

Lodestar Australian Strategic Share Fund

Fund Profile

“We have the flexibility in our mandates to move the net equity position up and down, thus not being forced to stay fully invested when we can be protecting investors’ capital. As a result, we can manage individual stock positions more dynamically than traditional ‘long only’ managers”.

John Morgan, Principal, CIO, Lodestar Capital Partners

Fund Objective

Aims to generate equity-like returns with lower volatility than the Australian equity market over a full investment cycle.

Investment Philosophy and Style

The philosophy underpinning Lodestar’s active approach to portfolio management is the belief markets are not perfectly efficient, resulting in the sharemarket frequently mispricing securities.

Lodestar is a high conviction, ‘style agnostic’ fund manager whose experienced team uses fundamental, quantitative and technical research to identify and exploit such investment opportunities.

Reasons to Invest

- The Fund provides investors with access to Lodestar’s 100-years plus of combined investment expertise.
- The Fund has the potential to generate capital growth over the long-term and income from its investment in a diversified portfolio of Australian shares, derivatives and cash.
- The Fund has a flexible investment structure which allows it to preserve capital in poor equity market environments.
- All of Lodestar’s investment team personally invest into the Fund, offering investor’s assurance that Lodestar’s own interests are firmly aligned.
- A nabInvest Business Partnership provides strength and support to investors.

Fund Facts

Inception Date

1 March 2007

Minimum Initial Investment

\$20,000

Recommended Investment Timeframe

Five years or more

Management Fee (including GST)

1.025% p.a.

Performance Fee (including GST)

20.5% of any Fund investment returns (after fees and expenses) in excess of the Fund benchmark (90 day bank bill rate) and after recouping any prior period underperformance.

Withdrawal Fee

Nil

Valuation and Pricing

Daily

Distribution Frequency

Half yearly, June and December

Buy/Sell Spread

+0.25% on application, -0.25% on withdrawal

APIR Code

ANT0001AU

Typical Number of Holdings

30–55 long
5–15 short

Fund Ratings

Lonsec Investment Grade

S&P 4 Stars

ThreeSixty Recommended

Zenith Recommended

Exposure Ranges

Net Share Exposure*	-50%	150%
Gross Share Exposure	0%	200%
Cash	0%	100%

* This means for every \$10,000 invested, the net long or short share exposure may be as high as \$15,000. Under the Fund’s investment guidelines, the Fund’s Net Share Exposure can range from -200% to 200%.

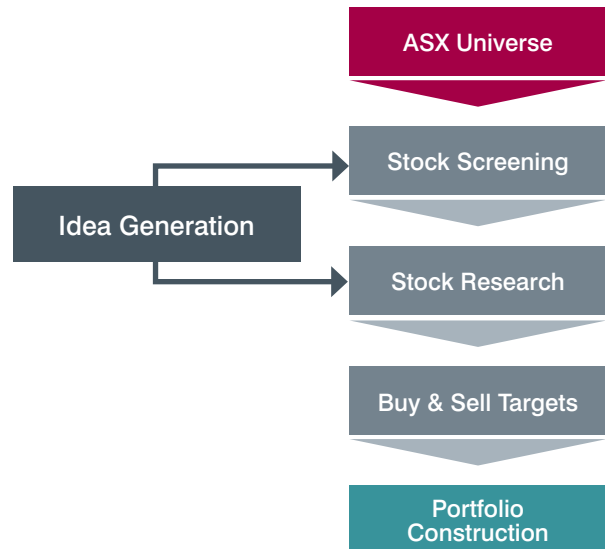
Investment Process

Lodestar's disciplined investment process is built on thorough fundamental research, using both top-down (macroeconomic) and bottom-up (stock specific) perspectives. This is supported by proprietary quantitative and technical analysis.

Lodestar's research and analysis guide portfolio construction, ensuring risks are balanced across stock selection, sector weightings and the overall level of sharemarket exposure. Positions are monitored to ensure investors are not exposed to unintended risks.

Lodestar's focus is on delivering superior risk-adjusted returns in a sustainable manner to investors over a full investment cycle, through the application of robust processes combined with extensive experience and skills.

Lodestar's Investment Process is illustrated below



How to Invest

The Fund is available directly through the Product Disclosure Statement available on nabinvest.com.au and on most major platforms including: Asgard, BT Wrap, Colonial First State FirstChoice and FirstWrap, Macquarie Wrap, MLC MasterKey Custom and Navigator.

Portfolio Manager



John Morgan
Principal, Chief Investment Officer

John has over 24 years of financial markets experience and has extensive knowledge in managing a broad range of Australian equity portfolios.

John heads Lodestar's Investment team and has overall responsibility for portfolio construction, derivatives and risk management.

Before co-founding Lodestar in 2005, John spent 18 years at ING Investment Management and held various senior portfolio management roles including leading the Australian equities team from 2000 to 2004.

In the course of his ING career, John was a member of the ING Asset Allocation Committee – which he joined in 1993 – and managed numerous large equity portfolios including ING Tax Effective Income Trust, ING Blue Chip Imputation Trust, ING Active Growth Trust and a range of wholesale mandates.

Investor Services: 1300 738 355

Email: info@nabinvest.com.au

Adviser Services: Please contact your national nabInvest Investment Specialist.

Web: www.lodestarcapital.com.au or www.nabinvest.com.au



IMPORTANT NOTICE

nabInvest Managed Investment Limited ABN 61 083 784 463, AFSL 312122 (‘NMIL’), is the Responsible Entity of, and the issuer of units in, the Lodestar Australian Strategic Share Fund ARSN 125 308 634 (‘Fund’). The Product Disclosure Statement for the Fund (PDS) is available by calling the Investor Services Team on 1300 738 355 or visit www.nabinvest.com.au. Any advice in this communication has been prepared without taking account of your objectives, financial situation or needs. Because of this you should, before acting on any advice in this communication, consider whether it is appropriate to your objectives, financial situation and needs. You should obtain a Product Disclosure Statement or other disclosure documents relating to the Fund issued by NMIL and consider it before making any decision about whether to acquire or continue to hold the product. An investment in the Fund does not represent a deposit with or a liability of National Australia Bank Limited nor any of its related bodies corporate and is subject to investment risk including possible delays in repayment and loss of income and capital invested. None of National Australia Bank Limited, NMIL or other member companies in the National Australia Group of companies guarantees the capital value, payment of income or performance of the Fund. Neither the National Australia Bank Limited, NMIL or other member companies in the National Australia Group is in any way responsible for and does not guarantee the quality or accuracy of any Third Party Information. To the maximum extent permitted by law, neither National Australia Bank Limited, NMIL or other member companies in the National Australia Group will be liable to any party in contract, tort (including for negligence) or otherwise for any loss or damage arising either directly or indirectly from reliance on, the use of or inability to use any Third Party information or Third Party Web Sites. All information is correct as at December 2010.

74486M1110