

## CANADA DOMINION RESOURCES 2008 LIMITED PARTNERSHIP

### **SEMI-ANNUAL REPORT**

June 30, 2009

The interim management report of fund performance contains financial highlights, but does not contain the complete interim or annual financial statements of the partnership. For your reference, the unaudited interim financial statements of the partnership are attached to the interim management report of fund performance. You may obtain additional copies of these documents or a copy of the annual financial statements at your request, and at no cost, by calling toll free 1-800-268-8186, by visiting our website at [www.canadadominion.com](http://www.canadadominion.com) or SEDAR at [www.sedar.com](http://www.sedar.com) or by writing to us at Goodman & Company, Investment Counsel Ltd., Dundee Place, 1 Adelaide Street East, 29th Floor, Toronto, Ontario, M5C 2V9.

Securityholders may also contact us using one of these methods to request a copy of the partnership's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



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## Board of Governors' Report

Goodman & Company, Investment Counsel Ltd., as manager of your fund (the "Manager"), recognizes that its business rests on a foundation of trust. For this reason, the Manager has, since 1996, provided investors with the benefit of an independent governance body (the "Board of Governors") to oversee the operations of the Dynamic family of Funds (the "Funds"), including your investment. Some of the members of the Board of Governors have been associated with the Funds since their inception in 1957.

In 2007, pursuant to new regulatory requirements, the Manager appointed an Independent Review Committee ("IRC") to review and provide recommendations or approval, as required, regarding certain conflict of interest matters referred to it by the Manager. The IRC currently consists of five members, all of whom are also members of the Board of Governors. The IRC and the Board of Governors are two distinct bodies.

The function of the Board of Governors is to represent the interests of investors in the Funds and to act in an advisory capacity to the Manager. This responsibility is expressed in the Board of Governors' mandate to:

- help protect the interests of the securityholders of the Funds;
- oversee the operations of the Funds such that they are managed in the best interests of the securityholders and in a fair and prudent manner; and
- act in an advisory role to the Manager and Trustee of the Funds.

The members of the Board of Governors are: Mr. Ronald Singer (Chairman), Mr. Alain Benedetti, Mr. Richard Crowe, Mr. Brahm Gelfand, Mr. Garth MacRae, Mr. Robert Ruggles and Mr. Frank White. Mr. Singer is a retired partner of Hyde Houghton, Chartered Accountants and has been associated with the Funds since 1957 and with the Manager since 1996. Mr. Benedetti is a retired Vice-Chairman and Canadian Area Managing Partner of Ernst & Young LLP. Mr. Crowe is retired and formerly President, Portfolio Manager and a founding partner of Senecal and Associates Investment Counsel. Mr. Gelfand is counsel at Lapointe Rosenstein, a law firm. Mr. MacRae is a director of Dundee Corporation and of DundeeWealth Inc., the parent company of the Manager. Mr. Ruggles is a retired investment counsel and portfolio manager and a founding partner of Ruggles & Crysedale Inc., which subsequently merged with Guardian Capital Group Ltd., an investment counseling firm. Mr. White is the President of Frank White Enterprises Inc. and has been associated with the Funds since 1957. A majority of the members of the Board of Governors are independent of management.

In order to carry out its mandate effectively, the Board of Governors has formed the following committees:

*The Audit Committee:* The committee reviews the semi-annual and annual reports that are sent to securityholders, provides the independent auditors of the Funds with a means to raise any unresolved issues with management and provides the auditors the vehicle to maintain their independence. The Audit Committee is comprised of Mr. Frank White (Chair), Mr. Ronald Singer, Mr. Brahm Gelfand, Mr. Garth MacRae and Mr. Alain Benedetti.

*The Fund Review Committee:* The committee is responsible for overseeing, among other things, fund performance, certain activities of the portfolio managers, soft dollar arrangements and execution costs. The Fund Review Committee is comprised of Mr. Robert Ruggles (Chair), Mr. Garth MacRae and Mr. Richard Crowe.

*The Governance Committee:* The committee deals with, among other things, succession planning, member evaluation and education, member selection and appointment, code of ethics, compliance with laws and regulations, whistleblowing mechanism and ongoing developments with securities regulations relating to the Manager and investment industry. The Governance Committee is comprised of Mr. Alain Benedetti (Chair), Mr. Richard Crowe and Mr. Frank White.

Regularly, representatives from the portfolio management team of the Manager report to the Board of Governors on the operations of the Funds to ensure that the stated mandate of each Fund is being followed. Periodically, senior management, including representatives of the Manager's Compliance Committee and its Internal Auditor, report to the Board of Governors on the controls that the Manager has in place to protect the Fund's assets, and to review and discuss:

- compliance with the Manager's Code of Ethics;
  - internal controls over financial reporting;
  - the accuracy of daily net asset value calculations; and
  - compliance with regulatory requirements.
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## Board of Governors' Report (cont'd)

The position, Director, Internal Audit, provides reports to the Audit Committee of the Board of Governors on the operations of the Manager that affect the Funds. In addition, the Manager formed a committee called the Oversight Committee for Sub-Advisors and Portfolio Solutions which is responsible for monitoring and evaluating sub-advisors. The Oversight Committee periodically reports to the Board of Governors.

The purpose and function of the Board of Governors continues to evolve over time in response to changing market conditions and investment fund regulations and legislation.

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# Canada Dominion Resources 2008 Limited Partnership

## Management Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Goodman & Company, Investment Counsel Ltd. (the "Manager") in its capacity as Manager of the Limited Partnership. The Manager is responsible for the information and representations contained in these financial statements and other sections of the Annual Report.

The Manager maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include certain amounts that are based on estimates and judgements made by the Manager. The significant accounting policies which the Manager believes are appropriate for the Limited Partnership are described in Note 2 to the financial statements.

The Board of Directors of the Manager has delegated responsibility for oversight of the financial reporting process to the Audit Committee. The Audit Committee is responsible for reviewing the financial statements and the Annual Report and recommending them to the Board of Directors for approval, in addition to meeting with management, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues. The Board of Directors of the Manager is responsible for reviewing and approving the financial statements and the Annual Report on recommendation of the Audit Committee. Additionally, the Board of Directors of the General Partner also reviews and approves the financial statements.

PricewaterhouseCoopers LLP, are the external auditors of the Limited Partnership, appointed by limited partners. The auditors of the Limited Partnership have not reviewed these financial statements. Applicable securities laws require that if an auditor of has not reviewed the Limited Partnership's financial statements, this must be disclosed in an accompanying notice.



DAVID GOODMAN  
President and Chief Executive Officer  
Goodman & Company, Investment Counsel Ltd.



JOHN PEREIRA  
Executive Vice President and Chief Financial Officer  
Goodman & Company, Investment Counsel Ltd.

August 10, 2009

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# Canada Dominion Resources 2008 Limited Partnership

## Management Report of Fund Performance

### Results of Operations<sup>(1)</sup>

For the six-month period ended June 30, 2009, the units of Canada Dominion Resources 2008 Limited Partnership (the “Partnership”) generated a total return of 27.7%. These returns do not include the tax deductions and credits passed on to limited partners via the purchase of flow-through shares from resource companies. The Partnership’s return is reported net of all fees and expenses, unlike the return of the benchmark, which is based on the performance of indices that do not pay fees or incur expenses.

The Partnership’s broad-based benchmark, the S&P/TSX Composite Index, returned 17.6% during the same period. This is a broad economic sector index comprising approximately 95% of the market capitalization for Canadian-based, Toronto Stock Exchange listed companies. We have included a comparison to this broad-based index to help you understand the Partnership’s performance relative to the general performance of the market, but caution that the Partnership’s mandate is significantly different from the index shown.

After sustaining one of the most difficult periods for equity and commodity markets in 2008, many of the Partnership’s holdings experienced a significant recovery during the reporting period. Following a somewhat muted start to 2009, signs that the rate of decline in economic activity might be easing helped bring a rise in investor confidence with Canadian stock prices rising through the latter part of the period.

Higher prices for commodities in the base, precious metals and oil sectors resulted in a strong rebound in resource share prices during the period as encouraging news relating to industrial production from China helped mitigate declines in the demand for raw materials. With commodity prices stabilizing and preliminary signs of an economic bottoming beginning to emerge, capital markets began to discount what was believed could be an end to the economic recession by the third quarter of 2009. While the worst of the credit crisis was believed to be over with the implementation of record-setting fiscal and monetary stimulus programs in the US and abroad, equity markets remained volatile as a measure of deleveraging continued in financial markets and investors digested news of rising unemployment and the hardships borne by the automotive and other sectors.

