

Net Tangible Assets (NTA)

NTA Per Share	January	December
NTA Before Tax	40.3	38.4
Tax – realised and deferred	(5.0)	(4.5)
NTA After Tax	35.3	33.9

Monthly Review

Global equity markets performed strongly in January as investors increasingly priced in an end in sight for interest rate rises. The tech sector led the market higher, evidenced by a +10% rise in the NASDAQ. The All Ordinaries increased just over 6% with the materials and consumer discretionary sectors the leaders. Commodity prices were strong with iron ore, gold and copper all increasing by more than 5% over the month.

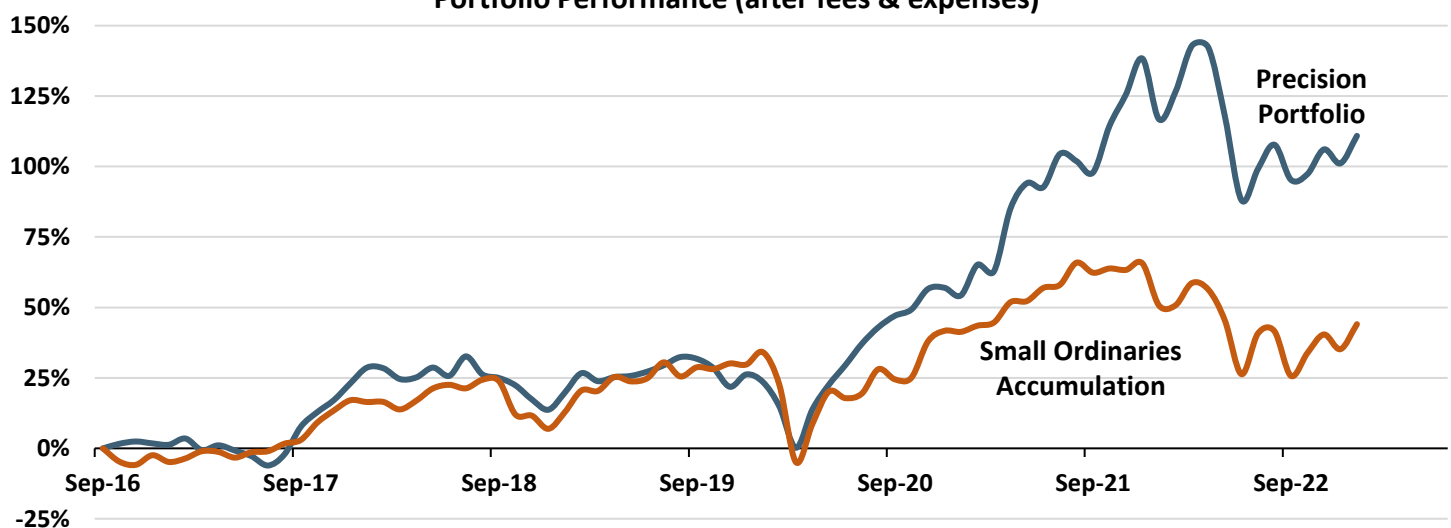
We remain somewhat cautious on the path ahead having observed the following over the month: universally bullish commentary on the outlook for the resource world, which appeared oblivious to the attractive incentive prices already on offer; the market fear indicator, the VIX, returning to lows; and, perhaps most worryingly of all, the staggering number of brand-new jet skis launching off the Dunsborough boat ramp at all hours of the day.

Pre-tax NTA for the fund increased by 5% in January. This was a pleasing result given the relatively defensive nature of the portfolio. Positive performance came from a range of stocks and sectors but with a somewhat disappointing contribution from gold names given the strong gold price environment. Portfolio news flow highlights for the month included: a healthy order book update from Austin Engineering (ANG.ASX, +23%); and a quarterly report from recent portfolio addition Emerald Resources (EMR, +16%) which demonstrated continued operational excellence.

