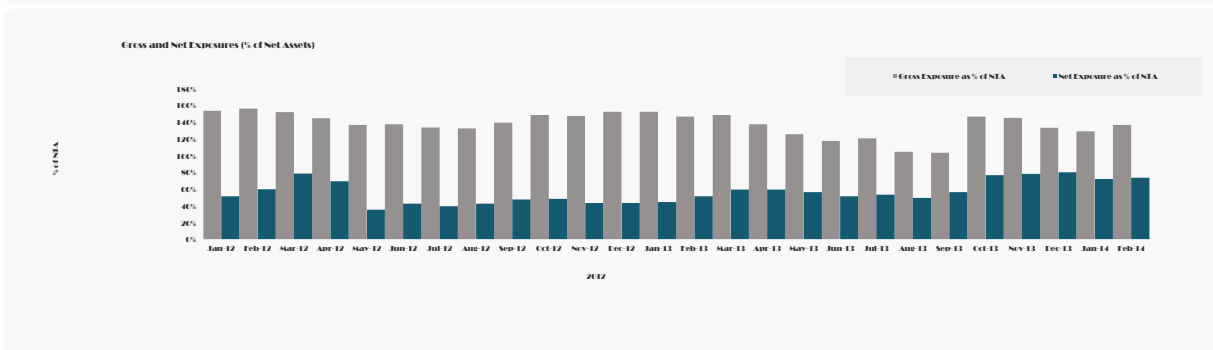
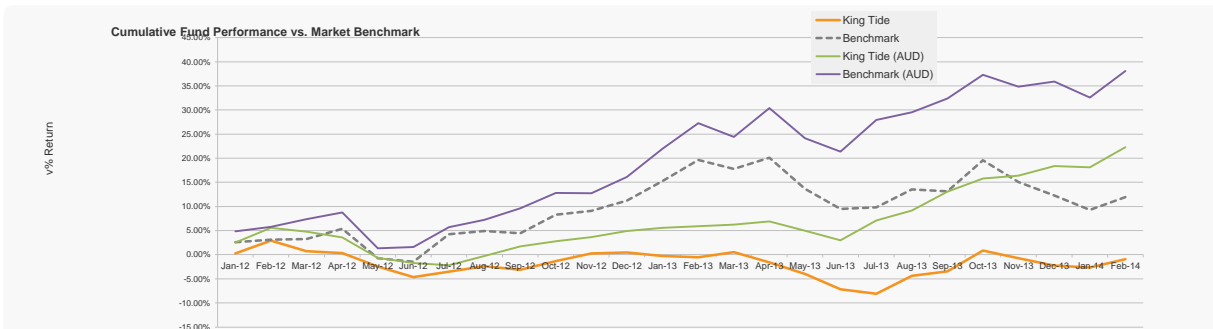


Fund Overview

King Tide Asset Management Limited (King Tide, or KTAM) is a specialist and independent investment management company based in New Zealand, and the manager of a new boutique fund, the KTAM NZ/Australian Long/Short Equity Fund (the Fund). • The Fund aims to provide local and international investors with diversified, active exposure to New Zealand and Australian equity markets through allocating capital to a select group of funds (underlying funds) domiciled in these markets whose principal activity is long/short equity investment. • The Fund's investment objective is to achieve positive absolute returns over any rolling three to five year period irrespective of market trends. • By moving beyond traditional US-European-Asian markets to embrace Australian and New Zealand equities, the Fund offers investors active diversified exposure to robust commodity-based economies, both with well developed regulatory regimes and growing capital markets.



Monthly Performance Review

In February, King Tide rose 1.8% versus a rise of 2.4% for the blended benchmark. The NZ share market rose 2.4%. The Australian market gained 4.1%, but this translated into a 2.4% return when measured in NZD dollars.

