Interim Unaudited Consolidated Financial Statements of

CERVUS LP

For the six months ended June 30, 2006

(These interim consolidated financial statements have not been reviewed by Cervus LP's auditors.)

CERVUS LP

Interim Unaudited Consolidated Balance Sheets

	June 30, 2006	December 31, 2005
Assets		
Current assets:		
Cash	$ –	$ 1,135,179
Trade accounts receivable	10,257,040	6,479,436
Inventories	76,941,644	61,025,472
Prepaid expenses	352,032	368,749
	87,550,716	69,008,836
Buildings and equipment	10,610,959	8,967,078
Investments	789,217	481,174
Finance reserve	990,809	1,255,494
Other assets, net of accumulated amortization	6,838,750	7,168,750
Goodwill	3,690,367	2,330,969
	$ 110,470,818	$ 89,212,301
Liabilities and Partners' Equity		
Current liabilities:		
Bank indebtedness	$ 6,106,981	$ –
Floor plan payables	53,156,036	40,442,630
Accounts payable and accrued liabilities	7,314,057	5,266,554
Note payable	–	1,500,000
Income taxes payable	–	1,145,389
Advances to Proventure Income Fund (note 8)	–	1,014,375
Distribution payable	555,781	383,064
Bank term loan (note 5)	5,000,000	5,000,000
Current portion of term debt	1,129,251	1,771,227
	73,262,106	56,523,239
Term debt (note 6)	5,944,869	2,677,639
Notes payable to Proventure Income Fund (note 8)	2,284,619	4,015,868
Notes payable to related parties	–	810,272
Future income taxes payable	149,000	149,000
	81,640,594	64,176,018
Partners' equity:		
Partners' units (note 7)	19,298,165	16,024,851
Fixed value units	803,969	803,969
Preferred partnership units	3,000,000	3,000,000
Warrants to acquire partnership units	155,000	155,000
Contributed surplus	207,500	207,500
Accumulated earnings	5,365,590	4,844,963
	28,830,224	25,036,283
Commitments and contingencies (note 8)		
Subsequent event (notes 9 and 12)		
	$ 110,470,818	$ 89,212,301

See accompanying notes to the interim consolidated financial statements.

Approved by the Board of the General Partner:

Signed "Peter Lacey" Director

Signed "Graham Drake" Director

CERVUS LP

Interim Unaudited Consolidated Statement of Earnings

	Three month period ended June 30, 2006	Three month period ended June 30, 2005	Six month period ended June 30, 2006	Six month period ended June 30, 2005
Revenue:				
Equipment sales	$ 62,673,272	$ 41,371,614	$98,261,186	$55,842,396
Parts and service	13,531,713	7,977,261	21,560,461	13,186,708
Rentals	1,017,524	-	2,032,199	-
Other	255,957	233,476	312,248	300,410
	77,478,466	49,582,351	122,166,094	69,329,514
Cost of sales	64,259,619	42,191,357	101,208,089	58,305,520
Gross profit	13,218,847	7,390,994	20,958,005	11,023,994
Expenses:				
Selling, general and administrative	8,255,421	4,962,817	15,058,850	9,003,659
Interest on long-term debt	9,571	-	15,368	-
Interest	474,509	191,315	911,340	371,458
Depreciation and amortization	861,202	66,228	1,557,791	121,385
Earnings before other income	3,618,144	2,170,634	3,414,656	1,527,492
Other income:				
Equity earnings of significantly influenced companies	294,713	113,233	308,043	170,000
Net earnings	$ 3,912,857	$ 2,283,867	$ 3,722,699	$ 1,697,492
Net earnings per unit (note 11):				
Basic	$0.65	$0.55	$0.60	$0.40
Diluted	$0.61	$0.54	$0.58	$0.40

See accompanying notes to the interim consolidated financial statements.

