Monthly NTA statement

ACORN CAPITAL
INVESTMENT FUND LIMITED

Acorn Capital Investment Fund

Key company details

- ASX Code: ACQ/ACQO
- Listing Date: 1 May 2014
- Shares on issue: 50,820,001
- Options on issue: 50,820,000

Objective

The Objective is to create a diversified portfolio of listed microcap companies and then to invest opportunistically in unlisted entities that offer better relative value. The performance objective for ACQ is to outperform the S&P/ASX Small Ordinaries Accumulation Index over the medium to long term.

Investment philosophy

The investment philosophy is based on a belief that there are pricing inefficiencies amongst microcap companies due to a lack of readily available external research conducted on such entities.

Acorn Capital believes that through a research driven investment process the pricing inefficiencies that exist in both listed microcaps and unlisted microcaps can be exploited to earn returns superior to those available in the broader market.

Unlisted microcap opportunities must be of better relative value on a risk-adjusted basis to displace existing listed portfolio investments in the corresponding sector.

Strategy

- Research-driven stock selection
- Economic sector diversified
- Style agnostic
- Long term investor
- Create diversified portfolios to reduce volatility

Company profile

Acorn Capital Investment Fund Limited provides investors with an opportunity to invest in a diversified portfolio of listed and unlisted microcap companies.

Manager profile

Established in 1998 Acorn Capital is a specialist Australian microcap manager.

Net Tangible Asset Backing Per Ordinary Share

(all figures unaudited)

NTA before any tax effect	0.8720
NTA after tax excluding tax liability on unrealised gains	0.9000
NTA after tax	0.9169

NTA does not include the impact of any exercise of the 50,820,000 outstanding ACQO option and shares yet to be cancelled as at 30 September 2015 due to the buyback.

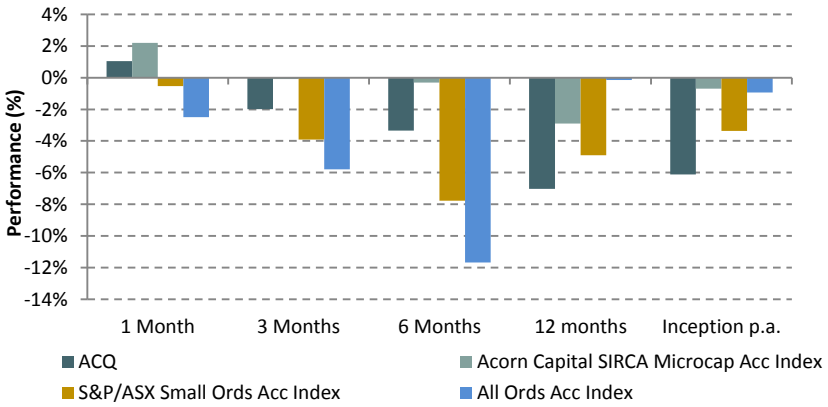
Performance (September 2015)

(all figures unaudited)

In September ACQ recorded performance of 1.06%[1]. The ACQ share price increased from $0.710 to $0.725. The exchange traded options, ACQO last traded at $0.001.

Period	1 month	3 months	6 months	12 months	Since inception % p.a.[2]
ACQ [1]	+1.06%	-1.98%	-3.33%	-7.02%	-6.12%
Acorn Capital / SIRCA Microcap Acc Index[3]	+2.20%	-0.09%	-0.32%	-2.90%	-0.70%
S&P/ASX Small Ords Acc Index	-0.53%	-3.90%	-7.78%	-4.90%	-3.37%
All Ords Acc Index	-2.50%	-5.79%	-11.68%	-0.16%	-0.94%

1. Portfolio performance is post all operating expenses, excluding management fees, taxes and initial IPO and placement commissions. Performance has not been grossed up for franking credits received by shareholders
2. Inception is 1 May 2014
3. Acorn Capital / SIRCA Microcap Accumulation Index data is verified 3 months in arrears by SIRCA ('Securities Industry Research Centre of Asia-Pacific')



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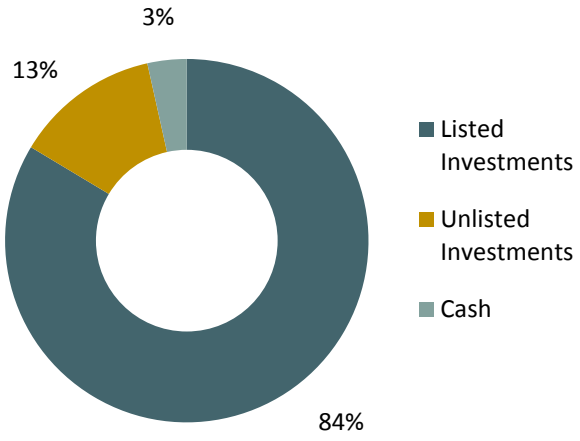
Month in Review

During this month Acorn Capital has had over 147 engagements with the management of microcap companies.

