

EMERGING RESOURCES COMPANY SHARE FUND

The net asset value of the Emerging Resources Company Share Fund fell by 6.56% during August. Over the year to the end of August, the net asset value of the Fund rose by 0.85%. Background market conditions continued to deteriorate during the month.

- The S&P/ASX 300 rose 3.1%, reaching its peak value for the month on the last trading day but showing no significant net change from the beginning of July.
- The S&P/ASX 300 Resources index also peaked on the last day of the month rising 1.7% since the end of July.
- The trend to lower daily traded metal prices continued during August, although nickel prices rallied mid month before weakening again. Average aluminium, copper, nickel and zinc prices fell by 6-10%. Lead was 1% lower and tin fell by 13%.
- Average gold prices fell 10.7%. Average silver prices dropped 19.3%.
- Average monthly crude oil prices fell 13.7%.

Increasingly widespread reports suggest so-called hedge funds are having to unwind speculative commodity positions and, in some cases, equity positions involving commodity producing companies. These reports imply that necessary market adjustments will take longer or be more severe than underlying market fundamentals alone would suggest. The Manager has always used cyclically low commodity prices to value potential investments. This analytical approach effectively tests the ability of a company to survive the most arduous market conditions. The stocks chosen for inclusion in the portfolio already showed significant upside potential when tested in this way.

Recent market weakness has been holding back the performance of the Fund but has also made many stocks in the portfolio more attractive for medium term equity investors than they would have been 12 or even six months ago.

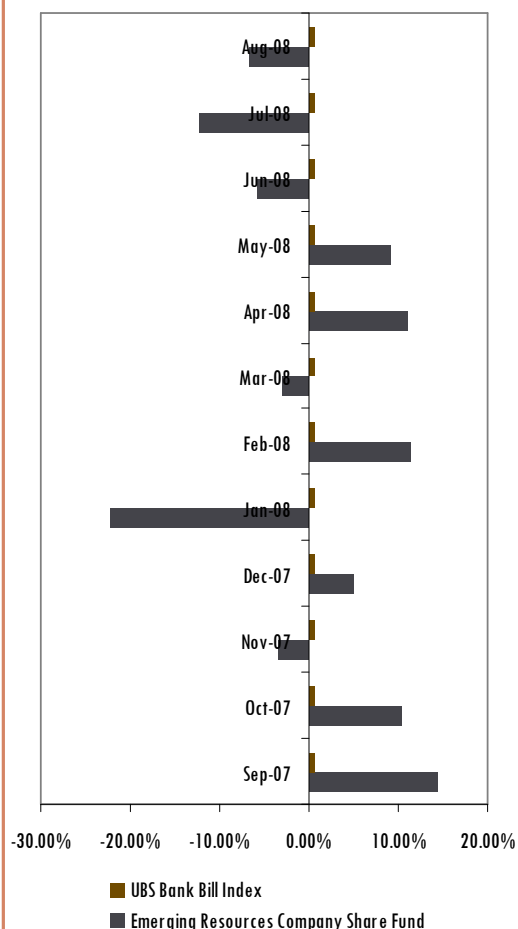
During August, the prices of six stocks in the portfolio rose in value and the prices of 14 stocks declined. The largest positive contribution to portfolio performance came from Sunshine Gas which rose by 30% in the aftermath of a bid for all of its shares. Queensland Gas Company, the bidder, is seeking to consolidate a position in the Queensland coal seam gas industry. Nickel miners Western Areas and Mirabela Nickel both rose by 10-12% during the month.

The largest falls in value came from Matilda Minerals and Mineral Deposits, both mineral sands project developers. The mineral sands segment of the mining industry has not experienced the buoyant market conditions enjoyed by many of the other parts of the industry in recent years. Despite this, it has been affected adversely by the strengthening Australian dollar and by the rapidly rising costs which have detrimentally affected the whole industry. The pressures on Matilda Minerals intensified to such an extent that directors decided during August to place the company's Northern Territory properties on care and maintenance while continuing to ship and sell stockpiled product and develop other business opportunities. The Mineral Deposits share price has reportedly also suffered as a result of the closure of a U.S. based investment fund which was one of the company's largest shareholders.

