

INVESTMENT UPDATE

July 2013

Cadence Offshore Fund NTA as at 31st July 2013:

NTA per share (Series AUD1) **\$ 1,822.87**
 Net Performance July 2013 (Series AUD1) **-1.51%**

Monthly Detailed Performance

Cadence Cayman Fund	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	YTD
All Ordinaries Acc Index	-2.70%	-0.28%	2.21%	6.06%	-9.07%	-2.61%	7.60%	4.02%	5.24%	4.70%	12.35%	2.01%	31.63%
	-5.85%	1.82%	5.83%	-1.18%	-7.57%	-2.60%	4.23%	-0.71%	5.02%	2.17%	-0.70%	3.80%	3.31%
Cadence Cayman Fund	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	YTD
All Ordinaries Acc Index	1.70%	3.78%	-2.52%	5.16%	-1.36%	1.64%	0.66%	2.98%	-1.60%	2.15%	2.20%	-0.19%	15.28%
	0.07%	2.19%	0.64%	-0.58%	-1.89%	-2.39%	-3.40%	-2.00%	-6.27%	7.17%	-3.43%	-1.57%	-11.43%
Cadence Cayman Fund	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	YTD
All Ordinaries Acc Index	0.92%	2.22%	1.56%	-0.90%	-2.51%	0.60%	1.99%	4.45%	0.09%	3.44%	-0.11%	0.78%	13.08%
	5.23%	2.41%	1.15%	1.10%	-6.90%	0.25%	3.74%	2.12%	2.13%	2.97%	0.27%	3.43%	18.84%
Cadence Cayman Fund	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	YTD
All Ordinaries Acc Index	2.32%	4.69%	-0.54%	1.46%	0.79%	-1.01%	-1.51%						6.23%
	5.08%	5.18%	-2.24%	3.82%	-4.39%	-2.62%	5.46%						10.15%
												Accumulated return	82.29%
												All Ordinaries Acc Index	19.77%

* Net of all fees

Portfolio Commentary

During July 2013 Cadence Cayman Fund returned a negative net performance of -1.51% compared to an increase in the All Ordinaries Accumulation Index of +5.46%. The underperformance during the month was mainly caused by a decline in McMillan Shakespeare Limited's share price due to the Government's proposed changes to the FBT treatment of motor vehicles. We have reduced our exposure in McMillan Shakespeare given the current uncertainty. Year to date the fund is up +6.23% compared to an increase in the All Ordinaries Accumulation Index of +10.15%. The fund finished the month 76.33% net long. The net exposure for June 2013 was 61.92%.

Portfolio Sector Exposure

Sector	Long	Short	Net
Diversified Financials	25.47%		25.47%
Banks	13.04%		13.04%
Materials	10.59%	1.88%	8.71%
Software & Services	7.83%		7.83%
Consumer Services	5.84%		5.84%
Insurance	5.11%		5.11%
Telecommunication Services	4.21%		4.21%
Commercial & Professional Services	1.64%		1.64%
Real Estate	1.43%		1.43%
Transportation	1.42%		1.42%
Utilities	0.95%		0.95%
Energy	0.68%		0.68%
Capital Goods	0.01%		0.01%
Exposure	78.21%	1.88%	76.33%
Cash on Hand			23.67%



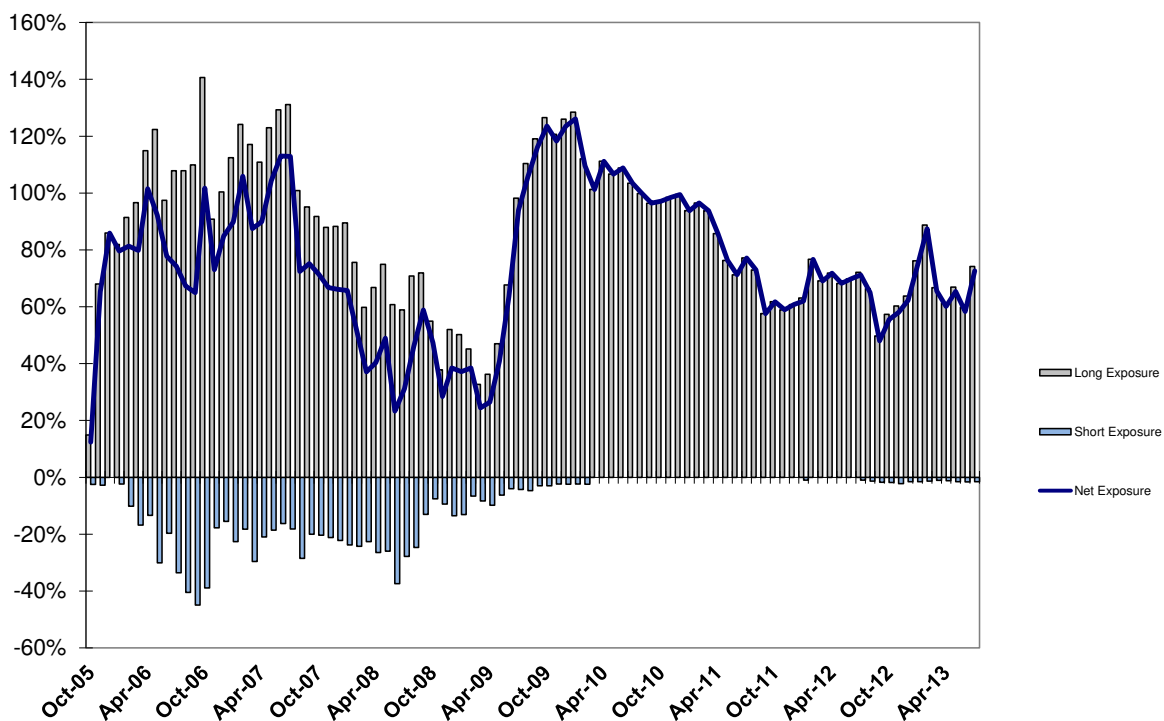
Historic Strategy Performance & Exposure - 7 Years

Cadence Capital Limited is an ASX listed fund that has been operating the Cadence Long/ Short Australian equities strategy for over five years. Over time the Cadence Cayman Fund will replicate the positions and holdings of Cadence Capital Ltd. Detailed below is the 7 year performance and exposure history of Cadence Capital Limited (ASX Code CDM).

Performance* to 31st July 2013	CDM**	All Ords	Outperformance
1 Month	2.26%	5.46%	-3.20%
1 Year	20.19%	22.67%	-2.48%
2 Years	30.27%	22.46%	+7.81%
3 Years	129.16%	27.31%	+101.85%
4 Years	171.32%	40.25%	+131.07%
5 Years	156.93%	24.04%	+132.89%
Since Inception (94 months)	304.43%	52.00%	+252.43%
Since Inception Annualised (94 months)	19.53%	5.49%	+14.04%

*Before Management and Performance Fees

**Used the percentage increase in Post Tax NTA for May 2011



Fund Facts

Minimum Investment:	AU\$ 500 000	Redemption Fees:	None
Subscription Frequency:	Monthly	High Water Mark:	Yes
Redemption Frequency:	Monthly	Strategy Size:	AU\$ 180 Million
Redemption Notice:	3 Months	Prime Broker:	Citigroup
Lock-up:	None	Administrator:	TMF Group
Management Fee:	1.5%	Fund Domicile:	Cayman Islands
Performance Fee:	20%	Legal Advisers (Cayman)	Walkers

DISCLAIMER: The information contained in this report has been prepared with all reasonable care by Cadence Asset Management Pty Ltd and its associated companies. 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 and its associated companies 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.