Currency movements again had an impact on returns. The NZ dollar was buoyed by the increased Fonterra pay-out to farmers, strong employment numbers and the 0.25% increase in the base interest rate to 2.75%. The interest rate rise was accompanied by a rise in the Reserve Banks trajectory of interest rates over the next year. While the Australian dollar also strengthened in February, it lagged the Kiwi by 1.7%.

The currency protection we have in place consists of option contracts which expire in January and February 2015 and forward currency contracts. The options are valued on a number of factors month to month, and don't provide a perfect hedge in the short term. In February, we reduced our forward cover at 0.94c. While imperfect in the short term, the benefit of options over forward contracts, is that if the AUD strengthens, losses on options are much less than losses on forward contracts. We want to avoid the risk of hedging our currency exposure at the top, and locking in currency losses.

February returns saw our three NZ funds lagging the Australian based managers. This is unsurprising given the outperformance of the Australian market, and the currency impact on NZ based funds.

Five managers, all Australian based, representing 37% of the Fund beat the benchmark in February. The range of returns was +4.4% to +11.1%. Regal Australian Long/short fund had an exceptional month, gaining 6.6%. This fund has averaged 22.8% p.a. since its inception in August 2009, versus the benchmark's 8.4% p.a. We first invested in this Regal fund twelve months ago, and it has outperformed our benchmark by 13.5% in that time, gaining 22.0% versus the market's 8.5%. To further illustrate the currency effect, when measured in NZDs,

these results become Regal +5.2% versus the benchmark's -6.5%.

Another manager to have an excellent month was Auscap, gaining 5.3% despite having 23.8% of its fund in short positions. We have posted Auscap's February newsletter in a blog on King Tide's website, and we encourage you to read it. Pages three to five set out clearly why they employ a long/short strategy to invest in equities, and encapsulates simply and concisely the rational behind King Tide's strategy to only invest in long/short equity managers.

At the end of February we added to our investments in Auscap, Watermark, Wavestone and Wilson. We also added a new manager, LHC Australian High Conviction Fund run by Stephen About and Marcus Hughes. Stephen previously spent twelve years managing money for the Lowey family, of Westfield fame. Marcus spent six years at Caledonia, a highly regarded Sydney based manager of Australian and global equities. LHC focuses on small companies on the long side, and looks for short opportunities amongst larger listed companies. They run a very concentrated portfolio with up to twelve holdings on the long side, and generally a smaller number on the short side. They spend a lot of time finding what they call 'high conviction' ideas, based on the belief that you only need a few 'great' ideas to make a good return. The fund is relatively new, having launched in May 2011, and has performed very well to date, averaging positive returns in both up and down markets.

In February, the investment committee made the decision to reduce exposure to PIE funds due to the large increase in their weighting in our portfolio due to their strong returns over the past two years. PIE has rapidly grown its funds under management and faces the challenge of maintaining its performance in the face of the much larger sum it is now managing. This is the challenge every equity manager faces. To PIE's credit, they have talked of returning capital if they believe returns are being compromised.

Fund Facts	
Fund size	NZ\$9.9m
Inception Date	January 1, 2012
Min. Investment	NZ\$10,000
Unit Price	0.99
Annualised Return	-0.35%
Benchmark	90% XJO/10% NZX50
Buy/sell spread	0.25% on application and redemption
Liquidity	Monthly with 35 days notice
Administration fees	0.75% total
Performance fee	10% with high water mark
Administration	Adminis
Legal Counsel	Minter Ellison Rudd Watts
Auditor	PWC

Fund Performance			
	KT NZD	KT AUD	Benchmark
1 Month	1.81%	3.53%	2.41%
3 Month	-0.21%	5.07%	-2.76%
6 Month	3.63%	12.05%	-1.44%
1 Year	-0.40%	15.48%	-6.45%
2 Year	-3.57%	16.06%	9.24%
Inception p.a.	-0.35%	9.82%	4.52%
Annualised SD	7.02%		10.79%
Beta	0.42		1.00
Largest monthly loss	-3.30%		-5.75%
Sharp Ratio (RFR=RBA cash)	-0.22%		0.11%
Avg Return in Market Positive Mths	0.78%		2.46%
Avg Return in Market Negative Mths	-1.27%		-2.68%