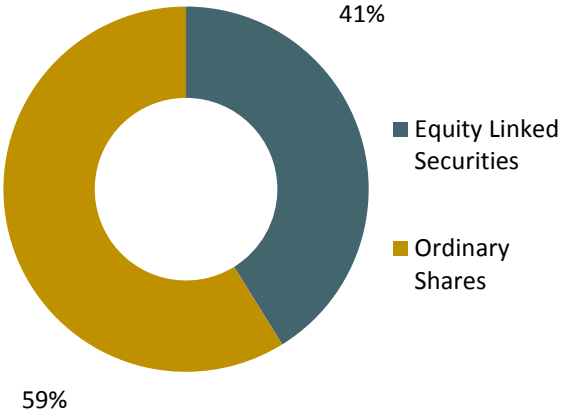
Portfolio Profile

As at 30 September 2015 ACQ had 84%, 13% and 3% in listed investments, unlisted investments and cash, respectively.



Investment Instrument

Unlisted investments can be classified by the type of investment instrument as follows:

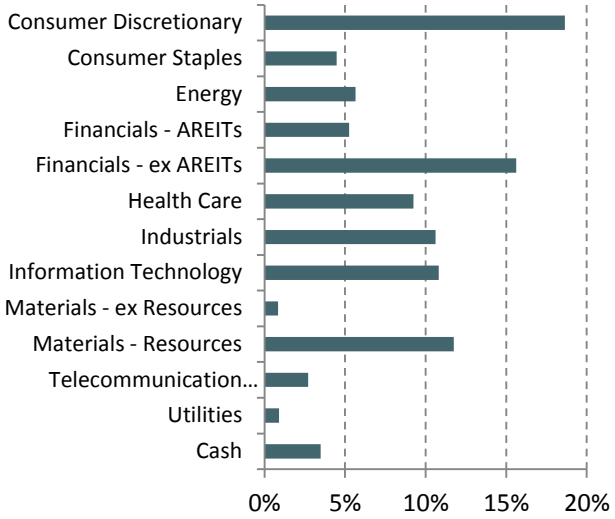


1. Equity Linked Securities include convertible debt, debt with attaching warrants, options or shares and such similar instruments

Listed and unlisted investments are revalued in accordance with policies adopted by the Board of ACQ.

Industry Weight

As at 30 September 2015, the ACQ investment portfolio had the following industry weights:



Top 10 Stocks

The ACQ Investment Portfolio held 91 stocks as at 30 September 2015. Top 10 largest stock holdings within the ACQ Investment Portfolio are:

Company	Portfolio Weight as at 30 September 2015
1. Servcorp	5.30%
2. RedBubble	4.32%
3. Genea	3.56%
4. Hub24	3.31%
5. Burson Group	2.72%
6. IPH	2.11%
7. Bellamy's Australia	2.08%
8. Generation Healthcare	2.05%
9. Fiducian Group	2.00%
10. SUB161	1.95%

Further Information

Benchmark	S&P/ASX Small Ords Accumulation Index
ACQ Market Capitalisation (30 September 2015)	$36.8 million
Options on issue	50,820,000
Exercise price of Options	$1.00
Last date options can be exercised	24 October 2015

ACORN CAPITAL

INVESTMENT FUND LIMITED

Corporate Directory

Directors
John Steven (Chairman)
David Trude
Judith Smith
Robert Brown
Barry Fairley

Company Secretary
Matthew Sheehan

Manager Investment Team	
Robert Routley	David Ransom
Matthew Sheehan	Karina Bader
Tony Pearce	Kylie Molinaro
Robert Bruce	Cameron Petricevic
Xing Zhang	Ben Dalling

Investment Manager
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Abbotsford VIC 3067
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Facsimile: 03 9473 2500

Auditor
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Melbourne VIC 3000

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