Against this mixed backdrop, capital markets in the resource sector managed to reach what appeared to be a turning point. With commodity prices bottoming and credit flows inside and outside the resource sector slowly improving, investor interest in resource companies improved dramatically during the period. While access to capital all but disappeared over the course of last year’s credit crisis, a number of resource companies managed to gain access to equity financing during the period. One such example was Osisko Mining, a holding which saw its share price move higher as the company was able to raise \$400 million during the first quarter.

Most of the junior exploration and production companies that bottomed during the latter part of 2008 experienced a significant rebound in the second quarter as prices for base metals such as copper, nickel and zinc rose by 50%, 34% and 23%, respectively. While the majority of the rise in prices comes as a result of stockpiling activities in China, purchasing managers indices (or “PMI”, which is an economic indicator used to measure manufacturing strength) for some of the main developed nations have been rising after the collapse experienced in 2008. Though still contracting, the rate of decline in manufacturing outside of China show signs of improving, leaving investors more confident as to the prospects for future demand for energy and metals going forward.

The environment surrounding energy producers remained mixed as a growing disconnect between the price of oil and natural gas provided greater support for mid-to-large producers – with production profiles geared more towards crude – as compared to their junior counterparts. While oil prices rose by as much as 68% during the period, natural gas prices declined 35%, with the spot price for the Henry Hub finishing at just under US\$3.50/MMBtu. With the median junior producer weighted 70% to 75% towards gas production – where the majority of the Partnership’s investments are made – the environment proved a challenging one for the energy component of the portfolio with prices for natural gas trading at or below ten-year lows for the period.

The Partnership’s net assets increased by 32% to \$51.6 million at June 30, 2009, from \$39.1 million at December 31, 2008. The increase is attributed to investment performance (including dividend and interest income) of \$12.5 million. Expenses vary year over year

(1) All reference(s) to net assets or net asset value in this section refer(s) to Net Asset Value (Transactional NAV), which may differ from Net Assets (GAAP Net Assets) for certain funds.

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# Canada Dominion Resources 2008 Limited Partnership

mainly as a result of changes in average net assets, and as a result expenses decreased for the period. In addition, income decreased due to lower short-term investments held in the portfolio during the period.

## Borrowing

The Partnership established credit facilities with a Canadian Chartered Bank (the “Bank”) up to an amount not exceeding 10% of the gross proceeds raised at inception. The loan proceeds were used for the payment of issuance costs and the Partnership provided the Bank with a security interest in all of the assets of the Partnership. The average interest rate on the outstanding balances during the period was 1.7% (Dec. 2008 – 3.2%). As at June 30, 2009, the loan outstanding included banker’s acceptance with a face value of \$4,442,000 (Dec. 2008 – \$4,422,000), representing 8.9% (Dec. 2008 – 11.7%) of net assets. The maximum and minimum amounts borrowed during the six-month period ended June 30, 2009 were \$4,442,000 (Dec. 2008 – \$6,722,000) and \$4,422,000 (Dec. 2008 – \$4,422,000) respectively.

## Recent Developments

### *National Instrument 81-106 Amendments*

On September 8, 2008, the Canadian Securities Administrators adopted amendments to National Instrument 81-106 – *Investment Fund Continuous Disclosure* (“NI 81-106”) which require all investment funds to calculate net asset value for all purposes other than financial statements in accordance with part 14.2 of NI 81-106. These changes allow the Partnership to report two distinct net asset values: one for the financial statements, which is calculated in accordance with Canadian GAAP called “GAAP Net Assets” (or “net assets”), and another which is calculated in accordance with NI 81-106 called “Transactional NAV” (or “net asset value”), for all other purposes such as purchases and redemptions. As a result, the GAAP Net Assets for financial reporting purposes may differ from the Transactional NAV. Where applicable, a reconciliation between the Transactional NAV and the GAAP Net Assets is provided following the Financial Highlights and in the Notes to the Financial Statements.

### *Changeover to International Financial Reporting Standards*

The Canadian Accounting Standards Board has confirmed that effective January 1, 2011, International Financial Reporting Standards (“IFRS”) will replace Canadian GAAP for publicly accountable enterprises, which includes investment funds. IFRS will apply to fiscal years beginning on or after January 1, 2011 and will be applicable to the

Partnership for the fiscal years ending December 31, 2011 and beyond.

As of June 30, 2009, the Manager has commenced the process of developing a changeover plan to meet the timetable published by the CICA for changeover to IFRS. The key elements of the plan include disclosures of the qualitative impact in the December 31, 2009 and 2010 financial statements, disclosures of the quantitative impact, if any, in the December 31, 2010 financial statements and the preparation of the June 30, 2011 interim and December 31, 2011 year-end financial statements in accordance with IFRS.

Based on the Manager’s current evaluation of the differences between Canadian GAAP and IFRS, the Manager does not expect that net assets or net asset value will be impacted by the changeover to IFRS. Currently, the Manager expects that the impact of IFRS on the Partnership’s financial statements will be additional disclosures and potentially different presentation of certain items.

### *Amendments to Section 3862 Financial Instruments – Disclosures*

On March 5, 2009, the Accounting Standards Board (AcSB) issued *Amendments to Section 3862 Financial Instruments – Disclosures*. The amendments expand the disclosures required in respect of fair value measurements recognized in the financial statements. For the purpose of these expanded disclosures, a three-level hierarchy has been introduced as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data. Additional quantitative disclosures are required for Level 3 securities.

The amendments are applicable for fiscal years ending after September 30, 2009. These changes have no impact on the Partnership’s results of operations or financial position.

## **Related Party Transactions**

The following arrangements listed below are considered related party transactions:

### ***Commissions and Related Brokerage Commissions***

Brokerage commissions were paid on securities transactions during the period of approximately \$24,000 (2008 – nil).

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## Canada Dominion Resources 2008 Limited Partnership

Of this amount, Dundee Securities Corporation, an indirect subsidiary of Dundee Wealth Inc., the parent of the Manager, received approximately \$2,000 (2008 – nil).

### **Management Fee and Administration Services**

The Partnership pays the Manager, Goodman & Company, Investment Counsel Ltd., a management fee for the continuous advice, recommendations and services provided to the Partnership. The Manager is also responsible for the Partnership's day-to-day operations.

In consideration for portfolio advisory services received from the Manager, Goodman & Company, Investment Counsel Ltd., the Partnership incurred a management fee of \$0.5 million (2008 – \$0.6 million).

In addition, the Partnership is responsible for its administrative and operating expenses relating to its operation and the carrying on of its business, including legal, audit fees, interest and administrative costs as well as the cost of financial and other reports and compliance with all applicable laws, regulations and policies. The Manager pays for such expenses on behalf of the Partnership and is then reimbursed by the Partnership.

### **Inter-Fund Trades**

The Partnership, from time to time, entered into security trades with other funds managed by the Manager. These trades were executed through market intermediaries and under prevailing market terms and conditions.

### **Performance Fee**

The Manager is entitled to a performance fee to be paid by the Partnership equal to 20% of the amount by which the Net Asset Value per Unit exceeds \$28.00 on the performance fee date. The performance fee is calculated on a per unit basis and multiplied by the number of units existing at the performance fee date. The performance fee date is on the earlier of the date on which the Partnership assets are transferred to DMP Resource Class of Dynamic Managed Portfolios Ltd. and the day immediately prior to the date of dissolution or termination of the Partnership. The performance fee will be calculated on the performance

fee date and paid as soon as practicable thereafter. As at June 30, 2009, performance fee accrued was nil (Dec. 2008 – nil).

### **Standing Instructions from the Independent Review Committee**

The Partnership received the following standing instructions from the Independent Review Committee ("IRC") with respect to Related Party Transactions:

- (a) purchases or sales of securities of an issuer from or to another partnership managed by the Manager (referred to as "Inter-Fund Trades")
- (b) paying brokerage commissions to Dundee Securities Corporation for effecting security transactions on an agency and principal basis on behalf of the Partnership (referred to as "Related Brokerage Commissions")
- (c) executing foreign exchange transactions with Dundee Securities Corporation on behalf of the Partnership.

The applicable standing instructions require that the Manager establish policies and procedures that it will follow with respect to Related Party Transaction. The Manager is required to advise the IRC of any material breach of a condition of the standing instruction. The standing instructions requires, among other things, that the investment decision in respect to a Related Party Transaction (a) is made by the Manager free from any influence by an entity related to the Manager and without taking into account any consideration to any associate or affiliate of the Manager; (b) represents the business judgment of the Manager uninfluenced by considerations other than the best interests of the investment fund, and (c) is made in compliance with the Manager's written policies and procedures. Transactions made by the Manager under the standing instructions are subsequently reviewed by the IRC to monitor compliance.

