



frontierAlt Funds Management Limited

Semi-Annual Financial Statements

frontierAlt Opportunistic Bond Fund
(formerly frontierAlt All Terrain Bond Fund)

frontierAlt Opportunistic Global Fund
(formerly frontierAlt All Terrain World Fund)

frontierAlt Resource Capital Class Fund

March 31, 2008

frontierAlt Opportunistic Global Fund (formerly frontierAlt All Terrain World Fund)
Statement of Net Assets
As at March 31, 2008 (unaudited) and September 30, 2007

	2008	2007
Assets		
Investments, at fair value	\$ 6,860,882	\$ 7,397,356
Cash	428,425	83,960
Dividends and interest receivable	70,769	28,188
	<u>7,360,076</u>	<u>7,509,504</u>
Liabilities		
Accrued expenses	29,755	53,358
	<u>29,755</u>	<u>53,358</u>
Total net assets and unitholders' equity	\$ 7,330,321	\$ 7,456,146
Total net assets and unitholders' equity, Series A	\$ 6,527,701	\$ 7,077,636
Net asset value per unit, Series A	<u>\$ 8.95</u>	<u>\$ 10.60</u>
Total net assets and unitholders' equity, Series F	\$ 802,620	\$ 378,510
Net asset value per unit, Series F	<u>\$ 9.14</u>	<u>\$ 10.77</u>

(See accompanying notes to financial statements)

Approved on behalf of the Board of frontierAlt Funds Management Limited

(signed) **M. Asif Khan**

Director

(signed) **Kurankye Sekyi-Otu**

Director

frontierAlt Opportunistic Global Fund (formerly frontierAlt All Terrain World Fund)
Statement of Operations
For the Six Months Period Ended March 31 (unaudited)

	2008	2007
Investment Income		
Income		
Dividend revenue	\$ 34,389	\$ 63,831
Interest revenue	32,111	21,554
Less: foreign withholding taxes	(4,836)	(7,136)
	<u>61,664</u>	<u>78,249</u>
Expenses		
Management fees	68,980	97,314
Audit fees	6,871	7,950
Custodial fees	11,509	7,438
Legal fees	10,800	-
Filing fees	7,442	20,815
Administration fees	30,108	53,632
Other expenses	487	931
	<u>136,197</u>	<u>188,080</u>
Net investment loss	<u>(74,533)</u>	<u>(109,831)</u>
Realized and unrealized gain (loss) on investments		
Net Realized gain (loss) on sale of investments	(67,169)	74,684
Unrealized appreciation (depreciation) in value of investments	(956,972)	1,291,511
Transaction costs	(23,929)	-
Net gain (loss) on investments	<u>(1,048,070)</u>	<u>1,366,195</u>
Increase (decrease) in net assets from operations	<u>\$ (1,122,603)</u>	<u>\$ 1,256,364</u>
Increase (decrease) in net assets from operations, Series A	\$ (1,036,346)	\$ 1,248,025
Increase (decrease) in net assets from operations per security, Series A	\$ <u>1.17</u>	\$ <u>1.17</u>
Increase (decrease) in net assets from operations, Series F	\$ (86,257)	\$ 8,339
Increase (decrease) in net assets from operations per security, Series F	\$ <u>(13.80)</u>	\$ <u>1.33</u>

(see accompanying notes to financial statements)

frontierAlt Opportunistic Global Fund (formerly frontierAlt All Terrain World Fund)

Statement of Changes in Net Assets

For the Six Months Period Ended March 31 (unaudited)

