



CADENCE OFFSHORE FUND MARCH 2011 INVESTOR REPORT

FUND NTA & PERFORMANCE

Cadence Offshore Fund NTA estimate as at 31st March 2011:

NTA per share (Series AUD1) \$1,354.35

Net Performance March 2011 (Series AUD1) -2.52%

MONTHLY DETAILED PERFORMANCE

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	YTD
Cadence Offshore Fund	-2.70%	-0.28%	2.21%	6.06%	-9.07%	-2.61%	7.60%	4.02%	5.24%	4.70%	12.35%	2.01%	31.63%
All Ordinaries Acc Index	-5.85%	1.82%	5.83%	-1.18%	-7.57%	-2.60%	4.23%	-0.71%	5.02%	2.17%	-0.70%	3.80%	3.31%
	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	YTD
Cadence Offshore Fund	1.70%	3.78%	-2.52%										2.89%
All Ordinaries Acc Index	0.07%	2.19%	0.64%										2.92%
* Net of all fees												Accumulated return	35.43%

PORTFOLIO COMMENTARY

During March 2011, its fifteenth month in operation, Cadence's Offshore Fund returned a negative net performance of -2.52% compared to an increase in the All Ordinaries Accumulation Index of +0.64% and a decrease in the Small Ordinaries Accumulation Index of -0.26%. For the fifteen months to 31st March 2011, the Fund has returned a positive net performance of +35.43% compared to an increase in the All Ordinaries Accumulation Index of +6.32% and an increase in the Small Ordinaries Accumulation Index of +11.71% during the same period.

The fund finished the month 82.64% long and with no shorts, i.e. net long exposure of 82.64%. The net exposure for February 2011 was 74.53%.

PORTFOLIO SECTOR EXPOSURE

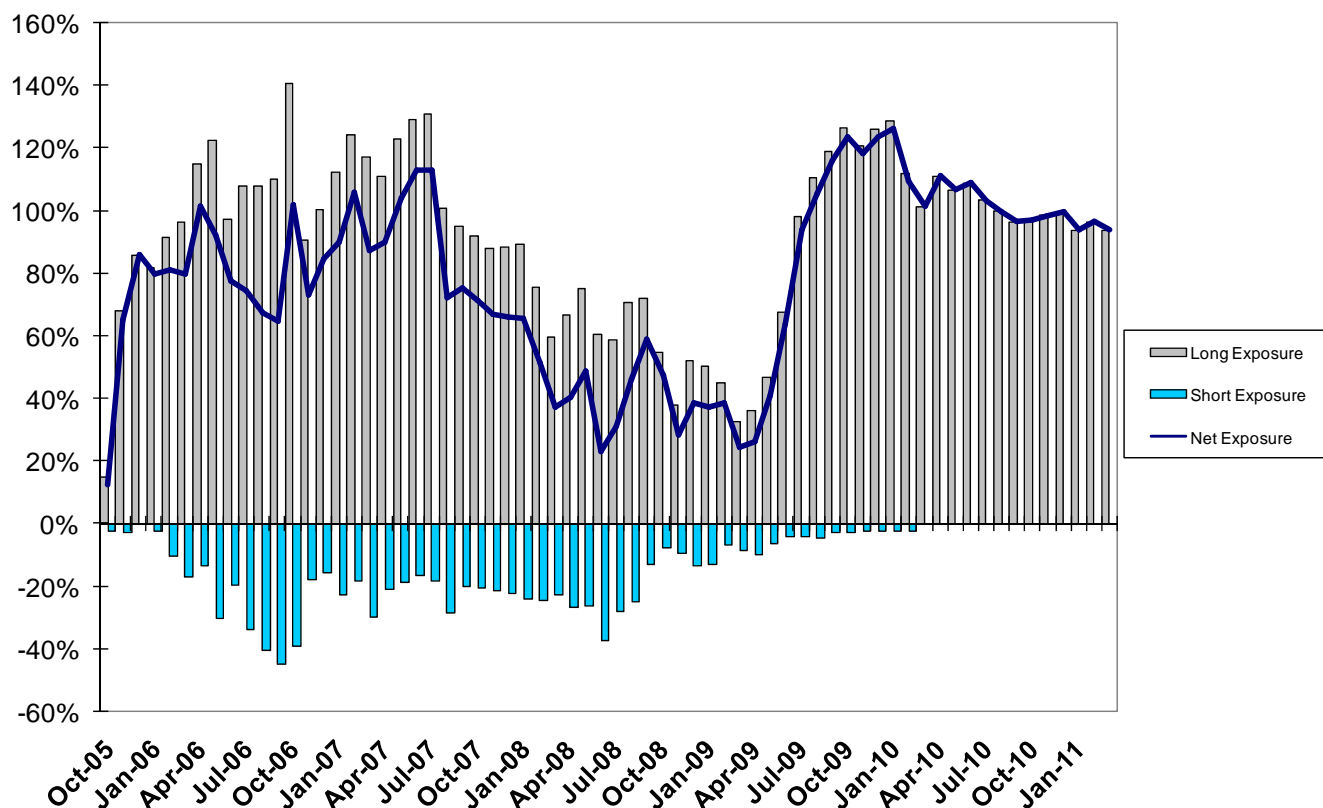
Sector	Long	Short	Net
Banks	25.76%		25.76%
Materials	22.02%		22.02%
Software & Services	16.37%		16.37%
Commercial Services & Supplies	7.86%		7.86%
Telecommunication Services	4.07%		4.07%
Diversified Financials	3.59%		3.59%
Consumer Services	2.96%		2.96%
Exposure	82.64%	0.00%	82.64%
Cash on hand			17.36%

HISTORIC STRATEGY PERFORMANCE & EXPOSURE – 5 YEARS

Cadence Capital Limited is an ASX listed fund that has been operating the Cadence Long/ Short Australian equities strategy for over five years. Over time the Cadence Offshore Fund will replicate the positions and holdings of Cadence Capital Limited. Detailed below is the 5 year performance and exposure history of Cadence Capital Limited (ASX Code CDM).

Performance to 31st March 2011	CDM	All Ords	Outperformance
1 Month	-4.74%	0.64%	
1 Year	36.96%	4.80%	+32.16%
2 Years	107.69%	50.93%	+56.76%
3 Years	64.58%	3.69%	+60.89%
4 Years	46.45%	-2.55%	+49.00%
5 Years	108.59%	19.23%	+89.36%
Inception to date accumulated return (66 months)	161.36%	34.93%	+126.43%
Annualised return since inception (66 months)	19.09%	5.60%	+13.49%

* Before Management and Performance Fees



OFFSHORE FUND FACTS

Minimum Investment:	AU\$ 500 000	Redemption Fees:	None
Subscription Frequency:	Monthly	High Water Mark:	Yes
Redemption Frequency:	Monthly	Strategy Size:	AU\$ 50 Million
Redemption Notice:	3 Months	Prime Broker:	Citigroup
Lock-up:	None	Administrator:	TMF Group
Management Fee:	1.5%	Fund Domicile:	Cayman Islands
Performance Fee:	20%	Legal Advisers (Cayman):	Walkers

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