

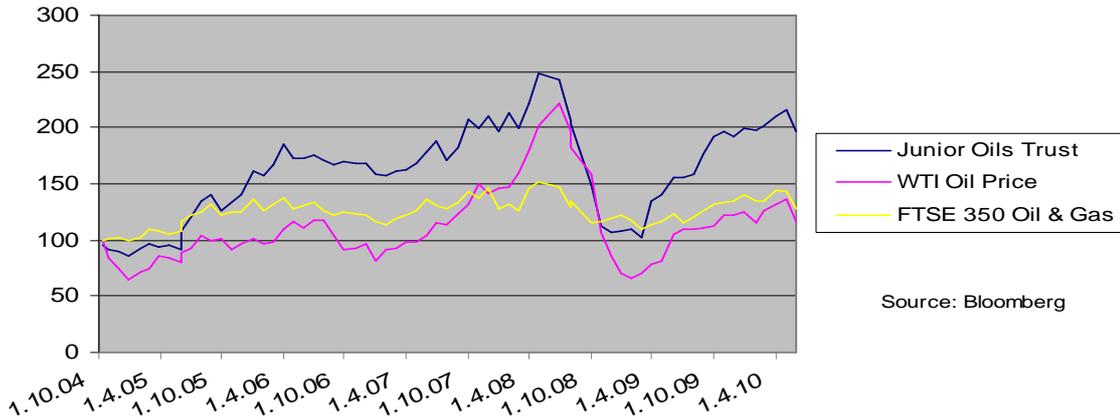
JUNIOR OILS TRUST

Update issued on 15 June 2010

All data as at 31.5.10



PERFORMANCE CHART



KEY FACTS

Fund Category: Energy Specialist
Charges: 5.25% Initial, 1.75 % Annual
Manager: Capita Financial Managers Ltd
Fund Adviser: Angelos Damaskos
Minimum Investment: £1,000 or £100 per month
Eligible for PEPs and ISAs
Benchmark: FTSE 350 Oil & Gas Index
Net asset value at 31 May 2010: £31.5 million

FUND OBJECTIVE

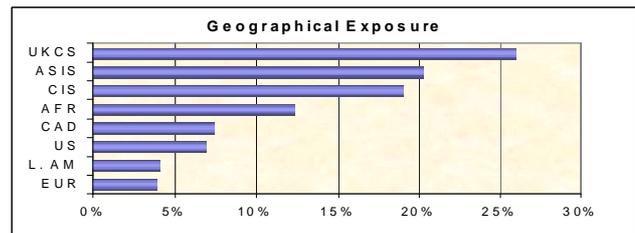
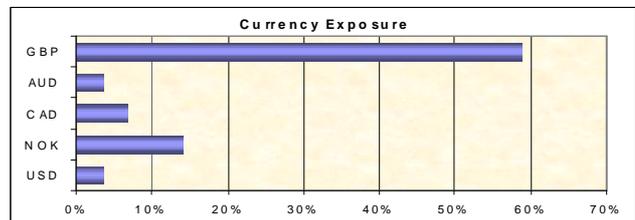
- JOT invests in smaller Oil & Gas exploration and production companies
- Authorised Unit Trust
- Provides exposure to the Energy Super-Cycle

TOP 10 HOLDINGS

Company	%Fund
1. Premier Oil	7.7%
2. Dana Petroleum	7.0%
3. Dragon Oil	5.4%
4. Amerisur Resources	4.1%
5. Entek Energy	4.1%
6. Bowleven	3.6%
7. Tullow Oil	3.6%
8. Regal Petroleum	3.3%
9. Questerre Energy	3.1%
10. Gran Tierra Energy	2.8%

As at 31 May 2010

GEOGRAPHICAL & CURRENCY EXPOSURE



Dear Investor,

The market sell-off which started in the middle of April appeared to accelerate in May and early June. Concerns on weak economic growth, large public debt levels, rising unemployment and introduction of fiscal and austerity measures by governments of developed economies, caused risk aversion among investors. Oil prices dropped and energy shares followed suit with a negative effect on the Junior Oils Trust performance, which was down 8.9% in May. This, however, compares favourably to the drop of 10.6% of the fund's benchmark, the FTSE 350 Oil & Gas index and the fall by 14.1% in the WTI oil price for the month. We believe that the fund's defensive posturing with large cash levels and a focus on producers with strong balance sheets and highly prospective exploration and development programmes has preserved significant value.

We took advantage of some over-sold situations to add some new positions, notably Regal Petroleum. Regal operates in Ukraine and its shares dropped from about £1.25 in September 2009 to £0.35 in May-June this year. We believe that investors sold its shares on concerns that the Russia-Ukraine agreement on gas sales to Europe and continued subsidization of domestic Ukrainian prices, would negatively affect domestic producers such as Regal and JKX. At about £0.36, where we bought a significant stake for the fund, the shares traded at a large discount to the intrinsic value of the company's assets and we believe that a re-rating has now started. After the month-end, we had some outstanding results from one of the fund's holdings, Encore Oil. The company announced the discovery of a significant oil accumulation in the Cromarty Sandstone level located in UK's Central North Sea, with its Catcher exploration well. Encore is the operator with a 15% interest while Premier Oil, the fund's largest holding, holds a 35% interest.

We are still cautious about the potential developments in the global equity markets as volatility remains high, while computerized trading and technical indicators seem to take control over fundamentals. We have now reduced cash levels to about 6% which means that the fund will be more influenced by the overall market direction but, nevertheless, we believe that the fundamental value of the fund's portfolio holdings will continue to outperform the index as well as the oil price.

Angelos Damaskos
Chief Executive Officer

***For dealing/inquiries on Junior Oils Trust call
Capita Financial Managers Ltd tel: 0845 601 7637***

Junior Oils Trust qualifies for PEPs and ISAs
Further information on JOT at www.junioroils.com

RISK WARNING:

This material is directed only at persons in the UK and is not an offer or invitation to buy or sell securities. Opinion expressed whether in general or both on the performance of individual securities and in a wider economic context represents the views of Sector Investment Managers Limited at the time of preparation. They are subject to change and should not be interpreted as investment advice. Sector Investment Managers Limited and Capita Financial Managers Limited are authorised and regulated by the Financial Services Authority. Any investment in the Fund should be based on the Fund's current Scheme Particulars, Prospectus or its Key Features document. Past performance is not a guide or guarantee to future performance and the value of investments and any income from them may go down as well as up, and you may not get back the amount originally invested. Issued by Sector Investment Managers Ltd.