

Alternative Investment Trust (AIT) has exposure to a portfolio of leading absolute return funds as well as an investment in EBI Income Fund. With a revised investment strategy, the assets of AIT are being realised and the fund is winding down.

Fund facts as at March 2010

Monthly return	-1.37%	Net Assets (NA)	AUD 188,405,837
Unaudited NTA	AUD 1.442	Units in issue	130,692,470
Gross Assets (GA)	AUD 214,060,298	Traded on	ASX
Leverage - GA/NA	1.1362	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

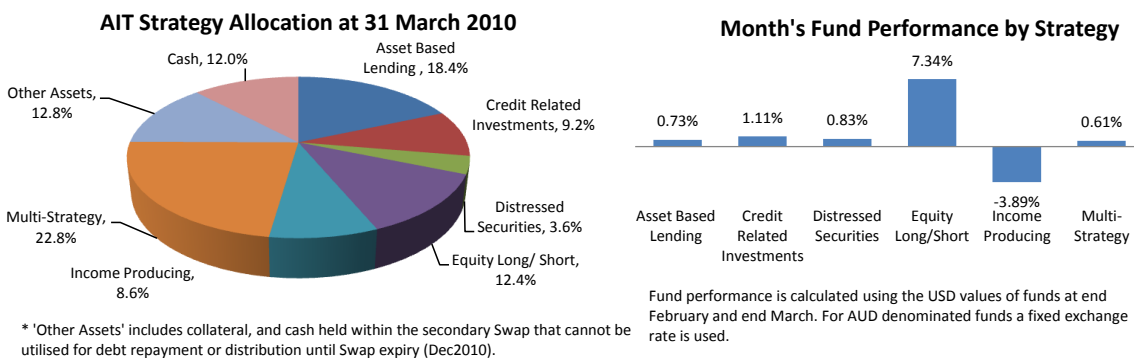
Commentary

For March 2010, AIT returned -1.37% in NTA terms. During the month, the AUD strengthened by 2.4% month-on-month against the USD. As the majority of AIT's assets - together with the Swap debt - are USD denominated, this had a negative impact on AIT's NTA. Against this, AIT's underlying funds returned a positive 1.4% for the month on a value-weighted basis - using a fixed exchange rate.

Portfolio Updates

• March was a good month for investors across most asset classes and equity markets were particularly strong. AIT's equity long/short focused fund managers were the main positive contributors to performance: one manager achieved an +8.1% valuation increase on their fund, while another manager was also up: +5.2%. Combined, these funds account for just over 12% of AIT's gross assets at 31 March.

AIT Asset Allocation and Fund Performance for the Month by Strategy



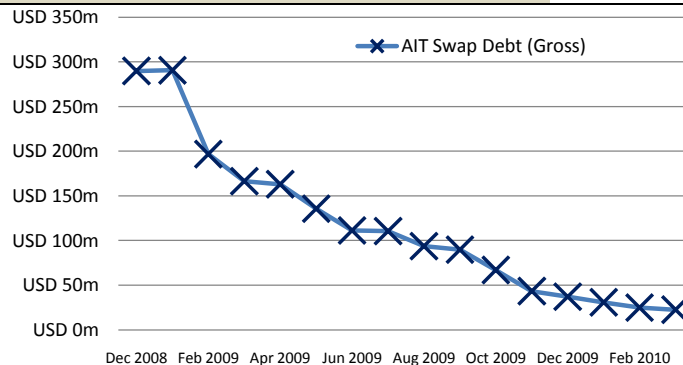
Liquidity of AIT

The portfolio of AIT consists largely of exposure to a basket of absolute return funds via a Swap facility with Macquarie Bank Ltd, together with a single investment in a fund held outside the Swap. Under the terms of the realisation of the AIT assets, the leverage from the Swap facility must be paid down before unitholders may receive distributions from assets sold or redeemed (that are within the Swap). During March AIT's leverage facility was reduced from USD 24.9m to USD 22.5m using redemption proceeds.