CERVUS LP

Interim Unaudited Consolidated Statement of Accumulated Earnings

For the six months ended June 30, 2006 and the year ended December 31, 2005

	Fixed Value Units	Preferred Partnership Units	General Partner	Limited Partners	Total
Balance, December 31, 2004	$ -	$ -	$ 58,115	$ 4,166,810	$ 5,028,894
Net earnings for the year	40,198	-	47,803	4,732,517	4,820,518
Distributions	(40,198)	-	(105,040)	(4,055,242)	(4,200,480)
Balance, December 31, 2005	-	-	878	4,844,085	5,648,932
Net earnings for the period	20,100	183,750	35,188	3,483,661	3,722,699
Distributions	(20,100)	(183,750)	-	(2,998,222)	(3,202,072)
Balance, June 30, 2006	$ -	$ -	$ 36,066	$ 5,329,524	$ 9,169,559

See accompanying notes to the interim consolidated financial statements.

CERVUS LP

Interim unaudited Consolidated Statement of Cash Flows

	Three month period ended June 30, 2006	Three month period ended June 30, 2005	Six month period ended June 30, 2006	Six month period ended June 30, 2005
Cash flows from (used in):				
Operating activities:				
Net earnings for period	$3,912,857	$2,283,867	$3,722,699	$1,697,492
Add items not affecting cash:				
Depreciation and amortization	861,202	66,228	1,557,791	121,385
Equity earnings from significantly influenced companies	(294,713)	(113,233)	(308,043)	(170,000)
	4,479,346	2,236,862	4,972,447	1,648,877
Net change in non-cash working capital related to operations	(4,283,941)	(4,834,049)	(5,888,821)	(3,908,524)
	195,405	(2,597,187)	(916,374)	(2,259,647)
Financing activities:				
Proceeds from the issuance of limited partnership units	724,078	598,160	1,402,226	1,172,480
Proceeds from term debt	2,986,472	104,807	2,625,254	132,259
Distributions to senior equity partners	(103,800)	(10,050)	(203,850)	(20,100)
Distributions to the limited partners	(1,667,015)	(1,002,099)	(2,998,222)	(1,981,245)
Advances from (repayment of) advances from Proventure Income Fund	(1,431,249)	987,384	(2,745,624)	278,135
Increase (decrease) in finance reserve	358,994	4,449	264,685	(61,600)
Repayment of note payable	-	-	(1,500,000)	-
Advances to related parties	184,042	-	(298,582)	-
	1,051,522	682,651	(3,454,113)	(480,071)
Investing activities:				
Purchase of building and equipment, net of proceeds	(2,466,940)	(166,495)	(2,871,673)	(231,892)
Advances on long-term investments	-	(45,133)	-	(45,133)
	(2,466,940)	(211,628)	(2,871,673)	(277,025)
Decrease in cash	(1,220,013)	(2,126,164)	(7,242,160)	(3,016,743)
Cash (bank indebtedness), beginning of period	(4,886,968)	(1,055,243)	1,135,179	(164,664)
Bank indebtedness, end of period	$(6,106,981)	$(3,181,407)	$(6,106,981)	$(3,181,407)
The following cash payments have been included in the determination of net earnings:				
Cash interest paid	$534,757	$239,035	$1,027,385	$426,703
Cash income taxes paid	-	-	1,145,389	-

See accompanying notes to the interim consolidated financial statements.

1. **Description of business:**

Cervus LP (the "LP") was incorporated under the laws of Alberta as a limited partnership on March 14, 2003. The general partner is Cervus GP Ltd. The LP is a retailer of agricultural and construction equipment and products and services.

2. **Significant accounting policies:**

The financial statements of Cervus LP have been prepared by management in accordance with accounting principles generally accepted in Canada. The unaudited financial statements have been prepared following the same accounting policies and methods of computation as the audited financial statements for the year ended December 31, 2005. The disclosures provided below are incremental to those included in the annual audited financial statements. The financial statements should be read in conjunction with the financial statements and the notes thereto for the year ended December 31, 2005.

These unaudited consolidated financial statements have not been reviewed by the Corporation's auditors.

3. **Seasonality:**

The Canadian retailing of agricultural and construction equipment is influenced by seasonality. Sales activity for the agriculture segment is normally highest between April and September during growing seasons in Canada whereas the construction sector is not as volatile, however sees slower sales activity in the winter months. As a result, earnings or losses may not accrue uniformly from quarter to quarter.

