

AIT *Alternative* Investment Trust

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

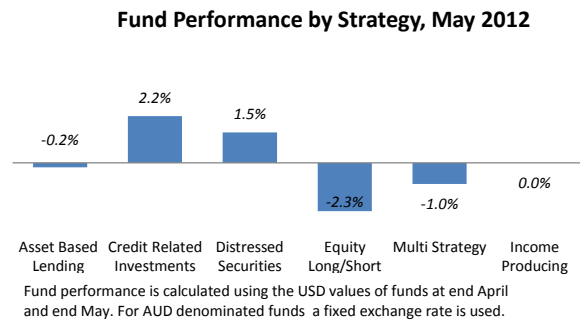
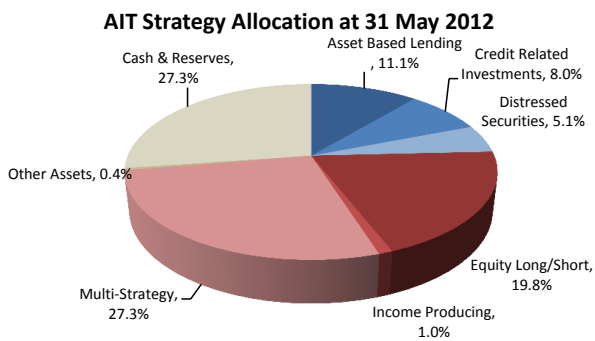
Fund facts as at May 2012

Monthly return	4.86%	Net Assets (NA)	AUD 75,085,981
Unaudited NTA May 2012	AUD 0.575	Units in issue	130,692,470
Gross Assets (GA)	AUD 95,369,750	Traded on	ASX
Leverage - GA/NA	1.27 (1.01 post June distribution)	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

- After accounting for the distribution paid in June (counted as a payable in May), AIT's NTA return for May was +4.9%. This was primarily due to foreign exchange movements as the USD gained +7.1% against the AUD over the month. As most of AIT's assets are USD denominated, this positively affected AIT's AUD denominated NTA. On a fixed exchange rate basis, AIT's underlying funds returned -0.7% for May.
- On 16 May 2012, AIT announced its fifth distribution to unitholders since the change of mandate in February 2009. AUD 0.15 per unit (AUD 19.6m total) was paid to unitholders on 8 June 2012, bringing the total distributed to AUD 1.30 per unit.

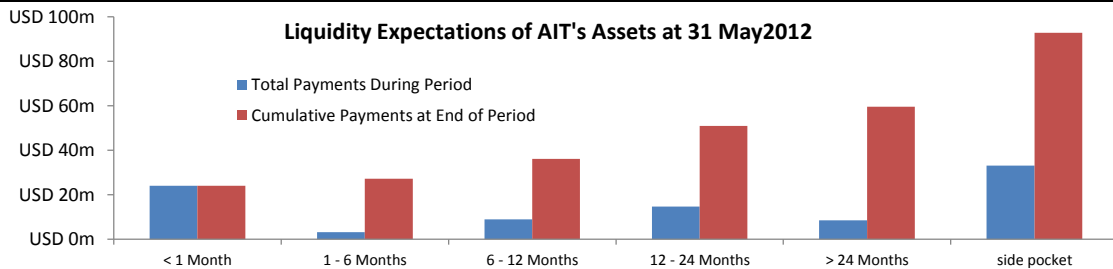
AIT Asset Allocation and Fund Performance for the Month by Strategy



