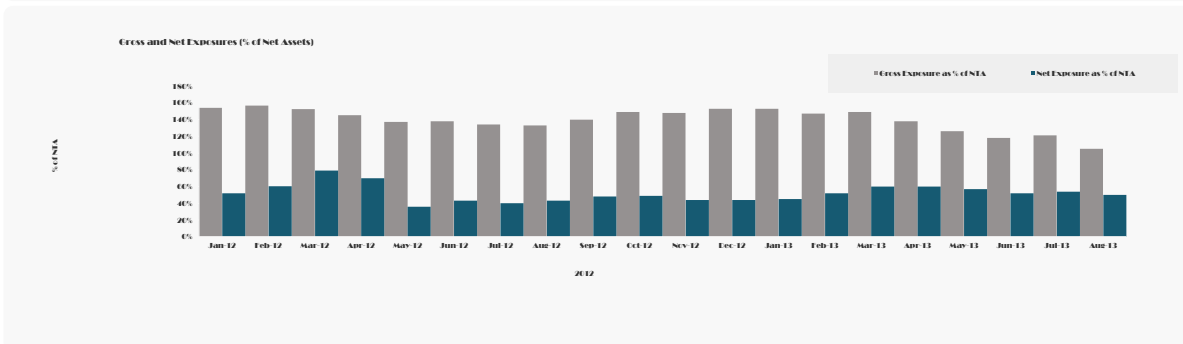
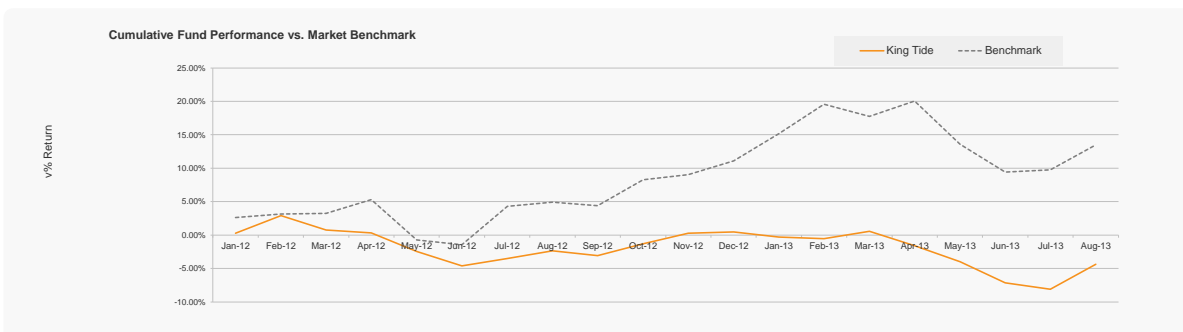


Fund Overview

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 August, NZ and Australian equity markets outperformed offshore equity markets. The NZX50 was flat and the ASX200 rose 1.6% compared to a 3.1% fall in both US and UK shares and a -0.7% fall in European shares. From a NZ perspective, the Australian market rose 3.90%, and King Tide's benchmark was up 3.42%.

Four of our underlying funds significantly outperformed the market, and one lost money. The losing fund was Evergreen, a manager who has an impressive resume and a lot of experience in the Australian market, but has become wed to ideas which are not working. We have redeemed this position as of 31 August but not before a significant draw down over the last eight months.

Our two leading managers in August, PIE Emerging Companies Fund and Atlantic, recorded double digit gains. PIE ECF is a new fund launched in April of this year, and it has risen 37% in five months, despite carrying large amounts of cash, and hedging equity exposure with Index puts. Atlantic which is recovering from a poor start with us, has gained 41% in the last 12 months, and in Australian dollars is up 14% since the inception of King Tide.

As you can see from the table on page 2, King Tide has gained 9% in Australian dollars. I point this out because the currency effect can overshadow the underlying funds' performance. From the middle of September, we are able to use currency contracts to hedge the effect of a stronger NZD, but this can also dampen the impact of a stronger AUD, which, in August, added around 1.4% to the result.

In the last two months we have instigated a number of changes to the portfolio. We have fully or partly redeemed two managers who have very strong longer term track records, with very low downside volatility, but who have been unable to adapt to current market conditions. Since the inception of King Tide, these managers have gained 5.1% and 6.7% respectively (in AUDs) compared to the Australian market's 26.6% return.

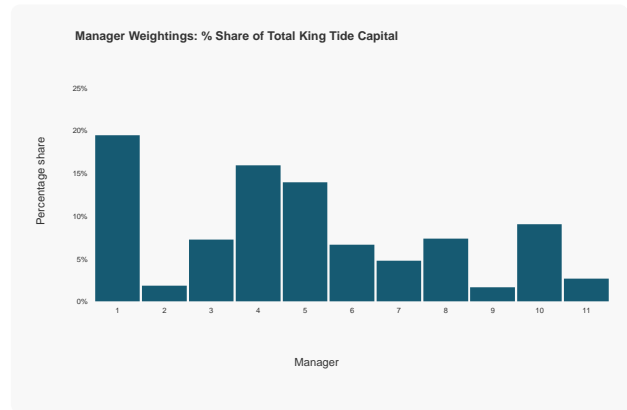
There are three new managers being added over the next two months, which will bring the number of underlying funds to twelve. Like Oracle, our slow start has focused our minds and we have been working hard to turn King Tide around. We hope the changes we are making will bring the results we know are possible when you put together a diversified portfolio of very good managers.

In reading through August management reports there is a general feeling that the next few years could be difficult for Australia. The mining industry has been through a massive upheaval, as project closures flow down through the many businesses which depended on them. This flow through effect is evident in many industrial and service companies cautioning the market on the outlook for earnings.

In August gross exposure of the Fund fell to 105% (from 121% at the end of July) reflecting the redemption of Evergreen, with net exposure at 50% (versus 54% at the end of July).

Fund Facts

Fund size	NZ\$9.5 million
Inception Date	January 1, 2012
Min. Investment	NZ\$10,000
Unit Price	0.96
Annualised Return	-2.41%
Return Since Inception	-4.40%
Annualised SD	7.10%
Sharpe Ratio (RFR=RBA cash)	-0.72%
Largest Drawdown	-9.40%
% Positive Months	45.00%
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. In July 2013, the manager changed the investment mandate to allow currency hedging to be used to manage this currency risk. The Manager will actively manage the Fund's Australian dollar exposure with a view to reducing risk and enhancing returns to our investors.

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

	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%	-4.14%	-1.04%	-0.47%	1.97%	2.00%	1.06%	0.84%	1.17%	4.97%
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	-0.73%	-0.23%	1.09%	-2.15%	-2.41%	-3.30%	-1.03%	4.04%					-4.81%
King Tide AUD	0.64%	0.29%	0.32%	0.59%	-1.78%	-1.90%	4.38%	1.88%					4.36%
Blended Benchmark	3.68%	3.83%	-1.53%	1.93%	-5.36%	-3.67%	0.28%	3.42%					2.17%

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.