

**SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT**

Dated 29 July 2011

**Emerging Resources Company Share Fund ARSN 118 630 541**

**Officium Capital Ltd**

ABN 13 108 747 637

Australian Financial Services Licence No. 275101

**Important information**

This supplementary product disclosure statement ("SPDS") is issued by Officium Capital Ltd (ABN 13 108 747 637), AFSL No. 275101 ("Officium") as the responsible entity of the Emerging Resources Company Share Fund (ARN 118 630 541) ("Fund"). This SPDS supplements the product disclosure statement ("PDS") for the Fund dated 29 September 2009 and must be read in conjunction with that document and any other SPDSs issued from time to time.

**Changes to PDS**

Section 7

On page 25, under the heading "**Fee limit**", delete the second sentence.

On page 25, delete the section entitled "**Expense recoveries**" and replace it with the following:

**"Expense recoveries**

These charges represent a reimbursement to us from the Fund in accordance with the Constitution to cover operating expenses incurred by us in connection with performing our duties and obligations in administering the Fund. These include, but are not limited to, expenses incurred during the day-to-day operation of the Fund such as rental of premises, salaries of staff and fees paid to the Investment Manager.

Where costs, charges and expenses are incurred by Officium with respect to more than one Fund, those items will be apportioned by Officium across the various Funds to which they relate on a basis which Officium believes is reasonable.

*Fees payable to the Investment Manager*

Pursuant to the investment management agreement dated 31 March 2006 (as amended) ("**Investment Management Agreement**"), the Investment Manager is entitled to a management fee, calculated as follows:

$$MF = MC - (BF + ER)$$

where:

MC equals 2.0% p.a. of the balance within the Fund;

BF equals the Base Fee received by the Responsible Entity in accordance with:

- i. the Constitution of the Fund; and
- ii. any current Product Disclosure Statement issued by the Responsible Entity from time to time in respect of the Fund; and

ER equals the Expense Recoveries received by the Responsible Entity in accordance with:

- iii. the Constitution of the Fund; and
- iv. any current Product Disclosure Statement issued by the Responsible Entity from time to time in respect of the Fund;

but only to the extent that MF is greater than zero.

The effect of this fee structure for you is that, so long as E.I.M. Capital Managers Pty Ltd is the investment manager of the Fund on the terms set out in the Investment Management Agreement, you will pay fees to us of 2.0% per annum plus GST (excluding transaction costs, Abnormal Expenses and Extraordinary Expenses), as this is what we are required to pay to the Investment Manager as its management fee (less certain amounts that are retained by us).

You will note that we have agreed to cap the fees and costs at this level, namely 2.0% per annum plus GST (excluding transaction costs, Abnormal Expenses and Extraordinary Expenses), so you will not pay more than this amount."

**Consent to issue of SPDS**

Each of the directors of Officium Capital Ltd has consented to the issue of this SPDS.

## SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT

### Introduction

This supplementary product disclosure statement (SPDS) is dated 18 March 2010.

This SPDS supplements the PDS dated 29 September 2009. Terms defined in the PDS have the same meaning in this SPDS. This SPDS should be read together with the PDS.

### Purpose of SPDS

The purpose of this SPDS is to update the PDS with new details relating to Officium now that it is a wholly owned subsidiary of Snowball Group Limited.

### Changes to the PDS

#### *Directory*

In the section entitled "Directory" on the first printed page of the PDS in the row entitled "Directors", delete the names "Benjamin Andrew Calder" and "Steven James Forrest" and insert "Anthony B McDonald" and "Carl F Scarcella".

#### *Section Four*

In Section Four on page 16 delete the section entitled "Directors of Officium" and insert the following:

**"Mr John Nunan, LLB (Hons) B.Comm**

**Director**

Mr Nunan is a Director of Officium Capital Ltd and Chief Investment Officer of the Snowball Group of companies. Prior to joining the Snowball Group of companies he was the Chief Executive Officer of Officium Group Pty Ltd (Officium Group). His specific responsibilities include working as part of the senior management team in developing and implementing the strategic objectives of the Officium Group. In particular, he has responsibility for the implementation of the Officium Group's strategy, improving efficiency at both a management and operational level and general corporate matters.

Prior to joining Officium Group in January 2005 Mr Nunan worked for a leading international investment bank for almost eight years where he held a number of positions with a structured finance focus.

**Mr Anthony McDonald, BComm LLB**

**Director**

Mr McDonald started his career as a commercial lawyer, working with two of the major international law firms in Australia, London and New York. Mr McDonald joined the financial services industry as a General Manager for Pacific Mutual Australia Limited. During this period he was also a director of the Investment Funds Association and the Chairman of its Electronic Commerce Sub-Committee.

In 1996, he joined Jardine Fleming Holdings Limited in Hong Kong and returned to Australia in 1999 as a director of Spencer Stuart, the global executive search firm. Mr McDonald joined the Snowball Group of companies in 2000 as the Managing Director.

**Mr Carl Scarcella, BComm FCPA**

**Director**

Currently the Company Secretary and Chief Operating Officer of the Snowball Group of companies, Mr Scarcella commenced employment with Snowball in 2000.

Mr Scarcella commenced his career in chartered accounting. In 1987 he joined Advance Asset Management Limited, where he held senior finance and operations roles. Following the acquisition of Advance by St George Bank, Mr Scarcella was responsible for strategic planning as well as mergers and acquisitions for the funds management division, and in 1999 he was appointed a Director of Advance. During this time, Mr Scarcella served on a number of sub-committees for the Investment Funds Association.”

### *Section Eight*

In Section Eight, in the section entitled “Compliance plan and compliance committee” on page 28, delete the words “with the Officium Group” from the second paragraph and insert “with Officium”.

In Section Eight, on page 30, delete the section entitled “Interests” and insert the following:

#### *“Interests*

Officium or its associated entities have the following interests in relation to the Funds:

- Officium is the Responsible Entity for the Officium Cautious Fund, the Officium Conservative Fund, the Officium Balanced Fund, the Officium Assertive Fund and the Officium Aggressive Fund, which all hold direct interests in a variety of the Funds as at the date of this PDS;
- Directors, employees and associated entities of Officium are entitled to invest in the Funds and, if they do so, will invest on the same basis as any other Investor;
- The remuneration to which Officium is entitled in its capacity as responsible entity (as described in section seven);
- If a Fund invests in other funds or entities operated or promoted by Officium or associated entities, then Officium or associated entities may receive fees in relation to the Fund’s investment in those funds or entities. Where Officium has already charged a performance fee where it is the responsible entity for the Underlying Fund, it will not also charge a performance fee for the Fund in relation to that Underlying Fund’s performance; and

In addition if a Fund invests in other funds or entities operated or promoted by Officium or associated entities, then Officium will ensure the investment is made on a commercial arm’s length basis.”

In Section Eight, on page 31, delete the section entitled “Directors’ Interests” and insert the following:

#### *“Directors’ interests*

Directors of Officium are entitled to invest in the Funds and, if they do so, will invest on the same basis as any other Investor.”

### *Section Nine*

In the Section Nine – Glossary of Terms, on page 32, delete the term “Officium Group” and its definition, and insert the following definition:

**“Snowball Group of companies:** Snowball Group Limited and its subsidiaries”

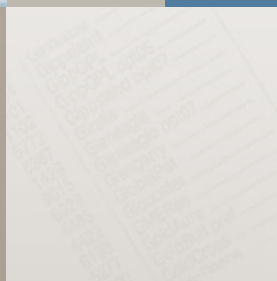
### **Consent to issue of SPDS**

Each of the directors of Officium Capital has consented to the issue of this SPDS.

# E.I.M. Capital Managers

## Emerging Resources Company Share Fund

ARSN 118 630 541



## Product Disclosure Statement

Dated 29 September 2009  
Investment Manager:  
E.I.M. CAPITAL MANAGERS PTY LTD  
ABN 28 101 508 632  
AFS LICENCE NUMBER 261989

Issued by:  
OFFICIUM CAPITAL LTD  
ABN 13 108 747 637  
AFS LICENCE NUMBER 275101

DIRECTORY

Responsible Entity

**Officium Capital Ltd**

ABN 13 108 747 637

AFS Licence number 275101

Registered office and contact details

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Email: [admin@officiumcapital.com.au](mailto:admin@officiumcapital.com.au)

Investor services

Phone: 1300 781 247

Fax: (08) 9217 3111

Directors

John Joseph Nunan

Steven James Forrest

Benjamin Andrew Calder

Investment Manager

**E.I.M. Capital Managers Pty Ltd**

ABN 28 101 508 632

AFS Licence No. 261989

97 Kooyong Road,

Armadale Vic 3143

Fund Administrator

**Macro Fund Services Pty Ltd**

ABN 36 105 995 355

Suite 5, 12-20 Railway Road,

Subiaco WA 6008

Custodian

**Bond Street Custodians Limited**

ABN 57 008 607 065

Mezzanine Level, 1 Martin Place,

Sydney NSW 2000



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## Important Notice

This Product Disclosure Statement (PDS) is dated 29 September 2009. Prospective Investors should read the PDS in full before making a decision about whether to invest in the Emerging Resources Company Share Fund ARSN 118 630 541 (the Fund).

This PDS details the main features, the risks and general information about the Fund and includes the Application Form for the Fund. This is the PDS for the offer of Units in the Fund.

Investment in the Fund is offered by Officium Capital Ltd ABN 13 108 747 637 AFS Licence number 275101 (referred to in this PDS as “Officium”, “the Responsible Entity”, “us” or “we”). Officium is the issuer of this PDS and of Units in the Fund.

Throughout this PDS, certain defined terms are used. Defined terms appear in the Glossary of Terms in section nine.

This PDS provides information to assist prospective Investors to decide if they wish to invest in the Fund and should be read in its entirety. The information in this PDS is general information only and does not take into account the individual objectives, financial situation, needs or circumstances of prospective Investors. Consequently, you should consider whether the information in this PDS is appropriate for you in light of your objectives, financial situation, needs or circumstances. Officium recommends that prospective Investors obtain independent professional legal and financial advice before investing in the Fund.

Information in this PDS may change. If a change will be materially adverse to Investors, then in accordance with the Corporations Act, Officium will issue a supplementary PDS. However, if a change will not be materially adverse to Investors, then Officium might not issue a supplementary PDS. Updated information will be made available on Officium’s website at [www.officiumcapital.com.au](http://www.officiumcapital.com.au) and Officium will provide Investors with a paper copy of new information upon request at no charge. Updated information may also be obtained by calling Officium investor services on 1300 781 247.

The Custodian is not the issuer of this PDS and has not prepared this PDS. The Custodian makes no representation in, and takes no responsibility for the accuracy or truth of any statement or omission from any part of this PDS.

None of Officium, the Custodian, the Investment Manager, their associates or directors nor any other person guarantees the performance or success of the Fund, the repayment of capital invested in the Fund or any particular rate of return on investments in the Fund. An investment in the Fund does not represent a deposit with or a liability of Officium or any other person, and is subject to investment risk, including possible delays in payment of income and loss of income and/or capital invested.

An electronic version of this PDS appears at the following website: [www.officiumcapital.com.au](http://www.officiumcapital.com.au). If this PDS is received electronically, then prospective Investors should ensure that both a complete Application Form and PDS have been received. A paper version of this PDS is available by calling Officium investor services on 1300 781 247.

Unless otherwise determined by Officium, Units to which this PDS relates will only be issued on receipt and acceptance of a completed Application Form which can be found in either a paper or electronic copy of the current version of this PDS.

The offer under this PDS is only available to persons receiving this PDS within Australia.

All financial amounts in this PDS are expressed in Australian dollars unless otherwise stated. Photographs and images in this PDS, if any, do not represent assets of the Fund unless otherwise indicated.



SECTION ONE – KEY FEATURES

Key feature	Summary	Section reference
<b>Investment offer</b>	<p>The offer under this PDS is the opportunity to invest in Units in the Emerging Resources Company Share Fund.</p> <p>The Fund is a registered managed investment scheme structured as an unlisted, open-ended unit trust.</p>	
<b>Responsible Entity</b>	The responsible entity for the Fund is Officium Capital Ltd. Officium has overall responsibility for the operation of the Fund.	4
<b>Investment Manager</b>	E.I.M. Capital Managers Pty Ltd is the Investment Manager for the Fund and is responsible for the Fund's investment and divestment decisions and therefore the performance of the Fund in terms of return to Investors.	2
<b>Investment objective</b>	<p>The objective of the Fund is to maximise returns to Investors by identifying and investing in the securities of emerging natural resources companies listed on the ASX.</p> <p>The key factor in the Investment Manager's decision to invest in any particular emerging natural resource company will be the Investment Manager's assessment of that company's potential to achieve strong organic growth over a two to three year period with a view to having that growth reflected in share price performance over the medium term.</p>	2
<b>Investment risks</b>	All investments carry risk and the investments to be included in the Fund have particular risks which are highlighted in section five.	5
<b>Suggested investment horizon<sup>1</sup></b>	Five years plus	
<b>Capital growth potential<sup>1</sup></b>	Medium to high	
<b>Income potential<sup>1</sup></b>	Low. Emerging natural resources companies usually require capital to fund their growth programmes, so only a minority make regular dividend payments to shareholders. Consequently, income from the Fund's investments is not expected to comprise a significant component of the Fund's returns.	
<b>Borrowing</b>	Although borrowings are allowed under the Fund's Constitution, it is the Responsible Entity's intention that the Fund will not undertake any direct borrowings.	3
<b>Fees and charges</b>	Full details about the applicable fees and charges for the Fund are outlined in section seven.	7
<b>Investment parameters</b>	<p>The following investment parameters apply to the Fund:</p> <ul style="list-style-type: none"> <li>• Minimum initial investment           \$10,000</li> <li>• Minimum additional investment       \$5,000</li> <li>• Minimum balance                         \$5,000</li> <li>• Minimum withdrawal amount         \$5,000</li> </ul> <p>The Responsible Entity may, at its discretion, accept lesser amounts.</p>	
<b>Withdrawals</b>	Withdrawal requests are expected to be processed within ten Business Days of receipt, although the Fund's Constitution allows 30 days for the processing of withdrawals.	3

Key feature	Summary	Section reference
<b>Distributions</b>	<p>The Fund may make distributions, if any, on a quarterly basis in respect of the quarterly distribution periods ending each 31 March, 30 June, 30 September and 31 December.</p> <p>Distributions will generally be paid within 30 days after the end of the relevant distribution period, although the Fund's Constitution allows 60 days for the payment of distributions.</p>	3
<b>Distribution reinvestment</b>	<p>Investors may elect to have their income distributions from the Fund reinvested in additional Units in the Fund. The distribution reinvestment plan may be cancelled or suspended at the discretion of Officium at any time. If this occurred, Officium would notify investors either via the website or a new or Supplementary PDS.</p>	3
<b>Unit pricing frequency</b>	<p>Unit prices will generally be calculated weekly. However, the Responsible Entity may elect to calculate Unit prices more or less frequently including more than once for a particular Business Day.</p> <p>Both the most recent Issue Price and Withdrawal Price for Units in the Fund are available by calling Officium investor services on 1300 781 247 or on Officium's website at <a href="http://www.officiumcapital.com.au">www.officiumcapital.com.au</a>.</p>	3
<b>Investor reporting</b>	<p><i>Investment and withdrawal confirmation:</i> A transaction statement will be issued to Investors upon the processing of an application or withdrawal request.</p> <p><i>Regular reporting:</i> A quarterly statement will be issued to Investors if a distribution is declared, showing distributions paid to the Investor or reinvested in additional Units in the Fund and the balance of the Investor's holding at the end of the quarter. In addition, other information about the Fund will be available from time to time on Officium's website at <a href="http://www.officiumcapital.com.au">www.officiumcapital.com.au</a>.</p> <p><i>Fund financial reporting:</i> Annual audited financial report.</p> <p><i>Tax statements:</i> Annual statements (after the end of each financial year).</p>	3
<b>Cooling-off period</b>	<p>A 14-day cooling-off period will apply to an Investor's initial investment in Units (but not on Units issued under the distribution reinvestment plan).</p> <p>Persons investing through an Administration Service should consult the Administration Service operator in relation to the cooling-off rights (if any) that may apply to their investment in the Administration Service.</p>	3
<b>Taxation</b>	<p>The Fund is not expected to pay tax in respect of either income or capital gains. However, any income or capital gains distributed or reinvested will need to be included in the Investors' own tax returns.</p>	6
<b>Eligible Investors</b>	<p>The Fund is open to all prospective Investors, including superannuation funds (where the mandate of the Fund permits). Note, however, that the offer is only made to persons in Australia.</p>	
<b>APIR Code</b>	WPC0013AU	

Footnote:  
1 The suggested investment time horizon is a guide only and not a recommendation. Capital growth potential and income potential provide an indication of, respectively, the level of capital growth or income Officium expects the Fund to achieve. Each prospective Investor should discuss their investment in the Fund with their financial adviser to ensure it is a suitable investment given their individual objectives, financial situation, needs or circumstances.

