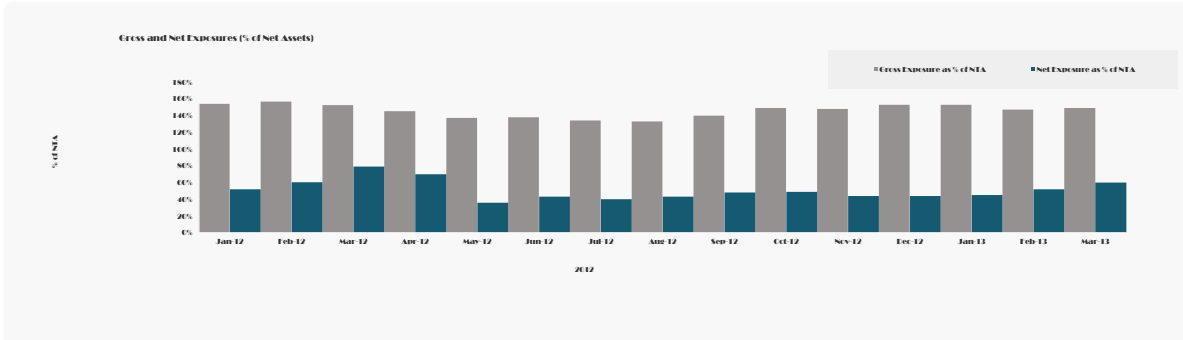
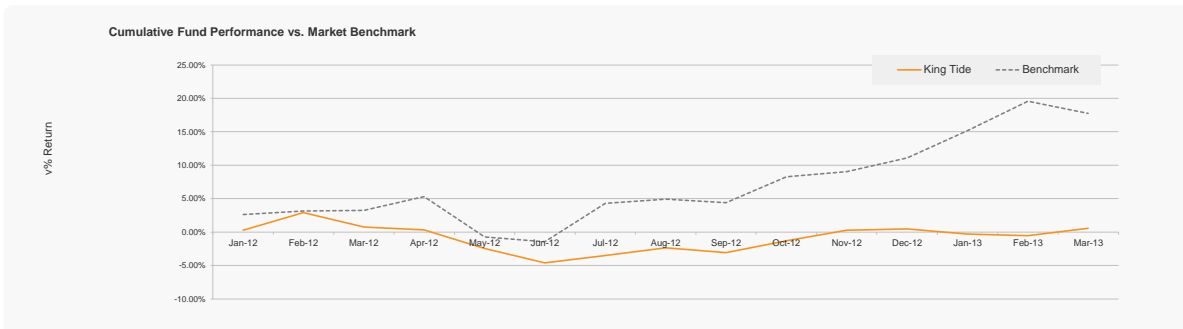


Fund Overview

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.



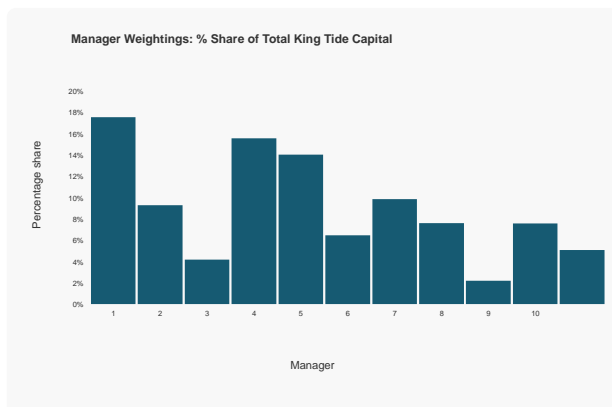
Monthly Performance Review

In March, King Tide rose 1.0% versus a fall of -2.7% for the ASX200, and a gain of 2.4% for the NZX50. The Australian dollar was firmer by 0.75% versus the NZ dollar, enhancing returns from Australian based funds. The Fund's benchmark was down -1.5%. In this newsletter, we will begin to divulge some of the underlying managers we are invested in. The regulatory environment we are operating under is asking for increased transparency and disclosure, so we have decided to lead the way in this regard. Obviously, this information is primarily for our investors and potential investors, so appreciate your discretion when sharing this information. We are currently invested with ten managers, as we transition from Regal's Tasman fund into their Australian Long/short equity fund. We are making this change because the Tasman fund raised its exposure to Asian equities from 10% to 30%, which takes them outside our tolerance levels for non-Australasian investments. We have a couple of other managers who regularly invest smaller amounts in offshore investments as they see fit, but the percentage of their total portfolio is much smaller. The new fund is still part of the Regal family of funds, with the same management and research teams. The main difference is that the Tasman fund was market neutral, which means it had roughly equal weightings in long positions and short positions. The new fund invests in Australasian shares only (no Asia), but has very different limits on its gross and net weightings. It will always be at least 90% net long, and will never have more than 200% gross exposure. Basically, their core strategy is that they will invest 100% in Australian equities, then invest 30% in short positions (sell shares), and with the sale proceeds, will invest another 30% in shares. The result is gross exposure of 160% (100% long, plus 30% short, plus

another 30% long), and 100% net, (130% long minus 30% short). The decisions on what they buy and sell are made by the very experienced and successful Regal team. This new fund, despite its long bias, made money in 2011 when the Australian market fell 11%, so we are comfortable the strategy and team behind it, can protect capital in down markets. In March, gross exposure of the Fund rose slightly to 149% and net exposure was significantly higher at 60%. This increase in net is largely due to the new Regal manager, which runs much higher net exposure. In March seven of our managers outperformed the benchmark (-1.5%), with five of them outperforming by more than 3%. Two of our Australian managers are out of synch with this market. They find current valuations to be challenging given the low growth environment. Evergreen, managed by Tim Hannon, is particularly bearish on the outlook for the Australian economy in the face of the decline in the mining and resources sectors. He believes very low interest rates are forcing investors out of low yielding bonds, into high yielding equities. Aspiring Capital, one of our NZ based managers who is now closed to outside investors, also believes prices for high yielding companies are being sought out by Mum and Dad investors, forcing prices higher. They cite property stocks as an example, with this sector trading on average, 10% above their underlying value, that is, the value of their property portfolios. As markets continue to move higher we believe King Tide becomes increasingly relevant given our focus on balancing risk with reward. The NZ market has risen +33% since June last year, and the Australian market +26%. This has certainly been more due to investor sentiment and demand than earnings growth, and it is a time for caution when entering these markets.

Fund Facts

Fund size	NZ\$10.2 million
Inception Date	January 1, 2012
Min. Investment	NZ\$50,000
Unit Price	1.01
Annualised Return	0.00%
Return Since Inception	0.56%
Annualised SD	6.94%
Sharpe Ratio (RFR=RBA cash)	
% Positive Months	53.00%
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%	1.09%										0.11%
King Tide AUD	0.64%	0.29%	0.32%										1.26%
Blended Benchmark	3.68%	3.83%	-1.53%										6.01%

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.