

# Officium Special Situations Fund

SECTOR FUNDS

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CAPITAL

November 2010

The Officium Special Situations Fund returned -0.9% for the month, outperforming the 1.0% decrease by the S&P/ASX 300 Accumulation Index. November was a relatively quiet month for both the overall market and the Officium Special Situations Fund. Tentative signs of recovery in the US were offset by investor fears about a potential slowdown in China as authorities in that country attempt to rein in inflation. 'Buy China, sell the US' has been a one sided and very successful trade since China showed that the global recession would not bring it to its knees. Despite its many glaring fiscal problems, the US remains the world's largest and most dynamic economy. It is our view that it will, once again, become an attractive investment destination.

- The largest percentage increases came from Paladin Energy (+19.0%), Tassal Group (+10.8%) and Infomedia (+8.9%) while declines came from Catalpa Resources (-9.1%), UXC (-7.9%) and Resolute Mining (-7.3%).
- Paladin Energy rose 19.0% during the month. The company sold its 50% interest in the Tate River gold and base metal project in Queensland.
- Prior to its annual meeting, Photon Group announced that its results for the first four months of the year were almost identical to the same period last year. The marketing group has lost a number of key staff both during and since the company's August capital raising and restructure, but this latest announcement indicates that the impact on the financial performance of the business has not been too dramatic. The share price ended the month up 2.9%, but was as low as 5.7 cents and as high as 8.8 cents either side of the announcement.
- Tassal Group's share price was up 12.6% for the month of November. The strength is explained by an early December announcement that private equity group PEP had approached the board about a takeover at \$1.80-\$1.90 per share.
- The Fund's exposure to Elders Hybrid Notes, QBE Insurance Group, RNY Property Trust and UXC was increased, while the Fund's exposure to Catalpa Resources, Resolute Mining and Resolute Mining Options was reduced.

Performance Data as at	30/11/2010
1 month	-0.85%
3 months	6.83%
6 months	-10.49%
1 year	-9.57%
2 years (p.a.)	39.55%
3 years (p.a.)	-8.11%
5 years (p.a.)	0.73%
Since 30/09/2004	0.78%
Net Asset Value (\$)	0.8606
Fund Size (\$ million)	37.36

Top 10 Portfolio Holdings	%
CASH	22.66%
Oceania Capital Partners Limited	15.81%
Resolute Mining Ltd	7.97%
UXC Limited	7.14%
Spark Infrastructure Group	6.13%
Photon Group Limited	5.34%
MAP Group	5.15%
QBE Insurance Group Limited	3.60%
Reckson New York Property Trust	3.30%
Tassal Group Limited	2.92%
<i>Other holdings</i>	19.98%
<b>TOTAL</b>	<b>100.00%</b>

**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 26.36% (cumulative) of your funds in RSG (including exposure to RSGO) and OCP as at 30 November 2010 at \$1.22 and \$1.22, 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

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Officium Capital Limited • ACN 108 747 637 • Australian Financial Services Licence: 275101

Address Terrace House 3, 249 Coronation Drive, Milton QLD 4064

Phone 1300 781 247 • Email [admin@officiumcapital.com.au](mailto:admin@officiumcapital.com.au)

[officiumcapital.com.au](http://officiumcapital.com.au)