



Sirius Wealth Management Limited

Commodity Portfolio

Investment Statement

This Investment Statement is dated 12 December 2007

IMPORTANT INFORMATION

(The information in this section is required under the New Zealand Securities Act 1978)

Investment decisions are very important. They often have long-term consequences. Read all documents carefully. Ask questions. Seek advice before committing yourself.

Choosing an Investment

When deciding whether to invest, consider carefully the answers to the following questions that can be found on the pages noted below:

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In addition to the information in this document, important information can be found in the current registered prospectus for the investment. You are entitled to a copy of that prospectus on request.

Choosing an Investment Adviser

You have the right to request from any investment adviser a written disclosure statement stating his or her experience and qualifications to give advice. That document will tell you:

- Whether the adviser gives advice only about particular types of investments; and
- Whether the advice is limited to the investments offered by one or more particular financial organisations; and
- Whether the adviser will receive a commission or other benefit from advising you.

You are strongly encouraged to request that statement. An investment adviser commits an offence if he or she does not provide you with a written disclosure statement within five working days of your request. You must make the request at the time the advice is given or within one month of receiving the advice.

In addition:

- If an investment adviser has any conviction for dishonesty or has been adjudged bankrupt, he or she must tell you this in writing; and
- If an investment adviser receives any money or assets on your behalf, he or she must tell you in writing the methods employed for this purpose.

Tell the adviser what the purpose of your investment is. This is important because different investments are suitable for different purposes.

You can obtain a copy of the current registered prospectus relating to this investment by calling Sirius Wealth Management Limited on 09 366 4461.

This is an Investment Statement for the purposes of the Securities Act 1978.

Investment philosophy

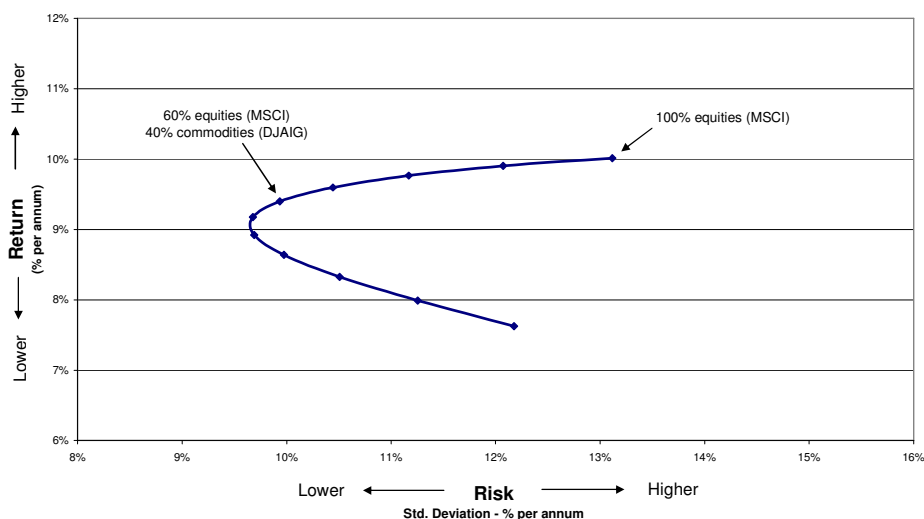
Commodity Portfolio is a unit trust that is designed to provide investors with an efficient exposure to a diversified portfolio of commodities. Unlike shares, commodities are consumed and need to be replaced by either growing, extracting or refining. As such the major drivers for commodity prices are supply and demand which is very different from many other investments. The inclusion of a commodities portfolio in an investment portfolio should enhance the portfolio's diversification and should improve risk/return characteristics.

A recent EDHEC Business School Research report finds that inclusion of commodities in a well diversified portfolio provides the investor with a number of benefits:

1. The risk-return trade-off of commodity indices is known to be comparable to that of equities.
2. The distribution of commodity futures returns, unlike that of stocks, presents a positive skewness that is sought-after by risk-averse investors.
3. Commodity futures have low return correlation with traditional asset classes and thus are useful tools for diversification and strategic asset allocation.
4. Unlike stocks and bonds, commodity futures prices rise in inflationary periods, making commodities a good hedge against inflation.
5. Commodity futures offer leverage, high liquidity (at least in the nearby contracts), low transaction costs and complete transparency.
6. Commodity futures can also be used for tactical asset allocation and alpha generation.

The graph below demonstrates the diversification benefits of allocating commodities to an equity portfolio in 10 percent increments. The diversification significantly reduces volatility with little impact on return.

Benefits of Commodities in a traditional portfolio (MSCI / DJAIG) 1991 - 2007



WHAT SORT OF INVESTMENT IS THIS?

Commodity Portfolio is a unit trust

The investments offered in this Investment Statement are units in “Commodity Portfolio” (**Commodity Portfolio**, or **the Fund**), a unit trust established by Sirius Wealth Management Limited under the Unit Trusts Act 1960. It is constituted under a Master Trust Deed dated 26 November 2007 and a Supplemental Trust Deed dated 26 November 2007 (together, the **Trust Deed**). The Fund was established on 26 November 2007.

The Fund is managed by Sirius Wealth Management Limited (the **Manager**) which has appointed Commodity Strategies Limited, an Australian funds manager, as the Investment Manager (the **Investment Manager**) in accordance with the Trust Deed, with New Zealand Permanent Trustees Limited (the **Trustee**) acting as an independent Trustee and overseeing the Fund’s management and administration. The assets of the unit trust are held in the name of the Trustee (or a nominee of the Trustee).

A unit trust is an investment that enables unit holders to pool their funds with those of others. The interests of all unit holders are represented by units which confer an equal interest in the Fund and are of equal value, but which do not give any right to the underlying assets of the unit trust. Pooling resources can enable access to a wider variety of assets and provide greater diversity than unit holders may achieve on their own. It also offers benefits of professional investment management.

Being able to invest in a well-diversified portfolio of commodities can require large sums of money. However, as a unit holder in Commodity Portfolio, access will be gained to returns derived from a well-diversified portfolio for a minimum investment of only \$1,000.

Your investments in Commodity Portfolio are measured in “units”. When you invest you purchase a number of units at the then applicable “entry price”. When you wish to withdraw from the Fund, your withdrawal takes place at the applicable “redemption price”. Both entry prices and redemption prices are discussed later in this Investment Statement in more detail under the headings “How much do I pay?” and “How do I cash in my investment?”, respectively.

