

Zenith Resources, Inc.

ITR Program Rating

Index Options Program

Return	Risk	Risk Adj	Equity
****	*****	*****	***

The "Index Options" program uses a systematic approach to trading and relies heavily on a program of selling or "writing" out of the money options on the S&P 500 futures contract. The options will generally expire in 35 days or less. The implementation of the program each month depends on two formulas. They determine the strike prices of the initial option positions. Option contracts are written at a sufficient distance out of the money, to allow in most cases, for the options to expire worthless. From time to time, options may be purchased on the S&P 500 futures contract to reduce risk.

Program Summary

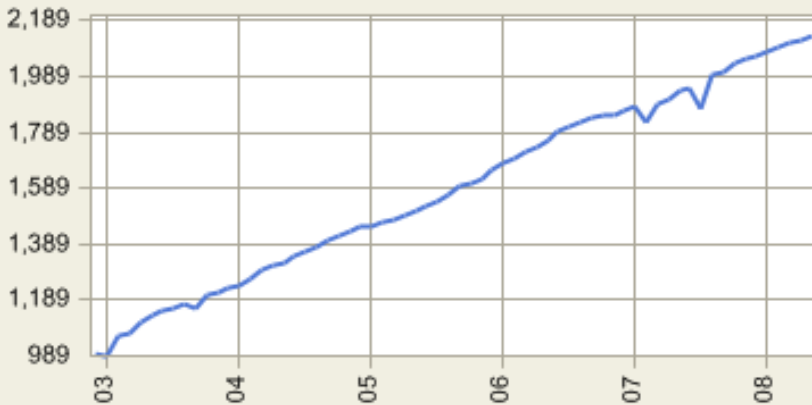
Systematic: 100%	Management Fee: 0.00 %
Discretionary: No	Incentive Fee: 30.00 %
Margin/Equity: 70%	Min. Acct. Size: 200,000 USD
	Annual RTs/\$Mil: 1,300

Index: 100%	Metals: No	Grains: No
Int. Rates: No	Energies: No	Meats: No
Currencies: No	Softs: No	Forex: No

Annual Performance

Year	2003	2004	2005	2006	2007	2008
Return	23.1 %	17.6 %	14.4 %	12.8 %	10.5 %	3.6 %
Percentile	74	77	75	64	52	33
Max. Drawdown	-1.1 %	0.0 %	0.0 %	0.0 %	-3.7 %	0.0 %
StDev	2.2 %	0.5 %	0.5 %	0.5 %	2.4 %	0.1 %
W(L) Months	10(2)	12(0)	12(0)	12(0)	10(2)	5(0)
Equity (\$Mil)	\$1.1	\$10.9	\$21.8	\$38.6	\$50.5	\$41.3

