

DIGGA Australian Mining ETF

Profile

ETF DETAILS

ASX Code: DGA

Estimated Intraday NAV: YDGA

- Australia's first pure play metals and bulk commodities stock ETF
- Focused on ASX listed miners and explorers with Australian Assets resulting in outstanding coverage of the mid and small cap sectors

This ETF represents a unique opportunity for investors to gain exposure to the Australian mining sector as represented by the ASX listed equity universe. Investors will gain exposure to approximately 70 of the largest listed entities such as Iluka Resources, Lynas Ltd, Paladin Energy, Atlas Iron, Sandfire Resources and Oz Minerals Ltd, all in a single transaction.

The global diversified miners such as BHP and RIO Tinto as well as gold, enjoy abundant liquidity, and are accessible by all investors.

Now investors can complement their resources allocation, through a simple ETF transaction that provides access to the Australian bulk commodities and base metals sector. Investors can now enjoy the ease of execution, and the benefits of true asset diversification in the resources sector.

Type of Investment

The Fund is an exchange traded fund (ETF). This means investors will gain exposure to a diversified portfolio of assets in a single transaction.

The ETF's portfolio is based upon the Chimaera Australian Mining Index designed by Chimaera Index Advisors Pty Ltd.

Investment Strategy

The ETF seeks to track the performance of the above mentioned index by investing in ASX listed shares in similar proportions to those of the Index.

This index has been designed to objectively represent an ASX listed equity exposure to the Australian Mining sector.

For further information about the investment strategy and management please refer to the PDS.

Investment Objective

To generate a return before costs and taxes, in line with the Chimaera Australian Mining Index.

"A critical building block toward a diversified portfolio of Australian resources assets"

Andrew Kemp Portfolio Manager
Chimaera Capital

ABOUT THE DIGGA INDEX

The ETF tracks the Chimaera Australian Mining Index (DIGGA Index) which measures the performance exclusively of the **Australian based mining sector within the ASX listed equity universe.**

The Index includes approximately 70 of the largest publicly-traded companies and exploration businesses that meet specific investment and liquidity requirements eg. the exclusion of the global diversified miners.

Constituents of the Index are sourced from approximately 1000 companies from the Material and Energy sectors of the ASX listed universe. The Index is reconstituted on a monthly basis to ensure the most liquid and tradeable constituents are included at all times.



Index: Chimaera Australian Mining Index

Index Tickers: Bloomberg: DIGGA <INDEX>

Reuters: .DIGGA

IRESS: DIGGA.IF

DIGGA Australian Mining ETF

Key Features

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Access to World Class listed Resources Assets

Australia has one of the world's largest economic demonstrated resources of lead, mineral sands, uranium, and zinc. It also ranks highly in terms of economic resources of coal, bauxite, copper, iron ore, and nickel. Despite the abundance of natural resources in Australia, the options available to investors looking to participate in the broader trends have been heavily tilted toward investments in individual companies. The DIGGA Australian Mining ETF, offers investors a well balanced and diversified sector exposure to Australia's abundant resources growth.

Exposures not distorted by diversified companies with significant assets outside Australia

The DIGGA Australian Mining ETF provides investors with exposure to the Australian mining sector - **Australian miners with Australian assets**. This ETF is designed to track exclusively the performance of the largest publicly traded mining companies with the aim of delivering the performance of the Australian domestic mining sector without the inherent distortions arising from the inclusion of the global diversified miners (such as BHP Billiton and Rio Tinto). Stock specific exposure is managed against the Chimaera Australian Mining Index, which in turn limits individual constituent exposures to 5% at each rebalance date.

The result is a group of well established and emerging producers and explorers of Australian natural resources.

Pure Commodities Exposure

The Australian Stock Exchange is an important centre for capital raising, particularly for small and medium sized mining companies. Consequently, companies will often choose to list on the ASX even though their predominant operations and assets are located in less transparent foreign markets. These companies are excluded from the ETF. As a result, the ETF represents a unique path to capturing the performance of **ASX listed companies, whose predominant asset(s)/operations are located only within Australia**.

Furthermore, Global Industry Classification Standard (GICS®) sectors are used to classify and aggregate constituent companies. This broad level of categorisation means that all companies from a particular sector are included irrespective of whether they are directly involved with the extraction or exploration of raw materials. The DIGGA Australian Mining ETF is designed to track an index which is exposed only to direct mining extraction and exploration companies, thus excluding refiners, processors, mining service and equipment providers, and other indirect operators.

Mergers and Acquisitions Activity

Foreign investment and ownership is on the increase as Chinese, Indian and other Asian countries look outward to secure reliable future supply of various commodities, and are finding such companies in Australia at compelling valuations. By investing in the ETF, investors do not have to rely on stock selection in what has traditionally been a hard to access and under researched segment of the market, in order to realise the upside to the continued investment into Australian listed companies from abroad.

Gold as a Separate Sector

Another important differentiating feature of the ETF is the exclusion of Gold and precious metals miners and explorers. By unbundling gold companies from the broader ASX listed resources universe, investors now have the potential to dynamically manage their allocation to the gold sector separately from bulk commodities and base metals.

Liquidity

As an ASX quoted exchange traded fund, investors are secure in the knowledge that a professional market maker has been appointed to ensure continuous pricing and liquidity to enable investors to buy and sell despite changes in market conditions.

Inception Date: 18 January 2012

First Quotation Date: 30 January 2012

Management Costs: 1% p.a.

No. of Holdings: 70 (Approx.)

Basket Size: A\$250,000

Index Calculation Agent: Standard & Poor's

More information about the DIGGA Fund and Index can be found at:

www.chimaeracapital.com and at www.chimaeraetfs.com

[Click here to download PDS](#)

[Click here to download Application Form \(For Authorised Participants\)](#)

To request an information pack please contact us.

Media Enquires

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