

Monthly Performance Report as at 31 July 2010

Solaris High Alpha Australian Equity Fund APIR WHT0016AU

Market Review

The S&P/ASX200 Accumulation Index climbed 4.5% in July. In the US, second quarter corporate earnings were largely above expectations but offset by cautious company guidance. US economic data was also mixed, with US GDP growing at 2.4% in the second quarter, from a revised 3.7% in the first quarter, indicating the recovery could be slowing. Locally, banks (8.8%) were supported by easing international funding conditions off the back of benign European bank stress tests. Resources (4.6%) were boosted by the governments revised Mineral Resource Rent Tax (MRRT) and mostly firmer commodity prices.

In corporate news, AWB Limited will merge with GrainCorp Limited to form Australia's largest diversified agribusiness. AXA Asia Pacific Holdings Limited and National Australia Bank Limited agreed to extend the exclusivity agreement to the end of August and Intoll Group received an offer from the Canada Pension Plan Investment Board.

Fund Performance

Returns	Month	Rolling Quarter	6 Months	FYTD	1 Year	Since Inception p.a. (17/10/2008)
Fund Gross Return	3.97%	-8.90%	-3.34%	3.97%	5.73%	14.11%
Benchmark* Return	4.47%	-5.87%	0.29%	4.47%	10.14%	11.81%
Outperformance	-0.50%	-3.03%	-3.63%	-0.50%	-4.41%	2.30%
Fund Net Return	3.88%	-9.12%	-3.81%	3.88%	4.72%	12.29%
Benchmark* Return	4.47%	-5.87%	0.29%	4.47%	10.14%	11.81%
Outperformance (After fees)	-0.59%	-3.25%	-4.10%	-0.59%	-5.42%	0.48%

* S&P/ASX 200 Accumulation Index

The performance data above is based on month end prices before tax.

Net performance is calculated on a NAV to NAV basis. Net performance is calculated after management fees and operating costs, excluding taxation and the buy/sell spread. Gross performance is stated excluding all fees, cost and taxation.

This is historical performance data. It should be noted the value of an investment can rise and fall and past performance is not indicative of future performance.

Performance Review

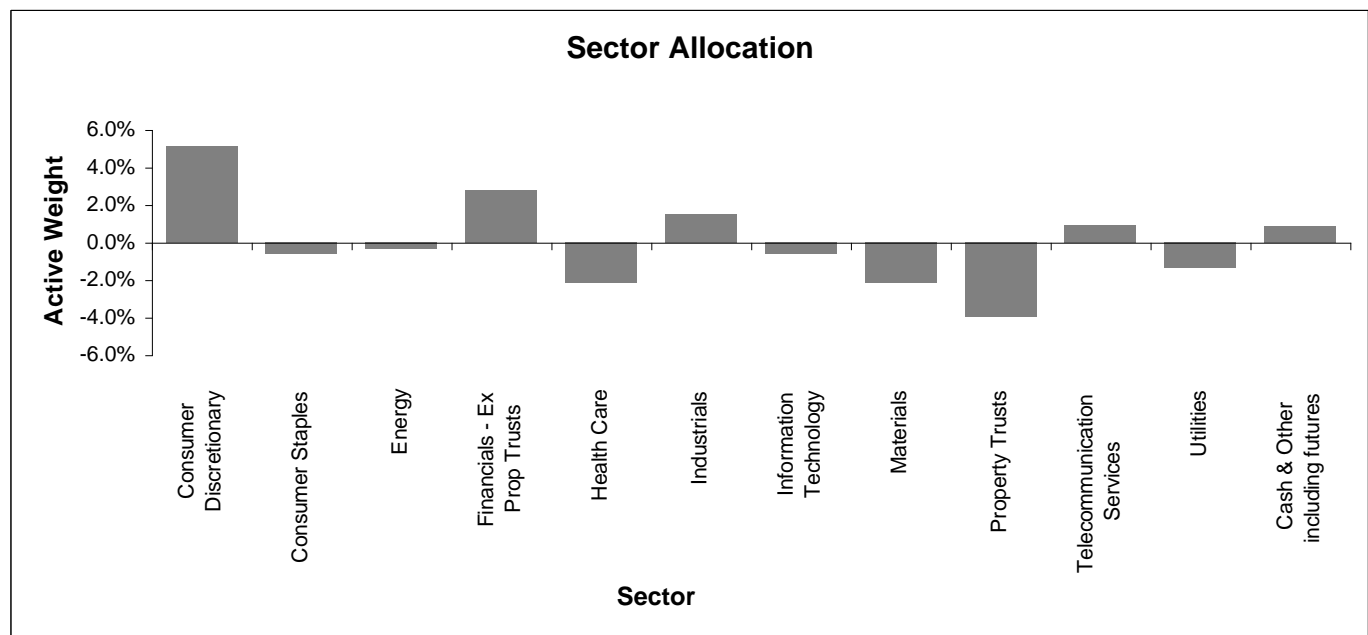
The best performing sectors in the S&P/ASX200 Accumulation Index for the month were Transportation (10.4%), Banks (8.8%) and Retailing (5.3%). The worst performing sectors were Software & Services (-4.0%), Insurance (-1.8%) and Telecommunication Services (-0.5%).

