



GFI Investment Counsel Ltd.

Preserving and growing family capital™

Second Quarter 2011 Commentary

Good Opportunities Fund

The Good Opportunities Fund gained 2.9% over the second quarter of 2011, and gained 6.6% over the six-month period ended June 30, 2011. The Fund significantly outperformed the S&P 500 Index (C\$) over both periods.

Three of the Fund's holdings were significant contributors to performance. The most significant contributor to Fund performance was CGI Group Inc. The company's recent acquisition of Stanley Inc. has been tremendously successful to date. CGI Group's stock was up approximately 38% over the six-month period ended June 30, 2011. The second most significant contributor to Fund performance was PriceSmart, Inc., which has experienced a material increase in its revenue and per store profitability. PriceSmart's stock was up approximately 35% year-to-date at June 30, 2011. The Jean Coutu Group (PJC) Inc. increased 14% over the first six months of 2011. The company has been focusing its attention on its Canadian operations, and recently announced an increase in its dividend.

At quarter end, the Fund had a net market exposure of roughly 64%, including 11% short positions. The Fund had 11 long positions and four short positions at the end of the period. The Fund's short positions are not indices, but positions we initiated on the belief that we can profit from the deterioration of these companies' businesses regardless of the direction of the markets.

With a cash balance of 24%, we have been researching several exciting opportunities in which to deploy capital. We continue to be comfortable holding cash and waiting for what we believe to be the strongest investment opportunities available.

We thank you again for the opportunity to manage your valuable assets, and we ask that you please contact us with any questions, concerns, or recommendations you may have.

Sincerely,

Daniel Goodman, CFA
President and Chief Investment Officer

A redemption charge may be charged on units tendered for redemption within the first year following their purchase at the rate of 2.5% during the first 90 days, 2% during days 91-180 and 1% during days 181-365. See "Redeeming Units - Short Term Trading Fee" in the Fund's Offering Memorandum.

The above performance figures are net of management fees and performance fees. Please review the Good Opportunities Fund Offering Memorandum for detailed descriptions of strategies, objectives, and risk factors. The above is provided for informational purposes only and is qualified in its entirety by the Fund's Offering Memorandum. Past performance may not be indicative of future results and there is no assurance that any of the Fund's investment objectives will be met.

We have cited a common index used in Canada for general comparison with our fund. However, our fund may not necessarily be representative of the index used and the volatility of our portfolio may vary substantially compared to this index for reasons which include, but are not limited to: (i) our fund may hold or have held a larger percentage of small cap securities and a higher concentration in specific securities and industries; (ii) our fund may use short selling and leverage strategies and hold private investments.

The S&P 500 (CAD) Index measures the total Canadian Dollar return of the broader U.S. economy through changes in the aggregate market value of 500 stocks representing all major industries and assumes reinvestment of dividends.

Please contact us for more information at:

GoodFunds

2 St. Clair Ave. East, Suite 1204
Toronto, Ontario, M4T 2T5
Tel: 416.488.8825
Toll-Free: 866.955.5300
Email: info@gfiic.com