4. **Purchase of minority interest in Farm & Garden Centre of Saskatoon Ltd:**

On June 29, 2006, the LP acquired 100% of the issued and outstanding shares of Farm & Garden Centre of Saskatoon Ltd. ("Farm & Garden") by purchasing the remaining 20.2% of minority interest held in Farm & Garden. The purchase price paid was $1,871,088 through the issuance of 155,924 limited partnership units at $12 per unit and was allocated as follows:

Goodwill	$1,359,398
Reduction in notes payable to related parties	511,690
	$1,871,088

5. **Bank term loan:**

The bank term facility requires the LP to meet specific restrictions on capital expenditures and distributions and maintain specific debt to equity ratios. At June 30, 2006 and December 31, 2005 the LP was not in compliance with these covenants. It is likely the LP will violate these covenants at future dates; accordingly, the LP and the lender are in the process of amending the covenants. The bank term loan is classified as a current liability at June 30, 2006 and December 31, 2005.

6. Term debt:

Term debt consists primarily of equipment purchase agreements for equipment and rental fleet inventories. Term debt increased by approximately $2,625,000 to an aggregate of $7,074,120 as at June 30, 2006. The increase is a direct result of the LP increasing its rental fleet capacity.

7. Partners' equity:

Issued:

	Number of units	General partner	Limited partners	Total
Balance December 31, 2004	4,016,510	$ 100	$ 2,585,906	$ 2,586,006
Issued on exercise of unit options	41,500	–	83,000	83,000
Exercise of unit options	–	–	12,000	12,000
Issued under DRIP plan	338,011	–	2,460,648	2,460,648
Issued for cash	15,400	–	123,200	123,200
Subscription receipts, net of costs	–	–	10,759,997	10,759,997
Balance December 31, 2005	4,411,421	100	16,024,751	16,024,851
Subscription receipts converted	1,484,600	–	–	–
Issued under DRIP plan	123,398	–	1,402,226	1,402,226
Issued on purchase of minority interest in Farm & Garden (note 3)	155,924	–	1,871,088	1,871,088
Balance June 30, 2006	6,175,343	$100	$ 19,298,065	$ 19,298,165

The subscription receipts received in 2005 were automatically converted into 1,484,600 limited partnership units on January 15, 2006. Subscription receipts included $649,440 received from officers, directors, consultants and employees.

8. Commitments and contingencies:

(a) The LP acts as a sales agent for the lease of certain equipment by customers from John Deere Credit. Under the terms of its agreement with John Deere Credit, the LP is obligated to purchase the equipment leased to customers by Deere Credit at the end of the lease term at a predetermined amount under the terms of the leases. The total future purchase commitments aggregate approximately $24,256,000 at June 30, 2006 (December 31, 2005 - $23,700,000).

(b) John Deere Credit provides financing to certain of the LP's customers of which a portion of this financing is with recourse to the LP if the amounts are uncollectible. This amount is limited to the finance reserve account held by John Deere which aggregated $990,809 at June 30, 2006 ($1,255,494 at December 31, 2005).

(c) The LP is committed to the following annual operating leases for equipment, land and buildings:

2007	$ 2,389,992
2008	2,248,644
2009	2,120,377
2010	2,169,959
2011	1,527,258
Thereafter	3,341,601
Total	$ 13,797,831

9. Related party transactions:

The LP has recorded certain transactions with related parties. The transactions are recorded at exchange amount, which is the amount agreed to between the related parties. The transactions for the six and three month period ended June 30, 2006 and 2005 are as follows:

(a) Proventure Income Fund, a mutual trust under common control and management

	Three month period ended June 30, 2006	Three month period ended June 30, 2005	Six month period ended June 30, 2006	Six month period ended June 30, 2005
Equipment and real estate rental	$262,184	$199,676	$426,284	$423,284
Interest on notes payable and advances	$37,974	$86,979	$87,531	$154,911
Interest on fixed value units	$10,050	$10,050	$20,100	$20,100
Guarantee fees	$36,375	$36,375	$72,750	$72,750