The value of units in the Fund fluctuates according to the changing value of the assets in which the Fund has invested, and you should refer to the section below that is titled “What are my risks”.

Withdrawals are effected through the Manager by giving a Redemption Request, as described below in the section “Can the investment be altered”. The Fund will not be listed on any stock exchange or trading market.

The Fund is priced monthly, and therefore all Redemption Requests will be implemented only on a monthly basis. Sometimes it could be priced less frequently, depending on factors such as market conditions.

Commodity Portfolio’s Investment Manager

Investments in the Fund will be managed by Commodity Strategies Limited (**CSL**). The Investment Manager is a specialist in commodity portfolio management and believes in a risk managed active approach to commodity investing. CSL was established in 1999 and has offices in Auckland and Sydney. It currently manages over A\$170,000,000 in assets for a range of high net worth and institutional investors based in Australia, New Zealand and Europe. CSL is beneficially owned by interests associated with Robert Hugh Holroyd.

Commodity Portfolio’s management style

Commodity Portfolio will derive its returns from its investments in globally traded commodities. The Fund is actively managed and trades (buying and selling short) commodities and invests in fixed interest.

The Investment Manager’s strategy aims to add value and reduce risk by:

- Establishing exposures (either bought or sold) in those commodities from which the expected return exceeds the cash return;
- Taking advantage of positive or negative trends in commodity prices and adjusting exposures based on the risk metrics calculated by the Investment Manager;

- Allocating commodity exposures to fixed interest when the Investment Manager cannot justify establishing positions in a particular commodity due to market conditions.

The Investment Manager's strategy is implemented via a fully automated investment model. The Investment Manager focuses on quantitative research, which is used as the basis for model changes from time to time.

The net value of the commodity investments held by the Fund will not exceed 150% of the Fund's net tangible assets.

It is intended that an investment in the Fund will represent a medium to long term investment for investors.

Commodity Portfolio

Listed below is an example of the commodities in which the Commodity Portfolio will invest utilising futures, swaps, forward contracts or options.

Energy	Crude Oil, Heating Oil, Gasoline, Natural Gas, Gas Oil
Metals	Gold, Silver, Aluminium, Copper, Nickel, Zinc
Grains	Corn, Wheat, Soybeans, Bean Oil,
Softs	Cocoa, Cotton, Sugar, Coffee, Orange Juice, Lumber
Meats	Live Cattle, Feeder Cattle, Lean Hogs, Pork Bellies

Trades in commodity futures and forward contracts will be executed on futures exchanges such as the Chicago Board of Trade, New York Mercantile Exchange and the London Metals Exchange. The Investment Manager maintains the right to add other commodities to the portfolio and use other futures exchanges.

Associated Persons

Investors should note that the Manager, Sirius Wealth Management Limited, is an "associated person" (as that term is defined in the Securities Act 1978 of New Zealand) of CSL, as the Manager and CSL are both beneficially owned by interests associated with Robert Hugh Holroyd. The Manager may invest the assets of the Fund in the Global Commodity Fund, an Australian unit trust, of which CSL is the investment manager and responsible entity.

WHO IS INVOLVED IN PROVIDING IT FOR ME?

Name of the Fund

The name of the Fund is "Commodity Portfolio".

The Manager

The Manager of the Fund, which is responsible for the day to day management of the Fund, is Sirius Wealth Management Limited

As at the date of this Investment Statement the directors of the Manager are:

- Robert Hugh Holroyd; and
- Simon Jeremy Newton Gray.

The Manager and its directors can be contacted at:

Sirius Wealth Management Limited
Level 3, 228 Queen Street
Auckland
New Zealand

PO Box 3256
Shortland St.
Auckland
New Zealand

Telephone: (09) 366 4461
Facsimile: (09) 366 4456
Email: info@siriuswealth.co.nz

The Investment Manager

The investment manager of the Fund, which is responsible for the day to day investment management of the Fund, is Commodity Strategies Limited.

As at the date of this Investment Statement the directors of the Investment Manager are:

- Robert Hugh Holroyd;
- Simon Jeremy Newton Gray and;
- Marcus Dallas La Vincente.

The Investment Manager and its directors can be contacted at:

Commodity Strategies Limited
Level 3, 228 Queen Street
Auckland
New Zealand

PO Box 3256
Shortland St.
Auckland
New Zealand

Telephone: (09) 366 4461
Facsimile: (09) 366 4456
Email: info@commodity-strategies.com

The Trustee

The independent trustee of the Fund is New Zealand Permanent Trustees Limited.

The Trustee can be contacted at:

New Zealand Permanent Trustees Limited
Level 10, 141 Willis Street
PO Box 5067
Wellington
New Zealand

The Trustee will also be the custodian of the Fund's assets.

No promoters and no guarantors

There is no promoter of the Fund, and neither the Trustee, the Manager, nor any of their respective directors or employees, nor any other person guarantees any aspect of the Fund, including the repayment of any amount invested or the performance of any investment.

ACTIVITIES

The Fund is constituted under a Master Trust Deed dated 26 November 2007 and a Supplemental Trust Deed dated 26 November 2007 (together the **Trust Deed**). The Fund was established on 26 November 2007.

The Fund has not carried on any activities as at the date of this Investment Statement.

HOW MUCH DO I PAY?

You can invest in the Fund by buying units.

Unless the Manager determines otherwise, the minimum investment amounts in units are as follows:

- The minimum initial investment amount is \$1,000.
- The minimum subsequent subscription amount is \$500.
- The minimum subsequent monthly investment amount for regular contributions is \$100.

An investor can determine how much they want to invest, subject to the above minimums. Investors may, if they wish, elect to pay monthly contributions by direct debit.

The units in the Fund are issued at the "Issue Price" as at each "**Valuation Day**". The Manager has determined each Valuation Day to be the last Business Day of the month.

The Manager may value the Fund more or less frequently if, for reasons beyond the Manager's control, valuation is impossible on the day in question or the Trustee and the Manager agree that the Fund should be valued on a particular day.

The number of units in the Fund that you will receive is equal to your investment amount divided by the applicable Issue Price at that time.

