

JUNIOR OILS TRUST

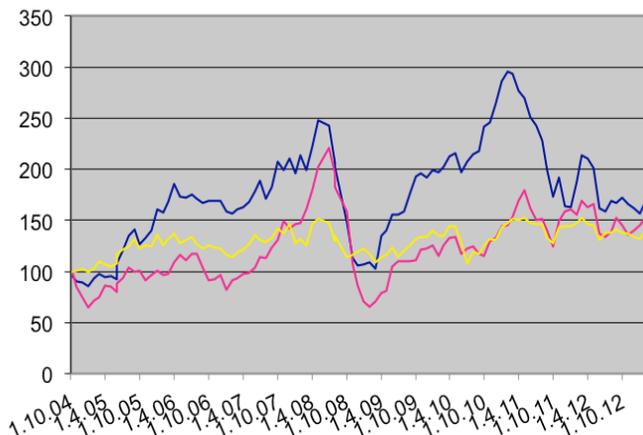
Investing in the oil giants of tomorrow

Update February 2013

FUND PERFORMANCE

Since launch:
10.10.04-28.2.13: +74.2%
31.1.13-28.2.13: -1.5%
 12 months discrete:
29.2.12-28.2.13: -22.2%
28.2.11-29.2.12: -27.1%
28.2.10-28.2.11: +45.1%
28.2.09-28.2.10: +97.0%
29.2.08-28.2.09: -51.9%

Past performance is not necessarily a guide to future performance. The value of your investment can go down as well as up.



Comparative Performance:
10.10.04-28.2.13
 Sector Investment Managers Ltd

— Junior Oils Trust
 — WTI Oil Price
 — FTSE 350 Oil & Gas

KEY FACTS

Fund Category: Energy Specialist
Charges: “C” class: 5.25% Initial, 1.75 % Annual
 “I” class: 0.5% Initial, 1.25% Annual
Manager: Marlborough Fund Managers Ltd
Fund Adviser: Angelos Damaskos
Minimum Investment: £1,000 or £100 per month
Eligible for ISAs and SIPPs
Benchmark: FTSE 350 Oil & Gas Index
Net asset value at 28 February 2013: £34.2 million

MACRO-ECONOMIC POSITIONING

- Demand for oil is supported by Asian industrialisation
- Smaller Oil & Gas exploration and production companies tend to outperform their larger counterparts
- Emphasis on production and proven reserves
- Avoid political and pure exploration risks

TOP 10 HOLDINGS

Company	% of Fund
1. Questerre Energy	7.3%
2. Cooper Energy	7.2%
3. Iona Energy	6.0%
4. Caza Oil & Gas	5.7%
5. Xcite Energy	4.7%
6. Parex Resources	4.6%
7. Serica Energy	4.3%
8. Parkmead Group	4.2%
9. Enquest	3.9%
10. Otto Energy	3.7%
Total Top 10	51.6%

As at 31 February 2013

HOW TO INVEST

Call Marlborough Fund Managers:

0808 145 2501

For further information and documentation visit:

www.junioroils.com or
www.sectorinvestments.com

Risk Considerations:

The fund invests in smaller companies which may carry a higher degree of risk than larger companies. The shares of smaller companies may be less liquid and more volatile over shorter term periods. Changes in exchange rates between currencies may cause the value of investments to diminish or increase. The fund focuses on a specific sector and has a concentrated portfolio which can lead to greater volatility.

6 March 2013

Dear Investor,

Markets have been strong in the year to date, supported by central bank action and rhetoric. Brent has traded above the average 2012 level as geopolitical instability and tensions in the Middle-East encourage its risk-premium. The death of Hugo Chavez and consequent uncertainty in the second-largest supplier of crude to the United States, has added to worries. However, it will take a long time to reverse the Chavez policies that undermined Venezuela's oil production potential and kept away foreign investment. In the meantime, Saudi Arabia seems to be increasing its minimum target for its oil, at present expecting in excess of \$110 per barrel. We believe that Opec will seek to keep the price trading above this level by managing its production output and expect the trading range for the year to be between \$110 and \$125/bl.

Oil shares have performed well in the first two months of this year. Most importantly, the smaller capitalisation sector has experienced less volatility and greater availability of financing for development projects. We are still well below the levels of 2011 but see genuine interest by investors nevertheless. Corporate activity has also picked-up, most recently with the proposed take-over of Valiant Petroleum by Ithaca Energy. The proposed transaction conceptually makes sense as it would combine complimentary assets with a geographic focus in the North-Sea. Both management teams are very experienced in the territory and understand the valuation metrics, therefore, the relative pricing appears fair. Given, however, the potential delays in finalising the deal, diversion of management effort and a risk of non-approval by incumbent shareholders, we have decided to liquidate the fund's holding in Valiant and seek alternative investment opportunities. The fund held an approximate weight of 3% in Valiant pre-announcement so the acquisition premium was welcome. We believe it is prudent to wait until the transaction is consumated before we review the resultant Ithaca situation in greater detail. We remain optimistic for further recovery in our sector during the current year.

Angelos Damaskos
Chief Executive Officer

For dealing/inquiries on Junior Oils Trust call

Marlborough Fund Managers: 0808 145 2501

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Risk Warning: This material is directed only at persons in the UK and is not an offer or invitation to buy or sell securities. The Prospectus and Key Investor Information Document is available free of charge using the contact details above. Before making an investment in the fund, it is important that you read the Prospectus and Key Investor Information Document. 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 Ltd at the time of preparation based on SIMs internal analysis which may have not been verified by independent sources. They are subject to change and should not be interpreted as investment advice. Sector Investment Managers Ltd and Marlborough Fund Managers Ltd are authorized and regulated by the Financial Services Authority.