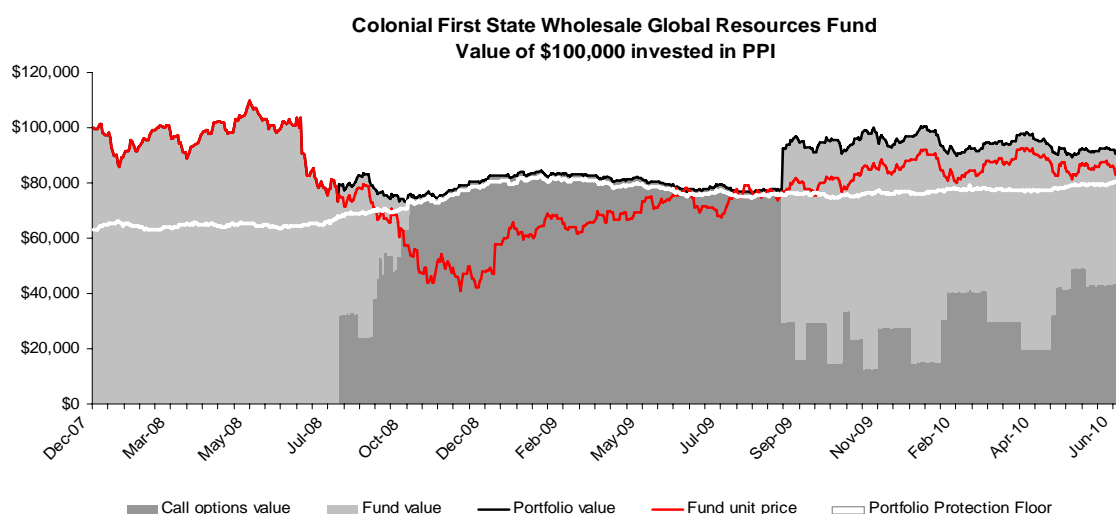


Fund Participation Offer – Series 2 Half-yearly performance summary as at 30 June 2010

Colonial First State Wholesale Global Resources Fund



The above graph represents the changes in the indicative value of your investment from 21 December 2007 to 30 June 2010. Your portfolio value is calculated as the sum of fund units, call options and cash at any given point in time. The graph does not represent a direct investment into the Colonial First State Wholesale Global Resources Fund

Source: Perpetual

At a Glance

Investment date	21 December 2007	Value as at 30/06/10 of \$1.15 invested	\$0.94
Protection end date	31 May 2014	Percentage allocation of Fund units	41.7%
Maturity date	1 June 2014		

Source: Perpetual

The following information has been provided by the Fund Manager who has given their consent for it to be published. The information below represents a direct investment in the Fund not an investment in Perpetual Protected Investments Fund Participation Offer Series 2.

Fund Commentary

The Fund produced a negative return over the period, but did outperform its benchmark. Driving this outperformance

was strong gains in a number of precious metal miners. Eldorado Gold, Lihir Gold, Detour Gold and Red Back Mining. All gold miners benefited from a rising gold price and rising investor demand for gold

exposure given the more uncertain economic and financial market outlook.

Eldorado Gold rose in the second half of the period, driven by strong earnings results and higher production guidance. Lihir Gold rose with a takeover offer from Newcrest Mining while Detour Gold rose with positive news at its Detour Lake project. Red Back Mining performed strongly in the first half of the period as aggressive exploration led to increased resources at its mines in Ghana and Mauritania.

Detracting from performance was Xstrata, Fushan International Energy Group and Antofagasta. Xstrata fell sharply in the second-half of the period on weak base metal prices, rumours of a merger with Glencore and the broader macroeconomic environment. Chinese coal producer Fushan fell on uncertainty over a possible capital raising. Copper miner Antofagasta fell with weakness in the copper price, with largely positive news on higher profit ignored by the market

Market Review

The global mining sector fell 5.7% in Australian dollar terms over the six months to June 2010, the global energy sector fell 10.9%. Falls largely came in the later stages of the period, driven by concerns about the durability of the global economic recovery. The recovery to date has been impressive, especially in the US and emerging economies, but as concerns over sovereign risk heightened in Europe and fiscal consolidation plans were introduced, the outlook for global growth was revised down and financial market volatility escalated. Investors switched out of risk assets over the period, preferring the perceived safety of US Treasuries and gold.

Commodity prices also retreated, with zinc (-30.0%), lead (-28.0%), copper (-11.7%) and aluminium (-11.3%) all fell. Nickel (+6.6%), platinum (+4.6%) and tin (+2.8%) all rose, nickel rose sharply in the second quarter on supply issues. The oil price fell 4.7% to \$US 75.6 a barrel, although fell as low as \$US66.0 on the weaker economic outlook. The gold price rose 13.0% on investor risk aversion to \$US 1241.7.

Outlook

Economic commentary within the market has concentrated on a possible 'double-dip' recession for the global economy. Fiscal consolidation plans in Europe and the UK, tightening financial conditions and recent softer economic data out of the US, Europe and even China have seen concerns raised about the durability of global growth. Factors driving demand over the long term remain in place as countries such as China, India, Indonesia, Brazil and Russia increase infrastructure investment and lift income levels. In the near term there are risks to the downside, with policy makers looking at balancing economic growth and inflationary concerns.

Mergers and acquisition activity continues in the sector. Resource companies have a relatively high level of cash and are looking at expanding reserves and production through both takeover and exploration given the existence of long term demand for commodities. One other key theme over recent months has been governments changing tax regimes to recover more revenue from the sector. Australia, Chile, Democratic Republic of Congo, India and China are mulling over changes to taxes, rebates and ownership rules.

Performance as at 30 June 2010

	3 months (%)	1 year (%)	2 years (%) pa	3 years (%) pa	5 years (%) pa	Inception (%) pa
Gross	-6.91	18.33	-14.03	-3.32	12.93	14.47
Net	-7.18	16.97	-15.02	-4.43	11.64	13.09
Benchmark	-7.73	14.79	-13.00	-3.02	15.58	11.80

Stock name	%
Vale SA SP Pref ADR	8.11
BHP Billiton Plc	6.98
Xstrata PLC	6.31
Rio Tinto GBP	6.25
Eldorado Gold Corporation	4.02
Walter Energy Inc	3.31
Goldcorp Incorporated	3.21
Anglo American PLC	3.08
BHP Billiton Limited	2.65
Antofagasta PLC	2.64
Total	46.56

Sector weight	%
Metals & Mining	73.43
Oil & Gas	19.36
Industrial Conglomerates	2.67
Unclassified	1.51
Cash	1.39
Energy Equipment & Services	1.03
Construction Materials	0.59
Total	99.98

Investment Objective

To provide long-term capital growth by predominantly investing in resource companies from around the world.

Investment Category

Global Share

Benchmark

HSBCGMAI and MSCIACWI-10

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