Please note, the above only represents a summary of the offer of Units in the Fund. Prospective Investors who wish to participate in the offer made under this PDS should read the PDS in its entirety.



## SECTION TWO – THE FUND AND ITS INVESTMENT MANAGER

### Introduction

Officium Capital Ltd (Officium) is the Responsible Entity for the Fund and has overall responsibility for its operation. Officium has engaged E.I.M. Capital Managers Pty Ltd as the Investment Manager to manage the investments of the Fund. As the Investment Manager for the Fund, E.I.M. Capital Managers Pty Ltd is responsible for the Fund's investment and divestment decisions and, therefore, the performance of the Fund in terms of return to Investors. Further information about the Investment Manager is included below.

### Investment objective

The objective of the Fund is to maximise returns to Investors by identifying and investing in the securities of emerging natural resources companies listed on the ASX.

The key criterion when selecting a company for investment by the Fund will be the Investment Manager's assessment of that company's potential to achieve strong "organic growth" over two to three years with a view to having that growth reflected in share price performance over the medium term. A company's "organic growth", in this context, means increases in its volume of production without having to acquire any additional properties or businesses.

The Investment Manager will apply a rigorous, value-driven investment process to select investments and will only invest in the securities of companies which the Investment Manager believes meet the investment criteria described below.

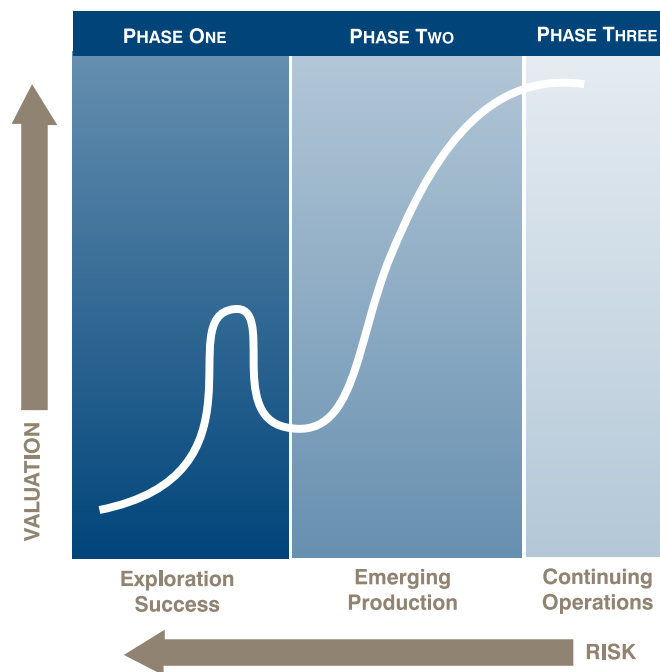
### Investment philosophy

#### What is an "emerging natural resources company"?

A "natural resources company" includes any company engaged in the extraction and sale of non-renewable mineral resources from their naturally occurring locations. In the context of the Fund, "emerging natural resources companies" (also referred to in this PDS as "emerging producers") are a subset of this group.

To help identify an emerging natural resources company, the Investment Manager categorises natural resources companies according to their life cycle phases as illustrated in the chart headed "Life Cycle of A Natural Resources Company". The chart shows three distinct phases in the life cycle of a natural resources company. Each phase is associated with different risks and a different set of investment drivers.

### LIFE CYCLE OF A NATURAL RESOURCES COMPANY



#### Phase One: Exploration success

Natural resources companies in the first phase are seeking to find a natural resource deposit which could lead to an economically viable business operation where none has existed previously. A discovery might lead to a sharp increase in value. However, the risk of failing to find the necessary resources can be very high and potential investors often lose a substantial part of their investment. Moreover, there is no guarantee that exploration success will lead to a commercially viable operation.

Given the relatively high risk of capital loss associated with investments in companies seeking exploration success, the Fund will not invest in natural resources companies assessed to be in this phase of their life cycles.

#### Phase Two: Emerging production

In the second phase, a natural resource deposit has been identified and there has been progress in demonstrating the technical and financial viability of a project. Natural resources companies in this phase typically fall into one of the following three categories:

1. Those with mines or projects under development based on a previously unexploited mineral find;
2. Re-developers of existing operations which might have been abandoned or mothballed in earlier years but which have renewed potential through a change in technology or economic conditions; and,

- established companies that have acquired the potential for new growth through mineral discoveries around existing operations.

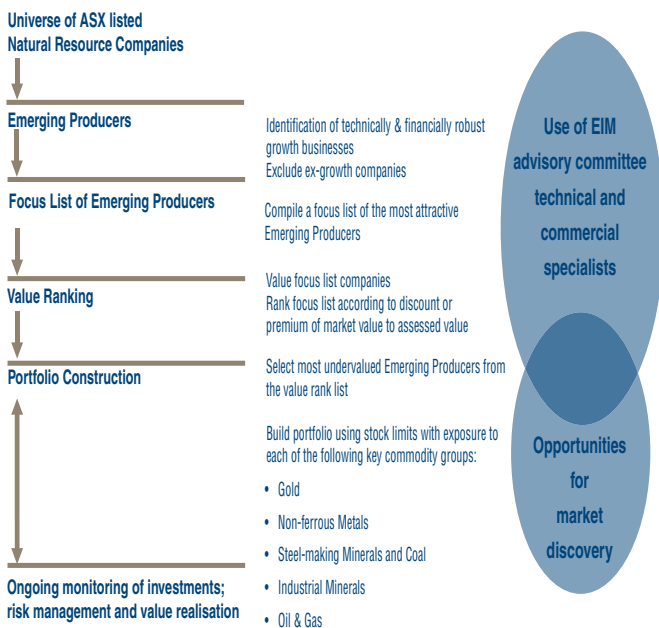
Natural resources companies in this phase of their life cycle are described in this PDS as “emerging natural resources companies” or “emerging producers” and are potential investment targets of the Fund.

### Phase Three: Continuing operations

In the third phase of natural resources companies’ life cycles, the potential for valuation increases from organic growth diminish as mature businesses find it hard to replace resource bases. Expected movements in commodity prices become the greatest single influence on market value.

The Fund does not intend to invest in natural resources companies assessed to be in this phase of their life cycles.

### THE INVESTMENT MANAGER'S INVESTMENT PROCESS SUMMARISED



### Multi-stage investment process and investment criteria

The Investment Manager employs a structured, multi-stage investment process that involves detailed financial modelling and technical assessments in moving from the universe of potential investments to a portfolio of up to 20 stocks which will make up the Fund’s investments.

#### Stage 1 – Identifying emerging natural resources companies

The Investment Manager undertakes an assessment of all the natural resources companies listed on the ASX to identify which of those companies are in the second phase of their life cycles - that is, those companies which the Investment Manager considers to be emerging natural resources companies.

At the end of March 2009, there were approximately 800 natural resources companies listed on the ASX. At the time of its most recent review, the Investment Manager identified approximately 170 companies as being in the second phase of their life cycles and of potential interest to the Fund. This number varies from time to time as companies are established, merge, cease to exist or no longer qualify as emerging producers. The Manager reviews its assessment of which companies qualify as being in the second phase of their life cycles from time to time to take account of these changes.

#### Stage 2 – Evaluating emerging natural resources companies

The emerging natural resources companies identified in stage one of the investment process are evaluated against financial and technical criteria which the Investment Manager considers consistent with commercial success. At this stage of the evaluation process, the Investment Manager looks for emerging natural resources companies which meet the following criteria.

##### *A resource base sufficient for long life operations*

Defined reserves or mineral resources as reported to the ASX should have the potential to justify the commitment of development capital.

##### *The potential for growth*

Where an existing operation is being expanded, an increase in production volumes of 20% or more is expected within three years.

##### *A technically robust operational plan*

This requires a publicly expressed intention by the company to mine and process or extract resources using conventional or proven technology.

##### *Necessary implementation skills*

Evidence is required that the company has the appropriate skills to implement an operating plan. This would normally require people who have been directly responsible for similar developments elsewhere in the company or in other companies to be responsible for plan execution.

##### *Low cost structure*

Operational evidence, analysis by the Investment Manager or the results of feasibility studies should suggest the proposed operation is low cost or at least comparable with peer companies in the bottom half of the industry cost curve.

This evaluation stage may involve the construction of financial models for some companies and members of the E.I.M. Advisory Committee may undertake detailed project assessments or appraisals of particular technical issues.

An explanation of the role and membership of the E.I.M. Advisory Committee is set out below.

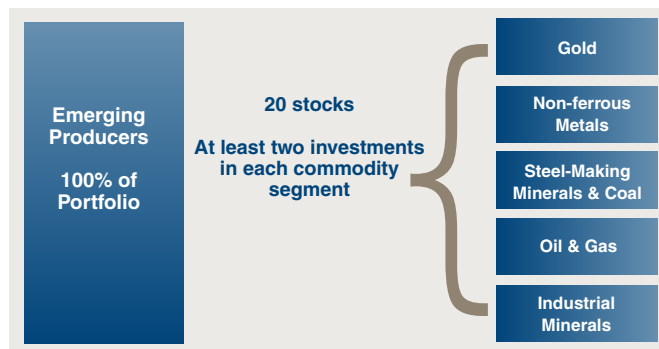
### Stage 3 – Selection of focus list

From the companies identified in Stage 2 and remaining under consideration, a focus list of 50 emerging natural resources companies is compiled. The focus list companies are the most attractive of the companies identified in Stage 2 in the opinion of the Investment Manager. A full financial model is prepared for each focus list company. The financial models are revised as new information becomes available. An assessed value is determined by the Investment Manager for all focus list companies using discounted cash flow methods.

### Stage 4 – Value ranking

The focus list companies are ranked according to the difference between their market prices and the Manager's assessed values.

#### MANAGING RISK THROUGH DIVERSIFIED COMMODITY EXPOSURE



### Stage 5 – Portfolio construction

The portfolio is constructed by selecting 20 of the most undervalued focus list companies from the value ranking in Stage 4 of the investment process. The Investment Manager expects a minimum initial target investment in an individual stock to be equivalent to approximately 5% of the value of the investments held in the Fund at the time of purchase.

Investment risk will be managed in part by ensuring that the portfolio includes at least two companies with an exposure to each of the following five commodity groups:

- Gold,
- Non-ferrous metals,
- Steelmaking minerals and coal,
- Oil and gas, and,
- Industrial minerals.

The remaining companies in the portfolio will be chosen from among the next most undervalued stocks in the focus list without regard to specific commodity exposure.

### Stage 6 – Portfolio management

The portfolio is reviewed on an ongoing basis, and at least weekly, as new information which may have an impact on the analysis undertaken by the Investment Manager becomes available. The E.I.M. Investment Committee also reviews the Investment Manager's focus list to assess changes in valuation rankings and to consider purchases or sales of companies held in the Fund in accordance with the investment criteria.

### Stage 7 – Selling

The Investment Manager will generally sell an investment if:

- The original reasons for an investment in a company no longer apply because of a change in its business plans (in which case a company may be removed from the portfolio and the focus list and be replaced by another);
- The company in the portfolio has moved from being undervalued, according to the Investment Manager's analysis, to being overvalued; or,
- A company remains undervalued but the Investment Manager's analysis shows that there is an alternative investment available at a deeper discount to its appraised value.

### Statements regarding labour standards, environmental, social and ethical considerations

#### (a) Introduction – standards and considerations

Whilst Officium intends to conduct its affairs in an ethical and sound manner, it does not give additional weight to labour standards or environmental, social or ethical considerations when reviewing the investment decisions of the Investment Manager or operating the Fund.

However, the Investment Manager believes that natural resources companies which fail to comply with, practise or take account of labour standards, environmental, ethical or social considerations face additional risks which may detrimentally affect business sustainability and investment returns to shareholders. The Investment Manager, therefore, takes account of labour standards, environmental, ethical and social considerations in the selection, retention and realisation of investments of the Fund.

In taking account of labour standards, environmental, social and ethical considerations, the E.I.M. Investment Committee draws upon the experience of its members and the experience of the members of the E.I.M. Advisory Committee as well as broader industry knowledge to determine the standards it will apply to the selection, retention and realisation of investments of the Fund. The methodology employed is described below.

The Investment Manager believes that environmental issues are always important, and sometimes of critical

importance, to the sustainability of the business of an emerging natural resources company. Failure to comply with certain environmental standards will override any other consideration in the Investment Manager's assessment of an investment.

In the normal course of its activities, the Investment Manager monitors events relevant to companies in the portfolio of the Fund using a variety of approaches including up-to-date information retrieval technology to access publicly available information, direct contact with companies and advice from financial intermediaries. Relevant events are recorded by the Investment Manager for review by members of the E.I.M. Investment Committee. Such events will include matters relating to labour standards and environmental, ethical and social considerations.

The Investment Manager will only respond to matters relating to labour standards and environmental, ethical and social considerations to the extent that they actually become known by the Investment Manager.

## **(b) Methodology**

Except for the negative screens outlined below, the Investment Manager does not adopt or apply one specific methodology for taking labour standards, environmental, social or ethical considerations into account and does not use a specific weighting system to assess these considerations.

### **(i) Environmental considerations**

The Investment Manager expects all companies in which it is investing to comply with relevant Federal, State and local government laws relating to the environment. They should provide regular disclosure of their environmental impacts including the impact of solid and hazardous waste disposal and airborne emissions on air and water quality as well as rehabilitation of land during and after use. Any adverse environmental events should be reported promptly to the market.

