

EMERGING RESOURCES COMPANY SHARE FUND

The net asset value of the Emerging Resources Company Share Fund fell by 12.20% during July. Over the year to the end of July, the net asset value of the Fund rose by 1.32%.

Background market conditions deteriorated during the month.

- The S&P/ASX 300 fell by 4.7%.
- The resources stocks within the S&P/ASX 300 fell by 11.7%.
- Daily traded base metal prices generally weakened. However, some had previously risen in June so that average monthly prices for aluminium, copper and lead were 2-5% higher. Nickel prices, on the other hand, were 10.6% lower and zinc prices dropped a further 2.2%.
- Average gold and silver prices were up by 5.6% and 6.0%, respectively.
- Average crude oil prices were 1.0% higher.

Resources stock prices began to reflect more clearly a typical early stage cyclical downturn in commodity prices. While the prices of some commodities such as coal, iron ore and copper have remained high, the prices of other commodities such as zinc and nickel have more than halved since having reached their peak levels and have fallen sufficiently to place financial pressures on some higher cost producers.

Assessing a company's ability to survive a cyclical downturn has been a key element of the Fund's investment process since its inception. To that degree, weaker market conditions have simply reinforced the value of this approach and have not led to any reappraisal of how investment decisions should be made.

During the early stages of a cyclical downturn, equity values are most likely to track the direction of the commodity markets. However, as time passes, the connection between commodity prices and company equity values becomes less strong with company growth characteristics and underlying value reasserting their importance.

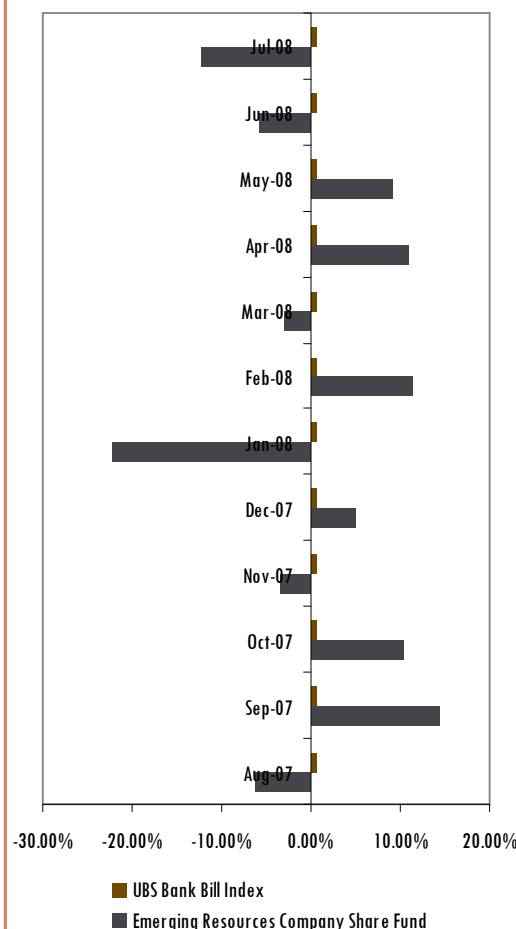
Since the Fund's investment process had already incorporated the possibility of a cyclical downturn in prices into its valuation analysis, weaker market conditions have not altered any prior conclusions about company valuations. Weaker market conditions have given us more attractively valued investment opportunities upon which to base medium term investment returns.

During the month, 18 stocks in the portfolio declined in value and three stocks increased in value. Prices of eight of the former group of stocks fell by between 20% and 30%. Of these eight, the stocks making the largest negative contributions to investment performance were CopperCo, Terramin Australia and Mirabela Nickel. In each case, companies' exposures to weakening non-ferrous metal (i.e. copper, zinc and nickel, respectively) prices would have had some negative impact on the equity returns.

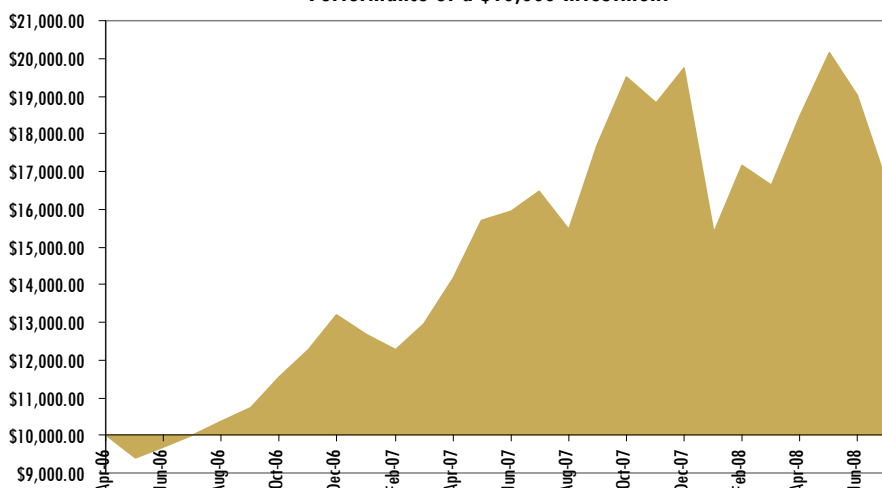
One stock - Felix Resources - had a 20%+ return in the month. There was continuing speculation that Felix may be a target for a larger company seeking to invest in the Australian coal industry. During July, the company initiated a position in Pluton Resources after selling one of the stocks in the portfolio in June. Pluton is seeking to develop significant iron ore deposits in Western Australia.

