk***

Liquidity risk is the risk that the Partnership may not be able to settle or meet its obligations on time or at a reasonable price. Therefore, in order to maintain sufficient liquidity, the Partnership invests its assets in securities that are traded in an active market and can be readily disposed. The Partnership also invests in securities that are not traded in an active market and may be illiquid. Such investments are identified as private and restricted securities in the Statement of Investments. In addition, the Partnership aims to retain sufficient cash and cash equivalent positions to maintain liquidity.

#### ***Interest rate risk***

Interest rate risk is the risk that the fair value of the Partnership's interest-bearing investments will fluctuate due to changes in the prevailing levels of market interest rates. Exposure to interest rate risk is mainly in debt securities (such as bonds and debentures). Other assets and liabilities are short-term in nature and are non-interest bearing. There is minimal sensitivity to interest rate fluctuations on cash and cash equivalents invested at short-term market interest rates.

#### ***Other Price risk***

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities. The maximum risk resulting from these financial instruments is equivalent to their fair value.

#### ***Currency risk***

Currency risk is the risk that the fair value of a financial instrument will fluctuate due to changes in foreign exchange rates. Exposure to currency risk is mainly in financial instruments (including cash and cash equivalents) that are denominated in a currency other than Canadian dollars, which represents the functional currency of the Partnership. Therefore the Partnership's financial instruments that are denominated in other currencies will fluctuate due to changes in the foreign exchange rates of those currencies in relation to the Partnership's functional currency. Foreign currencies of issued bonds are listed in the investment portfolio. Foreign stocks are also exposed to currency risk since the value of such stocks are converted to Canadian dollars to determine their fair value.

# CMP 2011 Resource Limited Partnership

## NOTES TO THE FINANCIAL STATEMENTS (cont'd) (unaudited)

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For the periods indicated in Note 1

### 8. Financial Instruments

#### ***Fair Value Hierarchy***

CICA Handbook Section 3862, *Financial Instruments – Disclosures*, requires disclosure regarding the valuation methods and assumptions used to measure financial instruments at fair value. The Partnership uses the following inputs within the fair value hierarchy for determining and disclosing the fair value of financial instruments:

Level 1 – Inputs to the valuation methodology are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 1 financial instruments include actively listed equities and other publicly quoted investments. The Manager does not adjust the quoted price for these instruments.

Level 2 – Inputs to the valuation methodology include quoted prices in active markets for similar assets and liabilities, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Level 2 financial instruments are those that trade in markets that are not considered to be active but are valued based on quoted market prices or dealer quotations supported by observable inputs or adjusted for fair value factors. These include investment-grade corporate bonds and certain listed equities. As Level 2 investments include positions that are not traded in active markets or may be subject to sale restrictions, valuations may be adjusted to reflect illiquidity which is generally based on available market information.

Level 3 – Inputs to the valuation methodology is based on unobservable market data. Level 3 financial instruments are those that have at least one significant unobservable input, as they are not based on quoted market prices. Level 3 instruments include private equity and private debt securities. As observable prices are not available for these securities, the Manager has used valuation techniques to derive the fair value.

#### ***Transfers Between Levels***

Fair values are classified as Level 1 when the related security is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such case, the instrument may be reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

#### ***Reconciliation of Level 3 Financial Instruments***

Section 3862 also requires a reconciliation between the opening and closing balances for Level 3 financial instruments.

The fair value hierarchy, transfers between levels and reconciliation of Level 3 financial instruments are presented in the Discussion on Financial Risk Management and Financial Instruments under the Statement of Investments.

### 9. Changeover to International Financial Reporting Standards

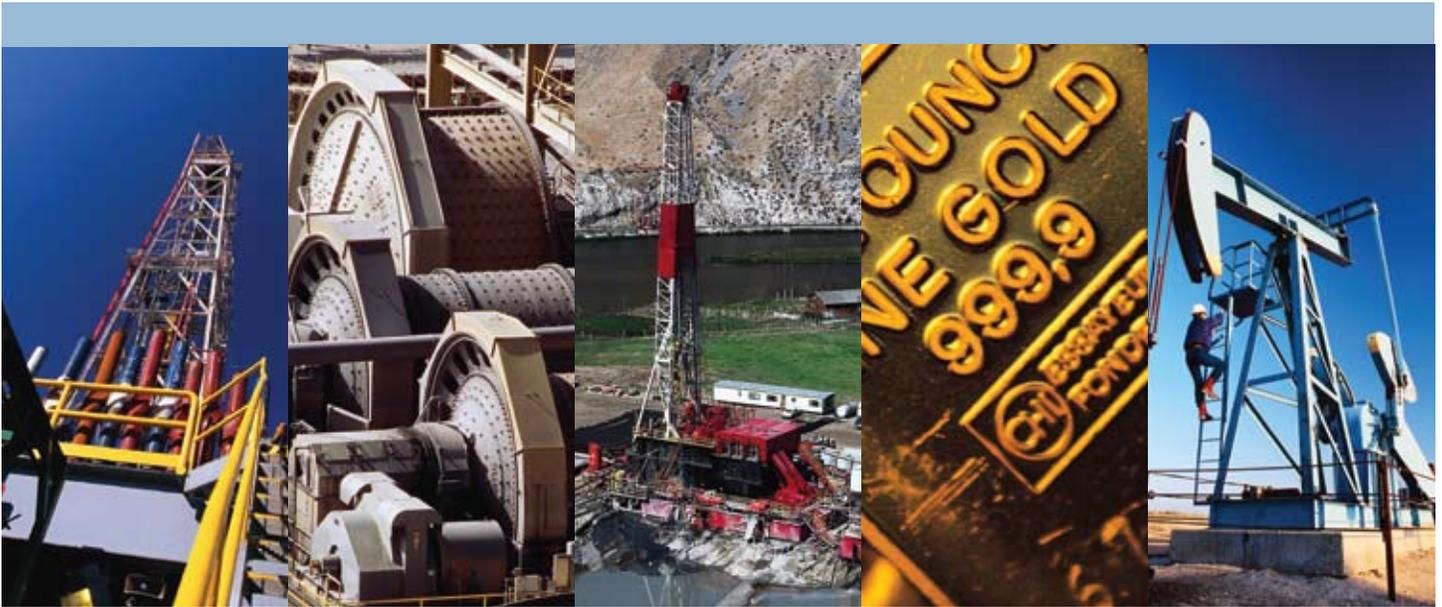
In accordance with the Canadian Accounting Standards Board proposals, effective January 1, 2011, International Financial Reporting Standards (“IFRS”) replaced Canadian GAAP for publicly accountable enterprises. However, in January 2011, the Canadian Accounting Standards Board approved a deferral of the effective date for the changeover to IFRS for investment funds to January 1, 2013. Consequently, IFRS will be applicable to the Partnership for the fiscal year beginning January 1, 2013.

The Manager has already initiated the process of developing its IFRS change-over plan by performing an impact assessment and identifying differences between current Canadian GAAP and IFRS. The process of evaluating the potential impact of IFRS on the financial statements is ongoing as the International Accounting Standards Board and the Canadian Accounting Standards Board continue to issue new standards and recommendations.

The Manager will continue to evaluate potential changes to the financial statements along with the impact on accounting policies, business functions, information technology and internal controls.

Based on the Manager’s current evaluation of the differences between Canadian GAAP and IFRS, the Manager expects that the impact of IFRS on the Partnership’s financial statements will be additional disclosures and potentially different presentation of certain items. Further, the value used to determine the price of the Partnership’s units (Transactional NAV) is not expected to be affected.

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