

**CADIZ DYNAMIC GLOBAL
OPPORTUNITIES FUND LTD
Class B Subfund**

(An individual reporting entity of Cadiz
Dynamic Global Opportunities Fund Ltd)

Financial Statements
for the period from April 1, 2009
(commencement of operations) to
December 31, 2010
and Independent Auditor's Report

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD

Class B Subfund

(An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS FOR THE PERIOD FROM APRIL 1, 2009 (COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2010	
Statement of financial position	2
Statement of comprehensive income	3
Statement of changes in net assets attributable to holders of redeemable shares	4
Statement of cash flows	5
Notes to financial statements	6 – 16



Deloitte & Touche
Wickhams Cay 1
P.O.Box 3088
Road Town,
Tortola, VG1110
British Virgin Islands

Tel: +1 284 494-2888
Fax: +1 284 494-7889
deloittebvi@deloitte.com
www.deloitte.com/vg

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and shareholders of

Cadiz Dynamic Global Opportunities Fund Ltd Class B Subfund

We have audited the accompanying financial statements of Cadiz Dynamic Global Opportunities Ltd Class B, Subfund (an individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd), (the "Subfund") which comprise the statement of financial position as of December 31, 2010 and the statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable shares and statement of cash flows for the period from April 1, 2009 to December 31, 2010 and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Subfund as of December 31, 2010, its financial performance, its changes in net assets and its cash flows for the period from April 1, 2009 to December 31, 2010 in accordance with International Financial Reporting Standards.

July 12, 2011
British Virgin Islands

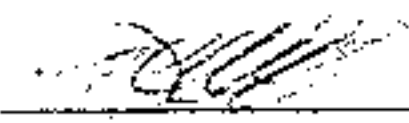
Audit • Tax • Consulting • Financial Advisory •

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.
Member of Deloitte Touche Tohmatsu Limited

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD
Class B Subfund
 (An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)
STATEMENT OF FINANCIAL POSITION
AT DECEMBER 31, 2010
 (Expressed in Euros)

Assets	Note		
<i>Current assets</i>			
Financial assets at fair value through profit or loss	5	€	1,524,911
Due from related party			133,030
Cash and cash equivalents			2
Total assets			<u>1,657,943</u>
Liabilities			
<i>Current liabilities</i>			
Subscription received in advance			131,711
Due to custodian			124,021
Due to related parties	6		8,913
Total liabilities (excluding net assets attributable to holders of redeemable shares)			<u>264,645</u>
Net assets attributable to holders of redeemable shares		€	<u>1,393,298</u>
Net asset value per redeemable shares			
Based on 1,387,683.449 Class B shares outstanding		€	<u>1.00</u>

Approved for and on behalf of the Board of Directors



 Dustyn Molver

See notes to financial statements

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD
Class B Subfund
 (An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM APRIL 1, 2009 TO DECEMBER 31, 2010
 (Expressed in Euros)

Income	Note		
Net changes in fair value on financial assets at fair value through profit or loss			
Realised losses	8	€	(9,405)
Change in unrealised appreciation	8		94,271
			<u>84,866</u>
Expenses			
Management fee	6		41,320
Custodian and bank fees			6,126
Directors' fee	6		3,010
Administration fee	6		2,187
Other expenses			4,122
Total liabilities (excluding net assets attributable to holders of redeemable shares)			<u>56,765</u>
Increase in net assets attributable to holders of redeemable shares resulting from operations		€	<u>28,101</u>

See notes to financial statements

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD
Class B Subfund

(An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES
FOR THE PERIOD FROM APRIL 1, 2009 TO DECEMBER 31, 2010

(Expressed in Euros)

	No. of shares	€
Net assets attributable to holders of redeemable shares at April 1, 2009	-	-
Issue of redeemable shares	1,491,032.950	1,459,536
Total liabilities (excluding net assets attributable to holders of redeemable shares)	(103,349.501)	(94,339)
Increase in net assets attributable to holders of redeemable shares resulting from operations	-	28,101
Net assets attributable to holders of redeemable shares at December 31, 2010	1,387,683.449	€ 1,393,298

See notes to financial statements

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD
Class B Subfund
(An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM APRIL 1, 2009 TO DECEMBER 31, 2010
(Expressed in Euros)

