

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 May 2013

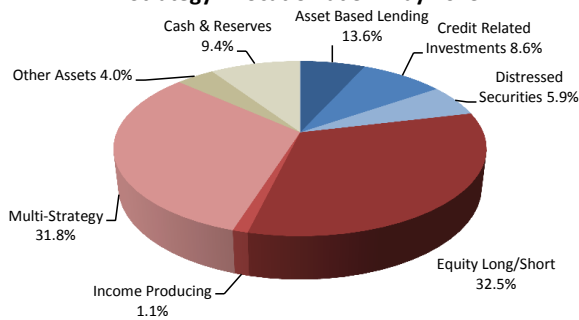
Monthly return	8.58%	Net Assets (NA)	AUD 48,653,898
Unaudited NTA May 2013	AUD 0.372	Units in issue	130,692,470
Gross Assets (GA)	AUD 49,016,178	Traded on	ASX
Leverage - GA/NA	1.01	Currency	AUD
Domicile	Australia	Responsible Entity	The Trust Company (RE Services) Limited
SEDOL	B1B0GT6		ACN 003 278 831 AFSL 235 150
Ticker	AIQ AU	ISIN	AU000000AIQ2

Commentary & Portfolio Updates

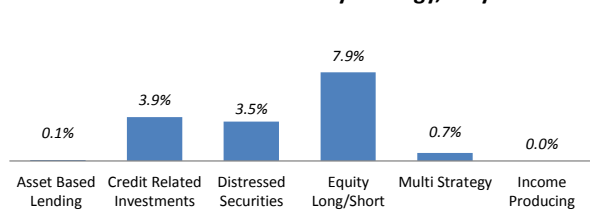
- AIT's NTA return was 8.58% for May this, however, is adjusted for the AUD 0.07 distribution in May. AIT's continuing underlying funds returned 3.88% on a fixed exchange rate basis. Against this the AUD weakened by -8.36% against the USD. This had a positive effect on AIT's NTA as the majority of AIT's net assets are USD denominated.
- As announced on 26 June 2013, AIT will make a AUD 5.2m distribution to shareholders equating to AUD 0.04 per unit. More information regarding the distribution can be found in the ASX release which has been reproduced with this factsheet.

AIT Asset Allocation and Fund Performance for the Month by Strategy

AIT Strategy Allocation at 31 May 2013



Fund Performance by Strategy, May 2013

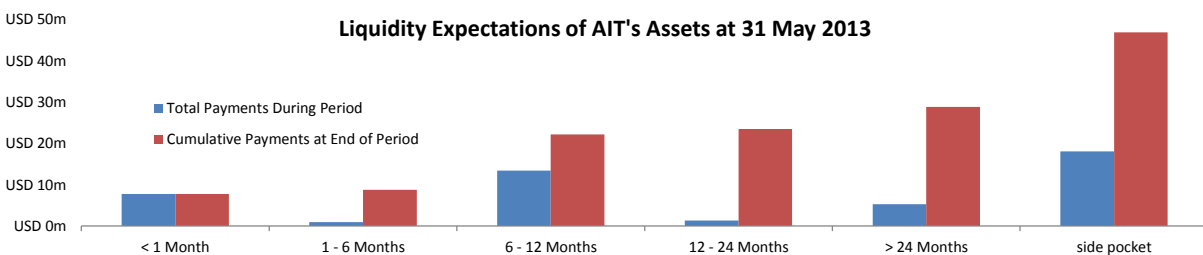


Fund performance is calculated using the USD values of funds at end April and end May. For AUD denominated funds a fixed exchange rate is used.

