

Fund	<b>Gold and Metals</b>	Investment Geographic	<b>International</b>
Size (net)	<b>\$3,866,633.15</b>	Minimum Investment	<b>\$5,000; \$200 Month</b>
Fund Manager	<b>Socrates Fund Management</b>	Management Fees	<b>1.25%</b>
Fund Administrator	<b>MMC</b>	Performance Fees	<b>NIL</b>
Portfolio Manager	<b>Charles Drace</b>	Entry Fees	<b>2%</b>
Fund Type	<b>P.I.E. Unit Trust</b>	Investments	<b>Monthly</b>
Investment Strategy	<b>50/50 Bullion &amp; Diversified Mining</b>	Redemptions	<b>Monthly; notify by the 15th</b>

A 6.45% return for the month of February was very pleasing, more so because all of our strategies played out well. Also pleasing is the 5.81% return for the 12 months to 28 February, a year in which markets have been very difficult and volatile and precious metals have gone up in US dollar terms but not in New Zealand dollar terms.

We added a small miner [Focus Metals] to the portfolio during the month. We also added some speculative positions in gold and silver to capture the market's enthusiasm for precious metals towards the end of the month. Last week we took profits on those positions.

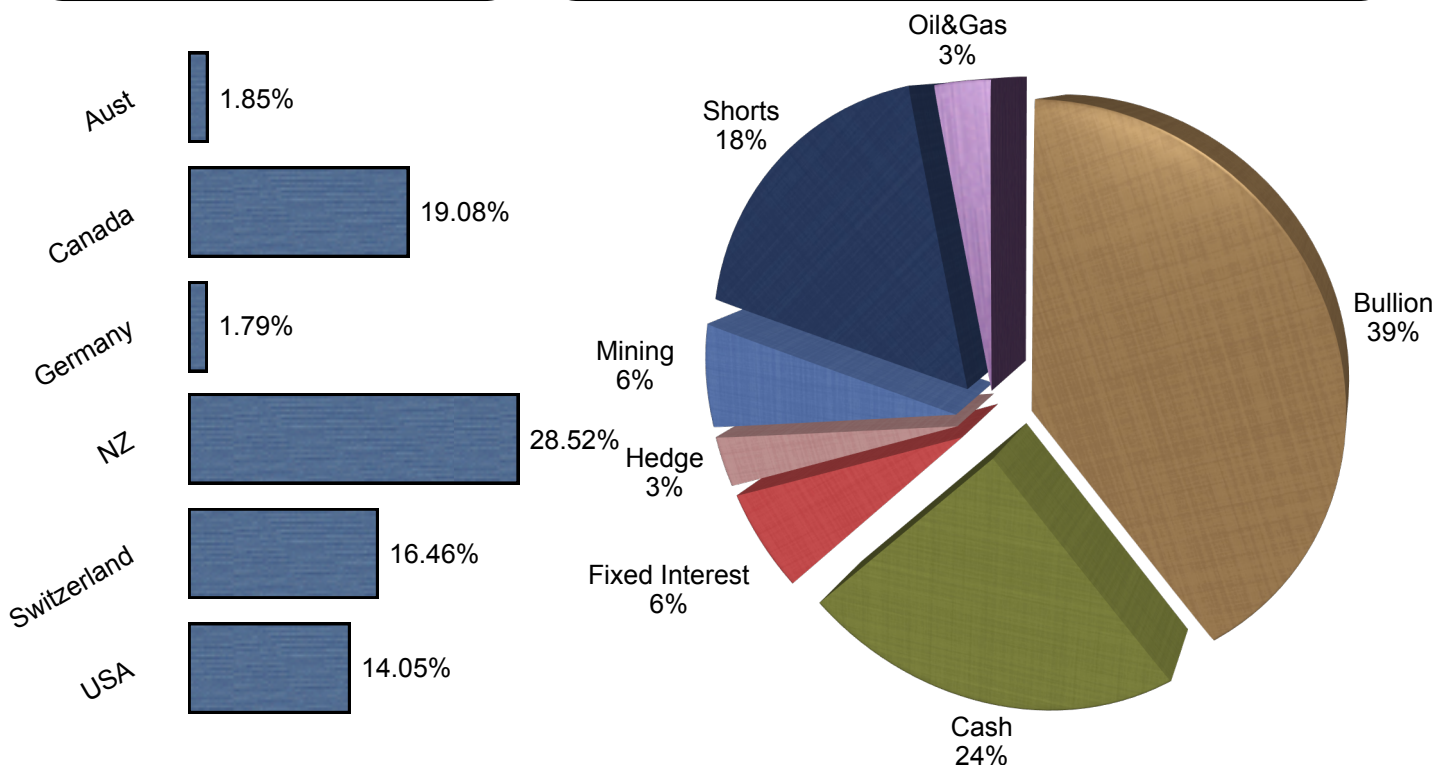
We expect more volatility and turmoil in the next few months but most analysts are predicting higher gold and silver prices throughout the rest of 2011 and that suits us perfectly.

**Performance to February 28th 2011**  
*After Fees and Taxes*

Month to Date	<b>6.45%</b>
Quarter to date	<b>-0.08%</b>
Year to Date	<b>10.16%</b>
12 Month Return	<b>-1.14%</b>
3 Year Return	<b>-32.35%</b>
Since Inception (Annualised)	<b>-5.49%</b>

**Ten Largest Positions held in the fund**

Craigs Cash	ProShares Short QQQ ETF
Sprott Physical Gold Trust	Central Fund of Canada Ltd
ZKB Silver ETF Units (CHF)	ZKB Gold ETF (USD) Units
ZKB Gold ETF (USD) Units	ZKB Gold ETF Units
Equitable	TFS Gold Trust Physical Swiss Gold



Feb 2011	Jan 2011	Dec 2010	Nov 2010	Oct 2010	Sep 2010	Aug 2010	Jul 2010	Jun 2010	May 2010	Apr 2010	Mar 2010
\$0.7755	\$0.7285	\$0.7761	\$0.7817	\$0.7332	\$0.7380	\$0.8094	\$0.6938	\$0.7632	\$0.7680	\$0.7148	\$0.7040