The Partnership relied on IRC standing instructions regarding related party transactions during this reporting period.

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# Canada Dominion Resources 2008 Limited Partnership

## Financial Highlights

The following tables show selected key financial information about the Partnership and are intended to help you understand the Partnership's financial performance for the fiscal periods indicated. The information on the following tables is based on prescribed regulations and as a result, are not expected to add down due to the increase (decrease) in net assets from operations being based on average units outstanding during the period and all other numbers being based on actual units outstanding at the relevant point in time.

### *The Partnership's Net Assets per Unit<sup>(1)</sup>*

	Data per Unit (commencement of operations February 5, 2008)	
	June 30, 2009	December 31, 2008
<b>Initial offering price</b>	<b>\$-</b>	<b>\$25.00</b>
Issue costs	-	(1.69)
<b>Net Assets, beginning of period<sup>(1)(2)</sup></b>	<b>\$11.16</b>	<b>\$23.31</b>
<b>Increase (decrease) in net assets from operations:</b>		
Total revenue	\$0.01	\$0.39
Total expenses	(0.27)	(0.61)
Realized gain (loss) for the period	(0.96)	0.76
Unrealized gain (loss) for the period	4.77	(13.04)
<b>Total increase (decrease) in net assets from operations<sup>(2)</sup></b>	<b>\$3.55</b>	<b>(\$12.50)</b>
<b>Distributions to unitholders:</b>		
From income (excluding dividends)	\$-	\$-
From dividends	-	-
From net realized gain on investments	-	-
From return of capital	-	-
<b>Total annual distributions<sup>(2)</sup></b>	<b>\$-</b>	<b>\$-</b>
<b>Net assets, end of period<sup>(1)(2)</sup></b>	<b>\$14.71</b>	<b>\$11.16</b>

### *Ratios and Supplemental Data<sup>(6)\*\*</sup>*

Total net asset value (in 000s)	\$51,567	\$39,054
Number of units outstanding	3,393,549	3,393,549
Management fee	2.00%	2.00%
Management expense ratio ("MER") <sup>(3)</sup>	4.01%*	13.01%*
MER before waivers or absorptions <sup>(3)</sup>	4.01%*	13.01%*
Trading expense ratio <sup>(4)</sup>	0.11%*	0.00%*
Portfolio turnover rate <sup>(5)</sup>	10.00%	25.74%
Net asset value per unit	\$15.20	\$11.51

\* Annualized

\*\* Footnotes for the tables are found at the end of the Financial Highlights section.

## Canada Dominion Resources 2008 Limited Partnership

- (1) This information is derived from the Partnership's financial statements. The net assets per unit presented in the financial statements may differ from the net asset value calculated for pricing purposes. An explanation of these differences can be found in the notes to the financial statements. Some of the nil balances reported in the Financial Highlights may include amounts rounded to zero.
- (2) Net assets per unit and distributions per unit are based on the actual number of units outstanding at the relevant time. The increase (decrease) in net assets from operations per unit is based on the weighted average number of units outstanding over the fiscal period.
- (3) Management expense ratio ("MER") is based on the total expenses (excluding commissions and other portfolio transaction costs) of the Partnership for the stated period expressed as an annualized percentage of daily average net asset value during the period. The MER reported from January 1, 2009 to June 30, 2009 is a six-month annualized MER, which is calculated in accordance with regulatory requirements. This ratio is subject to change due to fluctuations in the average net asset value, and in the expenses charged to the Partnership over the remainder of the fiscal year, and may differ significantly from the final MER for the year ending December 31, 2009. The annualized MER for 2008 (the year of inception) includes expenses of the offering of \$447,000 and agents' fees of approximately \$5.727 million which are treated as one time expenses and therefore are not annualized. Had we annualized these expenses, the annualized MER would have been 14.02%. The annualized MER before waivers and absorptions would have been 14.02%. The annualized MER excluding expenses of the offering and agents' fees is 2.76%. For the period ended June 30, 2009, the MER excluding performance fees is 4.01% (2008 – 3.35%, excluding offering expenses and agents fees).
- (4) The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value of the Fund during the period.
- (5) The Partnership's portfolio turnover rate indicates how actively the Partnership's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Partnership buying and selling all of the securities in its portfolio once in the course of the fiscal period. The higher a Partnership's portfolio turnover rate in a period, the greater the trading costs payable by the Partnership in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Partnership. Portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the period, excluding any portfolio re-balancing transactions following a merger and cash and short-term investments maturing in less than one year, by the average market value of investments during the period.
- (6) This information is presented based on the Net Asset Value (Transactional NAV). Please see below for a reconciliation between the Net Asset Value (Transactional NAV) and Net Assets (GAAP Net Assets).

	<b>Total</b> (In \$000's)	<b>Per Unit \$</b>
Net Asset Value (Transactional NAV)	51,567	15.20
Application of Section 3855 adjustment	(1,646)	(0.49)
Net Assets (GAAP Net Assets)	49,921	14.71

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# Canada Dominion Resources 2008 Limited Partnership

## Management Fee

The management fee is an annualized management fee based on the net asset value of the Partnership and is accrued daily and paid monthly in arrears as a percentage of the month-end net asset value. Of the management fee accrued to the Manager, 100% is attributed to the portfolio advisory services.

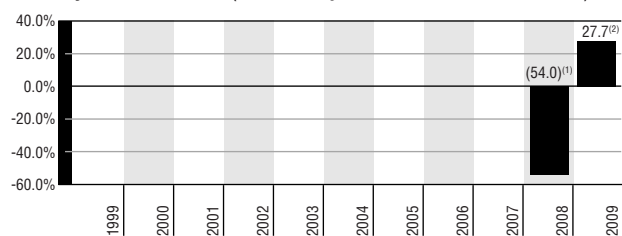
## Past Performance

The following shows the past performance of the Partnership and will not necessarily indicate how the Partnership will perform in the future. In addition, the information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns or performance.

### Year-by-Year Returns

The following chart shows the annual performance of the Partnership for each year shown and illustrates how the Partnership's performance has varied from year to year. The chart shows, in percentage terms, how much an investment held on the first day of each financial year would have increased or decreased by the last day of each financial year for units of the Partnership.

#### Year-by-Year Returns (for fiscal years ended December 31)



<sup>(1)</sup> Since inception to the fiscal year end.

<sup>(2)</sup> Six month return from January 1, 2009 to June 30, 2009

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# Canada Dominion Resources 2008 Limited Partnership

## SUMMARY OF INVESTMENT PORTFOLIO

As at June 30, 2009

The Summary of Investment Portfolio may change due to ongoing portfolio transactions. Updates of the Summary of Investment Portfolio are made available quarterly on our website at [www.canadadominion.com](http://www.canadadominion.com), 60 days after quarter end except for December 31, which is the fiscal year end, when they are available after 90 days.

BY COUNTRY/REGION <sup>(1)</sup>	Percentage of Total Net Asset Value <sup>†</sup>	BY ASSET TYPE <sup>(1)</sup>	Percentage of Total Net Asset Value <sup>†</sup>
Canada	100.8	Equities	104.6
United States	5.1	Cash and Cash Equivalents (Bank Overdraft)	3.4
Cash and Cash Equivalents (Bank Overdraft)	3.4	Bonds and Debentures	1.2

BY INDUSTRY <sup>(1)(2)</sup>	Percentage of Total Net Asset Value <sup>†</sup>	TOP 25 HOLDINGS	Percentage of Total Net Asset Value <sup>†</sup>
Energy	42.3	HFG Holdings Inc.	10.8
Gold and Precious Metals	24.6	Baffinland Iron Mines Corporation	7.7
Other Materials	20.7	Potash One Inc.	5.3
Diversified Metals and Mining	13.8	Oilsands Quest Inc., Restricted	5.1
Cash and Cash Equivalents (Bank Overdraft)	3.4	San Gold Corporation	4.8
Energy (Other) <sup>*</sup>	3.2	Agnico-Eagle Mines Limited	4.6
		Osisko Mining Corporation	4.1
		Serrano Energy Ltd.	3.8
		Peregrine Diamonds Ltd.	3.7
		Cash and Cash Equivalents (Bank Overdraft)	3.4
		DeeThree Exploration Ltd., Restricted	2.9
		Ceres Capital Corp.	2.9
		Canadian Superior Energy Inc.	2.3
		Sabina Silver Corporation	1.9
		Pacific Rubiales Energy Corp.	1.9
		Black Mountain Energy Corporation	1.9
		Petro Andina Resources Inc., Class "A"	1.7
		Birchcliff Energy Ltd.	1.5
		Queenston Mining Inc.	1.4
		IAMGOLD Corporation	1.3
		Premier Gold Mines Limited	1.3
		Excelsior Energy Limited	1.3
		Strateco Resources Inc.	1.3
		Nexstar Energy Ltd., 8.00% Nov. 21 10	1.2
		Fairborne Energy Ltd.	1.2

(1) Excludes Other Net Assets (Liabilities) and Derivatives.