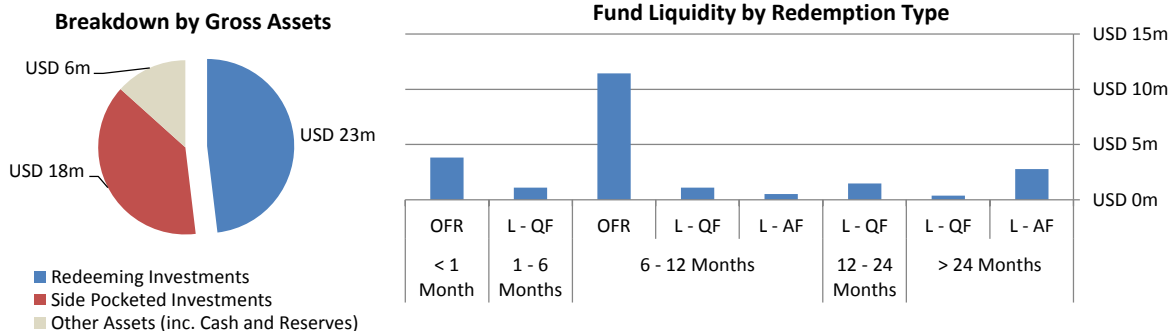
Liquidity of AIT

The portfolio of AIT consists of exposure to a basket of absolute return funds via a Swap facility with Macquarie Bank Ltd, together with two small investments held outside the Swap. With all debt repaid in August 2010, AIT is free to make distributions to unitholders. Returns of capital were made in August 2009 (AUD 0.47 per unit), February 2011 (AUD 0.38 per unit), October 2011 (AUD 0.15 per unit), January 2012 (AUD 0.15 per unit), June 2012 (AUD 0.15 per unit), February 2013 (AUD 0.13 per unit) and May 2013 (0.07 per unit). After the July 2013 distribution of AUD 0.04 per unit, AUD 1.54 per unit will have been returned to unitholders since February 2009; distributions will continue to be paid as per the revised mandate.

Expected Liquidity Profile of Gross Assets of AIT



Breakdown of Gross Assets by Redemption Type of Underlying Funds

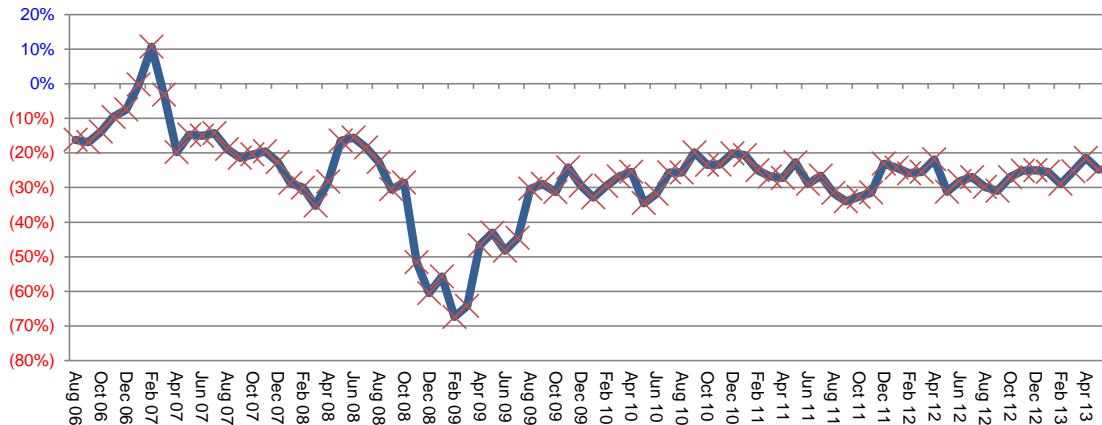


Glossary. MDR - AF: Multi date redemption - Annual flow ; MDR - QF: Multi date redemption - Quarterly flow ; OFR: Once-off full redemption ; L - AF: Liquidating Fund - Ad hoc flow ; L - QF: Liquidating Fund - Quarterly flow

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

FURTHER INFORMATION may be obtained from Laxey Partners (UK) Ltd, Princes House, 38 Jermyn Street, London SW1Y 6DN
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**Alternative Investment Trust
Price to NAV Discount**



NTA returns (net)¹

Annual	2006	2007	2008	2009	2010	2011	2012	2013 YTD					
	9.3%	(9.5%)	(41.5%)	(16.3%)	(7.8%)	0.8%	1.7%	6.0%					
Monthly	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
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%								6.0%

¹ 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 (AEIFRS) 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 AEIFRS, 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 May 2013

Fund	Strategy	% Gross Assets
ESL Investments	Equity Long/Short	32.49%
TPG-Axon Partners Offshore Ltd	Multi-Strategy	7.01%
Drawbridge Special Opportunities	Asset Based Lending	6.76%
Eton Park Overseas Fund Ltd	Multi-Strategy	5.08%
Cerberus International Ltd	Distressed Securities	3.90%
Fortress Partners Fund LP	Multi-Strategy	3.67%
Other Assets (ex-Swap)	Other Assets *	3.57%
Och-Ziff Global Special Investments	Multi-Strategy	3.45%
Marathon Special Opportunity Fund	Credit Related Investments	3.45%
GSO Special Situations Oversea	Credit Related Investments	2.85%
Total		72.23%