The Chief Executive Officer ("CEO") of the LP is the Chairman and a trustee of Proventure Income Fund, a publicly traded fund. In addition, the CEO is the single largest equity holder of each of these entities. Under an agreement between the LP and Proventure Income Fund, Proventure is entitled to reimbursement for costs incurred and allocation of insurance costs, allocation of data services, guarantee fees based on 3% of $4,850,000 (June 30, 2005 - $4,850,000), interest on any overdraft balances, interest on any outstanding indebtedness, building lease charges based on lease agreements, and other direct expenses reimbursable with no handling fees or markup.

(b) Certain officers and dealer managers of the LP have provided guarantees to John Deere aggregating $4,700,000 (June 30, 2005 - $5,200,000). During the six and three month period ended June 30, 2006 and 2005, the LP paid these individuals $37,250 for providing these guarantees.

(c) Notes payable to Proventure Income Fund are subordinated and unsecured. The notes have five-year terms, are repayable in advance without penalty and require quarterly interest payments at a bank prime rate. During the six months ended June 30, 2006, $2,745,624 of the advances and notes payable were repaid. Subsequent to June 30, 2006, the notes payable and fixed value units were repaid through proceeds of a private placement that closed on August 3, 2006 (see note 11).

(d) The LP has guarantees on certain long-term debt obligations of Proventure Income Fund. The outstanding balances at June 30, 2006 on these debt obligations are approximately $4,323,000 (December 31, 2005 - $2,107,000).

10. Segmented information:

The LP operates in two main industry segments with all of the operations being in Canada. These segments are agricultural and construction equipment. The segmented amounts are as follows:

June 30, 2006	Agricultural Equipment	Construction Equipment	Total
Revenue	$ 80,673,822	$ 41,492,272	$122,166,094
Net earnings	797,650	2,844,949	3,642,599
Depreciation and amortization	340,661	1,217,130	1,557,791
Capital expenditures	522,589	2,349,084	2,871,673

June 30, 2005	Agricultural Equipment	Construction Equipment	Total
Revenue	$ 69,329,514	$ –	$ 69,329,514
Net earnings	1,677,392	–	1,677,392
Depreciation and amortization	121,385	–	121,385
Capital expenditures	231,892	–	231,892

11. Earnings per unit:

Earnings per unit is calculated based on net earnings available to the limited partners, excluding net earning allocations to senior equity instruments which include the preferred partnership units and the fixed value units. A reconciliation of net earnings available to limited partners is as follows:

	Three month period ended June 30, 2006	Three month period ended June 30, 2005	Six month period ended June 30, 2006	Six month period ended June 30, 2005
Net earnings	$ 3,912,857	$ 2,283,867	$ 3,722,699	$ 1,697,492
Net earnings allocated to senior equity instruments	(103,750)	(10,050)	(203,850)	(20,100)
Net earnings allocated to general Partner	(38,091)	(22,838)	(35,188)	(16,774)
Net earnings available to limited partners	$ 3,771,016	$ 2,250,979	$ 3,483,661	$ 1,660,618

12. Subsequent events:

(a) On June 15, 2006, the LP issued a letter of intent to purchase 100% of the issued and outstanding shares of Westby Holdings Co. Ltd. and Westby Tractor & Equipment Ltd. ("Westby Tractor"). The aggregate purchase price for Westby Tractor is approximately $3,409,000 consisting of approximately $1,109,000 of cash, $1,175,000 through the issuance of Limited Partnership Units and $1,125,000 by way of a promissory note bearing interest at the rate of 6% per annum. It is estimated that the purchase will close in August 2006.

(b) On August 3, 2006, the LP closed a private placement with the issuance of 400,000 limited partnership units for an aggregate amount of $4.8 million. The subscription agreement includes a warrant to purchase one-half of one partnership unit at an exercise price of $13 per unit subscribed and expires on January 31, 2008. The proceeds were used to retire the notes payable to Proventure Income Fund and for working capital purposes.