

AIT *Alternative* Investment Trust

Alternative Investment Trust (AIT) has exposure primarily to a portfolio of absolute return funds. With a revised investment strategy, the assets of AIT are being realised and the fund is being wound down.

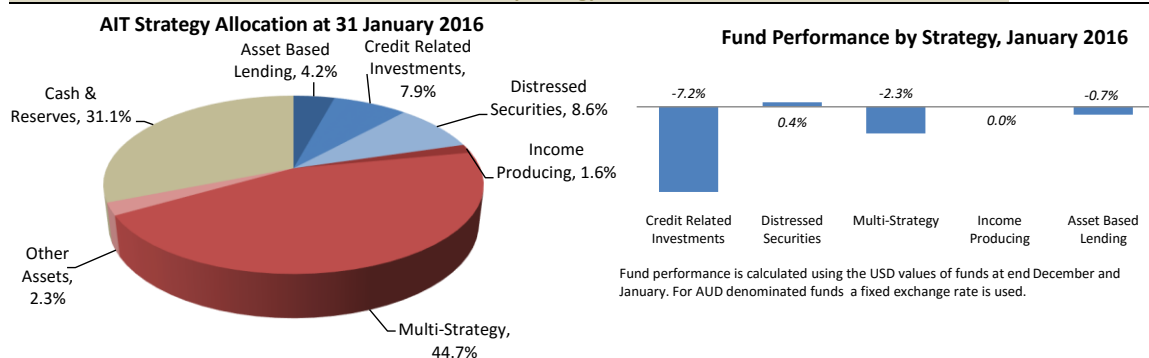
Fund facts as at January 2016

Monthly return	0.32%	Net Assets (NA)	AUD 18,290,499
Unaudited NTA Jan 2016	AUD 0.140	Units in issue	130,692,470
Gross Assets (GA)	AUD 18,541,848	Traded on	ASX
Leverage - GA/NA	1.01	Currency	AUD
Domicile	Australia	Responsible Entity	The Trust Company (RE Services) Limited
SEDOL	B1B0GT6		ACN 003 278 831 AFSL 235 150
Ticker	AIQ AU	ISIN	AU000000AIQ2

Commentary & Portfolio Updates

- AIT's NTA return was 0.32% for January. On a fixed exchange rate basis, the performance of AIT's continuing underlying funds for the month was -2.32%. The AUD weakened by 2.44% against the USD in January. This had a positive effect on AIT's NTA as the majority of AIT's net assets are USD denominated.
- In January 2016 AIT received a distribution of cash of around AUD 0.2m from EBBIF. The winding up of EBBIF, including payment to investors of a final return of capital, is intended to be completed during the course of 2016.

