



LinQ Resources Fund

Investor Update

January 2008

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Please note that past performance is not a reliable indicator of future performance. Currently, interests in the Fund may only be acquired by purchasing shares quoted on the ASX.

**LinQ Capital Limited (ABN 66 098 197 258) is the responsible entity for the LinQ Resources Fund (“Fund”)
AFSL 239785**

Presentation Agenda

- Proposed Transaction
- Performance and results
- Portfolio composition
- Outlook and summary

Proposed Transaction

- A fully owned subsidiary of LinQ Resources Fund, (“LRF2”) is to purchase units held by Arbitrage Funds Weiss Asset Management (“Weiss”) and Carrousel Capital (“Carrousel”)
- Weiss units to be acquired at 90% of NTA
- An auction is to be held on behalf of Carrousel Capital in which investors can bid at a discount to NTA. LinQ proposes to underwrite the auction process through LRF2 at 85% of NTA per unit
- LRF2 will hold the units which will be on sold to third party investors or cancelled to maximise NTA per unit
- Both arbitrage funds have agreed not to re-invest for a further 5 years
- Your Board and the Independent expert report supports the proposal

Proposed Transaction

Benefits

- Large overhang created by arbitrage funds will be eliminated
- Distribution income for remaining shareholders to increase, as we will waive distribution entitlements for all units held by LRF2
- Better alignment of LRF unit holders with the stated investment strategy once the short term focus of arbitrage funds is removed
- Allows the Fund to maintain its relationships with investee companies as a stable long term investor
- Removes the distraction of arbs and allows the Fund manager to purely concentrate on enhancing the portfolio and NTA

