

Part 2A of Form ADV: *Firm Brochure*

CALEDONIA (PRIVATE) INVESTMENTS PTY LTD

Level 7, Gold Fields House
1 Alfred Street
Sydney, NSW 2000
Australia

Telephone: +64 2 9255 7600
Facsimile: +64 2 9255 7610
E-mail: bstanton@caledonia.com.au
Web Address: www.caledonia.com.au

04/02/2014

This brochure provides information about the qualifications and business practices of Caledonia (Private) Investments Pty Ltd (hereinafter “Caledonia” or “the firm,” “us” or “we”). If you have any questions about the contents of this brochure, please contact us at +64 2 9255 7600 or at bstanton@caledonia.com.au. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Caledonia is a registered investment adviser. Reference made to the firm as “registered” does not imply any particular level of skill or training.

Additional information about Caledonia is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Caledonia is 161331.

Item 2 MATERIAL CHANGES

This brochure is our initial Form ADV Part 2A submitted with our application for registration with the U.S. Securities and Exchange Commission's ("SEC"); as a result, there are no material changes to report.

If we make any material changes to this brochure, this section will be revised to include a summary of such changes.

Item 3. Table of Contents

Item	Section	Page Number
1	Cover Page	1
2	Material Changes	2
3.	Table of Contents	3
4.	Advisory Business	4
5.	Fees and Compensation	6
6.	Performance-Based Fees and Side-by-Side Management	7
7.	Types of Clients	8
8.	Methods of Analysis, Investment Strategies and Risk of Loss	9
9.	Disciplinary Information	11
10.	Other Financial Industry Activities and Affiliations	11
11.	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	11
12.	Brokerage Practices	13
13.	Review of Accounts	14
14.	Client Referrals and Other Compensation	15
15.	Custody	15
16.	Investment Discretion	16
17.	Voting Client Securities	16
18.	Financial Information	17

Item 4. ADVISORY BUSINESS

Caledonia is an SEC-registered investment adviser with its principal place of business in Sydney Australia. Caledonia was founded in 1990. The firm's principal owners of the firm are Caledonia (Private) Holdings Pty Ltd and Caledonia Active Investments Pty Ltd. (For purposes of this Brochure, principal owners include those with at least a 25% interest in the firm).

Caledonia provides investment management services, directly or through its affiliates, to several pooled investment vehicles (hereinafter collectively, "the Funds") as well as to individually managed accounts.

Pooled Investment Vehicles

Caledonia provides investment management services, directly or through its affiliates, to the following pooled investment vehicles.

- Caledonia (Private) Investment Trust (an Australian-resident unit trust);
- Caledonia Global Investment Trust (an Australian-resident unit trust);
- Caledonia Australia Trust (an Australian-resident unit trust);
- Caledonia Small Caps Trust (an Australian-resident unit trust);
- Caledonia Resources Master Fund (a Cayman Islands exempted company);
- Caledonia Resources Fund (a feeder fund to the Caledonia Resources Master Fund formed as a Cayman Islands exempted company), and;
- Caledonia Resources Trust (a feeder fund to the Caledonia Resources Master Fund formed as an Australian-resident unit trust hereinafter referred to collectively with the Caledonia Resources Fund and the Caledonia Resources Master Fund as "the Caledonia Resources Funds").

The investment objective of each of the Funds is to generate superior, risk-adjusted rates of return. We manage the Funds on a discretionary basis in accordance with the terms and conditions of each Fund's offering and organizational documents.

IMPORTANT NOTE: *Although Caledonia currently provides investment advisory services to the Funds listed above and summarized below, interests in these Funds are NOT currently offered to U.S. investors. We anticipate the formation of new funds or other investment offerings that will be made available to U.S. investors in the future. Such investment offerings may have similar or different investment strategies as the Funds described herein.*

Neither the Fund summaries provided below nor any other information included in this brochure constitutes an offer to sell or solicitation of an offer to buy any securities. Persons reviewing this brochure should not construe this as an offer to sell or solicitation of an offer to buy the securities of any of the Funds described herein. Any such offer or solicitation will be made only by means of a confidential private placement memorandum.