Cash flows from operating activities	
Increase in net assets attributable to holders of redeemable shares resulting from operations	€ 28,101
Financial assets at fair value through profit or loss	
Net realised losses	9,405
Net change in unrealised appreciation	(94,271)
	<u>(56,765)</u>
Movements in working capital:	
Increase in due from related parties	(133,030)
Increase in due to custodian	124,021
Increase in due to related parties	8,913
Total liabilities (excluding net assets attributable to holders of redeemable shares)	<u>(96)</u>
Financial assets at fair value through profit or loss	
Payments for purchases	(1,817,193)
Proceeds from sales	377,148
	<u>(1,440,045)</u>
Net cash used in operating activities	<u>(1,496,906)</u>
Cash flows from financing activities	
Proceeds from issue of redeemable shares, net of subscription received in advance	1,591,247
Payment on redemption of redeemable shares	(94,339)
Net cash provided by financing activities	<u>1,496,908</u>
Net increase in cash and cash equivalents	<u>2</u>
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	<u>€ 2</u>

See notes to financial statements

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD

Class B Subfund

(An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2010

(Expressed in Euros)

1. GENERAL INFORMATION

Cadiz Dynamic Global Opportunities Fund Ltd (the "Fund") was incorporated in December 22, 2008 in the British Virgin Islands ("BVI") in accordance with BVI Business Companies Act 2004 and commenced operations in April 1, 2009. Effective May 17, 2010, the Fund is registered under the Securities and Investment Business Act 2010 as a professional mutual fund. The Fund is also registered in the Bermuda Stock Exchange since inception. The address of its registered office is Coastal Building, Wickham's Cay II, Road Town, Tortola, BVI, VG 1110.

The Fund is authorised to issue two classes of participating redeemable shares, Class A and Class B (together, the "Subfunds"). Cadiz Dynamic Global Opportunities Fund Ltd – Class B Subfund (the "Subfund") is a separate Subfund and an individual reporting entity. In the event of insolvency of any class, all of the assets of the Fund attributable to the Subfunds may be used to settle the liabilities of the insolvent class.

The objective of the Fund is to be synthetically exposed to a basket of indexes through the application of a model systematically maximising the risk-return ratio. The Fund aims to generate strong risk-adjusted returns by dynamically optimising a globally diversified portfolio. The Fund philosophy is that emerging markets are key drivers in the global economy and should be featured alongside developed markets to target long-term performance growth. The Fund's performance objective is a return of 5% above the 12 month Euribor, less management fees charged on each category of units, with a target annual volatility of less than 10% for an investment over a recommended horizon of three years. The approach to achieve its objective whilst minimising operating and financial expenses is to invest primarily in listed equity certificates (guaranteed by BNP Paribas, AA+ rated) and deposits. The investment objective of the Subfund is the same as the Fund.

Pursuant to an Investment Management Agreement dated February 5, 2009, the Fund appointed Cadiz African Harvest Asset Management (Pty) Ltd (the "Investment Manager"), to perform management and advisory services for the Fund and the Subfund. The Investment Manager is regulated by the Financial Services Board in South Africa.

The board of directors of the Fund consists of Nicolaas Faure and Dustyn Molver (together, the "Board"). Mr. Faure is also the Executive Director of Drake Fund Advisors Limited, (the "Administrator"). The financial statements were approved by the Board and authorised for issue on July 12, 2011.

2. NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

Standards and interpretations in issue not yet adopted

At the date of the financial statements (the "reporting date"), the following standards, relevant to the Subfund, were in issue but not yet effective:

- *Amendments to IFRS 7 Financial Instruments: Disclosure* – The amendment enhances disclosures about transfers of financial assets. It requires an entity to disclose information that enables users of its financial statements (i) to understand the relationship between transferred financial assets that are not derecognised in their entirety and the associated liabilities; and ii) to evaluate the nature of, and risks associated with, the entity's continuing involvement in derecognised financial assets. The required disclosure for transferred financial assets that are not derecognised in their entirety include description of the nature of the transferred assets, nature of risk and rewards as well as description of the nature and quantitative disclosure depicting relationship between transferred financial assets and the associated liabilities.