VAMI



Return

AROR: 22.90 %
 TROR: 477.22 %
 BstRU: 477.22 %
 WinMn: 96
 AvWin: 2.01 %

Risk

Stdev: 7.25 %
 Smdev: 5.38 %
 WDD: -3.74 %
 LosMn: 6
 AvLos: -2.35 %

Ratios

ShrpM: 4.26
 Strl: 1.01
 ITR: 4.83
 RRR: 55.91
 W/L: 16.00
 AvW/L: 0.86

MPT

Alpha: 9.74 %
 Beta: 0.05
 Ritr: 0.08
 Rsp: 0.13
 Rtb: -0.04

Monthly Data

Month	ROR	Annual ROR	Equity \$1000's
08 YTD		3.63	
May-08	0.90		41,292
Apr-08	0.56		40,210
Mar-08	0.74		39,572
Feb-08	0.63		49,989
Jan-08	0.75		49,378
07 YTD		10.47	
Dec-07	0.42		50,475
Nov-07	0.89		50,817
Oct-07	1.45		49,341
Sep-07	0.74		49,387
Aug-07	6.13		47,246
Jul-07	-3.74		39,181
Jun-07	0.67		30,125
May-07	1.76		34,043
Apr-07	0.87		38,498
Mar-07	3.42		38,120
Feb-07	-2.87		35,994
Jan-07	0.61		38,759
06 YTD		12.78	
Dec-06	0.96		38,588
Nov-06	0.08		41,558
Oct-06	0.35		42,618
Sep-06	1.05		42,287
Aug-06	0.83		41,611
Jul-06	0.89		35,298
Jun-06	1.93		34,937
May-06	1.35		31,730
Apr-06	0.70		29,540
Mar-06	1.48		27,820
Feb-06	1.02		25,526
Jan-06	1.46		22,713
05 YTD		14.36	
Dec-05	2.08		21,844
Nov-05	1.06		21,133
Oct-05	0.54		20,252
Sep-05	1.72		20,475
Aug-05	1.88		18,460
Jul-05	1.01		15,880
Jun-05	0.85		13,909
May-05	1.21		12,203
Apr-05	1.10		14,420
Mar-05	0.88		13,058
Feb-05	0.72		12,872
Jan-05	0.46		11,534
04 YTD		17.64	
Dec-04	0.73		10,864
Nov-04	1.09		8,840
Oct-04	1.43		7,624
Sep-04	1.87		6,500
Aug-04	1.00		5,703
Jul-04	1.21		5,230
Jun-04	1.75		3,652

Program Inception: Dec-99

Index Options Program *CLSD*

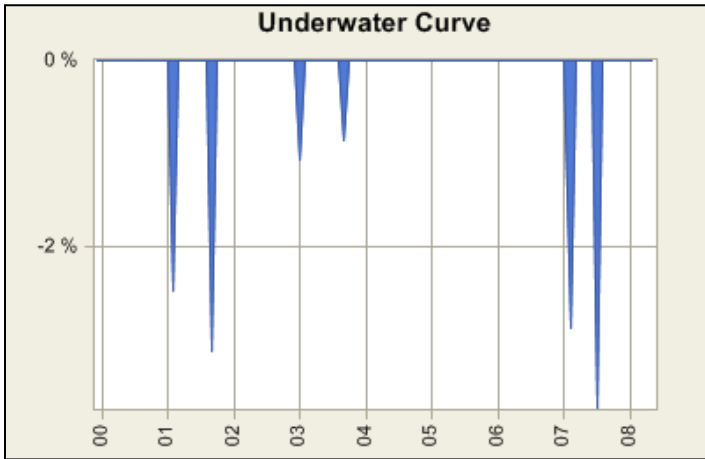
Principal(s): Ed Padon

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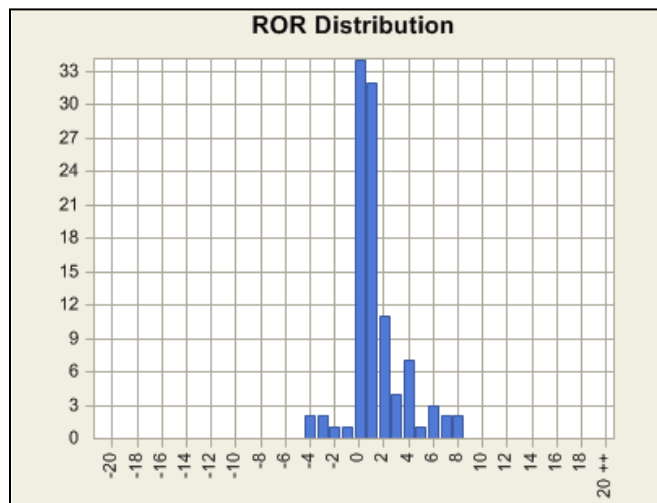
Contact: Ed Padon
Registration: RegCTA,RegNFA,RegIB

