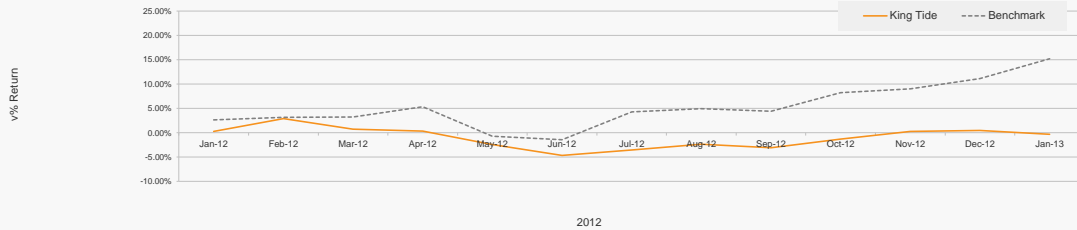


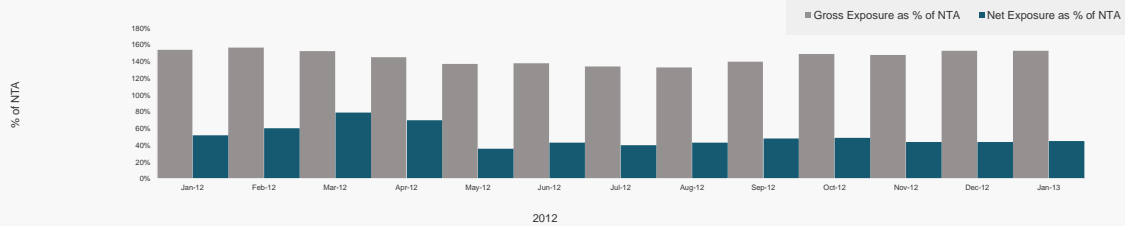
Fund Overview

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.

Cumulative Fund Performance vs. Market Benchmark



Gross and Net Exposures (% of Net Assets)



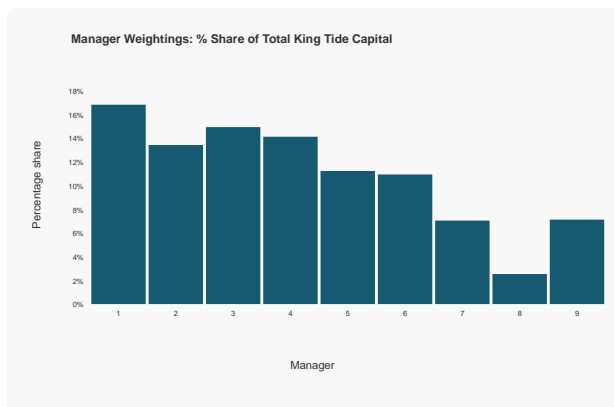
Monthly Performance Review

Equity markets started the year with solid gains in both NZ and Australia. The NZX50 gained 4.6% and the ASX200 4.3%. The NZ dollar rose 1.4% against the Australian dollar, which is reflected in the table below. In NZDs, King Tide fell -0.7% which was equivalent to a gain of 0.7% in AUDs. At the end of January gross exposure was 155% while net was up 1% on the previous month to 45%. One manager ended January -18% net short the market, having closed out some large positions and lacking compelling ideas on the long side to replace them given what he considers to be an expensive Australian market. King Tide's January results were due to broad based underperformance of market benchmarks by all but one of our managers. The common thread was that the January rally was driven by investors chasing yield and paying ever higher prices for dividends, particularly 'franked (imputed) dividends'. A number of our managers described it as a 'low quality rally', as fundamentally flawed businesses were bought by asset allocators as they moved funds from cash and bonds to equities. In February we will be making some changes to the underlying managers, selling out of one of our larger positions and reducing another. The former sell down, is a result of a change in that fund's investment universe to include a much larger weighting to Asia.

This does not fit with our objective of allocating to local managers who have a competitive advantage in their local market. The reduction in another of our core positions was to make room for a new manager, and will have the effect of increasing King Tide's net long position. The new fund is listed on the Australian share market. The reason we have chosen this vehicle is that it enables us to gain some benefit from the franking credits this manager has accumulated, as Australian investors factor this benefit into the share price. The unlisted fund, run in parallel by the same manager, distributes all of these franking credits, and they become of no value to us as a NZ based Fund. In terms of where we expect the market to go from here, if we were to take a consensus of our nine managers, there is no consensus. We are comfortable with this. In fact one of the key benefits King Tide brings is that you don't have to be 'right' about whether the market goes up or down from here, because you are broadly diversified in both long and short equity positions. We hope to have a better 2013 and have confidence that the managers we have will make money and protect your capital.

Fund Facts

Fund size	NZ\$10.24 million
Inception Date	January 1, 2012
Min. Investment	NZ\$50,000
Unit Price	1.00
Annualised Return	0.00%
Return Since Inception	-0.29%
Annualised SD	2.79%
Sharpe Ratio (RFR=RBA cash)	
% Positive Months	53.85%
Administration	BNP Paribas
Legal Counsel	Minter Ellison Rudd Watts
Auditor	PWC



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.

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	2.50%	2.98%	-0.76%	-1.03%	-3.90%	-1.28%	-0.47%	2.07%	2.00%	1.06%	0.84%	1.17%	5.08%
Blended Benchmark	2.61%	0.51%	0.12%	2.00%	-5.75%	-0.72%	5.80%	0.64%	-0.52%	3.69%	0.72%	1.89%	101.89%
2012	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
King Tide NZD	-0.74%												-0.74%
King Tide AUD	0.64%												0.64%
Blended Benchmark	3.68%												3.68%

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.