mapleleaf
SHORT DURATION
FLOW-THROUGH



MAPLE LEAF SHORT DURATION 2010 FLOW-THROUGH LIMITED PARTNERSHIP

Management report of fund Performance
As at December 31, 2010

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This Management Report of Fund Performance contains financial highlights but does not contain the complete financial statements for Maple Leaf Short Duration 2010 Flow-Through Limited Partnership (the "Partnership"). You can get a copy of either the interim or annual financial statements at your request, and at no cost, by calling 1.866.688.5750, by writing the general partner, Maple Leaf Short Duration 2010 Flow-Through Management Corp. (the "General Partner"), at 808 - 609 Granville Street, Vancouver, BC V7Y 1G5 or by visiting our website at www.mapleleafflowthrough.ca or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the Partnership's proxy voting policies and procedures, proxy voting disclosure record, quarterly portfolio disclosure or Independent Review Committee Report to Securityholders.

Forward-Looking Information

This Management Report of Fund Performance contains forward-looking information and statements relating to, but not limited to, anticipated or prospective financial performance and results of operations of the Partnership. Any statements that are contained herein that are not statements of historical fact may be deemed to be forward-looking information. Without limiting the foregoing, the words "believes", "anticipates", "plans", "intends", "will", "should", "expects", "projects", and similar expressions are intended to identify forward-looking information.

The General Partner believes the forecasts or projections herein are reasonable, however readers are cautioned not to place undue reliance on such forward-looking information and readers should review the prospectus filed with Canadian securities regulatory authorities. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons including, but not limited to, market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Partnership may invest and the risks detailed in the Prospectus of the Partnership. We caution that the foregoing list of factors is not exhaustive.

The forward-looking information is given as of the date of this management report of fund performance, and the General Partner undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Management Discussion of Fund Performance

Investment Objectives

The investment objective of the Partnership is to provide limited partners with a tax-assisted investment in a diversified portfolio of flow-through shares of resource companies focused on oil & gas and mineral exploration, development and/or production or certain renewable energy production with a view to earning income and achieving capital appreciation.

Results of Operations

In November 2010 the Partnership completed its public offering of units, raising $23 million for investment in flow-through shares of Canadian resource companies. The Partnership has fully invested the proceeds from this offering, generating tax deductions applicable to the 2010 taxation year for limited partners.

For the period ended December 31, 2010, the Partnership incurred total expenses of $183,104, comprised of a administrative and other $75,577, management fee $69,733, audit $22,400 and interest $15,394. The partnership had unrealized depreciation on investments of $1,305,734.

Performance Review

2010 has been another good year for commodities, though the path was not as smooth as in roaring 2009. As the global economic recovery matures, uncertainty about its strength and sustainability has increased. Commodities' prices picked up in the second half of the year with renewed optimism on China's ability to moderate inflation and achieve sustainable growth. The two dynamics, China's growing role as the engine of the world's economic growth and a weakened U.S. currency, were the main focus for the commodities market. In the base metals sector, copper and nickel were the outperformers while zinc lagged in comparison. Gold continued to see strong demand as investors seek to hedge risk in times of economic uncertainty. Oil was up 25% year over year (YoY) as supply continued to tighten. Uranium was even better, up 41% YoY. China's ambitious plan to achieve milestone in its clean energy initiative had attracted investors to bet on a rising demand in uranium. Rare Earth metals had recently come into spot light when China, the supplier of 97% of world's rare earth demand, announced plans to reduce its export quota, consequentially threatening the world with supply disruption. The prices for rare earth metals rose by 6 fold in 2010. Despite the strong return on commodities, the jury is still out on the sustainability of the nascent economic recovery and the long term effectiveness of government stimulus programs. Going forward, the renewed sense of confidence will need to be supported by evidence of self-regenerative economic recovery.

The Partnership successfully completed its initial public offering in November 2010, raising total assets of $23 million. The Partnership completed its investment mandate by the end of 2010, investing in a diversified portfolio of 26 publicly traded securities, consisting of a 42% weighting in precious metals equities, an 8% weighting in base metals equities, a 41% weighting in energy equities and a 17% weighting in uranium equities. The manager limited the flow-through share premium paid to 14% in the challenging environment of rising premiums demanded by issuers and will continue to safeguard returns and reduce risk by adjusting the sector weightings opportunistically as throughout 2011.