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD

Class B Subfund

(An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2010

(Expressed in Euros)

2. NEW AND REVISED IFRSs (continued)

Standards and interpretations in issue not yet adopted (continued)

For transferred financial assets that are derecognised in their entirety required disclosures include the carrying amount of the assets and liabilities recognised, fair value of the assets and liabilities that represent continuing involvement, maximum exposure to loss from the continuing involvement as well as maturity analysis of the undiscounted cash flows to repurchase the derecognised financial assets. Additional disclosures are required for any gain or loss recognised at the date of transfer of the assets, income or expenses recognised from the entity's continuing involvement in the derecognised financial assets as well as details of uneven distribution of proceed from transfer activity throughout the reporting period.

These amendments will be effective for periods beginning on or after July 1, 2011. The Board anticipates that this standard will be adopted in the Subfund's financial statements for the year beginning January 1, 2012 but has not yet assessed the potential impact of adoption.

- *IFRS 9 Financial Instruments: Classification and Measurement* – The new standard, which is intended to replace *IAS 39 Financial Instruments: Recognition and Measurement*, enhances the ability of investors and other users to understand the accounting of financial assets and reduces complexity. IFRS 9 uses a single approach to determine whether financial assets are measured at amortised cost or fair value, based on how they are managed and the contractual cash flow characteristics of the financial asset. IFRS 9 also requires a single impairment method to be used. IFRS 9 was expanded during 2010 to add new requirements for classifying and measuring financial liabilities, derecognition of financial instruments, impairment, and hedge accounting.

This new standard will be effective for periods beginning on or after January 1, 2013. The Board anticipates that this standard will be adopted in the Subfund's financial statements for the year beginning January 1, 2013 but has not yet assessed the potential impact of adoption.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with IFRS.

Basis of preparation

The Subfund has elected to present a single statement of comprehensive income. As the Subfund does not have separate components of other comprehensive income, comprehensive income is equal to the profit reported for the period.

The financial statements have been prepared on the historical cost basis except for the revaluation of financial assets at fair value through profit or loss ("FVTPL"). Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Judgements made by management in the application of IFRS that have significant effects on the financial statements are disclosed, where applicable, in the relevant notes to the financial statements.

The accounting policies have been consistently applied and the principal accounting policies are set out below.

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD

Class B Subfund

(An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2010

(Expressed in Euros)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currency

Functional and presentation currency

Items included in the financial statements of the Subfund are measured in the currency of the primary economic environment in which the Subfund operates (the "functional currency"). The financial statements are presented in Euros, which is both the presentation and the functional currency. There are no transactions in currencies other than the Subfund's functional currency.

Financial instruments

Financial assets and financial liabilities at FVTPL

The Subfund classifies its investments as financial assets. These financial assets are either held for trading or designated by the Board at FVTPL at inception.

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purpose of selling or repurchasing in the near future or on initial recognition they are part of a portfolio of identified financial instruments that the Subfund manages together and has a recent actual pattern of short-term profit-taking.

Financial assets and financial liabilities designated at FVTPL at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Subfund's investment strategy as documented in its prospectus, and information about these financial assets and liabilities are evaluated by the management of the Subfund on a fair value basis together with other relevant financial information. All of the Subfund's investments can be realised within 12 months of the financial position date.

Redeemable shares and net assets attributable to holders of redeemable shares

The Subfund issues redeemable shares, which can be redeemed at the holder's option and are classified as financial liabilities. Redeemable shares can be put back to the Subfund at the first business day of any calendar month for cash equal to a proportionate share of the Subfund's net asset value ("NAV"). The redeemed shares are carried at the redemption amount that is payable at the reporting date if the shareholder exercised the right to put the shares back to the Subfund.

Redeemable shares are issued and redeemed based on the Subfund's NAV per share, calculated by dividing the net assets of the Subfund, calculated in accordance with the Subfund's prospectus, by the number of outstanding redeemable shares.

Other financial liabilities

Financial liabilities that are not designated as at FVTPL nor classified as an equity instrument include subscription received in advance, due to custodian, due to related parties, and liabilities arising on redeemable shares.

Recognition and derecognition

Financial assets are recognised in the Subfund's statement of financial position when the Subfund becomes a party to the contractual provision of the instruments.