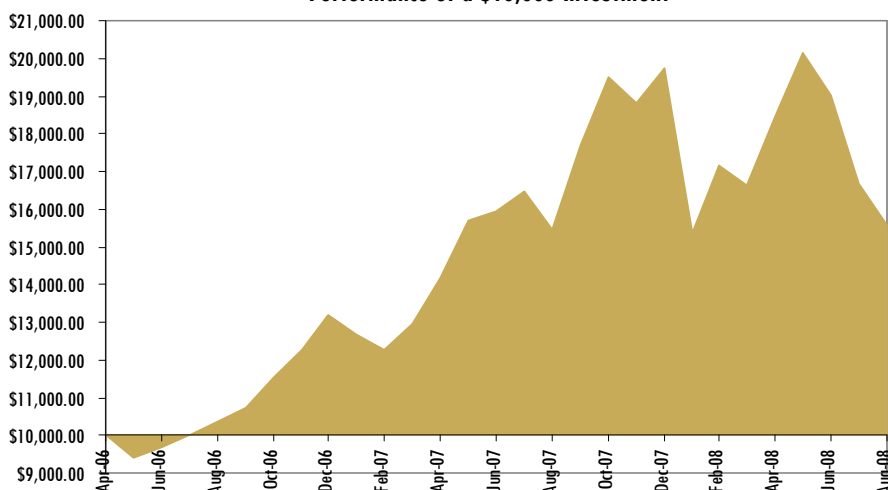
Relatively positive market sentiment toward larger companies has also affected short term portfolio performance. During August, the 11 stocks in the portfolio drawn from within the S&P/ASX 300 fell by 0.7%. At the same time, the 9 stocks drawn from outside the S&P/ASX 300 recorded a negative return of 17.4%.

The oil and gas commodity segment of the Fund rose by 11.3% during August. The other four segments comprising the Fund—nonferrous metals (-3.5%), steelmaking and coal (-6.2%), gold (-18.3%) and industrial minerals (-49.3%) - were all lower.

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)	20.89%	n/a
1 Year	0.85%	7.49%
1 Month	-6.56%	0.67%
Profitable Months	65.52%	100.00%
Distribution for quarter	\$0.0000	n/a
Fund Assets (million)	\$32.51	n/a
Application Unit Price	1.5632	n/a
Withdrawal Unit Price	1.5546	n/a
Net Asset Value Unit Price	1.5589	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.

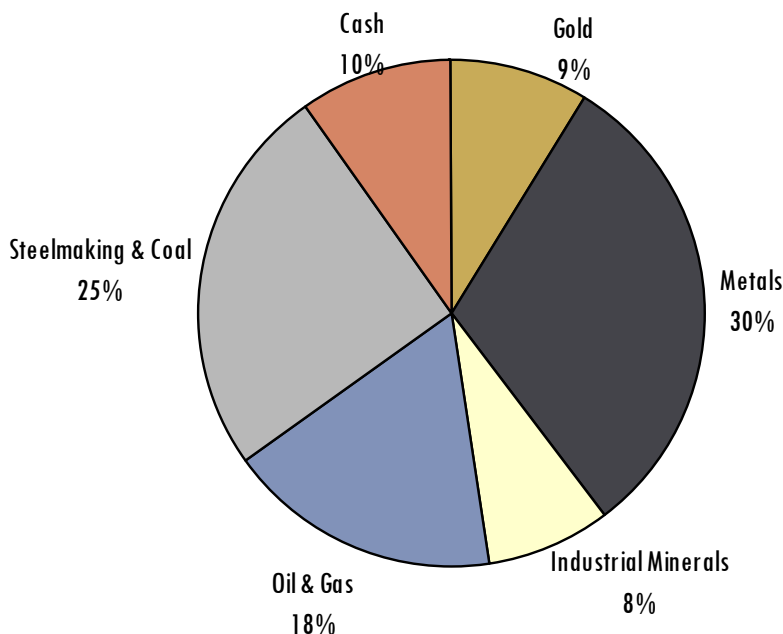
Undervalued Growth Opportunities

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 groups 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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