The Manager may, at its discretion, accept applications for amounts less than the minimum investment amount.

Issue Price of each unit

All units issued will have an Issue Price determined in accordance with the Trust Deed. The Issue Price is, in general terms, determined on the following basis for each Valuation Day:

- the "Market Value" of the investments of the Fund on that Valuation Day (including any income accruing on and rights relating to that property),
less
- the accrued expenses and other liabilities of the Fund on that Valuation Day,
divided by
- the number of Units on issue on that Valuation Day,

rounded up to the next 1/100th of a cent.

How to Apply

Investments can be made by completing the Application Form attached to this Investment Statement. Instructions on completing the Application Form are set out at the end of this Investment Statement.

The completed Application Form, together with payment, should be forwarded to:

Sirius Wealth Management Limited
Level 3, 228 Queen Street
Auckland
New Zealand

Your application will only be accepted once the custodian confirms your application monies have been received. The Manager may decline an application in whole or part without giving any reason. If an application is declined, the application monies received will be repaid without interest.

WHAT ARE THE CHARGES?

Entry

As at the date of this Investment Statement, the Manager does not charge an entry fee for investment in the Fund.

However, if you invest in the Fund through an investment adviser your adviser may elect to charge you an advisory or similar fee that they will agree with you. You should ensure that the fee is agreed in writing. In signing your Application Form, you are authorising the Manager to deduct that advisory or similar fee from the amount you invest, and this will reduce the number of units that you receive, as your investment is lower. The Manager is entitled to make this deduction on receipt of reasonable evidence as to the fee agreed. Additionally, the Manager may pay a "trail fee" or other commission to financial advisors, but any such fee is paid out of the Manager's fees and is not an additional cost to you.

Exit Fees

As at the date of this Investment Statement, no fees are charged for the redemption of units in the Fund.

Management Fees

Base Fees

The base Management fee payable to the Manager is 1.75% per annum of the Gross Asset Value of the Fund calculated on the last Business Day of each month. The Management fee is paid monthly in arrears.

The Manager is also paid a fee of 0.1% per annum of the Gross Asset Value of the Fund for maintaining a unit register for the Fund. This is calculated on the last Business Day of each month and paid monthly in arrears.

Performance Fee

The Fund will also pay to the Manager a performance fee that is equal to 20% of the Fund's excess performance (after deducting expenses but before tax) over the Reserve Bank of New Zealand Official Cash Rate at the Valuation Day apportioned over the period since the last Valuation Day ("**Hurdle Rate**").

The performance fee is calculated on the last Business Day of each month and pending payment is accrued in the Fund's accounts. The performance fee is payable to the Manager when the Redemption Price less the previous highest Redemption Price ("**High Water Mark**"), exceeds the movement in the Hurdle Rate. If the Fund's excess return relative to the Hurdle Rate is negative (the "**Deficit**") then effectively the Manager will not be entitled to charge a performance fee to the Fund until the Deficit is recouped.

Trustee's Fees

The Trustee's remuneration for carrying out the Trustee's functions as specified in the Trust Deed is an annual fee of up to 0.08% of the Gross Asset Value of the Fund, subject to a minimum fee of \$12,000 per annum. The Trustee's fee is calculated quarterly and payable quarterly in arrears.

In addition the Trustee is entitled to charge special fees for services of an unusual or onerous nature outside the Trustee's regular services. There is no limit to the amount of special fees.

GST

GST will be added to fees where applicable.

Fund Expenses

The Manager and the Trustee are each entitled to be reimbursed out of the Fund for costs incurred by them in performing their duties under the Trust Deed including but not limited to:

- All costs associated with formation of the Fund and the preparation of investment statements, prospectuses and other materials;
- All costs incurred in the purchase and disposal of any investments;
- Fees and expenses of the Auditor;

- All taxes, duties and imports paid, including in respect of redemptions and withdrawals of units;
- Insurances;
- All costs of convening and holding meetings;
- All costs of preparing, printing and distributing accounts, statements, cheques, offer documents and any other communications to Unit Holders;
- Legal fees and expenses; and
- Any other expenses reasonably incurred by the Trustee, the Manager or any delegate of the Manager in carrying out their duties under the Trust Deed.

There is no limit to the amount of expenses the Manager and Trustee may recover from the Fund.

Management Expense Ratio (MER)

The Management Expense Ratio is not a separate fee, but a means of showing all fees and expenses as a percentage of the average fund size. The Manager expects the MER to be approximately 2.2% per annum, prior to payment of any performance fee.

Disclosure of Fees

Details of any management, trustee or other fees and expenses payable from the Fund will be included in the annual financial statements of the Fund. Fees may only be amended by altering the Trust Deed.

Amendment of Fees

The Manager may waive part or all of any application fee or management fee and may, by giving at least two months' notice to unit holders, increase the fees payable in respect of the Fund (subject to any applicable maximum amount set out in the Supplemental Deed), or commence charging a fee which is not currently being charged (where permitted under the Supplemental Deed).

The Trustee may increase or decrease the fees payable in respect of the Fund (subject to any maximum amounts set out in the Supplemental Deed) after agreement with the Manager and by giving at least three months' notice to all unit holders in the Fund.

WHAT RETURNS WILL I GET?

Returns

The return on your investment will be the aggregate of any growth in the value of your units between your Issue Price and the Redemption Price that is prevailing at the applicable time, plus any distributions made to you by the Fund. The return will also be impacted by the tax paid by the Fund and the expenses deducted from the Fund.

Investors should be aware that no rate of return has been promised or guaranteed for the Fund, and that the unit price will rise and fall as the value of the Fund's underlying investments rise and fall. Returns may be negative, and past performance is no guarantee of future returns.

As payment of returns depends on when an investor withdraws from the Fund, as at the date of this Investment Statement, the date any such returns will be paid to you is unknown.

Key factors affecting returns

The key factor that will determine the value of your investment in units is the value of the investments made by the Manager.

The Fund invests in a diverse range of commodities. However investors should be aware that a range of events including economic events and interest rate movements, many of which are outside an investment manager's control will impact on the performance of the Fund. This means that the unit price may rise or fall, and performance may vary.

At the date of this Investment Statement, it is not intended that distributions be made by the Fund, although the Manager may make such distributions at its discretion.