Drawdown Analysis				
VAMI Change	Duration Months	Peak Date	Valley Date	Recov. Months
-3.74 %	1	Jun-07	Jul-07	1
-3.12 %	1	Aug-01	Sep-01	1
-2.87 %	1	Jan-07	Feb-07	1
-2.46 %	1	Jan-01	Feb-01	1
-1.06 %	1	Dec-02	Jan-03	1
-0.86 %	1	Aug-03	Sep-03	1

Returns				
Months	Best	Worst	Avg	Latest
1	8.1 %	-3.7 %	1.8 %	0.9 %
3	18.7 %	-1.4 %	5.3 %	2.2 %
6	31.7 %	-0.1 %	10.8 %	4.1 %
12	52.5 %	3.9 %	22.9 %	10.4 %
18	77.5 %	11.7 %	36.9 %	15.6 %
24	105.9 %	21.6 %	53.1 %	21.6 %
36	164.2 %	37.8 %	90.9 %	41.4 %
48	228.1 %	61.4 %	132.0 %	61.6 %
60	288.1 %	88.2 %	184.0 %	88.2 %
72	338.0 %	186.9 %	250.1 %	186.9 %
84	399.4 %	263.9 %	317.8 %	263.9 %



Statistical				
Months	AROR	SharpeM	Semi	RRR
12	10.4 %	1.83	1.6 %	12.73
18	10.1 %	1.57	1.9 %	8.81
24	10.3 %	1.79	1.7 %	10.70
36	12.2 %	2.57	1.4 %	18.84
48	12.7 %	2.98	1.2 %	25.99
60	13.5 %	3.39	1.1 %	31.93
72	19.2 %	4.37	1.3 %	50.31
84	20.3 %	4.14	1.4 %	46.84



SUPPLEMENTAL RISK DISCLOSURE FOR COMMODITY TRADING ADVISORS

THE RISK OF LOSS IN TRADING COMMODITY FUTURES CAN BE SUBSTANTIAL. THEREFORE, INVESTORS NEED TO CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR THEM IN LIGHT OF THEIR OWN SPECIFIC FINANCIAL CONDITION. THE HIGH DEGREE OF LEVERAGE THAT IS OFTEN OBTAINABLE IN COMMODITY TRADING CAN WORK AGAINST YOU AS WELL AS FOR YOU. THE USE OF LEVERAGE CAN LEAD TO LARGE LOSSES AS WELL AS GAINS. IN SOME CASES, MANAGED FUTURES ACCOUNTS ARE SUBJECT TO SUBSTANTIAL CHARGES FOR MANAGEMENT AND ADVISORY FEES. IT MAY BE NECESSARY FOR THOSE ACCOUNTS THAT ARE SUBJECT TO THESE CHARGES TO MAKE SUBSTANTIAL TRADING PROFITS TO AVOID DEPLETION OR EXHAUSTION OF THEIR ASSETS.

PRIOR TO OPENING AN ACCOUNT YOU SHOULD CAREFULLY STUDY THE CTA DISCLOSURE DOCUMENT PROVIDED TO YOU WITH, OR PRIOR TO THIS REPORT. THE CTA DISCLOSURE DOCUMENT CONTAINS A COMPLETE DESCRIPTION OF THE PRINCIPAL RISK FACTORS AND EACH FEE TO BE CHARGED TO YOUR ACCOUNT BY THE CTA. THIS BRIEF STATEMENT CANNOT DISCLOSE ALL OF THE RISKS AND OTHER SIGNIFICANT ASPECTS OF THE COMMODITY MARKETS. THEREFORE YOU SHOULD READ THE DISCLOSURE DOCUMENT CAREFULLY TO DETERMINE WHETHER SUCH TRADING IS APPROPRIATE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. YOU SHOULD OBTAIN INDEPENDENT LEGAL AND TAX ADVICE BEFORE DECIDING TO OPEN AN ACCOUNT.

PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

THIS REPORT USES VARIOUS TERMS TO DESCRIBE CTA PERFORMANCE. PLEASE REFER TO THE BOTTOM AND BACK OF THE REPORT FOR DEFINITIONS OF THOSE TERMS.

THE INFORMATION ABOUT THE COMMODITY TRADING ADVISOR (CTA) CONTAINED IN THIS REPORT IS BASED UPON INFORMATION OBTAINED FROM THE CTA'S DISCLOSURE DOCUMENT, POOL PROSPECTUSES, OR THE CTAS THEMSELVES. WHILE THE INFORMATION IS BELIEVED TO BE RELIABLE, BECAUSE OF THE COMPLEXITIES INVOLVED WITH THE DATA AND THE FACT THAT IT HAS NOT BEEN VERIFIED BY ITR WE CANNOT GUARANTEE ITS COMPLETENESS OR ACCURACY.

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ITR REPRINT DEFINITIONS

Time Frame: The given time frame for the statistics in this document is defined as a rolling window of returns for the last 5 full calendar years, plus the current year-to-date. Up to a maximum of 72 months.

RETURN

AROR: Annual Compounded Rate Of Return

- AROR is the annualized total percentage change in the program's month end VAMI (Value Added Monthly Index).
- $AROR = [(1 + TROR)^{12/mo}] - 1$

TROR: Total Compounded Rate Of Return - The total percentage change in the VAMI derived from the compounded monthly rates of return for the given time frame.

BstRU: Best Run-Up - Largest valley-to-peak rise in the trading program's month end VAMI (Value Added Monthly Index).

WinMn: Total Winning Months

AvWin: Average Percentage Increase in Winning Months

RISK

Stdev: Standard Deviation - Represents a trading program's monthly performance volatility (variability of monthly returns as related to average returns).

- **Please Note:** Standard deviation considers only the variability of a product's returns but does not consider the direction. Returns that are better than expected are **penalized** in this measure, the same way returns that are below expectations are.
- $StDev = \sqrt{\sum[(X - X_{Ave})^2] / \# \text{ mo}} (X) \sqrt{12}$ (annualized)

Smdev: Semi Deviation - Represents a trading program's monthly downside performance volatility relative to the average return. This statistic only utilizes the negative returns in its calculation and does not penalize a product for above average performance.

WDD: Worst Drawdown - Measures the largest percentage loss from a month end VAMI high to the subsequent VAMI low.

LosMn: Total Losing Months

AvLos: Average Percentage Loss in Losing Months

RATIOS

ShrpM: Sharpe Ratio - Measures return to risk. Return in the numerator, is defined as the trading program's annualized rate of return. Annualized monthly standard deviation, in the denominator, is used to measure risk.

- $Sharpe = AROR / StDev_{annualized}$

Shrp2: Sharpe II Ratio (modified Sharpe) - Similar to Sharpe ratio (see above), but the measure of risk used in the denominator is the trading program's annualized monthly Semi Deviation.

- $Sharpe II = AROR - \text{risk free rate} / \text{Semi-Dev}_{Annualized}$

Strl: Sterling Ratio - Measures return to risk. The average of the last 3 years TROR in the numerator, divided by the average worst drawdown for the same three years (+) plus 0.1. (Please note: track record must be at least 36mo. before ratio may be calculated.)

- $Sterling Ratio = CROR_{Ave (three 12mo periods)} / (WDD_{Ave (three 12mo periods)} + 0.1)$

ITR: ITR Ratio - Measures return to risk. Return, in the numerator, is defined as the trading program's AROR. The worst drawdown + .01 in the denominator is used to measure risk.

- $ITR Ratio = AROR / (WDD + 0.01)$

RRR: Return Retracement Ratio - Measures return to risk. Return, in the numerator, is defined as the trading program's AROR. The average maximum retracement, in the denominator, is used to measure risk.