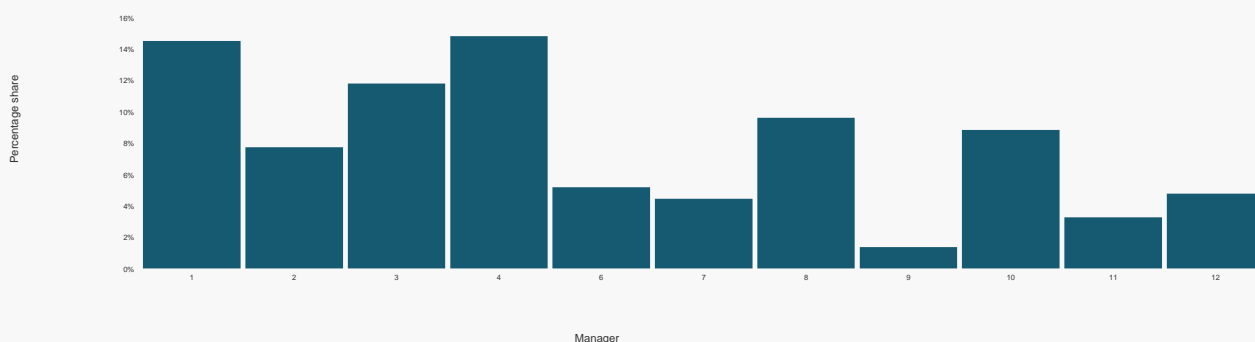
Note: An updated version of our prospectus and investment statement are both available on our website

King Tide's performance is expressed in NZ dollars, and currency fluctuations may significantly impact on the volatility of the fund. In July 2013, the manager changed the investment mandate to allow currency hedging to be used to manage this currency risk. The Manager will actively manage the Fund's Australian dollar exposure with a view to reducing risk and enhancing returns to our investors.

King Tide - Fund Performance vs. Benchmark (Net of Fees)

2012	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
King Tide NZD	0.29%	2.61%	-2.09%	-0.45%	-2.75%	-2.23%	1.16%	1.19%	-0.74%	1.83%	1.63%	0.15%	0.44%
King Tide AUD	2.49%	2.98%	-0.76%	-1.09%	-4.14%	-1.04%	-0.47%	1.97%	2.00%	1.06%	0.84%	1.17%	4.89%
Blended Benchmark	2.61%	0.51%	0.12%	2.02%	-5.75%	-0.76%	5.80%	0.64%	-0.47%	3.70%	0.72%	1.96%	11.21%
2013	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
King Tide NZD	-0.73%	-0.23%	1.09%	-2.15%	-2.41%	-3.30%	-1.03%	4.04%	1.00%	4.44%	-1.56%	-1.53%	-2.66%
King Tide AUD	0.65%	0.29%	0.32%	0.60%	-1.78%	-1.90%	4.03%	1.88%	3.59%	2.45%	0.48%	1.72%	12.85%
Blended Benchmark	3.62%	3.83%	-1.53%	1.93%	-5.36%	-3.67%	0.28%	3.42%	-0.38%	5.73%	-3.77%	-2.47%	0.93%
2014	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
King Tide NZD	-0.46%	1.81%											1.34%
King Tide AUD	-0.22%	3.53%											3.30%
Blended Benchmark	-2.64%	2.41%											-0.29%

Manager Weightings: % Share of Total King Tide Capital



No person, including King Tide, or its directors and staff referred to in this document, guarantees the performance of the Fund. Past returns of selected underlying funds do not guarantee future returns for investors in this Fund. This document does not constitute an offer or solicitation in any jurisdiction in which such an offer or solicitation is not authorised, or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such an offer or solicitation. No action has been taken that would permit a public offering in any jurisdiction where action for that purpose would be required.