Where companies operate in jurisdictions outside Australia, the Investment Manager expects them to comply at least with the environmental standards applying in Australia even where these standards exceed those applying in the country in which the companies' operations are located.

Failure to meet these standards will result in exclusion from the Investment Manager's focus list of stocks where the Investment Manager becomes aware of that failure.

Where companies have received the required authorisations to lawfully conduct their businesses, the Investment Manager may decide, nonetheless, that associated environmental risks are too great from an investment perspective if technology or environmental

management techniques to be used are unproven or managers are relatively inexperienced in their use and may conclude that investment in such companies is inappropriate resulting in their exclusion from the Investment Manager's focus list of stocks.

### **(ii) Labour standards, social and ethical considerations**

The Investment Manager expects the treatment of local communities by emerging natural resources companies to comply with all relevant Australian laws and undertakings made as part of development approvals when companies are operating within Australia.

Although standards of acceptable practice vary considerably from country to country, the Investment Manager does not explicitly take account of the range of labour, social and ethical standards applying in countries outside Australia. However, the Investment Manager does require that companies have entered into agreements with all stakeholders having a reasonable claim on land affected by mining developments and that these stakeholders have entered these agreements without coercion or duress.

If the Investment Manager is unsatisfied with the level of disclosure by an emerging natural resources company about its treatment of local communities, if any breaches of relevant Australian laws are brought to its attention or it considers that there are risks attaching to development over and above normal operating risks as a result of uncertainty over these matters, it will exclude the relevant company from its focus list.

### **(c) Retention and realisation policies**

Any event coming to the attention of the Investment Manager with a potential material impact on operating performance or business value, including matters relating to labour standards, environmental, social or ethical considerations will be highlighted for consideration at the next meeting of the E.I.M. Investment Committee (or earlier if thought to be of sufficient importance). If necessary, a member of the E.I.M. Advisory Committee will be asked to assist in judging the materiality of an event.

Decisions about the retention or realisation of stocks in the portfolio will be taken in accordance with the investment processes outlined above.

A decision to sell a stock held by the Fund will normally be implemented within 30 days or such other period of time consistent with an orderly disposal of securities.

Other than the processes set out above and in the description of the Investment Manager's investment philosophy in this PDS, the Investment Manager has no set approach to monitoring or reviewing its methodology for taking into account labour standards, environmental, social or ethical

considerations and has no set timeframe for monitoring or reviewing investments.

### Changes to the investment approach

The Investment Manager is required to seek the written approval of the Responsible Entity before it can make any change to the investment approach outlined in this PDS, including any changes to the permitted investments.

The Responsible Entity may require a change to the investment criteria of the Fund from time to time. Officium will advise Investors of intended changes to the investment approach outlined in this PDS prior to their implementation. Up-to-date information about the Fund's investment criteria is available on Officium's website at [www.officiumcapital.com.au](http://www.officiumcapital.com.au). This information is also available free of charge by contacting Officium investor services on 1300 781 247.

### Permitted Investments

The Fund may invest in equity securities or cash and liquid securities.

An investment in equity securities involves the purchase of part of a company giving the shareholder an interest in the performance of the company, the right to participate in profits and, if the company is dissolved, a claim upon assets remaining when all debts are paid. Returns generally include capital growth (or loss) and income paid out of profits from the company. Equity securities can increase or decrease in value based on changes in the economic climate and general equity market conditions.

The Manager intends to confine its equity investments to interests in ASX-listed companies.

In the event that the Manager is unable to find a sufficient number of ASX-listed companies to match the investment criteria set out in this PDS or if market liquidity conditions prevent the Manager from buying or selling shares on the ASX, the Manager may seek the written approval of the Responsible Entity to purchase or sell shares on stock exchanges outside Australia provided that:

- Purchases or sales are otherwise consistent with the investment processes outlined in this PDS; and,
- Stock exchanges on which transactions are to be undertaken maintain regulatory and compliance standards that are not materially different to those practised by ASX, in the opinion of Officium Capital.

A cash investment or investment in liquid securities generally involves investing money for short periods of time (generally up to 180 days). The investments are generally made in bank deposits, term deposits or short term bank bills or similar financial products which are generally converted into cash easily with little risk of loss of capital and minimum delay.

### Asset Allocation

The asset allocation for the Fund describes the broad categories of investments the Fund may hold to achieve its investment objective.

The Investment Manager will seek to be fully invested in accordance with the stock selection criteria described in this PDS and subject to the needs of the Fund for short term liquidity to meet redemptions and operating costs.

Investments in cash and liquid securities of up to approximately five percent of the Fund's assets may be held to meet redemptions and operating costs.

Depending on the timing of applications for units in the Fund, cash and liquid securities may represent more than five percent of the Fund's investments from time to time pending selection and purchase by the Investment Manager of securities which meet the Fund's investment criteria.

Although the Investment Manager does not foresee such an eventuality, there may be circumstances in which the Investment Manager is unable to identify sufficient investments which meet the investment criteria set out in this PDS in which case holdings of cash and liquid securities will be correspondingly higher.

### E.I.M. Capital Managers Pty Ltd as Investment Manager of the Fund

The Investment Manager for the Fund, E.I.M. Capital Managers Pty Ltd, is a Melbourne-based boutique investment manager established in 2004 to offer specialised investment products and services to the Australian investment market. It holds Australian financial services licence number 261 989.

The Investment Manager's team, including the E.I.M. Advisory Committee, comprises seven professionals with backgrounds collectively in funds management, investment analysis, corporate finance, geology, metallurgy, mine development and raw materials sales and trading.

### The E.I.M. Investment Committee

The E.I.M. Investment Committee is the Investment Manager's principal investment decision making body. It is responsible for implementing the investment process described in this PDS. Its members are available to meet as required. The Committee meets no less than once a week to review market conditions, assess any new information which has become available and which may have an impact on the analysis undertaken by the Investment Manager and to take day to day decisions on purchases and sales of stock based on market movements and changes in the availability of funds due to inflows or redemptions.

As at the date of this PDS, the E.I.M. Investment Committee is comprised of three people.

### **Tony R. Wiggins, chairman**

For 17 years, Tony Wiggins, the Committee chairman, has been involved in the Australian resources industry and funds management. He was employed as a geologist with experience in several Australian underground and open cut mining operations before becoming an institutional equities analyst and Investment Manager.

For seven years, Tony managed funds for various funds management companies before founding E.I.M. Capital Managers Pty Ltd. He has managed specialised resources sector equity portfolios.

Tony oversees the investment decision-making and analytical processes for the Investment Manager as well as being actively engaged in the financial modelling and analysis which assist in stock selection and portfolio construction. Tony is a director of the Investment Manager.

### **Douglas K. Goodall**

Doug Goodall has over 35 years' experience in the resources industry, funds management and investment analysis. After being employed as an exploration geologist for 17 years, Doug became a resources sector fund manager for an Australian institutional funds management company. He subsequently held senior advisory and institutional equity sales roles specialising in the resources sector at leading investment banking firms. He has continued to act as an adviser to proprietors of resources projects in Australia and southern Africa.

As part of his role in stock selection, Doug undertakes financial analysis, attends meetings with management and visits operations of interest to the Manager.

### **John A. Robertson**

John Robertson has 33 years' experience as a professional economist in investment appraisal, corporate strategy development and policy analysis. After working as a policy adviser in Canberra and as a financial analyst and business strategist in the resources industry in Australia and overseas, he became a top-rated mining analyst and resources sector investment strategist. Later, as a director and chief economist of a securities firm, he was also responsible for the firm's macroeconomic research. Subsequently, he held senior finance executive positions with various other corporations and has provided corporate advisory and investment analysis services as a consultant.

John participates in the investment decision-making processes of the Investment Manager on a day to day basis with special emphasis on investment strategy, market analysis and asset allocation. John is a director of the Investment Manager.

### **The E.I.M. Advisory Committee**

To assist in the task of evaluating potential investments, the Investment Manager has formed the E.I.M. Advisory Committee to provide specialist advice to the E.I.M. Investment Committee. The E.I.M. Advisory Committee brings together people with the special skills necessary to examine and understand many of the technical and commercial issues which determine the success of a resources company. At the date of this PDS, the E.I.M. Advisory Committee is made up of the following people.

#### **Professor Donald W. Barnett**

Professor Donald Barnett has been an educator and practitioner in the field of mineral and energy economics for 36 years including 15 years as Associate Professor and Foundation Director of the Centre for Mineral and Energy Economics at Macquarie University and a further six years as Visiting Professor of Mineral Economics at the Western Australian School of Mines. He has had four books published, the most recent being *Australia's Coal Exports: Prospects to 2015* (McCloskey 2002). He has provided consulting and advisory services to over 40 companies and government agencies.

#### **Professor Philip Seccombe**

Professor Philip Seccombe, currently Conjoint Associate Professor of ore deposit geology at the University of Newcastle, has over 38 years' experience as an exploration geologist, mine geologist, researcher and educator. He has conducted extensive research on a wide variety of ore deposit styles throughout Australia, Canada, Europe, Fiji and Indonesia. His contribution to the science of ore deposit geology has been recognised by positions he has held such as Chair of the Specialist Group in Economic Geology of the Geological Society of Australia and Regional Vice-President of both the Society for Geology Applied to Mineral Deposits and the International Association on the Genesis of Ore Deposits. He has held visiting Professorships at Pennsylvania State University, the University of British Columbia and the Mining University of Leoben Austria.

Professor Seccombe has written four books and over 120 journals, conference and technical articles covering a variety of resource commodities.

#### **Nick Moony**

Nick Moony has over 40 years' experience in mining, metallurgy, mineralogy, project development and general consulting to the resources industry having worked on projects for 50 companies in Australia and overseas. He has extensive experience in all states of Australia and internationally with assignments in New Zealand, Canada, Bolivia, the United States of America, Venezuela, Kazakhstan, Zimbabwe, Sierra Leone, Ecuador, Indonesia and North Korea. He has particular expertise in the areas of zinc, copper, silver, gold, tin and industrial mineral recovery.



## **Colin G. Jackson**

Colin Jackson graduated as a metallurgist-mineral process design engineer from Birmingham University and the Royal School of Mines, Imperial College London. His expertise in finance and governance comes from over 30 years' experience in the resources industry, stock broking and corporate advisory roles. He was a member of the executive committee of investment banking firm McIntosh Securities before holding senior executive roles at Newcrest Mining and Normandy Mining including seven years at the latter as Group Executive - Corporate. He is currently Chairman of ASX and Toronto listed Intrepid Mines Limited and Chairman of Red5 Limited, both ASX-listed companies. Colin is a director of the Investment Manager.

### **Relationship with Officium**

An investment management agreement between Officium and the Investment Manager sets out the terms and conditions under which the Investment Manager will manage and advise on the investments of the Fund, including the powers and duties of the Investment Manager, the required performance standards and the methods used by Officium to ensure those standards are satisfied, such as regular reporting obligations.

Either of Officium or the Investment Manager may terminate the agreement on a pre-agreed period of notice (or earlier in the event of certain defaults by the other party). The remuneration payable to the Investment Manager is paid by Officium out of the Fund (see section seven). The Investment Manager will report on a monthly basis to an investment committee appointed by the board of Officium.

## SECTION THREE – INFORMATION FOR INVESTORS

### Application for Units

An application for Units in the Fund can be made by completing the Application Form attached to a paper or electronic copy of the current version of this PDS and sending it together with application monies to the address shown below:

Cheques should be made payable to:

**Bond Street Custodians Limited – Officium Capital.**

Forward Application Forms and cheques to:

**Officium Capital Ltd  
PO Box 1172  
Subiaco WA 6904**

The minimum initial investment is \$10,000 and the minimum additional investment is \$5,000. Units will generally be issued within 10 Business Days of the Application Form being accepted and payment being received.

The Issue Price will generally be calculated weekly. However, Officium may elect to calculate Issue Prices more or less frequently including more than once for a particular Business Day. Application Forms received and accepted will be processed at the Issue Price on the next Valuation Date.

Officium may accept or reject an application in whole or in part. Any interest earned on application money will be retained by Officium and will form part of the assets of the Fund.

### Withdrawals

If Officium gives effect to a withdrawal request, then under the Fund's Constitution, payments must be made within 30 days of receipt of the withdrawal request. However, Officium expects withdrawal requests to be processed within ten Business Days of receipt in most circumstances.

Officium may refuse to give effect to a withdrawal request or suspend withdrawals in certain circumstances in accordance with the Constitution of the Fund and the Corporations Act. This may occur, for example, where, in Officium's opinion, it is not in the best interests of Investors for withdrawals to be made, where Officium is unable to calculate the Withdrawal Price for reasons beyond its control or where Officium is unable to realise assets needed to satisfy the withdrawal request.

Withdrawal requests received and accepted will be processed at the Withdrawal Price on the applicable Valuation Date. The Withdrawal Price will generally be calculated weekly. However, Officium may elect to calculate Withdrawal Prices more or less frequently including more than once for a particular Business Day.

Withdrawal proceeds are determined by multiplying the number of Units redeemed by the Withdrawal Price on the applicable Valuation Date. If a withdrawal request is received that would result in an Investor's holding in the Fund being less than \$5,000, Officium may require the Investor to redeem their entire holding in the Fund.

The withdrawal of Units is governed by the Fund's Constitution and the Corporations Act. A managed investment scheme is deemed to be illiquid where liquid assets (as defined in the Corporations Act) do not account for at least 80% of the value of scheme property. If the Fund is illiquid, Investors do not have an automatic right to request withdrawal and Officium may (but is not obliged to) offer withdrawals of Units from the Fund on a periodic basis in accordance with the Fund's Constitution and the Corporations Act.

### Unit Pricing

The most recent Issue Price and the most recent Withdrawal Price for Units in the Fund are available by calling Officium investor services on 1300 781 247 or on Officium's website at [www.officiumcapital.com.au](http://www.officiumcapital.com.au).

The Issue Price of a Unit will be calculated in accordance with the following formula:

$$\text{Issue Price} = \frac{\text{Net Assets of the Fund}}{\text{number of Units on issue}} + \text{transaction costs}$$

The Withdrawal Price of a Unit will be calculated in accordance with the following formula:

$$\text{Withdrawal Price} = \frac{\text{Net Assets of the Fund}}{\text{number of Units on issue}} - \text{transaction costs}$$

The **Net Assets of the Fund** are calculated by subtracting from the assets of the Fund (which include all investments and other assets of the Fund) all liabilities of the Fund (which include all charges, expenses, contingent liabilities, provisions for the cost of acquiring assets and unpaid distributions, but excludes any amounts subscribed by investors for Units which might be considered liabilities under applicable accounting standards). Further information about the valuation methods and policies Officium will apply in valuing the assets of the Fund is set out under the heading "Valuation methods and policies" below.

Both the Issue Price and the Withdrawal Price will be calculated by adjusting the net assets per unit by a factor representing **transaction costs** to acquire or sell investments as a result of applications and withdrawals by Investors. These costs, which affect Unit pricing, are often dealt with by applying a buy/sell spread.



Further information about transaction costs is set out under the heading “Transaction costs” below. Further information about investing in the Funds is set out under “Application for Units” above and further information about withdrawals from the Fund is set out under the heading “Withdrawals” above.