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD

Class B Subfund

(An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2010

(Expressed in Euros)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Recognition and derecognition

Investments are recognised and derecognised on the trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned. Realised gains and losses on these investments are recorded in the statement of comprehensive income on the average cost basis. Other financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or the Subfund transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Subfund derecognises its other financial liabilities when the Subfund's obligations are discharged, cancelled or they expire.

Measurement

At initial recognition, financial assets are measured at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Subsequent to initial recognition, financial assets and liabilities at FVTPL are measured at fair value. Gains and losses arising from changes in their fair value are included in statement of comprehensive income for the period in which they arise.

Loans and receivables are measured at amortised cost using the effective interest method, less any impairment which is assessed at each reporting date. Interest income is recognised by applying the effective interest rate, except for short term receivables when the recognition of interest would be immaterial. The carrying amount of loans and receivables approximate their fair value due to early maturity and low interest effect.

Financial liabilities, other than those at FVTPL, are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Redeemable shares issued by the Subfund are recognised at the proceeds received, net of direct issue costs.

Fair value

The fair value of financial instruments that are not in an active market are determined in accordance with generally accepted pricing models. The valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same.

Offsetting

Financial assets and financial liabilities at FVTPL are offset and the amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amount and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Cash and cash equivalents

The Subfund considers cash at bank, short-term deposits and other short-term highly liquid investments with maturities of three months or less to be cash and cash equivalents.

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD

Class B Subfund

(An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2010

(Expressed in Euros)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Due from and to custodian

Due from and to custodian includes cash and margin debit balances with the Subfund's clearing custodian. The Subfund receives interest on cash balances and pays interest on margin debit balances as determined by the custodian based on market rates.

Income and expenses recognition

Income is recorded when it is probable that the economic benefits will flow to the Subfund and the amount of income can be measured reliably. Interest income is accrued on a timely basis.

Expenses are recorded on the accrual basis when incurred. The Subfund is responsible for all of its operating expenses including fees and expenses of service providers, legal, accounting, auditing, regulatory costs and all other operating and investment costs such as brokerage commissions and custodial fees.

Taxation

Under the current laws of the BVI, the Subfund is not subject to income, estate, corporation or capital gains taxes. Accordingly, no provision has been made for these taxes in these financial statements. The Subfund intends to conduct its affairs such that it will not be subject to taxation in any jurisdiction, other than withholding taxes on investment income and capital gains, where applicable. Withholding taxes, if any, are shown as a separate item in the statement of comprehensive income.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Subfund's accounting policies, the Board is required to make judgments, estimates and assumptions about carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Fair value of investments in BNP basket of indexes

In the absence of an actively traded market price, the fair value of the investments in BNP basket of indexes is determined by management based primarily on the most recent transactions which is valued based on the prices of the underlying indexes. The prices may be affected by many factors and the carrying value of investments may be materially different to the values ultimately realised on sale.

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD**Class B Subfund**

(An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)

NOTES TO FINANCIAL STATEMENTS**FOR THE PERIOD ENDED DECEMBER 31, 2010***(Expressed in Euros)***5. FINANCIAL ASSETS AT FVTPL**

The Subfund classifies fair value measurements using a fair value hierarchy that reflects the significance of the input used in making the measurements.

The fair value of financial instruments is determined as follows within the fair value hierarchy:

- Level 1 is represented by quoted prices (unadjusted) in active markets for identical financial instruments.
- Level 2 is represented by inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 is represented by inputs for financial instruments that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The determination of what constitutes "observable" requires judgement by the management. The Subfund considers the price of the underlying indexes into the basket to be observable data as these are market data that are readily available, regularly distributed or updated, reliable and verifiable, and provided by independent sources that are actively involved in the relevant market.

At the reporting date, all of the Subfund's investments were valued using level 2 inputs and the cost and fair value of the Subfund's investments were as follows:

	Cost	Fair value
Financial assets designated at FVTPL		
BNP basket of indexes	€ 1,430,640	€ 1,524,911

6. RELATED PARTY TRANSACTIONS AND BALANCESDue to related parties

The amounts are unsecured, interest free and have no fixed repayment terms. The components of due to related parties at the reporting date are as follows:

Management fee payable	€ 7,714
Administration fee payable	407
Directors' fees payable	792
	€ 8,913

Directors' fee

The directors are entitled to receive a compensation for acting as directors of the Subfund. The annual compensation shall not exceed €5,000 per director. For the period ended December 31, 2010, the directors' fee was €3,010 of which €792 was payable at the reporting date.

