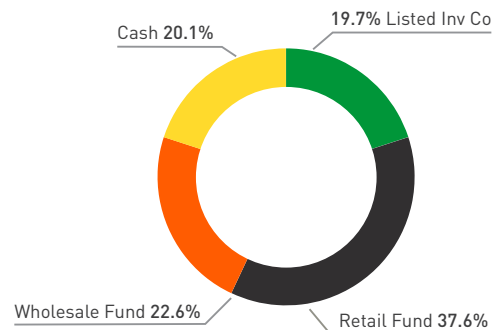


We aim to construct a diversified investment portfolio across different asset classes. We do this by investing in a number of different types of funds, run by, in our opinion, the best managers available in Australia. We have a number of processes to identify attractive investments including screening for historical performance, volatility and other criteria. We use many information sources, external researchers and manager interviews to assist in this process.

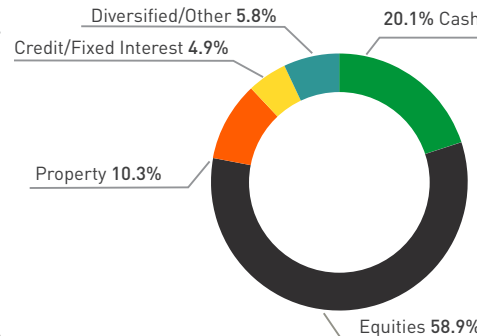
We Invest in Different Fund Types Run by the Best Managers

Underlying Investment Types



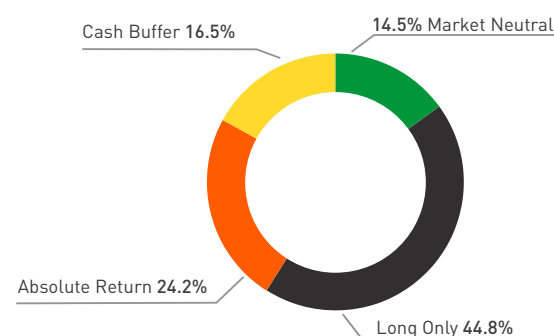
Which In Turn Invest In Many Asset Classes To Provide Diversification

Asset Class



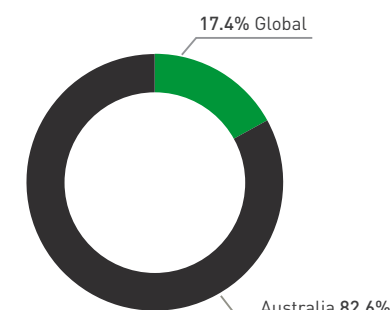
We Choose Strategies We Believe Will Reduce Downside Risk

Equities Strategies



We Seek Some Global Exposure To Assist in Diversification

Geographic Exposure



The largest investments of the Fund outlined below and their respective weightings are subject to change as we continue to identify further attractive investment opportunities.

Investment	Fund Manager	Asset Class	Investment Description	Why We Like It	Weight
Cash		Cash	High interest at-call savings accounts	The near term outlook remains uncertain and it pays to have cash on hand to take advantage of buying opportunities when they arise.	20.1%
Cromwell Direct Property Fund	Cromwell Funds Management	Property	This unlisted property fund owns stakes in a number of large buildings with relatively low gearing.	Most buildings have very long leases to quality tenants. The fund should be stable in times of market turmoil. The assets are valued below where we are seeing comparable transactions in the market, providing potential for upside.	7.6%
Phoenix Opportunities Fund	Phoenix Portfolios	Equities	A portfolio of small and micro-cap ASX listed stocks.	Value based, exceptional managers. We worked with Stuart and Richard for a number of years and remain enormously impressed with their process and performance. The combination of outperformance with downside volatility is rare in this space.	5.2%
LHC Capital Australia High Conviction Fund	LHC Capital Partners	Equities	Invests in a small number of high quality ASX listed stocks. Can also short stocks they don't like.	Quality managers - used to manage money for a very high net worth Australian before setting up this business. Results have been very impressive.	4.9%