Highlights for 2007

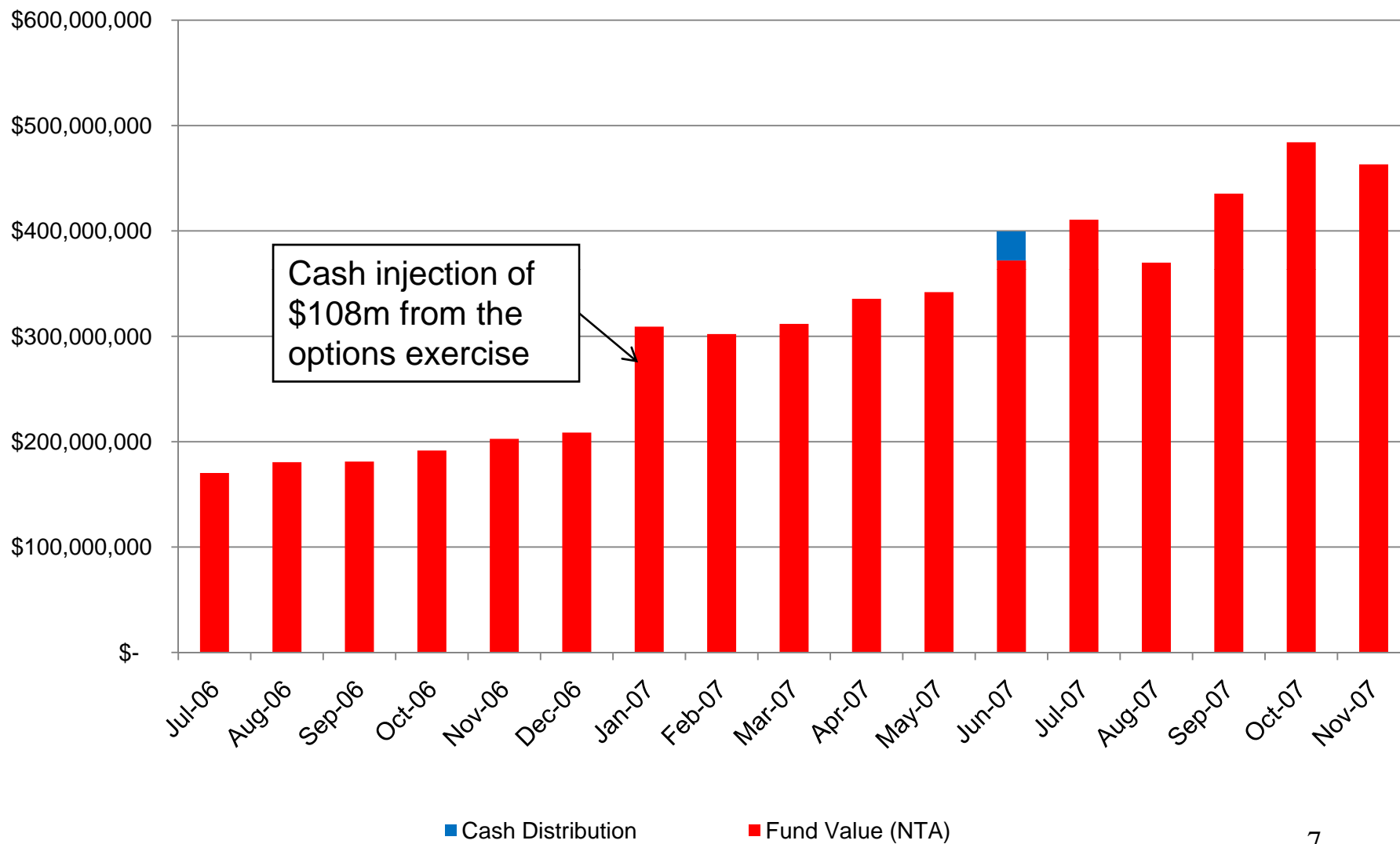


	30 June 2006	30 June 2007	5 Months to 30 November 2007*
Net Profit	\$37.3m	\$138.4m	-
Earnings Per Unit	28.3c	77.2c	-
Distribution Per Unit	7.5c	8.54c	-
LRF Units on Issue	132.4m**	232.2m	225.5m
LRF Unit Price	\$0.83	\$1.305	\$1.77
LRF NTA Per Unit (Post distributions)	\$1.19	\$1.60	\$2.05
Investments (excluding cash)	\$122.2m	\$293.0m	\$401.9m
Cash	\$44.3m	\$100.3m	\$67.1m

