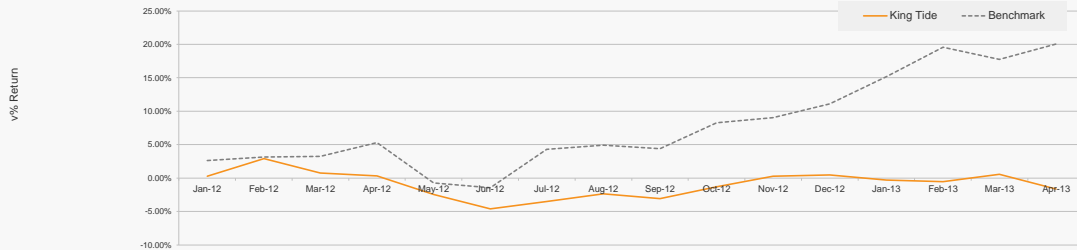


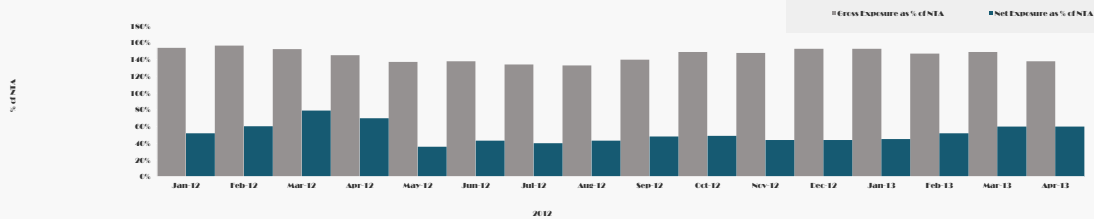
**Fund Overview**

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)



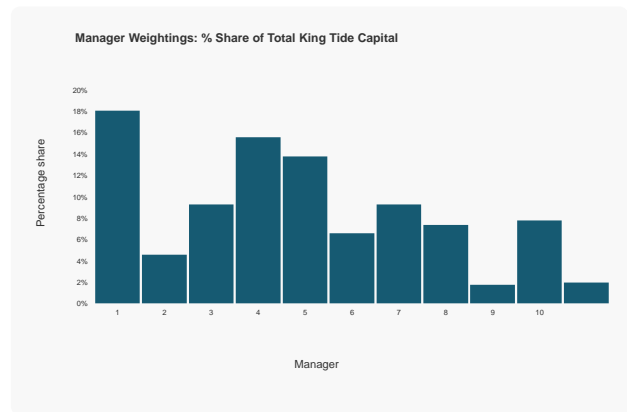
**Monthly Performance Review**

Weakness in the Australian dollar impacted April's result, lowering the return by -2.8% on Australian funds. Since inception, currency translation has cost King Tide -8.5%, based on the strengthening NZ dollar. This trend is currently strong with sentiment towards commodity currencies at a multi-year low. The NZ/AUD cross is currently close to its historical mid-point • In April both the ASX200 and the NZX50 raced away with gains of 4.5% and 4.3% respectively. The ASX200 gained 1.7% in NZDs. Only one of our Australian managers, Regal Australian Long/Short fund, made more than the Australian market. This fund is long-biased so will tend to have its best months when markets are up. Most other managers were up less than the currency differential. April was a very strong month for the dividend yield stocks and stocks with momentum. Our managers will generally lag this kind of market. For example, in NZ, gains in Telecom, Ryman, Xero and the listed property sector accounted for about 75% of the market's gains (Aspiring Asset Management newsletter). Aspiring's Stephen Montgomery does not share the market's view of the value of Ryman nor Xero and has a much smaller position in Telecom than its weighting in the index, so Aspiring's 1.34% gain was well below the market. However, over five years Aspiring is up 13.9% p.a. versus the NZX50's 4.9% p.a. and the Australian market's 2.7% p.a. On the same theme, in Australia, Optimal's George Coleman noted that 100% of the gains in the Australian market since June 2012 can be accounted for by high yielding Banks, and four other companies, Woolworths, Wesfarmers, Telstra and CSL. These were the same stocks which dominated returns in April, with Telstra up 10%, financials +8.5%

and consumer staples up 7.1%. George goes on to point out later in his April report why he is unwilling to participate in the current rally. (Optimal is currently net long just 4.5%). Quoting "As noted, these are strange days: equity markets remain in thrall to central bank liquidity creation and strangulation of interest rates. The news that some central banks are buying equities confirms just how strange these times are, yet this disclosure barely rated a mention on Bloomberg. This is unlikely to end well, as central bank policies have served to distort liquidity flows and capital allocation on a grand scale. This environment is so very dangerous from the perspective of capital preservation, because it requires wilful suspension of any risk consideration by equity investors other than "relative value" as measured against a bond/cash yield construct that is: (1) highly artificial; (2) of limited, albeit hard to quantify, duration." Not to say all of our managers share George's view. Kardinia, one of our largest weightings was long NAB, CBA, Telstra and ANZ, but is hedged using index puts and short selling and is currently 35% net long. Kardinia gained 1.4% in AUDs in April • We have recently added PIE Emerging Companies Fund which targets very small Australian and NZ listed companies, and we added Aurora Fortitude, a Sydney based manager who runs a multi-strategy portfolio underpinned by extremely strict risk parameters. In the eight years since its inception, Aurora has averaged more than 8% p.a. and its largest ever draw down (consecutive loss) has been -2.1%. It has extremely low volatility, and we believe its strategy is capable of double digit returns, particularly given this period of very low volatility in the Australian market could be coming to an end.

**Fund Facts**

Fund size	NZ\$10.1 million
Inception Date	January 1, 2012
Min. Investment	NZ\$50,000
Unit Price	0.98
Annualised Return	0.00%
Return Since Inception	-1.61%
Annualised SD	5.45%
Sharpe Ratio (RFR=RBA cash)	
Largest Drawdown	-7.33%
% 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%
2013	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
King Tide NZD	-0.74%	-0.23%	1.09%	-2.16%									-2.05%
King Tide AUD	0.64%	0.29%	0.32%	0.59%									1.86%
Blended Benchmark	3.68%	3.83%	-1.53%	1.93%									8.05%

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.