

# Ascenta Special Situations Resource Fund



## March 2011

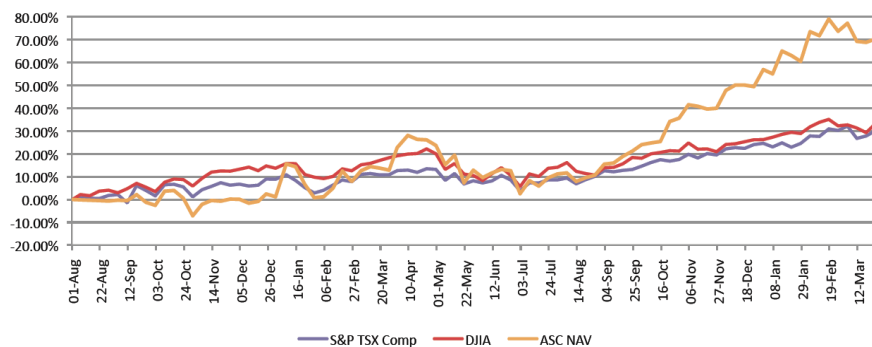
The Ascenta Special Situations Resource Fund is a long-only, unleveraged equity fund focused on the natural resource and renewable energy sectors. The investment objective of the Ascenta Special Situations Fund is to provide long-term capital growth, offering superior returns in a risk-managed portfolio.

The Fund seeks to maximize investment return through a diversified, risk-managed equity portfolio consisting of both high potential-return, early-stage investments and highly-liquid mature issuers. The Fund will capitalize on both macroeconomic cyclical price movements within the commodities sector as well as shorter-term mispricing on an individual company-by-company basis. A rigorous process of due-diligence will be applied to each investment including an assessment of (1) quality of management, (2) quality of assets, and (3) appropriateness of valuation.

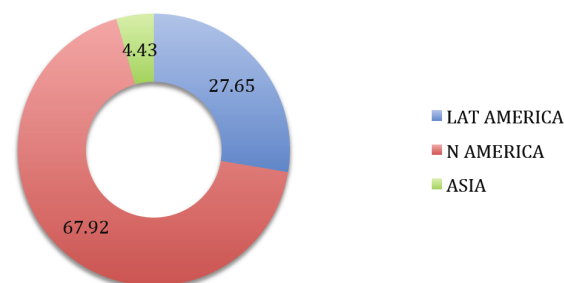
### Return History to March 25, 2011

	1mth	3mth	6mth	12mth
Ascenta Special Situations Res Fund	-1.94%	8.55%	25.58%	38.8%
S&P TSX Global Mining Index	1.61%	-3.23%	10.29%	20.52%

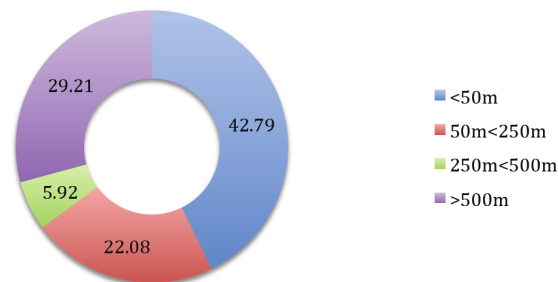
### Performance Since Inception (August 1, 2009 to March 25, 2011)



### Portfolio % by Region



### Portfolio % by Market Cap



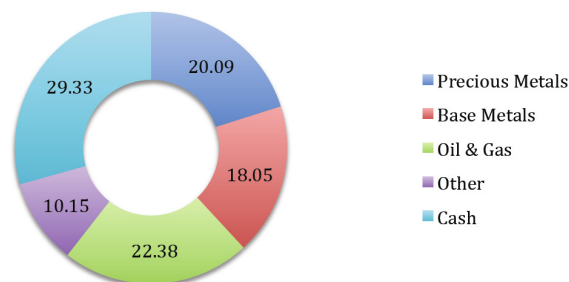
### Recent NAV Pricing History

Period	15-Oct	22-Oct	29-Oct	05-Nov	12-Nov	19-Nov	26-Nov	03-Dec
NAV	1.254	1.3416	1.3565	1.4151	1.4084	1.3962	1.3996	1.4780
% Change	0.50%	6.99%	1.11%	4.32%	-0.47%	-0.87%	0.24%	5.60%

