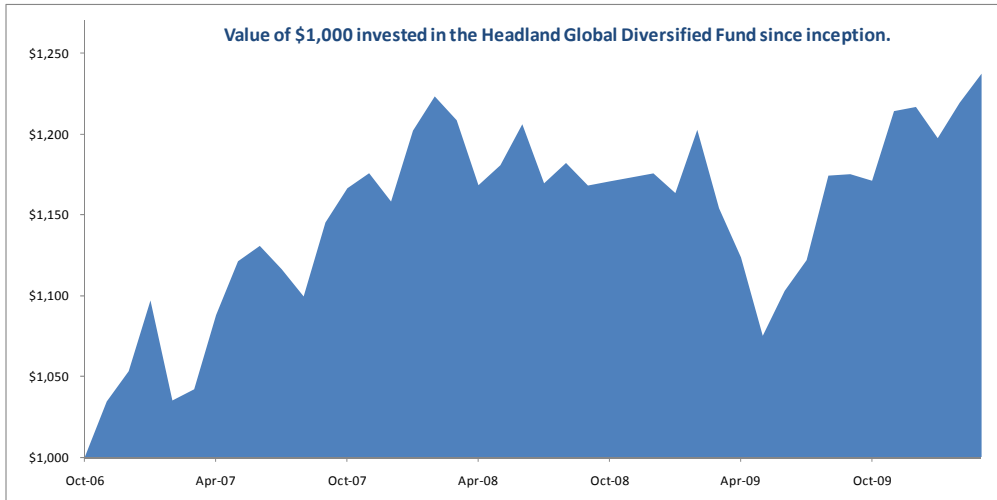


Headland Global Diversified Fund

Manager and Fund Description

Headland is an investment specialist with a focus on institutional quality risk management and compliance. The Headland Global Diversified Fund seeks to provide investors with capital growth and an alternative to equities. The Fund allocates capital to major investment themes in global bond, currency and commodity markets using a quantitative approach.



Investment returns	
March 2010	1.49
1 year	7.35
3 year	5.80
Annualised return since inception	6.58
Performance is net of fees.	

Returns prior to March 2008 are for a proprietary managed account employing the Global Diversified Fund's investment strategy. Prior to November 2007 the Fund had exposure to equity indices.

Key Performance

Latest Return Date: March 2010		Annualised Return: 6.58%	
Latest Month:	Latest 3 Months:	Latest 6 Months:	Latest 12 Months:
1.49%	1.72%	5.60%	7.35%
Total Return:	YTD:	Average Return:	Reporting frequency:
24.32%	1.75%	0.56%	Monthly
% Positive Months:	% Negative Months:	Average +ve Return:	Average -ve Return:
65.00%	35.00%	2.05%	-2.31%

Investment Terms

Minimum investment:	Additional investment:	Investment frequency:	Redemption frequency:
AU\$25,000	AU\$5,000	Monthly	Monthly
Redemption notice:	Redemption frequency:	Entry fee:	Exit fee:
3 Days	Monthly	0.00%	0.00%

Fund Fees

Management fee:	Performance fee:	High water mark:	Hurdle:
1.5%	20%	Yes	RBA Cash Rate

Risk

Annualised Standard Deviation:	Downside deviation:	Sortino ratio:	Sharpe Ratio:
9.03%	6.68%	0.17	0.14
Correlation to equities	Correlation to bonds		
-0.03	0.05		

Historical Performance

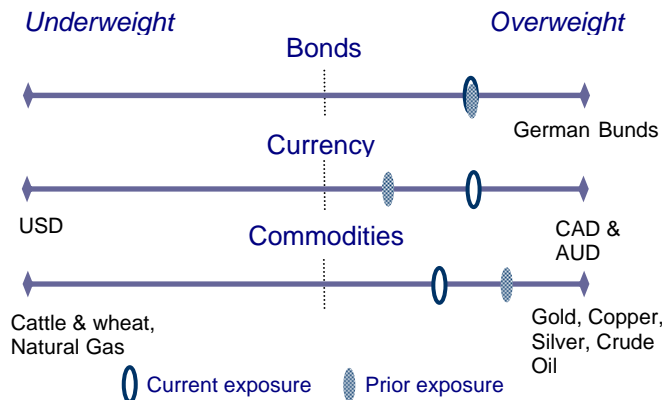
Year	Jan %	Feb %	Mar %	Apr %	May %	Jun %	Jul %	Aug %	Sep %	Oct %	Nov %	Dec %	YTD %
2010	-1.58	1.84	1.49										1.75
2009	-1.02	3.38	-3.90	-2.53	-4.31	2.59	1.76	4.68	0.09	-0.33	3.68	0.22	3.90
2008	3.78	1.76	-1.21	-3.32	1.06	2.15	-3.03	1.08	-1.18	0.24	0.27	0.23	1.70
2007	4.15	-5.63	0.67	4.40	3.06	0.84	-1.27	-1.50	4.15	1.85	0.79	-1.49	10.00
2006											3.43	1.81	5.30

Headland Global Diversified Fund

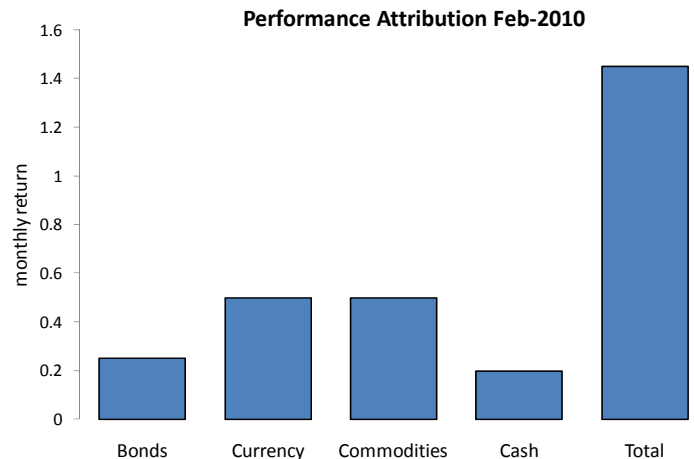
Investment process

The Headland Global Diversified Fund seeks to provide investors with positive returns regardless of stock market performance. The Fund uses a quantitative process to allocate capital to major investment themes in global bond, currency and commodity markets.

Asset Allocation



Performance Attribution



Investment strategy

The Global Diversified Fund returned 1.49% for March. All 3 sectors of Fixed Income, Currencies and Commodities made a positive contribution to performance. A short position in Natural Gas made the biggest contribution to performance. Natural Gas prices fell 20% over the month and are now 75% below their highs in 2008.

Global Fixed Income – *Risk of European sovereign debt default.*

The Fund remained overweight German bonds as investors sought a safe haven from possible sovereign defaults in the indebted economies of Portugal, Ireland, Greece and Spain.

Foreign Exchange – *Outperformance of growth currencies.*

The Fund held a Canadian dollar position versus the US dollar throughout the month which made a small positive contribution to performance. The Fund also added a long Australian dollar position during the month.

Commodities – *Demand for physical assets (industrial metals & oil). Falling food and Natural Gas price.*

The Fund altered its commodities asset allocation over the month, exiting its long precious metals position and entering short positions in Wheat and Cattle. Long positions in industrial metals and a short position in Natural Gas were the biggest contributors to performance. Natural Gas prices fell 20% over the month and are now 75% below their highs in 2008.

Comments welcome.

Jerry Pressnell - Managing Director (jpressnell@headlandglobal.com.au)