Caledonia (Private) Investment Trust. In seeking the investment objective of the Caledonia (Private) Investment Trust, we will generally invest the Fund's assets on a long-short basis in equities listed on the Australian Stock Exchange (ASX) and recognized international stock exchanges. We may also make opportunistic investments in unlisted

equities, though such investments will typically not be more than 5% of the Fund's total portfolio. Our portfolio approach is one of high conviction whereby we focus on deeply researched themes that we identify as offering potentially outstanding investment opportunities. Consequently, the portfolio is highly concentrated and will ideally consist of not more than 20 core positions.

Caledonia Global Investment Trust. The Caledonia Global Investment Trust will generally invest the Fund's assets on a long-short basis in equities listed on the Australian Stock Exchange (ASX) and recognized international stock exchanges. We may also make opportunistic investments in unlisted equities, though such investments will typically not be more than 5% of the Fund's total portfolio. Our portfolio approach is one of high conviction whereby we focus on deeply researched themes that we identify as offering potentially outstanding investment opportunities. Consequently, the portfolio is highly concentrated and will ideally consist of not more than 20 core positions.

Caledonia Australia Trust. In seeking the investment objective of the Caledonia Australia Trust, we will invest the Fund's assets predominantly in Australian and New Zealand investments in which the Caledonia (Private) Investment Trust is invested.

Caledonia Small Caps Trust. In seeking the investment objective of the Caledonia Small Caps Trust, we will invest the Fund's assets predominantly in smaller capitalization investments (typically, a smaller capitalization company is one that is not a top 100 company listed on an exchange by market capitalization) in which the Caledonia Global Investment Trust is invested.

Caledonia Resources Funds. The Caledonia Resources Master Fund is the master fund in a master feeder structure, with Caledonia Resources Fund and Caledonia Resources Trust as its feeders. As such, investment activity of the feeder fund takes place indirectly through an investment of substantially all of the feeder fund's assets in the master fund.

In seeking the investment objective of the Caledonia Resources Funds, we will primarily invest the master fund's assets, both long and short, in equities of companies in the global resources sector and related instruments. This sector consists of companies involved in the exploration, development, extraction, processing and transportation of natural resources including oil and gas, base and precious metals, bulk commodities, gemstones, industrial minerals, forestry and pulp and renewable resources. It also includes companies which primarily provide services to the resources industry.

The information provided above merely summarizes the detailed information provided in the appropriate fund offering and organizational documents. Prospective investors in any one or more of the Funds described in this brochure should be aware of additional risks and requirements associated with any fund investment. Prospective investors should refer to the appropriate fund offering and organizational documents for important additional information and considerations.

Individually Managed Account Services

Caledonia also offers investment management services to the separate accounts of institutional or high net worth individual clients under an Individually Managed Account ("IMA") agreement. As appropriate to the needs of the client, Caledonia will construct a

portfolio generally modeled after one or more of the Funds. Caledonia will manage these accounts on a discretionary basis only. Through discussions with the client or the client's representative in which the client's goals and objectives are established, Caledonia will determine which investment strategy (or combination of strategies) to apply at the outset between Caledonia and the client. Clients will have the opportunity to place reasonable restrictions on the types of investments to be made in their portfolio or geographic regions where investments will be made. Instead of pooling assets together in a unit trust, IMA client assets are held on a direct basis with an unaffiliated custodian. Clients will retain an undivided, individual ownership of all account securities.

In order to ensure that Caledonia's initial determination of an appropriate investment plan continues to be suitable and that the client's account continues to be managed in a manner fitting to the client's financial circumstances, Caledonia requests that IMA clients keep Caledonia abreast of any changes to his/her financial circumstances.

Assets: As of March 24, 2014, we were managing \$1,869,200,000 of client assets on a discretionary basis. Caledonia does not manage any U.S. assets on a non-discretionary basis.

Item 5. FEES AND COMPENSATION

For our services to the Funds and to IMA clients, or the services of our affiliates, as applicable and as set forth above, we or our affiliate will charge a management fee ("Management Fee") and a performance-based fee ("Performance Fee") as described below.

MANAGEMENT FEE: In general, Caledonia will receive an annual Management Fee equal to 1.5% of each investor's capital account, or, in the case of an IMA client, 1.5% of the client's managed portfolio, before the deduction of the Management Fee or any Performance Fee accrued in the relevant period. The Management Fee will generally be calculated and payable monthly, in arrears, as of the first day of each month.

