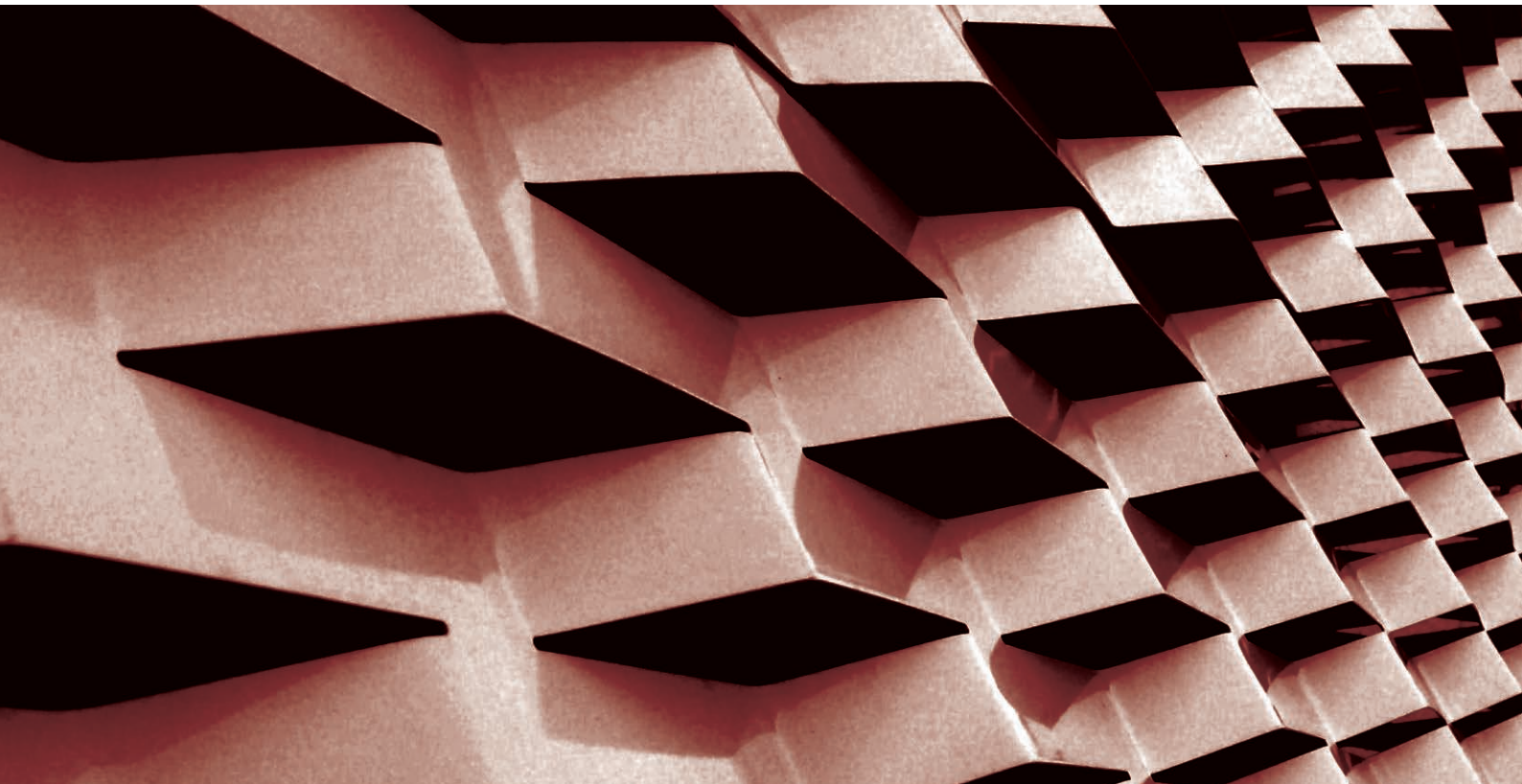


Direct SMA Product Brochure

Antares Core Opportunities Model Portfolio



Key features

- Invests in a relatively unconstrained portfolio of our best investment ideas
- Concentrated portfolio of 15 to 25 stocks
- High conviction, large-cap focus
- Targets high levels of capital growth for long term investors

The Antares Core Opportunities Model Portfolio is a concentrated portfolio of Australian equities containing only our highest conviction investment ideas which aims to provide long term investors with high levels of capital growth

Benefits of Separately Managed Accounts (SMAs):

Individual accounts

Each SMA investor has an absolute entitlement to, and beneficial ownership in, the assets that make up their portfolio.

