

Manager Commentary

The most notable activity in the period covered by this factsheet was the buybacks undertaken by the Fund, which saw over 12.8% of net assets returned to investors. There were some distributions received by the Fund in respect of Hedge Fund and Private Equity holdings during April and May. We continue to look for exits from the private assets held by the Fund while we also maintain a regular dialogue with the managers of the Hedge Fund holdings in order to try and coax out liquidity where possible. However, the medium to longer term nature of some of these assets makes this a slower process than we would like. Please note that due to the move to bi-monthly factsheets the performance shown below is for both April and May.

Share Buybacks

A significant landmark in the process of providing liquidity to investors was reached on 31 March with the lifting of the suspension of trading. As at 23 July when these factsheets were finalised, the fund had spent £1.431m in buying back shares. Any investor wishing to sell in the market should request their stockbroker to contact the Channel Islands Stock Exchange market maker. Details can be found at www.cisx.com.

Fund Objective

The Investment Manager will manage the Fund's portfolio with a view to realising its assets within the shortest period of time consistent with achieving a reasonable realisation price for such assets and with the intention of disposing of all such assets within 5 years. Realisations will be managed, as far as possible, with a view to ensuring regular and consistent distributions of proceeds to Shareholders.

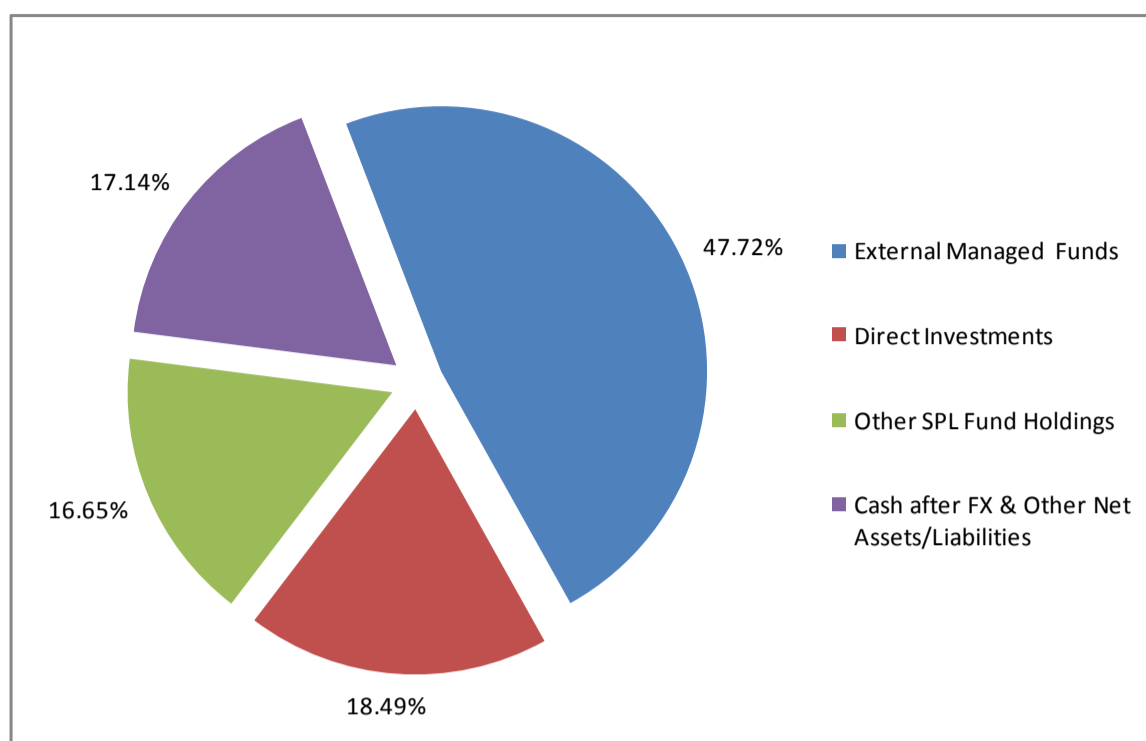
Holdings

Investment	Currency of Investment	Value as at 31 Mar 10 (in GBP)	Cash Movement	Value as at 28 May 10 (in GBP)	Contribution to Overall Change in Net Assets in the Period	Comments / Additional Information
Acheron Portfolio Corporation	USD	2,415,266	-	2,558,820	1.29%	Monthly fund revaluation based on the NAV provided by the fund's administrator.
Latin America Bioenergy Fund	USD	1,668,277	-	1,775,888	0.97%	Monthly fund revaluation based on the NAV provided by the fund's administrator. Fund now in run-off and is repaying its leverage facility before returning capital to investors which is expected during 2011-12.
The Forestry Partnership 2008 LLP	GBP	1,602,262	-	1,602,262	-	
Execution Noble - Equity	GBP	137,456	(12,556)	137,456	0.11%	Further merger pending with Banco Espirito Santo de Investment but this is still awaiting regulatory approval.
AGSSF Holdings Ltd	USD	126,600	-	127,791	0.01%	Monthly fund revaluation based on the NAV provided by the fund's administrator.
