



CADENCE CAPITAL

JULY 2010 INVESTOR REPORT

FUND NTA

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

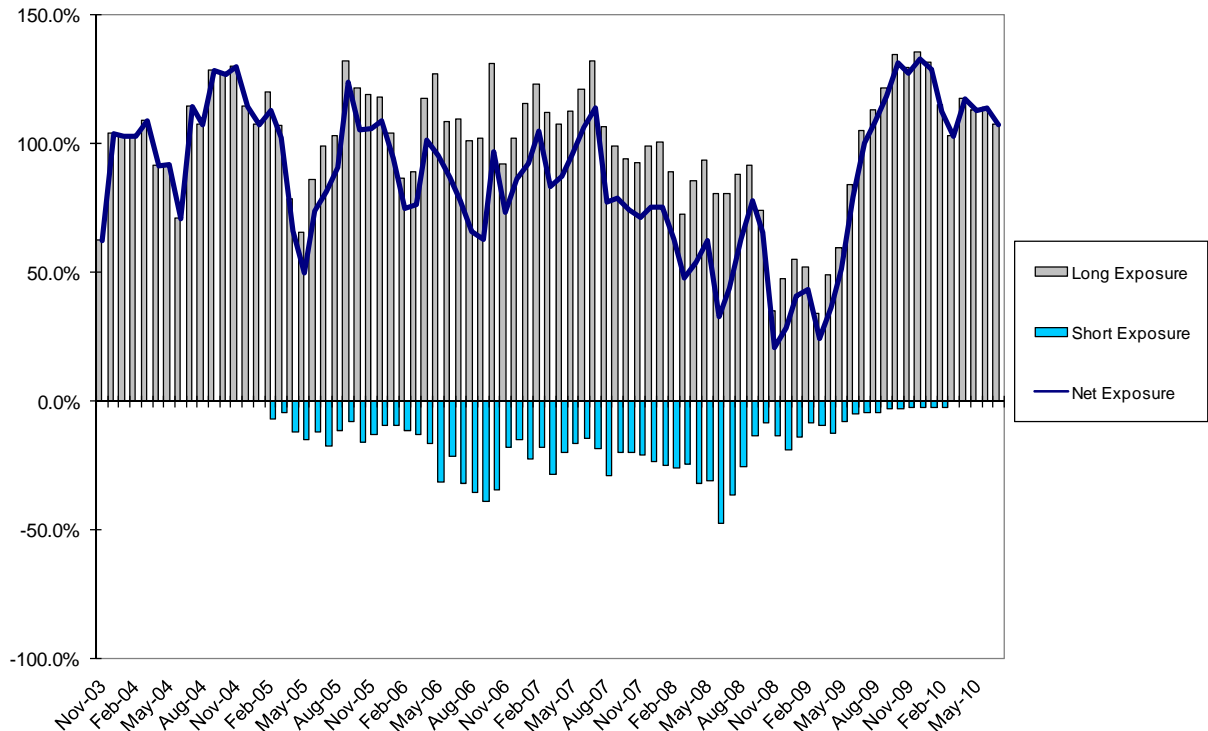
NTA (Post Fees and Distributions) \$1.20636

FUND PERFORMANCE*

Performance to 31st July 2010	CC	All Ords	Outperformance
1 Month	4.17%	4.23%	
1 Year	19.89%	10.16%	+9.73%
Annualised return since inception (81 months)	10.87%	9.18%	+1.69%
Inception to date accumulated return (81 months)	100.68%	80.90%	+19.78%

* Before Management and Performance Fees

PORTFOLIO EXPOSURE ANALYSIS



PORTFOLIO SECTOR ANALYSIS

Sector	Long	Short	Net
Banks	32.04%		32.04%
Materials	27.18%		27.18%
Software & Services	16.88%		16.88%
Telecommunication Services	8.51%		8.51%
Diversified Financials	6.22%		6.22%
Commercial Services & Supplies	5.02%		5.02%
Technology Hardware & Equipment	3.87%		3.87%
Capital Goods	2.11%		2.11%
Real Estate	1.73%		1.73%
Insurance	1.49%		1.49%
Consumer Services	1.37%		1.37%
Retailing	1.14%		1.14%
Exposure	107.55%	0.00%	107.55%
Cash Borrowings			7.55%

TOP 20 PORTFOLIO POSITIONS

ASX Code	Position	Direction	% Holding
RHG	RHG Ltd	Long	21.2%
RKN	Reckon Ltd	Long	8.9%
BVA	Bravura Solutions Ltd	Long	6.3%
TPM	TPG Telecom Ltd	Long	6.2%
AVO	Avoca Resources Limited	Long	5.5%
MMS	McMillan Shakespeare Limited	Long	5.0%
CFE	Cape Lambert Iron Ore Ltd	Long	4.9%
RIO	Rio Tinto Ltd	Long	4.2%
NAB	National Australia Bank Ltd	Long	4.1%
MCC	MacArthur Coal Ltd	Long	3.9%
ANZ	Australia & New Zealand Banking Group	Long	3.4%
FFF	Firstfolio Limited	Long	3.4%
AGO	Atlas Iron Ltd	Long	2.3%
FSA	FSA Group Ltd	Long	2.2%
VMG	VDM Group Limited	Long	2.1%
MIK	Mikoh Corporation Limited	Long	2.0%
HSKG	Heemskirk Consolidated Convertible Note	Long	1.9%
HTC	Hostech Limited	Long	1.9%
PBD	Port Bouvard Limited	Long	1.7%
FXL	Flexigroup Limited	Long	1.7%
Top Twenty Portfolio Holdings			92.8%

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 19.9% (Gross) outperforming the All Ordinaries Accumulation Index by 9.7%. During the month of July, Cadence Capital Fund returned a positive gross performance of +4.17% compared to an increase in the All Ordinaries Accumulation Index of +4.23% and an increase in the Small Ordinaries Accumulation Index of +5.21%.

Since its inception six years and nine months ago, Cadence Capital Fund has returned a gross performance of 100.68% compared to an increase in the All Ordinaries Accumulation Index of 80.90% and an increase in the Small Ordinaries Accumulation Index of 61.94%.

The fund finished the month 107.55% long and with no shorts, i.e. net long exposure of 107.55%. The net exposure for June 2010 was 113.91%.

CADENCE CAPITAL NEWS

Cadence Capital will be releasing its quarterly webcast later this week. This webcast will give an update on the funds performance throughout the past financial year and then will discuss the top two positions in the portfolio, namely RHG Limited, and Reckon Limited. This webcast and previous webcasts will be able to 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.