Income and investment returns may be insufficient to cover management costs and other expenses. In such circumstances it is reasonably foreseeable that on withdrawal of your investment in units, you may receive less than the amount paid.

The Trustee, New Zealand Permanent Trustees Limited, is the person that is legally liable to pay returns on the Fund.

There are no reserves or retentions that the Manager expects will affect returns.

Withdrawals

You can normally withdraw all or any part of your investment in the Fund on a Valuation Day.

However, in certain circumstances, on giving notice to the Trustee, the Manager can suspend redemptions from the Fund. These are principally where the Manager forms the opinion that it is not practicable, or would be materially prejudicial to the interests of unit holders, to give effect to Redemption Requests, as a result of:

- suspension of trading on a securities exchange, financial, political or economic conditions, the nature of an investment or other circumstances or events affecting the Fund; and
- redemption requests being received in a period of three months for in excess of 5% of the number of units on issue.

The suspension may continue, without limit of time, until it is cancelled by the Manager.

In addition, where Redemption Requests have been received in a three month period that aggregate to in excess of 20% of the number of units in the Fund that are on issue, the Manager may suspend the right of unit holders to make redemption requests, having given prior notice to the Trustee. There is no limit to the period the Trustee may agree. If this step is taken, then the Manager must call a meeting of unit holders to consider winding up the Fund or taking such other steps as unit holders consider appropriate.

Taxation

The summary below is based on current law as at the date of this Investment Statement and is, of necessity, a generalisation. While the Manager endeavours to provide accurate taxation information, neither the Trustee nor the Manager takes responsibility for an individual investor's taxation affairs. All investors have different taxation positions, and you are urged to consider your own before entering into an investment in units.

The government has recently amended the taxation of investments by introducing a new concessionary portfolio investment entity (**PIE**) tax regime. The Manager intends to qualify and elect for the Fund to be a PIE under the new PIE regime. A summary of the applicable tax treatment where the Fund is a PIE is described in the section headed "Taxation treatment where the Fund is a PIE" below.

In the event that there is a delay in qualifying or electing for the Fund to be a PIE, a summary of the applicable tax treatment is described in the section headed "Taxation treatment prior to the Fund becoming a PIE" below.

The Manager recommends you seek professional advice on this matter.

Tax payable by the Fund generally

Where the Fund holds investments that are subject to the new FIF regime and that do not meet exception criteria, it will be taxed under the "fair dividend rate" method (**FDR**). Under the FDR method, FIF investments are taxed on deemed income from that investment in an income year (being a period of 12 months beginning on 1 April in a calendar year and ending on 31 March in the succeeding year) equal to 5% of the opening market value of the investment for that income year. Any dividends or profits from sales of an FIF investment are not included as taxable income under this method. No tax deduction may be claimed for any losses in respect of the FIF investment under this method.

Certain debt-like equity interests may have to be accounted for under a comparative value method which brings to tax all distributions and unrealised gains in each income year.

Where the Fund holds investments subject to the new FIF regime indirectly through another New

Zealand managed fund, that New Zealand managed fund will apply the new FIF regime.

Taxation treatment subsequent to the Fund becoming a PIE

Under the PIE regime, the Fund will generally pay income tax on the taxable income as allocated to you. The amount of income tax payable by the Fund on taxable income allocated to you will generally be based on the individual tax rates of unit holders as follows:

- 0%, if the unit holder is a New Zealand resident who is a PIE, a company, a superannuation fund, a portfolio investor proxy, a charitable organisation or trust or a trustee who does not elect the 33% rate;
- 19.5%, if the unit holder is a New Zealand resident who, in either of the two previous tax years, earned \$38,000 or less of taxable income (excluding income from PIEs that allocate income to investors) and an aggregate of \$60,000 or less of taxable income (including income from PIEs that allocate income to investors); or
- 33%, if the unit holder does not qualify for the 0% or 19.5% rates. This will be reduced to 30% from 1 April 2008.

To qualify for the 0% or 19.5% rates, you will need to notify the Fund and provide the Fund with your Inland Revenue number. If you incorrectly notify the Fund that you qualify for the 0% or 19.5% rate, you will have a liability to pay additional tax directly to the Inland Revenue.

The Manager will generally pay income tax on income attributed to each unit holder who is not a zero-rated unit holder (as described above). The income tax will generally be funded by the cancellation or redemption of units equal in value to the amount of the tax liability.

If at any time the tax liability on income attributable to you exceeds your interest in the Fund, the Manager will cancel or redeem your remaining units and pay the proceeds of the cancellation or redemption to the Inland Revenue.

To pass through tax benefits to you as required under section HL 7 of the Income Tax Act 2004 (**Tax Act**), new units may be issued to you for no consideration. The different tax rates for different unit holders mean that two unit holders who, immediately prior to an issue of units, have identical interests in the Fund, may have different numbers of units issued to them.

Withdrawing from the Fund where the Fund is a PIE

Where the Fund is a PIE, all withdrawals will be effected by the redemption of units. Transfers of units will be effected by the redemption of the transferor unit holder's units and the issue of new units to the transferee unit holder. A withdrawal or transfer does not itself give rise to an income tax liability for the Fund or for you personally. However, a withdrawal or transfer may trigger a tax liability for income derived in the period up to the date of withdrawal or transfer. An amount equal to the tax liability will generally be deducted from the amount due to you. The Fund will pay this amount to the Inland Revenue.

To the extent a tax liability is not paid by the Fund, you (or, where applicable, your executors, administrators or successors) may need to pay the tax directly to the Inland Revenue. To the extent that this liability is paid by the Fund and is not or cannot be deducted from your interest in the Fund, you (or, where applicable, your executors, administrators or successors) will be required to indemnify the Manager or the Trustee (as the case may be) for the shortfall.

Taxation treatment prior to the Fund becoming a PIE

Prior to the Fund becoming a PIE, all other investments within the Fund not discussed in section headed "Tax payable by the Fund generally" above, including investments subject to the FIF regime that do meet exception criteria, will generally be taxable on dividends and realised gains.

