

GMP Diversified Alpha Fund

Description

The GMP Diversified Alpha Master Fund (the "Alpha Master Fund") is a tax-effective¹ Multi-Strategy Fund consisting of diversified investments. Our objective is to generate superior risk-adjusted absolute returns over the long term. The Fund will also seek to preserve capital through the use of prudent risk management tools.

Performance Attribution

The Alpha Master Fund earned a positive 2.42% return this month, net of fees. All sub-strategies were positive in January. With a volatility of 4.44%, the Alpha Master Fund outperformed the SPX and TSX on a risk adjusted basis.

Equity

The Equity strategy's gains during January were primarily driven by our energy and materials holdings. Additionally, returns in the Equity book were bolstered by strong stock selection in financials, industrials, utilities and information technology.

Credit

The Credit Strategy generated strong performance in January. The Canadian Asset Backed Commercial Paper enjoyed a very strong month with the materialization of new purchasers emanating from the U.S. High yield spreads tightened in the month on the back of steadily improving economic data coupled with better market sentiment toward the Euro-zone debt crisis.

Quantitative

Both our Tactical Trading and Volatility strategies were positive in January. Losses in trading gold were offset by SP/TSX and SPX trading gains.

Statistics

Last 12 Month Statistics

	Alpha Master Fund ²	Bloomberg Multi Strat Index	Credit Suisse Multi Strat Index	Barclay Multi Strat Index	S&P 500 Index	S&P TSX Index	S&P TSX60 Index	S&P TSX Venture
12 Month Return	13.08%	-2.53%	10.83%	11.03%	19.76%	22.15%	20.06%	52.43%
Annualized Volatility	4.44%	6.57%	4.81%	3.98%	18.58%	9.84%	9.70%	25.17%
Winning Months	83.33%	41.67%	83.33%	83.33%	66.67%	83.33%	83.33%	75.00%
Average Monthly Gain	1.41%	1.57%	1.34%	1.29%	4.79%	2.83%	2.65%	6.93%
Average Monthly Loss	-0.84%	-1.46%	-1.50%	-1.18%	-4.64%	-3.82%	-3.84%	-5.54%
Sharpe Ratio (Rf = 0)	2.78	-0.39	2.14	2.64	0.98	2.05	1.90	1.70
Correlations (Alpha to)	1.00	0.29	0.78	0.78	0.68	0.56	0.55	0.74

Monthly Performance (Inception April 2008)

	Feb/10	Mar/10	Apr/10	May/10	Jun/10	Jul/10	Aug/10	Sept/10	Oct/10	Nov/10	Dec/10J	Jan/11	Last 12 Mo.	Since Inception
Master Fund (Net)	0.11	1.32	1.41	-1.01	-0.67	0.13	0.08	1.86	1.99	1.70	3.10	2.42	13.08	30.48
Class A Units (Net)	0.02	1.25	1.35	-1.05	-0.72	0.07	0.01	1.78	1.92	1.64	3.02	2.35	12.20	26.55
S&P TSX 60 (Gross)	4.83	3.51	1.44	-3.67	-3.98	3.71	1.71	3.82	2.49	2.18	3.79	1.30	20.06	-0.61
S&P 500 (Gross)	2.85	5.88	1.48	-8.20	-5.39	6.88	-4.74	8.76	3.69	-0.23	6.53	2.26	19.76	-2.77

¹ All references to tax herein are from a Canadian perspective. Non-Canadian investors should seek independent tax advice.

² Alpha Master Fund Performance is shown net of fees. Investors will gain access to the Alpha Master Fund returns through a share class unit, which will have returns reduced by costs associated with the specific share class held. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. The above mentioned returns are not meant to act as a benchmark against which the Alpha Master Fund should be measured. Rather, they are presented to show the risk and return characteristics of the different indices.

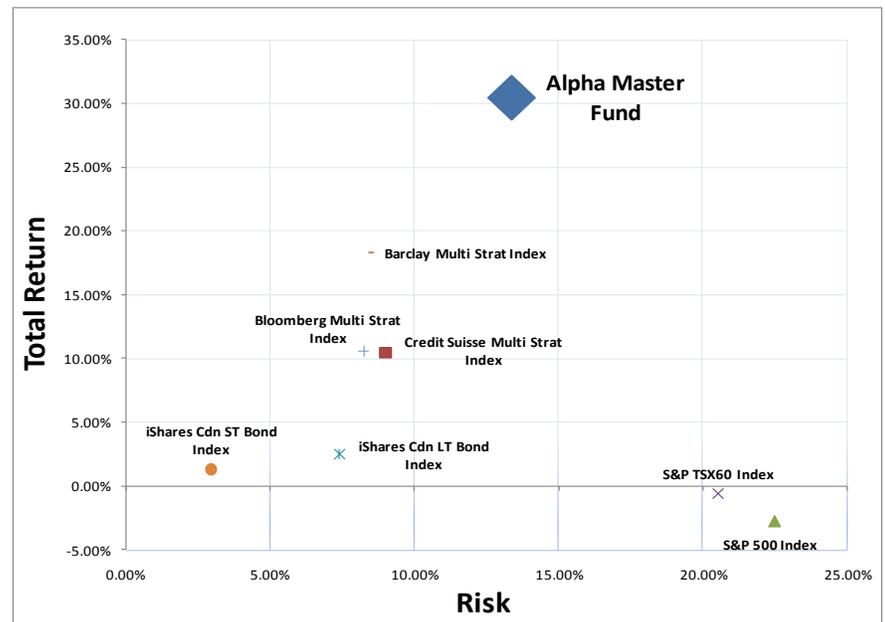
Prices and Performance/Unit

Class	A* [†]	F* [†]	A-I* [†]	F-I* [†]
NAV*(\$)	1,265.44	1,278.02	117.48	117.48
Return	2.35%	2.35%	2.35%	2.35%

*Net of Fees (includes Forward Agreement costs for domestic Investors that allows for potential tax deferral. Refer to the Offering Memorandum for complete disclosure).

