



LimeStreet
Capital

20 October 2010

Dear Investor,

We are delighted to report a strong quarterly performance of your fund in the three months to 30 September 2010. According to Investsmart.com.au, the LSC Australian Resources Hi-Alpha Fund was the best performing fund out of 1,231 funds tracked by Morningstar with a quarterly return of 46%. In addition, on a 12 month basis we are ranked the 5th best performing fund with an annual return of 36.8%.

However, we are particularly pleased that our unit price has been increasing steadily and at the time of writing, was above 1.15. This means that any investors that invested in the fund before the Global Financial Crisis in 2008 have now earned at least 15% on their initial investment.

Investors will also be pleased to know that the fund performance is being driven by our fundamental investment strategy rather than random returns. Investors will recall that the portfolio is particularly focused on resource companies that can deliver net present value growth through exploration and development projects which can make a material difference to their value. Over the last months, three of these companies have experience rising share prices which are reflecting advances in their projects (Avanco Resources, Jupiter Mines and Cue Energy).

Of course other companies within the portfolio offer similar opportunities for share price increases and as a fund manager, we are ever diligent as to reviewing holdings when companies appear overvalued or are likely to under perform.

Performance

The following table compares the unaudited LSC Australian Resources Hi-Alpha Fund performance against its benchmark, other resource indices and the more general indices on various timeframes. Fund performance on a 6 month, 12 month and since the inception of the fund provide relatively healthy margins on the other indices.

Investors may be interested to know that during a period from early to mid August, the Fund held approximately 30% of its assets in cash. This was due some uncertainty on the direction of markets at that time but this uncertainty subsided later in the month and the Fund re-entered the market. The Fund has the flexibility to hold 100% cash and the above strategy is perhaps worthy a reminder to investors that LimeStreet has no hesitation in building cash reserves if a significant downside risk to the resource sector starts to emerge.

