

**JOINT OFFICIAL LIQUIDATORS
BEACON HILL MASTER LTD.
THEO BULLMORE
PHILLIP S. STENGER**

Dear Investor,

Attached below is the estimated value of all investment positions held by Beacon Hill Master, Ltd. (in Official Liquidation) ("the Master Fund") as at August 31, 2007. Please note that this does not constitute a net asset valuation of the Master Fund.

	31-Aug-07	31-Jul-07
Master Fund Assets		
Cash ¹	354,121,142	352,589,780
Investments in Securities ²	0	0
Amounts Receivable from Feeder Funds:		
Professional fees paid on behalf of Bristol Fund ³	472,718	472,718
Professional fees paid on behalf of Safe Harbor ³	773,760	773,760
Total Master Fund Assets	355,367,620	353,836,258
Master Fund Liabilities		
<i>Accrued Expenses:</i>		
Gifford Fong Associates	113,392	113,392
PWC	103,956	103,956
PWC Cayman Islands	58,770	0
Directors (DMS)	28,676	28,676
KPMG Cayman Islands	311,408	289,544
Solomon Harris	242,289	206,463
Stenger & Stenger P.C.	277,831	259,727
Access Litigation Support Services	4,672	4,672
Broadhurst Barristers	4,612	4,612
Friedman Kaplan Seiler & Adelman LLP	1,901,364	1,749,976
Levine, Barry M.	153,387	147,650
TrialGraphix	50,112	50,112
Gallop, Sean	100,630	100,630
Moskowitz, Harvey D.	325,061	325,061
Marks Paneth & Shron	10,255	10,255
Ikon Office Solutions	10,739	10,739
TSG Reporting	92,072	92,072
Quin & Hampson	600	600
The Michel-Shaked Group	44,098	44,098
The Harbour Trust Co. Ltd.	2,140	2,140
Cadwalader, Wickersham & Taft LLP	36,707	36,707
Total Master Fund Liabilities	3,872,771	3,581,082
Estimated Net Investment Assets of the Master Fund	351,494,849	350,255,176

Feeder Funds	% of Shares in Master Fund at Sept. 30, 2002 ¹	Estimated Share of Net Investment Assets	Professional Fees Paid by and Owing to the Master Fund	Feeder Funds Specific Professional Fees Accrued	Feeder Funds Estimated Share of Net Investment Assets
Safe Harbor	18.10%	63,620,568	(773,760)	(26,919)	62,819,889
Bristol	78.71%	276,661,596	(472,718)	(224,602)	275,964,276
Milestone	3.19%	11,212,686	0	(4,250)	11,208,436
	100%	351,494,849	(1,246,478)	(255,771)	349,992,600

¹ As of August 10, 2004, the cash assets are earning interest at a rate of official British Bankers Association One-month LIBOR minus 0.08%.

² Valuation provided by former investment managers, Ellington Management Group, LLC. As no revenue has been received on any of the CBOs since February 2004 and per our discussions with Ellington Management Group, LLC, to be conservative we have written down the value of the CBOs to zero. However it is expected that upon liquidation, these securities may have some value (which is not currently determinable).

³ Certain professional fees incurred by the Feeder Funds have been paid out of the assets of the Master Fund. Prior to the distribution of funds, these expenses will be apportioned to the respective Feeder Funds, as shown above.

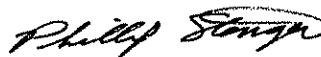
⁴ The percentage of participating shares is based on the historical valuation of the Master Fund. Provided that the Court sanctions the average distribution methodology, the shares of the Feeder Funds in the Master Fund will be recalculated which will lead to adjustments in the Feeder Funds' percentage shareholdings.

Should you have any queries regarding the statement, please do not hesitate to contact Blair Houston with KPMG at (345) 914-4334 or Sara Fazio with Stenger & Stenger at (616) 940-1190.

Kind Regards,



Theo Bullmore
Joint Official Liquidator



Phillip S. Stenger
Joint Official Liquidator

Theo Bullmore

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Phillip S. Stenger

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