*Unaudited Figures

**Pre Option Issue

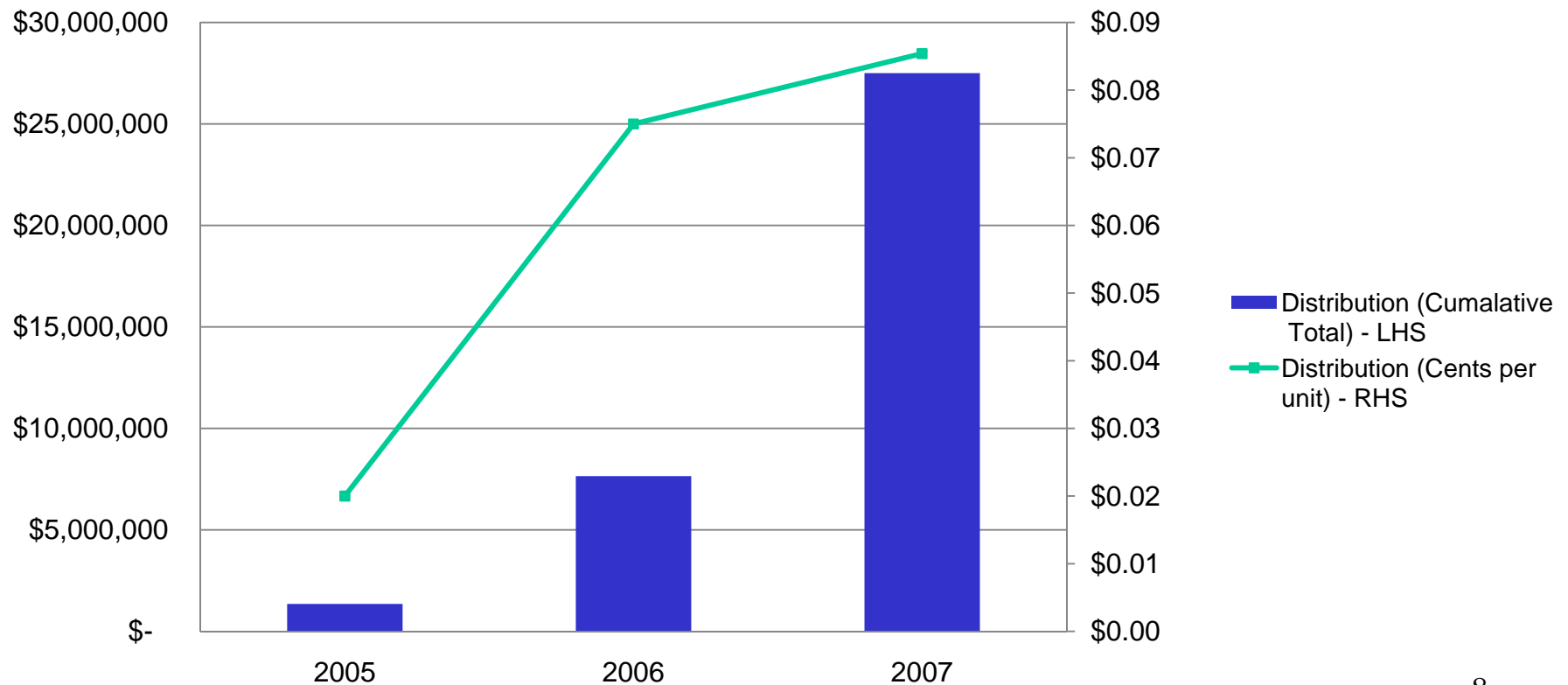
LRF NTA Growth – July 06 to Nov 07



LRF Distributions

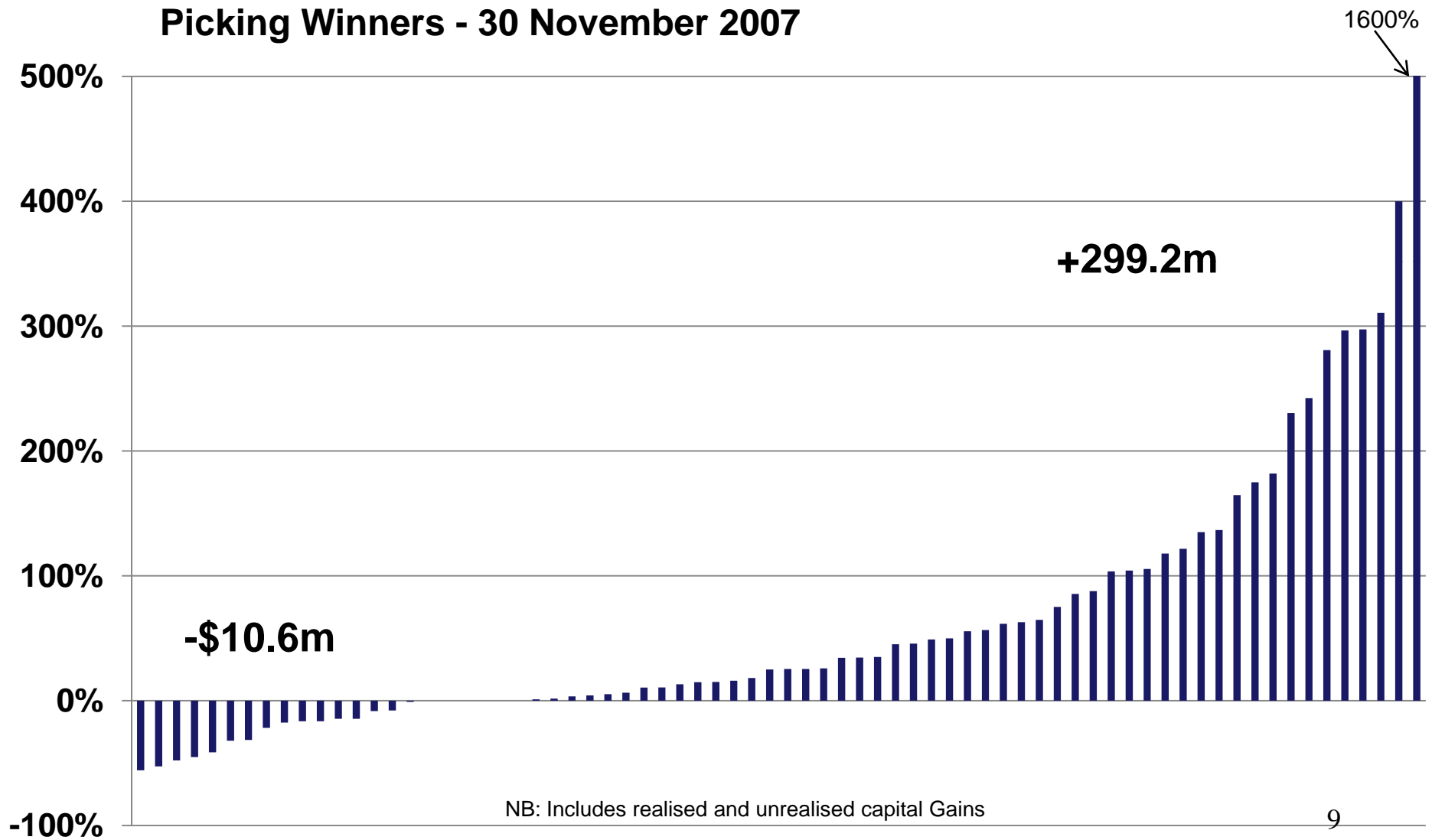
- The Fund continues to deliver a strong distribution yield to its unitholders