	2008	2007
Net assets at the beginning of the period	\$ 7,456,146	\$ 8,458,439
Increase in net assets from operations	(1,122,603)	1,256,364
Capital transactions		
Proceeds from the issuance of units	4,584,243	469,565
Payment for redemption of units	(3,587,465)	(700,252)
Net assets at the end of the period	\$ 7,330,321	\$ 9,484,116
Net assets at the beginning of the period, Series A	\$ 7,077,636	\$ 8,413,098
Increase (decrease) in net assets from operations, Series A	(1,036,346)	1,248,025
Capital transactions, Series A		
Proceeds from the issuance of units	3,908,193	417,565
Payment for redemption of units	(3,421,782)	(700,252)
Net assets at the end of the period, Series A	\$ 6,527,701	\$ 9,378,436
Net assets at the beginning of the period, Series F	\$ 378,510	\$ 45,341
Increase (decrease) in net assets from operations, Series F	(86,257)	8,339
Capital transactions, Series F		
Proceeds from the issuance of units	676,050	52,000
Payment for redemption of units	(165,683)	-
Net assets at the end of the period, Series F	\$ 802,620	\$ 105,680

(see accompanying notes to financial statements)

frontierAlt Opportunistic Global Fund (formerly frontierAlt All Terrain World Fund)
Statement of Cash Flows
For the Six Months Period Ended March 31 (unaudited)

	2008	2007
Operating activities		
Net investment income(loss)	\$ (74,533)	\$ (109,831)
Net realized gain on sale of investments	(91,098)	74,684
	<u>(165,631)</u>	<u>(35,147)</u>
Change in operating assets and liabilities		
Increase in deposits with broker	(543,548)	285,300
Increase (decrease) in liabilities	(23,603)	66,514
Decrease (increase) in receivables	(42,581)	(6,350)
	<u>(609,732)</u>	<u>345,464</u>
Net cash from (used in) operating activities	<u>(652,313)</u>	<u>339,114</u>
Financing Activities		
Cash received on issue of units	4,584,243	469,565
Cash paid on redemption of units	(3,587,465)	(700,252)
Cash from financing activities	<u>996,778</u>	<u>(230,687)</u>
Increase (decrease) in cash during the period	344,465	108,427
Cash and short-term investments balance beginning of period	83,960	59,373
Cash and short-term investments balance end of period	\$ 428,425	\$ 167,800

(see accompanying notes to financial statements)

frontierA/t Opportunistic Global Fund
(formerly frontierA/t All Terrain World Fund)

Statement of Investment Portfolio
As at March 31, 2008 (unaudited)

SECURITY	PAR VALUE OR SHARES HELD	AVERAGE COST	MARKET VALUE
EQUITIES (85.4%)			
United Kindgom (22.7%)			
Albemarle & Bond Holdings PLC	18,000	\$ 76,368	\$ 70,498
Asianlogic Limited	36,000	74,764	53,607
BHP Billiton PLC	4,550	98,271	138,663
CAP-XX Limited	75,000	148,149	35,188
Compass Group	16,500	79,757	108,378
Diageo	4,267	80,346	88,433
Hamworthy KSE	8,900	77,096	81,515
Healthcare Locums PLC	47,600	76,376	78,163
Invensys PLC	20,000	79,430	91,692
Jetion Holdings Limited	30,700	76,457	67,790
Metals Exploration PLC	137,000	102,642	55,891
Northern Rock PLC	25,000	74,567	1
Northwest Biotherapeutics Inc.	31,500	75,589	73,894
Petra Diamonds Limited	29,600	76,340	59,776
Playtech Ltd. PLC	11,500	95,100	102,044
Sage Group	17,500	80,384	67,147
Tate & Lyle PLC	15,400	155,002	169,478
Vedanta Resources PLC	2,500	60,357	106,889
Wolseley PLC ADR	9,000	125,549	126,771
Yell Group PLC	28,900	154,896	90,786
		1,867,440	1,666,604
United States (21.8%)			
Adobe Systems Inc.	2,000	70,010	72,432
Bank of America Corporation	2,300	102,224	89,559
Cisco Systems Inc.	8,864	206,332	219,567
E.I. du Pont de Nemours and Company	2,000	90,154	96,062
eBay Inc.	5,500	154,458	168,391
Google Inc.	200	58,973	90,410
Infosys Technologies Ltd.	2,000	82,978	73,254
Johnson & Johnson	2,000	136,806	133,131
JPMorgan Chase & Co.	2,700	121,164	119,087

frontierA/t Opportunistic Global Fund
(formerly frontierA/t All Terrain World Fund)