Transferability

In most circumstances you will be able to transfer your existing Australian equities into your Portfolio when you make your initial investment (known as an 'in specie' transfer').

Professional investment management

The Antares Direct SMA Model Portfolio(s), including the Antares Core Opportunities Model Portfolio, are managed by investment professionals who draw upon Antares' * experienced and well-resourced Australian equities team.

Transparency

The SMA allows you to view the securities that you hold within your Portfolio. You can access this information securely on our website antarescapital.com.au

Access to income

All dividend and distribution income earned on the equities within your Portfolio are paid directly to you along with any associated franking credits. Realised gains and losses generated as a result of the sale of equities within your portfolio also flow directly to you.

No inherited capital gains

When you purchase or transfer equities into your Portfolio your own cost base is established for tax purposes. This means you only pay tax on realised capital gains accumulated from the day you invested in the equities. There are no tax consequences for you as a result of other clients' transactions.

Reduced administrative burden

Your Portfolio is administered on your behalf, including tax record keeping, receipt of income, reporting, mail and corporate actions. This means you receive the benefits of investing directly in equities without the administrative burden.

* Antares is a business unit within Antares Capital Partners Ltd and is the Responsible Entity and investment manager of the SMA. Antares is responsible for making investment decisions in relation to the SMA and implementing the SMA's investment strategy.

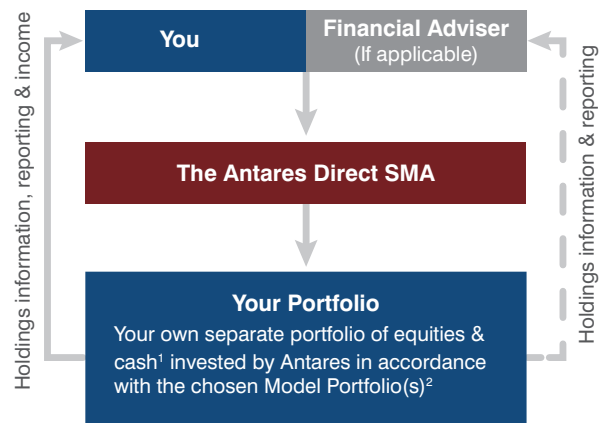
Antares Direct SMA

The Antares Direct SMA is distinctive in the market place as it does not operate on a platform. Instead, the adviser deals directly with Antares via a customised administration system. The benefits of the Antares Direct SMA include:

- wholesale investment management fees available to retail investors
- online access to account information and reporting
- ability to provide Portfolio data directly into financial planning software
- portfolios designed to meet a range of investment needs.

Furthermore as a large institutional fund manager, Antares is able to use institutional brokers for the execution of trades providing significant advantages, including:

- wholesale brokerage rates which are generally lower than the rates paid by retail clients for self-directed investing
- access to institutional placements that are generally unavailable to retail clients.



¹ You retain beneficial ownership of the assets in your Portfolio.

² The 4 Model Portfolios available are:

- Antares Core Opportunities
- Antares Dividend Builder
- Antares Listed Property
- Antares Ex-20

The risks of investing in the Antares Direct SMA

All investments carry risk. Different investment strategies carry different levels of risk depending on the underlying mix of assets that make up the strategy. While Antares' disciplined, risk-controlled investment approach aims to generate investment returns over the long term, it is important for you to carefully consider the risks of investing in the Antares Direct SMA.

The significant risks of investing in the SMA include:

- market risk – risks that affect entire equity markets
- security specific risk – investments in shares in a company or units in a Real Estate Investment Trust can fall in value
- liquidity risk – risk an investment may not be able to be sold quickly enough to prevent or minimise a loss
- scheme risk – the Antares Direct SMA or a particular model portfolio could be terminated and fees and costs could change
- implementation risk – the performance of your portfolio may differ to the performance of the relevant model portfolio

If you have a financial adviser, they can assist in assessing investment risks as well as selecting the appropriate Model Portfolio(s).

Antares Core Opportunities Model Portfolio

Investment objective

The Model Portfolio's objective is to outperform the S&P/ASX 200 Accumulation Index by 3.5% p.a. (gross of fees) over rolling five year periods.

Investment strategy

The Model Portfolio takes large positions in a concentrated portfolio of 15 to 25 companies. This portfolio will be invested in companies identified as having the greatest potential for long-term value.

