

# OFFICIUM SPECIAL SITUATIONS FUND

The net asset value of the Officium Special Situations Fund decreased by 2.23% in December. This was the first negative return reported by the Fund in the last 13 months.

During the month:

- The Resolute Mining share price declined by 8.7% following the significant gains made last month. Despite this decline, the share price traded at levels where we were comfortable with the continued sell-down of this holding.
- Oceania Capital Partners share price increased by 0.4% in December. The company's share price continues to trade at a significant discount to its net asset value and remains a core holding within the Officium Special Situations Fund.
- The Intrepid Mines share price recovered almost all of the losses reported last month with a gain of 26.1% in December. During the month Intrepid announced that negotiations with Vale, in respect of the option to acquire rights in the Tujuh Bukit project, had been terminated as the parties were unable to reach agreement on several key terms. The company also announced an estimated increase of 0.69 million ounces of gold equivalent resources at the Tujuh Bukit Project. This brings the total inferred resource base at this project to 3.3 million ounces of gold equivalent.
- We continued to reduce exposure to the LinQ Resources Fund during the month. The holding currently represents 4.4% of the Officium Special Situations Fund.
- The merger between Catalpa Resources and Lion Selection was completed early in the month such that Lion Selection is now a wholly owned subsidiary of Catalpa Resources. During the month we received and subsequently sold the demerged Lion Selection Group assets and received a 10 cent capital return for each Lion Selection share we held prior to the merger.
- We continued to reduce exposure to St Barbara in December. During the month the company announced that they would use some of the proceeds from the recently completed equity raising to purchase \$15 million worth of convertibles notes.

*NOTE: Due to the high concentration of Resolute Mining Limited (RSG) and Oceania Capital Partners Limited (OCP) in this Fund, any purchase of new units in the Officium Special Situations Fund is effectively equivalent to investing circa 57% (cumulative) of your funds in RSG (including exposure to RSGG & RSGO) and OCP as at 31 December 2009 at \$1.055 and \$2.76, respectively. Please be mindful of this when considering a new investment into the Officium Special Situations Fund or purchasing additional units in the Fund.*

#### Important Information

This report is provided for investors in the Funds. While all care has been taken in the preparation of this report (using sources believed to be reliable and accurate), Officium Capital Ltd, its officers, employees, agents and associated entities accept no responsibility for and will not be liable in respect of any loss or damage suffered by any person in connection with this other than under law which cannot be excluded. You should seek your own financial and taxation advice before dealing with your investment. This report has been prepared without taking into account your investment objectives, financial situation or particular needs. Before investing, or retaining an investment, in any of the Funds you should read the relevant PDS and consider whether the Fund is appropriate having regard to those matters. A copy of the PDS is available at [www.officiumcapital.com.au](http://www.officiumcapital.com.au). Remember, past performance should not be taken as an indication of future performance.

## PERFORMANCE SUMMARY

Performance Summary as at 31 December 2009	Officium Special Situations Fund
Since Inception p.a. (6/9/04)	2.25%
1 Year	91.58%
3 Years p.a.	-2.24%
5 Years p.a.	0.67%
1 Month	-2.23%
Profitable Months	56.25%
Distribution Last Quarter	\$0.0096
Fund Assets (million)	\$45.62
Application Unit Price	0.9494
Withdrawal Unit Price	0.9442
Net Asset Value Unit Price	0.9468

## TOP TEN HOLDINGS

Top Ten Holdings	% of Portfolio
Oceania Capital Partners	29.32%
Resolute Mining	16.19%
Resolute Convertible Notes	9.35%
Intrepid Mines	6.10%
LinQ Resources Fund	4.35%
Resolute Options	2.57%
Ethane Pipeline Income Fund	2.34%
St Barbara	1.09%
Daisy Holding Company	1.08%
Catalpa Resources	0.99%
Remaining Holdings	0.98%
Cash	25.64%
<b>TOTAL</b>	<b>100%</b>