Statement of Investment Portfolio
As at March 31, 2008 (unaudited)

SECURITY	PAR VALUE OR SHARES HELD	AVERAGE COST	MARKET VALUE
Marsh & McLennan Companies, Inc.	6,000 \$	165,955 \$	149,918
Microsoft Corporation	4,500	111,055	130,470
Oracle Corporation	5,500	82,313	110,245
Qwest Communications International Inc.	11,000	73,105	50,969
Tiffany & Co.	2,200	81,145	94,389
		<u>1,536,672</u>	<u>1,597,884</u>
Canada (12.9%)			
Advanced Explorations Inc.	44,200	79,662	74,256
Brilliant Mining Corp.	61,800	78,980	74,160
Brookfield Properties Corporation	4,800	98,592	95,040
Iberian Minerals Corp.	60,000	68,100	66,600
iseemedia inc.	284,000	119,279	106,499
iseemedia inc. Warrants	85,000	1	1
Mirabella Nickel Limited	16,000	75,200	91,200
Norwood Resources Ltd.	143,500	90,478	74,620
Phosan Chemical Corp.	75,000	80,250	90,000
Pristine Power Inc.	17,500	70,000	70,000
Rusoro Mining Ltd.	54,100	81,393	78,445
Solium Capital Inc.	39,400	80,376	65,404
Vaaldiam Resources Ltd.	140,000	75,432	57,400
		<u>997,743</u>	<u>943,625</u>
Netherlands (7.1%)			
Akzo Nobel NV	1,100	84,554	90,702
Randstad Holding NV	6,000	232,599	289,069
TNT NV	3,600	147,832	137,549
		<u>464,985</u>	<u>517,320</u>
France (4.4%)			
Casino Guichard-Perrachon SA	600	58,125	73,889
PPR SA	1,100	156,112	167,633
Vivendi	2,100	79,805	84,363
		<u>294,042</u>	<u>325,885</u>

**frontierA/t Opportunistic Global Fund
(formerly frontierA/t All Terrain World Fund)**

**Statement of Investment Portfolio
As at March 31, 2008 (unaudited)**

SECURITY	PAR VALUE OR SHARES HELD	AVERAGE COST	MARKET VALUE
Japan (3.5%)			
Kyocera Corporation	1,000	\$ 85,082	\$ 85,698
NTT Data Corporation	20	91,197	89,710
Sumitomo Corporation	6,000	84,602	80,554
		<u>260,881</u>	<u>255,962</u>
Germany (2.6%)			
BMW	1,500	78,519	84,178
Deutsche Post	2,200	89,906	103,741
		<u>168,425</u>	<u>187,919</u>
Spain (2.3%)			
Industria De Diseno Textil Inditex SA	3,000	154,511	171,424
Denmark (2.2%)			
William Demant Holding A/S	2,200	154,126	165,192
Italy (1.8%)			
Geox SPA	8,100	118,523	133,764
Belgium (1.7%)			
InBev (ex Interbrew)	1,350	68,871	121,795
Ireland (1.3%)			
CRH PLC	2,471	84,127	96,137
Switzerland (1.1%)			
Roche Holdings AG	400	69,680	77,371
TOTAL EQUITIES		<u>6,240,026</u>	<u>6,260,882</u>
CORPORATE BONDS (8.2%)			
Canada			
Cusac Gold Mines Ltd. 11.00% April 30, 2008	\$ 600,000	600,000	600,000
TOTAL INVESTMENT PORTFOLIO (93.6%)		6,840,026	6,860,882
Cash (5.8%)		428,425	428,425
Other Assets less Other Liabilities (0.6%)		41,014	41,014
NET ASSETS (100.0%)		<u>\$ 7,309,465</u>	<u>\$ 7,330,321</u>