Investment philosophy - selectively contrarian

Market philosophy <ul style="list-style-type: none">• Markets are not efficient• Investors are human• Market prices generally revert to the mean	Investment analysis <ul style="list-style-type: none">• Fundamental analysis is the key• We are style-agnostic and model-agnostic• ESG = Early Signal Generators
Investment team <ul style="list-style-type: none">• People trump process• Be courageous, not comfortable• Personality & beliefs must be aligned with investment process• "1% inspiration, 99% perspiration"	Portfolio construction <ul style="list-style-type: none">• Sometimes it pays to run against the crowd• A mechanical process can't adapt to market changes• We back high conviction with large active positions

Stock selection

The approach to stock selection is bottom-up, and is focused on identifying companies where the potential value of each company's business is not fully reflected in the current share price. The Portfolio Manager draws on the research of the broader equities team as an input into stock selection and portfolio construction. While stock valuations provide a starting point for preferred and non-preferred stocks, the Portfolio Manager retains ultimate discretion over which stocks make it into the Core Opportunities portfolio and their respective weightings.

Portfolio construction

Successful portfolio management involves balancing the 'science' of stock research and understanding, with the 'art' of portfolio management. In managing the portfolio, the Portfolio Manager selects and weights stocks on the basis of the strength of his conviction, without being constrained by individual stock or sector limits. The manager's views are not tempered by media commentary, market consensus or herd mentality. If the stock isn't liked, the portfolio won't own it - no matter how big a part of the index it is.

Model Portfolio details

Inception date:
22 November 2010

Benchmark:
S&P/ASX 200 Accumulation Index

Minimum suggested investment timeframe
5 years

Risk level (expected volatility)
High - Very High

Minimum initial investment
\$20,000

Minimum additional investment
\$2,000

Payment of dividend income
Choice of monthly distribution or re-investment

Entry fee
Nil

Exit fee
Nil

Management fee
0.5125% p.a. (incl. net effect of GST)

Availability
Direct via Antares

Ratings
Lonsec - Rated ^{SMA} *

Investor profile

The Core Opportunities SMA is designed for investors seeking high capital growth over the medium to long term.

Using this portfolio

As a concentrated Australian equities portfolio, this Model Portfolio will generally sit within the growth assets component of a balanced portfolio. The Model Portfolio can be used on a stand-alone basis, however, the style agnostic investment philosophy also makes it suitable to blend with other investment styles.

Portfolio Managers

Nick Pashias
B.E. (Hons), Ph.D. (Chem Eng), M. App. Fin

Co-Head of Equities

Key responsibilities:

Nick is the Co-Head of Equities and the Portfolio Manager of the Elite Opportunities Fund and the Core Opportunities portfolios. He is also the Deputy Portfolio Manager of the High Growth Shares Fund.

Years with the group: 18

Years of industry experience: 18

Previous roles:

Nick previously worked on a number of projects with resource companies while completing his Ph.D. in Chemical Engineering at The University of Melbourne. On completion of his Ph.D., Nick worked as a consultant with particular emphasis on efficiency improvement and process streamlining in the mining industry.



John Guadagnuolo
B.Com & B.A. (Hons), Ph.D. (Classics)

Investment Manager

Key responsibilities:

John is Portfolio Manager of the Antares Equities external mandates and the Antares DSMA Ex-20 Australian Equities Model Portfolio. In addition he is the Deputy Portfolio Manager for the Elite Opportunities Fund. John is also responsible for researching stocks in the Transport, Retail and Online media sectors.

Years with the group: 9

Years of industry experience: 16

Previous roles:

John was previously at Equity Trustees where he developed and ran their Australian Equity research and portfolio construction processes and was Portfolio Manager of the EQT Flagship Fund, operational head of the Asset Management Team and was a member of their Investment Management Committee where he was responsible for asset allocation research.



Andrew Hamilton
B.E. (Hons), CFA Charterholder

Head of Research

Key responsibilities:

Andrew is the Head of Research. He is also responsible for managing the institutional 50 Leaders portfolio and is Deputy Portfolio Manager for the Elite Opportunities Fund. Andrew is also responsible for researching stocks in the Energy and Healthcare sectors. He has previously covered Insurance, Building Materials, Transport, Infrastructure and Utilities sectors.

Years with the group: 16

Years of industry experience: 19

Previous roles:

Andrew joined the company after several years in London in a variety of positions with Salomon Brothers International and Nomura International. Prior to this, Andrew worked as a mechanical engineer in product design and development.



For further information please contact our Client Services Team - Toll Free: 1800 671 849
investorservices@antaresequities.com.au - www.antarescapital.com.au

Important information

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