

INVESTMENT UPDATE June 2012

Fund NTA & Performance

Cadence Offshore Fund NTA as at 30th June 2012:

NTA per share (Series AUD1) \$ 1,545.41
 Net Performance June 2012 (Series AUD1) +0.60%

Monthly Detailed Performance

	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
Cadence Cayman Fund	-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%
All Ordinaries Acc Index	-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%
	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
Cadence Cayman Fund	170%	3.78%	-2.52%	5.16%	-1.36%	164%	0.66%	2.98%	-1.60%	2.15%	2.20%	-0.19%	15.28%
All Ordinaries Acc Index	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%
	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
Cadence Cayman Fund	0.92%	2.22%	1.56%	-0.90%	-2.51%	0.60%							1.84%
All Ordinaries Acc Index	5.23%	2.41%	1.15%	1.10%	-6.90%	0.25%							2.86%
												Accumulated return	54.54%
												All Ordinaries Acc Index	-5.89%

* Net of all fees

Portfolio Commentary

During June 2012 Cadence Cayman Fund returned a positive net performance of +0.60% compared to an increase in the All Ordinaries Accumulation Index of +0.25% and a decrease in the Small Ordinaries Accumulation Index of -4.78%. For the two and a half years to 30th June 2012, the Fund has returned a positive net performance of +54.54% compared to a decrease in the All Ordinaries Accumulation Index of -5.89% and a decrease in the Small Ordinaries Accumulation Index of -13.50% during the same period.

The fund finished the month 60.45% net long. The net exposure for May 2012 was 60.12%.

Portfolio Sector Exposure

Sector	Long	Short	Net
Banks	25.85%		25.85%
Commercial & Professional Services	9.56%		9.56%
Software & Services	9.37%		9.37%
Diversified Financials	6.79%		6.79%
Capital Goods	4.83%		4.83%
Materials	1.60%		1.60%
Energy	1.35%		1.35%
Consumer Services	1.09%		1.09%
Exposure	60.45%	0.00%	60.45%
Cash on Hand			39.55%



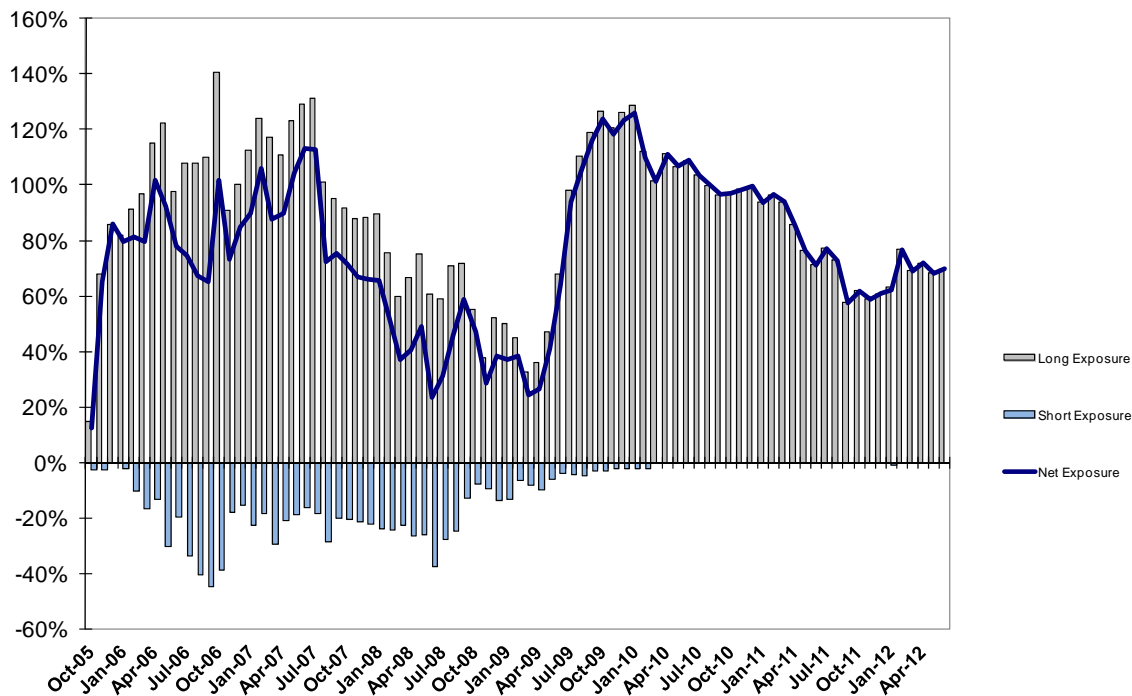
Historic Strategy Performance & Exposure- 6 Years

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 6 year performance and exposure history of Cadence Capital Limited (ASX Code CDM).

Performance* to 30th June 2012	CDM**	All Ords	Outperformance
1 Month	1.13%	0.25%	+0.88%
1 Year	5.49%	-7.04%	+12.53%
2 Years	92.00%	4.27%	+87.73%
3 Years	134.85%	18.64%	+116.21%
4 Years	98.62%	-7.64%	+106.26%
5 Years	63.28%	-18.83%	+82.11%
Since Inception (81 months)	223.76%	19.44%	+204.32%
Since Inception Annualised (81 months)	19.01%	2.67%	+16.34%

*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\$ 70 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

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