

INVESTMENT UPDATE

May 2013

Cadence Offshore Fund NTA as at 31st May 2013:

NTA per share (Series AUD1)

\$ 1,869.74

Net Performance May 2013 (Series AUD1)

+0.79%

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%								8.96%
	5.08%	5.18%	-2.24%	3.82%	-4.39%								7.25%
	* Net of all fees												
	Accumulated return												
	86.98%												
	All Ordinaries Acc Index												
	16.62%												

Portfolio Commentary

During May 2013 Cadence Cayman Fund returned a positive net performance of 0.79% compared to a decrease in the All Ordinaries Accumulation Index of -4.39% and a decrease in the Small Ordinaries Accumulation Index of -3.82%. For the three years and five months to 31st May 2013, the Fund has returned a positive net performance of +86.98% compared to an increase in the All Ordinaries Accumulation Index of +16.62% and a decrease in the Small Ordinaries Accumulation Index of -11.79% during the same period. The fund finished the month 62.20% net long. The net exposure for April 2013 was 61.08%.

Portfolio Sector Exposure

Sector	Long	Short	Net
Diversified Financials	20.51%		20.51%
Banks	11.26%		11.26%
Commercial & Professional Services	8.49%		8.49%
Materials	7.25%	1.82%	5.43%
Software & Services	6.08%		6.08%
Consumer Services	3.57%		3.57%
Insurance	1.54%		1.54%
Telecommunication Services	1.39%		1.39%
Real Estate	1.17%		1.17%
Transportation	1.07%		1.07%
Energy	0.67%		0.67%
Media	0.60%		0.60%
Retailing	0.41%		0.41%
Capital Goods	0.01%		0.01%
Exposure	64.02%	1.82%	62.20%
Cash on Hand			37.80%



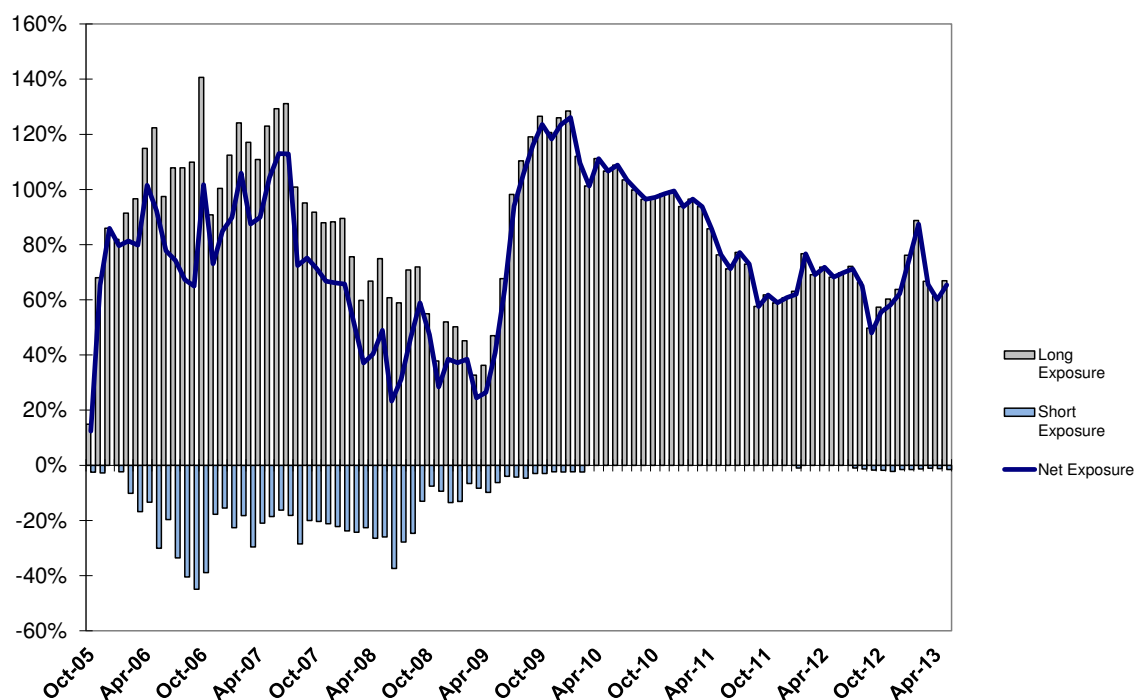
Historic Strategy Performance & Exposure - 7 Years

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 May 2013	CDM**	All Ords	Outperformance
1 Month	0.30%	-4.39%	+ 4.69%
1 Year	26.05%	24.23%	+ 1.82%
2 Years	33.14%	12.44%	+20.70%
3 Years	137.17%	25.85%	+ 111.32%
4 Years	196.78%	52.79%	+ 143.99%
5 Years	139.03%	6.08%	+ 132.95%
Since Inception (92 months)	303.54%	48.00%	+255.54%
Since Inception Annualised (92 months)	19.96%	5.31%	+ 14.65%

*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

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