(see accompanying notes to financial statements)

frontierAlt Funds
Notes to the Financial Statements
For the Six Months Period Ended March 31, 2008 (unaudited) and the
Year Ended September 30, 2007

1. The Funds

The frontierAlt Opportunistic Bond Fund (the “Opportunistic Bond Fund”), and the frontierAlt Opportunistic Global Fund (the “Opportunistic Global Fund”) (collectively the “Trust Funds”) are open-ended mutual fund trusts formed under the laws of the Province of Ontario by Declarations of Trust, executed by the Trustee of the Funds at the following dates: October 21, 1988, as amended and restated November 21, 1995, April 20, 2006 and January 31, 2008 with regards to the Opportunistic Global Fund (formerly frontierAlt All Terrain World Fund); August 27, 1998, as amended and restated April 20, 2006 with regards to the All Terrain Canada Fund (formerly Orbit Canadian Equity Fund); and April 20, 2006 and January 31, 2008 for the Opportunistic Bond Fund (formerly frontierAlt All Terrain Bond Fund).

On January 29, 2008, a majority of the unitholders of the frontierAlt All Canada Fund and the frontierAlt All Terrain World Fund approved the merger of the frontierAlt All Terrain Canada Fund into the frontierAlt All Terrain World Fund.

The frontierAlt Resource Capital Class Fund (the “Resource Capital Class Fund”) is a class of shares of frontierAlt Capital Class Fund Limited (the “Corporation”); a mutual fund corporation formed under the Business Corporations Act (Ontario) (the “OBCA”) by articles of incorporation dated April 27, 2007, as amended June 6, 2007. The Corporation was established, in part, to facilitate exchange transactions pursuant to which the assets of existing resource flow-through limited partnerships established by the Manager are transferred to the Corporation in exchange for shares of the Corporation. The shares of the Corporation issued to a frontierAlt Limited Partnership on a Mutual Fund Rollover Transaction was distributed to the limited partners of the frontierAlt Limited Partnership on the winding-up of the affairs of such partnership.

The funds are referred to individually as a “Fund” and collectively as the “Funds”. frontierAlt Funds Management Limited is the Manager (the “Manager”) and the Trustee of the Funds.

2. Regulatory Changes

On April 1, 2005, the Canadian Institute of Chartered Accountants (“CICA”) issued Section 3855, “Financial Instruments – Recognition and Measurement” of the CICA Handbook – Accounting, which established standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 (“NI 81-106”), issued by the Canadian Securities Administrators in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian generally accepted accounting principles (“GAAP”). The adoption of Section 3855 would result in the use of different valuation techniques for certain investments.

Canadian securities regulatory authorities granted interim relief to investment funds from complying with Section 3855, for the purpose of calculating and reporting of net asset value (other than for financial reporting purposes) for up to a one year period ending September 30, 2007. On June 1, 2007, securities regulatory authorities proposed amendments to NI 81-106 which will remove the requirement to calculate the NAV in accordance with GAAP and replace it with a requirement to fair value assets and liabilities. The proposed amendments will permit investment funds to have two different NAVs: one for financial statements (the “GAAP NAV”) and another one for all other purposes (the “Transactional NAV”). The proposed amendments require reconciliation between the two NAVs, and disclosure of how the valuation principles and practices differ. On September 28, 2007, the interim relief was extended to September 30, 2008 or such earlier time as these proposed changes to NI 81-106 could be made.

A reconciliation of between Transactional NAV and GAAP NAV has been provided in note 9 of these financial statements.

3. Significant Accounting Policies

These financial statements have been prepared in accordance with GAAP. The following is a summary of the significant accounting policies of the Funds.

Use of Estimates

The financial statements have been prepared by the Manager in accordance with GAAP. The preparation of financial statements require the Manager to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting

periods. Significant estimates include valuation of investments. Actual results may differ from these estimates.