Future Strategy

While the Manager continues to believe the foundation of the secular global economic expansion is intact - global liquidity is still plenty and the rising of the East is nowhere near to be over – it is too early to declare that this cyclical bull market has become a secular one. Even though economies have been boosted by various rescue / stimulus measures from authorities, it remains to be seen if a self-sustaining recovery has taken hold. As many of these measures are gradually withdrawn, signs of weakness have surfaced, renewing debates on whether and when the huge fiscal and monetary incentives should be taken back. As the Greek crisis has shown, even countries cannot live on borrowed money forever. In the end, whether the global economy can sustain a strong recovery in the face of the many challenges is the key to the direction of the markets over the next year.

Credit Facility

The Partnership had a credit facility that enabled the Partnership to borrow an amount up to $2,500,000 (subject to certain conditions including borrowing limits based on assets) for the payment of issue costs and provided the bank with a security interest in all the assets of the Partnership. The loan is subject to interest based on the prime rate payable monthly. During the period ended December 31, 2010 the Partnership incurred interest expense of $15,394 on the loan. During the period ended December 31, 2010 the minimum loan balance was $2,010,575, which is the maximum amount borrowed during the period. The loan is repayable at the earlier of a) dissolution and b) December 31, 2011.

Related Party Transactions

The General Partner is entitled to an annual management fee of 2.0% of the net asset value of the Partnership. The fee is calculated and payable monthly in arrears. For the period ended December 31, 2010 the management fee totalled $69,733 including harmonized sales tax (“HST”).

The General Partner has retained CADO Bancorp Ltd., a company controlled by directors of the General Partner, to provide office space and perform certain administrative functions on behalf of the General Partner. During the period an amount of $30,000 was incurred, which is included in administrative and other expenses. As at December 31, 2010, a receivable from the General Partner of $109,160 has been accrued, which represents the excess issue costs to be reimbursed. During the period the General Partner charged an administration fee to the Partnership in the amount of $2,000.

Risk

There are risks associated with an investment in units of the Partnership. The most recent Prospectus of the Partnership contains a discussion of these risks and is available at our website at www.mapleleafflowthrough.ca or on SEDAR at www.sedar.com.

There have been no major or significant changes during the period ended December 31, 2010 that have had an impact on the overall risk level and investments of the Partnership.

Financial Highlights

The following tables summarize selected key financial information about the Partnership and is intended to help you understand the Partnership's financial performance since inception on October 22, 2010. The information is derived from the Partnership's financial statements.

The Partnership's Net Assets per unit

Maple Leaf Short Duration 2010 Flow-Through Limited Partnership	**December 31, 2010 [3]**
Net assets (net of issue costs), Beginning of period [2]	22.81
Increase (decrease) from operations	
Total expenses	(0.20)
Unrealized gains (losses) for the period	(1.42)
Total decrease from operations [1]	(1.62)
Net assets, end of period [2]	**$ 21.19**

[1] Net assets per unit is based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period.

[2] These calculations are prescribed by securities regulators and are not intended to be a reconciliation between the opening and closing net assets per unit.

[3] This information is derived form the Partnership's audited financial statements for the period ended December 31, 2010.

Ratios and Supplemental Data

		2010
Total net asset value (000's) (1)	$	19,667
Number of units outstanding (1)		919,120
Management expense ratio (2)		15.37%
Management expense ratio excluding issue costs (2)		4.95%
Portfolio turnover rate (3)		0.00%
Trading expense ratio (4)		0.00%
Net asset value per unit	$	21.40

Notes:

(1) This information is provided as at December 31, 2010 of the year shown

(2) The Management expense ratio ("MER") is based on the total expenses (excluding commissions and portfolio transaction costs) of the Partnership for the stated period expressed as an annualized percentage of average net assets during the period. The annualized MER for December 31, 2010 (the year of inception) includes issue costs which are one-time expenses and therefore not annualized.

(3) The Partnership's portfolio turnover rate indicates how actively the Partnership's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Partnership buying and selling all of the securities in its portfolio once in the course of a year. The higher the Partnership's portfolio turnover rate in a year, the greater the trading costs payable by the Partnership in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Partnership.

(4) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of average net asset value during the period.

