

**Fund Details**

|                    |                                      |
|--------------------|--------------------------------------|
| Date of Inception  | <b>1-Jan-04</b>                      |
| Fund Symbol        | <b>Series I - CIG 987</b>            |
|                    | <b>Series II - CIG 988</b>           |
|                    | <b>Series III - CIG 989</b>          |
|                    | <b>Series IV - CIG 459</b>           |
|                    | <b>Series V - CIG 460</b>            |
|                    | <b>Series VI - CIG 461</b>           |
|                    | <b>Series VII - CIG 462</b>          |
|                    | <b>Series VIII - CIG 465</b>         |
|                    | <b>Series IX - CIG 466</b>           |
| Investment Advisor | <b>Covington Capital Corporation</b> |

**Portfolio Activity**

In early March, Covington announced that its Venture Fund Series IV (the “Balanced Shares”) formerly New Millennium Internet Ventures Fund (the “Fund”) met its objective of realizing long-term capital appreciation. The balanced shares have delivered an investment return of 4.93%<sup>1</sup> since inception (in addition to the original 30% in tax credits received upon purchase). This investment performance has surpassed the targets set for the Fund at inception and positions the Fund as one of the top performing funds in its asset class.

<sup>1</sup>Source: www.globefunds.com as at May 31, 2010.

**Portfolio Breakdown**

|   |         |
|---|---------|
| NAVPS                                     |         |
| Series I                                  | \$8.88  |
| Series II                                 | \$8.51  |
| Series III                                | \$8.77  |
| Series IV                                 | \$16.38 |
| Series V                                  | \$5.98  |
| Series VI                                 | \$8.62  |
| Series VII                                | \$8.50  |
| Series VIII                               | \$10.17 |
| Series IX                                 | \$10.14 |
| Total Net Asset Value (in millions)       | \$105.9 |
| Venture Investments at Cost (in millions) | \$54.4  |
| Total Number of Venture Investments       | 29      |
| Public Holdings                           | 5       |
| Private Holdings                          | 24      |
| Investments with Board Status             | 18      |
| Management Fee                            | 2.5%*   |
| Tax Credits                               | 20%     |

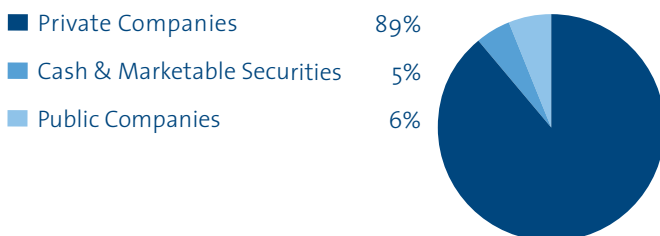
\*Series I, II, III

**Fund Performance**

Source: Globefund.com as at May 31, 2010

| SERIES I    | 6 MONTHS | 1 YEAR  | 3 YEARS | 5 YEARS | INCEPTION |
|-------------|----------|---------|---------|---------|-----------|
|             | 2.42%    | -8.84%  | -1.05%  | N/A     | -2.63%    |
| SERIES II   | 6 MONTHS | 1 YEAR  | 3 YEARS | 5 YEARS | INCEPTION |
|             | 1.27%    | -10.86% | -2.92%  | N/A     | -3.56%    |
| SERIES III  | 6 MONTHS | 1 YEAR  | 3 YEARS | 5 YEARS | INCEPTION |
|             | 1.58%    | -10.27% | -2.18%  | N/A     | -2.91%    |
| SERIES IV   | 6 MONTHS | 1 YEAR  | 3 YEARS | 5 YEARS | INCEPTION |
|             | 2.80%    | 8.39%   | 15.32%  | 10.19%  | 4.93%     |
| SERIES V    | 6 MONTHS | 1 YEAR  | 3 YEARS | 5 YEARS | INCEPTION |
|             | -8.93%   | -10.16% | -11.28% | -9.34%  | -5.40%    |
| SERIES VI   | 6 MONTHS | 1 YEAR  | 3 YEARS | 5 YEARS | INCEPTION |
|             | -3.55%   | -0.94%  | -1.19%  | -2.54%  | -1.97%    |
| SERIES VII  | 6 MONTHS | 1 YEAR  | 3 YEARS | 5 YEARS | INCEPTION |
|             | -1.43%   | 4.06%   | -0.57%  | -2.51%  | -2.53%    |
| SERIES VIII | 6 MONTHS | 1 YEAR  | 3 YEARS | 5 YEARS | INCEPTION |
|             | -1.32%   | 4.27%   | N/A     | N/A     | 0.68%     |
| SERIES IX   | 6 MONTHS | 1 YEAR  | 3 YEARS | 5 YEARS | INCEPTION |
|             | -1.45%   | 3.96%   | N/A     | N/A     | 0.56%     |