Valuation of Investments

- i. Securities listed upon a recognized public stock exchange are valued at their bid prices on the valuation date. Securities with no available bid prices are valued at the closing sale prices.
- ii. Securities not listed upon a recognized public stock exchange are valued using valuation techniques, on such basis and in such manner established by the Manager.
- iii. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Investment Transactions and Income Recognition

Investment transactions are recorded on the trade date. Realized gains and losses from investment transactions and unrealized appreciation or depreciation of investments are calculated using the average cost basis.

Transaction costs are expensed and are included in "Transaction costs" in the Statements of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commission paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties.

Dividend income is being recorded on the ex-dividend date.

Foreign Exchange

Foreign currency amounts are expressed in Canadian dollars on the following basis:

- Market value of investments, other assets and liabilities at the Bank of Canada noon daily rate of exchange.
- Purchases and sales of investments, income and expenses at the rate of exchange prevailing on the respective transaction dates.
- Realized and unrealized foreign exchange gains and losses related to investment transactions are included in "Net realized gains (losses) on sale of investments" and "Change in unrealized appreciation of investments" respectively.

Valuation of Fund Units

Net asset value per unit is calculated at the close of business on each day (a "Valuation Day") the Toronto Stock Exchange is open. The units of the Funds are issued and redeemable at the option of the holder, at the applicable net asset value per unit. The net asset value per unit is calculated by dividing the total market value of each Fund's net assets by the total number of units then outstanding.

Increase in net assets from operations per unit

The increase or decrease in net assets from operations per unit presented in the Statement of Operations represents the increase or decrease in net assets from operations for the period, divided by the average number of units outstanding during the period.

4. Unitholders' and Shareholders' Equity

Units/shares of the Funds are issued or redeemed on a daily basis at the net asset value per unit.

Summary of purchase/reinvestment and redemption of units/shares

Fund		Beginning of year	Purchase/reinvestment during year	Redemptions during year	End of year
Opportunistic Bond Fund - Series A	2007	252,055	2,202,568	425,332	2,029,291
	2008	2,029,291	146,394	447,805	1,727,880
Opportunistic Bond Fund - Series F	2007	168,671	703,257	343,902	528,026
	2008	528,026	61,846	200,908	388,964
Opportunistic Bond Fund - Series I	2007	-	53,584	-	53,584
	2008	53,584	1,754	458	54,880
Opportunistic Global Fund - Series A	2007	814,940	38,144	185,584	667,500
	2008	667,500	421,287	359,838	728,949
Opportunistic Global Fund - Series F	2007	4,400	35,763	5,015	35,148
	2008	35,148	68,900	16,189	87,859
Resource Capital Class Fund - Series A	2007	-	380,003	243,885	136,118
	2008	136,118	627,625	369,867	393,876

5. Fund Rollover & Merger

Effective as of the close of business on the Rollover Date, as set out below, the Continuing Fund acquired the portfolio assets of the corresponding Terminated Fund

in exchange for units of the Continuing Fund. The value of the units of the Continuing Fund issued in connection with this rollover was equal to the fair value of the investments transferred.

Terminating Fund	Shares Issued	Fair Market Value of Net Assets Acquired	Rollover Date	Continuing Fund
frontier <i>Alt</i> Resource 2005 Flow-Through Limited Partnership	617,545	\$6,376,152	November 30, 2007	frontier <i>Alt</i> Resource Capital Class Fund
Continuing Fund	Shares Issued	Fair Market Value of Net Assets Acquired		
frontier <i>Alt</i> Resource Capital Class Fund	617,545	\$6,376,152		

The financial statements of the Continuing Fund do not include the operating results of the Terminated Fund for the period to the Rollover Date.

On January 31, 2008 units of the frontier*Alt* All Terrain Canada Fund merged into the frontier*Alt* All Terrain World Fund. The name of the continuing fund was also changed to frontier*Alt* Opportunistic Global Fund on the same date. Avenue Investment Management remains the portfolio advisor to the Fund and the investment objectives of the Fund have not changed.