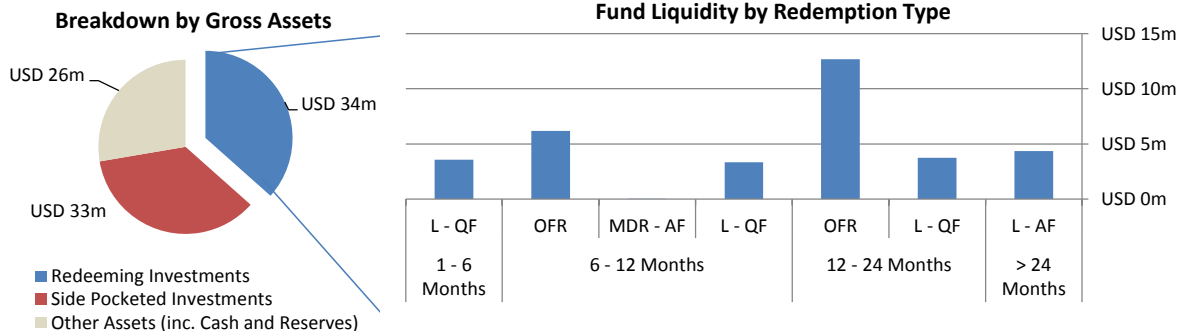
Liquidity of AIT

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 single investment in a fund 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) and June 2012 (AUD 0.15 per unit). In total AUD 1.30 per unit has been returned to unitholders since February 2009 and 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

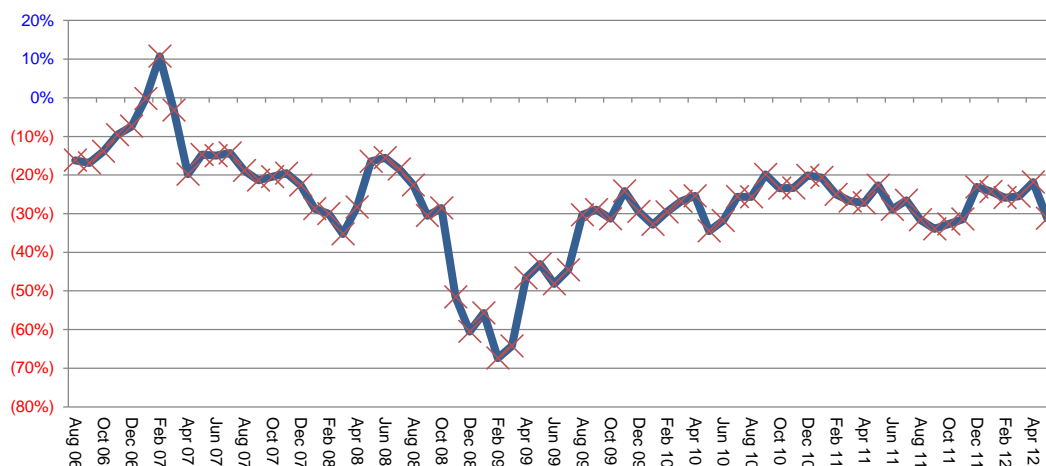


Glossary. MDR - AF: Multi date redemption - Annual flow ; MDR - QF: Multi date redemption - Quarterly flow ; OFR: Once-off full redemption ; L - AF: Liquidating Fund - Ad hoc flow ; L - QF: Liquidating Fund - Quarterly flow

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

	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%)	0.46%	7.00%	(1.15%)	(5.65%)	0.99%	(5.96%)	0.40%	2.25%	(4.51%)	(7.84%)
2011	3.02%	0.06%	0.34%	(3.45%)	0.77%	0.16%	(1.85%)	1.37%	6.64%	(4.60%)	(0.09%)	(2.38%)	0.77%
2012	(2.7%)	3.2%	3.4%	(0.9%)	4.9%								5.9%

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 EB) 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 and 2011.

AIT Top Holdings as at May 2012

Fund	Strategy	% Gross Assets
ESL Investments	Equity Long/Short	19.79%
Drawbridge Special Opportunities	Asset Based Lending	11.13%
TPG-Axon Partners Offshore Ltd	Multi-Strategy	7.18%
Eton Park Overseas Fund Ltd	Multi-Strategy	3.52%
GSO Special Situations Overseas	Credit Related Investments	3.51%
Och-Ziff Global Special Investments	Multi-Strategy	3.14%
Cerberus International Ltd	Distressed Securities	3.12%
Perry Partners International	Multi-Strategy	2.69%
Marathon Special Opportunity Fund	Credit Related Investments	2.63%
Everest Absolute Return Fund	Multi-Strategy	2.27%
Total		58.98%

AIT Top Unitholders*

Weiss Capital	23.23%
FIM Group	17.56%
Laxey Partners Ltd	17.26%
Regal Funds Management	10.28%
Dalton Investments	5.72%

* Source: Bloomberg. Correct as of 15 June.

Currency Exposure†

AUD	6.37%
USD	93.63%

† This excludes approximately AUD 19.6m held in AUD which was paid to unitholders on 8 June 2012.

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

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