**LinQ Resources Fund
Distributions paid**



Returns on portfolio since inception to 30 November 2007

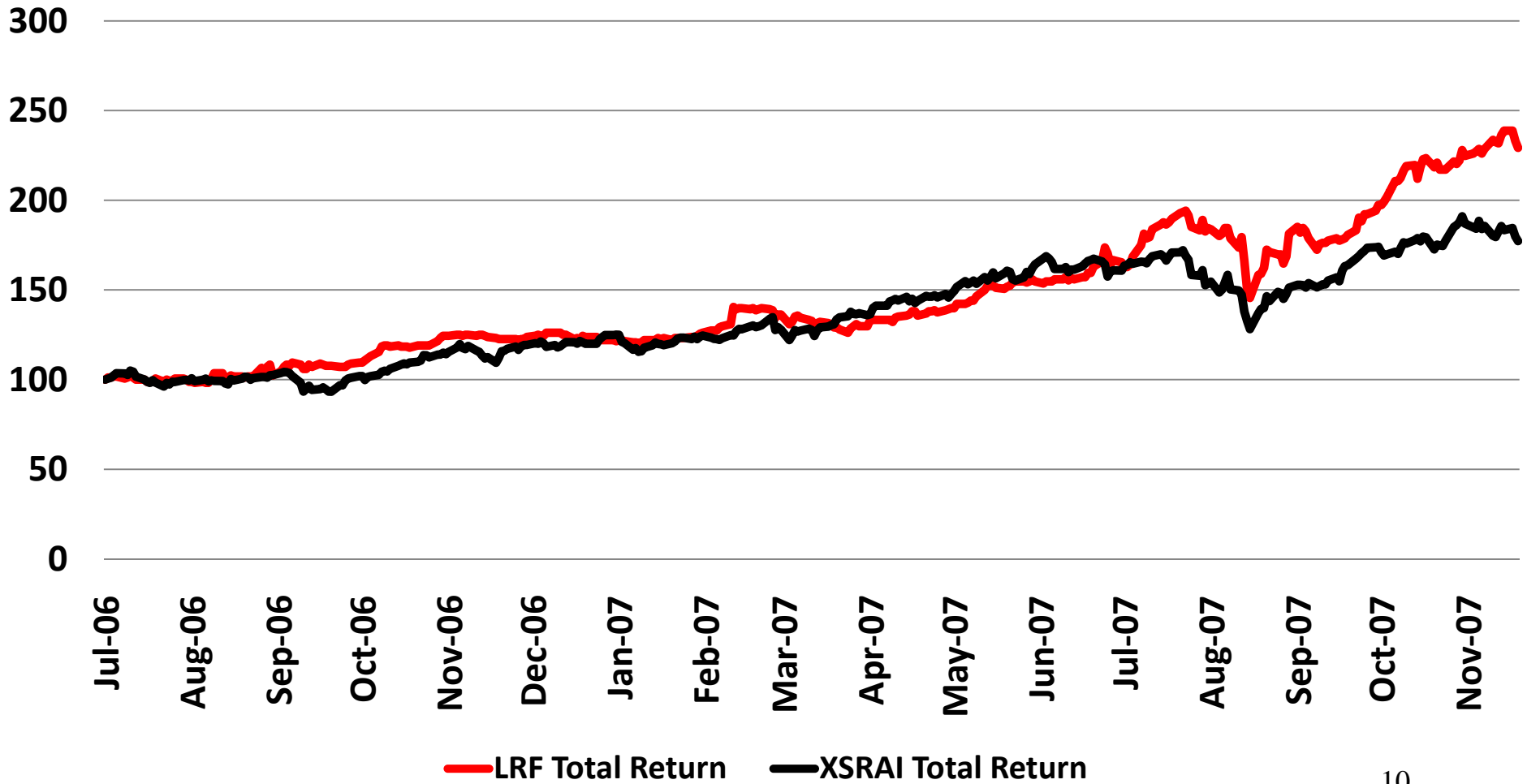