(2) Excludes Bonds and Debentures and Preferred Equities.

† This refers to transactional Net Asset Value; therefore weightings presented in the Statement of Investments will differ from the ones disclosed above

\* The "Energy (Other)" component of the portfolio consists of companies whose primary focus is on the exploration, development and production of alternative energy sources (outside of oil and natural gas), including uranium, wind generation and geothermal energy.

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# Canada Dominion Resources 2008 Limited Partnership

## Caution regarding forward-looking statements

Certain portions of this report, including, but not limited to, “Recent Developments”, may contain forward-looking statements about the Partnership, including its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” and similar forward-looking expressions or negative versions thereof.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Partnership action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future general economic, political and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, and the general business environment, in each case assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among other things, risks and uncertainties, some of which may be unforeseeable. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance, and actual events could differ materially from those expressed or implied in any forward-looking statements made by the Partnership. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government relations, unexpected judicial or regulatory proceedings and catastrophic events. We stress that the above mentioned list of important factors is not exhaustive.

We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing any undue reliance on forward-looking statements. Further, you should be aware of the fact that the Partnership has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Partnership Performance.

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# Canada Dominion Resources 2008 Limited Partnership

## STATEMENT OF INVESTMENTS (unaudited)

As at June 30, 2009

	Par Value (000s)/ Number of Shares/Units	Average Cost (000s)	Fair Value (000s)
<b>BONDS AND DEBENTURES (1.0%)</b>			
<b>Canadian Bonds and Debentures (1.0%)</b>			
<b>Corporate (1.0%)</b>			
Nexstar Energy Ltd., 8.00% Nov. 21 10	470,000	\$461	\$517
<b>EQUITIES (105.0%)</b>			
<b>Diversified Metals and Mining (14.0%)</b>			
Adriana Resources Inc., Class "A"	408,900	348	119
Advanced Explorations Inc.	157,900	174	27
Baffinland Iron Mines Corporation	9,290,000	1,951	3,902
Canada Zinc Metals Corp.	574,038	517	164
Canadian Arrow Mines Limited	1,433,000	502	93
Capstone Mining Corp.	207,808	796	534
Cogitore Resources Inc.	746,000	90	75
Comaplex Minerals Corp.	72,900	477	307
Consolidated Thompson Iron Mines Limited	150,000	390	483
Copper Fox Metals Inc.	1,565,041	703	133
Crosshair Exploration and Mining Corp.	461,300	646	101
Crowflight Minerals Inc.	756,500	567	151
First Point Minerals Corp.	617,500	68	52
Halo Resources Ltd.	1,489,266	372	74
International Nickel Ventures Corporation	218,650	273	73
Largo Resources Ltd.	237,023	130	20
Largo Resources Ltd., Warrants, Mar. 06 10*	118,511	–	–
Malbex Resources Inc., Restricted*	857,800	86	86
North American Tungsten Corporation Ltd.	74,200	89	9
Puget Ventures Inc.	176,200	88	64
Rockcliff Resources Inc.	589,000	353	62
Rockgate Capital Corp.	208,245	156	94
Rockgate Capital Corp., Warrants, Mar. 27 10*	104,122	–	11
Selkirk Metals Corp.	601,000	72	60
Selwyn Resources Ltd.	979,100	176	108
Starfield Resources Inc.	351,600	352	60
Strongbow Exploration Inc.	440,743	176	40
Tri Origin Exploration Ltd.	519,200	182	88
		<b>9,734</b>	<b>6,990</b>
<b>Energy (42.7%)</b>			
Altima Resources Ltd.	2,704,487	487	203
Altima Resources Ltd., Warrants, Jul. 30 10*	1,396,943	–	–
Ammonite Energy Ltd.	1,626,504	1,386	472
Angle Energy Inc.	88,700	470	378
Anterra Energy Inc., Class "A"	919,800	276	78
Arsenal Energy Inc.	340,100	245	94
Birchcliff Energy Ltd.	125,900	1,240	758
Black Mountain Energy Corporation*	1,109,300	1,387	954
Blaze Energy Ltd., Restricted*	591,713	1,391	609
Canadian Superior Energy Inc.	1,507,600	2,337	1,161
Ceres Capital Corp.	7,045,200	939	1,444
Cobalt Energy Ltd., Class "A"	262,800	92	66
Crocotta Energy Inc.	58,800	132	65
DeeThree Exploration Ltd., Restricted	577,900	1,387	1,242
Exall Energy Corporation	1,344,100	470	504
Excelsior Energy Limited	4,582,400	1,558	642
Exshaw Oil Corp., Restricted*	203,700	672	143
Fairborne Energy Ltd.	166,200	2,053	610
Forent Energy Inc.	2,435,156	1,375	365
Forent Energy Inc., Warrants, Dec. 18 09*	243,515	–	27

The accompanying notes are an integral part of these financial statements.

# Canada Dominion Resources 2008 Limited Partnership

## STATEMENT OF INVESTMENTS (cont'd) (unaudited)

As at June 30, 2009

	Par Value (000s)/ Number of Shares/Units	Average Cost (000s)	Fair Value (000s)
<b>EQUITIES (105.0%) (cont'd)</b>			
<b>Energy (42.7%) (cont'd)</b>			
Glamis Resources Ltd., Class "A"	1,120,600	\$1,317	\$471
Great Plains Exploration Inc.	1,762,500	705	370
Huron Energy Corporation, Class "A" Restricted*	101,100	404	215
Ironhorse Oil & Gas Inc.	444,300	924	382
North Peace Energy Corp.	243,100	401	182
Northrock Resources Inc.	69,415	7	5
Northrock Resources Inc., Warrants, Sep. 30 10	69,415	–	–
Oilsands Quest Inc., Restricted	2,363,100	8,684	2,637
One Exploration Inc., Class "A"	552,500	376	97
Open Range Energy Corp.	385,600	1,928	540
Pacific Rubiales Energy Corp.	100,000	652	950
Petro Andina Resources Inc., Class "A"	100,000	630	900
PetroWorth Resources Inc.	275,000	440	50
Progress Energy Resources Corp.	55,700	561	562
Redcliffe Exploration Inc., Class "A"	1,274,500	637	280
Result Energy Inc.	2,352,000	470	235
Ryland Oil Corporation	3,081,500	1,387	339
Seaview Energy Inc., Class "A"	486,700	1,046	584
Serrano Energy Ltd.*	462,549	2,313	1,966
Spry Energy Ltd.*	50,700	319	135
Twin Butte Energy Ltd.	443,600	599	390
Unbridled Energy Corporation	473,400	156	31
Wild River Resources Ltd., Restricted*	188,400	914	198
		<b>42,767</b>	<b>21,334</b>
<b>Energy (Other) (3.4%)</b>			
CanAlaska Uranium Ltd.	1,551,086	527	256
CanAlaska Uranium Ltd., Warrants, May 12 10*	775,543	–	21
Kivalliq Energy Corporation	528,400	211	143
Kivalliq Energy Corporation, Warrants, Jun. 09 10*	528,400	–	73
Pitchstone Exploration Ltd.	338,300	203	145
Strateco Resources Inc.	714,600	1,393	657
Triton Energy Corp.	1,880,000	705	357
Ur-Energy Inc.	50,300	138	45
		<b>3,177</b>	<b>1,697</b>
<b>Gold and Precious Metals (25.4%)</b>			
Agnico-Eagle Mines Limited	39,000	2,730	2,390
Alexco Resource Corp.	111,700	223	248
BCGold Corp.	575,100	115	37
Bison Gold Resources Inc.	195,666	88	10
Bravo Venture Group Inc.	523,500	183	202
Canadian Gold Hunter Corp.	53,000	122	19
Clifton Star Resources Inc.	65,355	137	170
Clifton Star Resources Inc., Warrants, Apr. 02 10*	65,355	–	54
Commander Resources Ltd.	923,250	222	83
Duncastle Gold Corp.	457,565	156	50
Duncastle Gold Corp., Warrants, Sep. 28 09*	228,783	5	7
Garson Gold Corp.	1,163,396	175	52
IAMGOLD Corporation	57,750	528	680
Merc International Minerals Inc.	425,250	170	151
Merc International Minerals Inc., Warrants, Nov. 05 10*	212,625	–	1
Metanor Resources Inc.	629,000	629	274
Newstrike Resources Ltd.	262,200	157	60
Osisko Mining Corporation	326,700	1,372	2,137
Pacific North West Capital Corp.	275,600	138	26
Pinnacle Mines Ltd.	120,261	10	8
Premier Gold Mines Limited	257,300	463	661

The accompanying notes are an integral part of these financial statements.