Prior to becoming a PIE, the Fund will be taxed at the rate of 33%. This will reduce to 30% from 1 April 2008. The Fund utilises any imputation credits, withholding payment credits and resident

withholding tax, as applicable, to satisfy its tax liability on dividends and interest received. The Fund may derive foreign dividends which are exempt from income tax but are subject to foreign dividend withholding payments (**FDWP**) at the rate of 33% (which will reduce to 30% from 1 April 2008). Both income tax and FDWP will generate imputation credits and FDWP credits for the fund, which may be passed on to unit holders and offset against their tax liability. Any excess imputation credits can be carried forward (in some cases by conversion into a net loss) by the unit holder (subject to the standard loss carry forward rules), while any excess FDWP credits are refundable in cash.

Withdrawing from the Fund prior to the Fund becoming a PIE

When you notify the Manager that you wish to withdraw units from the Fund you must choose between two withdrawal options: the Manager repurchase option or the direct redemption option, as briefly explained below (see also the section below titled "How do I cash in my investment?"). As each of these methods has different tax implications you should consult your tax adviser to determine the best option for you.

- (a) **Manager repurchase option:** With this option, the Manager buys your units when you withdraw from the Fund. As long as you did not acquire the units for the dominant purpose of resale and you do not carry on the business of dealing in units, you should not be liable for tax on the gains you have made from the sale of your units. You should, however, verify your own tax position with your adviser.
- (b) **Direct redemption options:** With this option, your units are directly redeemed from the Fund. Where the unit redemption price is greater than the average amount paid for all units on issue at the time of redemption, that difference is deemed to be a dividend for tax purposes and is taxable in your hands.

To the extent that there are imputation credits available, the Manager will distribute these credits on redemption. Resident withholding tax at 33% (which will reduce to 30% from 1 April 2008) will be deducted to the extent that the dividend does not have sufficient imputation credits attached.

WHAT ARE MY RISKS?

Key Risks

There is a degree of risk involved in all investments. The potential return on an investment is generally related to the risk of the investment. Investment risk encompasses the chance of losing some or all of your investment capital, and the possibility that investment returns will become negative.

The main risk is that you will not recover the full amount invested in the Fund or will not receive any returns on the investment. This may occur where the value of the investments made by the Fund falls by such an amount that the value of units is less than the amount paid.

Some of the events that can affect the returns and cause the value of your investment to fluctuate are stated below. Because of these risks, it is reasonably foreseeable that you may receive back less than you invest into the Fund. In any event, other than to discharge certain tax liabilities, you will not be required to pay more money than the amount you invest into the Fund. The performance of the investment markets is a key factor in determining returns. Investors should be aware that a range of events, many of which are outside the Manager's control, will impact on the performance of the Fund. This means that the unit price may rise or fall, and performance may vary.

- Many of the Fund's investments will be denominated in currencies other than the New Zealand Dollar. Returns may be affected by movements between these currencies and the New Zealand dollar.
- Insolvency in any underlying investment would be negative for returns.
- Returns may be affected by any adverse taxation or regulatory changes which could impact the investments.
- The trading strategies adopted by the Manager may not be successful, or as successful as may have been hoped.

- The suspension or deferral of redemptions will affect the ability of unit holders to realise their investment in the Fund, and that could result in their being invested for longer than desired, and affect returns positively or negatively.
- Changes in interest rates can have a negative impact, either directly or indirectly, on the investment's value or return.
- Economic and regulatory conditions, and political and environmental issues, may also impact returns. This includes risks associated with the particular countries in which investments are made.
- Loss of key personnel could mean that the Manager is unable to implement its strategies in the manner intended, and that may impact on investments and returns.
- Changes in taxation rates or tax rules may impact on investment returns. The taxation statements made in this Investment Statement are based on existing New Zealand tax legislation. Any changes to such legislation may materially impact the returns of the Fund. It is recommended that you seek advice from a tax advisor before making an investment in the Fund.
- The Fund is intended to suit investors with a medium to long-term investment horizon, and the strategies adopted are intended to produce returns on that basis. As such, if unit holders withdraw their investment in a short time frame, returns may be less than expected.
- The Fund is newly established and there is no historical performance information available.
- The Trustee on direction from the Manager may, subject to the provisions of the Trust Deed, borrow up to 150% of the value of the net assets of the Fund. Such borrowing may increase the volatility of the return that can be expected from the Fund.
- At the date of this Investment Statement it is not intended that Distributions be made by the Fund, although the Manager may make such Distributions at its discretion.

Consequences of Insolvency

You will not have to pay any money to the Fund or the Manager, in addition to the amount invested in your units, as a result of the insolvency of the Fund or the Manager, other than any taxes that have been paid on your behalf.

If the Fund is wound up, unit holders will receive a proportionate share of the assets of the Fund after all creditors' expenses including, without limitation, the expenses of any agents, solicitors, auditors or persons employed in connection with the winding up of the Fund and any outstanding fees (including the remuneration payable to the Manager and the Trustee) have been paid. The claims of all unit holders will rank equally.

CAN THE INVESTMENT BE ALTERED?

Withdrawals

You can add to or withdraw from your initial investment on a Valuation Day, provided that the minimum investment amounts are met (for a description of these amounts, see the section titled "How much do I pay").

You can withdraw amounts from your investment by requesting that all or some of your units be repurchased or redeemed (see the section "How do I cash in my investment?").

Changes to the Trust Deed

The Trustee and the Manager may amend the Trust Deed:

- if, in the opinion of the Trustee, the change is made to correct a manifest error or is of a formal or technical nature;
- if, in the opinion of the Trustee, the change is necessary or desirable for the more convenient, economical or advantageous working, management or administration of any of the Fund or for safeguarding or enhancing the interests of any of the Fund or unit holders and is not or not likely to become materially prejudicial to the general interests of all unit holders of the Fund;

- if, in the case of a change affecting all unit holders, the change is authorised by an Extraordinary Resolution of all unit holders as if they were beneficiaries of a single Fund, the provisions of the Schedule relating to meetings of unit holders to be read accordingly;
- if, after a change in any law affecting unit trusts, a change to the Trust Deed is necessary to make any provision of the Trust Deed consistent with such law;
- if, in the case of a change affecting unit holders, the change is authorised by an Extraordinary Resolution of unit holders; or
- if, in the opinion of the Manager and the Trustee, the change is necessary to enable the Fund to opt into the “Portfolio Investment Entity” taxation regime or to continue to be a Portfolio Investment Entity
- if, in the opinion of the Manager and the Trustee, the change is necessary to enable the Fund to comply with any obligation or requirement in the Tax Act, the Tax Administration Act 1994 or any other statute or regulation (or any administrative requirement of the Inland Revenue or any other revenue authority) relating to a Portfolio Investment Entity
- if, in the opinion of the Manager and the Trustee, the change is necessary to enable the Fund to take all or any actions and make all or any determinations, decisions or elections relevant to the taxation treatment or taxation status of the Fund (whether as a Portfolio Investment Entity or otherwise); or
- if the amendment is authorised by Extraordinary Resolution of the Unit Holders.