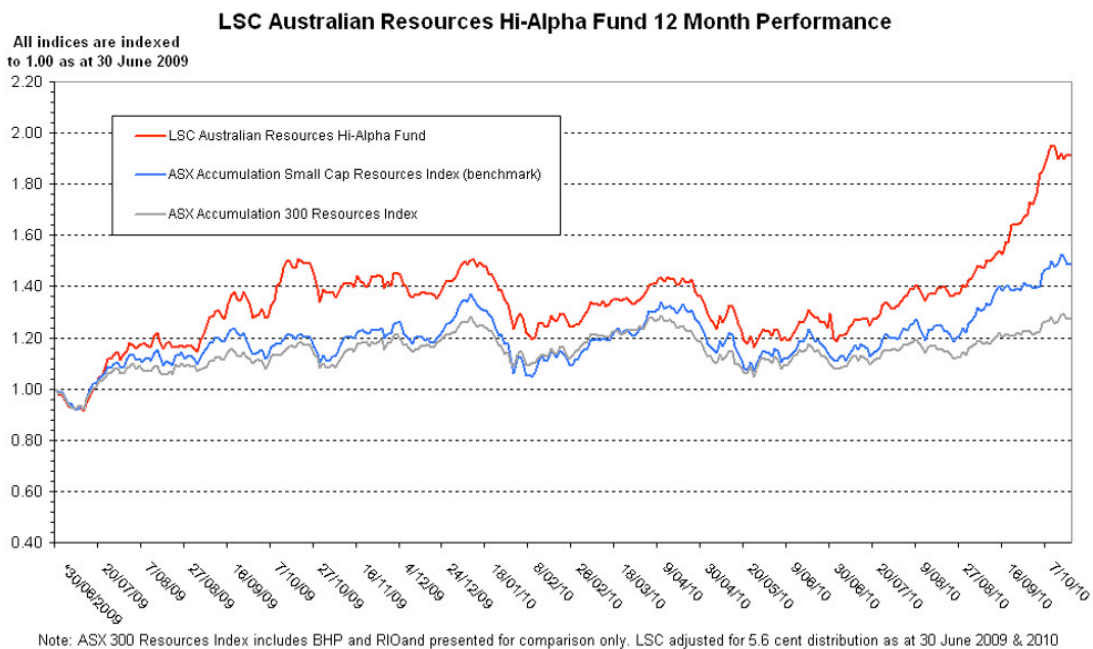


LimeStreet Capital

LimeStreet Capital Fund	Inception Date	6 Month performance to 30 September 2010	12 Month performance to 30 September 2010	2 Year performance to 30 June 2010	Performance from inception to 30 September 2010
LSC Australian Resources Hi-Alpha Fund*	30-Jun-08	26.5%	33.6%	29.4%	9.0%
Resource focused indices					
ASX Accumulation Small Cap Resources Index (benchmark)	30-Jun-08	23.6%	12.1%	42.4%	-10.6%
ASX Accumulation 300 Resources Index	30-Jun-08	10.3%	-1.9%	18.1%	-15.7%
ASX Accumulation 200 Resources Index	30-Jun-08	8.6%	-3.6%	15.9%	-15.9%
General market indices					
ASX Accumulation 200 Index	30-Jun-08	8.0%	-4.0%	9.0%	-2.4%
ASX All Ordinaries Index	30-Jun-08	7.2%	-5.2%	0.1%	-13.1%
Dow Jones Industrial Average	30-Jun-08	10.4%	-0.6%	-0.6%	-5.0%

*unaudited, performance returns are calculated after the deduction of ongoing fees and expenses. Past performance is not indicative of future performance.

The performance of the larger resource companies (BHP Billiton, Rio Tinto and others) also contributed to a weaker performance of the ASX 200 and 300 Resource Indices. This is also evident in the chart below displaying the indexed performance of the Fund, ASX Small Cap Resources Index and the S&P/ASX 300 Resources Index from the 30 June 2009 to 19th October 2010. Our fund excludes investments in both BHP Billiton and Rio Tinto to avoid the domineering impact on these companies on funds which use either the S&P/ASX 200 or 300 indices as benchmarks.





LimeStreet Capital

Investors will have observed that the larger resource companies with share prices leveraged to world growth expectations are now tending to move sideways. LimeStreet believes that the share prices of these companies now reflect the recent commodity price movements and a steadily improved, *albeit*, a relatively subdued outlook for world growth. Further increases in the share prices of these companies will require a significant upgrading in world growth forecasts which are not expected in the short term.

However, the current higher commodity prices, longer term concerns of mineral supply (e.g. rare earth elements, lithium, copper) and potential US dollar weakness stimulating a rising gold price sets an attractive scenario for the second tier companies to drive the financing and development of new projects. As mentioned at the outset, LimeStreet believes these companies will offer the attractive returns for investors over the next 12 months.

Client login reminder

For new investors, we have a client login area on the top right hand side of our website: www.limestreetcapital.com Logins have now been set for all investors to access data on unit number and value, based on exit prices. Your login for this information is as follows:

Username: *your email address*

Password: *your postcode*

The password can be changed if so desired by using the *password reset* option.

Please note that the data is derived from the fund administrator Mackenzie Coultas and while unit prices are generally updated daily, unit numbers are updated only weekly. We have designed the client login as a guide for investors but of course, if there are any discrepancies, our fund administrator's records are the correct data.

Overall we are encouraged that our investment strategy in the fund is delivering attractive returns to our investors and are particularly encouraged that the current investment environment appears supportive of this investment strategy.

Of course as part of the LimeStreet team, I would like to thank you again for your



**LimeStreet
Capital**

continued support of the LSC Australian Resources Hi-Alpha Fund.

Yours sincerely,

Stephen Bartrop

Managing Director

This document was prepared by LimeStreet Capital a subsidiary of Breakaway Investment Group Pty Limited (ABN 27 114 040 505) AFSL 290093. In preparing this information, LimeStreet Capital did not take into account the investment objectives, financial situation or particular needs of any particular person. This document is only provided for information purposes and does not contain investment recommendations nor provide investment advice. Before making an investment decision, you need to consider (with or without the assistance of an adviser) whether this information is appropriate to your investment objectives, financial situation, needs and circumstances.