



CADENCE
CAPITAL

FEBRUARY 2011 INVESTOR REPORT

FUND NTA

Cadence Capital unit price estimates as at 28th February 2011:

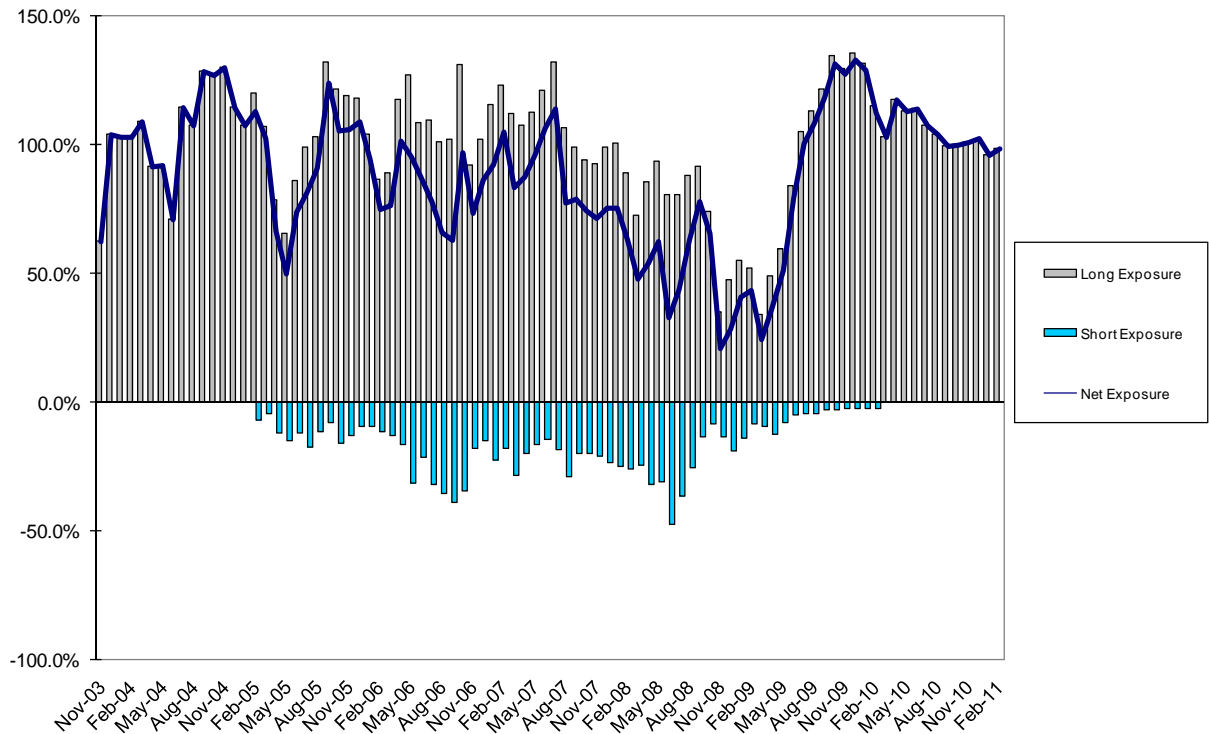
NTA (Post Fees and Distributions) 1.83716

FUND PERFORMANCE*

Performance to 28th February 2011	CC	All Ords	Outperformance
1 Month	9.68%	2.19%	
1 Year	52.26%	10.20%	+42.06%
Annualised return since inception (88 months)	16.54%	10.15%	+6.39%
Inception to date accumulated return (88 months)	207.30%	103.14%	+104.16%

* Before Management and Performance Fees

PORTFOLIO EXPOSURE ANALYSIS



PORTFOLIO SECTOR ANALYSIS

Sector	Long	Short	Net
Materials	36.92%		36.92%
Banks	32.95%		32.95%
Software & Services	17.53%		17.53%
Commercial Services & Supplies	6.53%		6.53%
Diversified Financials	3.15%		3.15%
Consumer Services	0.57%		0.57%
Telecommunication Services	0.48%		0.48%
Technology Hardware & Equipment	0.28%		0.28%
Exposure	98.41%	0.00%	98.41%
Cash on hand			1.59%

TOP 20 PORTFOLIO POSITIONS

ASX Code	Position	Direction	% Holding
RHG	RHG Ltd	Long	25.0%
BVA	Bravura Solutions Ltd	Long	9.4%
STB	South Boulder Mines Ltd	Long	9.3%
RKN	Reckon Ltd	Long	7.8%
MMS	McMillan Shakespeare Limited	Long	6.5%
CFE	Cape Lambert Iron Ore Ltd	Long	5.2%
AQG	Alacer Gold Corp	Long	4.6%
AWC	Alumina Limited	Long	3.5%
RIO	Rio Tinto Ltd	Long	3.3%
ANZ	Australia & New Zealand Banking Group	Long	3.1%
NAB	National Australia Bank Ltd	Long	2.7%
FXL	Flexigroup Limited	Long	2.6%
AGO	Atlas Iron Ltd	Long	2.5%
FFF	Firstfolio Limited	Long	2.1%
BTU	Bathurst Resources Limited	Long	2.0%
ZRL	Zambezi Resources Limited	Long	2.0%
MCC	MacArthur Coal Ltd	Long	1.9%
HSKG	Heemskirk Consolidated Convertible Note	Long	1.4%
AKI	African Iron Limited	Long	0.9%
MQG	Macquarie Group Limited	Long	0.6%
Top Twenty Portfolio Holdings			96.4%

MARKET AND COMMENTARY

We are pleased to report that the fund has had a good year to date and for the eight months ended 28th February 2011 the fund is up 59.53% (Gross) outperforming the All Ordinaries Accumulation Index by 42.48%. During the month of February, Cadence Capital Fund returned a positive gross performance of +9.68% compared to an increase in the All Ordinaries Accumulation Index of +2.19% and an increase in the Small Ordinaries Accumulation Index of +1.27%.

For the seven years and four months to 28th February 2011, Cadence Capital Fund has returned a gross performance of 207.30% compared to an increase in the All Ordinaries Accumulation Index of 103.14%.

The fund finished the month 98.41% long and with no shorts, i.e. net long exposure of 98.41%. The net exposure for January 2011 was 95.91%.

CADENCE CAPITAL NEWS

During the month of March, the Cadence Capital Limited quarterly webcast will be available to be viewed on our website. This webcast will firstly give an update on the Company's half year results and secondly will discuss in some detail the top five positions in the portfolio being: RHG Limited; Bravura Solutions Limited; Reckon Limited; South Boulder Mines Limited; and McMillan Shakespeare Limited. All five of these positions have performed well for the fund over the last six months. This webcast and previous webcasts can all be accessed through the 'News' section of the Cadence Capital website at www.cadencecapital.com.au.

DISCLAIMER

The information contained in this report has been prepared with all reasonable care by Cadence Asset Management Pty Ltd. It is provided for information purposes only and should not be construed as an offer or solicitation. It should not be relied upon as the sole basis for making an investment decision, nor should a decision be made until the risks of the investment are fully understood. Cadence Asset Management Pty Ltd assumes no responsibilities for errors, inaccuracies or omissions in this summary. The information is provided without warranty of any kind. Past performance is not indicative of future performance. Investors may not get back the full amount originally invested.