Picking Winners - 30 November 2007



LRF Relative Performance



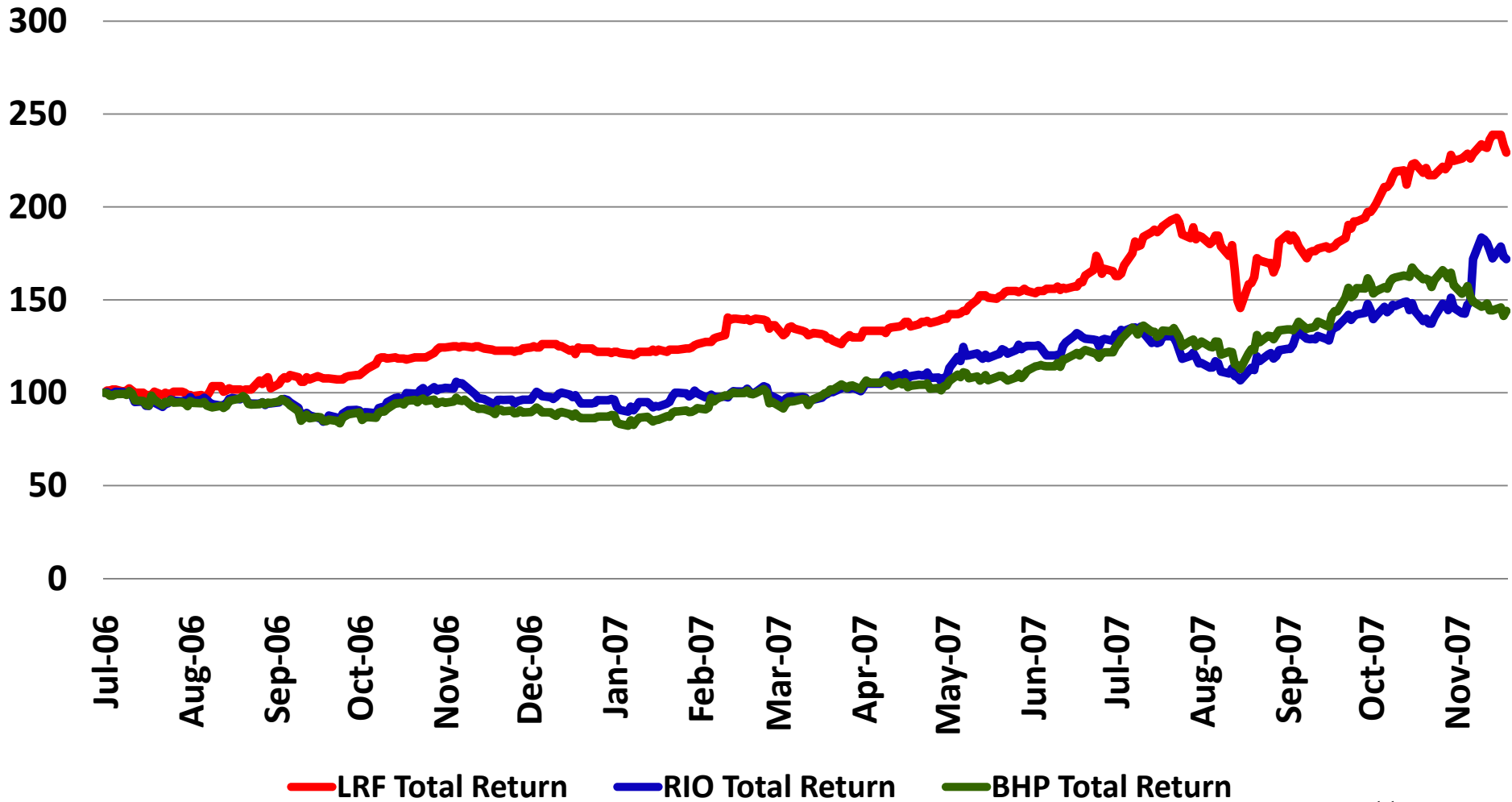
LRF vs XSRAI



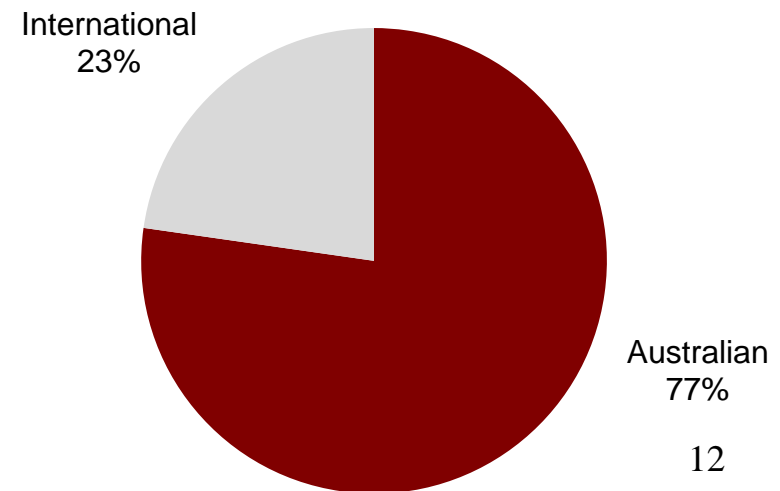
