



Integra Short Term Investment Fund Annual Management Report of Fund Performance As at December 31, 2009

This annual report of fund performance contains financial highlights but does not contain the complete annual financial statements for the investment fund. You may request a copy of the annual financial statements at no cost, by calling 1-800-363-2480, by writing to us at Integra Capital Limited ("Integra"), 2020 Winston Park Drive, Suite 200, Oakville ON L6H 6X7 or by visiting our website at www.integra.com or the SEDAR website at www.sedar.com.

Security holders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or portfolio disclosure relation to the investment fund.

Management Discussion of Fund Performance

Investment Objectives and Strategies

The Fund's objectives are to preserve capital and liquidity while providing interest income. The Fund primarily invests in highly liquid, senior investment grade money market instruments such as treasury bills issued by Canada's federal and provincial governments.

Risk

No changes affecting the overall level of risk associated with investing in the Fund were made during the period under review. The risks of the Fund remain as discussed in the Fund's most recent simplified prospectus or its amendments.

Results of Operations

For the quarter, six-month and one-year periods ended December 31st, the Fund gained 0.06%, 0.15% and 0.57% respectively. In comparison the Fund's benchmark (Dex Capital 91-day Government of Canada Treasury Bill Total Return Index) returned 0.08%, 0.17% and 0.62% for the same periods.

The worst financial crisis since the Great Depression of the 1930's began during August 2007. The problems which emerged out of the U.S. subprime mortgage market spread worldwide into virtually every market and economy. In Canada, the short-term debt of banks and corporations was severely impacted and the market for asset-backed commercial paper (ABCP) froze. (The Integra Funds did not hold any Canadian ABCP.)

The effects of this crisis are still evident today as economies begin a slow recovery.

Since December 2007, the Bank of Canada has lowered the overnight rate by a total of 425 basis points or 4.25%. At the time of this writing, the overnight rate stood at a historic low of 0.25% and the Bank has given indications that it will keep rates at this level until at least mid-year.

The Bank is hoping that by keeping its target rate at a record low, inexpensive borrowing rates will eventually help lift the domestic economy.

The result has been very low returns from government issued investments.

The Fund under-performed versus its benchmark due to the timing of maturities of treasury bills held in the Fund coupled with the volatility in short-term interest rates.

The Fund experienced net redemptions of \$22.3 million during 2009 as many investors became more willing to invest in higher risk investments.

Fund expenses vary period over period mainly as the result of changes in average Net Asset Values and investment activity. Custodial fees increased year over year due to more transactions occurring within the Fund. On the other hand, Operating expenses were down substantially during 2009.

Management Discussion of Fund Performance - continued

Recent Developments

In view of the current low interest rate environment, the management fee rate on the Integra Short Term Investment Fund has been reduced on a temporary basis.

Evidence suggests Canada has emerged from the global recession but the recovery very likely will be muted.

In spite of the current environment of historically low interest rates, the Fund has not altered its risk profile in search of greater yields. The Fund is focused on capital preservation and will not invest in lower quality investments to attain higher returns.

Caution Regarding Forward-looking Statements

This report may contain forward-looking statements about the Fund, including its strategies and expected performance. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to potential future events or market and economic conditions.

In addition, any statement that may be made concerning future performance, strategies or prospects and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to risks, uncertainties and assumptions about the Fund and capital market and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results may differ materially from those expressed or implied in any forward-looking statements made by the Fund. A wide range of factors may contribute to these variances, including general economic, geopolitical and market influences in Canada or globally, interest rates and currencies, capital markets, technology innovations, regulations and catastrophic events.

Investors are encouraged to consider these and other factors including their own investment objectives carefully before making any investment decisions and are urged to avoid placing undue reliance on forward-looking statements.

Additionally, investors should be aware that the Fund has no specific intention to update any forward-looking statements whether as a result of new information and future events, prior to the release of the next Management Report on Fund Performance.

Related Party Transactions

Manager, Portfolio Manager and Transfer Agent

The Fund is managed by Integra. Integra provides or arranges for the provision of all general management and administrative services rendered by the Fund in its day-to-day operations, including providing or arranging the provision of investment advice and record-keeping services for the Fund.

As a result of providing investment advisory and management services, Integra is entitled to receive a monthly fee from investors in the Fund.

Gryphon Investment Counsel Inc (“Gryphon”) is a shareholder of Integra Capital Management Corporation, the parent company of Integra. Gryphon provides advisory services to the Fund. As a result of providing advisory services to the Fund, Gryphon receives a fee from Integra.

Integra Short Term Investment Fund

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past 5 years. This information is derived from the Fund's audited annual financial statements.