### Transaction costs

When Investors make new investments in or withdrawals from the Fund, the Fund may incur costs in buying new investments (when money is added to the Fund) or selling investments (when withdrawals are made). So that existing (or continuing) Investors do not continually bear the transaction costs resulting from new investments or withdrawals, a buy/sell spread is applied when Units are acquired in, or withdrawn from, the Fund.

When calculating the Issue Price of a Unit, the transaction costs are fixed at 0.275% (inclusive of GST) of the Net Assets of the Fund (calculated on a per Unit basis). When calculating the Withdrawal Price of a Unit the transaction costs are fixed at 0.275% (inclusive of GST) of the Net Assets of the Fund (calculated on a per Unit basis).

Transaction costs will be applied to all new investments and withdrawals to be consistent and to help achieve equality among all Investors.

Transaction costs are not a fee paid to the Responsible Entity and will be incorporated into the Issue Price and the Withdrawal Price for Units in the Fund, with the amount charged for transaction costs being retained within the Fund and used to meet the transaction costs of the Fund, to better ensure all Investors are treated fairly.

### Valuation methods and policies

Pursuant to the Fund’s Constitution, Officium may determine the valuation methods and policies it will apply from time to time to each category of Fund asset in determining the value of the net assets of the Fund. Generally, the value of a Fund asset will be the most recently quoted sale price on a regulated stock exchange. If Officium considers this does not represent an asset’s fair value, then Officium may, for the purposes of any valuation, determine the price of the asset to be either the volume weighted sale price over the last ten trading days or the mid-point of bid and offer prices on the Valuation Date.

In any event, Officium may appoint an independent expert where necessary to determine the fair market value of any Fund asset.

Officium has documented valuation methods and policies regarding how it will value the Fund’s assets and liabilities and how it will exercise discretions in determining application and redemption prices. A copy of the policies, together with related

documents, is available free of charge by contacting us on 1300 781 247.

### Distributions

The Fund may distribute income, if any, on a quarterly basis in respect of the quarterly distribution periods ending each 31 March, 30 June, 30 September and 31 December. Distributions will generally be paid within 30 days after the end of the relevant distribution period, although the Fund’s Constitution allows 60 days for the payment of distributions.

Income distributions for the Fund are based on the distributable amount per Unit determined by Officium at the end of the distribution period multiplied by the number of Units held on the last day of the distribution period. Officium, in accordance with the Fund’s Constitution, will endeavour to ensure that the total income distributions for a financial year at least equal the taxable income for that financial year (adjusted for “non-cash” taxable income from imputation credits).

The distributions relating to each financial year (currently the 12 month period to 30 June each year) may include taxable capital gains earned by the Fund for that year. The amount of the income distribution attributed to taxable capital gains will be notified to Investors in their annual taxation statement.

The Fund uses a “rolled up” formula for calculating distributions. This means that distributions will only be paid to persons who are registered as Investors on the last day of the relevant distribution period. This system means that if you withdraw or transfer any of your Units part-way through a distribution period, then you will not receive a distribution in respect of those Units for that distribution period.

Under this method of calculating distributions, an Investor who acquires Units close to the end of a distribution period may find the price of the Unit is higher than it might be immediately after a distribution period ends. This is due to the accrued income being included in the Issue Price. Accordingly, those Investors will receive as part of the next distribution some income which effectively means they have converted capital to income. We recommend Investors consider these issues with their own qualified advisers before making a decision about when to make or withdraw an investment.

If you have not provided Officium with a TFN, ABN or exemption category, or if your application shows a country of residence other than Australia, then we will need to withhold tax from your distributions.

Investors may elect to have their quarterly income distributions:

- Paid by electronic funds transfer into their nominated Australian bank, building society, or credit union account; or

- Reinvested in additional Units in the Fund at the Issue Price current as at the commencement of the next distribution period following the distribution period for which the distribution is made.

If no election is made on how Investors wish to receive their income distributions, then distributions will be automatically reinvested in additional Units in the Fund, provided the distribution reinvestment plan has not been suspended or cancelled.

Distributions will not be made by cheque.

### Distribution reinvestment plan

By ticking the appropriate box on the Application Form, Investors may elect to have all distributions automatically reinvested in additional Units or paid by direct electronic payment. As for other applications, there is no entry fee applicable to Units applied for under the distribution reinvestment plan. The additional Units will be issued at the Issue Price current as at the commencement of the next distribution period following the distribution period for which the distribution is made.

Investors may vary their election by writing to Officium at any time. A letter of variation becomes effective on the next distribution payment date after it is received by Officium.

Officium reserves the right to suspend, cancel or vary the terms of the distribution reinvestment plan for the Fund. Investors will be provided with 30 days' prior notice of any suspension, cancellation or change to the distribution reinvestment plan.

### Investor rights

The principal rights as an Investor in the Fund are outlined in various sections of this PDS and the Fund's Constitution. They include (subject to the Fund's Constitution and the Corporations Act) the right to:

- Receive distributions of income and capital from the Fund;
- Request the withdrawal of an investment;
- Transfer Units;
- Pass ownership of Units to the Investor's estate upon death;
- Participate in distributions upon termination or winding up of the Fund; and
- Call, attend and vote at meetings of Investors.

Each Unit in the Fund gives Investors an equal and undivided interest in all of the Fund's assets as a whole. However, holding Units in the Fund does not give Investors the right to participate in the management or operations of the Fund or give an interest in a particular part of the Fund and does not entitle Investors to have any part of the Fund transferred to them.

### Communications with Investors

Investors will receive the following acknowledgments, statements and reports relating to their investment in the Fund:

- A transaction statement after an application or withdrawal request has been processed;
- A quarterly statement if a distribution is declared, showing income distributions paid to the Investor or reinvested in additional Units in the Fund and the balance of the Investor's holding at the end of the quarter;
- An annual taxation statement, after the end of each financial year, showing the detail of the distributed income and its components for the last financial year; and,
- The annual report for the Fund, which includes Officium's report to Investors and the Fund's audited financial statements.

Investors investing through an Administration Service will receive reports on their investment from the operator of that Administration Service, not from Officium.

In addition, information with respect to the Fund (for example, Issue Prices, Withdrawal Prices and important events) and details of other developments that might be of interest to Investors will be posted on Officium's website at [www.officiumcapital.com.au](http://www.officiumcapital.com.au).

Investors investing through an Administration Service will receive reports on their investment from the operator of that Administration Service, not from Officium.

The directory in this PDS contains Officium's contact details should Investors need to contact Officium directly.

### Cooling-off period

Retail investors can request in writing to have their investment in the Fund cancelled within the 14-day cooling-off period under the Corporations Act. The cooling-off period begins when the Investor's transaction confirmation is received or five days after the Units are issued, whichever is earlier. If Investors do cancel their investment within this cooling-off period, Investors may not receive the same amount that was invested due to negative market movements and applicable transaction costs.

There is no cooling-off period with respect to Units issued under the distribution reinvestment plan.

Persons investing through an Administration Service should consult the operator of that Administration Service in relation to the cooling-off rights (if any) that may apply to their investment through the Administration Service.



### Minimum subscription

The minimum initial investment in the Fund is \$10,000. The minimum additional investment is \$5,000.

### Structure of the Fund

The Fund is structured as an unlisted, open-ended unit trust which has been registered with ASIC as a managed investment scheme. Interests in unit trusts, which are called units, represent a share in the trust's collective asset pool. Certain rights are attached to Units and these rights are held by the Investors who own the Units. Investors may also be referred to as unitholders. When you invest in the Fund, you will receive Units, which represent an indirect investment in the assets of the Fund.

It is Officium's intention for the Fund to remain open and to continue to grow for as long as it considers there are investment opportunities available which fall within the Fund's investment strategy. As such, the Fund may be described as open-ended because Officium expects a PDS will be continually available to prospective and existing Investors to apply for Units. Officium intends to continue to take applications on an ongoing basis, provided there is a current PDS available or where distributions are reinvested by existing Investors.

### What investments the Fund can hold

The Constitution of the Fund allows the Responsible Entity a wide discretion about what investments may be held in the Fund. However, this PDS outlines the classes of investments intended to be held by the Fund. Investors will be provided with 30 days' prior notice of any change in the classes of investments intended to be held by the Fund.

### Borrowings

Although borrowings are allowed under the Fund's Constitution, it is the Responsible Entity's intention that the Fund will not undertake any direct borrowings.

However, the underlying investments of the Fund may have direct or indirect exposure to borrowings.

### Holding of scheme property – details of the Custodian and its role

Bond Street Custodians Limited has been appointed to act as custodian for the Fund. Bond Street Custodians Limited is a subsidiary of Macquarie Bank Limited and was established in April 1994.

The role of the Custodian is to ensure the safe custody of the assets of the Fund. In practice, this means the Custodian will hold the Fund's cash in a bank account in its name and it will be noted as the owner of all investments made by the Fund.

However, it is important to note that the Custodian has no supervisory role in relation to the operation of the Fund and it is not responsible for the performance of Officium or the payment of income or capital to Investors. The Custodian has no liability or responsibility to Investors for any act done or omissions made by Officium or any other party in the operation of the Fund. In addition, the Custodian takes no responsibility for the content or issue of this PDS, or any liability for loss which may be suffered by Investors.

## SECTION FOUR – THE RESPONSIBLE ENTITY AND THE FUND ADMINISTRATOR

### Responsible Entity – Officium Capital Ltd

Officium (AFS Licence number 275101) was established in April 2004 specifically to provide investors with access to a range of managed funds, fund managers and investment expertise not accessible via mainstream managed fund products.

In addition to the Fund available under this PDS, Officium is the responsible entity of thirteen other managed investment schemes. As at 31 July 2009, all of the Funds for which Officium is the Responsible Entity have combined assets in excess of \$385 million. Information about the assets of other funds managed by Officium is not intended to indicate actual or future performance of the Fund.

### Directors of Officium Capital

#### **Mr John Nunan, LLB (Hons) B.Comm Director**

John is a Director of Officium Capital Ltd and Chief Executive Officer of Officium Group Pty Ltd where his specific responsibilities include working as part of the senior management team in developing and implementing the strategic objectives of the Officium Group. In particular, he has responsibility for the implementation of the Officium Group's strategy, improving efficiency at both a management and operational level and general corporate matters.

Prior to joining Officium Group in January 2005, John worked for a leading international investment bank for almost eight years where he held a number of positions with a structured finance focus.

#### **Mr Steven Forrest, LLB Director**

Steven is a director of Officium Capital Ltd and General Counsel of Officium Capital Ltd and Officium Group Pty Ltd. He is responsible for legal and regulatory compliance within the Officium group of companies, and works as part of the senior management team.

Prior to joining Officium Group in June 2006 Steven worked for a leading Australian law firm in the Corporate and Commercial business unit.

#### **Mr Benjamin Calder, Dip FP CFP Director**

Ben is a director of Officium Capital Ltd and assists in setting the strategic direction of the company.

Ben joined the financial services industry in 1993. He is a Certified Financial Planner and has been providing strategic and financial advice to clients since 1995 in both the UK and Australia.

### Fund Administrator – Macro Fund Services Pty Ltd

Officium has engaged Macro Fund Services Pty Ltd ABN 36 105 995 355 (Macro) to undertake certain accounting, administrative and compliance tasks for the Fund. A service agreement between Officium and Macro sets out the terms and conditions under which Macro provides its services.

Macro combines the experience, reputation and skills of its founders Peter Morrison and Steve Dixon to form a funds management business with a charter built on integrity, quality of investment and service to its clients.

The founders of Macro have extensive experience that extends into most aspects of funds management. Peter Morrison and Steve Dixon have 29 and 20 years experience respectively within the funds management arena. Both Peter and Steve are responsible managers for the purposes of Officium's AFS Licence.

The core strength of Macro is its extensive funds management experience with a bias towards investment management, financial management, compliance and investor service and reporting.

### Key Directors of Macro

#### **Peter Morrison, CPA Director**

Peter has been in the funds management industry since 1980. For 17 years he was the Chief Financial Officer of Pacific Mutual Australia Ltd, a funds management group with over \$4 billion in funds under management. In his role as director of that group he had experience in all aspects of funds management including listed and unlisted property trusts, mortgage funds, Australian and international share funds, fixed interest funds, superannuation funds, wholesale investment funds and life insurance.

In recent years he has been a director of a number of companies involved in the funds management industry as well as providing consulting services in the area of funds management, financial services, property and retirement village development and management.



**Steve Dixon, B. Bus CPA**  
**Director**

Steve has extensive experience in the funds management industry both in Australia and overseas, fulfilling fund manager and director roles for a number of funds management groups.

Steve has strong experience in all aspects of funds management with 20 years experience in managing listed property trusts, unlisted property trusts, property excluded offers, life insurance, superannuation, retail and wholesale managed funds. During this time Steve has undertaken various roles, including capital raising, finance arrangement and management, property acquisition and due diligence, drafting of product disclosure statements and prospectuses, financial management and compliance functions.

## SECTION FIVE – RISKS

All investments involve varying degrees of risk. While there are many factors that may impact on the performance of any investment, the summary below indicates some of the major risks that Investors should be aware of when investing in the Fund.

The following list is not exhaustive and potential Investors should read this PDS in full and, if they require further information on material risks, seek appropriate advice from their financial adviser.

It is possible that the Fund may be exposed to the risks described below either directly or indirectly through the underlying investments of the Fund.

As a result of investment risks, Investors should expect that the prices of the Fund's investments and the level of income derived by the Fund, may fluctuate. Consequently, the value of Units and the amount of any income entitlement distributed may rise or fall and Investors may suffer a loss of capital invested.

Generally, the higher the potential rate of return for an investment, the higher the risk inherent in the investment. The Fund will have varying levels of risk depending on its investment portfolio from time to time.

Before investing in Units, each potential Investor should consider whether the Units are a suitable investment given their individual objectives, financial situation, needs or circumstances. An investment in the Fund should not be considered a short term investment.

### Security specific risk

Returns are affected by the underlying strength of the cash flows, balance sheets and management of the entities in which the Fund invests. This can also be referred to as business risk. Specific investments held in the Fund can fall in value for many reasons, such as changes in an entity's internal operations or management or in the business environment in which the entity operates, or, particularly in the case of an emerging natural resources company, a failure by a company to meet environmental standards or give adequate consideration to labour standards, ethical or social matters. If specific investments held in the Fund fall in value, the value of Units in the Fund will also fall.

### Market risk

The returns from investments are affected by a range of economic factors including changes in interest rates, exchange rates, inflation, general investment market conditions, government policy (including monetary and taxation policy and other laws), fluctuations in general market prices for shares, bonds and other tradeable investments, and the general state of the domestic

and world economies. These factors can affect the value of the investments held in the Fund and thus the value of Units in the Fund.

### Fund risk

These are risks specific to the Fund. These risks include that the Fund terminates, that the Fund's fees and expenses change, that Officium is replaced as responsible entity, that the Fund Administrator changes or that the Investment Manager is replaced. There is also a risk that investing in the Fund may lead to a different result than investing individually, because of income or capital gains accrued in the Fund, the consequences of investment by and withdrawal of other Investors and the deduction of fees.

### Income risk

The level of income generated on the Fund's investments can fall as well as rise and the tax status of such income can change. As previously noted, the investment objective of the Fund does not include making investments which are expected to produce regular income returns. Therefore, an investment in the Fund is unlikely to be suitable for Investors seeking regular income.

