

Investment Strategy

For

**PREMIUM SUPERANNUATION
FUND**

As at

1st June 2009

MEMBERS & TRUSTEES

Trustee 1

Tony Maxwell Sluggett
Pamela Moreen Sluggett

Member 1

Tony Maxwell Sluggett

Member 2

Pamela Moreen Sluggett

FUND OBJECTIVES

The primary objective of the Premium Superannuation Fund is the provision of benefits for each member of the Fund on or after retirement. The Trustees have a responsibility to balance the needs of all members. Those needs will be dependent on time to retirement, value of funds invested, assets held outside the fund and personal liabilities.

The Fund will ensure all investments are made in accordance with the Trust Deed and relevant legislation.

The Fund will aim to secure member benefits through prudent investments, having regard to the whole of the circumstances of the Fund.

INVESTMENT OBJECTIVES

The trustees of the Premium Superannuation Fund have formulated the following investment objectives and strategy, in accordance with section 52(2)(f) of the Superannuation Industry (Supervision) Act 1993 (SISA) and SIS regulation 4.09 (SISR).

Short term (2 years or less)

To ensure the fund preserves its capital base.

To ensure the fund has sufficient liquidity to meet operating expenses, taxation liabilities and cash benefit payments, as and when they fall due.

Medium term (2-5 years)

To enhance the value of the members superannuation savings before retirement via additional contributions and effective asset allocation.

To maximise tax effective returns by the use of imputation credits from a range of Australian based equities.

The Funds objective is to maximise returns by achieving per annum, on average over a 5 year period:

- Cash/fixed interest: CPI plus 2%
- Property CPI plus 5%
- Australian Equities CPI plus 7%
- International Equities CPI plus 5%

To achieve long-term capital growth of at least 3% per annum above the rate of inflation

INVESTMENT STRATEGY

The investment strategy is the method chosen by the trustees in order to achieve these investment objectives.

The investment strategy of the fund comprises of the following asset allocations:

Portfolio	Range	Benchmark %
Cash/Fixed Interest	0 - 35%	10%
Property (direct or indirect)	0 - 40%	15%
Domestic Shares	45 - 85%	75%
International Shares	0 - 20%	0%

These ranges are purely indicative and the trustees may vary the allocations at any time if satisfied that the current market conditions or the fund's circumstances warrant such a change. If the trustees wish to invest outside these parameters, the investment strategy of the fund must be revised in writing and all decisions minuted.

Caution: It is noted that any breaches of the fund's investment strategy may result in the trustees being fined or sued for loss or damages. The fund could also lose its complying fund status.

In arriving at this investment strategy, the trustees considered:

- The risk and return of the investments;
- Diversification of investments;
- Liquidity and cash-flow requirements; and
- Ability of the fund to discharge its liabilities.

INVESTMENT POLICIES

No investment is permitted in venture capital or private companies or other specialised assets with limited markets.

Investments in specific derivatives, including options, exchange traded options (covered calls and sold puts) and unlisted and listed hedge funds, will form part of the Premium Superannuation Fund investment strategy.

As the fund will invest in options positions that result in the ACH holding a charge over the funds assets. The attached Derivatives Risk Statement should be read in conjunction with this document

The Trustees may invest in any of the following:-

- Cash
- Derivatives as listed above
- Australian Equities listed on the ASX
- Fixed Term Deposits
- Listed (ASX) Property Trusts
- Other Listed (ASX) Trusts
- Direct Property (Residential &/or Commercial)
- Listed (ASX) Managed Funds
- Fixed Interest Securities

- Other investments as approved by the relevant legislation for Superannuation Funds and for Allocated pension Funds, not otherwise excluded in this strategy

ON-GOING REVIEW

The trustees of the Premium Superannuation Fund will continue to monitor the investment performance of the fund's assets, which will be measured by individual asset classes against suitable indicators, such as the ASX Ordinary Accumulation Index for shares (see list below).

The review of the performance is to be carried out annually. The review will consider in particular the rolling 3 and 5 year results.

If the performance of the investments has failed in meeting the investment objectives over a reporting period, then the investment strategy of the fund needs to be reviewed by the trustees of the Premium Superannuation Fund as soon as practical.

BENCHMARKS

Fund Investments	Benchmark
Australian Shares	S&P/ASX200
Australian Fixed Interest	Commonwealth Bank All Maturities Bond Index
International Shares	MSCI (Morgan Stanley Capital Index)
US Shares	S&P 500 Index (Standard & Poor's)
Direct Property	Sedgwick Noble Lowndes Property Index
Listed Property Trusts	ASX Property Trust Index
Unlisted Property Trusts	As Decided by trustees

held at: Section 183, Hundred of Wiltunga DC Barunga West SA 5560

Present: Tony Maxwell Sluggett and Pamela Moreen Sluggett

General Business:

The investment strategy for the Premium Superannuation Fund was established to reflect the trustees desire to invest in derivatives, specifically relating to Exchange Trade Options (ETO's

The trustee indicated that the investment strategy was appropriate, taking into account risk, return, diversification, liquidity, investment objectives and the ability of the fund to discharge its liabilities.

This view was supported by their investment advisors.

Resolution: trustees resolved that the investment strategy be adopted.

Declaration: hereby declare that these minutes are a true and correct record.

Closure: being no further business the meeting closed.


Tony Maxwell Sluggett Date 4.16.09


Pamela Moreen Sluggett Date 4.16.09