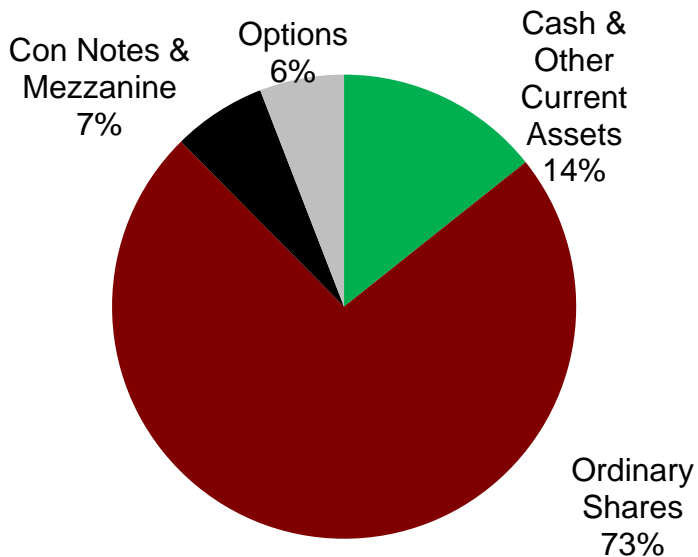
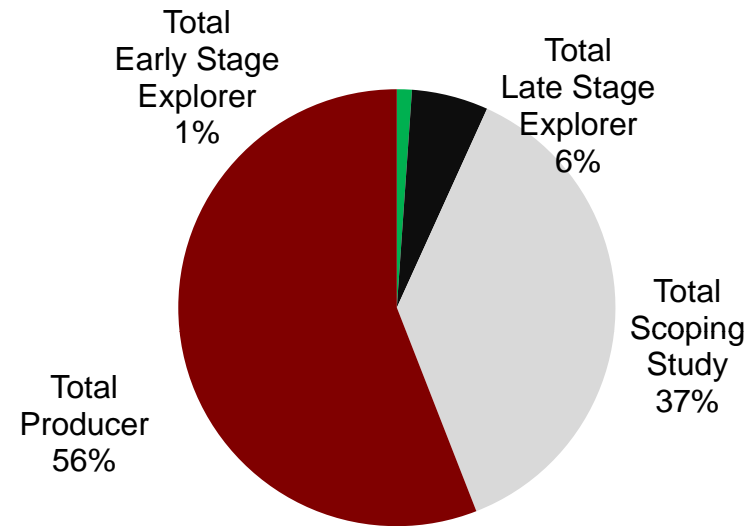
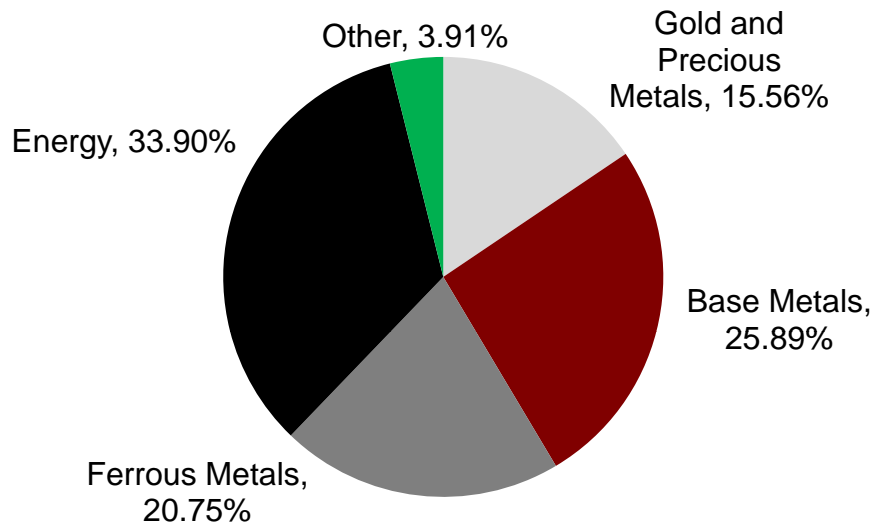
LRF Relative Performance