AIT Asset Allocation and Fund Performance for the Month by Strategy

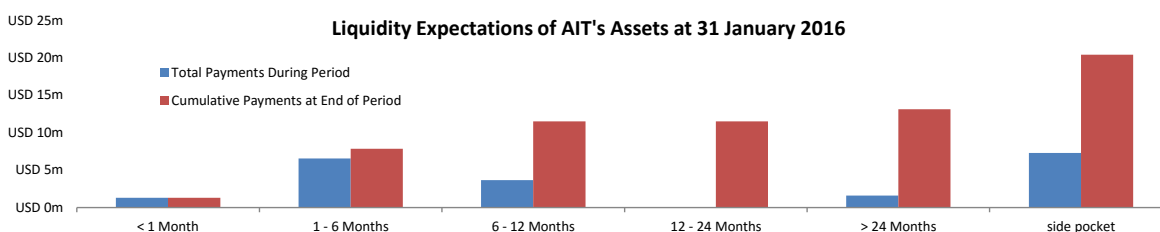


Liquidity of AIT

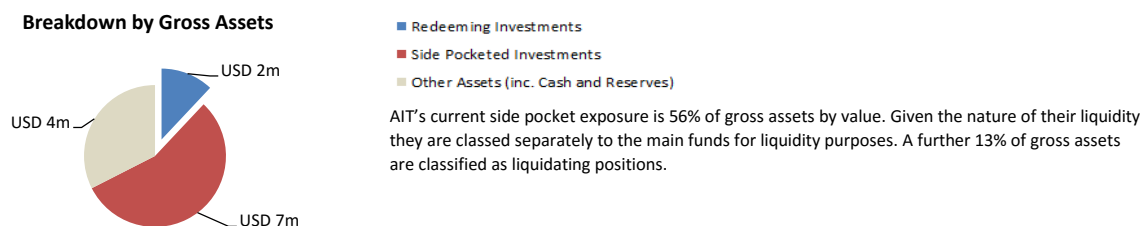
The portfolio of AIT consists of exposure to a basket of absolute return funds via a Swap facility with Macquarie Bank Ltd, together with a small investment held outside the Swap. With all debt repaid in August 2010, AIT is free to make distributions to unitholders. The first return of capital to unitholders under the revised investment strategy was made in August 2009. After the March 2015 distribution of AUD 0.04 per unit, AUD 1.76 per unit (230 million AUD in total) has been returned to unitholders since February 2009; distributions will continue to be paid as per the revised mandate.

AIT is now predominately exposed to Side Pocket type positions and Redeeming Investments which have been gradually liquidating for a number of years. This means it is difficult to predict the future liquidity of these funds and payments to AIT are made on an ad hoc basis when the cash is available to the funds.

Expected Liquidity Profile of Gross Assets of AIT



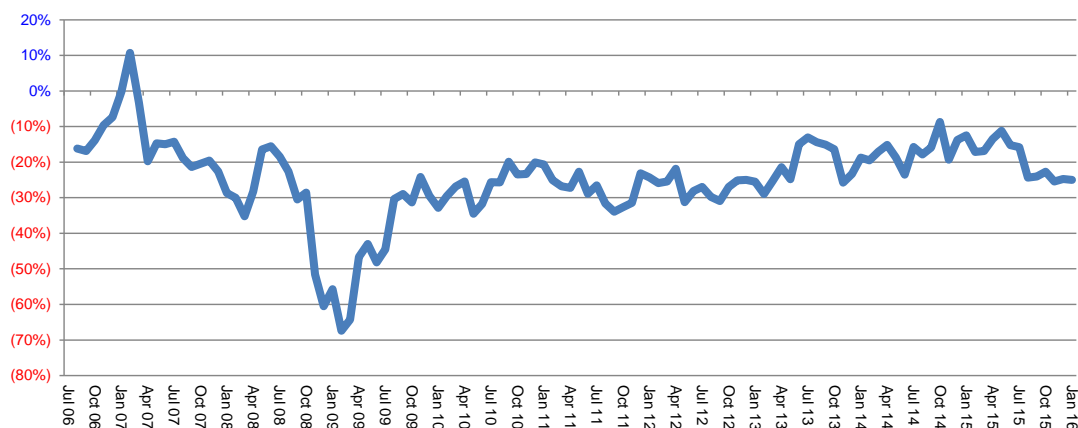
Breakdown of Gross Assets by Redemption Type of Underlying Funds



Note: Liquidity profiles are based on best available information and may be subject to significant change in light of new information or events.

Legal Notice: Laxey does not guarantee the performance of AIT, the repayment of any capital or any rate of return. Investing in any financial product is subject to investment risk including possible loss. Past performance is not a reliable indicator of future performance.

**Alternative Investment Trust
Price to NAV Discount**



NTA returns (net) ₁													
Annual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 YTD		
Monthly	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
	9.3%	(9.5%)	(41.5%)	(16.3%)	(7.8%)	0.8%	1.7%	9.4%	3.4%	(0.1%)	0.3%		
2009	(2.8%)	0.8%	(5.2%)	(2.9%)	(5.1%)	(0.4%)	(2.2%)	(1.1%)	(2.9%)	(1.1%)	(1.6%)	3.5%	(16.3%)
2010	0.5%	(0.3%)	(1.4%)	0.5%	7.0%	(1.1%)	(5.6%)	1.0%	(6.0%)	0.4%	2.2%	(4.5%)	(7.8%)
2011	3.0%	0.1%	0.3%	(3.5%)	0.8%	0.2%	(1.8%)	1.4%	6.6%	(4.6%)	(0.1%)	(2.4%)	0.8%
2012	(2.7%)	3.2%	3.4%	(0.9%)	4.9%	(5.6%)	(1.6%)	1.4%	1.6%	2.1%	(3.7%)	(0.2%)	1.7%
2013	(0.1%)	1.4%	(1.7%)	(0.2%)	(8.6%)	2.6%	(8.2%)	(0.1%)	(4.2%)	1.5%	3.5%	(0.7%)	9.4%
2014	1.7%	(2.0%)	(2.9%)	0.6%	(0.1%)	(1.6%)	1.7%	(1.1%)	4.9%	(1.6%)	2.2%	3.6%	3.4%
2015	1.7%	(1.0%)	1.8%	(3.9%)	1.5%	(0.3%)	2.3%	1.2%	(0.4%)	(1.8%)	(1.0%)	(0.9%)	(0.1%)
2016	0.3%												