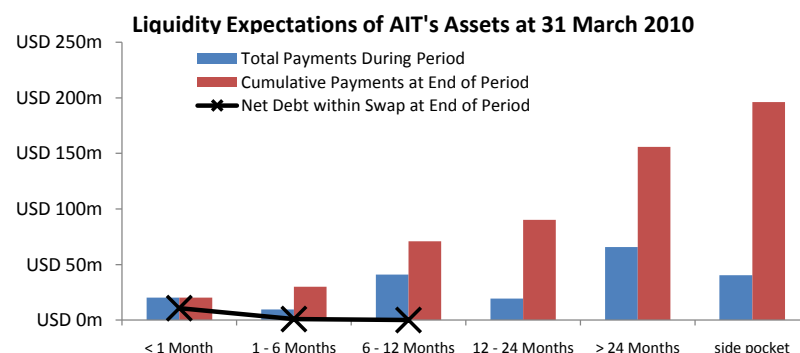
Debt Repayment Progress

• The graph to the right illustrates the level of AIT's debt on a monthly basis from the end of December 2008 to the end of March 2010. Debt has reduced from USD 290.6m to USD 22.5m from its peak at the end of January to the end of October - a reduction of 92%.

• AIT continues to make good progress on debt repayment, and Laxey expects net debt within the Swap to fall to zero or close to zero within six months.

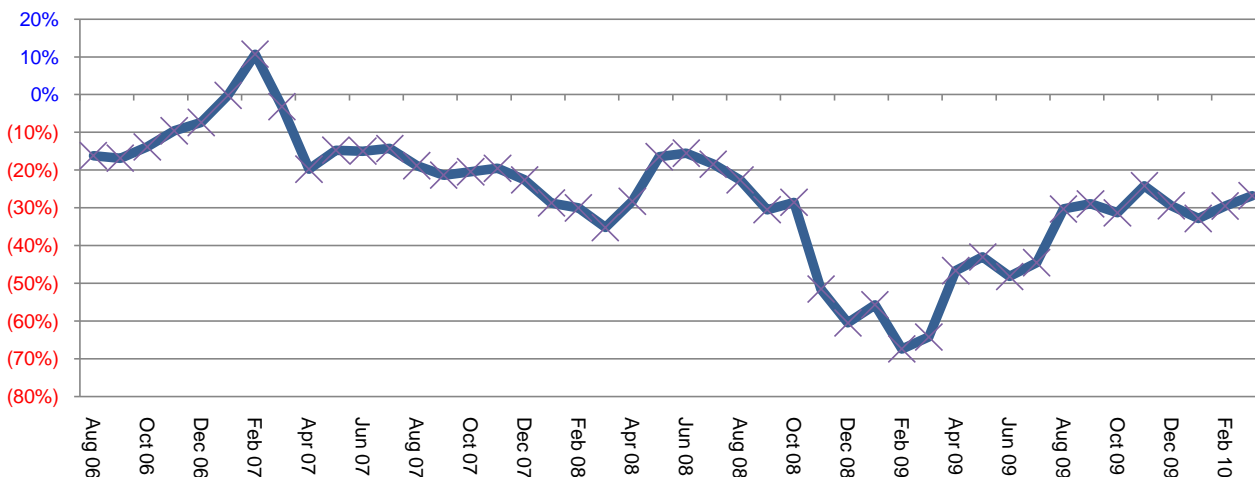


Expected Liquidity Profile of Gross Assets of AIT



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 latter figure excludes proceeds received from EBI Income Fund which sits outside the Swap.

**Alternative Investment Trust
Price to NAV Discount**



NTA returns (net)

The period	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%)	(2.16%)	(1.05%)	(2.87%)	(1.07%)	(1.63%)	3.47%	(16.30%)
2010	0.47%	(0.35%)	(1.37%)										

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%. 2009's performance is adjusted for the AUD 0.47 per unit distribution in August 2009.

AIT Top Holdings as at March 2010

Fund	Strategy	% Gross Assets
Drawbridge Special Opportunities	Asset Based Lending	18.44%
ESL Investments	Equity Long/Short	9.06%
EBIIF	Income Producing	8.59%
Marathon Special Opportunity Fund	Credit Related Investments	5.09%
Eton Park Overseas Fund Ltd	Multi-Strategy	4.33%
TPG-Axon Partners Offshore Ltd	Multi-Strategy	3.60%
Och-Ziff Overseas Fund II	Multi-Strategy	3.30%
Everest Absolute Return Fund	Multi-Strategy	3.07%
GSO Special Situations Oversea	Credit Related Investments	2.32%
Och-Ziff Global Special Investments	Multi-Strategy	2.22%
Total		60.02%

AIT Top Unitholders*

Weiss Capital	32.11%
Laxey Partners Ltd	23.52%
Carrousel Capital Ltd	9.49%
Citigroup Global	8.30%

* Source: Bloomberg

Currency Exposure

AUD	15.13%
USD	84.87%

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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