### Interest rate risk

Changes in interest rates can have a positive or negative impact directly or indirectly on the Fund's investment value or returns. For example, as a result of interest rate changes, the cost of the borrowings of a company in which a Fund invests can decrease or increase or the income return on a fixed interest investment can become more or less favourable. This will affect the value of Units in the Fund.

### Commodity market risk

Resources sector investment returns are generally more volatile than returns from the major non resource equity market sectors due to the earnings of resources companies being exposed to commodity price movements.

Changes in the selling prices of natural resource commodities can directly affect the earnings of companies in which the Fund invests and, potentially, the market prices of securities held in the portfolio of the Fund. The market value of some securities may rise or fall more than proportionately to a rise or fall in commodity prices.

The prices of emerging natural resources companies' securities can also be influenced indirectly by commodity price movements as investors attempt to anticipate the likely duration and direction

of future changes in commodity prices by buying or selling stocks exposed to those potential movements.

Commodity prices can be influenced by a range of factors including economic events which might affect the volume of commodities used, supply availability reflecting levels of industry exploration and investment and changing perceptions of supply risk. Movements in global financial markets can also affect commodity price trends. Movements in market liquidity brought about by changing interest rate policies among the major economies may also influence the direction of commodity prices.

If there is a decrease in the level of demand from one or more of the key raw material markets, companies in which the Fund is invested may find it difficult to sell their output. As a consequence, the market prices of the Fund's investments may decrease.

Given the valuation policy of the Fund, movements in the market price of securities held by the Fund will be reflected in Unit prices.

### Currency risk

Raw material prices are commonly denominated in United States dollars (US dollars) and changes in the exchange rate between the US dollar and the Australian dollar can have an impact on the earnings and market prices of companies in which the Fund invests. A stronger Australian dollar, for example, may detrimentally affect the Australian dollar revenue a company receives for the products it sells on the international market.

Through their actual and potential impact on the market price of companies, movements in the value of the Australian dollar may affect the prices of Units.

### Liquidity risk

Liquidity risk arises from being unable to buy or sell a particular asset within a reasonable period of time. This may occur where the Fund is seeking to buy shares and there are insufficient shares being offered for sale or where it wishes to sell stock when there is insufficient demand to allow the transaction to proceed. Low levels of liquidity may result in increased price volatility.

The Fund may invest in the securities of emerging natural resources companies which have a lower level of capitalisation than longer established natural resources companies. The securities of companies with a lower level of capitalisation may have a lower degree of liquidity (i.e. they are more difficult to trade) and may experience increased price volatility.

There is also a withdrawal risk where the Fund is deemed to be illiquid (as defined in the Corporations Act), where liquid assets do not account for at least 80% of the value of scheme property.

If the Fund is illiquid, Investors do not have an automatic right to request a withdrawal.

### Derivative risk

The term 'derivative' is used to describe any financial product which has a value that is derived from another security, liability, commodity or index. Examples include futures contracts, such as forward sale agreements, forward foreign exchange contracts and options. Risks associated with using these tools might include the value of the derivative failing to move in line with that of the underlying asset, potential illiquidity of the derivative.

A component of derivative risk is the risk that an issuer of securities or the counterparty to a derivatives transaction may not meet its obligations to pay interest and repay capital or satisfy other financial obligations in full or on time. This is also referred to as "credit risk" or "counter-party risk".

The Fund does not intend to invest in derivatives. However, the underlying securities in which the Fund invests may have derivative exposure. Emerging natural resources companies commonly use forward foreign exchange contracts, forward sale agreements or other futures contracts and options to buy or sell financial instruments to actively manage financial exposure. These activities carry derivative risk. If realised, those risks may adversely affect the financial performance of companies in which the Fund is invested and, in turn, the price of Units.

### Gearing risk

Gearing magnifies both potential gains and losses by investing borrowed funds. Hence returns can be more volatile when gearing is utilised within a fund as opposed to when no gearing is used.

The Responsible Entity does not intend to borrow. However, the underlying investments of the Fund may have exposure to borrowings.

### Reliance on key personnel

The loss of key personnel from within the Investment Manager could detrimentally affect the operational performance of the Fund, causing the price of Units to fall.

### Concentration risk

Investing in a fund with a smaller number of investments may lead to more volatile returns than investing in a fund with a larger number of investments. The Fund's assets will be invested in a portfolio of up to 20 emerging natural resources companies. Returns from a larger portfolio may be less volatile.

The Fund's investment process is designed to provide a level of diversified commodity exposure across key commodity groups (see section two) to minimise any potential increase in volatility.

However, Investors should be aware that the Fund's investments will not be diversified outside of the resources sector and, in particular, emerging natural resources companies.

### Credit risk

Credit risk is the risk that an issuer of securities or the counterparty to a derivatives transaction may not meet its obligations to pay interest and repay capital or satisfy other financial obligations in full or on time.

The Fund will not normally invest directly into derivative products and, therefore, will not be directly subject to this risk with respect to derivative products. However, the Fund may be exposed to credit risk both directly, through the investments and transactions of the Fund itself, and indirectly through the investments and transactions of the underlying investments in which the Fund may invest. In turn, this may affect the value of the Fund's investments, the income of the Fund and the value of Units in the Fund.

*None of Officium, the Custodian, the Investment Manager, their associates, officers, employees or agents nor any other person nor entity guarantee the performance or success of the Fund, the repayment of capital or any particular rate of return on investment in the Fund.*



## SECTION SIX – TAXATION

The taxation information provided below is intended as a general guide only to the broad Australian income tax implications of investing in the Fund for Australian resident individuals, trusts (other than trusts taxed as companies), companies (other than companies not taxed at the general company tax rate) and complying superannuation funds. The taxation of a unit trust investment such as the Fund can be complex. The taxation treatment of an investment in the Fund may be impacted by future changes in income tax legislation. Investors should seek their own independent professional advice in relation to their investment in the Fund.

The information below assumes the Units will be held as capital assets.

### Taxation of the Funds

Under current law, all of the income (including realised capital gains) of the Fund will be included in the assessable income of the Investor. Consequently, no tax will be payable by Officium on Fund income.

Special rules will apply if a Fund is or becomes a “closely-held trust”. A closely-held trust is broadly one where up to 20 individuals hold directly or indirectly 75% or more of the issued Units. If the Fund is or becomes a closely-held trust and an Investor holds Units as the trustee of another trust, Officium will be required to advise the Australian Taxation Office (“ATO”) of the details of the ultimate beneficiaries of the share of the net income of the Fund which is attributed to those Units. Failure by Officium to provide this information to the ATO will result in Officium being subject to tax on that share of the net income of the Fund at the highest marginal tax rate plus Medicare levy (currently 46.5%).

If an Investor who holds Units as the trustee of another trust does not provide the information required by Officium to enable it to comply with these rules, Officium will be entitled to recover any tax levied by the ATO out of the Fund or from the Investor directly.

The Funds may also be prevented from deducting prior year tax losses, be required to work out their net income or tax loss for an income year in a special way, or be prevented from deducting certain amounts in respect of debts if there is more than a 50% change in the ownership of the Units at prescribed times.

### Taxation of resident Investors

The taxation of an Investor’s investment in the Fund will depend on whether the Investor is a resident of Australia or non-resident of Australia for income tax purposes. The information below also assumes that Investors are residents of Australia for Australian

income tax purposes. An Investor who is a non-resident or not certain of whether they are a resident of Australia for income tax purposes should seek their own independent professional advice.

### Taxation of an Investor’s share of the Fund’s net income

An Investor will be liable to pay tax on the full amount of the Investor’s share of the net income (taxable income) of the Fund in the year in which that Investor becomes presently entitled to a share of the Fund’s Distributable Income.

An Investor’s share of the net income of each Fund for a year ended 30 June must therefore be included in the Investor’s assessable income for that financial year. This applies irrespective of whether the Investor’s share of the net income exceeds the Investor’s share of a Fund’s Distributable Income and irrespective of whether distributable income from each Fund is actually paid to an Investor or reinvested in further Units.

### Franked dividends

The Fund may derive franked dividends in respect of shares it holds. A franked dividend is a dividend paid by an Australian resident company out of profits which have been taxed in Australia. Such dividends carry with them imputation credits which entitle an Investor to a tax credit for the tax already paid by the company which paid the dividends (directly or indirectly) to the Fund.

An Investor’s assessable income will include the imputation credits together with the Investor’s share of the franked dividends derived by the Fund, but the Investor will be able to offset the credit against the Investor’s total tax liability. If the amount of the credit exceeds the total tax payable by that Investor, the Investor will be entitled to a refund of the amount of excess, except for a company Investor, in which case the excess will be converted to a tax loss.

### Foreign income and foreign tax offsets

Australian resident Investors may need to gross-up their share of any distribution of foreign income by their share of any foreign tax paid on the foreign source income. Australian resident Investors may be entitled to a foreign income tax offset against their Australian tax liability for their share of such foreign tax paid. Broadly, the amount of the offset would be equal to the foreign income tax taken to have been paid by an Investor. However, there is a maximum limit for an Investor’s tax offset. The limit of the foreign income tax offset is the greater of \$1,000 and an amount worked out by reference to the amount of Australian tax payable on all of the foreign income derived by the Investor.

## Conduit foreign income

An Investor may receive a distribution of 'conduit foreign income'. The taxation consequences of receiving conduit foreign income may differ for resident individuals, trusts, superannuation funds, companies and non-residents. Investors should seek their own professional advice in relation to the taxation treatment of a distribution of conduit foreign income.

## Tax-deferred distributions

An Investor may be entitled to receive tax-deferred distributions where the Fund's Distributable Income exceeds its net income or the Fund derives income from investments in property securities.

Distributions arising from property investments that attract depreciation allowances on plant and equipment and building allowance deductions will be tax-deferred distributions to the extent the distributions are from amounts sheltered by those allowances. The tax-deferred portion of distributions will not be included in the Investors' assessable income.

Where Investors receive a distribution of a tax-deferred amount, their capital gains tax cost base in their Units will be reduced by that amount. Where the amount of the tax-deferred distributions exceeds the Investors' cost base in their Units, they will realise a capital gain equal to the amount of the excess.

In determining whether Investors realise a capital gain or a capital loss when they dispose of their Units, the cost base and the reduced cost base of their Units will be reduced by the tax-deferred distributions received by them during the period they held the Units.

## Realised capital gains

An Investor's share of any capital gain included in the net income of the Funds should be taken into account with the Investor's other capital gains and losses in calculating the net capital gain or loss derived by the Investor during the relevant year.

Where the capital gain relates to an asset owned by a Fund for at least 12 months, the Investor may only be subject to tax on half of the capital gain (in the case of an individual or a trust that distributes the gain directly/indirectly to an individual) or two-thirds of the capital gain (in the case of a complying superannuation fund). However, if Units are owned by a company, the company will not be entitled to any reduction in the amount of the capital gain. Investors should consult their advisers in relation to the availability of a discount in respect of capital gains derived by the Funds.

## Disposal of Units

When an Investor withdraws Units in any of the Funds and realises a capital gain, the amount of that capital gain will be

included in the Investor's assessable income for the financial year in which the sale or disposal occurred after any capital losses of the Investor have been offset against the capital gain.

If the Investor realises a capital loss, that loss may be offset against other capital gains realised by the Investor in the same tax year. If the Investor has excess capital losses they may be carried forward to reduce capital gains realised by the Investor (including the Investor's share of any capital gains realised by the Fund) in subsequent years.

Where an Investor disposes of Units after owning them for at least 12 months, and realises a capital gain, only half of the capital gain will be taxable where the Investor is an individual or a trust that distributes the gain directly/indirectly to an individual, and only two-thirds of the capital gain will be taxable where the Investor is a complying superannuation fund. However, where Units are owned by a company, the company will not be entitled to any reduction in the amount of a capital gain realised by it regardless of how long it owned the Units.

## GST

Where any of the Funds are entitled to input tax credits under the GST legislation for GST paid in respect of services provided to it (generally 75% of the GST paid in respect of certain acquisitions), the cost to the relevant Fund of paying GST will be reduced proportionately.

## TFN/ABN quotation requirements

An Investor is not compelled to quote a TFN or ABN when applying for Units. However, if neither a TFN nor an ABN is quoted to the Responsible Entity by an Investor, or no appropriate TFN exemption information is provided, the Responsible Entity will be required to deduct tax from any distribution it makes to that Investor at the highest marginal tax rate plus Medicare levy (currently 46.5%).

## Foreign investment fund tax regime

A fund's investment in certain overseas companies or trusts should generally be exempt from the accruals taxation rules under the Foreign Investment Fund (FIF) regime. However, to the extent that no FIF exemption is available, the assessable income of any fund may include amounts deemed to be derived on an accruals basis under the FIF rules. In such circumstances, unitholders may need to include their share of any such accrued income of a fund in their assessable income. Any FIF income which may arise will be included in unitholders' annual tax statements.



SECTION SEVEN – FEES AND OTHER COSTS

**Did you know?**

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask us or your financial adviser.

**To find out more**

If you would like to find out more, or see the impact of fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website ([www.fido.asic.gov.au](http://www.fido.asic.gov.au)) has a managed investment fee calculator to help you check out different fee options.

The above warning is required by law. Set out below are the fees and other costs associated with investing in the Fund.

**Fees and other costs**

This document shows fees and other costs that you may be charged. These fees and other costs may be deducted from the money you invest, from the returns on your investment or from Fund assets as a whole.

Fees and other costs for the Fund are set out on pages 23 to 26.

Taxes are set out in another part of this PDS. See section six (Taxation).

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Type of fee or cost	Amount <sup>1</sup>	How and when paid
<b><i>Fees when your money moves in or out of the Fund<sup>2</sup></i></b>		
<b>Establishment fee</b> The fee to open your investment	Nil.	Not applicable.
<b>Contribution fee</b> The fee on each amount contributed to your investment	Nil.	Not applicable.
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	Nil.	Not applicable.
<b>Termination fee</b> The fee to close your investment	Nil.	Not applicable.

Type of fee or cost	Amount <sup>1</sup>	How and when paid
<b>Management costs<sup>3</sup></b>		
The fees and costs for managing your investment	A base fee of 0.25625% p.a. of the balance within the Fund or \$128.13 for every \$50,000 you have in the Fund.	Base fees are calculated each Valuation Date and paid monthly in arrears to us. They are deducted directly from a Fund's assets and are reflected in the unit price.
	All costs, charges and expenses (together with any applicable GST) incurred in connection with the administration and management of the Fund are charged to the Fund (see page 25 for more details). (In section seven we refer to these costs, charges and expenses as "Expense recoveries").	Expense recoveries (together with any applicable GST) are deducted from the Fund's assets and paid, directly as and when they are incurred, or by way of reimbursement if we have paid those costs, charges and expenses (see page 25 for more details).
	The fees and costs charged by us for the Fund will be capped at 2.00% per annum plus GST (see page 25 for more details - please note that this limit excludes transaction costs, Abnormal Expenses and Extraordinary Expenses).	
<b>Service fees<sup>4</sup></b>		
<b>Investment switching fee</b> The fee for changing Funds	Not applicable	

Footnotes:

- 1 Unless otherwise stated, fees and costs disclosed in this section are inclusive of the net effect of GST, if applicable (i.e. inclusive of 10% GST, less any *input tax credits or (RITCs)* available to the Fund).
- 2 The Fund also has a buy/sell spread (see "Transaction costs" on page 25). While not strictly a fee, this is a cost that is passed on to you when you acquire or dispose of units in the Fund.
- 3 Further details of management costs are set out on page 25 and may include an amount payable to an adviser.
- 4 We may also pay advisers and others commissions and other payments in connection with your investment in the Fund. This is paid by us out of our fee. See 'Adviser remuneration' on page 25 for more details.

