

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.

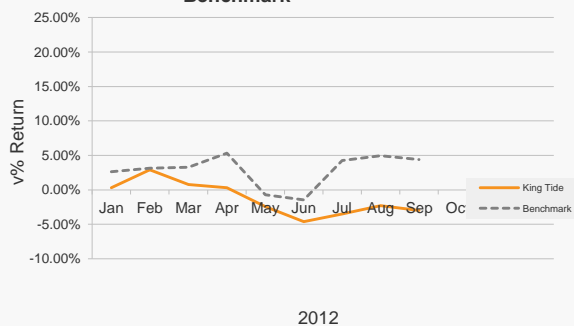
King Tide - Fund Performance vs. Benchmark (Net of Fees)

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%	1.29%	-0.74%				-3.00%
King Tide AUD	2.50%	2.98%	-0.76%	-1.03%	-3.90%	-1.28%	-0.47%	2.07%	2.00%				1.92%
Blended Benchmark	2.61%	0.51%	0.12%	2.00%	-5.75%	-0.72%	5.80%	0.64%	-0.52%				4.39%

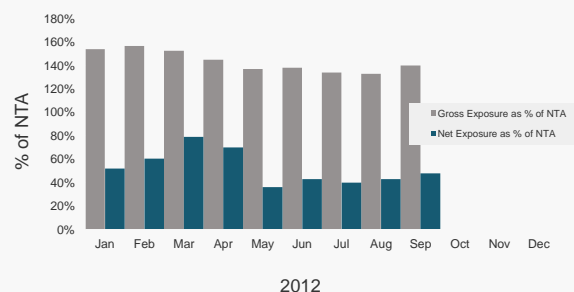
Monthly Performance Review

The Fund was down -0.74% in September which was roughly in line with the benchmark's -0.52%. King Tide was negatively impacted by an Australian dollar which fell -2.76% against the NZ dollar. Markets and managers in their own currency were generally firmer, although two of our Australian based managers had small drawdowns (-0.78% and -0.14%). Our two best performing managers rose 4.8% and 3.1% respectively. When measured in Australian dollars the Fund rose 2.0% · Gross market exposure rose 7% to 140% and net exposure rose 5% to 48% · We are generally satisfied with September's result given the Fund was just over 40% net long, although we are very keen to close the gap between the Fund's return and that of the market. What is worth noting is that the Fund kept pace with the market whilst carrying significant downside protection · Foremost on our managers' minds at the moment is the impact of a China slowdown on Australia's economic outlook. As one manager pointed out, "Australia's exports to China have grown from 5% of total exports in 1998 to an astonishing 28%". In September, these concerns were somewhat over-riden by announcements of further monetary stimulus from the US Fed, and by monetary easing by the Reserve Bank of Australia through lower interest rates. Resources as a subset of the All Ords rallied 6.4% and the Metals and Mining sub-sector was up 9.2%. However, concerns remain about Australia's ability to extend the years of strong economic growth should there be a significant slowdown in the mining sector. Already we have seen extreme volatility in mining and mining related stocks. Companies like NRW Holdings, a construction and engineering business, fell 60% between April and September, but is now 23% off its lows · We have one manager who has owned NRW all the way down, and another who has more recently been short the stock. They could both be right. It has been a good short, but the bounce would indicate it was oversold, and may be a very sound business long term · We continue to monitor and research new managers. There are three or four we are currently looking at closely · Of our existing managers, two are closed to new money, and one other is closed to outside investors but will take additional capital from existing investors.

Cumulative Fund Performance vs. Market Benchmark



Gross and Net Exposures (% of Net Assets)



Fund Facts

Fund size	NZ\$9.95 million
Inception Date	January 1, 2012
Min. Investment	NZ\$50,000
Unit Price	\$0.97
Annualised Return	
Return Since Inception	-3.09%
Annualised SD	
Sharpe Ratio (RFR=RBA cash)	
% Positive Months	44%
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.