PERFORMANCE FEE: With respect to Caledonia (Private) Investment Trust, Caledonia Global Investment Trust, Caledonia Australia Trust, Caledonia Small Caps Trust, and any IMA client whose portfolio is managed according to the same or similar strategy, Caledonia is entitled to an annual Performance Fee equal to 10% of the increase in the net asset value or, in the case of Individually Managed Accounts, the increase in the value of the account after adjusting for further investments, withdrawals, distributions and Management Fees, subject to a "high water mark." For these purposes, the high water mark is the highest, previous year-end value of the account (after any distributions). This Performance Fee is calculated annually, in arrears, as of the applicable Fund's fiscal year end and as agreed with each IMA client.

With respect to Caledonia Resources Funds, Caledonia is entitled to a semi-annual Performance Fee equal to 15% of the increase in the net asset value subject to a "high water mark." For these purposes, the high water mark is the greater of the net asset value per participating share of the relevant series at the time of issue of that participating share and the highest net asset value per participating share of the relevant series achieved as of the end of any previous Calculation Period (described below) during which such participating share was in issue. For Caledonia Resources Funds, the Performance Fee will be

calculated in respect of each period of six months ending on June 30 and December 31 each year ("the Calculation Period").

Fees for the Caledonia Resources Funds are calculated and payable at the feeder fund level.

General Information

Personal Investments in Funds: Certain executive officers and/or other employees of Caledonia have invested or may invest a portion of their personal net worth in one or more of the Funds.

Different Fee Schedules: The Management Fee and Performance Fee may be waived, reduced or calculated differently with respect to Caledonia's affiliates, members or employees or any particular investor at our discretion.

Payment of Fees. Fees and compensation paid or allocated to Caledonia or its affiliates by the Funds and other clients are generally directly debited from the assets of such clients.

Termination: An investor may withdraw all or any part of its investment from any of the Funds as set forth in the applicable Fund's offering documents.

Investors in one or more of the Funds should refer to the appropriate Fund's private placement memorandum and offering documents for complete information regarding withdrawals of investments. Individually Managed Account clients may withdraw all or any part of its investment from its Account as set forth in the investor's Investment Management Agreement. Generally, no fixed notice period applies and the Manager will endeavor to expedite the investor's request.

Other Fees and Expenses: Except as set forth in the applicable private placement memorandum, each Fund bears its own expenses, including, but not limited to, all transactional costs including brokerage (See Item 12 of this Brochure), banking, sales and purchase commissions and charges and exchange fees, fees and charges of custodians and clearing agencies, fees of the Fund's legal advisers and the auditors, and, with respect to Caledonia Resources Funds, maintenance of a registered office in the Cayman Islands, registration as a mutual fund with the Cayman Islands Monetary Authority, the costs of printing and distributing any offering materials and any reports and notices to Shareholders and Director's fees and expenses.

The Funds may invest their excess funds in short term investments, including Government securities, commercial paper, certificates of deposit and bankers' acceptances.

Item 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As disclosed in Item 5 of this Brochure, Caledonia accepts an annual or semi-annual performance-based fee, as applicable, from the Funds and IMA clients.

Side-by-side management refers to multiple client relationships where an adviser manages more than one advisory client relationship or portfolio on a simultaneous basis. Potential conflicts of interest may arise under such side-by-side management including incentives to

favor certain clients over others or proprietary accounts over client accounts. Since we endeavor to treat all clients fairly at all times and to put the interest of our clients first as part of our fiduciary duty as a registered investment adviser, we take the following steps to address any potential conflicts of interest:

- We disclose to clients and investors the existence of any material conflicts of interest;
- As a matter of policy, we will allocate all investment opportunities among our clients in a fair and equitable manner. Among the factors that may be considered when allocating trades are: investment policies, guidelines or restrictions applicable to each client; tax considerations; actual and targeted cash availability; liquidity requirements for payment of redemptions or other purposes; risk tolerances; restrictions imposed under applicable laws or regulations; counterparty arrangements; account size; industry and security weightings and concentrations; and hedging objectives and activity;
- We frequently compare holdings and performance of all accounts with similar strategies to identify any significant performance disparities and underlying causes, and;
- We educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients and equitable treatment of all clients.

