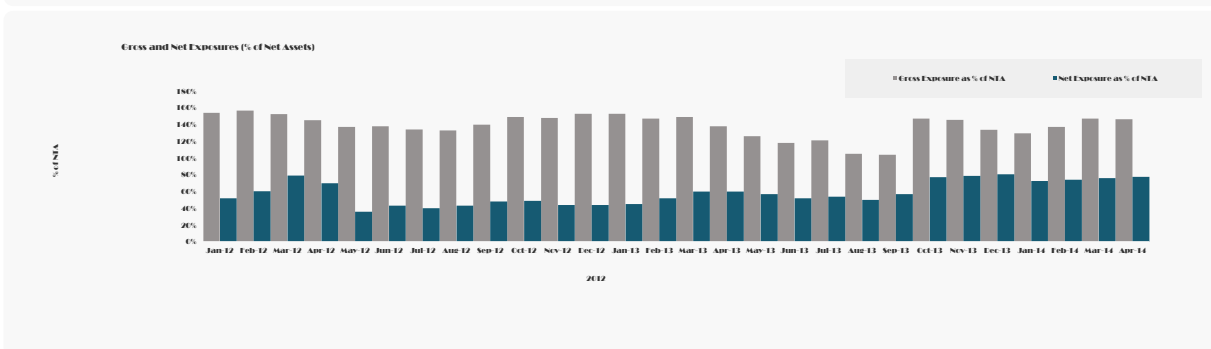
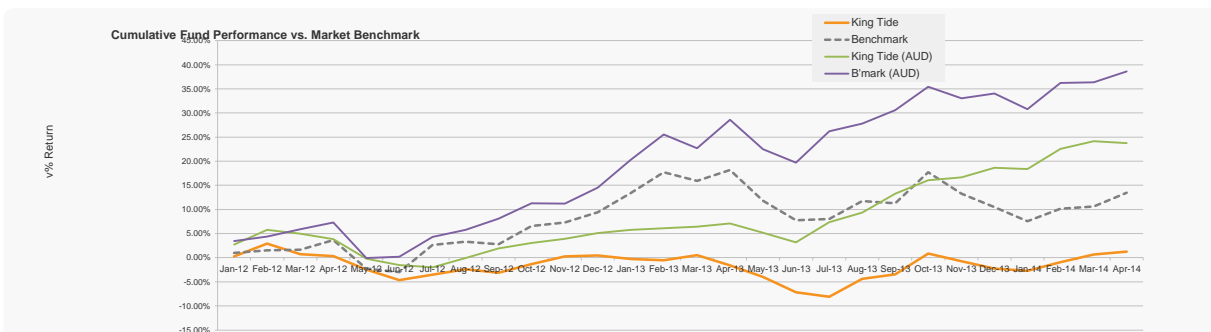


Fund Overview

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

King Tide rose 0.58% in April versus a gain of 2.57% for the benchmark. Both the ASX200 and the NZX50 rose 1.8%, and a strong AUD added another 0.89% to our Australian based managers.

April was a difficult month for active Australian managers, with defensive and large cap, particularly the banks, outperforming, and a general de-rating of some high quality growth stocks. Only eleven of the fifty four funds we follow beat the market. Three of these were King Tide managers.

Over the last twelve months, King Tide has gained 2.9% versus the benchmark's -4.0%. These numbers are low because of the currency affect. In AUDs, King Tide has doubled the benchmark's return, gaining 15.6% versus the benchmark's 7.8%. Thirty four managers on our data base beat the market over this period. King Tide managers took the first four places, and ten KT managers made the top twenty.

When looking at risk measures, comparing 'sharp ratios' which measure each fund's return compared to their volatility, and taking the period from King Tide's inception (28 months) six of our managers rank in the first ten. The 'sortino ratio', another measure of risk, provides a comparison of how a fund's return compares to its 'downside risk', and is a useful measure when capital preservation is a goal. Once again King Tide managers took out six of the top ten places. Three of our managers, Watermark, Auscap and Monash, which were launched after King Tide and didn't feature in these results, would have also made the top ten on both risk measures, based on their results since inception.

It is pleasing to see our manager selections being confirmed by good results both in terms their gains and their risk management. KT's approach is beginning to gain favour with

large investors globally as they become more focused on the risk side of returns.

The 2014 Deutsche Bank Alternative Investment Survey, covers 413 global hedge fund allocators (firms that include hedge funds in their allocations of capital), and who collectively manage \$9.7trn. They reported that 'alternatives' are now considered part of "traditional" portfolios offshore. That is, funds like King Tide, with its focus on risk based returns, is now considered to be a part of the core equity bucket.