Period	10-Dec	17-Dec	24-Dec	31-Dec	07-Jan	14-Jan	21-Jan	28-Jan
NAV	1.5013	1.5013	1.4947	1.5693	1.5501	1.6505	1.631	1.6051
% Change	1.58%	0.00%	-0.44%	4.99%	-1.22%	6.48%	-1.18%	-1.59%

Period	04-Feb	11-Feb	18-Feb	25-Feb	04-Mar	11-Mar	18-Mar	25-Mar
NAV	1.7352	1.7178	1.7909	1.7372	1.7722	1.693	1.6886	1.7035
% Change	8.11%	-1.00%	4.26%	-3.00%	2.01%	-4.47%	-0.26%	0.88%

### Portfolio % by Sector



# Ascenta Special Situations Resource Fund

## FUND FACTS (as at March 25, 2011)

Fund Price:	US\$1.7035
Legal Structure:	Incorporated Cell Corp.
Minimum Investment:	US\$10,000
Subsequent Investments:	US\$5,000
Dealing:	Weekly
Liquidity:	Weekly
Currency:	USD, GBP
Investment Advisor:	Ascenta Asset Mgt. Ltd.
Administrator:	Fund Corp. (CI)
Portfolio Manager:	Haywood Securities
Launch Date:	July 31, 2009
Launch Price:	US\$1.00
Fund Type:	Open-ended
Fund Domiciled:	Guernsey

*\*or currency equivalent*

## BLOOMBERG

USD: ASSSRUS GU

GBP: ASSSRGB GU

## Investment Advisory Team

Steve Stakiw, P. Geo

*Investment Advisory Committee*

Alan Manzie, MBA

*Portfolio Manager*

## Contact Information

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## Fund Dealing

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Fax: +44 1481 732880

Email: [clientservices@fundcorpci.com](mailto:clientservices@fundcorpci.com)

## International Insurance Companies

The following international insurance companies accept The Ascenta Special Situations Resource Fund (all share classes) as a suitable link to their International Portfolio Bonds

- Royal Skandia
- Royal London 360
- Friends Provident International
- Generali International
- Scottish Equitable International
- Hansard International

## Market Commentary

The Ascenta Special Situations Resource Fund ended March with a loss of 1.94% for the month and a gain of 8.55% for the first quarter 2011. As the markets turned the corner from February to March a number of events -- some anticipated, some not -- conspired to bring about a reversal of the upward macro trend we've witnessed this year. Both the S&P TSX Comp. and Dow Jones lost significant value by mid-month, in the order of 6% to 7%, before returning to their February highs by month's end.

While perennial sovereign debt worries in Europe, continued fallout from Japan's natural disaster and Middle East chaos provided ample opportunity for jittery markets, it was commodities that ultimately tipped the scales in favour of the bears.

The prices for natural resources have provided ample gains for those in the business of developing or producing raw materials as prices have continued to run. Ultimately, however, the forces of supply and demand assert themselves and in this case, the mother of all commodities -- oil -- found resistance at prices approaching \$110 per barrel. "Too fast, too soon", was the sentiment and although long-term demand appears unabated, the pace of global growth was thrown into question; a cooling-off was necessary and, its fair to say, inevitable.

Natural resource equities followed this trend. In anticipation of this, the Ascenta Fund began accumulating cash early in the month, beginning with 7% cash and ending the period with some 29% of its AUM in cash. Not only does this provide cushion for volatility, it has allowed the Fund to dip back into the market, acquiring discounted shares in promising companies with attractive valuations.

Jason Cubitt

Managing Director Fund Services

Ascenta Asset Management Ltd.

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