

INVESTMENT UPDATE AND NTA – SEPTEMBER 2009

FUND NTA

Cadence Capital Limited NTA estimates as at 30th September 2009:

Pre Tax NTA	\$1.11312
Post Tax NTA*	\$1.11574

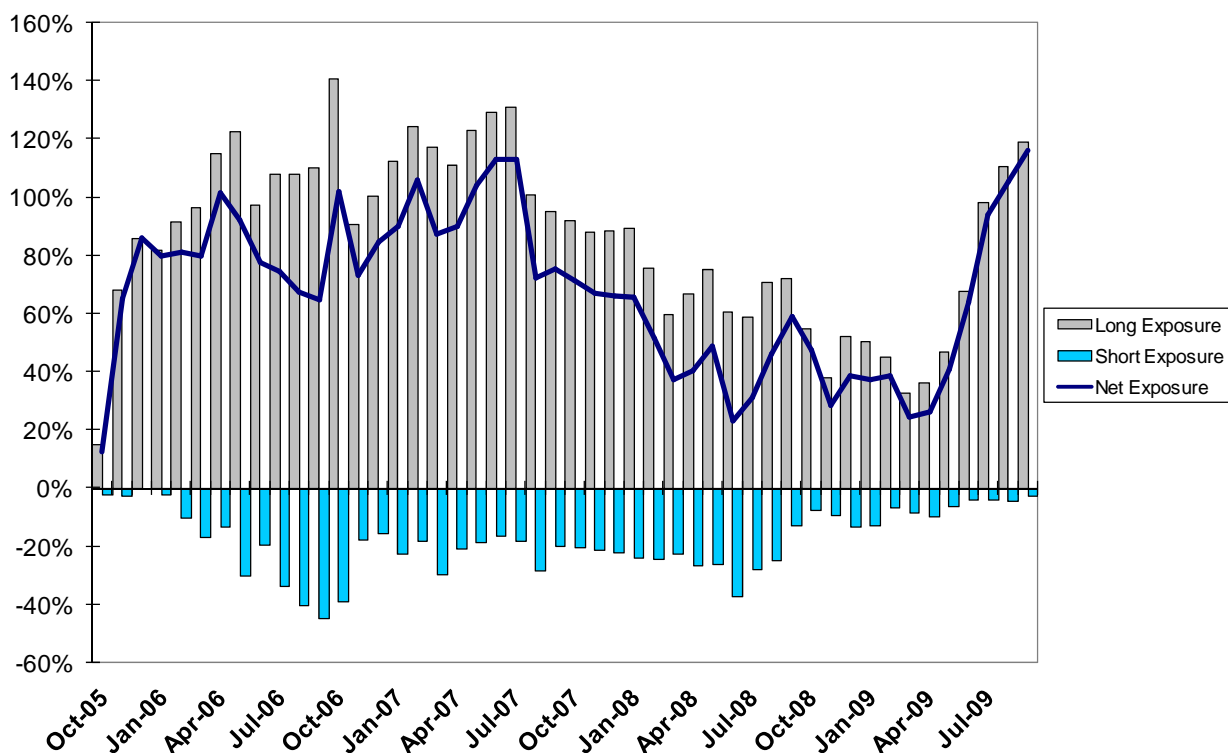
*Including net deferred taxed assets (deferred taxed assets less deferred tax liabilities)

FUND PERFORMANCE*

Performance to 30th September 2009	CDM	All Ords	Outperformance
1 Month	14.89%	6.05%	
1 Year	21.26%	7.40%	+13.86%
Annualised return since inception (48 months)	16.62%	5.18%	+11.44%
Inception to date accumulated return (48 months)	84.97%	22.37%	+62.60%

* Before Management and Performance Fees

PORTFOLIO EXPOSURE ANALYSIS



PORTFOLIO SECTOR ANALYSIS

Sector	Long	Short	Net
Materials	41.23%	-0.30%	40.93%
Software & Services	25.34%		25.34%
Banks	24.09%		24.09%
Diversified Financials	10.72%		10.72%
Energy	8.52%		8.52%
Telecommunication Services	2.98%		2.98%
Technology Hardware & Equipment	2.93%		2.93%
Retailing	1.34%		1.34%
Consumer Services	1.34%		1.34%
Unspecified	0.43%		0.43%
Capital Goods	0.16%		0.16%
Transportation		-2.64%	-2.64%
Exposure	119.07%	-2.94%	116.13%
Cash borrowings			-16.13%

TOP 20 PORTFOLIO POSITIONS

ASX Code	Position	Direction	% Holding
RHG	RHG Ltd	Long	17.1%
BVA	Bravura Solutions Ltd	Long	9.4%
RIO	Rio Tinto Ltd	Long	9.0%
CUS	Customers Ltd	Long	9.0%
NAB	National Australia Bank Ltd	Long	5.9%
RKN	Reckon Ltd	Long	5.8%
AOE	Arrow Energy Ltd/Australia	Long	5.6%
HGG	Henderson Group PLC	Long	4.5%
DIO	Dioro Exploration NL	Long	4.0%
IGO	Independence Group NL	Long	3.8%
MCC	MacArthur Coal Ltd	Long	3.2%
ICN	Icon Energy Ltd/Australia	Short	3.0%
CDU	Cudoco Ltd	Long	2.9%
MIK	Mikoh Corporation Limited	Long	2.9%
AGO	Atlas Iron Ltd	Long	2.9%
CFE	Cape Lambert Iron Ore Ltd	Long	2.8%
TCL	Transurban Group	Short	-2.6%
MBN	Mirabela Nickel Ltd	Long	2.1%
PNA	PanAust Ltd	Long	1.8%
FXL	FlexiGroup Ltd	Long	1.7%
Top Twenty Portfolio Holdings			94.8%

MARKET AND COMMENTARY

For the four years to 30th September 2009, Cadence Capital Limited has returned a gross performance of 84.97% compared to an increase in the All Ordinaries Accumulation Index of 22.37%.

We are pleased to report that the fund has had a very good start to the year and for the three months ended 30th September 2009 the fund is up 34.17% (Gross) outperforming the All Ordinaries Accumulation Index by 12.62%. During the month of September, Cadence Capital Limited returned a positive gross performance of +14.89% compared to an increase in the All Ordinaries Accumulation Index of +6.05% and an increase in the Small Ordinaries Accumulation Index of +5.05%.

The fund finished the month 119.1% long, 2.9% short and with a net long exposure of 116.1%. The net exposure for August 2009 was 105.7%.

CADENCE CAPITAL LIMITED NEWS

On the 9th September 2009, Karl Siegling, Portfolio Manager for Cadence Capital Limited was quoted in the financial press on one of its key portfolio positions, RHG limited. On the 14th September 2009, Karl Siegling was also interviewed by CNBC Australia and discussed two of the positions currently in the portfolio. The two stocks discussed were RHG Ltd (RHG) and Bravura Solutions Ltd (BVA). To read this article or to watch this interview please visit the 'News' section of the Cadence Capital website at www.cadencecapital.com.au

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