Integra Short Term Investment Fund					
	2009	2008	2007	2006	2005
Net Asset Value, Beginning of Year	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Adjustment for New Accounting Standards	—	—	—	—	—
Net Assets, Beginning of Year	\$1.00	\$1.00	\$1.00	—	—
Increase (Decrease) From Operations:					
Total revenue	0.01	0.02	0.04	0.04	0.03
Total expenses	—	—	—	—	—
Realized gains (losses) for the year	—	—	—	—	—
Unrealized gains (losses) for the year	—	—	—	—	—
Total Increase (Decrease) From Operations ⁽¹⁾	\$0.01	\$0.02	\$0.04	\$0.04	\$0.03
Distributions:					
From income (excluding dividends)	(0.01)	(0.02)	(0.04)	(0.04)	(0.03)
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total Annual Distributions ⁽²⁾	(\$0.01)	(\$0.02)	(\$0.04)	(\$0.04)	(\$0.03)
Net Asset Value, End of Year	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Ratios and Supplemental Data (Based on Trading NAV)					
Net asset values(000's)	\$45,278	\$67,573	\$45,733	\$55,512	\$52,622
Number of units outstanding	45,278,276	67,572,897	45,733,188	55,511,604	52,622,140
Management expense ratio (%)	0.93%	0.96%	1.05%	1.04%	1.06%
Management expense ratio before waivers or absorptions (%)	0.98%	0.96%	1.05%	1.04%	1.06%
Portfolio turnover rate (%) ⁽³⁾	N/A	N/A	N/A	N/A	N/A
Trading expense ratio (%) ⁽⁴⁾	—	—	—	—	—

Supplementary information to the Financial Highlights calculations are based on the following:

1. Net asset and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the year.
2. Distributions were paid in cash/reinvested in additional units of the Fund, or both.
3. The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.
4. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average Net Asset Values during the year.

Management Fees

The Fund pays no management fees to Integra. For management services provided to them by Integra, clients of Integra will pay an investment management fee directly to Integra, as set out in their agreement with Integra. The amount of the investment management fee is negotiable between the client and Integra.

*The maximum annual management fee before GST (expressed as a % of assets under management by Integra) payable by the client to Integra for the Integra Short Term Investment Fund is 0.75%. Accordingly, the Management Expense Ratio includes this maximum annual management fee.

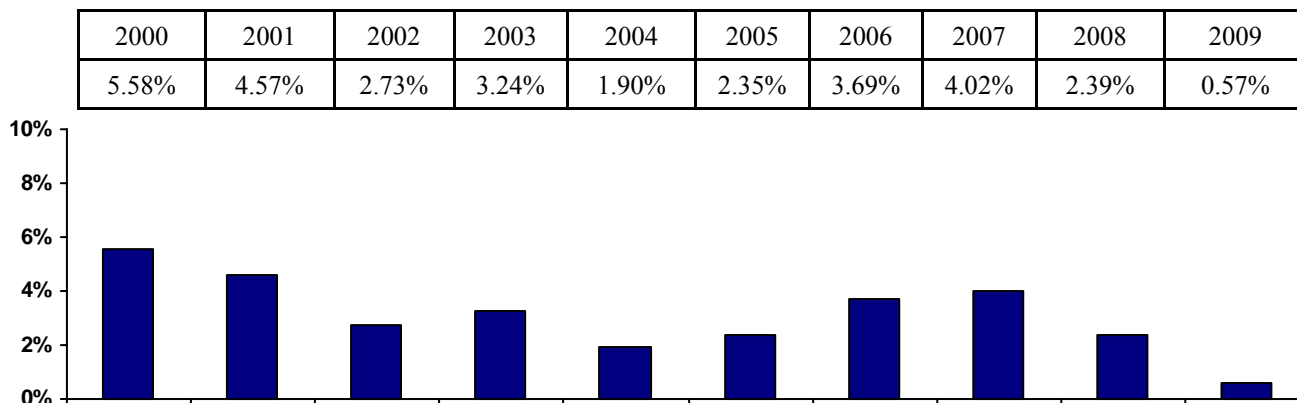
Integra Short Term Investment Fund

Past Performance

Fund Inception - August 14, 1992 (Prior to this date, the Fund was a non-public mutual fund)

Year-by-Year Returns

The following bar chart shows the investment fund's annual performance for each of the years shown, and illustrates how the investment fund's performance was changed from year to year. In percentage terms, the bar chart shows how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



Annualized Returns

This table shows the fund's historical annualized returns for the period ending December 31, 2009

Annualized Returns	Past 1 year	Past 3 years	Past 5 years	Past 10 years
Integra Short Term Investment Fund	0.57%	2.32%	2.60%	3.10%
Benchmark	0.62%	2.78%	2.98%	3.28%

Benchmark

The Short Term Investment Benchmark reflects the market sectors in which the fund invests and was created by using the assumption that a portfolio was invested as to 100% in the securities in the Dex 91-day Treasury Bill Total Return Index.

100%	Dex 91-day Treasury Bill Total Return Index
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Integra Short Term Investment Fund

Summary of Investment Portfolio as at December 31, 2009

Asset Mix

	% of Fund's Net Asset Values
Cash and Cash Equivalents	99.84%
Other Assets, Net of Liabilities	0.16%

Sector Mix

	% of Fund's Net Asset Values
Treasury Bills	99.84%

Total Fund Net Asset Values \$ 45,278,276

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. The most recent annual report, semi-annual report or quarterly report is available at no cost, by calling 1-800-363-2480, by writing to us at Integra Capital Limited, 2020 Winston Park Drive, Suite 200, Oakville, ON, L6H 6X7 or by visiting our website at www.integra.com.



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