



GFI Investment Counsel Ltd.

Preserving and growing family capital™

Fourth Quarter 2011 Commentary

Good Opportunities Fund

The Good Opportunities Fund gained 3.7% over the fourth quarter of 2011, and gained 14.5% over the calendar year ended December 31, 2011.

Two thousand and eleven was a year of extremes. In general, the share prices of quality, dividend-yielding companies increased, while the shares of companies with questionable business models – and/or those in need of financing – suffered. Some examples of the latter group include Yellow Media Inc. and Research In Motion Ltd.; both of which will require significant changes in direction to adapt to a changing world.

During the fourth quarter, the Fund used excess cash to purchase two new businesses that we believe offer very compelling opportunities. In both cases, we believe the companies have strong balance sheets, marginal downside, and significant upside potential.

At quarter end, the Fund had net market exposure of roughly 70%, including two short positions (neither of which is greater than a 3% holding). As mentioned previously, we do not target a market-neutral approach and, as a result, the Fund remains net long.

With a cash position of 23%, we continue to search for attractive new investment opportunities. We thank you again for allowing us 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