

Wise Capital Management Inc.

Discretionary managers providing excess returns

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First Quarter Update 2011

Proprietary Online Reports

We are currently using a sophisticated portfolio management system from NDEX Systems as one of our tools. We are allowing clients access to these online reports by NDEX so that they can see much more detailed reporting than is available from TD Waterhouse alone. If you have multiple accounts, NDEX can conveniently organize your accounts into groups, or display in Canadian or US dollars. Some of the reports that can be generated include: capital gain/loss reports useful for planning or cross-checking purposes, account holdings reports priced as of the previous day, and performance reports (approximate for periods currently longer than one year). If interested, please contact Jonathan in the office to set you up with a password. However, please note that these reports are not prepared by Wise Capital but are from an independent service and that clients are only allowed access to the NDEX reports upon condition that no representation is made by Wise Capital as to the accuracy of the data or reports in the NDEX system. Reliance on NDEX information is entirely at the user's own risk. It may not substitute for original information required by the government, auditors, or any other authority.

Trading Study

We are pleased to attach a Memo from Abel Noser Corp.* (an independent research company) that shows the high level of results found by their staff in a comparative study of the trading performance of Wise Capital against other Canadian traders, when analyzed over a full year period (the 12 months ending January 31, 2011). While the average trade we participated in cost Canadian traders half a percent to execute (numbers are net of actual commissions), Wise Capital Management Inc. beat that average by three-quarters of one percent, in fact earning almost a third of a percent in its trading. This is an additional skill of which we are proud. Wise Capital has also outperformed the Canadian market by 3.3 percent over 10 years. We can claim three distinct skills for a big advantage over our competition: we can beat the market through stock picking, good sector allocation, and through trading execution.

Investment Staff Continuing Education

Chavdar has earned the experience to qualify with the securities commissions as a full Portfolio Manager. He can legally make trades when Sam is not available.

Jonathan is writing his final exam level III in June for his Chartered Financial Analyst designation (CFA). Good luck Jonathan!

Sam continues to explore new investment ideas and visits public companies "to kick the tires".

* Please note that Abel Noser Corp. is an independent researcher and that Wise Capital Management Inc. makes no representation or warranty as to the accuracy of data or the analysis by Abel Noser Corp.





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WISE CAPITAL MANAGEMENT Transaction Measurement Summary

March 2011

In this analysis, we measure Wise Capital Management's transaction costs for the twelve month period ending January 31st, 2011. We compare their execution cost versus entry strike to the 600 plus managers observed in the Abel Noser Universe consisting of over \$5 trillion in principal traded. In the interest of providing a more granular measurement and a dynamic perspective, we compare Wise Capital's costs to benchmarks comprised of only the Canadian trading observed in the Abel Noser Universe.

We measured implementation shortfall/gain using the Entry Strike metric. This measure determines whether representative prices were achieved relative to the price of the stock when the order crossed the trading desk.

Exhibit 1 displays Wise Capital's trading results versus the Entry Strike broken out by market capitalization, the Abel Noser Canadian Universe benchmark relative to corresponding market cap, and the percentile rank within each universe.

Exhibit 1

Market Capitalization	Principal Traded (K)	Entry Strike (BP)	Abel Noser Canadian Benchmark (BP)	% Rank within Universe
Large Cap	C\$3,622.33	42.44	(37.04)	2%
Mid Cap	C\$1,133.99	12.87	(44.81)	21%
Small Cap	C\$7,315.84	27.91	(60.25)	13%
Grand Total	C\$12,072.16	30.86	(44.81)	16%

Wise Capital consistently demonstrated exceptional trading across all market capitalizations in Exhibit 1, ranking in the 2nd, 21st, and 13th percentiles of the Abel Noser Canadian Large Cap, Mid Cap, and Small Cap Universes, respectively. On an aggregate level over the twelve month period, Wise Capital exhibited an implementation gain of +30.86 basis points comparing quite favorably to an expected cost of -44.81 basis points and ranking in the 16th percentile.