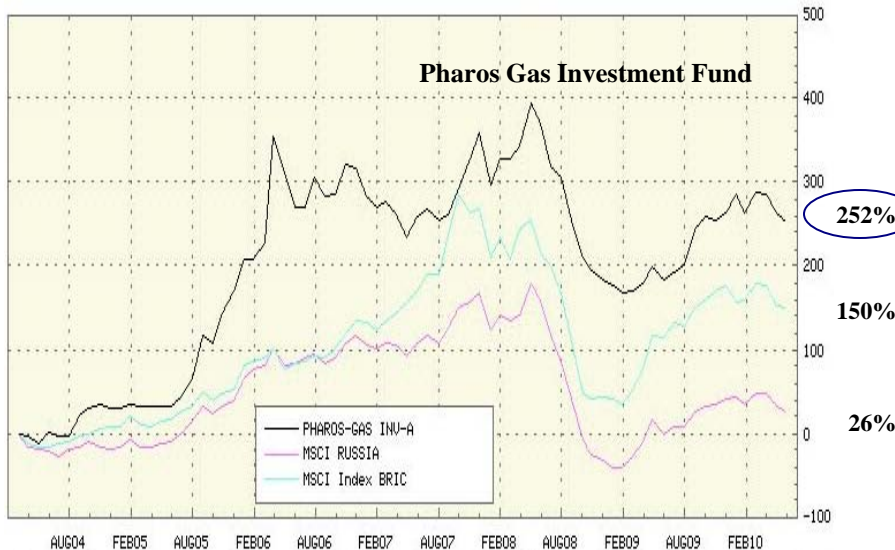


Pharos Financial Group c/o Pharos Service Co. LLC – Rep. office  
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 Pharos Financial Advisors Ltd.  
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The Fund's objective is to achieve consistent and superior returns on capital. The Fund seeks to achieve this by investing in a portfolio of securities where exposure to the natural gas industry is a component of either their asset base or revenue stream, or both. Such exposure can be found in companies involved in exploration, production, transportation, processing and distribution activities, as well as in those providing field-services and equipment to the industry. The focus of the Fund is Russia and the CIS where a one-off transformation in the economics of the gas industry is taking place. This is the result of a progressive price liberalization which is seeing gas prices increase from low state-controlled levels to market prices which are several-fold higher.

	YTD	1 Month	3 Month	2009	2008	2007	5Y Ann.	ITD Ann.
<b>Pharos Gas</b>	-3.9%	-3.1%	-9.7%	28.9%	-37.9%	10.1%	21.3%	22.4%

**Pharos Gas vs. Indices since inception**



5 Year Annualized	Pharos	MSCI
Performance	21.3%	6.9%
Volatility	26.0%	48.4%

12 Month Statistics	Pharos	MSCI
Volatility	24.5%	52.0%
Best month	14.2%	30.4%
Worst month	-6.5%	-14.3%
Max drawdown	-9.8%	-27.0%

**Pharos Gas Investment Fund Ltd. - Performance since inception**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2010</b>	6.0%	-5.7%	6.5%	-0.4%	-6.5%	-3.1%							-3.9%
<b>2009</b>	-2.8%	-2.2%	1.2%	2.3%	6.7%	-4.6%	0.8%	2.8%	14.2%	4.2%	-1.2%	3.1%	28.9%
<b>2008</b>	-12.9%	7.8%	-0.2%	3.7%	11.3%	-4.5%	-11.4%	-2.3%	-12.8%	-12.8%	-4.5%	-4.3%	-37.9%
<b>2007</b>	-7.3%	-3.3%	1.4%	-4.2%	-7.3%	6.6%	2.9%	-3.6%	2.0%	8.7%	8.9%	6.4%	10.1%
<b>2006</b>	13.9%	-0.0%	6.2%	36.6%	-7.8%	-10.0%	0.2%	9.4%	-6.1%	1.2%	8.8%	-1.4%	53.3%
<b>2005</b>	1.4%	4.8%	-2.5%	-1.3%	0.3%	1.2%	8.8%	14.9%	30.8%	-4.4%	16.2%	11.6%	110.1%
<b>2004</b>				-4.2%	-8.1%	14.4%	-2.5%	-2.5%	24.4%	8.4%	5.0%	-5.1%	28.8%

Daily performance updates at [www.pharosfund.com](http://www.pharosfund.com)

Disclaimer: Pharos Financial Advisors Ltd. is part of Pharos Financial Group and is regulated by the DFSA to provide asset management services to Professional Clients. This document is for informational purposes only and does not constitute an offer or solicitation to buy or sell any investments or to make any investment decision. Please refer to the private placement memorandum for more information.

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**Structure & Terms**

Structure	Open Ended Investment Fund
Domicile	Cayman Islands
Inception date	April 2004
Currency	US Dollar
Minimum Investment	USD 500,000
Investment Advisor	Pharos Financial Advisors Ltd.
Prime Broker	N/A
Custodian	UBS
Fund Administrator	Custom House (Dublin)
Auditor	Deloitte & Touche
Legal	Dechert LLP (New York) Walkers (Cayman Islands) Akin Gump (Moscow)
Banker	Northern Trust International Bank (New York)
Management Fee	2%
Performance Fee	20%
Highwater Mark	Yes
Subscriptions	Monthly
Redemptions	Monthly
Bloomberg	PHAROSG KY
ISIN	KYG705201047
CUSIP Number	G70058 28 7
VALOR	1845168



**PETER M. HALLORAN, Portfolio Manager**

Twenty-three years financial markets experience. Pioneered Russian capital markets since their inception, including acquisition of over 7.5% of voucher market, first placements of local debt to foreigners, \$3bn privatization bids, 1st IPO in Russia and overall bringing \$7.5bn of capital to the market. Founder of Pharos 1997. Ran CSFB brokerage taking #1 market share in Moscow 1995-1997 including trading, research, sales and \$300mm prop book. Adviser to Soros Fund Mgmt 1999-2000. Ran local investment bank Aton Capital 2000-2002. Earlier in New York with Morgan Grenfell, Salomon Brothers and CS First Boston. B.A. '84 Yale University.

**Dr NAT MOSER, Senior Analyst**

Fourteen years experience in valuation, financial analysis and due diligence of Russian and CIS oil & gas sector for EU, OECD, Wood Mackenzie, and Dart Management. Moscow-based since 1996. Fluent Russian. BA, MA and PhD from Manchester University, and an MPhil from Oxford University.

Pharos named Best Hedge Fund Manager at Hedge Funds World Middle East Awards 2010 in Dubai.

Pharos Funds have been ranked in the Top 15 Hedge Funds globally by Bloomberg and in the Top 10 by Eurohedge.

Pharos Russia Fund was ranked # 1 in the Equity Long/Short category for September 2009 of Barclay Hedge.

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