### Example of annual fees and costs

This table gives an example of how the fees and costs for the Fund can affect your investment over a one year period. You should use this table to compare this Fund with other managed investment products.

Example		Balance of \$50,000 with a contribution of \$5,000 during the year
Contribution Fees	Nil	For every \$5,000 you put in, you will not be charged a contribution fee.
<b>Plus Management Costs<sup>1</sup></b>	<b>2.19%</b>	<b>And</b> , for every \$50,000 you have in the Fund, you will be charged \$1,095 each year.
<b>Equals Cost of Fund</b>		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 <sup>2</sup> during that year <sup>3</sup> , you would be charged fees of \$1,095. <b>The actual cost will depend on the fees you agree with us or your financial adviser.</b>

1. The quoted management costs figure has been calculated by reference to:
  - a. the base fee (0.25625% including GST);
  - b. the costs, charges and expenses in connection with the administration and management of the Fund budgeted by Officium for the year ended 30 June 2010 (1.93% including GST). For more information on Expense recoveries, refer to page 25 of this PDS;
2. In this example, the amount held in the Fund has not been adjusted to take account of the investment returns during the year.
3. We have also assumed that the \$5,000 contribution occurs at the end of the year.



## Additional explanation of fees and costs

### Management costs

The management costs shown in the 'Fees and other costs' table above includes the following components:

- base fees;
- expense recoveries.

We receive a base fee for managing your investments in the Fund which is paid out of the assets of the Fund.

All costs, charges and expenses (together with any applicable GST) incurred in connection with the administration and management of the Fund, are also charged to the Fund.

### Fee limit

The fees and costs charged by us will be capped at 2.0% plus GST for the Fund. Due to the nature of the Expense Recoveries associated with this Fund, we expect the fees and costs to equal this amount. This amount is expressed as an annual percentage, however it will be applied on each Valuation Date taking into account the number of days in the Valuation Period and the Net Assets of the Fund. As the annual fee reported is based on the actual fees charged over the entire period being reported on as applied to the actual Net Assets of the Fund on the last day of the period being reported on, it is possible that the reported fee will exceed the maximum stated above. Please also note that the limit does not include transaction costs, Abnormal Expenses or Extraordinary Expenses.

### Transaction costs

In managing the investments of the Fund, transaction costs such as brokerage, settlement costs, clearing costs and Government charges may be incurred. Transaction costs may be incurred by changes in the Fund's investment portfolio, or when the Fund experiences cash flows in or out of it.

When the Fund incurs transaction costs by changing the Fund's investment portfolio, the transaction costs are paid out of the Fund's investments, and are reflected in the unit price of the Fund.

There will be a difference between the Issue Price and the Withdrawal Price for Units, often called the "buy/sell spread". These costs represent an allowance (which is independently verifiable) for the costs incurred in buying new investments or selling investments when applications are accepted into the Fund or Units are redeemed, and are charged to ensure that existing (or continuing) Investors do not continually bear the transaction costs resulting from new investments or withdrawals.

The buy/sell spreads are 0.275% of the net assets of the Fund (calculated on a per Unit basis). For example, the transaction costs for acquiring \$50,000 investment in the Fund will equate

to \$137.50 and the transaction costs for disposing of a \$50,000 investment in the Fund will equate to \$137.50.

Buy/sell spreads are not a fee paid to Officium and will be incorporated into the Issue Price and the Withdrawal Price for Units. The amount charged for buy/sell spreads will be retained within the Fund and used to meet the transaction costs of the Fund, to achieve equality among all Investors.

### Expense recoveries

These charges represent a reimbursement to us from the Fund in accordance with the Constitution to cover operating expenses incurred by us in connection with performing our duties and obligations in administering the Fund. These include, but are not limited to, expenses incurred during the day-to-day operation of the Funds such as the rental of premises, salaries of staff and fees paid to E.I.M. Capital Managers Pty Ltd. They also include expenses incurred due to abnormal events such as the cost of running a member meeting, or legal costs incurred by changes in the Constitutions or defending legal proceedings.

Where costs, charges and expenses are incurred by Officium with respect to more than one Fund, those items will be apportioned by Officium across the various Funds to which they relate on a basis which Officium believes is reasonable.

### Increases or alterations to the fees

Under the Fund's Constitution, Officium has the power to waive, reduce or defer fees at its discretion, but importantly is not able to increase fees beyond the maximum amount provided in the Fund's Constitution without seeking approval of Investors by special resolution at a meeting. Officium will provide 30 days' notice of any future fee increases.

### Differential fees

We may rebate or waive part of the management costs payable by wholesale clients (as defined by the Corporations Act 2001). Investors meeting these criteria wanting to negotiate fees should contact us on 1300 781 247.

### Adviser remuneration

The commissions and payments explained in this section are not an additional cost to you. They are paid by us to your financial adviser and other authorised intermediaries out of the income received by us in relation to your investment in the Fund.

We reserve the right to determine whether to pay such a commission and to determine the amount payable. The commission will be in the range of 0% to 1% per annum (inclusive of GST) of the amount invested by you. In addition, E.I.M. Capital Managers Pty Ltd may decide to pay a commission to your financial adviser, or to investment platforms, out of the fees we pay it for its services. For the purpose of calculating the commission, we will disclose information about your investment

to your financial adviser. We may also provide assistance to some advisers or intermediaries to pay for seminars, mailings to their clients, co-operative advertising, postage and the like. If you have been introduced through a financial adviser or authorised intermediary, then you should consult them for the specific details of the commissions they are entitled to receive. You should ask for a financial services guide or statement of advice provided by your financial adviser for more details.

As a result of your investment in the Fund, your financial adviser may also qualify for other benefits. These other benefits do not represent an additional cost to you. We maintain a register summarising alternative forms of remuneration that are paid or provided to certain advisers. If you would like to review this register, please contact us.

Certain dealer groups, of which your adviser may be a part, may also receive payments based on the volume of business they generate. If these payments are made, they are not paid by you or the Fund; rather they are paid by us or by E.I.M. Capital Managers Pty Ltd out of the fees we pay it for its services. These amounts may be up to 1% per annum (inclusive of GST) of the funds invested via the dealer group. Alternatively, we may make arrangements with certain dealer groups to rebate part or all of our management fees. Where this occurs, this is not a separate cost to you.

### **Taxation information**

For information on significant taxation implications relating to investing in the Fund, see section six.



## SECTION EIGHT – ADDITIONAL INFORMATION

### The Constitution

The Fund is a registered managed investment scheme and is governed by a Constitution.

The Constitution of the Fund (as amended from time to time) is the primary document governing the relationship between Investors and Officium as the responsible entity for the Fund.

The Constitution for the Emerging Resources Company Share Fund is dated 27 February 2006 and has been lodged with ASIC.

The Fund's Constitution, together with the Corporations Act, general law and other relevant legislation governs the way the Fund operates and sets out many of the rights, liabilities and responsibilities of both Investors and Officium in its capacity as the responsible entity for the Fund. The Fund's Constitution includes provisions dealing with matters such as the following:

- The broad powers granted to Officium to invest, borrow, receive fees and other payments and generally manage the Fund, subject to its obligations under the law and the Corporations Act which require it to act honestly and in the best interests of Investors;
- Indemnity for Officium – To the extent permitted by the Corporations Act, Officium is entitled to be indemnified out of the assets of the Fund for all liabilities incurred in the proper performance of its duties and for fees and costs payable to it with respect to the Fund. This indemnity does not apply where there has been negligence, deceit, fraud, breach of duty or breach of trust by Officium;
- The issue of Units and the calculation of Issue Prices;
- The procedure for withdrawing an investment and the calculation of Withdrawal Prices;
- Calculation of the net income of the Fund and when it is to be distributed to Investors, and the rights of Investors to receive distributions of income and capital from the Fund;
- Distribution reinvestment;
- Convening, holding and voting at meetings of Investors;
- The transfer of Units;
- The fees payable and expenses for which Officium is entitled to be reimbursed, which are set out in detail in section seven of this PDS;
- The power of Officium to enter into a transaction with the Fund in its personal capacity or become interested in any such transaction;
- The power of Officium to make deductions from distributions for any amount of tax which is paid or payable by Officium in respect of an Investor;
- The retirement and removal of Officium;

- Complaints handling procedures;
- Winding up of the Fund; and
- The obligations, duties and powers of Officium, the delegation of its functions and the principles by which the assets of the Fund will be valued.

The Fund's Constitution contains provisions intended to limit the liability of Investors to their investment in the Fund. However, there can be no absolute assurance that the liability of Investors would be limited as intended by these provisions as the ultimate liability of investors to creditors of a managed investment scheme or trust has not been finally resolved by Australian courts. An Investor is also liable to indemnify Officium for certain duties, taxes and bank charges directly referable to that Investor.

Officium may amend the Fund's Constitution without the consent of Investors if it is of the opinion the change will not adversely affect Investors' rights. Otherwise, any amendment to the Constitution may only be made by a special resolution of Investors. A copy of the Fund's Constitution may be obtained free of charge by calling Officium investor services on 1300 781 247.

The Responsible Entity may retire or be required to retire as responsible entity if Investors vote for its removal. Investors' rights to requisition, attend and vote at meetings are mainly contained in the Corporations Act.

### Termination of the Fund

The Fund's Constitution provides for the term of the Fund to end on the earlier of the date specified by the Responsible Entity in a notice given to Investors or at such earlier time as the Fund's Constitution or law provides. If the Fund is terminated, then each Investor is entitled to a share of the net proceeds following the realisation of the assets of the Fund according to the proportion of Units held.

### Meetings of Investors

The Fund's Constitution and the Corporations Act contain provisions about convening and conducting meetings of Investors. Officium may call a meeting of Investors at any time. Officium must also convene a meeting of Investors if it is requested to do so by Investors who hold at least five percent of the votes that may be cast on a special resolution or extraordinary resolution proposed to be considered at the meeting, or at least 100 Investors who are entitled to vote on the resolution. At a meeting of Investors, on a show of hands, each Investor has one vote, whereas, on a poll, each Investor has one vote for each dollar of the value of the Units they hold in the Fund.

## Register of Investors

Officium will maintain an up-to-date register of Investors for the Fund.

## Transferring or selling Units

Investors in the Fund may transfer their Units in the Fund to a willing purchaser by way of a form approved by Officium and subject to the Fund's Constitution. However, the Corporations Act restricts Officium's ability to facilitate the sale of Units from Investors to third parties and, in particular, restricts Officium from introducing potential buyers to sellers.

Units in the Fund are not quoted on the ASX.

## The Responsible Entity

Officium complies with ASIC's requirements for a responsible entity. Its duties and obligations to Investors are imposed, and its functions and powers conferred by the Fund's Constitution (see below), the Corporations Act and general law. For example, in exercising its powers and carrying out its duties Officium must:

- Act in the best interests of Investors and, if there is a conflict between Investors' interests and its own interests, give priority to Investors' interests;
- Act honestly; and
- Exercise the degree of care and diligence that a reasonable person would exercise if they were in Officium's position.

Officium is authorised under the Fund's Constitution to appoint agents (such as the Custodian) or engage the services of other persons to undertake matters on its behalf. Officium remains liable for the acts and omissions of any agent or person so appointed.

## Retirement or removal of the Responsible Entity

Subject to the Corporations Act, Officium may at any time retire as responsible entity of the Fund and shall do so if it ceases to be qualified to act as responsible entity of the Fund. Subject to the Corporations Act, when a responsible entity retires, the retiring responsible entity may appoint another corporation as responsible entity and, if no replacement is appointed, the Fund will be wound up. Investors may also remove Officium as responsible entity of the Fund by means of an extraordinary resolution.

Under the Constitution for the Fund, and subject to any approval required by law, Officium may agree with an incoming responsible entity to receive a benefit from the incoming responsible entity in relation to Officium's retirement as responsible entity of the Fund. Officium is not required to account to Investors for any such benefit.

## Compliance plan and compliance committee

The Fund has a compliance plan which has been lodged with ASIC. The Fund's compliance plan sets out measures Officium will apply in operating the Fund to ensure compliance with the Corporations Act, ASIC policy and the Fund's Constitution.

Officium has also appointed a compliance committee for the Fund. In accordance with the Corporations Act, the compliance committee comprises a majority of external members. The external members have no relationship (legal or family) with the Officium Group.

The compliance committee's role is to monitor Officium's compliance with the Fund's Constitution and compliance plan. It must also regularly assess the adequacy of the compliance plan and report any breaches of the Corporations Act or the Fund's Constitution to Officium. If Officium does not take appropriate action to deal with the breach, then the compliance committee must report the breach to ASIC. It is important to note that the compliance committee is not responsible for the issue of this PDS.

## Complaints

The Fund's Constitution contains procedures for handling complaints from Investors.

If Investors have a complaint, they should contact the Responsible Entity immediately. The Responsible Entity will receive complaints made in writing or verbally and acknowledge them within five business days. The Responsible Entity will then investigate the complaint with a view to resolving it and advise the Investor as soon as possible. In any event, we will contact you within 28 days after the time we have acknowledged your complaint to advise you of the outcome of the investigation or give you an update of progress.

The Responsible Entity is a member of the Financial Ombudsman Service, an external complaints handling body, which retail investors may contact for those issues that cannot be resolved with the Responsible Entity. The Financial Ombudsman Service can be contacted on the toll free telephone number 1300 780 808, or by mail at GPO Box 3, Melbourne, Victoria 3001.

## Auditing, accounts and continuous disclosure

The accounts of the Fund and its compliance plan are required to be audited each year.

The Fund may become a disclosing entity (within the meaning of the Corporations Act). Generally, this will occur when there are more than 100 Investors in the Fund. Once this occurs, we will need to perform a half yearly review of the Fund as well as provide an annual report and an audit report of the annual results. Copies of half-yearly and annual financial reports as well as any continuous disclosure notices can be obtained from

or inspected by any person at an ASIC office, or by contacting Officium. Upon receiving a request, Officium will send to the person copies of the documents free of charge.

### Appointing an agent

Investors may appoint (in writing) an agent to operate their investment. By making the appointment, Investors are giving that person full authority over their account and the Responsible Entity will act in accordance with the instructions of the appointed agent from the day we receive notice of the appointment until the appointment is revoked in writing by the Investor.

If Investors wish to appoint an agent, the relevant section of the Application Form should be completed.

### Investing through an Administration Service

Officium authorises the use of this PDS as disclosure for those who wish to access the Fund through an Administration Service, where the operator of that service has provided Officium with a written undertaking in accordance with ASIC requirements.