# Canada Dominion Resources 2008 Limited Partnership

## STATEMENT OF INVESTMENTS (cont'd) (unaudited)

As at June 30, 2009

	Par Value (000s)/ Number of Shares/Units	Average Cost (000s)	Fair Value (000s)
<b>EQUITIES (105.0%) (cont'd)</b>			
<b>Gold and Precious Metals (25.4%) (cont'd)</b>			
Queenston Mining Inc.	164,600	\$658	\$732
Rubicon Minerals Corporation	54,900	74	189
Sabina Silver Corporation	1,063,500	691	1,000
San Gold Corporation	1,080,000	1,620	2,462
Skygold Ventures Ltd.	550,000	330	102
Tawsho Mining Inc.	302,300	348	24
Tenajon Resources Corp.	565,300	301	51
Underworld Resources Inc.	311,000	171	491
Valterra Resource Corporation	2,000,000	500	160
White Pine Resources Inc.	52,773	316	15
White Pine Resources Inc., Warrants, Apr. 24 10*	263,866	1	3
Yukon-Nevada Gold Corp.	835,000	1,670	113
		<b>14,303</b>	<b>12,662</b>
<b>Other Materials (19.5%)</b>			
Diamonds North Resources Ltd.	261,800	314	39
Encanto Potash Corp., Restricted*	1,149,800	345	287
HFG Holdings Inc.	18,642,600	4,661	4,661
Peregrine Diamonds Ltd.	2,525,027	1,210	1,894
Peregrine Diamonds Ltd., Warrants, Feb. 19 11*	157,814	16	29
Potash One Inc.	887,000	1,109	2,714
Sanatana Diamonds Inc.	638,700	990	51
Stornoway Diamond Corporation	572,000	86	66
Vaaldiam Resources Ltd.	270,000	134	12
		<b>8,865</b>	<b>9,753</b>
<b>AVERAGE COST AND FAIR VALUE OF INVESTMENTS (106.0%)</b>		<b>79,307</b>	<b>52,953</b>
<b>TRANSACTION COSTS (0.0%) (Note 2)</b>		<b>(6)</b>	<b>-</b>
<b>TOTAL AVERAGE COST AND FAIR VALUE OF INVESTMENTS (106.0%)</b>		<b>79,301</b>	<b>52,953</b>
<b>BANK LOAN (-8.9%) (Note 3)</b>			
Bank Loan		<b>(4,442)</b>	<b>(4,442)</b>
<b>CASH AND CASH EQUIVALENTS (3.5%)</b>			
Canadian		1,759	1,759
Foreign		-	-
		<b>1,759</b>	<b>1,759</b>
<b>OTHER NET ASSETS (LIABILITIES) (-0.6%)</b>		<b>(349)</b>	<b>(349)</b>
<b>NET ASSETS (100.0%)</b>		<b>\$76,269</b>	<b>\$49,921</b>

Average cost or fair values of some securities may include non-zero amounts that are rounded to zero.

\*These securities have no quoted market values and are valued using valuation techniques.

## SUMMARY OF INVESTMENT PORTFOLIO (unaudited)

As at December 31, 2008

BY INDUSTRY <sup>(1)(2)</sup>	Percentage of Total Net Assets	BY ASSET TYPE <sup>(2)</sup>	Percentage of Total Net Assets
Energy	57.2	Equities	109.4
Gold and Precious Metals	23.8	Cash and Cash Equivalents (Bank Overdraft)	4.7
Other	16.5	Bonds and Debentures	1.2
Diversified Metals and Mining	8.7		
Cash and Cash Equivalents (Bank Overdraft)	4.7		
Energy (Other)	3.3		

(1) Excludes Bonds and Debentures and Preferred Equities.

(2) Excludes Other Net Assets (Liabilities) and Derivatives.

The accompanying notes are an integral part of these financial statements.

# Canada Dominion Resources 2008 Limited Partnership

## DISCUSSION ON FINANCIAL RISK MANAGEMENT (unaudited)

As at June 30, 2009

### A. Risk management

Canada Dominion Resources 2008 Limited Partnership's (the "Partnership") investment objective is to provide Limited Partners with a tax-assisted investment in a diversified portfolio of equity securities of Resource Companies with a view to earning income and achieving capital appreciation for Limited Partners.

The investment activities of the Partnership expose it to a variety of financial risks (for a general discussion of these risks see Note 8). The Statement of Investments presents the securities held by the Partnership and groups the securities by asset type and/or market segment. The Manager seeks to minimize potential adverse effects of these risks on the Partnership's performance by employing and overseeing professional and experienced portfolio advisors that regularly monitor the Partnership's optimal asset mix and market events, as well as diversify the investment portfolio within the constraints of the investment objective.

To assist in managing risks, the Manager has established and maintains a governance structure that oversees the Partnership's investment activities and monitors compliance with the Partnership's stated investment objectives and guidelines. Significant risks that are relevant to the Partnership are discussed below.

### B. Credit risk

As at June 30, 2009, other than short-term investments, the Partnership had no significant exposure to debt instruments and/or derivatives. All investment transactions are executed by brokers with an approved credit rating. As such, the risk of default on investment transactions with counterparties and brokers is considered minimal. In instances where the credit rating were to fall below the approved rating, the Manager would take appropriate action.

### C. Interest rate risk

The following table summarizes the Partnership's exposure to interest rate risks as at June 30, 2009 and December 31, 2008.

<b>Assets (liabilities) categorized by Maturity dates*</b>	<b>June 2009 Fair Value (in \$000s)</b>	<b>December 2008 Fair Value (in \$000s)</b>
3 months or less	\$-	\$-
over 3 months to 1 year	(4,442)	-
over 1 year to 5 years	-	(4,422)
over 5 years	-	-
<b>Total</b>	<b>\$(4,442)</b>	<b>\$(4,422)</b>

\*Excludes cash and cash equivalents

If prevailing interest rates raised or lowered by 1%, with all others variables held constant, net assets would have decreased or increased, respectively, by approximately \$ 44,000 (Dec. 2008 - \$44,000). In practice, actual results will differ from this sensitivity analysis as the components of the Partnership's portfolio are not identical to the components of the market and the difference could be material.

### D. Other price risk

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Since all financial instruments held by the Partnership are exposed to market risk and present a risk of loss of capital, the Partnership's price risk is driven primarily by volatility in investment prices. If prices of the Partnership's investments had increased by 5%, with all other factors remaining constant, net assets may have increased by approximately \$2,648,000 (Dec. 2008 - \$2,116,000), conversely, had such investment prices decreased, net assets may have decreased by a corresponding amount. In practice, actual results will differ from this sensitivity analysis and the difference could be material.

As at June 30, 2009 and December 31, 2008, the Partnership had no foreign currency exposure.

