

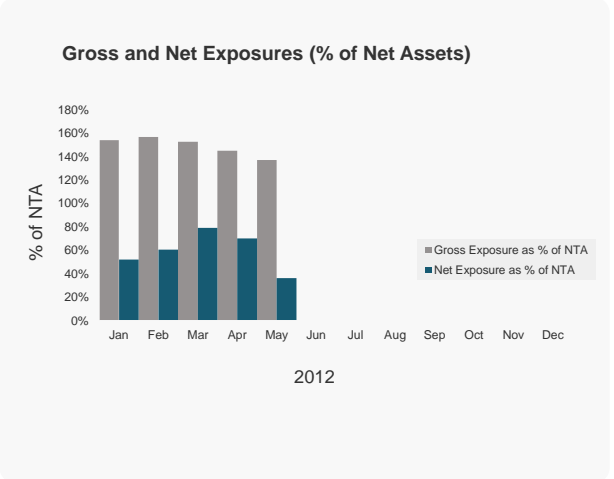
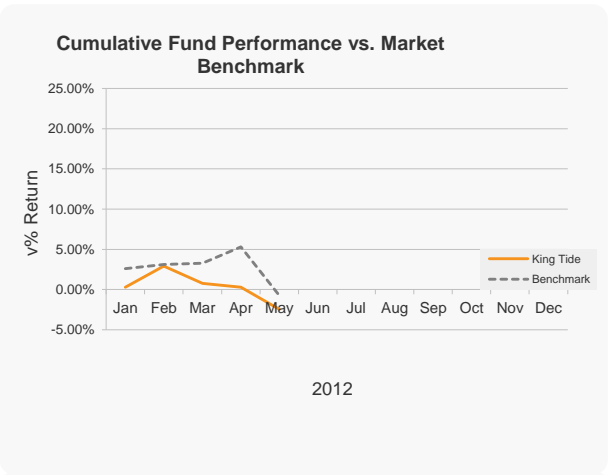
Fund Overview

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%	2.61%	-2.09%	-0.45%	-2.75%									-2.46%
King Tide AUD	2.49%	2.98%	-0.76%	-1.09%	-3.90%									-0.44%
Blended Benchmark	2.61%	0.51%	0.12%	2.00%	-5.75%									-0.73%

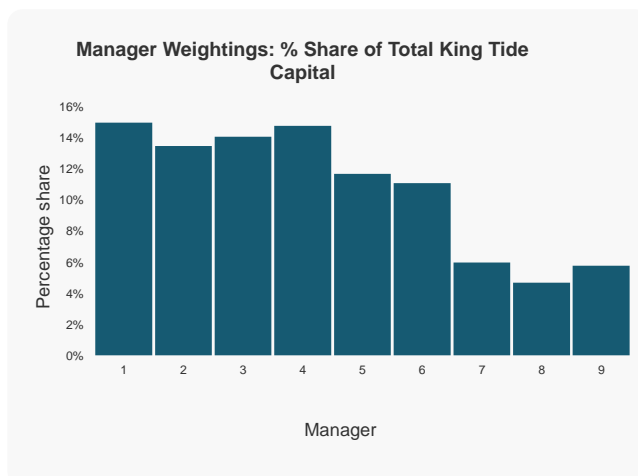
Monthly Performance Review

King Tide fell -2.75% in May versus a fall of -5.75% for the blended benchmark of NZ and Australian equities. The ASX200, which makes up 90% of our benchmark fell -7.29% while the NZX50 was surprisingly resilient, falling just -1.90%. One theme which recurred in manager reports was the global search for income which perhaps explains why the NZ market held up so well. Seven of our nine managers materially outperformed the market in May, but the other two, both small holdings, fell heavily. One of these funds was hurt by its continuing bias towards the resources and commodity sectors, including coal, gold, copper, iron ore and energy. This runs in the face of the crowd, which have been dumping shares in this sector, driving prices lower. The other was a mixture of sector bias, (again in favour of the resource sectors), but also a result of profit taking in stocks which had outperformed leading in to May. An example cited by two of our managers was Cambell Brothers, which despite a record result and strong guidance, fell 15% in May. The net exposure of King Tide fell from 70% to 36% during the month as underlying managers reduced long exposure. Some are steering clear of commodity and resource based sectors, while others are staying the course, maintaining their positions. Funds under management grew to just over \$9m in May.



Fund Facts

FUM	NZ\$9.05 million
Inception Date	January 1, 2012
Min. Investment	NZ\$50,000
Unit Price	\$0.98
Annualised Return	
Return Since Inception	-2.45%
Annualised SD	
Sharpe Ratio (RFR=RBA cash)	
% Positive Months	40%
Administration	BNP Paribas
Legal Counsel	Minter Ellison Rudd Watts
Auditor	PWC



Note: An up-dated version of our prospectus and investment statement are 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. It is clear in our prospectus that we do not intend hedging currency, but investors may want to make their own hedging arrangements should they want to protect this investment from currency related volatility between the AUD and NZD. In the mid to longer term, we may offer a NZD unit, which would be hedged back into NZDs.

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.