

July 2009 Investment Report

Fairview Equity Partners – Emerging Companies Fund

Fairview Equity Partners is a small cap Australian equities manager. The Fairview Equity Partners Emerging Companies Fund seeks to provide capital growth and some income by outperforming the S&P/ASX Small Ordinaries Accumulation Index over the medium to long term.

Performance Return

| <i>Period ending 31 July 2009</i> | 1 mth | 3 mths | 6 mths | Since inception # |
|---|---------------|---------------|---------------|-------------------|
| Fairview Emerging Companies Fund * | 11.70% | 26.72% | 41.20% | 18.74% |
| S&P/ASX Small Ordinaries Accumulation Index | 9.02% | 20.71% | 40.89% | 7.08% |
| Excess Return * | 2.68% | 6.01% | 0.31% | 11.66% |
| Net Fund Return (after fees) | 11.36% | 26.38% | 40.80% | 15.72% |

* Returns shown are the gross returns of the manager (pre fees)

Fund inception 8 October 2008

The S&P/ASX Small Ordinaries Accumulation Index continued its strong trajectory, rising 9.0% during the month of July. Calendar year to date this brings benchmark returns to an impressive +34.3% and an even stronger +61.4% from the March 2009 lows. Within this environment it is pleasing to be solidly outperforming and delivering strong absolute gains to investors.

Market Outlook

The market continued to perform strongly during the month of July, with more encouraging economic data and forward indicators around such measures as consumer and business confidence, housing starts, and unemployment. This has given more confidence that the earnings cycle for the majority of companies has most likely troughed, whilst we have seen some early stage upward revisions to overly cautious forward estimates across certain segments.

We have noted previously that the strong outperformance of the smaller companies universe relative to its larger cap peers is in no small part attributable to the compositional differences, whereby the smaller companies benchmark is comprised of fewer defensive stocks, a greater proportion of companies more directly or significantly leveraged to economic conditions, and more direct resources exposures. Given our more positive forward outlook we remain confident that this will continue to work in favour of smaller companies investors.

Portfolio Strategy

Although our core approach ensures that there are no excessive style biases in the fund we do however view the present environment as one that warrants more aggressive tilting to the more economically leveraged stocks that perform more strongly than defensive names as markets recover. The more cyclical companies are not only starting to receive positive earnings revisions but re-ratings as well from previously depressed levels.

Accordingly the fund is over-weight most of the domestic cyclical sectors including media, retail, residential housing and financials. From a more global perspective we also have healthy exposures in our preferred resources sectors including, copper, coal, oil and gas. Conversely we are underweight the more defensive sectors including healthcare, infrastructure and property. Property interestingly is fast recovering its previously defensive attributes after a spate of capital raisings and restructures that have repaired many REIT balance sheets. The trusts that have been unable to do this remain extremely high risk and speculative investment propositions.

We mentioned in previous commentary that there are a number of attractively priced smaller companies at present and it was certainly pleasing to note the strong performance of many of

these. The good news is that there are still ample opportunities that we continue to evaluate and add to the fund where warranted.

Performance Attribution

We highlight below the largest positive and negative relative performance contributors during July.

| Positive contributors | | Negative contributors | |
|-------------------------|------------|-----------------------|-------------|
| Mitchell Communications | Overweight | Webjet | Overweight |
| Felix Resources | Overweight | Pacific Brands | Nil Holding |
| McPherson's | Overweight | Ramsay Healthcare | Overweight |
| Sedgman | Overweight | SAI Global | Overweight |
| CSG | Overweight | Riversdale Mining | Nil Holding |

Number of stock holdings at 31 July:

52

Important Legal Notice:

Antares Managed Investments Limited ABN 61 083 784 463, AFSL 312122 ("AMIL"), is the Responsible Entity of, and the issuer of units in, the Fairview Equity Partners Emerging Companies Fund (the "Fund"). The Product Disclosure Statement for the Fund (PDS) is available by calling the Investor Services Team on 1300 738 355 or visit www.antarescapital.com.au. You should consider the PDS in deciding whether to acquire, or continue to hold, units in the Fund and consider whether the Fund is an appropriate investment for you, and the risks of any investment. This report does not take account of your objectives, financial situation and needs. You should therefore, before acting on information in this report, consider its appropriateness, having regard to your objectives, financial situation or needs. We recommend you consult a financial adviser. Any projection or other forward looking statement ("Projection") in this report is provided for information purposes only. No representation is made as to the accuracy or reasonableness of any such Projection or that it will be met. Actual events may vary materially. Performance figures in this report are shown gross – taxes and fees, which may include entry/exit, management and performance fees, will be applicable to investors and should be taken into consideration. An investment in the Fund is not a deposit with or liability of NAB or any other member of the NAB group of companies (NAB Group) and is subject to investment risk, including possible delays in repayment and loss of income and capital invested. Neither AMIL nor any other member of the NAB Group guarantees the repayment of your capital, payment of income or the performance of your investment. NAB does not provide a guarantee or assurance in respect of the obligations of AMIL, Fairview Equity Partners Pty Ltd or the Fund.