- $RRR = AROR / AMR$
AMR(Ave. Max. Retracement) = Average MRPP or Average MRSL whichever is greater.
MRPP = Max. Retracement From Prior Equity Peak
MRSL = Max. Retracement From Subsequent Low

W/L: Win/Loss Ratio - A basic ratio: WinMn / LosMn (both numbers from above)

AvW/L: Average Percentage Win/Loss Ratio - A basic ratio: AvWin / AvLos (both numbers from above)

MPT: MODERN PORTFOLIO THEORY

Alpha: Alpha attempts to grade actual performance relative to expected performance. Alpha is expressed as a certain percentage above or below what was expected. Expected performance is the ITR Index (X) times a CTA's Beta.

Beta: A beta measures the extent to which the performance of a given CTA varies with respect to the ITR Index as a whole. The ITR Index's beta is represented by "1.0". CTA's that, on average, rise and fall with the ITR index also have a beta of "1.0". A CTA with a beta greater than "1.0" indicates that if the market rises or falls, the CTA fluctuates more than the index (up or down). For example, a CTA with a beta of "1.5" is 50% more volatile than the index - if the index is up 10%, the CTA will be up on average 50% more, 15%; if the market is down 10%, then the CTA on average will be down 15%. A CTA with a beta less than "1.0" indicates a CTA that is less volatile than the index.

- X = Data stream for Index Y = Data stream for CTA r = return n = # mo.
- $\{[n * ({}^{TM}(Xr_n + Yr_n))] - ({}^{TM}Xr_n * {}^{TM}Yr_n)\} / \{[n * {}^{TM}(Xr^2)] - ({}^{TM}Xr)^2\}$

Correlations: Correlation Coefficient, Rs, which gauges how closely a CTA's performance correlates to the performance of a given Index. Programs with Rs values exceeding 0.66 may be viewed as having significant performance correlation; Rs values between 0.33 and 0.66 have moderately significant correlation, and programs with Rs values below 0.33 have little or no correlation. Any negative value indicates an inverse correlation. Please note that values will only range between 1 and -1.

Ritr: Correlation to the ITR Premier 40 Index - The ITR P-40 Index is an asset-weighted index of the performance of the 40 largest programs in the database. Each month ITR ranks its database to find the top 40 Composite Programs based on ending monthly equity for the previous month. ITR then calculates the dollar-weighted average performance of those 40 programs.

Rsp: Correlation to the S&P 500 Index. The S&P 500 Index consists of 500 stocks chosen for market size, liquidity, and industry group representation. It is a market value weighted index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value. Credit: Copyright © 1999 The McGraw-Hill Companies, Inc.

Rtb: Correlation to the Lehman Brothers US Aggregate Bond Index - The Lehman Brothers US Aggregate Bond Index made up of the Lehman Brothers Government/Corporate Bond Index, Mortgage-Backed Securities Index, and Asset-Backed Securities Index, including securities that are of investment-grade quality or better, have at least one year to maturity, and have an outstanding par value of at least \$100 million.

Rmlm: Correlation to the Mount Lucas Management - Commodity Index - Represents the results of continuously maintained unleveraged, equally weighted investments in the following 25 futures markets: Corn, Soybeans, Soybean Meal, Soybean Oil, Wheat, Live Cattle, Heating Oil, Natural Gas, Crude Oil, Unleaded Gas, Gold, Silver, Copper, Coffee, Cotton, Sugar, 5-yr Notes, 10-yr Notes, Treasury Notes, Australian Dollars, British Pounds, Canadian Dollars, German Marks, Swiss Francs, Yen.

- The monthly rate of return of the Index equals the simple average of the individual market monthly rates of return plus the T-bill rate. The rate of return of an individual market depends on whether the market position is long or short. The Index uses a predefined rule to determine the position, long or short.

OTHER

Underwater Curve: The Underwater curve depicts the percentage drawdown as of the end of each month, measured from the previous VAMI peak.