If a person invests in the Fund through an Administration Service, they should note that the operator or custodian of the Administration Service will be recorded in the register as the Investor in the Fund and will have the rights attaching to Units in the Fund. Officium is not responsible for the operation of any of such services through which a person might invest. Therefore, certain rights of Investors in the Fund will not apply to persons if they are investing through any of those services, such as the cooling-off rights, the right to receive reports and statements from Officium, the right to attend meetings and the right to make a complaint to Officium.

If persons are investing through an Administration Service, they should also take into account the fees and charges of the operator of the service. In addition, as well as reading this PDS, they should read the document which explains the service.

### ASIC relief

Officium has applied for and been granted relief by ASIC from the requirement to set out in the Fund's Constitution adequate provision for transaction costs associated with the acquisition of a Unit or a withdrawal from the Fund where Officium discloses the basis on which those costs are calculated in the PDS given to a person as a retail client. The relief granted by ASIC also confirms that the Fund's Constitution need not make adequate provision for the consideration to acquire an interest in the Fund to the extent Officium reasonably believes the value of an asset cannot be objectively ascertained at the relevant time and the valuation methods and policies Officium will apply in determining asset values are disclosed in the PDS that is given to a person as a retail client.

### Privacy

When Investors make an application to invest in the Fund, the Responsible Entity will collect personal information (for the purposes of the Privacy Act 1988 (Cwlth)) about them in the Application Form. The personal information supplied to the Responsible Entity is used primarily for processing the application, administering and managing the investment and complying with applicable laws and regulations. To do that, we may disclose your personal information to Officium's related entities, agents, contractors or third party service providers to whom we outsource services such as mailing functions, fraud monitoring systems, registry and accounting (the Service Providers) on the basis that they deal with such information in accordance with Officium's privacy policy.

We may also disclose your personal information to any potential acquirers of Officium on the basis that they deal with such information in accordance with Officium's privacy policy.

We may also use your personal information to tell you about other products and services offered by us or our related companies and in order to do that we may disclose your information to other related companies of Officium, or to their Service Providers. We also disclose your personal information to your financial adviser.

If you do not want your personal information used for any of these purposes, or if you wish to not receive any further marketing communication, please indicate so on the Application Form.

The Responsible Entity may disclose your personal information to fulfil legal obligations. The Responsible Entity may also disclose your personal information to a regulatory agency in compliance or purported compliance with regulatory obligations.

If you do not provide the information requested of you in the Application Form, the Responsible Entity may be unable to process the application.

Under the Privacy Act 1988 (Cwlth) (as amended), you can gain access to the personal information that we hold about you, subject to certain exemptions under law. You can gain access to your personal information by telephoning us on 1300 781 247 or writing to the Officium Privacy Officer as follows:

**Officium Privacy Officer**  
**Terrace House 3, 249 Coronation Drive,**  
**Milton, QLD 4064**  
**Ph. 07 3876 4333**

A full copy of Officium's privacy policy can be obtained by calling on 1300 781 247 or by visiting Officium's website at [www.officiumcapital.com.au](http://www.officiumcapital.com.au).

We aim to ensure that the personal information we retain about you is accurate, complete and up-to-date. To assist us with this, please contact us if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information we have about you, we will take steps to correct it.

## Anti-money laundering

Officium is bound by laws about the prevention of money laundering and the financing of terrorism, including the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF laws)*. By completing the Application Form, you agree that:

- You do not subscribe to the Fund under an assumed name;
- Any money used by you to invest in Units in the Fund is not derived from or related to any criminal activities;
- Any proceeds of your investment will not be used in relation to any criminal activities;
- If we ask, you will provide us with additional information we reasonably require for the purposes of AML/CTF laws (including information about an Investor, any beneficial interest in the Units, or the source of funds used to invest);
- We may obtain information about you or any beneficial owner of a Unit from third parties if we believe this is necessary to comply with AML/CTF laws; and
- In order to comply with AML/CTF laws we may be required to take action, including:
  - Delaying or refusing the processing of any application or withdrawal, or
  - Disclosing information that we hold about you or any beneficial owner of the Units to our related bodies corporate or service providers, or relevant regulators of AML/CTF laws (whether in or outside of Australia).

## Social Security Entitlements

An investment in the Fund may affect an Investor's entitlement to social security benefits. Investors should consult their financial adviser or Centrelink for further details.

## Australian equivalents to International Financial Reporting Standards

For reporting periods beginning on or after 1 January 2005, Australian reporting entities such as the Fund must adopt the financial reporting requirements of the Australian equivalents to International Financial Reporting Standards (A-IFRS). As a result, the adoption of A-IFRS is reflected in the Fund's financial statements from the year ended 30 June 2006.

## Consents

E.I.M. Capital Managers Pty Ltd has given, and not withdrawn, its consent to be referred to in this PDS. E.I.M. Capital Managers Pty Ltd is acting as Investment Manager for the Fund but is not issuing, selling, guaranteeing or underwriting Units in the Fund.

Bond Street Custodians Limited has given, and not withdrawn, its consent to be referred to in this PDS. Bond Street Custodians Limited is acting as custodian only and is not issuing, selling, guaranteeing, underwriting or performing any other function in relation to the Fund.

Macro Fund Services Pty Ltd has given, and not withdrawn, its consent to be referred to in this PDS. Macro Fund Services Pty Ltd is acting as fund administrator only and is not issuing, selling, guaranteeing, underwriting or performing any other function in relation to the Fund.

## Interests

Officium or its associated entities has the following interests in relation to the Fund:

- A nominal number of units held by Officium in the Emerging Resources Company Share Fund, the Ganes Value Growth Fund, the Souls Concentrated Fund, the Officium Australian Shares Fund, the Officium Property Fund, and the Officium Global Fund;
- Approximately 580,000 units held by Officium in the Officium Income Fund;
- Approximately 780,000 units held by Officium in the Officium Special Situations Fund;
- Approximately 50,000 units held by Officium in the Officium Aggressive Fund, approximately 50,000 units in the Officium Assertive Fund, approximately 50,000 units in the Officium Balanced Fund, approximately 50,000 units in the Officium Cautious Fund, approximately 50,000 units in the Officium Conservative Fund, which all hold direct interests in a variety of the Funds as at the date of this PDS;
- Officium is the Responsible Entity for the Officium Cautious Fund, the Officium Conservative Fund, the Officium Balanced Fund, the Officium Assertive Fund and the Officium Aggressive Fund, which all hold direct interests in a variety of the Funds as at the date of this PDS;
- Directors, employees and associated entities of Officium are entitled to invest in the Funds and, if they do so, will invest on the same basis as any other Investor;
- The remuneration to which Officium is entitled in its capacity as responsible entity (as described in section seven);
- If a Fund invests in other funds or entities operated or promoted by Officium or associated entities, then Officium or associated entities may receive fees in relation to the Fund's investment in those funds or entities; and
- If a Fund invests in other funds or entities operated or promoted by Officium or associated entities, then Officium will ensure the investment is made on a commercial arm's length basis. The Funds may also benefit from fees charged at wholesale rates or fee rebates in respect of such investments.



### Directors' interests

John Nunan and Benjamin Calder, each of whom are directors of Officium, hold or have interests (through their associates) in shares in Officium or otherwise have an interest in the performance of Officium. In addition, the remuneration of the directors of Officium may be linked to the performance of Officium and/or Officium Group Pty Ltd.

Directors of Officium are entitled to invest in the Funds and, if they do so, will invest on the same basis as any other Investor. As at 31 May 2009, the following directors of Officium hold the following interests in the Fund:

John Nunan directly or indirectly through related parties and associated entities has invested \$26,759.30 in the Officium Special Situations Fund, \$2,132.59 in the Officium Global Fund, \$1,740.57 in the Officium Property Fund and \$21,399.49 in the Officium Aggressive Fund.

Steven Forrest directly or indirectly through related parties and associated entities has invested \$2,160.93 in the Officium Global Fund, \$1,733.26 in the Officium Property Fund, \$1,159.71 in the Officium Special Situations Fund, \$1,494.34 in the Ganes Value Growth Fund, \$1,626.18 in the Souls Concentrated Fund, \$1,422.12 in the Officium Australian Shares Fund, \$650.05 in the Officium Income Fund, and \$971.66 in the Peters MacGregor Global Fund.

### Consent to issue of PDS

Each of the directors of Officium has authorised the issue of this PDS.

### Application Form

Investors wishing to invest in the Fund should complete an Application Form attached to this PDS.

## SECTION NINE – GLOSSARY OF TERMS

**ABN:** Australian Business Number.

**Abnormal Expenses:** Expenses that are large or unusual incurred during normal operations that are required to be disclosed in the accounts of an entity separately because of their size and impact upon operating profit.

**Administration Service:** An investor directed portfolio service or similar service, such as a master trust, wrap account or nominee or custody service.

**AFS Licence:** Australian Financial Services Licence.

**APIR Code:** Unique code used by fund managers, research houses, wraps, master funds and software houses to identify a Fund.

**Application Form:** The application form attached to a paper or electronic copy of this PDS.

**ASIC:** Australian Securities and Investments Commission.

**ASX:** Australian Securities Exchange Ltd ABN 98 008 624 691 or the stock market conducted by Australian Securities Exchange Ltd, as the context requires.

**Business Day:** A day which is not a Saturday, Sunday or Public Holiday in Western Australia.

**Constitution:** The document (as amended from time to time) establishing the Fund and governing the relationship between Officium and the Investors in the Fund.

**Corporations Act:** The Corporations Act 2001 (Cth) for the time being in force together with the regulations of the Corporations Act.

**Custodian:** Bond Street Custodians Limited ABN 57 008 607 065, or such other person acting as custodian of the Fund from time to time.

**Distributable Income:** Any amount determined by Officium from time to time to be distributed to Investors in the Fund, from the net or other income of the Fund and any amount of capital of the Fund.

**Expense Recoveries:** All costs, charges and expenses (together with any applicable GST) incurred in connection with the administration and management of the Fund, including fees paid to Specialist Managers.

**E.I.M. Advisory Committee:** The committee described in section two of this PDS which provides specialist advice to the E.I.M. Investment Committee.

**E.I.M. Investment Committee:** The committee described in section two of this PDS which is responsible for implementing the investment process described in this PDS.

**Extraordinary Expenses:** Expenses that are attributable to events of a type that are outside the ordinary operations of an entity and are not of a recurring nature.

**Fund:** Emerging Resources Company Share Fund ARSN 118 630 541.

**Fund Administrator:** Macro Fund Services Pty Ltd ABN 36 105 995 355, which will provide financial, administrative and compliance services for the Fund and Officium.

**GST:** Has the meaning given to that term in a New Tax System (Goods and Services Tax) ACT 1999 (as amended from time to time).

**Investment Manager:** E.I.M. Capital Managers Pty Ltd ABN 28 101 508 632.

**Investor:** A holder of Units in the Fund from time to time.

**Issue Price:** The price at which Units will be issued to an Investor in accordance with the Constitution of the Fund (see “Unit pricing” in section three).

**Net Assets:** When used in this PDS, the Net Assets of the Fund are calculated by subtracting from the assets of the Fund (which includes all investments and other assets of the Fund) all liabilities of the Fund (which includes all charges, expenses, contingent liabilities, provisions for the cost of acquiring assets and unpaid distributions, but excludes any amounts subscribed by investors for Units which might be considered liabilities under recent changes to accounting standards).

**Officium:** Officium Capital Ltd ABN 13 108 747 637 (AFS Licence number 275101).

**Officium Group:** The Officium group of companies, including Officium Group Pty Ltd ABN 86 109 741 808, and Officium.

**PDS:** This product disclosure statement.

**Responsible Entity:** Officium or any other person who is appointed for the time being as the responsible entity of the Fund.

**TFN:** Tax File Number.

**Unit:** A unit in the Fund.

**Valuation Date:** The date in respect of which the Issue Price and the Withdrawal Price of Units in the Fund are determined. Unit prices will generally be calculated weekly. However, Officium may elect to calculate Unit prices more or less frequently including more than once for a particular Business Day.

**Withdrawal Price:** The price at which Units will be redeemed in accordance with the Constitution of the Fund (see “Unit pricing” in section three).



## COMPLETING THE APPLICATION FORM

Please complete the Application Form in BLOCK LETTERS and sign on the back page of the Application Form.

### 1) Investor details

Please complete the full name and date of birth and address for each Investor. Corporations must also complete an ACN, the full address of both the registered office and principal place of business, the company status, all details requested in the application form in relation to foreign corporations and details of all beneficial owners. In addition to the other information, Investors applying in a capacity as a trustee must also complete the full name of the trust, the type of trust, the country in which the trust was established and the names of all beneficiaries or details of the classes of beneficiaries, whichever is applicable. If the Application Form is completed on behalf of one or more individuals, the account must be held in the full names of each Investor.

Type of Investor	Completing Section 1	Example of correct form
Individual	Complete your individual details with full name	Peter John Smith
Joint	Complete details of both Investors as Investor A and Investor B	Peter John Smith Kate Jane Brown
Partnership	Provide partners' personal names plus partnership name	Peter John Smith Kate Jane Brown A/C Smith & Brown
Corporations	Use full Company name and provide the ACN or ABN	Smith Building Services Pty Ltd ACN 123 456 789
Trusts	Use name of Trustee and name of the Trust	Peter John Smith A/C Smith Family Trust
Superannuation Funds	Use name of Trustee and name of the Fund	Peter John Smith A/C Smith Superannuation Fund
Persons under 18 years of age	Use name of Parent/Guardian	Peter John Smith A/C Jennifer Claire Smith

Please ensure that an address for correspondence and a daytime telephone number are provided.

### 2) Tax File Number (TFN) and Australian Business Number (ABN)

Please provide your TFN or give the appropriate exemption code. It is not an offence to refuse to provide your TFN or the appropriate exemption code but if you do not provide your TFN, distributions may be taxed at the highest marginal rate plus Medicare Levy. Collection of TFNs is authorised by taxation laws. If the applicant has an ABN and is making this investment in the course of an enterprise, an ABN may be quoted as an alternative to a TFN.

### 3) Investment amount

The offer under this PDS is for investment in Units in the Emerging Resources Company Share Fund.

The minimum initial investment for the Fund is \$10,000 with minimum additional investments of \$5,000. Officium may, at its discretion, accept lesser amounts.

### 4) Distribution instructions

Investors may choose to reinvest their distributions in additional Units. Alternatively, distributions can be paid by direct electronic payment into the Investor's nominated Australian bank, building society or credit union account. If no election is made as to how you wish to receive your distributions, then distributions will be automatically reinvested in additional Units in the relevant Fund, provided the distribution reinvestment plan has not been suspended or cancelled.

Full details of your account and BSB numbers must be provided. The BSB number is the six digit number on cheque and deposit forms which identifies your bank and branch.

**Distributions will not be paid by cheque.**

## 5) Agent

If you wish to appoint an agent to act for you in relation to your investment in the Fund, complete this section.

## 6) Adviser details

Advisers are requested to complete their details, sign and stamp the Application Form. Where an adviser is noted on your account the Responsible Entity may provide information on your account to that adviser.

## 7) Signing the Application Form

Joint applications must be signed by all parties.

Applications by a company must be signed by:

- (a) 2 directors of the company; or
- (b) A director and company secretary of the company; or
- (c) If the company is a proprietary company that has a sole director who is also the sole company secretary – that director.