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD

Class B Subfund

(An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2010

(Expressed in Euros)

6. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Management fee

Under the terms of the Investment Management agreement, the Investment Manager has agreed to manage the operations and investment decisions on behalf of the Fund and its Subfunds. The Investment Manager receives an annual management fee in an amount equal to 2.28% of the NAV of the Subfund. The fee is calculated and accrued quarterly in arrears. The Investment Manager may reduce or waive the management fee of certain investors.

For the period ended December 31, 2010 a total management fee of €41,320 was incurred, of which €7,714 was payable at the reporting date.

Administration fee

The Fund and Subfund entered into an administration services agreement with the Administrator dated December 22, 2008 to perform certain financial accounting, administrative and other services on their behalf. The Subfund pays the Administrator an annual fee accrued monthly and payable quarterly at an agreed rate of 0.12% per annum for net assets up to €25 million, and at a rate of 0.1% for net assets above €25 million.

For the period ended December 31, 2010 an administration fee of €2,187 was incurred, of which €407 was payable at the reporting date

Share capital

The Subfund issued shares to the Investment Manager and to a fellow subsidiary of the Investment Manager. At the reporting date, shares to related parties represent 92.78% of the net assets attributable to holders of redeemable shares as follows:

Shareholders	No. of shares	Net asset value
Cadiz African Harvest Asset Management (Pty) Limited	1,150,538.444	€ 1,155,193
Cadiz Life Limited	136,943.513	137,498
	<u>1,287,481.957</u>	<u>€ 1,292,691</u>

7. SHARE CAPITAL AND REDEEMABLE SHARES

Authorised and issued share capital of the Fund

The authorised share capital of the Fund is €1,000,000,000 and consists of three classes of shares: 1,000,000 management shares (the "Management Shares"), 499,500,000 Class A redeemable shares and 499,500,000 Class B redeemable shares. All shares in each class have an initial subscription price of €1.00. Investors are entitled to purchase Class A and B shares and the Management Shares are reserved for the Fund's secretary being Osiris Secretarial Services Ltd, a company related to the Administrator by virtue of common shareholder. At December 31, 2010, only one Management Share had been issued.

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD

Class B Subfund

(An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2010

(Expressed in Euros)

7 SHARE CAPITAL AND REDEEMABLE SHARES (continued)

Issued and fully paid share capital of the Subfund

At the reporting date, 1,387,683.449 Class B redeemable shares ("Redeemable Shares") were issued and fully paid.

Share rights

Redeemable shares are entitled to participate in the profits of the Subfund while it is a going concern. In the event of winding up of the Subfund, the redeemable shares are entitled to the benefit of the surplus assets of the Subfund after payment of all creditors.

Redeemable shares do not have the right to vote, only holders of Management Shares are entitled to vote.

Subscriptions

The minimum initial subscription per investor is €10,000, provided it grows to €70,000 over time. Additional subscriptions may be made in increments of €10,000. Any initial or additional subscriptions for shares may be accepted or rejected, in whole or in part, at the sole discretion of the Board. Following the initial subscription at €1.00 per share, shares are offered monthly at the current NAV per share.

Redemptions

Redeemable shares may be redeemed on the first business day of each month by giving at least 14 days written notice. The price at which the shares are redeemed is the redemption price, which is calculated by reference to the NAV per share as of the close of business at the end of the month of the redemption.

8. NET CHANGES IN FAIR VALUE

For the period ended December 31, 2010, the realised losses and the change in unrealised appreciation arose solely on financial assets at FVTPL.

9. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

The Subfund's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

An investment in the Subfund is speculative and involves some degree of risk due to the nature of the portfolio of investments and the strategies employed. There can be no assurance that the investment objectives of the Subfund will be achieved.

Asset allocation is determined by the Investment Manager who manages the distribution of the assets to achieve the investment objective. Divergence from target asset allocation and the composition of the portfolio is monitored by the Investment Manager.

The nature and extent of the financial instruments outstanding at the reporting date and the risk management policies employed by the Subfund are discussed below.

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD

Class B Subfund

(An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2010

(Expressed in Euros)

9. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (continued)

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: price risk, foreign currency risk, interest rate risk.

