



OFFICIUM AUSTRALIAN SHARES FUND

ABOUT THE FUND

The Officium Australian Shares Fund invests in Australian and New Zealand equities and investments via a fund of funds approach. Thus the Fund invests in a portfolio of externally managed funds, which follow the absolute returns investment philosophy of Officium Capital.

The objectives of the Fund are to:

1. Minimise the risk of capital loss over the long term (five years plus); and then (and only then)
2. Provide a level of investment return that is reasonable when compared to both the long term investment horizon of the Fund and the medium to high level of investment risk.

The Fund is managed by Officium's Chief Investment Officer, David Guy and his team, who locate and research attractive investments to be added to the Officium Australian Shares Fund portfolio.

The objective of the Fund is to provide positive returns over the long term (five years plus) by investing in quality, value biased Australian shares fund managers with a focus on achieving positive returns over the longer term.

The Fund was previously known as the Leithner Value Fund and had a similar asset allocation to Australian Shares, without the diversification across managers, as it was only managed by one external manager.

FUND FACTS

Composition Australian and New Zealand securities and investments

Fund Start Date 6 September 2004

Investment Timeframe 5 years

Withdrawals Weekly

Distributions Quarterly

Minimum Investment \$10,000

APIR Code WPC0001AU

ARSN 110 619 504

Unit Prices Weekly

Applications Weekly

MER 0.25625% p.a.

Buy-sell spread 0.275%/0.275%

Performance Fee 5.125% p.a. of positive returns with any negative returns recouped before the performance fee applies

Level of Risk Medium to high

The Officium Australian Shares Fund is a fund of Australian shares fund, where Officium Capital, as the investment manager, will locate quality managed funds to invest in. Thus the Fund will hold a diversified portfolio of Australian share fund managers who invest in alignment with Officium Capital's own investment philosophy (see below).

The Fund was formerly called the Leithner Value Fund and was previously managed by one Investment Manager as a Single Manager Fund. As a Single Manager Fund it typically made direct investments in equities and other investments, rather than investing in managed funds. As the Fund still holds these investments from the previous investment manager there will be a transition period where the Fund will sell down these direct investments over time and replace with investments in other managed funds as discussed above. Officium Capital has a vast deal of experience in managing fund of funds products as well as investing in Australian shares, with three other fund of funds products available on their investment menu, as well as other Australian shares funds.

Officium believes that in managing investments in Australian securities, as with all investments, it is necessary—

1. To locate investments which objectively represent good value, based on a thorough understanding of what represents value;
2. To be prepared to hold those investments over the medium to long term or for so long as they continue to represent good value; and
3. Until investments representing good value are located, to be prepared to hold cash or highly liquid securities.

Officium Capital's Investment Philosophy

Officium Capital's real difference lies in its highly developed understanding and execution of its value investing approach: Preservation of capital and principled investment decisions that minimise risk to achieve positive gains for investors over the medium to long term.

In periods of exceptionally strong equity market returns, Officium funds can, and in fact likely will, underperform against the more traditional equity funds. In such an environment many assets become overvalued and this is when the downside risk from a more traditional investment approach is greatest. Our value investing helps preserve investor's capital, through seeking to achieve positive returns in all market conditions.

During downturns and times of negative market sentiment, the value investing approach moves into its element. Value opportunities emerge throughout the investment landscape. It is in these times that the cash typically held in reserve while the market is over-heated becomes a ready resource to invest in well-managed companies with an underlying capital value worth far more than the share price reflects.

In times of recession, value investing remains a superior investment strategy although the funds adopt key defensive characteristics in order to preserve client capital. In such an environment, it is likely that other investment and asset classes will under perform, representing large-scale value opportunities from which the largest gains are made during the next growth phase in the market. Investment and asset classes will under-perform, representing large-scale value opportunities from which the largest gains are made during the next growth phase in the market.

Important Information

This report is provided for investors in the Funds. While all care has been taken in the preparation of this report (using sources believed to be reliable and accurate), Officium Capital Ltd, its officers, employees, agents and associated entities accept no responsibility for and will not be liable in respect of any loss or damage suffered by any person in connection with this other than under law which cannot be excluded. You should seek your own financial and taxation advice before dealing with your investment.

This report has been prepared without taking into account your investment objectives, financial situation or particular needs. Before investing, or retaining an investment, in any of the Funds you should read the relevant PDS and consider whether the Fund is appropriate having regard to those matters. A copy of the PDS is available at www.officiumcapital.com.au. Remember, past performance should not be taken as an indication of future performance.

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