

INVESTMENT UPDATE September 2012

Fund NTA & Performance

Cadence Offshore Fund NTA as at 30th September 2012:

NTA per share (Series AUD1) \$ 1,647.87
 Net Performance September 2012 (Series AUD1) +0.09%

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	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%
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%	1.99%	4.45%	0.09%				8.59%
All Ordinaries Acc Index	5.23%	2.41%	1.15%	1.10%	-6.90%	0.25%	3.74%	2.12%	2.13%				11.29%
												Accumulated return	64.79%
												All Ordinaries Acc Index	1.83%

* Net of all fees

Portfolio Commentary

During September 2012 Cadence Cayman Fund returned a positive net performance of +0.09% compared to an increase in the All Ordinaries Accumulation Index of +2.13% and an increase in the Small Ordinaries Accumulation Index of +4.37%. For the two years and nine months to 30th September 2012, the Fund has returned a positive net performance of +64.79% compared to an increase in the All Ordinaries Accumulation Index of 1.83% and a decrease in the Small Ordinaries Accumulation Index of -7.22% during the same period.

The fund finished the month 44.47% net long. The net exposure for August 2012 was 60.16%.

Portfolio Sector Exposure

Sector	Long	Short	Net
Diversified Financials	11.47%		11.47%
Software & Services	9.58%		9.58%
Commercial & Professional Services	9.24%		9.24%
Banks	8.04%		8.04%
Materials	2.73%	2.35%	0.38%
Capital Goods	2.48%		2.48%
Energy	2.28%		2.28%
Consumer Services	1.00%		1.00%
Exposure	46.83%	2.35%	44.47%
Cash on Hand			55.53%



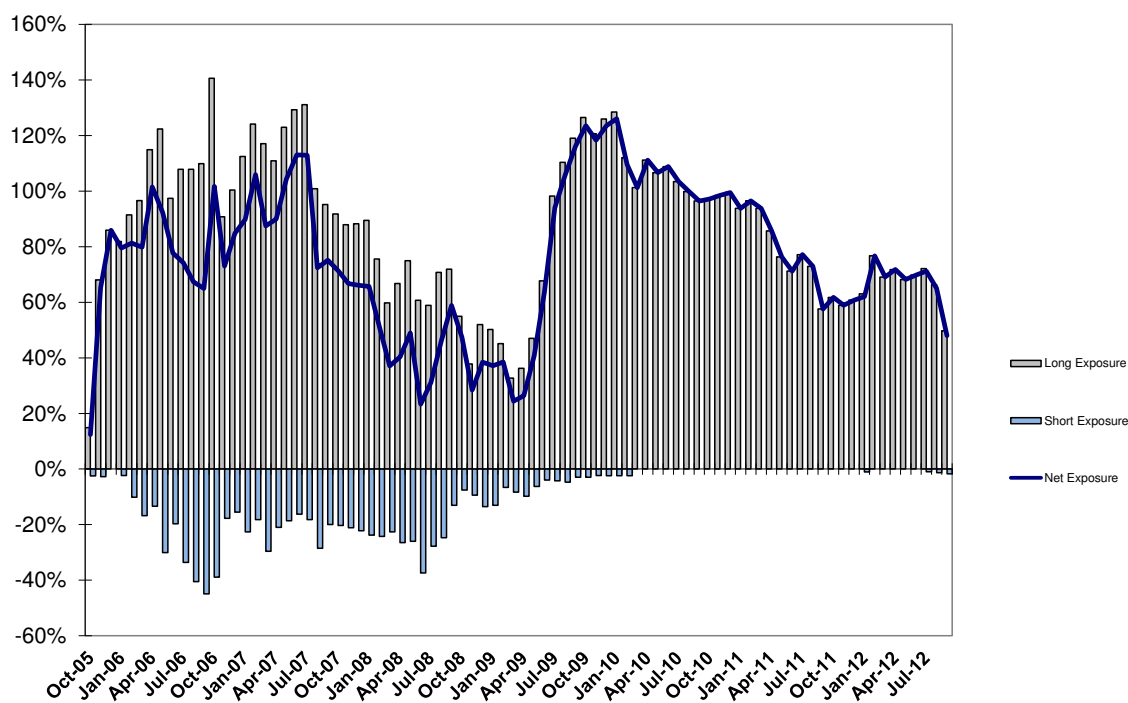
Historic Strategy Performance & Exposure- 6 Years

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 September 2012	CDM**	All Ords	Outperformance
1 Month	-0.37%	2.13%	-2.50%
1 Year	17.76%	13.36%	+4.40%
2 Years	89.51%	3.81%	+85.70%
3 Years	92.89%	5.61%	+87.28%
4 Years	133.88%	13.42%	+120.46%
5 Years	93.28%	-16.74%	+110.02%
Since Inception (84 months)	256.78%	29.23%	+227.55%
Since Inception Annualised (84 months)	19.93%	3.73%	+16.20%

*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\$ 105 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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