



AUGUST 2010 INVESTOR REPORT

FUND NTA

Cadence Capital unit price estimates as at 31st August 2010:

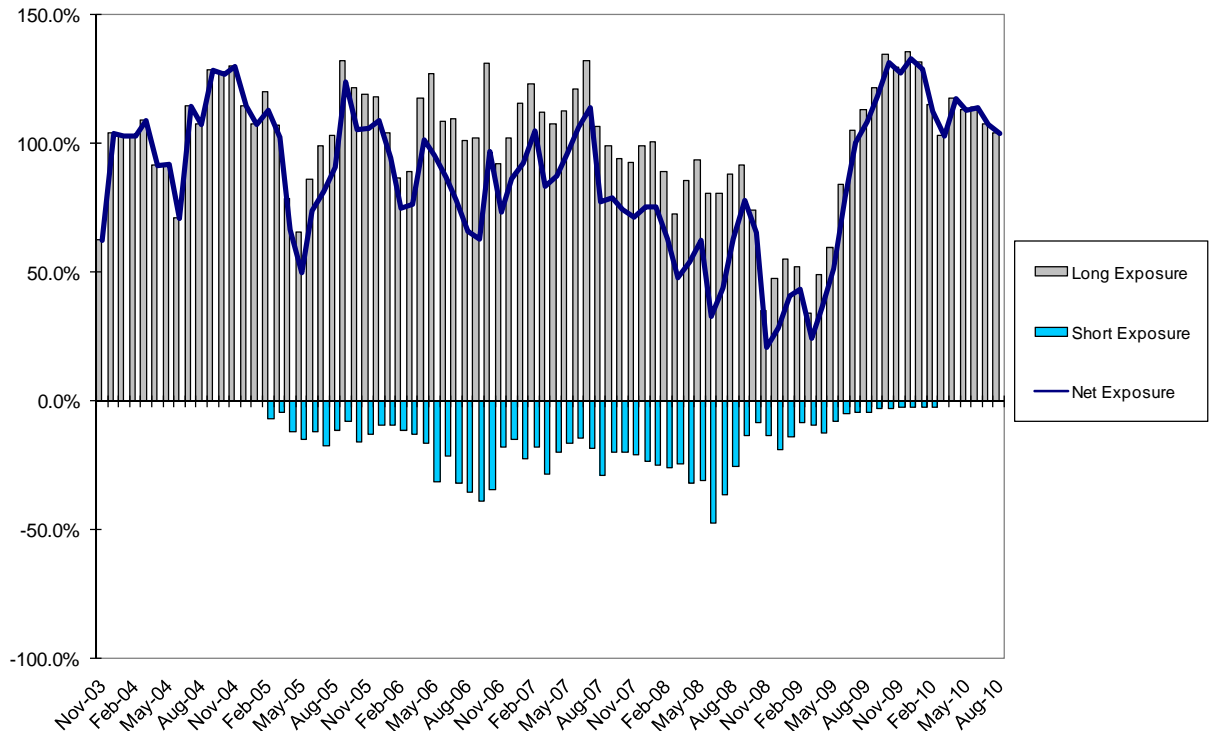
NTA (Post Fees and Distributions) \$1.22757

FUND PERFORMANCE*

Performance to 31st August 2010	CC	All Ords	Outperformance
1 Month	1.76%	-0.71%	
1 Year	11.31%	2.73%	+8.58%
Annualised return since inception (82 months)	11.01%	8.95%	+2.06%
Inception to date accumulated return (82 months)	104.20%	79.61%	+24.59%

* Before Management and Performance Fees

PORTFOLIO EXPOSURE ANALYSIS



PORTFOLIO SECTOR ANALYSIS

Sector	Long	Short	Net
Banks	31.40%		31.40%
Materials	26.40%		26.40%
Software & Services	18.09%		18.09%
Telecommunication Services	7.60%		7.60%
Commercial Services & Supplies	5.79%		5.79%
Diversified Financials	4.82%		4.82%
Technology Hardware & Equipment	3.03%		3.03%
Capital Goods	2.05%		2.05%
Real Estate	1.56%		1.56%
Consumer Services	1.52%		1.52%
Insurance	1.44%		1.44%
Media	0.10%		0.10%
Exposure	103.78%	0.00%	103.78%
Cash Borrowings			-3.78%

TOP 20 PORTFOLIO POSITIONS

ASX Code	Position	Direction	% Holding
RHG	RHG Ltd	Long	20.7%
RKN	Reckon Ltd	Long	9.2%
BVA	Bravura Solutions Ltd	Long	8.2%
AVO	Avoca Resources Limited	Long	6.1%
TPM	TPG Telecom Ltd	Long	5.9%
MMS	McMillan Shakespeare Limited	Long	5.8%
CFE	Cape Lambert Iron Ore Ltd	Long	4.6%
MCC	MacArthur Coal Ltd	Long	4.2%
RIO	Rio Tinto Ltd	Long	4.1%
FFF	Firstfolio Limited	Long	3.7%
NAB	National Australia Bank Ltd	Long	3.7%
ANZ	Australia & New Zealand Banking Group	Long	3.2%
AGO	Atlas Iron Ltd	Long	2.3%
VMG	VDM Group Limited	Long	2.0%
FSA	FSA Group Ltd	Long	2.0%
HSKG	Heemskirk Consolidated Convertible Note	Long	1.9%
STB	South Boulder Mines Ltd	Long	1.7%
PBD	Port Bouvard Limited	Long	1.6%
MIK	Mikoh Corporation Limited	Long	1.5%
HTC	Hostech Limited	Long	1.5%
Top Twenty Portfolio Holdings			94.1%

MARKET AND COMMENTARY

We are pleased to report that Cadence Capital Fund has performed well over the past twelve months and the fund is up 11.3% (Gross) outperforming the All Ordinaries Accumulation Index by 8.6%. During the month of August, Cadence Capital Fund returned a positive gross performance of +1.76% compared to a decrease in the All Ordinaries Accumulation Index of -0.71% and an increase in the Small Ordinaries Accumulation Index of +1.80%.

Since its inception six years and ten months ago, Cadence Capital Fund has returned a gross performance of 104.20% compared to an increase in the All Ordinaries Accumulation Index of 79.61% and an increase in the Small Ordinaries Accumulation Index of 64.86%.

The fund finished the month 103.78% long and with no shorts, i.e. net long exposure of 103.78%. The net exposure for July 2010 was 107.55%.

CADENCE CAPITAL NEWS

On the 25th August 2010, Karl Siegling, Portfolio Manager for Cadence Capital was interviewed by Sky Business. In this interview he discusses one of the positions currently in the portfolio, Firstfolio Limited (ASX Code: FFF). This interview and previous interviews and quarterly webcasts can be accessed through the 'News' section of the Cadence Capital website at www.cadencecapital.com.au.

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