

Fund Commentary

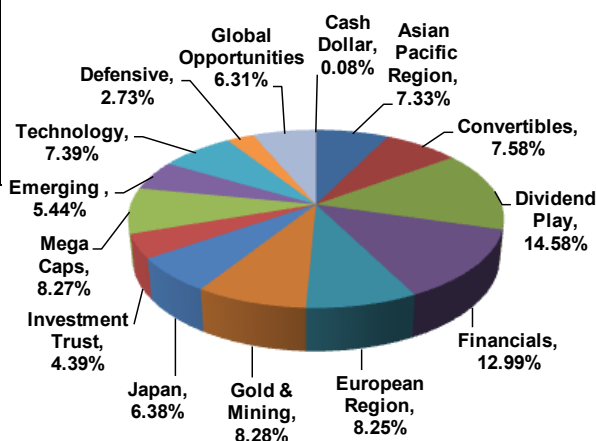
Reflecting on 2011 it truly feels like we have been through 2008 and 2009 all in one year. Global Equity, property and commodity markets were down between 7.5% and 8.5% but having been on the roller coaster it is easy to assess that this does not tell the full story.

Peak to trough, the MSCI World Equity index lost 23% only to regain 17% in the subsequent month of October, loose 12.5% again to the last week of November, and in the last 10 days of the year once again retraced about 10% of these losses in absolute terms. All this was mostly spurred by announcements regarding solutions to the European debt crisis and subsequently realising that any proposed solution once again only plastered over the problem, leaving it almost certain to reveal itself again at a later stage. Core Diversified was down 3.5% for 2011, whilst avoiding most of the volatility.

Thus far there is no indication that the story for 2012 will be much different in Europe, as no concrete solution has yet emerged. We will continue monitoring the political situation very closely, as well as growth prospect from around the world, especially China as this will impact all asset markets. We still think that developed market bonds do not offer much at these levels and prefer investments such as Equity and Property in areas where demographics have created opportunities; however we have not reached the point where we will be significantly overweight in these asset classes yet. We are still awaiting concrete signs of fundamental improvement, even though valuations are compelling and liquidity is improving.

Top 5 Holdings

1. Odyssey Low Correlation Fund	14.74%
2. Odyssey Alternative Strategy	6.57%
3. Gold Bullion ETF	5.81%
4. SPDR S&P Dividend	4.93%
5. Thames River Global Bond	4.93%

Equity Allocation

Fund Information
Price at 23 December 2011

USD Fund Price \$106.7819

Fund Size \$65mil

Sedol

USD B02STH1

GBP B02T2Q4

EUR B02T2P3

ISIN

USD GB00B02STH18

GBP GB00B02T2Q45

EUR GB00B02T2P38

Minimum Investment \$5,000.00

Dealing Line
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Fund Management
Scott Campbell

Managing Director & Fund Manager

Joanne Baynham

Director & Fund Manager

Fund Charges
Upfront Fee 5%

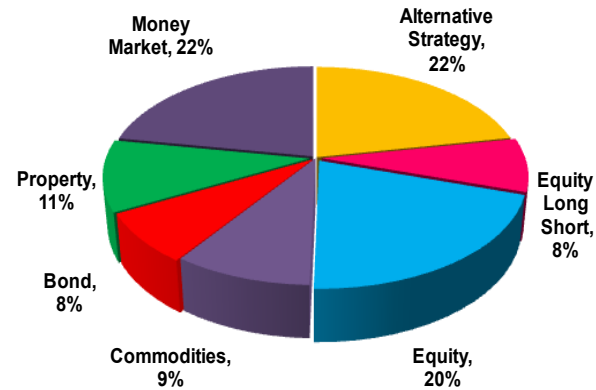
Annual Management Charge 1.75% p.a

Performance Fee: 10% (High WaterMark)

The Fund is authorised as a Class "B" Scheme by the Guernsey Financial Services Commission pursuant to the Protection of Investors (Bailiwick of Guernsey) Law 1987 and the rules made there under. Units in the Fund are not available for sale and may not be offered for sale, directly or indirectly, in South Africa or the United Kingdom, or any state or jurisdiction in which such offer or sale would be prohibited. Please note, the Fund has not been registered, nor will be registered, under the United States Investment Company Act of 1940 and the units have not been registered, nor will be registered, under the United States of America Securities Act of 1933 (as amended). None of the units may be offered or sold, directly or indirectly. Subscriptions will only be received and units issued on the basis of the current prospectus for the Fund. It is intended solely for the use of the person to whom it is sent. It is not an invitation to subscribe and is for information purposes only. Please note that the value of funds and assets (and the income from them) may go down as well as up and may be affected by, amongst other things, changes in rates of exchange. Past performance is not indicative of future performance and the success of the Fund will be dependent on the performance of MitonOptimal. An investor may not get back, on redemption or otherwise, the amount invested. Performance is calculated on a total return basis in the currency of the Fund. The Fund size quoted is a total of all classes in the Fund. Risk characteristics are calculated on the basis of monthly investment returns.

The Fund Manager


Scott is Managing Director of MitonOptimal and lead fund manager for the Offshore Core Diversified Fund. He commenced his career with AMP Group in New Zealand in 1989 then joined Appleton in 1996 and was appointed MD of Appleton International London in 2000. Scott has achieved a five star ranking and awards from Standard & Poor's for the management of several of the Appleton range of offshore funds. In 2002 he set up what is now MitonOptimal Guernsey and leads the development of MitonOptimal Multi Asset Management based in Cape Town.

Asset Class Allocation

Investment Objective

The objective of the Fund is to achieve long term growth and absolute returns, with limited volatility, diversifying across cash, bonds, equities, alternative strategies and property using a multi asset and multi manager approach. The fund aims to outperform USD Libor +4 over a 3 year rolling period.

Fund Performance

Currency	YTD	1 Year	2 Years	3 Years
USD	-3.53%	-3.53%	4.77%	20.45%
OR Mixed Asset—Flexible GTR is \$	-10.48%	-10.48%	-10.35%	9.77%

The hedged versions of the fund are available in GBP & EUR.

Performance History - 01 January 2009 until 30 December 2011 (3 years)


■ A - MitonOptimal - Core Diversified USD GTR in US [20.45%]
 ■ B - OR Mixed Asset - Flexible GTR in US [9.97%]

01/01/2009 - 30/12/2011 Data from FE 2012