

AIT *Alternative* Investment Trust

Alternative Investment Trust (AIT) has exposure to a portfolio of leading absolute return funds and selected direct investments. The assets of AIT are being realised and the fund is in wind down.

Fund facts as at June 2009

Monthly return	-0.43%	Net Assets (NA)	AUD 264,967,804
NTA as at June 2009	AUD 2.027	Units in issue	130,692,470
Gross Assets (GA)	AUD 404,770,585	Traded on	ASX
Leverage - GA/NA	1.5276	Currency	AUD
Domicile	Australia	Responsible Entity	Permanent Investment Management Limited (PIML)
SEDOL	B1B0GT6		ACN 003 278 831 AFSL 235 150
Ticker	AIQ AU	ISIN	AU000000AIQ2

August 2009 Distribution Details Summarised

- Distribution of \$0.47 per unit announced to the market on 05/08/09
- Total to be distributed of AUD61.5m
- Distribution has been classified as a Return of Capital
- Payment of the distribution will be made on the 18/08/09; against a Record date of 14/08/09 and an Ex-div date of 10/08/09
- Distribution represents 23% of the 30/06/09 NTA for AIT
- At the time of the Announcement, the distribution represented 41% of the previous day's closing traded unit price

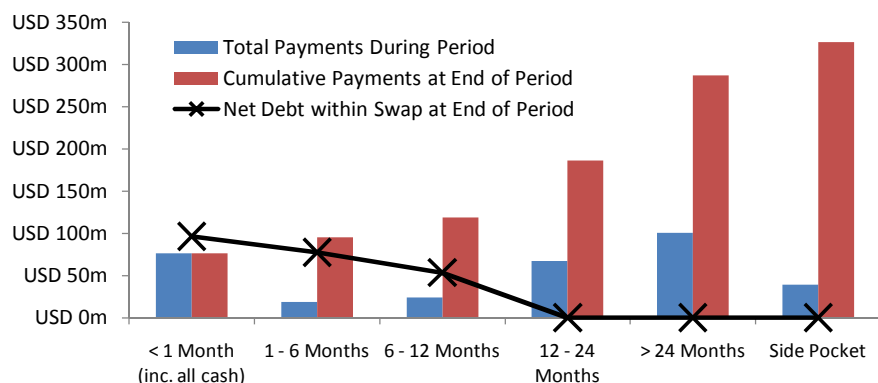
Commentary

- For June 2009, AIT's NTA was flat, returning -0.43%. During the month, the AUD's rise against the USD abated significantly - strengthening by 0.67% month-on-month. As explained in previous factsheets a strengthening of the AUD against the USD adversely affects AIT's NTA, as the majority of AIT's assets - together with the Swap debt - are USD denominated.
- The global recovery continued in June, although the pace of the rally slowed. Volatility, as indicated for example by the VIX index (based on the S&P 500), continued to drop though it remains significantly above its pre-Sept 2008 levels. The current conditions have benefited AIT's underlying funds with long exposure to equities in particular. Pricing amongst some of the more distressed assets held by some of AIT's funds has improved along with the growing optimism for the global economy; this was reflected in the performance of a number of funds with strategy exposure in these areas.