We are currently seeing more value in the industrial world than across the resources universe and this continues to be reflected in portfolio activity. We were net buyers over the month of January with all buying, aside from participation in a Nickel Industries capital raising, being additions to current industrial positions. Selling was limited to resources positions with net profits realised over the period.

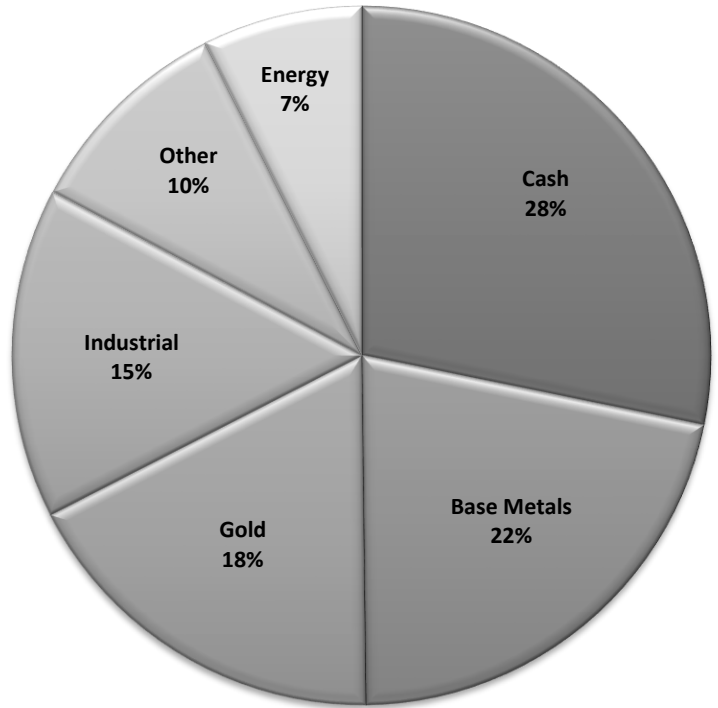
Portfolio Performance (after fees and expenses)

Portfolio Performance (after fees & expenses)



Portfolio Performance (after fees and expenses)

Company	Portfolio %
Develop Global Ltd	10%
Capricorn Metals	4%
Centaurus Metals Ltd	4%
SRG Global Ltd	4%
Red Dirt Metals Ltd	4%
Nickel Industries	4%
Macmahon Holdings	3%
Orecorp Ltd	3%
Genesis Minerals	3%
Austin Engineering	3%
Other	30%
Cash	28%



About Precision Opportunities Fund Ltd & Precision Funds Management

Precision Opportunities Fund Ltd ("POF") is an unlisted investment company that invests in emerging opportunities and undervalued companies listed on the ASX and other recognised exchanges. The investment focus is predominantly in the small-mid cap companies outside the ASX100.

POF is suitable for investors who wish to gain exposure to small-mid cap companies and are willing to accept highly volatile returns and increased levels of risk over the short term, including returns which could be negative, with the aim of seeking higher returns over the medium to long term. The Company should only be considered by wholesale investors with a significant risk tolerance and a long-term investment time horizon.

The investment manager for POF is Precision Funds Management Pty Ltd (PFM). PFM is a specialist, independent investment manager. Precision Funds Management’s principals have significant diversified investment experience in the small and mid-cap sectors of the ASX. The principals are significant investors in the fund, contributing approximately A\$9m between them, thereby aligning their interests with all shareholders of POF.

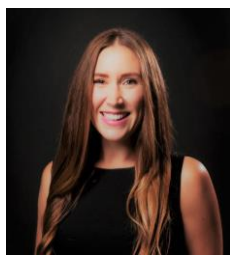
Management Team



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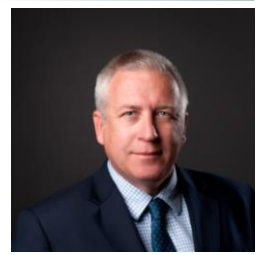
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