

ASCALON H3 COMMODITIES FUND REPORT

February 2009

MONTHLY COMMENTARY

The Ascalon H3 Commodities Fund (ANCOMM) posted a return of -1.98% versus -4.43% for the DJAIG Total Return Index. Since inception the Fund has returned -12.39% versus -41.74% on the Index.

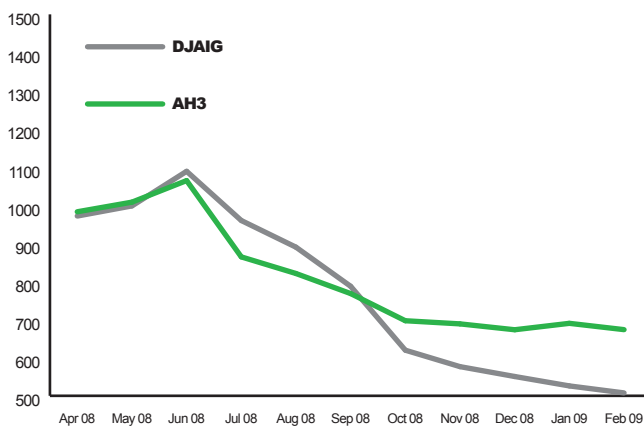
As the global financial crisis continues to unfold, governments around the world have instituted massive fiscal stimulus packages in an attempt to revive growth. Fears of future inflation and renewed turbulence in equities markets continued to push gold higher (+1.64%). Energy prices advanced with crude oil up (+7.39%) on news that inventories have unexpectedly dropped after months of excess supply. Cotton tumbled (-14.88%) as the deteriorating economy eroded demand for textile products and the outlook for future consumption remained weak. Wheat was lower on concerns that inventories are likely to rise because of lower demand from livestock producers. Whilst the financial woes continue to affect all sectors, we believe that supply and demand fundamentals will reassert themselves. The Fund remains under-exposed while awaiting future opportunities.

PERFORMANCE (after fees)

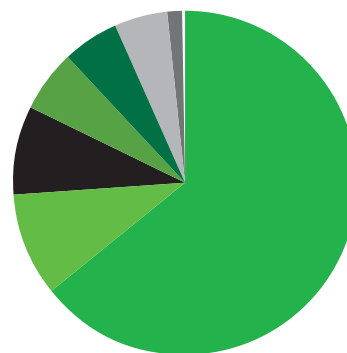
	1 MTH	3 MTH	6 MTH	1 YR	Inc
ANCOMM	-1.98%	-2.37%	-18.40%	n/a	-12.39%
DJAIG TR	-4.43%	-13.63%	-44.03%	n/a	-41.74%

"...renewed turbulence in equities markets continued to push gold higher...energy prices advanced with crude oil up... Cotton tumbled and Wheat was lower...."

VAMI \$1000

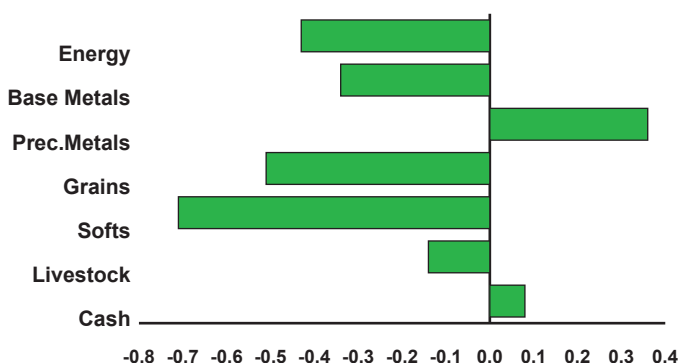


ALLOCATION PER SECTOR



- Cash
- Livestock
- Softs
- Grains
- Prec. Metals
- Base Metals
- Energy

P/L ATTRIBUTION



AVERAGE DAILY EXPOSURE VS. BENCHMARK

Sector	HGCF	DJAIG TR	Over/Under
Energy	5.47%	31.86%	-26.39%
Base Metals	5.63%	19.71%	-14.08%
Prec. Metals	9.52%	13.06%	-3.54%
Grains	4.92%	19.43%	-14.51%
Softs	8.54%	8.89%	-0.35%
Livestock	1.50%	7.05%	-5.55%
Cash	64.42%	0.00%	64.42%
Totals	100.00%	100.00%	0.00%

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INVESTMENT STRATEGY

The objective of the Fund is to provide investors with an actively managed commodities portfolio that seeks to generate returns that are equal or superior to that of major global commodity indices with the same or lower volatility, after fees and expenses, over a medium to long-term time horizon. In order to achieve the investment objective outlined above, the Fund utilizes quantitative trading models that have been successfully traded by the Investment Manager on global markets since 1996. A risk management overlay is used over the whole portfolio in order to minimise volatility and drawdowns.

FUND INFORMATION

Managed by:	H3 Global Advisors Pty Ltd	Fund fees	
Start Date:	17 April 2008	Management fee (incl. GST)	0.75%pa (taken from the underlying fund)
Fund size as at 28 February 2009	\$684,597.62	Est. Expense Recoveries	0.10% pa
Investment Minimums		Other fees	0.62% pa
Initial Investment	\$50,000	Performance fee	15%pa of outperformance of bench mark (taken from the underlying fund)
Additional Investments	\$10,000	Transaction costs	+/- 0.10% pa
Withdrawal	\$10,000		

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