

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.

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

201200.00%	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
King Tide NZD	0.29%												0.29%
King Tide AUD	2.49%												2.49%
Blended Benchmark	2.61%												2.61%

Monthly Performance Review

January was a turn-around month for the Australian market. The ASX200 rose 3.2% in the first two trading days of the year, and ended up 5.1% for the month. The NZ market lagged, rising just 0.66%. The combined benchmark rose 4.85% in AUDS, which translated back to 2.61% in NZDs, due to the stronger NZ dollar.

In months where we see markets accelerate away, we would generally expect to underperform. These kinds of moves tend to be very broad based rather than stock specific. Even so, four of our nine managers outperformed, and only one fund lost money (-1.03% AUDs). Returns ranged from -1% to +11%. The best performing managers were our lower weightings which accounts for our significant underperformance. Both NZ funds outperformed the benchmark, partly due to their greater NZ currency exposure.

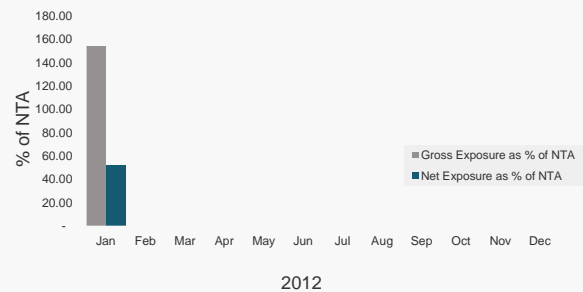
A number of managers indicated a willingness to add to long positions as the month wore on, citing the more stable situation in Europe, contained inflation in emerging economies, attractive valuations and the market’s defensive positioning.

We are comfortable with the January results. While well below the benchmark, we are not expecting to outperform every month, and are aware that most of the outperformance of the fund will be achieved when markets are flat or down.

Cumulative Fund Performance vs. Market Benchmark



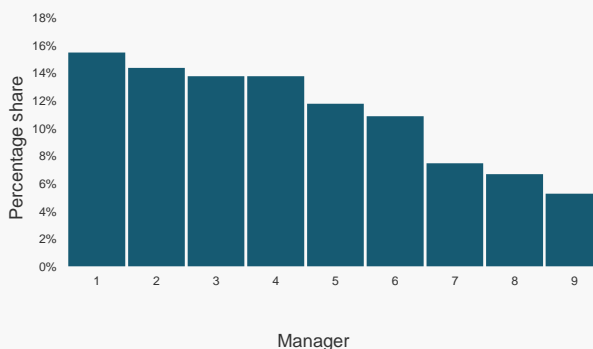
Gross and Net Exposures (% of Net Assets)



Fund Facts

FUM	NZ\$6.2 million
Inception Date	January 1, 2012
Min. Investment	NZ\$50,000
Unit Price	\$1.00
Annualised Return	
Return Since Inception	0.29%
Annualised SD	
Sharpe Ratio (RFR=RBA cash)	
% Positive Months	100%
Administration	BNP Paribas
Legal Council	Minter Ellison Rudd Watts
Auditor	PWC

Manager Weightings: % Share of Total King Tide Capital



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