Terminating Fund	Shares Issued	Fair Market Value of Net Assets Acquired	Merger Date	Continuing Fund
frontier <i>Alt</i> All-Terrain Canada Fund Class A	419,586	\$ 3,891,072	January 31, 2008	frontier <i>Alt</i> Opportunistic Global Fund Class A (formerly frontier <i>Alt</i> All Terrain World Fund Class A)
frontier <i>Alt</i> All-Terrain Canada Fund Class F	48,482	\$ 457,870	January 31, 2008	frontier <i>Alt</i> Opportunistic Global Fund Class F (formerly frontier <i>Alt</i> All Terrain World Fund Class F)

Continuing Fund	Shares Issued	Fair Market Value of Net Assets Acquired
frontier <i>Alt</i> Opportunistic Global Fund Class A (formerly frontier <i>Alt</i> All Terrain World Fund Class A)	419,586	\$3,891,072
frontier <i>Alt</i> Opportunistic Global Fund Class F (formerly frontier <i>Alt</i> All Terrain World Fund Class F)	48,482	\$457,870

6. Expenses

Manager and management fees

frontierAlt Funds Management Limited is the Manager of the Funds. As such, the Funds are dependent on the Manager for administration and management matters relating to their operations.

Management fees are paid to the Manager on a monthly basis. The Manager is responsible for managing the business and affairs of the Funds pursuant to management agreements or trust indentures.

The Manager receives an annual percentage rate of the average net assets of the each series of Funds. The management fee is calculated based on the weighted net asset value on a daily basis using Transactional NAV. The management fees charged are as follows:

Opportunistic Bond Fund - Series A	1.35%
Opportunistic Bond Fund - Series F	0.85%
Opportunistic Global Fund - Series A	2.00%
Opportunistic Global Fund - Series F	1.00%
Resource Capital Class Fund - Series A	2.00%

The management fee with respect to Series I units, where applicable, is separately negotiated with the Manager of the Funds.

All transactions with the Manager, a related company, are measured at exchange amounts and occur within the normal course of business.

Administrative Fees and Expenses

During the year, the Funds incurred administrative and accounting fees of \$128,360 (2007 - \$170,783) to KeiData Back Office Solutions Inc., a wholly owned subsidiary of frontierAlt Investment Management Corporation. The fees incurred by each Fund are as follows:

Year	frontierAlt Funds		
	Opportunistic Bond Fund	Opportunistic Global Fund	Resource Capital Class Fund
2007	\$ 97,007	\$ 61,586	\$ 12,190
2008	66,570	34,870	26,920

The transactions with KeiData Back Office Solutions Inc., related party, are measured at exchange amounts and occur within the normal course of business.

All fees and expenses applicable to the administration and operation of the Funds, including legal and audit fees, GST and withholding taxes, interest, expenses of financial and other reports, and expenses relating to regulatory compliance are the responsibility of the Funds. Brokerage commissions are also paid by the Funds.

The Manager has the discretion, from time to time, to waive or absorb expenses associated with the Funds. The amounts of the absorbed or waived expenses are reported in the statement of operations.

7. Income Taxes and Distributions

(a) Taxation of Open-Ended Mutual Fund Trusts

Each of the Trust Funds qualifies as mutual fund trusts under the Income Tax Act (Canada) and the Taxation Act (Québec). Each of these funds has a December 15 year-end for income tax purposes. The financial statements of the Trust Funds do not include a provision for income taxes because any net investment income, including capital gains, is paid regularly throughout the year to unitholders and is taxable in their hands. Income tax on capital gains not paid to unitholders is recoverable pursuant to a formula based upon redemption of units of the Fund. Any tax losses are not deductible by the unitholders but will be deductible by the Funds as permitted by the Income Tax Act (Canada) and the Taxation Act (Québec).