Performance-based fees will only be charged in accordance with the provisions of Rule 205-3 of the Investment Advisers Act of 1940.

Clients and fund investors must understand the performance-based fee method of compensation and its risks prior to subscribing to interests in any of the Funds.

Item 7. TYPES OF CLIENTS

Our firm provides portfolio management services to the private investment funds set forth at Item 4 of this Brochure and to the separate accounts of high net worth individuals, pooled investment vehicles, pension and profit sharing plans, trusts, estates, charitable organizations, and corporations or other business entities.

Except as permitted by us in our sole discretion, in accordance with the appropriate Fund's subscription documentation, the minimum required initial investment for Caledonia (Private) Investment Trust, Caledonia Global Investment Trust, Caledonia Australia Trust and Caledonia Small Caps Trust is \$500,000. . With respect to Caledonia Resources Funds, the minimum required initial investment is \$250,000.

A minimum initial account size of \$10 million will generally be required of IMA clients. This account size may be negotiable under certain circumstances.

Depending on the exemptions relied upon by the Funds, as applicable, investors may be required to meet certain qualification requirements prior to investment. For example, investors may be required to be "accredited investors" as defined for purposes of Regulation

D under the Securities Act of 1933 and/or “qualified purchasers” for purposes of Section 3c-7 of the Investment Company Act.

Prospective investors should refer to the appropriate Fund offering documents for additional important qualifications requirements for investment.

Item 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is under priced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Quantitative analysis: We may use mathematical models in an attempt to obtain more accurate measurements of a company’s quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

Qualitative analysis: We may also subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

Risks for All Forms of Securities Analysis: Our securities analysis method relies on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

The following investment strategies may be used when managing client portfolios.

Long-term purchases: We purchase securities with the idea of holding them in the client’s account for a year or longer. We may do this because we believe the securities to be currently undervalued. We may do this because we want exposure to a particular asset class over time.

A risk in a long-term purchase is that, by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline in value before we make the decision to sell.

Short-term purchases: We may purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A risk in a short-term purchase is that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Short-sales: We may sell short securities in companies that we perceive are overvalued. We do this in an attempt to take advantage of a perceived weakness in the company's underlying business, or in adverse trends in the sector in which it operates, by buying back the shares in the future at a consequently lower price to close out the short position.

The main risk in a short-selling strategy is that the expected future decline in the share price does not eventuate and the shares must be bought-back at a loss.

Use of Leverage: Securities held by the Funds or other clients may be pledged in order to borrow additional funds for investment purposes. The amount of borrowings which the Funds may have outstanding at any time is generally a minor component of the portfolio. Securities held in the portfolio are available as security for entering into hedging transactions.

Derivatives: Derivatives, such as options, futures and swaps may also be utilized, for example, to manage risk (such as hedging currency exposure) or to gain exposure to investments. Derivative risks may include the value of the derivative failing to move in line with that of the underlying asset, potential illiquidity of the derivative and counterparty risk where the counterparty to the derivative contract fails to meet its obligations under the contract. In addition, should a counterparty default on its obligations, the Funds or other clients could be subjected to substantial losses because they would still be required to fulfill their obligations on any transactions which were to have substantially offset other contracts.

Option Writing: From time to time as we deem appropriate, and in accordance with the investment mandate for the Funds, we may also use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

We will use options to take advantage of the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option to limit the potential upside and downside of a security we have purchased for your portfolio.

Foreign Investing: Investments are made on behalf of the Funds and other clients on markets located in many jurisdictions around the world with different tax regimes. Risks involved with foreign investments include foreign exchange risk and taxation. Foreign exchange risk is the risk that the Funds and separate account clients are exposed to as a result of any unhedged investments that are denominated in foreign currencies. Returns to investors in their base currency are affected by changes in foreign exchange rates. Negative base currency returns are possible even if foreign investments appreciate in value in their local currency. In addition, the Funds and other clients may be subject to withholding or other taxation, which may impact returns.

Risks in General: Securities investments are not guaranteed and you may lose money on your investments. Investors or prospective investors should carefully review the Private Placement Memorandum for any Caledonia Fund under consideration for investment for a detailed explanation of many of the risks associated with investment.

Item 9. DISCIPLINARY INFORMATION

Neither our firm nor our management personnel have any reportable disciplinary events to disclose.