This is something that we have always promoted. In fact, we think long/short equity investing is the most sensible fundamental way to approach the equity market. Auscap, one of our recent additions, and now an 11% weighting, explained in their March newsletter the reasons they employ an active long/short strategy to invest in shares. www.kingtide.co.nz/blog

Another of our central beliefs which is receiving increased support is that 'bigger is not better'. As a manager grows its funds under management (FUM), there is a point where it begins to impinge on performance, where each new idea contributes less to the overall result. This is why we monitor the growth of the managers in which we invest. This month, the Australian Financial Review (AFR) published an article on "Why the size of your fund matters". To quote author Matthew Smith:

"There is a growing body of academic research that suggest that next to stock picking, a fund's size has the biggest impact on its ability to out-perform."

Two of the fourteen funds we currently invest in are closed to new money, and another will only allow existing investors to add. We look for managers who focus on returns rather than size, and all of our managers have given us estimates of where they are likely to close their funds.

Fund Facts	
Fund size	NZ\$9.9m
Inception Date	January 1, 2012
Min. Investment	NZ\$10,000
Unit Price	1.01
Annualised Return	0.61%
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, incl Trustee, Custodian, Audit
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	0.58%	-0.31%	2.57%
3 Month	4.07%	4.55%	5.49%
6 Month	0.42%	6.61%	-3.61%
1 Yr	2.93%	15.56%	-4.00%
2 Yr p.a.	0.48%	9.17%	4.60%
Inception p.a.	0.61%	9.92%	5.44%
Annualised SD	6.73%		10.36%
Beta	0.42		1.00
Largest monthly loss	-3.30%		-5.75%
Sharp Ratio (RFR=RBA cash)	-0.14%		0.12%
Avg Return in Market Positive Mths	0.83%		2.35%
Avg Return in Market Negative Mths	-1.17%		-2.56%

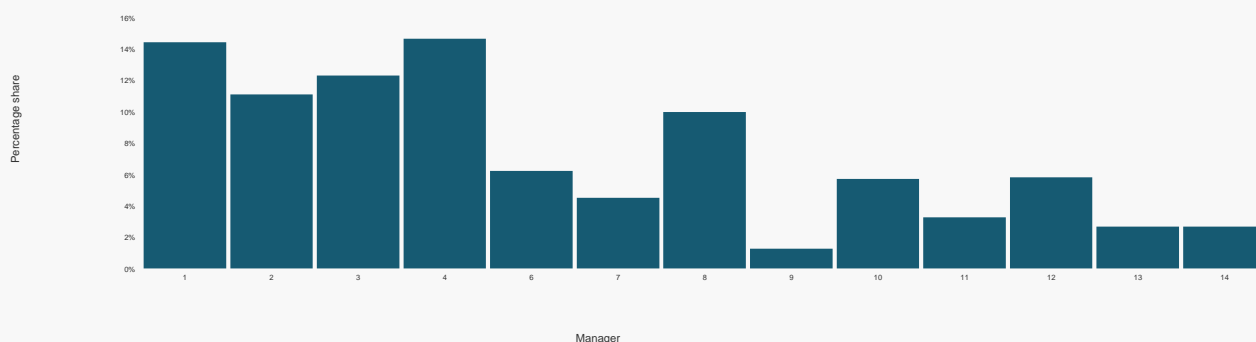
Note: An updated version of our prospectus and investment statement are both available on our website

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		2.71%	2.98%	-0.76%	-1.09%	-3.90%	-1.29%	-0.47%	1.97%	2.00%	1.06%	0.84%	1.17%	5.12%
Blended Benchmark		1.01%	0.51%	0.12%	2.00%	-5.75%	-0.71%	5.80%	0.64%	-0.52%	3.69%	0.72%	1.96%	9.43%
	2013	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
King Tide NZD		-0.73%	-0.23%	1.09%	-2.16%	-2.41%	-3.30%	-1.03%	4.04%	1.00%	4.44%	-1.56%	-1.53%	-2.67%
King Tide AUD		0.65%	0.29%	0.33%	0.59%	-1.78%	-1.90%	4.03%	1.88%	3.59%	2.47%	0.48%	1.72%	12.85%
Blended Benchmark		3.61%	3.83%	-1.53%	1.93%	-5.36%	-3.67%	0.28%	3.42%	-0.38%	5.73%	-3.77%	-2.47%	0.94%
	2014	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
King Tide NZD		-0.46%	1.81%	1.63%	0.58%									3.60%
King Tide AUD		-0.22%	3.53%	1.29%	-0.31%									4.32%
Blended Benchmark		-2.64%	2.41%	0.43%	2.57%									2.70%

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.

