

**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 June 30, 2008. Please note that this does not constitute a net asset valuation of the Master Fund.

| | 30-Jun-08 | 31-May-08 |
|---|--------------------|--------------------|
| Master Fund Assets | | |
| Cash ¹ | 360,120,176 | 359,452,907 |
| Investments in Securities ² | 0 | 0 |
| Amounts Receivable from Feeder Funds: | | |
| Professional fees paid on behalf of Bristol Fund ³ | 640,674 | 640,674 |
| Professional fees paid on behalf of Safe Harbor ³ | 796,804 | 796,804 |
| Professional fees paid on behalf of Milestone ³ | 4,250 | 4,250 |
| Total Master Fund Assets | 361,561,904 | 360,894,635 |
| Master Fund Liabilities | | |
| <i>Accrued Expenses:</i> | | |
| Gifford Fong Associates | 32,939 | 32,939 |
| PWC | 12,856 | 12,856 |
| PWC Cayman Islands | 40,000 | 40,000 |
| Directors (DMS) | 28,676 | 28,676 |
| KPMG Cayman Islands | 360,283 | 329,772 |
| Solomon Harris | 457,025 | 404,410 |
| Stenger & Stenger P.C. | 334,390 | 307,926 |
| Broadhurst Barristers | 8,659 | 7,134 |
| Friedman Kaplan Seiler & Adelman LLP | 1,168,280 | 1,141,217 |
| Levine, Barry M. | 47,880 | 47,880 |
| TrialGraphix | 41,662 | 38,153 |
| Galopp, Sean | 84,025 | 84,025 |
| Moskowitz, Harvey D. | 147,504 | 147,504 |
| Marks Paneth & Shron | 6,622 | 6,622 |
| TSG Reporting | 12,273 | 12,273 |
| The Michel-Shaked Group | 35,051 | 35,051 |
| Cadwalader, Wickersham & Taft LLP | 10,056 | 10,056 |
| Erskine Chambers | 18,572 | 18,572 |
| Record Press Inc. | 7,025 | 7,025 |
| HellerEhrman LLP | 475 | 475 |
| Robert Hildyard Q.C. | 25,875 | 0 |
| Total Master Fund Liabilities | 2,880,129 | 2,712,567 |
| Estim | 358,681,775 | 358,182,068 |

| Feeder Funds | % of Shares in Master Fund at Sept. 30, 2002 ⁴ | 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 |
|--------------|---|--|--|---|--|
| Safe Harbor | 18.10% | 64,921,401 | (796,804) | (91,805) | 64,032,792 |
| Bristol | 78.71% | 282,318,425 | (640,674) | (289,400) | 281,388,351 |
| Milestone | 3.19% | 11,441,949 | (4,250) | 0 | 11,437,699 |
| | 100% | 358,681,775 | (1,441,728) | (381,205) | 356,858,842 |

¹ As of November 1, 2007, the cash assets are earning interest at a rate of the United States Federal Funds rate minus 0.23%.

² Valuation provided by former investment managers, Ellington Management Group, LLC. As no material 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 Lauren Christie with KPMG at (345) 815-2663 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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