(b) Taxation of Open-Ended Mutual Fund Corporation

Under the Income Tax Act (Canada), the Corporation qualifies as a mutual fund corporation and computes its net income (loss) and net capital gains (losses) for income tax purposes as a single entity. The Corporation has a September 30 year-end for income tax purposes. A mutual fund corporation is subject to a special 33 1/3% tax on taxable dividends received from corporation's resident in Canada and to tax at normal corporate rates on other income and net taxable realized capital gains for the year. The special 33 1/3% tax is refundable on payments of taxable dividends to shareholders at the rate of \$1 for each \$3 of such dividends paid. All the tax on net taxable realized capital gains is refundable when the gains are distributed to shareholders as capital gains dividends or through redemption of shares at the request of shareholders.

(c) Losses Carried Forward

Net realized capital losses of the Funds may be carried forward indefinitely to reduce future net realized capital gains. Non-capital losses may be carried forward to reduce taxable income for up to seven years, with the exception of non-capital losses realized between March 22, 2004 and December 31, 2005, which may be carried forward up to ten years and non-capital losses arising in taxation years ending after 2005, which may be carried forward up to twenty years.

The losses, as at March 31, 2008 are as follows:

	Net Capital Losses	Non -Capital Losses, expiring in			
		2008	2009	2010	2027
Opportunistic Bond Fund	-	-	-	-	-
Opportunistic Global Fund	5,739,656	486,596	455,371	327,494	145,217
Resource Capital Class Fund	-	-	-	-	-

8. Brokerage Commissions

Total brokerage commissions paid in connection with securities transactions during the last two years were as follows:

	2008 \$	2007 \$
Opportunistic Bond Fund	-	-
Opportunistic Global Fund	23,929	9,287
Resource Capital Class Fund	33,376	3,347

9. Reconciliation of Net Asset Value

In accordance with the decision made by the Canadian securities regulatory authorities, a reconciliation between the Transactional NAV and the GAAP NAV of an investment fund is required as follows:

	Net Asset Value			Opening Section 3855 Adjustment	Net Asset Value per Share	
	Pricing NAV	Section 3855 Adjustment	GAAP NAV		Pricing NAV	GAAP NAV
Opportunistic Bond Fund Series A	17,752,612	-	17,752,612	-	10.27	10.27
Opportunistic Bond Fund Series F	3,910,013	-	3,910,013	-	10.05	10.05
Opportunistic Bond Fund Series I	550,422	-	550,422	-	10.03	10.03
Opportunistic Global Fund Series A	6,528,141	(440)	6,527,701	-	8.96	8.95
Opportunistic Global Fund Series F	802,674	(54)	802,620	-	9.14	9.14
Resource Capital Class Fund	3,991,240	(143,682)	3,847,558	-	10.13	9.77

10. Subsequent event

On November 27, 2007, the Limited Partners of frontierAlt Resource 2005 Flow-Through Limited Partnership (the "Partnership") approved the transfer and sale of all of the assets of the Partnership on a tax-deferred basis to Resource Capital Class Fund, in exchange for Series A shares of the Resource Capital Class Fund.

11. Financial Instruments

Financial instruments of the Funds include cash, subscriptions receivable, receivables for investments sold, dividends receivable, investments, payables for investments purchased, and accrued expenses. There are no significant differences between the carrying values of these financial instruments and their fair values. Investments are carried at their fair values as described in note 3.

Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security of its issuer or factors affecting all securities in the market. All trading instruments are recognized at fair value and all changes in market conditions directly affect net assets from operations.

Currency Risk

The assets and liabilities of both the Opportunistic Bond Fund and the Resource Capital Class Fund are predominately held in the functional currency which is the Canadian Dollar and are not exposed to significant foreign currency risks. The Opportunistic Global has investments denominated in currencies other than the Canadian Dollar, and is exposed to currency risk.

Liquidity Risk

The Funds invest in publicly traded companies which are traded in an active market. The market values of the listed investments held can be impacted by trading volumes and restrictions, and the quoted market value may not be indicative of what the Funds could realize on the immediate sale as it may take a significant amount of time to liquidate positions without causing a significant negative impact on the market price. There can be no assurance that an active trading market for the investments will exist at all times, or that the prices at which the securities trade accurately reflect their values.