Argo Special Situations	USD	153,456	(40,332)	113,518	0.00%	Monthly fund revaluation based on the NAV provided by the fund's administrator. Redemption previously submitted but the fund remains gated making quarterly repayments through until September 2011. A small cash distribution was received in May.
cru Investment Management Loan	GBP	33,334	-	33,334	-	There has been no change on this asset during the period. We are still currently working with the liquidator to recoup as much value on this loan as possible.
cru Investment Management - Equity	GBP	-	-	-	-	
Holdings in Other SPL Funds						
Arch Private Finance IC Ltd	GBP	1,485,369	-	1,290,605	(1.75%)	Monthly fund revaluation based on the traded mid-price shown on the CISX.
SPL Fine Wine (NR2) IC Ltd	GBP	262,739	-	239,109	(0.21%)	Monthly fund revaluation based on the traded mid-price shown on the CISX. The pricing for this asset changed from being NAV based during this period, as explained in the factsheet for March.
SPL Private Finance (PF1) IC Ltd	GBP	78,429	-	66,664	(0.11%)	Monthly fund revaluation based on the traded mid-price shown on the CISX.
Other						
Cash	GBP	3,205,775	(1,398,433)	1,811,781	0.04%	Increase in the value of cash due to currency movements.
Buybacks	GBP	-	1,431,157	-	(12.85%)	Cash distributed to investors reduced the overall Net Assets of the Fund but contributed to an increase in the NAV per share due to the discount at which shares were purchased.
Other Net Liabilities	GBP	(35,418)	16,527	(168,672)	(1.35%)	
Total		11,133,545		9,588,556		

Performance Over Last 12 Months

	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10
NAV per Share	0.9459	0.9307	0.9359	0.9144	0.9025	0.9010	0.8947	0.9253	0.9417	0.9383	0.9169	0.9307
% Change	0.3%	(1.6%)	0.6%	(2.3%)	(1.3%)	(0.2%)	(0.7%)	3.4%	1.8%	(0.4%)	(2.3%)	1.5%

Investment Allocation



Additional Information

- The Fund is listed on the Channel Islands Stock Exchange (CISX) and official announcements relating to the Fund can be found on the exchange's website (www.cisx.com) under the 'CISX Market News' section.
- The financial year-end for the Fund is 31st March and the audited Report and Financial Statements can also be found on the CISX website.
- The Annual Management Charge for the Fund is at 1.5%.
- The Performance Fee for the Fund is 20% of performance above the Cumulative Hurdle Rate of three month Sterling LIBOR + 4%.
- The High Water Mark for the Fund will be reset as the higher of: i) The November end-of-month NAV, ii) The arithmetic average of the end-of-month NAV's, for the 9 data points between March and November 2009 inclusive subject to various adjustments. This will be published once it has been agreed by the board.
- The ISIN for the Fund is GG00B1LG7919.
- The Sedol for the Fund is B1LG791.
- Information relating to the Fund is also available on the SPL Funds website (www.splfunds.com).

Disclaimer

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