The portfolio underperformed its benchmark this month by 0.59%. An underweight position in Woolworths Limited, as well as overweight positions in Fairfax Media Limited and National Australia Bank Limited were the top contributors and made a positive contribution to relative performance. The main detractors were overweight positions in Aquarius Platinum Limited, QBE Insurance Group Limited and AWE Limited.

Top 10 Stock Holdings

Stock Name	Sector	Fund %
BHP Billiton Limited	Materials	10.9%
Commonwealth Bank of Australia	Financials - Ex Prop Trusts	9.8%
National Australia Bank Limited	Financials - Ex Prop Trusts	9.2%
Westpac Banking Corporation	Financials - Ex Prop Trusts	5.9%
Wesfarmers Limited	Consumer Staples	5.5%
Rio Tinto Limited	Materials	5.4%
Telstra Corporation Limited	Telecommunication Services	4.7%
Santos Limited	Energy	4.0%
Fairfax Media Limited	Consumer Discretionary	3.4%
Brambles Limited	Industrials	3.0%
Total % of Top 10 stock holdings		61.8%

Sector Allocation



Market Outlook

The strength of the global recovery should continue to dominate markets as investors continue to focus on key macroeconomic indicators and company results. Reported second quarter earnings so far in the US indicate 75% of companies exceeding market expectations, likewise 60% in Europe. With the local earnings season underway in August, the market will be anticipating Australian companies to return to profit, EPS growth and stronger dividends.

Nonetheless, we may also see the setting of cautious expectations for 2011 results. The lower-than-expected June inflation (0.5% for quarter and 2.7% for year), despite the increase in the tobacco excise, could indicate an economy struggling to gain traction. Indeed the decision by the RBA to leave interest rates on hold at 4.5% for the third month in row underlines the continued risks associated with global growth.

Fund Awards & Ratings



Morningstar Fund Manager of the Year 2008 is copyright Morningstar, Inc. All rights reserved. Neither Morningstar, nor its affiliates nor their content providers will have any liability for use or distribution of any of this information. To the extent that any of the content above constitutes advice, it is general advice that has been prepared by Morningstar Australasia Pty Ltd ABN: 95 090 665 544, AFSL: 240892 (a subsidiary of Morningstar, Inc.), without reference to your objectives, financial situation or needs. Before acting on any advice, you should consider the appropriateness of the advice and we recommend you obtain financial, legal and taxation advice before making any financial investment decision. If applicable, investors should obtain the relevant product disclosure statement and consider it before making any decision to invest. Please refer to our Financial Services Guide (FSG) for more information at www.morningstar.com.au/s/fsg.pdf.

The Solaris High Alpha Australian Equity Fund strategy has been rated by van Eyk Research Limited *

* van Eyk Research Limited (ABN 99 010 664 632 AFSL 237917) (van Eyk) rates investment management capabilities rather than individual products. This rating is valid as at August 2009 but can change or cease at anytime and should not be relied upon without referring to the meaning of the rating, as well as the full manager report, available to subscribers at www.iRate.vaneyk.com.au. Past performance information given in this document is given for illustrative purposes only and should not be relied upon as it is not an indication of future performance. van Eyk has not directed the publication of Solaris Investment Management's rating. The rating is not intended to influence you and your client's investment decision in relation to any products managed by Solaris Investment Management and does not take into account your client's individual financial situation, needs or objectives. We recommend that you and your client do not rely on this rating in making an investment decision and instead you seek advice from an appropriate investment adviser and read the product disclosure statement before making such a decision.

For further information, please contact:

Queensland:

Peter Mahoney on 07 3259 7616 or email Peter.Mahoney@solariswealth.com.au

All other areas:

Please contact Pinnacle distribution on 1300 010 311 or email distribution@pinnacleinvestment.com.au

Investment Manager and Responsible Entity: Solaris Investment Management Limited ABN 72 128 512 621 AFSL 330505. While every effort has been made to verify the data in this report, Solaris Investment Management does not warrant the accuracy, reliability or completeness of the information. This communication has been prepared without taking into account your particular investment objectives, financial situation or needs. For further information and before investing, please read the Product Disclosure Statement which can be downloaded from our web site at www.solariswealth.com.au