All five of the commodity segments into which the Fund is divided showed negative investment returns. The largest negative return was among the non-ferrous metals segment (-21.5%) followed by oil and gas (-13.6%), gold (-13.3%), industrial minerals (-12.1%) and steel-making and coal (-6.1%).

MONTHLY PERFORMANCE RETURNS



Performance of a \$10,000 Investment



Performance Summary	Emerging Resources Company Share Fund	UBS Bank Bill Index
Since Inception p.a. (28/04/06)	25.48%	n/a
1 Year	1.32%	7.49%
1 Month	-12.20%	0.67%
Profitable Months	67.86%	100.00%
Distribution for quarter	\$0.0000	n/a
Fund Assets (million)	\$33.86	n/a
Application Unit Price	1.6279	n/a
Withdrawal Unit Price	1.6638	n/a
Net Asset Value Unit Price	1.6683	n/a

EMERGING RESOURCES COMPANY SHARE FUND

The Emerging Resources Company Share Fund began investing at the beginning of May 2006.

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 factor in the Investment Manager's decision to invest in any particular emerging natural resource company will be its 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.

Experienced Fund Managers

Two members of the Manager's Investment Committee (Tony Wiggins and Doug Goodall) have managed specialized resources equity portfolios on behalf of J B Were Asset Management, Portfolio Partners and Colonial Mutual. John Robertson was responsible for resource sector investment strategy at McIntosh and Company (now Merrill Lynch Australia) before becoming the firm's Chief Economist. All three also have had extensive experience in the commercial and technical aspects of the resources industry in Australia and overseas.

Recognised Academic and Industry Experts

The Investment Manager is assisted in its decision-making by an investment advisory committee which includes highly regarded mineral economist and coal industry specialist, Professor Donald Barnett and ore deposit geology specialist, Professor Philip Seccombe. Also on the Committee are Nick Moony, a metallurgist with an international consulting practice and Colin Jackson, a mining engineer, corporate adviser and current director of two ASX listed companies.

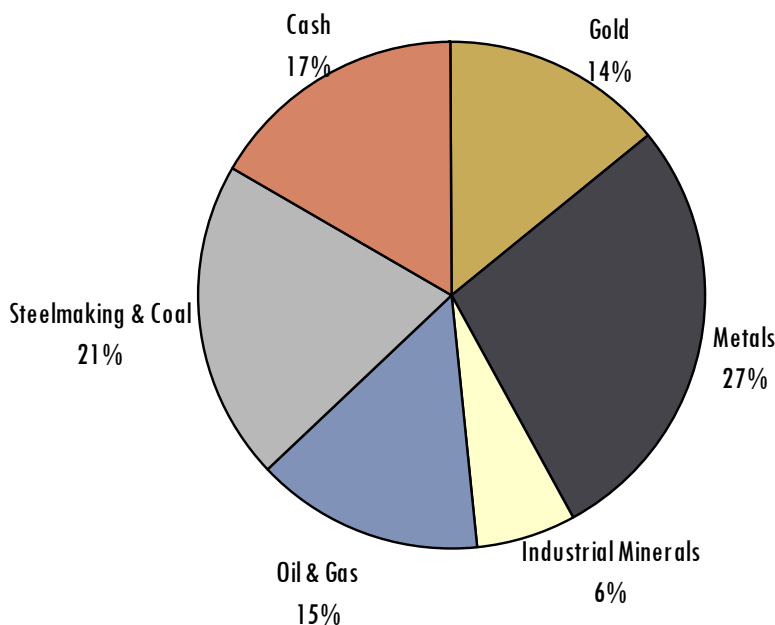
Undervalued Growth Opportunities

The Investment Manager's process involves moving from the universe of over 500 ASX listed resources companies to the 20 stocks which will make up the Fund's investments using a rigorous appraisal process based on identifying undervalued growth opportunities. The Manager's seven step investment process described in detail on pages 6-9 of the PDS is used to identify the universe of emerging producers, build a focus list, select a portfolio of 20 stocks and manage the ongoing investment risks. The Fund's investments will be confined to ASX-listed companies. The Investment Manager will seek to be fully invested in accordance with the Fund's investment criteria (subject to the needs of the Fund for short-term liquidity to meet redemptions and operating costs).

Diversified Commodity Exposure

The proposed portfolio will provide exposure to a full range of mineral commodities including oil and gas, steel-making minerals (including coal), gold, non-ferrous metals and industrial minerals. At least two stocks will be held in each of these five commodity groupings at any one time.

EMERGING RESOURCES COMPANY SHARE FUND COMMODITY SPREAD



ABOUT THE FUND

The Emerging Resources Company Share Fund is managed by EIM Capital Managers Pty Ltd, a Melbourne-based boutique investment manager with experience in funds management, geology, metallurgy, mine development, raw materials sale and trading, and investment analysis. The Fund will invest in a diversified range of ASX listed emerging natural resources companies.

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 factor being the 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.

The Fund applies a rigorous, value-driven investment process to select investments.

FUND FACTS

Composition Australian shares and investments
Fund Start Date 28 April 2006
Investment Timeframe 5 years
Withdrawals Weekly
Distributions Quarterly
Minimum Investment \$10,000
APIR Code WPC0013AU
ARSN 118 630 541
Unit Prices Weekly
Applications Weekly
MER 0.25625% p.a.
Buy-sell spread 0.275%/0.275%
Performance Fee 18.45% of positive returns with any negative returns recouped before the performance fee applies
Level of Risk High

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.

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