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to underlying indexes, its issuer or all factors affecting all instruments traded in the market.

The Subfund invests exclusively in a basket of underlying indexes selected and valued by BNP Paribas Arbitrage SNC and is susceptible to price risk arising from uncertainties about the future value of the underlying indexes. The price calculated may be affected by many factors including, but not limited to, the remaining time to redemption date, the outstanding principal amount, the performance and volatility of the index, interest rates, exchange rates and credit spreads.

The investment presents a risk of loss capital. The Investment Manager moderates the risk through a careful selection of underlying indexes. Each index is assigned a minimum and maximum weight and the weights are recalculated every month so as to target the highest possible return that matches the volatility objective, based on the behavior of the individual asset classes over the preceding period. The maximum risk arising from the investments is determined by their fair value. At the reporting date, the Subfund's overall exposure to market risk was €1,524,911 which represents 109.45% of the net assets attributable to holders of redeemable shares.

At the reporting date, if the market prices of these investments increased or decreased by 50 basis points, with all other variables held constant, the effect in net assets for the period would have been \$76,246.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Subfund does not hold financial instruments denominated in currencies other than the functional currency and is therefore not exposed to foreign currency risk at the reporting date.

The Subfund is unable to obtain complete details on the basket of underlying indexes, in order to quantify its indirect exposure to foreign currency risk at the reporting date.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Subfund's financial assets and liabilities are non-interest bearing with the exception of cash and cash equivalents which earn interest at floating interest rates that reset as market changes. As a result, the Subfund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD

Class B Subfund

(An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2010

(Expressed in Euros)

9. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (continued)

Market risk (continued)

Interest rate risk (continued)

The Subfund is unable to obtain complete details on the basket of underlying indexes, in order to quantify its indirect exposure to interest rate risk at the reporting date.

Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. Financial instruments which potentially expose the Subfund to credit risks consist principally of financial assets at FVTPL, due from related party, and cash and cash equivalents. The Subfund's maximum exposure to credit risk is equivalent to the carrying value of these financial instruments as reported in the statement of financial position.

The Subfund is exposed to significant concentration of credit risk to the extent that all of its investments are held by one custodian. In addition, all cash and cash equivalents are held with one financial institution.

The Subfund seeks to mitigate its exposure to credit risk by placing its financial instruments with reputable financial institutions and by investing in underlying indexes identified by the Investment Manager as having the potential to provide above market return and minimum downside and volatility.

Liquidity risk

Liquidity risk is the risk that the Subfund will encounter difficulty in meeting obligations associated with its financial liabilities. The Subfund's financial instruments include investments in a basket of underlying indexes which is not traded in an organised public market and which may therefore be illiquid. As a result, the Subfund may not be able to quickly liquidate its investments at an amount close to its fair value in order to meet its liquidity requirements or respond to specific events such as deterioration in the creditworthiness of the issuer

The Subfund is mitigating its liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows. The Subfund requests from its investors a redemption notice of at least 14 days. Except in the case of extraordinary circumstances, such as an inability to liquidate existing positions in a commercially reasonable manner, or the default or delay in payments from the custodian, bank or other persons, payment in full will be made within 15 days of the effective redemption date, which gives the Subfund time to gather the necessary amounts by selling investments. The Subfund's other financial liabilities have contractual repayment dates on demand.

Capital risk management

Management considers the Subfund's capital to consist of the net assets attributable to redeemable shares. The Investment Manager monitors the capital of the Subfund to ensure compliance with the Subfund's investment objectives, policies and restrictions, as outlined in the Subfund's prospectus, while maintaining sufficient liquidity to present obligations. The Subfund does not have externally imposed capital requirements.

Borrowing and leverage

The Subfund has no direct or recourse borrowing and does not utilise leverage.

CADIZ DYNAMIC GLOBAL OPPORTUNITIES FUND LTD

Class B Subfund

(An individual reporting entity of Cadiz Dynamic Global Opportunities Fund Ltd)

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2010

(Expressed in Euros)

10. EVENTS AFTER THE REPORTING PERIOD

For the period from January 1 to July 12, 2011, total subscriptions to and redemptions from the Subfund were €359,040 and €5,028 respectively. Management has evaluated subsequent events occurring through July 12, 2011, the date the financial statements were available for issue.