**Asset Mix (At Market)\***



\*Series I, II, III

**Sector Diversification (At Cost)\***



### Key Holdings

| INVESTMENT                   | PUBLIC/PRIVATE | BOARD STATUS | SECTOR                   |
|------------------------------|----------------|--------------|--------------------------|
| Protus IP Solutions Inc.     | Private        | Y            | Communications           |
| MMIST Inc.                   | Private        | Y            | Manufacturing/Industrial |
| WireE Holdings International | Private        | Y            | Clean Technology         |
| BPS-Resolver Inc.            | Private        | Y            | Financial Services       |

### Advantages of Investment

- Access to high growth potential of private Canadian enterprises
- Large, mature portfolio of investments
- Mix of public and later-stage private holdings support near and long-term liquidity
- 20% tax credits

### Discipline

Pure venture capital with a highly focused and measured strategy

### Investment Philosophy – Diversified, Conservative Venture Capital

Covington Venture Fund employs a highly selective approach to diversified investing to create a portfolio open to growth opportunities across 10+ industry sectors. This diversification mitigates the potential risk and volatility associated with single sector investing. A distinguishing feature of Covington's investment philosophy is their approach to structuring the majority of their investments. Covington structures investments in the Fund with a significant equity component (either through a pure equity structure, convertible debt, or a combination of the two). Contrary to a pure debt-based investment structure, Covington's approach does not limit return potential and aligns the long-term growth interests of both Covington (and investors) directly with the success of the underlying investment. Covington firmly believes venture capital is about maximizing returns and, as such, believes an equity-based approach provides the greatest investment return potential. Finally, Covington's approach is further differentiated through their preference to act as lead investor in their investments. By having deep pockets, influence on senior management, and a strong Board presence, Covington is able to have greater influence over the direction and ultimate success of their investments; thereby deriving maximum return potential for their shareholders.

### Management Objective & Strategy

Creation of long-term capital appreciation driven by investments in select small to medium-sized Canadian enterprises. Investments are made only in businesses that are considered high-growth investment opportunities primarily inaccessible through the public market. These investments are primarily done via equity and convertible structures in order to maximize long-term return potential.

### Portfolio Management

#### INVESTMENT TEAM

|                     |                  |
|---------------------|------------------|
| <b>Scott Clark</b>  | Managing Partner |
| <b>Phil Reddon</b>  | Managing Partner |
| <b>Will Jin</b>     | SVP Investments  |
| <b>Lily Lam</b>     | VP Investments   |
| <b>Matthew Hall</b> | VP Investments   |

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Important information about Covington Funds are contained in their prospectus. Please obtain a prospectus from your financial advisor and read it carefully before investing. This investment may not be suitable for all investors. Some conditions apply. Commissions, trailing commissions, management fees and expenses all may be associated with this investment. Covington's Funds are not guaranteed, their value changes frequently and past performance may not be repeated. The indicated rates of return are the historical annual compounded total returns, including changes in value and do not take into account sales, redemption or optional charges or income taxes payable by any shareholder that would have reduced returns. Tax credits subject to certain conditions and units must be held for eight years in order to keep the tax credits.