Unaudited – In calculating the NTA, AIT asset values have been calculated using unaudited absolute return fund performance estimates for the month being reported. For the purposes of calculating the above figures, the Australian Equivalents to International Financial Reporting Standards (AIFRS) have been applied (other than for classification of net assets attributable to unitholders of AIT where Australian Generally Accepted Accounting Principles (AGAAP), as applied before the introduction of AIFRS, have been used). The May 2007 monthly NTA performance was impacted by the AIT (previously EBI) rights issue and placement which were completed that month and does not include the implied value of EBB shares received by investors who successfully participated in the EBI capital raising. The performance of the underlying investment portfolio (excluding the effect of the capital raising) for May 2007 was +2.40%. Adjustments due to Returns of Capital have been made to performances for 2009, 2011, 2012 and 2013.

AIT Top Holdings as at January 2016

Fund	Strategy	% Gross Assets	AIT Top Unitholders*	
TPG-Axon Partners Offshore Ltd	Multi-Strategy	10.58%	Resurgence Capital PTY Ltd.	19.99%
Eton Park Overseas Fund Ltd	Multi-Strategy	8.60%	Simon Robert Evans	19.75%
Cerberus International Ltd	Distressed Securities	7.75%	Dynasty Peak	13.87%
Fortress Partners Fund LP	Multi-Strategy	7.23%	Regal Funds Mgmt	11.86%
Marathon Special Opportunity Fund	Credit Related Investments	5.97%	UBS AG	7.85%
Drawbridge Special Opportunities	Asset Based Lending	4.17%		
Och-Ziff Asia Overseas Fund	Multi-Strategy	3.96%		
Fallaron II Holdings LP	Multi-Strategy	3.65%		
Canyon Value Realization Fund	Multi-Strategy	3.36%		
Everest Absolute Return Fund	Multi-Strategy	2.64%		
Total		57.91%		

*as of March 2016

Currency Exposure	
AUD	28%
USD	72%

Company Data and Contact Information

Manager	Laxey Partners (UK) Ltd	Management fee	The lower of either AUD 200,000 or 0.75% of average Gross Asset Value (GAV)
Focus	Absolute Return Fund		
Strategy	Realisation of Assets	Year end	31st December
Launch	27-Jun-05	Administrator	CITCO

About The Trust Company (RE Services) Limited, Responsible Entity of AIT

The Trust Company (RE Services) Limited is part of Perpetual Limited, a specialist fiduciary service provider in Australia and Singapore. Perpetual Limited was established in 1886 and has been acting as a responsible entity for its own internally managed schemes and for externally managed schemes since the introduction of the Managed Investments Act (MIA) in June 2000. The Trust Company (RE Services) Limited was previously part of The Trust Company Limited which was acquired by Perpetual Limited in December 2013.

About Laxey Partners (UK) Limited ("Laxey")

Laxey is part of Laxey Partners Ltd. Based on the Isle of Man in the British Isles and founded in 1998 as a globally active value management company, Laxey Partners Ltd manages a range of assets and funds for institutional investors.

Information

The monthly NTA is released to the ASX and www.thealternativeinvestmenttrust.com by the 14th of each month and AIT factsheets are available from AIT's website and the ASX. Figures in the factsheet are based on the interim monthly data available at the time that the corresponding monthly NTA is released.

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FURTHER INFORMATION may be obtained from Laxey Partners (UK) Ltd, Princes House, 38 Jermyn Street, London SW1Y 6DN

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