LRF vs Rio and BHP



Portfolio Composition - 30 November 2007



Major Investments – 30 November 2007



Company	Stage*	Key Project Domicile	Value \$m	Portfolio %
Riversdale Mining Limited	P	Southern Africa	93.9	20.24%
Atlas Iron Limited	EP	Australia	66.2	14.26%
Copper Co Limited	P	Australia	48.9	10.55%
Oilex Limited	EP	India/Oman/ Indonesia	23.9	5.16%
Jabiru Metals Limited	P	Australia	20.4	4.39%
Equigold NL	P	Australia/Africa	16.8	3.62%
Independence Group NL	P	Australia	15.0	3.22%
Sundance Resources Limited	LSE	Cameroon	13.7	2.95%
China Gold Mines PLC	EP	China	12.4	2.68%
Elkedra Diamonds NL	P	Brazil	10.6	2.28%
Vulcan Resources Limited	EP	Finland	10.1	2.17%
Other (28 companies)			63.2	13.62%
Cash & Receivables			69.0	14.87%
Total Investments and Cash			464.0	100.00%

* P – Producer, EP – Emerging Producer, LSE – Late Stage Explorer

Outlook for Commodity Prices

- Base metals fundamentals remain strong.
 - Strong demand continues from China and India but expect soft demand from USA
 - Inventories for many commodities remain at critical lows, this situation is likely to exist for several years
- Energy
 - Oil and gas to remain strong
 - Strong demand from China and the EU
 - Limited spare production capacity is likely to have an impact on prices
 - Growing interest in geothermal and nuclear energy resulting from current focus on 'clean' energy
- Gold price outlook remains favourable
 - Gold increasingly used as a hedge against inflation
 - Geopolitical instability and expectations of increasing inflation have boosted demand
 - Supply constraints and increasing global demand

Outlook for LinQ

- The Fund anticipates continuing strong deal flow throughout 2008
- Global sub prime issues will create volatility and opportunity for 2008
- Resources sector remains very favourable
 - Fundamentals for commodity prices remain strong but expect volatility
 - As at October 07 Global GDP growth expected to remain strong with the International Monetary Fund (“IMF”) forecasting growth of 4.8% in 2008
 - As at October 07 GDP growth in China and India forecast at 10% and 8.4% respectively in 2008 (IMF)
- The successful investment strategy of portfolio diversification and investing in target companies through both equity and structured finance instruments will continue

Summary

- Strong investment management team
- Provides a portfolio exposure to the small resources sector
- Performance track record
 - NTA for 5 months to November 30 up 28%
- Convertible note investment strategy minimises risk and provides yield enhancement to unit holders
- Strong underlying distribution of 8.54c per unit for 2007 with potential to increase in 2008
- Sector to remain strong – solid supply/demand fundamentals continue for most commodities