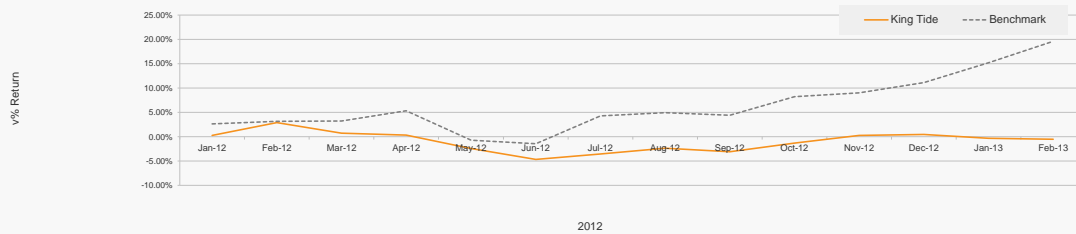


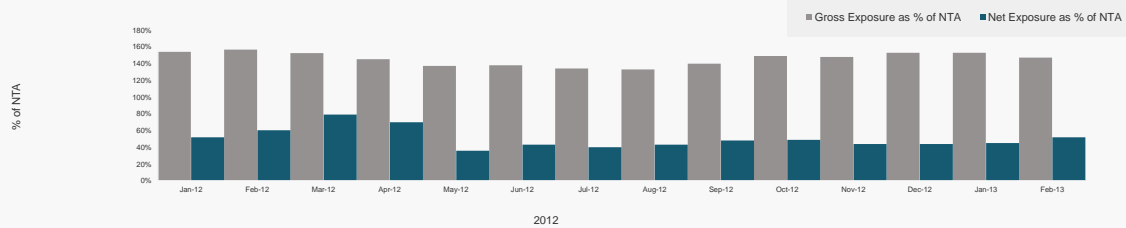
Fund Overview

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)



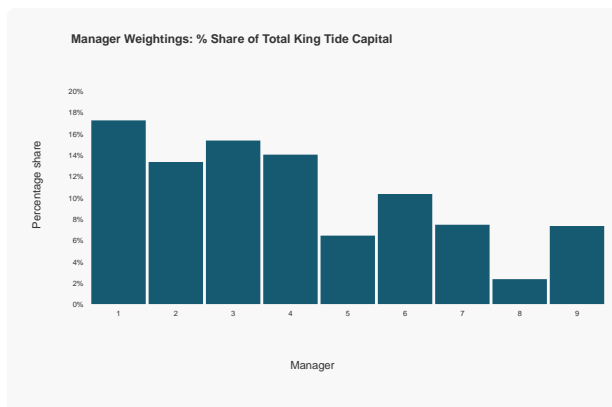
Monthly Performance Review

The Australian equity market continued to outperform NZ in February, rising 4.6% versus NZ's 1.6%. The NZ dollar rose 0.5% against the Australian dollar which was a head wind to the Fund because of its 80% Australian currency exposure. Underlying manager returns were generally below the market in February. The broad rally was tough on short positions and difficult for value investors. The Australian market was led higher by a small group of defensive and financial large cap yield names, some of which look relatively expensive compared to forecast earnings growth. The reporting season in Australia ended with a small positive outperformance of analysts' expectations on the back of cost cutting and margin improvements. Our managers took up net exposure in February from 45% to 52%. The Gross fell from 153% to 147% but this was due to some changes within the fund rather than changes within underlying managers. The changes to our underlying managers, which are the first we have made since launching in January 2012, will affect about 18% of the portfolio. We reduced one manager to make room for a new fund, and we are in the process of switching from another fund which has increased its weighting in Asian equities beyond our tolerance level (from 10% to 30%). We are switching to an Australian only fund, managed by the same team, and with a different structure in terms of portfolio weightings. It will increase our overall net exposure to the Australian equity market, while still retaining a strong focus on risk management and capital protection. In February, the board of King Tide decided to lower our management fee to 0.75% from 1.25%. The administration fee we charge is the total fixed cost investors pay.

We do not charge any additional expenses to the fund like most fund managers. This keeps our fees transparent and simple. We are also in the process of altering our performance fee calculation, to move it from a relative return fee to an absolute return fee. In other words, we will only receive a performance fee if the Fund is making a profit, and then only on new profit. Under the current performance fee structure KTAM can earn a bonus when they lose money provided they lose less than the market. We have spoken with all of our investors and all, without exception, were in agreement with this change. We are encouraged by your patience with the performance to date, and your appreciation that our primary objective is to preserve capital. Our long term objective is to beat the equity market return, and we believe the two are closely linked. Over time, it is your ability to preserve capital when markets are falling that will lead to outperformance. Our read of the current rally in equities is that it may have some way to go. There is a huge amount of money still sitting in cash and bonds. The yield on these assets is at historical lows, and as equity markets rise, investor reluctance to invest is broken down. Unfortunately, most investors wait until equity markets have risen a lot before joining the party. Warren Buffett points out that equities are one of the few assets that attract more buyers the more expensive they become. While we can hold this positive view of equity markets, the strategy of being spread across a number of managers, each of which is very aware of the vagaries of equity markets, means we will never be without significant down-side protection.

Fund Facts

Fund size	NZ\$10.14 million
Inception Date	January 1, 2012
Min. Investment	NZ\$50,000
Unit Price	0.99
Annualised Return	0.00%
Return Since Inception	-0.52%
Annualised SD	5.90%
Sharpe Ratio (RFR=RBA cash)	
% Positive Months	50.00%
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%	11.08%
2012	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
King Tide NZD	-0.74%	-0.23%											-0.97%
King Tide AUD	0.64%	0.29%											0.93%
Blended Benchmark	3.68%	3.83%											7.65%

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.