Item 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Caledonia is related through common directors to Alfred Street Nominees Pty Limited, the trustee of Caledonia (Private) Investment Trust, Caledonia Global Investment Trust, Caledonia Australia Trust, Caledonia Small Caps Trust and Caledonia Resources Trust.

Alfred Street Nominees Pty Limited ("Alfred Street Nominees") serves as trustee to each of the Funds. While there is no common ownership on a direct basis among Caledonia and Alfred Street Nominees, certain of the direct owners of Alfred Street Nominees indirectly own a majority of the voting shares of Caledonia through closely held corporations or personal or family trusts. In addition, Bernard Stanton, Chief Executive Officer and Chief Compliance Officer of Caledonia, also serves as the Chairman of the Board for Alfred Street Nominees, while Mark Nelson, Executive Chairman of Caledonia, and James Vicars, Chief Investment Officer of Caledonia are each directors for Alfred Street Nominees, among others. None of the board of directors to Alfred Street Nominees receives separate compensation for their service.

Item 11. CODE OF ETHICS, PARTICIPATION IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Caledonia and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities

transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Caledonia's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to bstanton@caledonia.com.au or by calling us at +64 2 9255 7600.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

Caledonia and individuals associated with our firm are prohibited from engaging in principal transactions except as permitted by the Investment Advisers Act of 1940 ("Advisers Act"). A principal transaction occurs when our firm or individuals associated with our firm may buy securities for the firm or for themselves from our advisory clients; or sell securities owned by the firm or the individual(s) to our advisory clients. The Advisers Act makes it unlawful for any investment adviser, directly or indirectly, acting as principal for its own account, to knowingly sell any security to, or purchase any security from, a client without disclosing to the client in writing the capacity in which the adviser is acting and obtaining the client's consent to the transaction. This rule may apply to certain transactions involving accounts in which investment advisers have interests, such as private fund investments by the firm's owners, principals, or employees. The SEC has indicated that when an investment adviser and/or its controlling persons own more than 25% of a fund's outstanding securities, it would be effectively treated as a principal transaction if such an account were to engage in a trade with another client account or fund.

Caledonia has adopted specific policies and procedures for monitoring the level of proprietary ownership in each fund it manages and for obtaining the requisite consent before engaging in a transaction that would be considered a principal transaction under applicable SEC interpretations.

Caledonia and individuals associated with our firm are also prohibited from engaging in agency cross transactions. An agency cross transaction occurs where our firm acts as an investment adviser in relation to a transaction in which any person controlled by or under

common control with our firm, acts as broker for both the advisory client and for another person on the other side of the transaction.

Item 12. BROKERAGE PRACTICES

Caledonia requires that each client provide the firm with written authority to determine which broker dealer to use for client transactions and the commission costs that will be charged to the client for these transactions. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as desired. Such amendments shall be submitted in writing.

As investment manager to the Funds, Caledonia is granted the discretionary authority in the relevant organizational documents and/or agreements to determine which securities and the amounts of securities that are to be bought or sold as well as the broker dealer to use for client transactions and the commission costs that will be charged to the Funds for these transactions.

Caledonia will endeavor to select those brokers or dealers that will provide the best execution services under the circumstances at competitive commission rates and costs. Subject to the requirement to obtain best execution of brokerage transactions, transactions for clients may be allocated to brokers on the basis of and in consideration of such broker's provision or payment of the costs of investment research and analysis generated by the broker or by third-parties in connection with client securities transactions, and other services and products (sometimes referred to collectively as "soft dollar" services and products) that are of benefit to clients, including the Funds. To the extent that such research, services and products need not be produced or paid for by Caledonia, this constitutes a benefit to Caledonia. .

Accordingly, the commission rates charged by brokers in the foregoing circumstances may be higher than those charged by other brokers who may not offer such services. Caledonia may therefore use a broker who provides soft dollar services and products even though a higher or lower commission may be charged by a broker who does not offer the same level of products and services. Research services may be useful in servicing all of Caledonia's clients, including the Funds, and not all of such research may be useful for the client for which the particular transaction was effected.

