

Fact Sheet

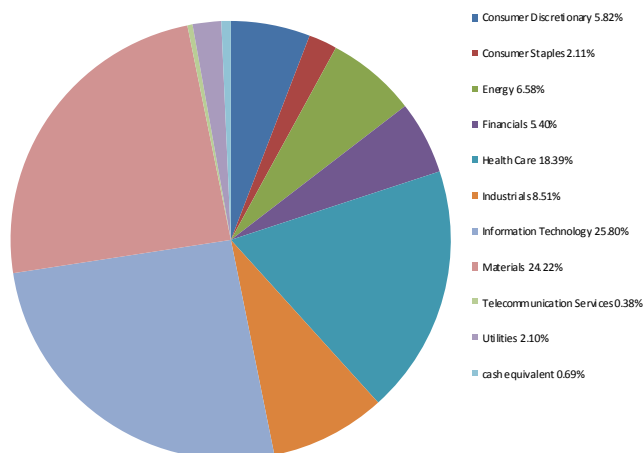
Investment objective	To provide medium to long-term capital growth potential and seeks to outperform the S&P/ASX Emerging Companies Accumulation Index over rolling three to five year periods after taking into account fund fees and expenses.		
Investments held	The Fund will primarily invest in companies that have a market capitalization of less than \$500m at the time of first purchase and cash.		
Investment Manager	SG Hiscock & Company		
APIR	ETL0118AU	mFund Product Code	SHF04
Commencement	9 October 2001	Buy spread	+0.35%
Management costs¹	1.03% p.a.	Sell spread	-0.35%
Performance Fee²	20.50%	Investment pool size	\$48.71 million
Minimum Initial Investment	\$20,000	SIV Compliant	Yes (1 July 2015)

Unit Prices	Application	Net Asset Value	Withdrawal
31 October 2017	\$ 3.8149	\$ 3.8016	\$ 3.7883

Performance as at 31 October 2017 ³	1 mth %	3 mths %	6 mths %	1 yr %	3 yrs % p.a.	5 yrs % p.a.	Since Inception % p.a.
Distribution Return	0.00	0.00	0.00	0.00	0.24	0.22	4.55
Growth Return	3.47	9.81	15.37	6.00	26.84	16.57	8.66
Total Net Return	3.47	9.81	15.37	6.00	27.08	16.79	13.21
Index Return ⁴	4.30	10.22	14.87	0.70	9.95	5.75	6.91
Total Net Return vs. the Index	-0.83	-0.41	0.50	5.30	17.13	11.04	6.30

Distribution Period	31-Dec-15	30-Jun-16	30-Jun-17
Distribution rate (cents per unit)	NIL	NIL	NIL

Asset allocation as at 31 October 2017



Top 10 holdings as at 31 October 2017

Zenitas Healthcare Limited
Triton Minerals Limited
Cann Group Ltd
Livehire Limited
Runge Ltd
Breaker Resources
XREF LTD
Cooper Energy Limited
Redflex Holdings Limited
Global Geoscience Ltd

Top 10 holdings represent 34.46% of the total Fund.

1. Includes estimated GST payable, after taking into account Reduced Input Tax Credits ("RITC").
 2. Effective 1 October 2015, a performance fee of 20.50% (inclusive of GST and an estimate of RITC) of any performance in excess of the performance hurdle (the daily percentage movement in the S&P/ASX Emerging Companies Accumulation Index on a daily basis) may also be payable.
 3. Performance: Distribution Return is the return due to distributions paid by the Fund, Growth Return is the return due to changes in initial capital value of the Fund, Total Net Return is the Fund return after the deduction of ongoing fees and expenses and assumes the reinvestment of all distributions.
 4. Index = S&P/ASX Emerging Companies Accumulation Index effective 1 October 2015, previously S&P/ASX Small Ordinaries Accumulation Index.

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Commentary

- Our better performing stocks include Longford Resources (up 80.0%), Cann Group (up 47.1%), Afterpay Touch Group Limited (24.4%), Dubber Corporation (up 21.2%), Sensera Limited (up 21.2%), Hotcopper Holdings (up 20.0%) and Big River Industries (up 18.3%).
- The major stock declines for the month were Triton Minerals (down 18.9%), Auris Minerals (down 16.0%), Oliver's Real Food (down 16.4%), Compumedics (down 13.7%), Tech Mpire (down 12.9%) and TZ Limited (down 9.5%).

Our Fund performed well in October, increasing by 3.47%, although it underperformed its benchmark the S&P/ASX Emerging Companies Index which gained 4.30%. For the rolling twelve months, the Fund is up 6.00%, compared to the S&P/ASX Emerging Companies Index which has gained 0.70%. The market advanced strongly this month, despite our concerns about a lacklustre domestic economy, US equity valuations, and geopolitical tensions, which is the hallmark of a bull market - climbing a "wall of worry." Large-cap stocks headed by the major trading banks and miners led the way. While the strength in the equity markets is positive, rate hikes by the US Federal Reserve are a concern, particularly if the Fed is forced to hike faster than expected. More so as global inflation momentum is building with a return to synchronised world growth. Although we don't forecast any interest rate increases by the RBA anytime soon, despite rising energy costs, which means domestic liquidity conditions should remain favourable for emerging companies. We also think it is noteworthy that the Japanese equity market (Nikkei) has recently made a 21 year high which we believe signals a sustained recovery in the small resources sector - particularly with strong demand for electric vehicle speciality metals (lithium, cobalt, and graphite). Overall, we are still positive about the long-term prospects of the Fund.

For more information visit www.sghiscock.com.au

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