Investment	Fund Manager	Asset Class	Investment Description	Why We Like It	Weight
Wentworth Williamson Fund	Wentworth Williamson Management	Equities	A concentrated portfolio of ASX listed stocks with a mid-small cap bias. Also usually holds significant cash.	The manager has generally delivered well above average results, with much less volatility than average. Cash holding allows them to take advantage of opportunities. Very careful investors with low turnover.	4.8%
Bronte Capital Amalthea Fund	Bronte Capital	Equities	Global long/short fund that is very different from most funds. Holds concentrated long positions in global companies they like (often an eclectic collection), and have short positions in fraudsters, scams and companies facing disruption.	Results have been very strong and the strategy has very low correlation with most benchmarks. Their short portfolio in particular is very unique, and provides a differentiated strategy to deliver alpha.	3.2%
Alexander Credit Opportunities Fund	Alexander Funds Management	Bonds/Fixed Interest	Aims to achieve positive returns in both rising and falling markets. Credit fund, with limited interest rate risk. Circa 50% RMBS and a combination of short term loans, listed bonds and other credit.	Manager expects a running yield of 7% pa from this fund. Has not delivered a negative monthly return since 2011.	3.1%
Baker Steel Gold Fund	Baker Steel Capital Managers	Commodities	Global listed gold mining stocks.	The Fund invests in one of the most beaten down asset classes we can find. We may be a little early with this call, hence the small allocation, but we are confident we will achieve very good returns over the medium term.	2.9%
Ellerston Market Neutral Fund	Ellerston Capital	Equities	Fund is an absolute return fund and aims to generate positive returns in all markets by reducing the majority of market risk and focusing primarily on capital preservation and alpha generation. The fund will use a Relative Value (pairs trading, circa 80%) and Special Situation (event catalyst, circa 20%) strategy.	Maximum net exposure of +/-25% ensures this is a significantly different strategy to most funds. Manager has generated good returns with very low volatility and negative correlation to the ASX200.	2.9%
Pengana PanAgora Absolute Return Fund	PanAgora	Equities	Quant fund that aims to construct a portfolio that is generally neutral to market movements. Generally market neutral per country and region, and typically holds a minimum of 500 positions.	The manager uses a differentiated strategy of collecting atypical data from a range of sources to create a portfolio based on this proprietary data. Targets 8-14% pa returns, with low volatility of 4-8% pa.	2.9%
Watermark Market Neutral Fund	Watermark Funds Management	Equities	Fund aims to deliver consistent positive rates of return with relatively low volatility, whilst maintaining little or no net exposure to the underlying equity market. Capital held as cash and proceed of shorts used to fund the longs.	Excellent manager with long experience running this strategy. Should produce low correlated returns.	2.8%
WAM Leaders (LIC)	Wilson Asset Management	Equities	Aims to provide investors with exposure to undervalued ASX 200 companies using WAMs Research driven and Market Driven investment process.	WAM has three other LIC's, all of which have outperformed the ASX200 and usually trade at substantial premiums to NTA. Purchased as part of the IPO and also include options to purchase additional shares at \$1.10 which expire November 2017.	2.6%
Deep Value Microcap Fund	Microequities Asset Management Pty Ltd	Equities	A concentrated portfolio of 20-25 ASX listed micro-cap stocks. The top 5 investments may be 40 - 60% of the portfolio.	This manager has delivered exceptional returns over a long period and has many of the qualities we admire. They have a value focus and a stable investor base. The Fund has performed well in negative markets, which is very unusual for a fund in this sector.	2.5%
Sandon Capital Activist Fund	Sandon Capital	Equities	Currently hold about 30 ASX listed stocks including some LIC's. Can use gearing and short selling. Often run a high cash holding.	The Fund is less correlated to the stock market than most, due to its concentrated portfolio and activist/event driven process. Great investment results and the manager is well supported by a number of industry heavyweight peers who we admire.	2.5%
Ophir High Conviction Fund	Ophir Asset Management	Equities	Typically holds around 15-30 stocks in companies outside the largest 50 ASX listed securities.	The managers have an exceptional pedigree via a number of years at Paradise Funds Management. They have continued to deliver impressive results since setting up their own boutique.	2.5%
Other Investments					29.6%

1300 233 583
invest@affluencefunds.com.au
www.affluencefunds.com.au

Invest Differently



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