With respect to brokerage decisions, as part of a broker's ability to provide "best execution," Caledonia may consider the value of "research" or additional brokerage products and services a broker-dealer has provided or may be willing to provide. This is known as paying for such services or products with "soft dollars." Because many of the products or services could be considered to provide a benefit to Caledonia and, because the "soft dollars" used to acquire them are client assets, Caledonia potentially has a conflict of interest in allocating client brokerage business; that is, it could receive valuable benefits by selecting a particular broker over another to execute transactions for clients, including the Funds, even though the commission (or other transaction compensation) charged by that broker might not be the lowest Caledonia might otherwise be able to negotiate.

Caledonia's use of soft dollars is intended to comply with the requirements of Section 28(e) of the Securities Exchange Act of 1934. Section 28(e) provides a "safeharbor" for investment managers who use commissions or transaction fees paid by their advised

accounts to obtain investment research services that provide lawful and appropriate assistance to the manager in performing investment decision-making responsibilities. As required by Section 28(e), Caledonia will make a good faith determination that the amount of commissions or other fees paid is reasonable in relation to the value of the brokerage and research services provided. That is, before placing orders with a particular broker, Caledonia generally determines, considering all the factors described below, that the compensation paid to the broker dealer is reasonable in relation to the value of all the brokerage and research products and services provided. In making this determination, the firm typically considers not only the particular transaction or transactions, and not only the value of brokerage and research services and products to a particular client, but also the value of those services and products in Caledonia's performance of its overall responsibilities to all of its clients. In some cases, the commissions or other transaction fees charged by the selected broker for a particular transaction or set of transactions may be lower or greater than the amounts another broker-dealer who did not provide research services or products might charge.

"Research" products and services Caledonia may receive may include economic surveys, data and analysis; financial publications; recommendations or other information about particular companies and industries (through research reports and otherwise); and other products or services (e.g., computer services, software and data bases) that provide lawful and appropriate assistance to the firm in the performance of its investment decision-making responsibilities. Consistent with Section 28(e), brokerage products and services (beyond traditional execution services) consist primarily of computer services and software that permit Caledonia to effect securities transactions and perform functions incidental to transaction execution.

Trade Aggregation

Caledonia will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts. Block trading may permit equity trades to be executed in a timelier and more equitable manner while allowing Caledonia to obtain an average share price for clients participating in the block.

Trade Error Policy

While Caledonia endeavors at all times to enter trades correctly, errors may sometimes occur. It is the firm's policy and practice to seek to identify and correct trade errors promptly without disadvantaging the client in any way. Should we discover a trade error attributable to the action or inaction of Caledonia or its staff, it is the firm's policy to correct the error so as to place the client in as good a position as he/she would have been in had the error not occurred. Should correction of a trade error result in any profit, all such profits are retained by the applicable client(s).

Item 13. REVIEW OF ACCOUNTS

Caledonia continuously monitors the underlying investments in the Funds and separately managed client accounts and reviews these positions on a daily basis. Fund positions will be reviewed in the overall context of the Fund's investment objectives and guidelines as well as geopolitical and macroeconomic events. IMA's are reviewed in the context of the client's

stated objectives and financial circumstances as well as geopolitical and macroeconomic events. All reviews are conducted by the Chief Investment Officer, the Deputy Chief Investment Officer, The Chief Executive Officer and the Chief Financial Officer.

Fund investors will receive unaudited monthly performance reports in accordance with the agreements and offering documents of the particular Fund or as otherwise separately agreed. Each Fund's investors will also receive, as soon as practicable after the end of each taxable year (or as otherwise required by law), annual reports containing financial statements audited by the Fund's independent auditors as well as such tax information as is necessary for each investor to complete federal and state income tax or information returns, along with any other tax information required by law.

Each IMA client will receive unaudited monthly performance reports from Caledonia in accordance with the client's Investment Management Agreement and offering document of the particular Account or as otherwise separately agreed. Each IMA client will also receive, as soon as practicable after the end of each taxable year (or as otherwise required by law), annual reports containing financial statements audited by the Account's independent auditor as well as such tax information as is necessary for each investor to complete federal and state income tax or information returns, along with any other tax information required by law.

Item 14. CLIENT REFERRALS AND OTHER COMPENSATION

Other than as already disclosed at Item 10 of this Brochure, neither Caledonia, nor any officer, director or employee of the firm, receives compensation from third parties in connection with providing investment advice to its clients.