An “**Extraordinary Resolution**” of unit holders is a resolution passed by unit holders present in person or by proxy at a meeting by a majority of 75% or more of the votes cast at the meeting.

Can the Investment be altered?

The Manager may alter investment minimums at any time, and may accept amounts less than the required minimums and may at any time determine that no further units will be issued at its discretion.

The Manager may waive part or all of any application fee or management fee and may, by giving at least two months’ notice to unit holders, increase the fees payable in respect of the Fund, or commence charging a fee which is not currently being charged (where permitted under the Supplemental Deed).

The Trustee may increase (subject to any maximum amounts set out in the Supplemental Deed), or decrease, the fees payable in respect of the Fund after agreement with the Manager and by giving at least three months’ notice to all unit holders in the Fund.

The Manager may, with the written approval of the Trustee, amend the Authorised Investments of the Fund subject to the terms of the Trust Deed. The Manager must give unit holders 30 days’ notice of the change of Authorised Investments before implementing the change.

The investment policy for the Fund current as at the date of this Investment Statement can be varied by the Manager by agreement with the Trustee in accordance with the Trust Deed.

The length of any Distribution Periods and the method of calculation of Distributions may be varied by the Manager.

Payment of Redemption Requests may be suspended or deferred. Details of when this may occur are set out under the heading ‘How do I cash in my investment?’

Termination of the Fund

The Fund commenced on 26 November 2007 and will terminate on the earlier of:

- the expiry of a period of 80 years less 2 days from the commencement date of the Fund;
- the date on which the unit holders resolve to terminate the Fund by ordinary resolution; and
- the termination date notified by the Manager to the Trustee and the unit holders by at least 30 days’ notice in writing.

HOW DO I CASH IN MY INVESTMENT?

Withdrawals

A unit holder wishing to withdraw from the Fund or sell units in the Fund to the Manager must give written notice of the unit holder's wish to withdraw (a "**Redemption Request**"). The Redemption Request, which is irrevocable, will be actioned with effect from the first Valuation Day following the day which is 20 Business Days after the day on which the Redemption Request was received. However, the Manager may in its sole discretion redeem units on an earlier Valuation Day. If a Redemption Request is received after 5pm on any day it will be deemed to have been received on the following Business Day.

If the Manager accepts a Redemption Request, the Manager must pay to the unit holder the Redemption Price of the units to be sold by the unit holder within 20 Business Days of the relevant Valuation Day. Redemptions will only be paid to the unit holder's bank account nominated on their application form or advised subsequently to the Manager in writing. On receipt of a written Redemption Request by the Manager, but subject to the Manager's right to suspend or defer redemption in certain circumstances (discussed below), the Manager is obliged to either repurchase the units or request the Trustee to redeem the units.

The minimum number or value of units that may be redeemed may be fixed from time to time by the Manager. At the date of this Investment Statement, the minimum value of units which can be redeemed is \$500.

The Manager will normally use the "repurchase method" for each Redemption Request a unit holder makes, and therefore imputation credits (to the extent they are available) will be attached to the distribution / dividend component of the redemption proceeds.

Unit holders have the ability to choose their preferred method each time a redemption request is made. The application of taxation law depends on an investor's individual circumstances. Unit holders should seek independent taxation advice to determine the most suitable method for them as taxation law, its interpretation and the rate and basis of taxation may change.

After the date on which the Fund's election to become a PIE becomes effective, it is expected that the repurchase method will no longer be relevant and will therefore no longer apply. All withdrawals will be effected by the redemption of units. A withdrawal does not itself give rise to an income tax liability for the Fund or for you personally. However, a withdrawal may trigger a tax liability for income derived in the period up to the date of withdrawal. An amount equal to the tax liability will generally be deducted from the amount due to the unit holder (see the sub section titled "Taxation" under the heading "What Returns will I get?" above).

Suspension of withdrawals

You can normally withdraw all or any part of your investment in the Fund on a Valuation Day.

However, in certain circumstances, the Manager, on giving notice to the Trustee, can suspend redemptions from the Fund. These are principally where the Manager forms the opinion that it is not practicable, or would be materially prejudicial to the interests of unit holders, to give effect to Redemption Requests, as a result of:

- suspension of trading on a securities exchange, financial, political or economic conditions, the nature of an investment or other circumstances or events affecting the Fund; and
- redemption requests being received in a period of three months for in excess of 5% of the number of units on issue.

The suspension may continue, without limit of period, until it is cancelled by the Manager.

In addition, where Redemption Requests have been received in a three month period that exceed in aggregate 20% of the number of units in the Fund that are on issue, the Manager may suspend the right of unit holders to make redemption requests, having given prior notice to the Trustee. If this step is taken, then the Manager must call a meeting of unit holders to consider winding up the Fund or taking such other steps as unit holders consider appropriate.

Redemption Price

The Redemption Price of a unit is calculated as follows:

- the “Market Value” of the investments of the Fund on Valuation Day (including any income accruing on and rights relating to that property);
less
- the accrued expenses and other liabilities of the Fund;
less
- an amount determined by the Manager that is no more than the Manager’s estimate of expenses which would have been incurred if all the Assets had been sold or disposed of;
divided by
- the number of Units on issue, rounded down to the next 1/100th of a cent, calculated as at the Valuation Day following the receipt of the relevant Redemption Request,
rounded up to the next 1/100th of a cent.

The Trustee or the Manager may deduct from any distribution payable to any unit holder any amount to effect an adjustment pursuant to section HL 7 of the Tax Act that has not previously been effected.

Transfer of units

Unit holders may transfer their units to any other person using a customary securities transfer form. Any such transfer should be notified to the Manager in writing, together with the signed copy of the securities transfer form, so that the Manager may update the unit register.