Liquidity of AIT

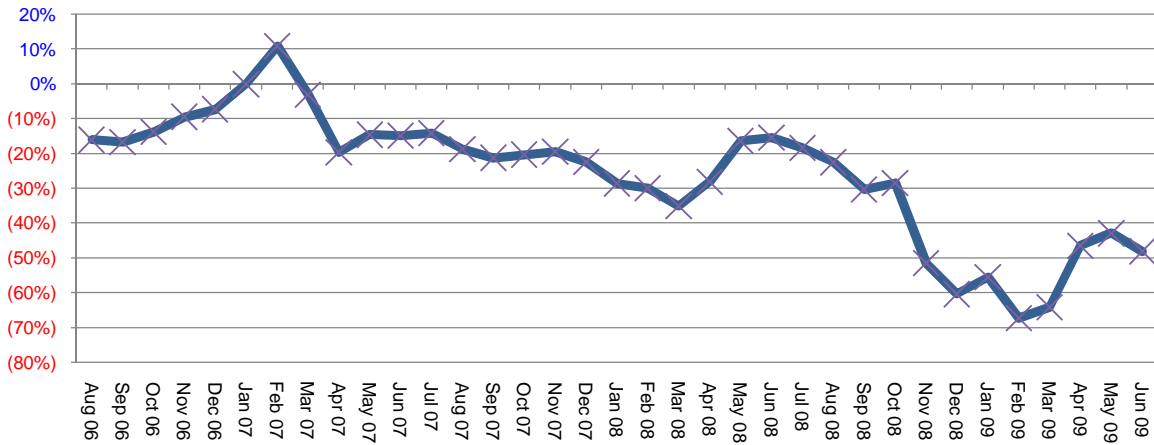
The portfolio of AIT consists largely of exposure to a basket of absolute return funds via a Swap facility with Macquarie Bank Ltd, with one direct investment. Under the terms of the Swap facility, the leverage associated with the Swap must be paid down before unitholders may receive distributions from assets held within the Swap that are sold or redeemed. During June, USD 25m of redemption proceeds were used to reduce the leverage facility from USD 136m to USD 111m.

Expected Liquidity Profile of Gross Assets of AIT



This graph (see the April NTA factsheet for a full description) shows the payments that AIT expects to receive from its underlying investments as well as the anticipated reduction in AIT's Net Debt within the Swap. This figure excludes proceeds received from EBI Income Fund which sits outside the Swap.

**Alternative Investment Trust
Price to NAV Discount**



NTA returns (net)₁

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2006									1.69%	2.85%	3.47%	2.68%	9.26%
2007	2.83%	(9.30%)	2.10%	5.08%	(4.89%)	(4.91%)	(0.25%)	(3.20%)	1.27%	3.27%	(1.70%)	0.74%	(9.50%)
2008	(4.18%)	0.77%	(1.78%)	0.78%	1.54%	(3.80%)	(1.58%)	(1.87%)	(9.81%)	(15.4%)	(7.86%)	(7.75%)	(41.5%)
2009	(2.78%)	0.76%	(5.20%)	(2.88%)	(5.13%)	(0.43%)							

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%.

AIT Top Holdings as at June 2009

Fund	Strategy	% Gross Assets
TPG-Axon Partners Offshore Ltd	Multi-Strategy	13.27%
Everest Babcock & Brown Income	Income Producing	8.51%
Drawbridge Special Opportunities	Asset Based Lending	8.21%
Eton Park Overseas Fund Ltd	Multi-Strategy	4.33%
ESL Investments	Long/short Equity	3.99%
Silver Point Capital Partnership LP	Credit Investments	3.93%
Marathon Special Opportunity Fund	Distressed Securities	3.78%
Everest Absolute Return Fund	Multi-Strategy	2.18%
Och-Ziff Global Special Investments	Multi-Strategy	2.05%
Perry Partners International	Multi-Strategy	1.95%
Total		52.20%

AIT Top Unitholders*

Weiss Capital	28.66%
Carrousel Capital Ltd	25.19%
Laxey Partners Ltd	23.52%
Citigroup Global	6.90%

* disclosed during February 2009

Currency Exposure

AUD	16.32%
USD	83.68%

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 PIML, Responsible Entity of AIT

Permanent Investment Management Limited is part of Trust Company Limited (TCL), a specialist fiduciary service provider in Australia and Singapore. Trust Company was established in 1885 and has been acting as an RE 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 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 manages a range of assets and funds for institutional investors.

Information

The monthly NTA is also released to the ASX and www.thealternativeinvestmenttrust.com, by the 14th of each month and AIT factsheets will be released within the first 10 days following each month end and are available from AIT's website.

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