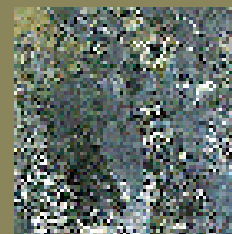


Kimberlite Cautious Fund of Funds

Fund Positioning

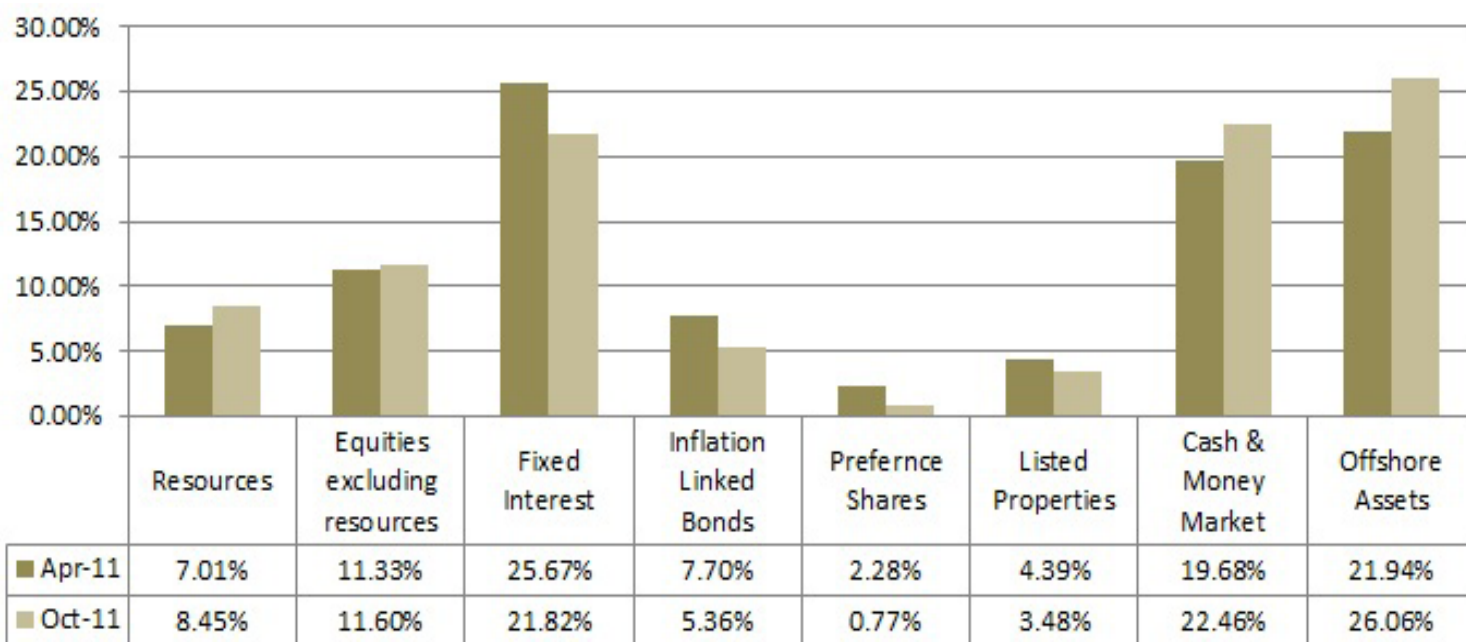
October 2011



Objectives : The provision of a high level of capital stability over the medium term, whilst at the same time aiming for real returns and income generation.

Universe : Investments to be included may, apart from assets in liquid form, consist solely of participatory interests in portfolios of collective investment schemes investing in equity securities, property shares, property related securities, non-equity securities, bonds, preference shares and money market instruments.

Benchmark : SteFI + 1%



Manager Comment

Our overweight equity position was held until mid September, when concerns as to the European debt situation led to our reducing this position by 25% - bringing the fund to an equity neutral position. The funds redeemed were placed into the Stanlib US Dollar Cash fund, fortuitously just before the Rand suffered its decline against the Dollar. At the same time a decision was taken to park all inflows into the fund in a Cash Plus fund, to protect the capital of investors as best possible.

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The switch to ABSA Rand Protector made in April has come good, given the weakening of the Rand, and added considerable value to investor returns. In addition the Nedgroup Bravata fund has delivered market beating returns over the last three months, ensuring the fund continues to meet its commitment to not lose investors' capital over a one year rolling period. Our fixed interest managers – Coronation, Investec and Atlantic – have done well in these choppy bond markets and we saw no need to make changes to this portion of the fund.

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