

**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 January 31, 2006. Please note that this does not constitute a net asset valuation of the Master Fund.

	31-Jan-06	31-Dec-05
<b>Master Fund Assets</b>		
Cash <sup>1</sup>	331,413,132	330,682,522
Investments in Securities <sup>2</sup>	0	0
Amounts Receivable from Feeder Funds:		
Professional fees paid on behalf of Bristol Fund <sup>3</sup>	16,333	16,333
Professional fees paid on behalf of Safe Harbor <sup>3</sup>	694,187	694,187
<b>Total Master Fund Assets</b>	<b>332,123,652</b>	<b>331,393,042</b>
<b>Master Fund Liabilities</b>		
<i>Accrued Expenses:</i>		
Gifford Fong Associates	32,939	32,939
PWC	12,856	12,856
Directors (DMS)	28,676	28,676
KPMG Cayman Islands	181,989	171,949
Solomon Harris	133,003	110,504
Stenger & Stenger P.C.	515,256	425,260
Access Litigation Support Services	271,474	271,474
Broadhurst Barristers	2,589	2,589
Friedman Kaplan Seiler & Adelman LLP	534,333	904,393
Levine, Barry M.	77,929	62,652
TrialGraphix	32,521	26,936
Galopp, Sean	9,675	9,675
<b>Total Master Fund Liabilities</b>	<b>1,833,240</b>	<b>2,059,902</b>
<b>Estimated Net Investment Assets of the Master Fund</b>	<b>330,290,412</b>	<b>329,333,140</b>

Participating Shares at September 30, 2002 <sup>4</sup>	# of Shares in Master Fund	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 Harbour	123,158	59,793,368	(694,187)	(24,035)	59,075,146
Bristol	535,484	259,978,173	(16,333)	(838,171)	259,123,669
Milestone	21,666	10,518,871	0	0	10,518,871
	<b>680,308</b>	<b>330,290,412</b>	<b>(710,520)</b>	<b>(862,206)</b>	<b>328,717,686</b>

<sup>1</sup> 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%.

<sup>2</sup> 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 upon liquidation of these securities, they may have some value (which is not currently determinable).

<sup>3</sup> 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.

<sup>4</sup> The number 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' shareholdings.

Should you have any queries regarding the statement, please do not hesitate to contact Michael Schulz with KPMG at (345) 914-4335 or Heather Adams 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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