# Canada Dominion Resources 2008 Limited Partnership

## STATEMENTS OF NET ASSETS (unaudited)

As at

(in 000s of Canadian dollars except number of units and per unit amounts)	June 30, 2009	December 31, 2008
<b>Assets</b>		
Investments, at fair value*	\$52,953	\$42,140
Cash and cash equivalents	1,759	1,885
Receivable for investment securities sold	24	–
Accrued interest, dividends and other (Note 3)	12	35
	54,748	44,060
<b>Liabilities</b>		
Loan payable (Note 3)	4,442	4,422
Payable for investment securities purchased	–	–
Management fee payable	90	1,222
Issuance costs payable	–	16
Performance fee payable	–	–
Accrued expenses	295	535
	4,827	6,195
<b>Net assets – representing partners' equity (Note 5)</b>	<b>\$49,921</b>	<b>\$37,865</b>
Partners' capital	\$78,647	\$78,665
Retained earnings (deficit) (Note 5)	(28,726)	(40,800)
	<b>\$49,921</b>	<b>\$37,865</b>
*Investments, at average cost	\$79,301	\$84,687
<b>Number of units outstanding (Note 5)</b>	<b>3,393,549</b>	<b>3,393,549</b>
<b>Net assets per unit (Note 2)</b>	<b>\$14.71</b>	<b>\$11.16</b>

## STATEMENTS OF OPERATIONS (unaudited)

For the period indicated in Note 1

(in 000s of Canadian dollars except per unit amounts)	2009	2008
<b>Investment Income</b>		
Interest	\$21	\$775
Dividends	17	–
Foreign withholding taxes	–	–
	38	775
<b>Expenses (Note 4)</b>		
Management fee	480	593
Performance fee	–	–
Independent Review Committee fees	1	1
Unitholder reporting costs	32	26
Unitholder administration costs	235	190
Custodian fee and bank charges	8	4
Audit fees	14	12
Legal fees	3	2
Filing fees	4	3
Interest expense (Note 3)	100	116
Transaction costs (Note 2, Note 6)	24	–
	901	947
<b>Net investment income (loss)</b>	<b>(863)</b>	<b>(172)</b>
<b>Realized and unrealized gain (loss) on investments</b>		
Net realized gain (loss) on sale of investments	(3,262)	(16)
Net realized and change in unrealized foreign exchange gain (loss), and change in unrealized derivatives gain (loss)	–	–
Change in unrealized appreciation (depreciation) in value of investments	16,199	1,124
<b>Net gain (loss) on investments</b>	<b>12,937</b>	<b>1,108</b>
<b>Increase (decrease) in net assets from operations</b>	<b>\$12,074</b>	<b>\$936</b>
<b>Increase (decrease) in net assets from operations per unit (Note 2)</b>	<b>\$3.55</b>	<b>\$0.29</b>

The accompanying notes are an integral part of these financial statements.

# Canada Dominion Resources 2008 Limited Partnership

## STATEMENTS OF CHANGES IN NET ASSETS

(unaudited)

For the period indicated in Note 1

(in 000s of Canadian dollars)	2009	2008
<b>Net assets, beginning of period</b>	\$37,865	\$-
<b>Increase (decrease) in net assets from operations</b>	12,074	936
<b>Partners' transactions</b>		
Proceeds from issue	-	84,839
Issuance costs	(18)	(6,197)
	(18)	78,642
<b>Increase (decrease) in net assets</b>	12,056	79,578
<b>Net assets, end of period</b>	<b>\$49,921</b>	<b>\$79,578</b>

## STATEMENTS OF CASH FLOWS

(unaudited)

For the period indicated in Note 1

(in 000s of Canadian dollars)	2009	2008
<b>Cash flows from operating activities:</b>		
Net investment income (loss)	\$(863)	\$(172)
<b>Changes in non-cash working capital:</b>		
(Increase) decrease in accrued interest, dividends and other	25	(4)
Increase (decrease) in other payables	(1,388)	902
(Increase) decrease in receivable for investments securities sold	(24)	-
Increase (decrease) in payable on investment securities purchased	-	701
(Investments purchased)	(4,844)	(28,649)
Proceeds from sale of investments	6,968	134
Net realized and change in unrealized foreign exchange gain (loss)	-	-
Net cash provided by (used in) operating activities	(126)	(27,088)
<b>Cash flows from financing activities:</b>		
Proceeds from issue	-	84,839
Issuance costs	(18)	(6,197)
Increase (decrease) in loan payable	20	6,580
(Increase) decrease in deferred interest expense on bank loan	(2)	(35)
Net cash provided by (used in) financing activities	-	85,187
<b>Cash and cash equivalents, beginning of period</b>	1,885	-
<b>Cash and cash equivalents, end of period</b>	<b>\$1,759</b>	<b>\$58,099</b>

### Cash and cash equivalents are comprised of:

Cash	\$1,759	\$10,012
Short-term investments	-	48,087
	<b>\$1,759</b>	<b>\$58,099</b>

The accompanying notes are an integral part of these financial statements.

# Canada Dominion Resources 2008 Limited Partnership

## NOTES TO THE FINANCIAL STATEMENTS (unaudited)

As at June 30, 2009

### 1. Organization of the Limited Partnership

The Canada Dominion Resources 2008 Limited Partnership (the "Partnership") was formed as a limited partnership under the laws of the Province of Ontario for the purpose of acquiring flow-through shares and other securities of resource companies with a view to achieving capital appreciation for Limited Partners. The Partnership was formed and commenced operations on the following dates:

	Date Formed	Commenced Operations
Canada Dominion Resources 2008 Limited Partnership	November 20, 2007	February 5, 2008

The General Partner of the Partnership is as follows:

	General Partner	Date Incorporated	Date of Limited Partnership Agreement
Canada Dominion Resources 2008 Limited Partnership	Canada Dominion Resources 2008 Corporation ("CDR 2008")	October 18, 2006	January 24, 2008

The General Partner is responsible for the management of the Partnership in accordance with the terms and conditions of the partnership agreement. The Partnership has retained Goodman & Company, Investment Counsel Ltd. (the "Manager") to provide investment, management, administrative and other services.

#### Interim Reporting Dates

The Statement of Investments is as at June 30, 2009. The Statements of Net Assets is as at June 30, 2009 and December 31, 2008. The Statements of Operations, Changes in Net Assets and Cash Flows are for the periods ended June 30, 2009 and from commencement of operations on February 5, 2008 to June 30, 2008.

These financial statements present the financial position and results of operations of the Partnership and as such, do not include all assets, liabilities, revenues and expenses of the partners.

#### Transactions of the Manager

All directors, officers and employees ("Employees") of the Manager are subject to its Code of Ethics and Standards of Professional Conduct (the "Code"). The Code has been put in place to protect the interests of all investors of the Partnership. The Board of Directors of the General Partner and the Board of Governors of the Partnership have reviewed and approved the Code. The Code includes a Trading Policy that Employees must adhere to.

### 2. Summary of Significant Accounting Policies

The following is a summary of significant accounting policies used by the Partnership:

#### a) Basis of Presentation

These financial statements, prepared in accordance with Canadian generally accepted accounting principles, include estimates and assumptions made by the Manager that may affect the reported amount of assets, liabilities, income and expenses during the reporting period. Actual results could differ from those estimates.

#### b) Valuation of Investments

In accordance with Section 3855 *Financial Instruments – Recognition and Measurement*, investments, options and derivative financial instruments are deemed to be categorized as held for trading, and are required to be recorded at fair value. The main impact of Section 3855 relates to the determination of the fair value of financial assets listed on an active market with the bid price for a long position and the ask price for a short position instead of the closing price.

On September 8, 2008, the Canadian Securities Administrators adopted amendments to National Instrument 81-106 – *Investment Fund Continuous Disclosure ("NI 81-106")* which require all investment funds to calculate net asset value for all purposes other than financial statements in accordance with part 14.2 of NI 81-106. These changes allow the Partnership to report two distinct net asset values: one for the financial statements, which is calculated in accordance with Canadian GAAP called "GAAP Net Assets" (or "net assets"), and another which is calculated in accordance with NI 81-106 called "Transactional NAV" (or "net asset value"), for all other purposes such as purchases and redemptions. As a result, the GAAP Net Assets for financial reporting purposes may differ from the Transactional NAV. Where applicable, a reconciliation between the Transactional NAV per unit and the GAAP Net Assets per unit is provided in Note 7.

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# Canada Dominion Resources 2008 Limited Partnership

## NOTES TO THE FINANCIAL STATEMENTS (cont'd) (unaudited)

As at June 30, 2009

### 2. Summary of Significant Accounting Policies (cont'd)

The fair value of investments as at the financial reporting date is determined as follows:

- i) All long securities listed on a recognized public stock exchange are valued at their last bid price on the valuation date. All short securities listed on a recognized public stock exchange are valued at the last ask price on the valuation date. Securities that are traded on an over-the-counter market basis are priced at the last bid price as quoted by a major dealer.

Investments in securities having no quoted market values or in illiquid securities are valued using valuation techniques. Valuation techniques include, but are not limited to, referencing the current value of similar instruments, using recent arm's length market transactions, discounted cash flow analyses or valuation models. The fair value of certain securities may be estimated using valuation techniques based on assumptions that are not supported by observable market inputs.

In a situation where, in the opinion of the Manager, a market quotation for a security is inaccurate, not readily available or does not accurately reflect fair value, the security is valued at its fair value as determined by the Manager.

