Hunter Hall Global Value Limited

ACN 107 462 966

Monthly Performance Report

September 2014

Ethical Managed Funds

Date	Pre-Tax Net Tangible Assets Per Share	Post-tax Net Tangible Assets Per Share
30.09.2014	**1.2813**	**1.2813**

Absolute and Relative Performance

				Compound Annual Return			
To 30 September 2014 (%)	**1 month**	**6 months**	**1 year**	**3 years**	**5 years**	**7 years**	**Since inception**
Movement in Net Assets per share	2.8	12.4	22.1	18.5	9.4	2.8	7.1
Benchmark – MSCI World	4.0	8.7	19.9	22.1	11.1	2.9	5.3
Relative Performance	**-1.2**	**3.8**	**2.2**	**-3.7**	**-1.6**	**-0.1**	**1.8**

Source: Hunter Hall. Inception date: 19 March 2004. MSCI refers to the MSCI World Total Return Index, Net Dividend Reinvested, in A$. Performance figures refer to the movement in net assets per share, including share buy-backs and the reinvestment of dividends, but excluding the effect of option exercises. Past performance is no guarantee of future performance and no guarantee of future return is implied.

Top 10 Holdings

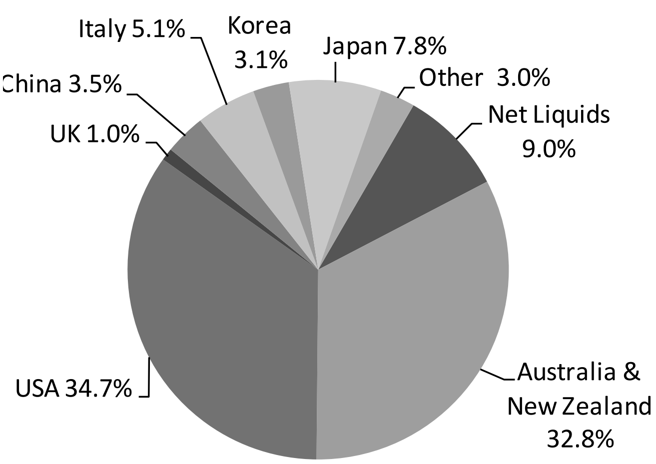
Company	Main Business	Country	Net Assets (%)
Sirtex Medical	liver cancer treatments	Australia	19.7%
M2 Telecommunications	telecommunications	Australia	4.9%
Danieli	metal processing machinery	Italy	4.2%
Take Two Interactive	interactive entertainment	USA	2.6%
JP Morgan	financial services	USA	2.6%
Bank of New York Mellon	financial services	USA	2.4%
Prudential Financial	insurance	USA	2.4%
Alchemia	biotechnology	Australia	2.4%
Citigroup	bank	USA	2.2%
JDS	optical components	USA	2.2%

Top 5 Contributors / Top 5 Detractors

Company	Contribution to Return (%)	Company	Contribution to Return (%)
JDS Uniphase	0.35	Maca Limited	-0.30
St Barbara	0.31	Danieli	-0.28
Sirtex Medical	0.27	Atlas Iron	-0.13
Alchemia	0.22	GI Dynamics	-0.13
JP Morgan	0.21	Prada	-0.08

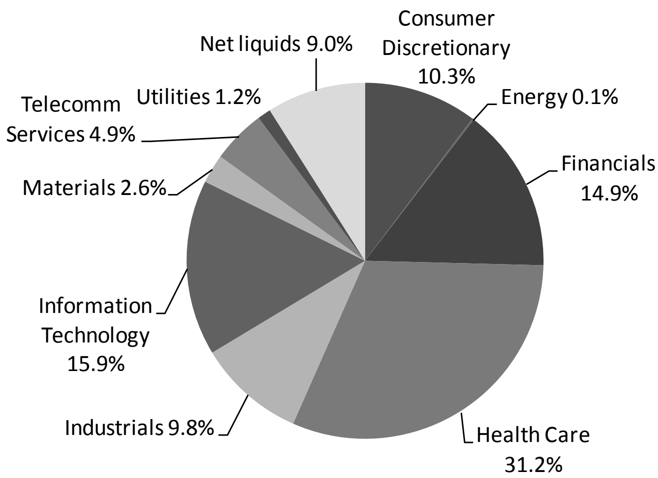
Country Allocation Breakdown

(as a percentage of net assets)



Sector Allocation Breakdown

(as a percentage of net assets)



STOCKS IN FOCUS

JDS Uniphase

The management of US test and measurement solutions provider, JDS Uniphase, announced plans to split into two publically traded companies in September, in an effort to promote company growth. The company is to undertake a tax-free spinoff of its optical components and commercial laser divisions. The remaining company will focus on software and services. JDS has estimated that the move would reduce costs by US$50m and sharpen the focus of the respective arms of the business. The transaction is expected to be completed in 3Q2015. The company rose 11% over the month, and our sum-of-the-parts calculation would suggest the share price still has some nice upside from where it closed the month (US$12.80).

St Barbara

St Barbara Limited is one of the most leveraged gold stocks in the world. At 30 June the company had net debt of $260m as compared with a market cap of $60m. Our average cost is 12c as compared with the $5 a share valuation that the stock once enjoyed. St Barbara owns a large high grade mine at Gwalia with estimated reserves of 2 million oz of gold with an in ground value of $2.5 billion at current prices (or $5.45 per St Barbara share). It is the deepest gold mine in Australia with current operations at 1.5 kilometres below the surface. The mine extends at depth with gold grades increasing which hopefully means that the mine will at least cover the increased costs of deeper mining. A negative for St Barbara has been a falling gold price and the large low grade deposit it owns at Simberi in Papua New Guinea. Simeri has bled cash and required substantial refurbishment. The company believes that it will operate at cash breakeven in the near future and if it does the company will soon be able to de-risk its balance sheet. We have confidence in the new CEO, Bob Vassie (ex-CRA/Rio) and believe he can fix the problems with the Simberi mine. If successful we believe the stock could increase by a substantial factor, especially if the gold price also reverses direction.

Maca Limited

Australian mining and civil services contractor, Maca, declined 31% in September. Whilst part of this decline is explained by a special dividend it paid late in the month, against the backdrop of a weak materials sector and falling commodity prices in September, the announcement of an equity raising of up to A$59m through a placement of 30 million shares at A$1.95 was ill-received. According to Managing Director Chris Tuckwell, the placement will result in improved liquidity in Maca's shares whilst maintaining a strong balance sheet to pursue opportunities for growth. Whilst the placement was heavily oversubscribed, upon resumption, the stock slid over the remainder of the month to close at A$1.495. The payment of the special dividend took its total dividends paid for this calendar year to A$0.69 per share as the company maximises returns to its shareholders. The stock is incredibly cheap trading on 2015e P/E of 4.6x, an EV/EBITDA of 1.9x whilst paying a dividend yield of 12%.

Atlas Iron

Iron ore explorer and producer, Atlas Iron, also detracted from performance. The benchmark spot iron ore contract fell 12% in September; the second biggest monthly fall this year, bringing the year-to-date price decline to 42% as strong supply growth continues to weigh on the market. Chinese domestic steel prices were weak – rebar reaching an eight-year low – suggesting soft end demand, while inventories at Chinese ports remained elevated over the month. Despite this, Atlas has targeted A$50-80m of cost reductions by June 2015, with A$30m achieved to date. Management remains focussed on plans for Greenfield expansion and the progression towards a rail infrastructure solution. The infrastructure solution remains of upmost importance for the company and if successful will transform the company to a low-cost producer. The stock price fell 26% over the month.

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