AIT Top Unitholders*

Weiss Capital	23.23%
FIM Group	17.56%
Regal Funds Management	11.86%
UBS AG	8.63%
Dakota Capital	5.59%
Dynasty Peak	5.48%

* Source: Bloomberg

Currency Exposure

AUD	7.53%
USD	92.47%

Company Data and Contact Information

Manager	Laxey Partners (UK) Ltd	Management fee	0.75% of Gross Asset Value (GAV)
Focus	Absolute Return Fund	Performance fee	1% of each distribution made to unitholders
Strategy	Realisation of Assets	Year end	31st December
Launch	2005	Administrator	CITCO

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

The Trust Company (RE Services) Limited is part of The Trust Company Limited, a specialist fiduciary service provider in Australia, New Zealand and Singapore. The Trust Company Limited was established in 1885 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.

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 released within the first 14 days of the following month end and 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
Tel: +44 20 7494 6380, www.thealternativeinvestmenttrust.com, ait@laxeypartners.com

Alternative Investment Trust (ASX:AIQ) - Distribution of approximately AUD 5.2 million and an update on the renegotiated management fee arrangements for FY14 with Laxey Partners (UK) Limited.

The Trust Company (RE Services) Limited ("Trust") in its capacity as Responsible Entity of AIQ and Laxey Partners (UK) Limited ("Laxey") as investment manager of AIQ are pleased to announce that approx. AUD 5.2 million is being distributed at a rate of AUD 0.04 per unit to all unitholders recorded on AIQ's register of unitholders as at 5.00PM Sydney time on 8 July 2013 ("Record Date").

The distribution was made possible in part as a result of partial early redemption proceeds received from AIQ's largest holding, ESL – held via AIQ's swap agreement with Macquarie Bank ("the Swap"). The remainder of the distribution is made up of proceeds received from liquidating funds and side pockets held within the Swap.

The distribution is made in line with the orderly winding up of AIQ under a program of realisation of AIQ's assets designed to optimise the return on investment to unitholders; and it is the eighth distribution to unitholders since AIQ began the realisation of its assets in February 2009. The first distribution was made in August 2009 for AUD 0.47 per unit, the second in February 2011 for AUD 0.38 per unit, the third in October 2011 for AUD 0.15 per unit, the fourth in January 2012 for AUD 0.15 per unit, the fifth in June 2012 for AUD 0.15 per unit, the sixth in February 2013 for AUD 0.13 per unit and the seventh in May 2013 for AUD 0.07 per unit. This brings the total distributed per unit to AUD 1.54 (AUD 201 million in total).

The distribution is expected to be a tax deferred amount for Australian income tax purposes (i.e. a return of capital to unitholders with no withholding tax). The final characterisation of the distribution will be communicated to unitholders in the tax statements for the year ending 30 June 2014.

The distribution will be paid to unitholders on 15 July 2013 (with cheques to be despatched on 19 July 2013). The ex date for the distribution will be 2 July 2013.

Management Fee Arrangements

We are pleased to announce that the investment management fee arrangements for AIQ have been renegotiated with Laxey. Notwithstanding the Investment Management Agreement dated 20 February 2009 (IMA), the following terms have been agreed with Laxey for the financial year ending 31 December 2014 ("FY14"):

- Laxey will receive fees equal to the lower of AUD 200,000 or 0.75% of the average value of gross assets of AIQ with no distribution fees;
- Laxey's fees will be subject to both the overall fee cap of 1.25% per annum of the average value of gross assets of AIQ and the Responsible Entity fee of AUD 80,000; and
- All other terms of the IMA will continue and are in force.



The renegotiated fee arrangements will reduce the overall management fee for AIQ in 2014 and remove the 1% fee directly associated with distributions achieving cost reductions for FY14. Laxey has also agreed that the investment management fees for 2015 and future financial years will be reviewed and negotiated at a point in time when the position of AIT is clearer. We believe this will result in further cost reductions for AIQ.

For the current financial year ending 31 December 2013 ("FY13"), the investment management fees accrued to date mean:

- Future distributions from AIQ in 2013 will not result in any further management fees to Laxey (including the distribution announced today); and
- Laxey will not earn any additional management fees from approximately 1 November 2013 until the end of FY13.

ENDS

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