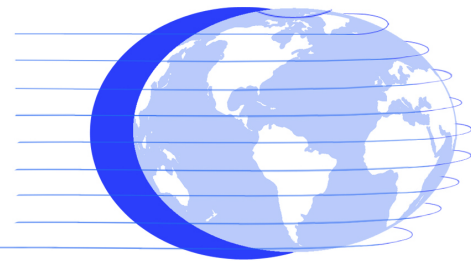


# SOCRATES

## FUND MANAGEMENT

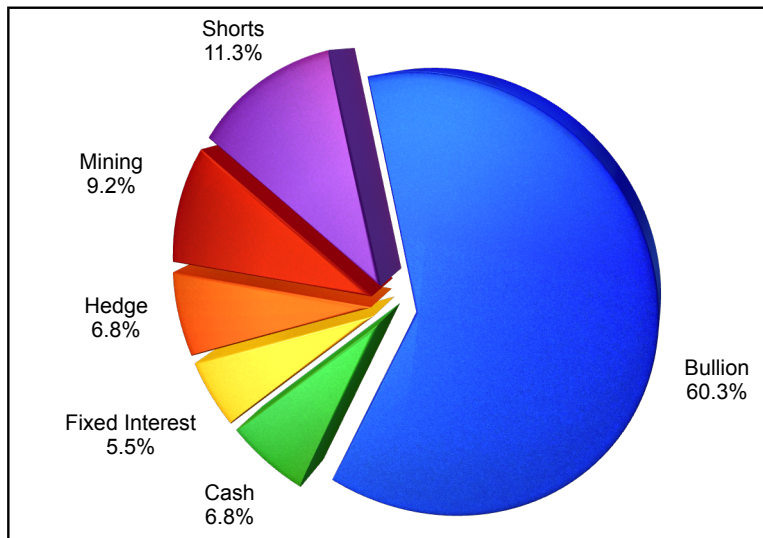
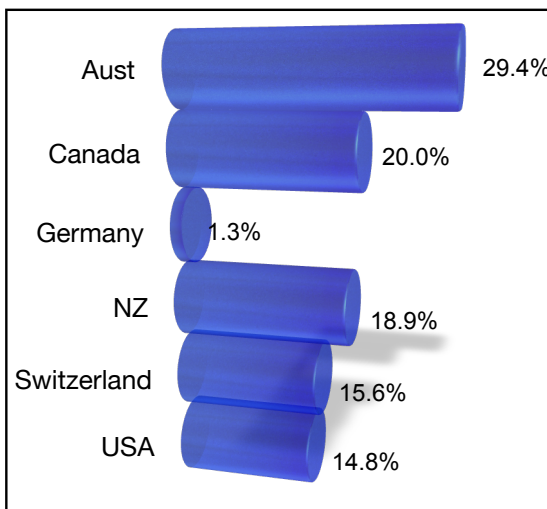


*Looking Back towards a Bright Future*

### 21st Century Renaissance Gold & Metals Unit Trust

Fund	Gold & Metals
Size (net)	\$3,829,774.80
Fund Manager	Socrates Fund Management
Fund Administrator	MMC
Portfolio Manager	Charles Drace
Fund Type	P.I.E. Unit Trust
Investment Strategy	50/50 Bullion & Diversified Mining
Investment Geographic	International
Minimum Investment	\$5,000; \$200 Month
Management Fees	1.25%
Performance Fees	NIL
Entry Fees	2%
Investments	Monthly
Redemptions	Monthly; notify by the 15th

Performance to August 31st 2010 After Fees and Taxes	
Month to Date	7.67%
Quarter to date	-2.12%
Year to Date	6.11%
12 Month Return	-0.89%
3 Year Return	-24.35%
Since Inception	-7.03% (Annualised)



Ten Largest Positions held in the Fund	
ETFS Physical Gold- Redeem Pref	PureCapital
ETFS Physical Silver	Equitable
Sprott Physical Gold Trust	ZKB Gold ETF Units
Central Fund of Canada Ltd	ETFS Gold Trust Physical Swiss Gold
ZKB Gold ETF Units USD	Craigs Cash

Monthly Unit Prices	
August 2010	\$0.7470
July 2010	\$0.6938
June 2010	\$0.7632
May 2010	\$0.7680
April 2010	\$0.7148
March 2010	\$0.7040
February 2010	\$0.7329
January 2010	\$0.7462
December 2009	\$0.7434
November 2009	\$0.8195
October 2009	\$0.7515
September 2009	\$0.7428

With the price of gold going up 5% you would expect the Gold & Metals Unit Trust to have a good August, and it did. Silver was also up 4.5% for August. We also benefited from our short positions in equity markets. We maintain short equity positions in the Gold & Metals fund because when share markets go down dramatically they often take miners with them and we need to protect investors from that dynamic.

As we expect further share market falls before the end of the year we're maintaining that strategy. It is interesting to note that gold reached it's highest EVER close yesterday [Sept 16] when it closed at \$1273. We'd be very surprised if it doesn't leave \$1300 well behind it by the end of the year.

The only changes to the Gold & Metals portfolio in August were to close down the temporary gold short position that we put in for protection when gold was going down in July and to add a small amount of a commodities index to catch the uptick in industrial metals without taking the risk of buying individual companies which might be at risk of the continuing market weakness.