

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%	-2.23%	1.16%						-3.53%
King Tide AUD	2.50%	2.98%	-0.76%	-1.03%	-3.90%	-1.28%	-0.47%						-2.11%
Blended Benchmark	2.61%	0.51%	0.12%	2.00%	-5.75%	-0.72%	5.80%						4.27%

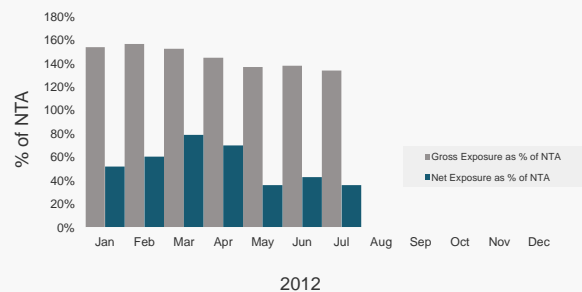
Monthly Performance Review

July was a positive month for the Fund, with seven of the nine managers making money. The Australian market was up strongly but featured very narrow leadership with the top ten stocks in the Index accounting for 84% of the ASX 200 index's gain. Similarly the New Zealand share market rose strongly on the back of some oversize gains in larger companies. Telecom for example rose 11.5% and contributed 25% of the NZX 50's 4.3% gain. Most of our managers remain unconvinced about the current market rally. They point out that volumes are very thin showing investor conviction is low, and the bulk of the activity in the market is in the large liquid stocks which can easily be sold should the macro backdrop deteriorate. At present, the market appears to be buying into the ECB's president Mario Draghi's comments that they will do "whatever it takes" to preserve the Euro. Time will tell. Currently, in King Tide, six managers make up 84% of the Fund, and on average, they are 20.5% net long the market, (that is, they have longs positions, short positions and cash, and the net positions is the longs less the shorts), reflecting their view that the macro back drop remains problematic. Two Australian based managers, who have held their positions in the badly beaten up mining and commodity sectors, are 193% and 78% net long. These two managers make up 8.8% of the Fund, while our ninth manager, who invests in small caps and is 6.1% of the fund, is 76% net long. The two leveraged and sector focused managers were again a real drag on performance in July. We remain of the view that the basis for our investment in these managers has not changed, and we believe that despite the heavy losses, they have been diligent in their research and have a sound understanding of the companies they are invested in. We note that in August there have been some big upward moves in some of the very heavily sold resource based stocks, and even managers who have no sector focus have been attracted to the low valuations. We believe the poor period the Fund has been through has created a good entry point for investors considering an investment in King Tide.

Cumulative Fund Performance vs. Market Benchmark



Gross and Net Exposures (% of Net Assets)



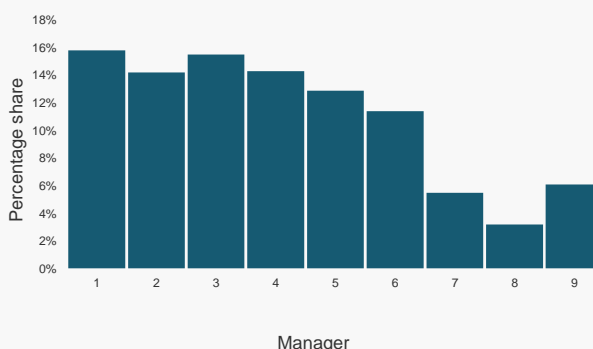
King Tide Asset Management

Monthly Performance Summary - July 2012

Fund Facts

Fund size	NZ\$9.74 million
Inception Date	January 1, 2012
Min. Investment	NZ\$50,000
Unit Price	\$0.96
Annualised Return	
Return Since Inception	-3.52%
Annualised SD	
Sharpe Ratio (RFR=RBA cash)	
% Positive Months	43%
Administration	BNP Paribas
Legal Counsel	Minter Ellison Rudd Watts
Auditor	PWC

Manager Weightings: % Share of Total King Tide Capital



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. 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.

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