- ii) Bonds and debentures are valued at their last evaluated bid price received from recognized investment dealers for long positions and their last evaluated ask price for short positions.
- iii) Investments in underlying funds are valued at the series' net asset value per unit. If the net asset value is unavailable, the investment fund holdings are valued using the last published net asset value or at the fair value as determined by the Manager.
- iv) Short-term securities are valued using market quotations, amortized costs plus accrued interest, all of which approximate fair value.
- v) Unlisted warrants are valued based on a pricing model which considers factors such as the market value of the underlying security, strike price, volatility and terms of the warrant.
- vi) Forward contracts are marked to market using last bid prices for long positions and the last ask price for short positions. Last trade price is used where bid and ask prices are not available.
- vii) The fair value of interest rate swap agreements is the estimated amount that the Partnership would receive or pay to terminate the swap, taking into account current interest rates and the current credit worthiness of the swap counterparties.
- viii) Futures are valued using the last bid price for long positions and the last ask price for short positions. The settlement price is used where bid and ask prices are not available.
- ix) The fair value of investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange established at noon on each valuation date. Under the Partnership's fair pricing policy, when the rates of exchange established at 3 p.m. are materially different from the noon exchange rates on a given valuation date, the market value of investments and other assets and liabilities denominated in foreign currencies will be translated at the 3 p.m. exchange rates for that valuation date.

#### c) Other Assets and Liabilities

Accrued interest and dividends receivable, amount due from brokers and other net assets are designated as loans and receivables and recorded at amortized cost. Similarly, accrued expenses, amounts due to brokers, and other liabilities are designated as other financial liabilities and reported at amortized cost. These balances are short-term in nature and, therefore, amortized cost approximates fair value for these assets and liabilities.

#### d) Cost of Investments

The cost of investments represents the amount paid for each security, and is determined on an average cost basis excluding transaction costs. Investment transactions are accounted for as of the trade date.

#### e) Transactions Costs

Transaction costs are incremental costs directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges and transfer taxes and duties. In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statements of Operations.

#### f) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash on deposit and short-term debt instruments with terms to maturity less than 90 days.

#### g) Investment Transactions and Income Recognition

All investment transactions are reported on the business day the order to buy or sell is executed. The cost of portfolio securities, for realized gains and losses from investment transactions and unrealized appreciation or depreciation of investments is calculated and reported on an average cost basis.

Income from investments held is recognized on an accrual basis. Interest income is accrued as earned and dividend income and distributions from investment trusts are recognized on the ex-dividend date.

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# Canada Dominion Resources 2008 Limited Partnership

## NOTES TO THE FINANCIAL STATEMENTS (cont'd) (unaudited)

As at June 30, 2009

### 2. Summary of Significant Accounting Policies (cont'd)

For income tax purposes, the adjusted cost base of flow-through shares is reduced by the amount of expenditures renounced to the Partnership. Upon disposition of such shares, a capital gain will result and be allocated to the Limited Partners based upon their proportionate share of the Partnership.

#### h) Valuation of Partnership Units for Transactional NAV Purposes

Net asset value per unit ("NAVPU") for the Partnership is calculated at the end of each day on which the Manager is open for business (to be called "valuation date") by dividing the net asset value ("Transactional NAV") of the Partnership by its outstanding units.

#### i) Statements of Cash Flows

The Statements of Cash Flows have been included where the Partnership utilizes leverage or borrowing. Issuance costs related to the initial offering of the Partnership units have been accounted for as a reduction of partners' equity.

#### j) Increase (decrease) in Net Assets from Operations per Unit

"Increase (decrease) in net assets from operations per unit" is disclosed in the Statement of Operations and represents the increase or decrease in net assets from operations for the period divided by the average number of units outstanding during the period.

#### k) Allocation of Partnership Income and Loss

99.99% of the income or loss of the Partnership for the fiscal year is allocated to limited partners at the end of the fiscal year in proportion to the number of limited partnership units owned. The Partnership is not itself a taxable entity. Accordingly, no provision for income tax is required.

The General Partner is entitled to 0.01% of the net income or loss of the Partnership. Net Income is determined in accordance with GAAP.

#### l) Non-zero Amounts

Some of the balances reported on the financial statements may include non-zero amounts that are rounded to zero.

### 3. Borrowing

The Partnership established credit facilities with a Canadian Chartered Bank (the "Bank") up to an amount not exceeding 10% of the gross proceeds raised at inception. The loan proceeds were used for the payment of issuance costs and the Partnership provided the Bank with a security interest in all of the assets of the Partnership. The average interest rate on the outstanding balances during the six month period was 1.7% (Dec. 2008 – 3.2%). As at June 30, 2009, the loan outstanding included banker's acceptance (BA) with a face value of \$4,442,000, representing 8.9% of net assets. The maximum and minimum amounts borrowed during the six-month period ended June 30, 2009 were \$4,442,000 (Dec. 2008 – \$6,722,000) and \$4,422,000 (Dec. 2008 – \$4,422,000) respectively.

The initial interest paid on the drawdown or renewal of the BA is deferred and amortized over the term of the BA. The unamortized portion of the deferred interest is included under "Accrued interest, dividends and other" on the Statements of Net Assets. For the six month period ended June 30, 2009, the Partnership recorded interest expense on the BA of \$100,000 and \$116,000 for the period from commencement of operations to June 30, 2008.

### 4. Income and Expenses

#### Management Fee

The Partnership pays the Manager a management fee for the continuous advice, recommendations and services provided to the Partnership.

The management fee for the Partnership is an annualized rate of 2% based on the Transactional net asset value of the Partnership and is accrued daily and paid monthly in arrears as a percentage of the month-end net asset value, in accordance with the terms Management Agreement for the Partnership.

#### Performance Fee

The Manager is entitled to a performance fee to be paid by the Partnership equal to 20% of the amount by which the Net Asset Value per Unit exceeds \$28.00 on the performance fee date. The performance fee is calculated on a per unit basis and multiplied by the number of units existing at the performance fee date. The performance fee date is on the earlier of the date on which the Partnership assets are transferred to DMP Resource Class of Dynamic Managed Portfolios Ltd. and the day immediately prior to the date of dissolution or termination of the Partnership. The performance fee will be calculated on the performance fee date and paid as soon as practicable thereafter. As at June 30, 2009, performance fee accrued was nil (Dec. 2008 – nil).

#### Expenses

The Manager is responsible for the Partnership's day-to-day operations. The Partnership is responsible for its administrative and operating expenses relating to its operation and the carrying on of its business, including legal, audit fees, interest and administrative costs as well as the

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# Canada Dominion Resources 2008 Limited Partnership

## NOTES TO THE FINANCIAL STATEMENTS (cont'd) (unaudited)

As at June 30, 2009

### 4. Income and Expenses (cont'd)

cost of financial and other reports and compliance with all applicable laws, regulations and policies. The Manager pays for such expenses on behalf of the Partnership and is then reimbursed by the Partnership.

Brokerage commissions paid on securities transactions are considered to be part of operating expenses. These commissions are not included in the cost of purchasing securities, nor are they netted out of the proceeds from selling securities.

### 5. Partners' Capital

The Partnership's capital represents the net assets of the Partnership and is comprised of issued units and retained earnings. The Partnership is not subject to any regulatory requirements on capital. The capital of the Partnership is managed in accordance with the Partnership's investment objectives, policies and restrictions, as outlined in the Partnership's prospectus. The Partnership units were issued at a price of \$25 per Unit, subject to a minimum subscription of 200 Units for \$5,000. Prior to July 1, 2010, the Partnership intends to transfer its assets to DMP Ltd. in exchange for redeemable DMP Resource Class Shares. Pursuant to the terms of the Transfer Agreement and the Partnership Agreement, upon completion of the Mutual Fund Rollover Transaction and the dissolution of the Partnership, Limited Partners would receive their pro rata share of the DMP Resource Class Shares on a tax-deferred basis.

All Partnership units are of the same class with equal rights and privileges, including equal participation in any distribution made by the Partnership and the right to one vote at any meeting of the Limited Partners. On February 5, 2008, 2,558,100 Partnership units were issued at the initial offering and on March 28, 2008, 835,449 Partnership units were issued at the second and final closing.