Caledonia has not entered into arrangements to compensate any third-party solicitor, placement agents and/or others, for referring prospective clients or investors to the firm. . We reserve the right to enter into arrangements in the future to compensate certain third-party placement agents and/or others for referring prospective clients to us. Although common, such referral arrangements do create a potential conflict of interest because, in theory, the referrer may be motivated, at least partially, by financial gain and not because the Funds or Individually Managed Accounts are the most suitable to the prospective investor's needs. To address this potential conflict of interest, all referred investors would be carefully screened to ensure that the particular Fund or Individually Managed Account is suitable to the prospective investor's investment needs, objectives and risk tolerance before any subscription is accepted.

Item 15. CUSTODY

As previously disclosed at Item 5 of this Brochure, our firm directly debits advisory fees from client accounts. As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. Any U.S. based client to engage Caledonia will receive a statement at least quarterly (typically monthly) from their account custodian. This statement should reflect all withdrawals and other transactions that have taken place in the account, included fee deductions. Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in the calculation of their fees as

reflected on their statement.

In addition to account statements received directly from the account custodian, as agreed, certain IMA clients will also receive unaudited monthly performance reports from Caledonia. *We urge our clients to carefully compare the information provided on these performance reports with the statements received from the account custodian to ensure that all account transactions, holdings and values are correct.*

Finally, because we act as investment adviser to the Funds and have an affiliated party that acts as trustee, we would typically be deemed to have custody of client assets under the provisions of SEC Rule 206(4)-2, the custody rule. However, pursuant to SEC interpretations, as set forth in the “*SEC Staff Response to Questions About the Custody Rule*,” Question VI.5 and *SEC Staff Letter to the ABA, Subcommittee on Private Investment Entities*, issued August 10, 2006, offshore advisers registered with the SEC are not subject to the Custody Rule with respect to offshore funds. Each of the Funds is an offshore fund and is not offered to U.S. investors. Nevertheless, as would be required under the custody rule if applicable, each of the Funds is subject to an annual audit by an independent public accountant and we seek to send the audited financials to each Fund investor within 120 days of the Funds’ fiscal year end. As applicable depending on the roles of Caledonia or its affiliates, we will similarly seek to comply with the requirements of the custody rule with respect to any new pooled investment vehicle for which it serves as investment manager and that is offered to U.S. investors.

Item 16. INVESTMENT DISCRETION

As investment adviser to the Funds, Caledonia is granted the discretionary authority in the relevant organizational documents and/or advisory agreements to determine which securities and the amounts of securities that are bought or sold for the Funds.

Caledonia generally requires that IMA clients provide Caledonia with written authorization to determine which securities and the amounts of securities that are bought or sold. Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17. VOTING CLIENT SECURITIES

As applicable, Caledonia is granted the authority and responsibility in relevant Fund organizational documents and/or client advisory agreements to vote proxies solicited by the issuers of securities held in client accounts. We have adopted written policies and procedures governing the voting of such proxies. According to our policies, Caledonia will vote proxies in the best interest of our clients, typically with the goal of maximizing value for clients. To that end, Caledonia endeavors to vote proxies in the manner that it determines in good faith to be most likely to cause clients’ investments to increase the most or decline the least in value. Consideration is given to both the short- and long-term implications of the proposal being voted on.

In the event of any actual or potential conflicts of interests in the voting of any client proxies, Caledonia will make appropriate disclosures to clients and either request that the client vote the proxy(s), if possible, or abstain from voting or vote the client proxies.

Information regarding the voting of a client's proxies is available to a client upon written request. A Fund, acting through its Trustee, may contact Caledonia to obtain information on how the firm voted particular proxies for the applicable Fund or to request a copy of these policies and procedures. Caledonia's complete proxy voting policy is also available for clients and investors to review upon request to the Chief Compliance Officer via email at bastian@caledonia.com.au or by phone at +64 2 9255 7600.

Item 18. FINANCIAL INFORMATION

Under no circumstances will we earn fees in excess of \$1,200 more than six months in advance of services rendered.

As an advisory firm that both has investment discretion and is deemed to have custody of certain client accounts (see Item 15 of this Brochure for additional information), we are required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. We have no adverse financial circumstances to report.

Caledonia has not been the subject of a bankruptcy petition at any time during the past ten years.