Management Fees

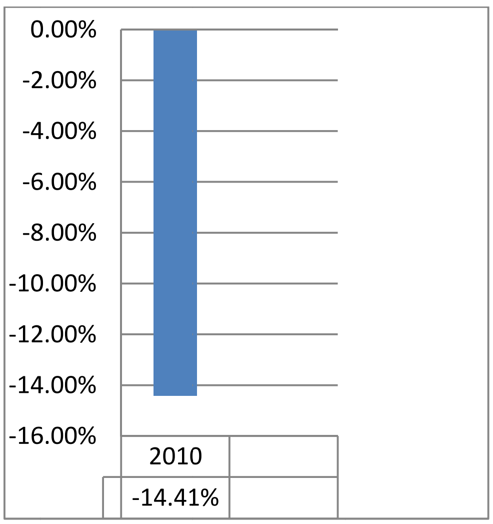
The General Partner is entitled to an annual fee in the aggregate amount of 2% of the Net Asset Value, calculated and paid monthly in arrears. The General Partner will also be entitled to a performance bonus (the “Performance Bonus”), equal to 20% of the product of (a) the number of Units outstanding on the Performance Bonus Date; and (b) the amount by which the net asset value per unit on the Performance Bonus date (prior to giving effect to the Performance Bonus) plus the total distributions per unit over the Performance Bonus Term exceeds $28. As at December 31, 2010 this threshold has not been achieved; accordingly no performance bonus has been accrued.

Past Performance

The chart below shows the Partnership's annual performance for each of the periods shown, and illustrates how the Partnership's performance has changed from period to period, since inception. The chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial period.

Please note that the Partnership's past performance does not necessarily indicate how it will perform in the future.

Year-by-Year Returns



Annual Compound Returns

The following table shows the Partnership's historical annual compound return since the Commencement of Operations on October 22, 2010 to December 31, 2010 as compared to the performance of the S&P/TSX Composite Index (the "Index").

Period from October 22, 2010 to December 31, 2010	
Maple Leaf Short Duration 2010 Flow-Through LP	-14.41%
S&P/TSX Composite Index	6.68%

Note:

The S&P/TSX Composite Index is a broad based securities market index that tracks the performance of some of the largest and most widely held Canadian stocks listed on the Toronto Stock Exchange.

Summary of Investment Portfolio

The following summaries of the Partnership's investment portfolio break-down the portfolio into subgroups, showing the percentage of net asset value of the Partnership constituted by each subgroup and the table lists the top 25 securities held and the percent of net asset value, as at December 31, 2010.

		% of Net Asset Value
Cash		1.92
Equity investments		
Precious Metals	42.09	
Energy	40.27	
Uranium	17.19	
Base Metals	8.33	107.88
Total investment portfolio, including cash		109.80
Liabilities, net of other assets		(9.80)
Total Net Asset Value		100.00

Top 25 Investments	% of Net Asset Value
Sabina Gold & Silver Corp.	10.44
UEX Corp.	9.00
SilverBirch Energy Corporation	8.58
Goldstone Resources Inc.	5.85
Noront Resources Ltd.	5.81
Trelawney Mining and Exploration Inc.	5.49
Fission Energy Corp.	5.41
Starfield Resources Inc.	4.58
Rock Energy Inc.	4.57
PC Gold Inc.	4.41
Pace Oil & Gas Ltd.	4.32
Angle Energy Inc.	4.22
Kaminak Gold Corporation	4.14
Westfire Energy Ltd.	4.04
Paramount Resources Limited	3.69
DeeThree Exploration Ltd.	3.51
Tyhee Development Corp.	3.31
Queenston Mining Inc.	2.96
Denison Mines Corp.	2.78
Niogold Mining Corp.	2.42
Royal Nickel Corporation	2.17
Temex Resources Corp.	1.50
YOHO Resources Inc.	1.34
Waldron Energy Corporation	1.21
Gowest Amalgamated	0.73

Note:

This summary of Investment Portfolio may change due to buy and sell transactions enacted by the portfolio manager. A quarterly update detailing future changes will be available on our website at www.mapleleafflowthrough.ca or you can request a quarterly update by calling Maple Leaf Flow-Through at 1.866.688.5750.

Recent Developments

Provincial sales tax and GST harmonization

Effective July 1, 2010, the Ontario and British Columbia provincial sales taxes (“PST”) were harmonized with the federal GST, resulting in a federally administered tax (“HST”). Management fees and other service fees that were previously only subject to GST at 5% will now be subject to HST at 12%. The Partnership will not be entitled to recover this additional 7% cost since investment funds are not able to recover the HST.

International Financial Reporting Standards

The Canadian Accounting Standards Board (“AcSB”) has announced its intention to replace Canadian generally accepted accounting principles with International Financial Reporting Standards (“IFRS”) effective January 1, 2011. The AcSB proposed that investment companies can continue to apply Canadian standards in Part V of the CICA Handbook – Accounting until fiscal years beginning on or after January 1, 2013. The Partnership is expected to transfer its assets to a mutual fund and dissolve on or before December 31, 2011, the adoption of IFRS is not expected to impact the Partnership.

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