[†] Preliminary results

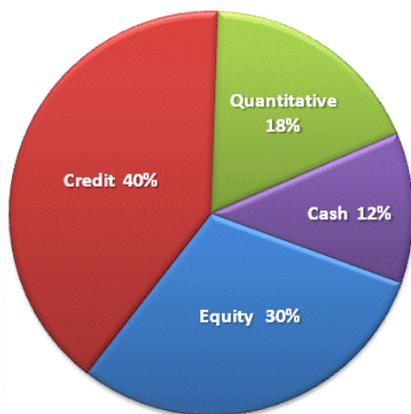
Focus on Risk Adjusted Returns



Source: Bloomberg, Total Return and Annualized Volatility since Alpha Master Fund inception

GMP Diversified Alpha Fund

Portfolio Allocation As at Feb 10, 2011



Allocation Commentary

January was another strong month for the Fund, up 2.42%. The returns in both December 2010 and January 2011 have been at the upper end of our expected return range, although the return attribution has been different. In December, a significant portion of our return was generated in the Equity Strategy, whereas in January, the Credit strategy, specifically ABCP, drove returns. This underscores the benefit of our Multi-Strategy approach: returns can come from different assets and we will seek to optimize our exposure, as appropriate. Global equity markets advanced, and for another month, bond prices fell. Notwithstanding that backdrop, we generated gains in each of our Equity, Credit and Quantitative strategies. In January, the Equity strategy was tilted toward an increased exposure in pro-cyclical sectors. This exposure drove our outperformance during the month. Copper and precious metals stocks underperformed, while iron ore and forest products exposure outperformed. January performance for the Quantitative strategy was positive in both the Volatility and Tactical Trading sub-strategies. The story in the Volatility strategy continues to be one of hedging market movements at levels below where options are sold, thereby realizing profit. Tactical trading suffered losses on its long gold exposure; however, these were more than offset by profitable results in the S&P500 and the S&P/TSX60.

As we entered February, we hedged over 40% of our equity portfolio with puts. This hedge was in response to the global uncertainty coupled with the persistent equity rally. As always, we will actively manage this hedge to minimize the cost.

About the Alpha Fund

Alpha Fund:	\$382MM (as at Feb 1, 2011)
Fund Inception:	April 2008
Fund Details:	2% Management Fee 20% Performance Fee High Water Mark, no reset RSP Eligible
Fund Advisor:	GMP Investment Management L.P.
Prime Broker:	TD Securities RBC Capital Markets
Administrator:	Citigroup Fund Services
Auditor:	Deloitte & Touche LLP
Lawyer:	McMillan LLP
FundSERV:	GMP104 (A-I Class) GMP105 (F-I Class)

GMPIM at a Glance

People

We have 18 experienced capital markets professionals involved in managing the Fund. All Managing Partners have significant personal investments in the Fund. The Fund has an oversight board and dedicated compliance and finance functions. We involve reputable and independent firms to provide audit, legal and operations oversight.

Process

The Fund is managed to minimize risk and maximize return over time. Our real time risk management system emphasizes both capital preservation and managing risk across positions and sectors. We apply absolute risk limits within the Fund in addition to proprietary models to maximize our risk/return posture.

Performance

The Fund seeks to provide absolute returns over time. Our goal is to limit the variability of monthly returns and to achieve positive monthly performance. The Fund will reinvest income earned to achieve long term total return for investors.

Benefits

Investors benefit from the rigorous processes deployed in the management of the Fund, including risk management, portfolio allocation and the tax structure.

This material is for information only, and is not to be construed as an invitation to make an investment in our funds, nor does it constitute a public offering to sell the Fund or any other products described herein. This material should not be relied upon when evaluating the merits of a potential investment in any funds managed by GMP Investment Management L.P. Applications for the Fund will only be considered in accordance with terms stated in the Fund's confidential offering memorandum (the "Offering Memorandum"). The information contained in this material is subject to change without notice and GMP Investment Management L.P. and its affiliates will not be held liable for any inaccuracies or misprints. Past performance may not be repeated. An investment in the Fund is not intended as a complete investment program and should only be made after consultation with independent investment and tax advisors. Please refer to the Offering Memorandum for a further discussion of the risks of investing in the Fund. GMP Investment Management L.P. is registered as both Portfolio Manager and Exempt Market Dealer, and as such is prepared to engage as an Adviser or Exempt Market Dealer in respect of securities of its related issuers and, in the course of distribution, of securities of connected issuers, but only to the extent from time to time permitted by applicable securities legislation or rule, policy, directive or order of any securities regulatory authority.