

14 November 2012

ASX: USF
US Select Private Opportunities Fund (Fund)

Investment and NTA update at 31 October 2012

NTA update

The estimated unaudited net tangible asset value before withholding tax on unpaid distributions as at 31 October 2012 was \$1.54* per unit.

Fund update

1. Investments secured

The US Select Private Opportunities Fund, LP (**LP**) secured US\$20 million in commitments (during the month of October), which included a US\$10 million investment in KarpReilly Capital Partners II, LP and US\$10 million in Encore Consumer Capital Fund II, LP (**Encore**).

KarpReilly, LLC (**KarpReilly**) is a private investment firm founded by Allan Karp and Chris Reilly (**Principals**), whose aim is to invest in premier small to mid-size growth companies, primarily in the consumer sector. KarpReilly raised approximately US\$210 million for its second private equity fund KarpReilly Capital Partners II, LP. Importantly, the Principals committed a significant amount of personal capital to the fund, which creates a strong alignment of interest between investors and management.

Encore is being established by Encore Consumer Capital, LLC (**Encore Capital**) to raise US\$200 million in capital commitments to invest in consumer product companies. Encore targets companies that have annual revenues between US\$10 million and US\$100 million and leading positions in attractive segments within the consumer products industry. Encore Capital was established in 2006 and is led by Robert Brown, Scott Sellers and Gary Smith.

As at 31 October 2012, the Fund had secured four investments representing 57% of total commitments by the LP.

2. Capital Calls

During the month of October the Fund made its second capital call of US\$5 million to fund coming up investments and ongoing operating expenses. The Fund committed an 85.5% share (approximately US\$4.3 million), while Cordish Private Ventures and US Select Private Opportunities Fund GP, LLC, contributed the remaining amount based on their proportional share. Inclusive of this capital, the LP has now called US\$7.5 million in total, or approximately 10.78% of committed capital.

3. Drawdown

During the month of October, the LP also received a drawdown for the amount of US\$608,802 (0.9% of committed capital) by KarpReilly. These proceeds were used to acquire a new controlling interest in a branded consumer product company. Additional details about this new investment will be released once available.

For more information, contact:

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*Source: Dixon Advisory & Superannuation Services Limited – historical performance is not a guarantee of the future performance of the Fund

The US Select Private Opportunities Fund is the first Australian-listed fund with a primary strategy of investing in US small-to-mid-market private investment funds, adopting a fund-of-funds investment strategy