Unitholder transactions of units for the six-month period ended June 30, 2009 and from commencement of operations to December 31, 2008 were as follows:

	June 30, 2009	December 31, 2008
Units outstanding, beginning of period	3,393,549	–
Subscriptions	–	3,393,549
Reinvestments	–	–
Redemptions	–	–
Units outstanding, end of period	<b>3,393,549</b>	<b>3,393,549</b>

The changes to retained earnings for the six-month period ended June 30, 2009 and from commencement of operations to December 31, 2008 were as follows:

(in \$000s)	June 30, 2009	December 31, 2008
Retained earnings (deficit), beginning of period	\$(40,800)	\$–
Increase (decrease) in net assets from operations	12,074	(40,800)
Retained earnings (deficit), end of period	<b>\$(28,726)</b>	<b>\$(40,800)</b>

### 6. Related Party Transactions

#### a) Portfolio Transactions

Brokerage commissions paid on securities transactions during the six month period ended June 30, 2009 were \$24,000 (2008 – nil). Of this amount, Dundee Securities Corporation received commissions of \$2,000 (2008 – nil). For the six month period ended June 30, 2009, nil (2008 – nil) soft dollar commissions were paid. Soft dollar commissions reflect amounts paid indirectly to third parties through a broker or dealer for services received by the Partnership for services other than trading execution.

DundeeWealth Inc. is the indirect parent of both the General Partner and Dundee Securities, one of the agents for the offering of the Partnership. Accordingly, the Partnership is related to Dundee Securities.

#### b) Private Placements

In addition to the commissions paid on the security transactions in a) above, the Partnership invests in flow-through shares through registered dealers, including Dundee Securities. Commissions on flow-through shares are paid directly from the issuer of the shares to the broker/dealer. In certain circumstances, Dundee Securities and the other agents may be entitled to receive fees and, in some cases, rights to purchase shares in connection with the sale of flow-through shares to the Partnership.

#### c) Initial Offering of Partnership

The Partnership paid agents' fees of 6.75% for each unit sold in connection with the offering of the Partnership. Dundee Securities received approximately \$450,000 of these fees.

# Canada Dominion Resources 2008 Limited Partnership

## NOTES TO THE FINANCIAL STATEMENTS (cont'd) (unaudited)

As at June 30, 2009

### 7. Reconciliation of Net Assets per Unit and Transactional NAV per Unit

The table below provides a comparison of the net assets per unit and Transactional NAV per unit. The primary reason for the difference between the GAAP net assets per unit and Transactional NAV per unit is described in Note 2 above.

June 30, 2009		December 31, 2008	
GAAP Net Assets Per Unit \$	Transactional NAV Per Unit \$	GAAP Net Assets Per Unit \$	Transactional NAV Per Unit \$
14.71	15.20	11.16	11.51

### 8. Financial Risk Management

Investment activities of the Partnership expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, other price risk and currency risk). The level of risk depends on the Partnership's investment objectives and the type of securities it invests in.

The Manager of the Partnership seeks to minimize these risks by employing experienced portfolio managers that will manage the security portfolios of the Partnership on a daily basis according to market events and the investment objectives of the Partnership. Section 3862 and 3863 disclosures that are specific to the Partnership are presented in the Discussion of Financial Risk Management under the Statement of Investments. The sensitivity analysis shown in the Discussion on Financial Risk Management will differ from actual results and the difference could be material.

The Manager maintains a risk management practice that includes monitoring compliance with investment restrictions to ensure that the Partnership is being managed in accordance with the Partnership's stated investment objectives, strategies and securities regulations.

In addition, the below noted risk positions are monitored by the portfolio managers on a regular basis and reviewed by the Fund Review Committee on a quarterly basis.

#### A. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge a commitment that it has entered into with the Partnership. The fair value of a financial instrument takes into account the credit rating of its issuer, and accordingly, represents the maximum credit risk exposure of the Partnership. The Partnership's main credit risk concentration is in debt securities and trading derivative instruments which are disclosed in the respective Partnership's Statement of Investments. All transactions in securities are settled or paid for upon delivery through brokers. Credit risk is considered minimal in the Partnership, as delivery of securities sold is made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

#### B. Liquidity risk

Liquidity risk is the risk that a partnership may not be able to settle or meet its obligation on time or at a reasonable price. The Partnership retains sufficient cash and cash equivalent positions to maintain liquidity. The Partnership may, from time to time, invest in securities that are not traded in an active market and may be illiquid. Such investments are identified as private and restricted securities in the Statement of Investment Portfolio.

#### C. Interest rate risk

Interest rate risk is the risk that the fair value of the Partnership's interest-bearing investments will fluctuate due to changes in the prevailing levels of market interest rates. Interest rate risk arises when a Partnership invests in interest-bearing financial instruments. The Partnership's exposure to interest rate risk is concentrated in investment in debt securities (such as bonds and debentures or short-term instruments) and interest rate derivative instruments, if any. Other assets and liabilities are short-term in nature and/or non-interest bearing. There is minimal sensitivity to interest rate fluctuations on any cash and cash equivalents, invested at short-term market interest rates.

#### D. Other Price risk

Other Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. The Partnership is exposed to market risk since all financial instruments held by the Partnership are exposed to market risk and present a risk of loss of capital. The maximum risk resulting from financial instruments is equivalent to their fair value, except for options written and future contracts where possible losses can be unlimited.

#### E. Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises from financial instruments (including cash and cash equivalents and foreign currency derivative instruments) that are denominated in a currency other than Canadian dollars, which represents the functional currency of the Partnership. Therefore the Partnership's financial instruments that are denominated in other currencies will fluctuate due to changes in the foreign exchange rates of those currencies in relation to the Partnership's functional currency. Foreign currencies of issued bonds are listed in the investment portfolio.

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# Canada Dominion Resources 2008 Limited Partnership

## NOTES TO THE FINANCIAL STATEMENTS (cont'd) (unaudited)

As at June 30, 2009

### **9. Changeover to International Financial Reporting Standards**

The Canadian Accounting Standards Board has confirmed that effective January 1, 2011, International Financial Reporting Standards ("IFRS") will replace Canadian GAAP for publicly accountable enterprises, which includes investment funds. IFRS will apply to fiscal years beginning on or after January 1, 2011 and will be applicable to the Partnership for the fiscal years ending December 31, 2011 and beyond.

As of June 30, 2009, the Manager has commenced the process of developing a changeover plan to meet the timetable published by the CICA for changeover to IFRS. The key elements of the plan include disclosures of the qualitative impact in the December 31, 2009 and 2010 financial statements, disclosures of the quantitative impact, if any, in the December 31, 2010 financial statements and the preparation of the June 30, 2011 interim and December 31, 2011 year-end financial statements in accordance with IFRS.

Based on the Manager's current evaluation of the differences between Canadian GAAP and IFRS, the Manager does not expect that net assets or net asset value of the fund will be impacted by the changeover to IFRS. Currently, the Manager expects that the impact of IFRS on the Partnership's financial statements will be additional disclosures and potentially different presentation of certain items.

### **10. Amendments to Section 3862 *Financial Instruments – Disclosures***

On March 5, 2009, the Accounting Standards Board (AcSB) issued *Amendments to Section 3862 Financial Instruments – Disclosures*. The amendments expand the disclosures required in respect of fair value measurements recognized in the financial statements. For the purpose of these expanded disclosures, a three-level hierarchy has been introduced as follows:

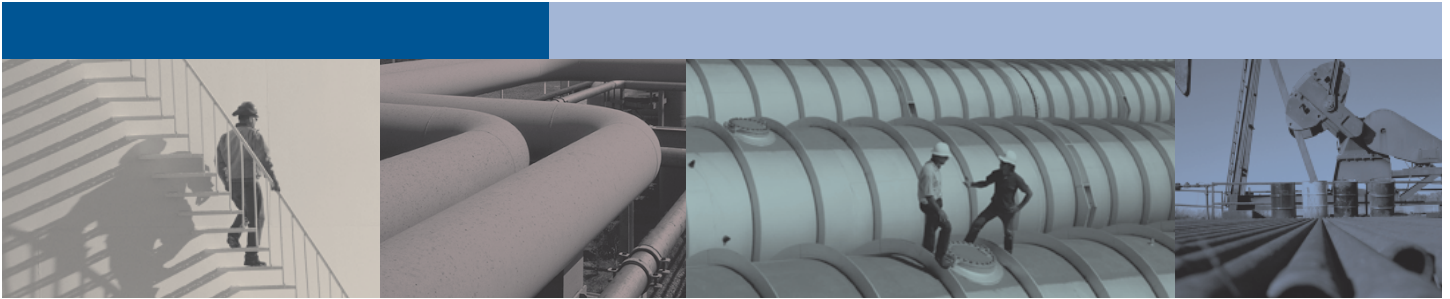
- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data. Additional quantitative disclosures are required for Level 3 securities.

The amendments are applicable for fiscal years ending after September 30, 2009. These changes have no impact on the Partnership's results of operations or financial position.

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2008 LIMITED PARTNERSHIP**

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