In certain circumstances, the Manager may decline to register a transfer, and those circumstances are set out in the Prospectus.

Where the Fund is a PIE, the transfer of units will be effected by the redemption of the transferor unit holder’s units and the issue of new units to the transferee unit holder. The tax liability attributable to the transferor unit holder’s units that has not previously been reflected by an adjustment pursuant to section HL 7 of the Tax Act may be deducted from the amount due to the transferor unit holder.

WHO DO I CONTACT WITH ENQUIRIES ABOUT MY INVESTMENT?

The Manager is available to assist you with any enquiries. However, if you have one, we recommend that you speak with your investment adviser in the first instance.

The Manager can be contacted at:

Sirius Wealth Management Limited
Level 3, 228 Queen Street
Auckland
New Zealand

PO Box 3256
Shortland St.
Auckland
New Zealand

Telephone: (09) 366 4461
Facsimile: (09) 366 4456
Email: info@siriuswealth.co.nz

IS THERE ANYONE TO WHOM I CAN COMPLAIN IF I HAVE PROBLEMS WITH THE INVESTMENT?

In the first instance you are requested to direct any complaints to the Manager.

The Manager can be contacted at:

Sirius Wealth Management Limited
Level 3, 228 Queen Street
Auckland
New Zealand

PO Box 3256
Shortland St.
Auckland
New Zealand

Telephone: (09) 366 4461
Facsimile: (09) 366 4456
Email: info@siriuswealth.co.nz

If this proves unsatisfactory, you may choose to contact the Trustee.

The Trustee can be contacted at: New Zealand Permanent Trustees Limited
Level 10, 141 Willis Street
PO Box 5067
Wellington
New Zealand

Telephone: (04) 474 3753

There is no ombudsman to whom you can complain about your investment in units.

WHAT OTHER INFORMATION CAN I OBTAIN ABOUT THIS INVESTMENT?

Prospectus and Financial Statements

Other information about Commodity Portfolio and the Manager can be found in the Trust Deed, the current registered prospectus for the Fund, and the most recent financial statements (once available) of the Fund. These documents are available for inspection, without fee, during normal business hours at:

Sirius Wealth Management Limited
Level 3, 228 Queen Street

PO Box 3256
Shortland St
Auckland
New Zealand

Telephone: (09) 366 4461
Facsimile: (09) 366 4456
Email: info@siriuswealth.co.nz

In addition, the current registered prospectus for Commodity Portfolio, the financial statements of the Fund (upon completion of its first accounting period, which will end on 31 March 2008), the Trust Deed and other documents (if any) relating to the Fund may also be viewed (if available) on the Sirius Wealth Management Limited file on the website of the Companies Office of the Ministry of Economic Development at www.companies.govt.nz.

Annual Information

A copy of the audited financial statements of Commodity Portfolio will be provided to unit holders annually.

Information on Acceptance

All investors will receive:

- an initial investment confirmation, including a statement of unit holding, after acceptance of an investor's Application;
- a certificate of unit holding, within one month of the allotment of units to the unit holder.

On Request Information

Investors can also request copies of the following information at any time:

- the Trust Deed (including all amendments); and
- the current investment statement.

You can request this information from:

Sirius Wealth Management Limited
Level 3, 228 Queen Street
Auckland
New Zealand

PO Box 3256
Shortland Street
Auckland
New Zealand

Telephone (09) 366 4461
Facsimile: (09) 366 4456
Email: info@siriuswealth.co.nz

This information will be provided to you free of charge within five business days of your request being received.

How to complete the Application Form

If you have any questions on how to complete the Application Form, please contact your financial advisor or contact Sirius Wealth Management Limited by phoning (09) 366 4461.

Application Form

Please complete all sections of the Application Form contained in this Investment Statement.

To ensure your details are recorded correctly, please:

- Print, using ballpoint pen.
- Use CAPITAL LETTERS.
- If an item is not applicable please leave the designated area unmarked.
- If you make a mistake, simply draw a line through the mistake and initial the change. Do not use correcting fluid.
- If there is not enough space please use any available space in the margins.

Cheques

Please make your cheque payable to New Zealand Permanent Trustees Limited o/a Commodity Portfolio, crossed not transferable and forward to:

Sirius Wealth Management Limited
Level 3, 228 Queen Street
Auckland

PO Box 3256
Shortland St.
Auckland
New Zealand

Unit holder identification

Under the Financial Transactions Reporting Act 1996, verification of identity is required where payment is made by means other than a personal cheque.

Personal Investors

Acceptable forms of identification for personal investors include a photocopy of one of the following:

- Passport
- Firearms licence
- Credit card with photograph
- Drivers licence
- Marriage certificate
- Birth certificate

For the following investor categories, identification must be verified by providing photocopies of each of the items listed:

Corporations

- Certificate of incorporation

The director who has signed the Application Form must also provide full details and evidence of identity as specified for personal investors.

Trusts and estates

Identification is required for all trustees and executors, as specified for Personal Investors above.

Investing for another person under power of attorney

Identification of the person in whose name the investment is being made, is as specified for Personal Investors above. In addition, copies of each of the following documents are required:

- Power of Attorney; and
- Certificate of Non-Revocation.

Investing on behalf of a minor (16 years and under)

Identification of the person in whose name the investment is being made is as specified for Personal Investors above.

COMMODITY PORTFOLIO APPLICATION FORM

The completion of this Application Form constitutes an offer to subscribe for Units in Commodity Portfolio offered by Sirius Wealth Management Limited under an Investment Statement dated 12 December 2007.

The Offer contained in the Investment Statement is made in New Zealand only. An investment in the Commodity Portfolio is available to New Zealand resident investors only. No Offer is made under the Investment Statement in any jurisdiction outside New Zealand.

Please return completed application forms, with subscription monies to Sirius Wealth Management Limited, PO Box 3256, Shortland Street, Auckland. Do not use this Application Form unless it is attached to the Investment Statement dated 12 December 2007.