Applications made by those under the age of 18 must be signed by the parent/guardian under whose name the application was made.

## 8) Accompanying documentation

You must submit the Application Form together with the accompanying documents or the Responsible Entity may not be able to process the application:

(a) For individuals, one of the following for each Applicant:

- i. a certified copy of:
  - a. a driver's licence; or
  - b. a passport; or
  - c. a card containing a photograph and issued by a state or territory of Australia for the purposes of proving a person's age; or
  - d. a national identity card with the person's photograph and signature that is issued by a foreign government of the United Nations (UN); or
- ii. a certified copy of **both**:
  - a. a:
    - i. birth certificate or birth extract issued by a state or territory of Australia, a foreign government or the UN; **or**
    - ii. citizenship certificate issued by Australia or a foreign government; **or**
    - iii. pension card issued by Centrelink; **and**
  - b. a notice containing the Applicant's name that:
    - i. was issued by the Commonwealth, a state or territory within the last 12 months and records the provision of financial benefits; **or**
    - ii. was issued by the ATO within the last 12 months and records a debt to or by the Applicant; **or**
    - iii. was issued by a local government body or utilities provider within the last 3 months and records the provision of services to the Applicant.

(b) For trusts, a certified copy of the Trust Deed;

(c) For partnerships, a certified copy of the Partnership Agreement.

## Certification of Documents

All copies of original documents such as a Driver's Licence, power of attorney, Passport, etc. need to be certified that they are a true and correct copy of the original document and state the name, title and address of the person certifying the document.

The certification should be made by a person who in the State or Territory of certification has the authority to witness a statutory declaration.

**Photocopies of documents will not be accepted in lieu of originals unless certified with original signatures.**

## Lodging the Application

Upon completion, applicants should forward the Application Form together with a cheque made payable to "Bond Street Custodians Limited—Officium Capital" and crossed "Not Negotiable" to Officium Capital Limited, PO Box 1172, Subiaco WA 6904.



## Application Form

Responsible Entity: Officium Capital Ltd (ABN 13 108 747 637, AFSL 275 101)

This Application Form is dated 29 September 2009.

This Application Form relates to the offer of Units in the Funds made in the PDS dated 29 September 2009.

**Please complete the Application Form in accordance with the instructions provided in this PDS and attach your cheque crossed “NOT NEGOTIABLE” and made payable to “Bond Street Custodians Limited – Officium Capital”**

**Please use BLOCK LETTERS**

1. APPLICANT(S)			
If the investor is: <ol style="list-style-type: none"> <li>1. a natural person, please complete section 1.1;</li> <li>2. a company, please complete section 1.2;</li> <li>3. a trustee, please complete section 1.2 and 1.3;</li> <li>4. a partnership, please complete section 1.4</li> </ol>			
1.1 Natural Person			
<b>INVESTOR A</b>	TITLE	SURNAME	
	GIVEN NAMES		DATE OF BIRTH
	ADDRESS		
	SUBURB / TOWN	STATE	POSTCODE
	TRUSTEE / OWN BEHALF		
<b>INVESTOR B</b>	TITLE	SURNAME	
	GIVEN NAMES		DATE OF BIRTH
	ADDRESS		
	SUBURB / TOWN	STATE	POSTCODE
	TRUSTEE / OWN BEHALF		
<b>CONTACT TELEPHONE</b>	PRIVATE	BUSINESS	MOBILE

<p><b>Please comply with either 1 or 2, as follows, for each Applicant:</b></p>	<ol style="list-style-type: none"> <li>1. a certified copy of:                             <ol style="list-style-type: none"> <li>a. a driver's licence; or</li> <li>b. a passport; or</li> <li>c. a card containing a photograph and issued by a state or territory of Australia for the purposes of proving a person's age; or</li> <li>d. a national identity card with the person's photograph and signature that is issued by a foreign government or the UN;</li> </ol> <p><b>OR</b></p> </li> <li>2. a certified copy of both:                             <ol style="list-style-type: none"> <li>a. a:                                     <ol style="list-style-type: none"> <li>i. birth certificate or birth extract issued by a state or territory of Australia, a foreign government or the UN; or</li> <li>ii. citizenship certificate issued by Australia or a foreign government; or</li> <li>iii. pension card issued by Centrelink; AND</li> </ol> </li> <li>b. a notice containing the Applicant's name that:                                     <ol style="list-style-type: none"> <li>i. was issued by the commonwealth, a state or territory within the last 12 months and records the provision of financial benefits; or</li> <li>ii. was issued by the ATO within the last 12 months and records a debt to or by the Applicant; or</li> <li>iii. was issued by a local government body or utilities provider within the last 3 months and records the provision of services to the Applicant.</li> </ol> </li> </ol> </li> </ol>
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<b>1.2 Company</b>			
<b>COMPANY</b>	NAME		
	ACN/ARBN		
	PROPRIETARY <input type="radio"/> / PUBLIC	FOREIGN <input type="radio"/> / DOMESTIC	
	TRUSTEE / OWN BEHALF		
<b>PRINCIPAL PLACE OF BUSINESS</b>	ADDRESS		
	SUBURB / TOWN	STATE	POSTCODE
<b>REGISTERED OFFICE</b>	ADDRESS		
	SUBURB / TOWN	STATE	POSTCODE
<b>CONTACT TELEPHONE</b>	PRIVATE	BUSINESS	MOBILE
	<b>① DIRECTORS</b>		
	[Please complete if the company is a domestic or foreign private or proprietary company. Attach a separate sheet if there is insufficient space on this form.]		
<b>② FOREIGN COMPANY</b>	NAME		
	ADDRESS		
	SUBURB / TOWN	STATE	POSTCODE
	NAME		
	ADDRESS		
	SUBURB / TOWN	STATE	POSTCODE
	NAME		
	ADDRESS		
	SUBURB / TOWN	STATE	POSTCODE
	NAME		
	ADDRESS		
	SUBURB / TOWN	STATE	POSTCODE
<b>PRINCIPAL PLACE OF BUSINESS IN COUNTRY OF FORMATION</b>	COUNTRY OF FORMATION		
	REGISTERED/UNREGISTERED IN COUNTRY OF FORMATION		
	COMPANY IDENTIFICATION NUMBER IN COUNTRY OF FORMATION		
<b>PRINCIPAL PLACE OF BUSINESS IN COUNTRY OF FORMATION</b>	ADDRESS		
	SUBURB / TOWN	STATE/PROVINCE	POSTCODE/ZIP CODE



<b>●BENEFICIAL OWNERS</b>  <b>[Please complete if the company is a proprietary company. Attach a separate sheet if there is insufficient space on this form.]</b>	<b>NAME</b>		
	NATURE OF BENEFICIAL OWNERSHIP		
	ADDRESS		
	SUBURB / TOWN	STATE	POSTCODE
	<b>NAME</b>		
	NATURE OF BENEFICIAL OWNERSHIP		
	ADDRESS		
	SUBURB / TOWN	STATE	POSTCODE
	<b>NAME</b>		
	NATURE OF BENEFICIAL OWNERSHIP		
	ADDRESS		
	SUBURB / TOWN	STATE	POSTCODE

**1.3 Trust**

<b>TRUST DETAILS</b>	FULL NAME OF TRUST	
	FULL BUSINESS NAME OF TRUSTEE (if trustee is a company)	
	FULL NAME OF TRUSTEE (if trustee is a natural person)	
	TYPE OF TRUST	COUNTRY WHERE ESTABLISHED

<b>BENEFICIARIES</b> <b>[Please attach a separate sheet if there is insufficient space on this form.]</b>	NAMES OF BENEFICIARIES OR DETAILS OF CLASS (if the terms of the trust identify beneficiaries by class)
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Please provide a certified copy of the trust deed.  
If the trustee is a natural person, please complete section 1.1.  
If the trustee is a company, please complete section 1.2.

**1.4 Partnership**

<b>PARTNERSHIP DETAILS</b>	FULL NAME OF PARTNERSHIP	
	FULL BUSINESS NAME OF PARTNERSHIP	
	COUNTRY WHERE ESTABLISHED	

NAME OF PROFESSIONAL ASSOCIATION OF WHICH PARTNERSHIP IS A REGULATED MEMBER (if applicable)

Please provide a certified copy of the partnership agreement.  
If the partnership is regulated by a professional association, one partner must complete section 1.1.  
If partnership is not regulated by a professional association, each partner must complete section 1.1.

## 2. TAX FILE NUMBER (TFN) OR AUSTRALIAN BUSINESS NUMBER (ABN) OR EXEMPTION CODE

Collection of TFN's is authorised by law. It is not an offence if you choose not to quote your TFN. However, unless you supply your TFN or ABN or claim an exemption, tax may be taken out of your distribution at the highest marginal tax rate (plus Medicare Levy) in order for the Responsible Entity to meet taxation law requirements.

**ARE YOU EXEMPT FROM QUOTING YOUR TAX FILE NUMBER?**  YES  NO

If **YES** GIVE REASON (PLEASE TICK)

- I receive an Age, Service, Invalid or Veteran's Pension
- I receive a Wife, Carer, Widow, Sole Parent or Special Benefit Pension
- I am a Territory resident or non-resident of Australia
- I represent an entity not required to lodge a tax return (eg. association)
- I am a child under 16 years and earn less than \$420 per year

### INSERT YOUR TAX FILE NUMBER, ABN OR OR EXEMPTION CODE IN THE APPROPRIATE CATEGORY

PERSONAL	INVESTOR A	INVESTOR B (IF APPLICABLE)
PARTNERSHIP OR COMPANY		
TRUST OR SUPERANNUATION FUND		

## 3. INVESTMENT SELECTION AND AMOUNT

Minimum initial investment amount is \$10,000 for each Fund. (Investors can invest in one Fund, or more than one Fund) Minimum additional investment amounts in \$5,000 increments for each Fund. Cheques payable to **"Bond Street Custodians Limited – Officium Capital"**.

**Total amount of investment** \$

## 4. DISTRIBUTION INSTRUCTIONS

- I / We request that my / our income distributions be paid by direct electronic payment into my/our nominated Bank / Building Society / Credit Union Account, the details of which are shown below.

### Distribution Details

*Note: to ensure the correct account details are recorded, you may attach a blank deposit slip of your nominated account.*

BANK BRANCH CODE (BSB No)	ACCOUNT NUMBER	
ACCOUNT NAME		
FINANCIAL INSTITUTION		
FULL ADDRESS		
SUBURB / TOWN	STATE	POSTCODE

- I / We request that my / our income distributions be reinvested in additional Units in the Fund selected for investment.

If no selection is made for distribution instructions under this section, then distributions will be automatically reinvested in additional Units in the Fund, provided the distribution reinvestment plan has not been suspended or cancelled.

## 5. AGENT

**ARE YOU APPOINTING AN AGENT?**  YES  NO

If **YES** GIVE DETAILS

AGENT'S NAME

SIGNATURE



6. ADVISER (Complete if applicable)			
<b>ADVISER'S GROUP</b>	ADVISER'S GROUP		
<b>ADVISER'S NAME</b>	ADVISER'S NAME		
	ADDRESS		
	SUBURB / TOWN	STATE	POSTCODE
<b>TELEPHONE / FACSIMILE</b>	TELEPHONE	FACSIMILE	
<b>SIGNATURE</b>	SIGNATURE		DATE
<b>ADVISER'S STAMP</b>			

<b>OFFICE USE ONLY</b>	UNIT PRICE	UNITS ISSUED	TRANSACTION NUMBER
	ISSUE DATE	INVESTOR NO.	
	INPUT	AUDIT	DATE

### Declaration

By signing and lodging the Application Form, each Investor agrees and declares the following:

- All details provided by the Investor in the Application Form are true and correct;
- I/we have read the PDS to which the Application Form applies and agree to be bound by the provisions of the Constitution(s) of the Fund(s) in which I/we wish to invest;
- I/we have had the opportunity to seek independent professional advice regarding the legal, tax and financial implications of subscribing to one or more of the Funds;
- I/we have not relied on any statements or representations made by Officium or its officers, employees or agents prior to applying, other than those representations made in the PDS;
- I/we have made an offer to become an Investor in the Funds and that offer cannot be revoked;
- I / we have legal power to invest in accordance with the Application Form;
- The details of my / our investments in the Funds can be provided to the dealer group of the adviser identified in the Application Form;
- In the case of joint applications, the joint applicants agree that the Units will be held as joint tenants and either joint Investor is able to give instructions with respect to the Units and bind the other joint Investor for the future transactions;
- If the application form is signed under power of attorney, the attorney declares that he/she has not received notice of revocation of that power (a certified copy of the power of attorney should be submitted with the Application Form unless Officium has already sighted it);
- Sole signatories signing on behalf of a company confirm that they are signing as sole director and sole secretary of the company;
- I/we am/are not making this Application because of an unsolicited meeting with, telephone call, or referral from another person or through other electronic medium;
- I/we acknowledge that:
  - I am/we are physically located in Australia and am/are in compliance with all laws of the Commonwealth of Australia relevant to this Application;
  - it is our responsibility to ensure compliance with the laws of our resident country and confirm that there has been no breach of laws and we have sought and received all approvals and consents from our resident country prior to investment in the Funds.

I/We acknowledge that:

- None of Officium, the Custodian, the Investment Managers, their associates, officers, employees or agents nor any other person nor entity guarantee the performance or success of any of the Funds, the repayment of capital or any particular rate of return on investment in any of the Funds;
- Officium Capital Ltd may accept or reject this application in whole or in part. Any interest earned on application money will be retained by Officium Capital Ltd and will form part of the assets of the Fund(s) in which I/we wish to invest;
- By signing and lodging this Application form, I/we make and confirm the accuracy of each of the above declarations;
- Investments in the Funds are subject to investment and other risks, including possible delays in repayment and the loss of income and principal invested;

- Any investments currently in the Funds which were invested under a prior Product Disclosure Statement (PDS) shall reinvest under the terms and conditions of the current PDS upon maturity if not withdrawn;
- I/we agree to the collection, use and disclosure of my/our personal information as set out above when I/we make an investment in the Funds; and
- All future investments, direct credits and regular deposits to be added to my/our original investment(s) are subject to the terms and conditions outlined in this PDS.

## 7. SIGNATURES(S)

The Corporations Act prohibits any person from passing on to another person this Application Form unless, at the same time and by the same means, it is attached to or accompanied by the complete and unaltered PDS. Units in the Funds are offered by Officium Capital Ltd ABN 13 108 747 637. Units in a Fund will only be issued on receipt of an Application Form issued together with the PDS.

A complete copy of the paper form of the PDS, this Application Form and any supplementary document will be sent to you free of charge if requested during the subscription period for Units in the Funds.

The offer under the PDS is only available to people receiving the PDS within Australia.

You should read the PDS in full before completing this application form because the PDS contains important information about the Funds and investment in the Funds. An electronic version of the PDS and Application Form can also be found at [www.officiumcapital.com.au](http://www.officiumcapital.com.au).

INVESTOR A	INVESTOR B (IF APPLICABLE)	DATE
Executed by the applicant Company being signed by:		
COMPANY SEAL	DIRECTOR	DATE
	DIRECTOR / SECRETARY	DATE

If you do not wish to receive information from Officium regarding its other products and services please cross this box.