1A INDIVIDUAL OR JOINT APPLICANT - APPLICANT A

Title

Mr / Mrs / Miss / Ms / Other

First Name(s)

Surname

Work Telephone

Home Telephone

Fax

Mobile

1B JOINT APPLICANTS ONLY – APPLICANT B

Title

Mr / Mrs / Miss / Ms / Other

First Name(s)

Surname

Work Telephone

Home Telephone

Fax

Mobile

1C JOINT APPLICANTS ONLY – APPLICANT C

Title

Mr / Mrs / Miss / Ms / Other

First Name(s)

Surname

Work Telephone

Home Telephone

Fax

Mobile

1D COMPANY, INCORPORATED ASSOCIATION OR BODY

Name of Company, Incorporated Association or Incorporated Body

Name of Contact Person

Telephone

1E TRUST OR OTHER ENTITY

Name of Trust or Other Entity

1F EXISTING CLIENT

If you already have a Sirius Wealth Management account, please enter your account number here, or YES if you don't know it.

2 CONTACT DETAILS

Mailing Address

Suburb

City

Email Address

3 APPLICATION AMOUNT

Initial Subscription Amount

Initial Subscription, NZ\$

Minimum of \$1,000 and thereafter in multiples of \$500.

And then an optional monthly Direct Debit Amount of

Monthly Direct Debit, NZ\$

Minimum direct debit of \$100 and thereafter in multiples of \$1.00.

Please complete also a direct debit authority.

Fees

No entry fee will be deducted from the above amounts, but any fees payable to your adviser may be deducted as described in the Investment Statement.

See section 5 below.

Payments

Please make cheques payable to:

"New Zealand Permanent Trustees Limited – Sirius Wealth Management Commodity Portfolio"

and cross "Not Transferable".

4 IRD NUMBER

Please enter your IRD number, only one IRD number is required for a joint application.

IRD Number

PIR Tax Rate (tick appropriate box)

0%:

19.5%:

33%:

5 ADVISER FEE**Adviser Fee**

I/We agree to the payment of a Financial Adviser's Fee of

Entry fee to be charged (0% - 3%)	1.0 %
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of my/our Application Money to my/our Financial Adviser.

If you do not enter an entry fee, a default of 3% will be deducted from the subscription amount and paid to your financial adviser.

Adviser Name

--

Adviser Stamp

**5A INVESTOR IDENTIFICATION**

The Financial Transactions Reporting Act 1996 requires verification of the identity of all investors. You may be asked to provide identification depending on how you make your first payment to Sirius Wealth Management Limited.

You do not need identification if you are paying by personal cheque drawn on your bank account.

Otherwise please provide:

- Personal investors, trusts and executors must provide either a passport or two other forms of identification.
- Corporate investors must provide a Certificate of Incorporation
- If you are providing identification directly to Sirius Wealth Management Limited, please send certified copies only. Do not send originals.
- If you are providing identification to your financial adviser, solicitor or accountant, you may provide either originals or certified copies.
- A certified copy is one that has been sighted, copied, certified to be a true copy and signed by a Justice of the Peace, solicitor or another responsible person such as a bank manager, police officer, registered medical practitioner, teacher, accountant or judge.

Adviser Declaration

I declare that each investor on this application form has provided me with a bank cheque or a cheque from a third party which I have forwarded on to Sirius Wealth Management Limited.

I have seen an original copy of each investor's identification as detailed above and have kept a copy for my files. I have no reason to believe that each investor is not who he/she/it claims to be.

Adviser's Signature:

X
Name Date

6A DECLARATION AND SIGNATURE

I/We acknowledge and agree that:

General

I/We have received a copy of the Commodity Portfolio Investment Statement dated 12 December 2007 ("Investment Statement") and that I/we have read and understood that Investment Statement.

I/We irrevocably apply to invest the Application Money (set out above) in the Units of Commodity Portfolio on the terms and conditions set out in the Investment Statement, the Prospectus dated 10 December 2007 ("Prospectus"), the Trust Deed which constitutes Commodity Portfolio and this Application Form.

My/our rights and obligations are set out in, and I/we are bound by the terms and conditions of, the Trust Deed, the Prospectus, the Investment Statement and this Application Form.

Investments in Commodity Portfolio are subject to investment risk, including possible delays in repayment and loss of income and/or Application Money invested. I/We further acknowledge that neither Sirius Wealth Management Limited, New Zealand Permanent Trustees Limited, nor any other person guarantees any amount of returns or the performance of the Trust nor the payment of any money payable from Commodity Portfolio.

I/We are investing in Commodity Portfolio in reliance on the information contained in the Investment Statement and Prospectus and not on any other representation or communication made by or on behalf of Sirius Wealth Management Limited, New Zealand Permanent Trustees Limited or any other person. I/we understand the risks associated with an investment in Commodity Portfolio, as they are outlined in the Investment Statement.

I/We understand that Sirius Wealth Management Limited has absolute discretion to determine whether Distributions will be paid in cash or by way of the issue of Units in Commodity Portfolio.

Privacy

I/We understand that the Privacy Act 1993 allows me/us to access and/or correct any personal information held by Sirius Wealth Management Limited.

Signature of Applicant(s)

Applications lodged by Individual Applicants must be signed personally or by their Attorney.

Attorneys must attach a certified copy of the power of attorney and a specimen signature of the Attorney (for initial Applications only). Attorneys must complete and sign the certificate of non-revocation of power of attorney in section 6B (for initial and subsequent Applications).

A joint Application must be signed by all joint Applicants.

An Application by a corporate Applicant must be properly signed on behalf of the Applicant by two directors or by one director and an authorised person.

Signature of Applicant A or Company Officer:

X
Name Date

Signature of Applicant B or Company Officer:

X
Name Date

Signature of Applicant C or Company Officer:

X
Name Date

6B CERTIFICATE OF NON-REVOCAION OF POWER OF ATTORNEY

I,

(Name of Attorney)

of

(address and occupation of Attorney)

HEREBY CERTIFY THAT

by a Power of Attorney dated

(Name and occupation of person for whom Attorney is signing)

(Address of person for whom Attorney is signing)

appointed me his/her/its Attorney on the terms and conditions set out in the Power of Attorney.

I have executed the application form for Units in Commodity Portfolio printed on the face of this form as Attorney under the powers conferred on me by that Power of Attorney.

At the date of this certificate I have not received any notice or information of the revocation of that Power of Attorney, whether by death or dissolution of the donor or otherwise.

Signed at	this	day of
X		

(Signature of Attorney)