

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 September 2017

Monthly return	1.12%	Net Assets (NA)	AUD 12,430,684
Unaudited NTA Sep 2017	AUD 0.0951	Units in issue	130,692,470
Gross Assets (GA)	AUD 12,594,290	Traded on	ASX
Leverage - GA/NA	1.01	Currency	AUD
Domicile	Australia	Responsible Entity	Columbus Investment Services Limited
SEDOL	B1BOGT6		ABN 69 095 162 931, AFSL 221183
Ticker	AIQ AU	ISIN	AU000000AIQ2
		ARSN	112 129 218

Commentary & Portfolio Updates

- AIT's NTA return was 1.12% for September 2017. The primary drivers of the positive performance were: Eton Park, which paid a significant distribution; Cerberus International which had strong unrealized performance; and the strengthening of the USD relative to the AUD.
- As per the announcement on 9th October 2017, Warana Capital Pty Limited is now the Investment Manager of AIT effective 9th October 2017.

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. 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 July 2016 distribution of AUD 0.015 per unit, AUD 1.775 per unit (AUD 232 million in total) has been returned to unitholders since February 2009. As disclosed, AIT is now considering alternatives to maximise the liquidity available to unitholders.

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.

NTA returns (net)

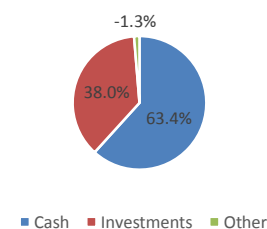
Annual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 YTD	
	9.3%	(9.5%)	(41.5%)	(16.3%)	(7.8%)	0.8%	1.7%	9.4%	3.4%	(0.1%)	(12.6%)	(12.1%)	
Monthly	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2009	(2.8%)	0.8%	(5.2%)	(2.9%)	(5.1%)	(0.4%)	(2.2%)	(1.1%)	(2.9%)	(1.1%)	(1.6%)	3.5%	(16.3%)
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%)	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%	(2.9%)	(5.4%)	(1.0%)	2.0%	(2.7%)	(2.6%)	0.2%	(2.0%)	(0.0%)	0.7%	0.1%	(12.6%)
2017	(3.2%)	(0.6%)	0.5%	(1.6%)	(0.5%)	(3.4%)	(3.0%)	(0.8%)	1.1%				(11.1%)

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).

AIT Top Holdings as at September 2017

Fund	Strategy	% Gross Assets
Axon Partners Offshore Ltd	Multi-Strategy	14.37%
Drawbridge Special Opportunities	Asset Based Lending	4.11%
Och-Ziff Asia Overseas Fund	Multi-Strategy	3.09%
Cerberus International Ltd	Distressed Securities	2.89%
Marathon Special Opportunity Fund	Credit Related Investment:	2.75%
Eton Park Overseas Fund Ltd	Multi-Strategy	1.85%
Fallaron II Holdings LP	Multi-Strategy	1.79%
Och-Ziff Overseas II Fund	Multi-Strategy	1.59%
Everest Absolute Return Fund	Multi-Strategy	1.56%
GSO Special Situations	Credit Related Investment:	0.40%
Total		34.39%

Breakdown of Net Assets as at September 2017



Currency Exposure

AUD	45%
USD	55%

FURTHER INFORMATION may be obtained at www.thealternativeinvestmenttrust.com.au and from Warana Capital Pty Limited Level 12, 130 Pitt Street, Sydney, NSW 2000 Tel: +61 408 700467 or +1 (917) 975 4487, www.waranacap.com, info@wanacap.com

Continued

Company Data and Contact Information

Manager	Warana Capital Pty Limited	Management Fee	
Administrator	Unity Fund Services	& Responsible Entity Fee	1.25% plus GST of average Gross Asset Value (GAV)
Focus	Absolute Return Fund		
Strategy	Realisation of Assets	Year end	31st December
Launch	27-Jun-05		

About the Responsible Entity of AIT

Columbus is a member of One Investment Group ("OIG") which is an independent funds management business specialising in providing Responsible Entity, Trustee, Custody and Administration services. One Investment Group is responsible for in excess of 250 funds and \$17bn in a wide range of underlying asset classes including infrastructure, real estate, equities, fixed income, private equity and fund of funds. OIG is not a fund manager and its clients include global and Australian listed companies, sovereign wealth funds, banks, insurance companies, pension funds, private equity firms and boutique managers.

About Warana Capital Pty Limited ("Warana")

Warana Capital Pty Limited ("Warana") is a specialist investor in illiquid assets. The Warana group has offices in Sydney, New York and London and manages a range of assets and funds for institutional and family office 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.

Legal Notice

Warana Capital Pty Limited (ABN: 44 611 063 579; AFSL: 493579) is authorised by and registered with the Australian Securities and Investments Commission. Warana is the investment manager of the Alternative Investment Trust (ARSN 112 129 218) (Fund or AIT).

Columbus Investment Services Limited (ABN 69 095 162 931) (AFSL 221183) is the responsibility entity of the Fund. The information contained in this fact sheet was not prepared by Columbus but was prepared by other parties. While Columbus has no reason to believe that the information is inaccurate, the truth or accuracy of the information contained therein cannot be warranted or guaranteed. Anyone reading this report must obtain and rely upon their own independent advice and inquiries.

Warana believes that the information contained in this fact sheet is accurate when issued. Warana does not warrant that such information or advice is accurate, reliable, complete or up-to-date, and to the fullest extent permitted by law, disclaims all liability of Warana and its associates. This fact sheet should be regarded as general information only rather than advice. In preparing this fact sheet, Warana did not take into account the investment objectives, financial situation and particular needs of any individual person.

AIT is exposed to foreign exchange risk as a result of investments in financial instruments denominated in foreign currencies, including the Swap which is denominated in US dollars. AIT has exposure to foreign currency risk implicit in the value of portfolio securities denominated in a foreign currency and transactional exposure arising from the purchase or sale of securities. The Investment Manager and Responsible Entity have not hedged AIT's exposure to the US dollar; however when funds are available in the swap, these are converted from US dollars into Australian dollars and transferred to AIT's Australian dollar denominated bank account.

The information contained in this fact sheet must not be copied or disclosed in whole or in part without the prior written consent of Warana, and Warana accepts no liability whatsoever for the actions of third parties in this respect. It is presented for informational purposes only and is not to be construed as a solicitation or an offer or recommendation to buy or sell any securities. Any opinions expressed in this fact sheet constitute Warana's judgement at the time of issue and may be subject to change without notice. Warana is not obliged to update the information. The information must not be used by recipients as a substitute for the exercise of their own judgment and investigation. Neither Warana nor any of their directors, employees or agents accepts any liability for any loss or damage arising out of the use of all or part of, or any omission, inadequacy or inaccuracy in, this fact sheet.

Columbus and Warana do not guarantee the performance of the Fund or the repayment of any investor's capital. To the extent permitted by law, neither Columbus nor Warana, including their directors, senior executives, employees, consultants, advisers, officers or authorized representatives, are liable for any loss or damage arising as a result of reliance placed on the contents of this fact sheet. Warana only provides services to wholesale clients, as defined in section 761G of the Corporations Act. Past performance is not indicative of future performance. Information in this fact sheet is current as at 30 September 2017.

Third party data is owned by the applicable third party identified and is provided for your internal use only. Such data may not be reproduced or re-disseminated and may not be used to create any financial instruments, products or indices. Such data is provided without any warranties of any kind. Neither the third party data owner nor any other party involved in the publication of this fact sheet can be held liable for any error.

Elective Professional Clients invested in the fund who are individuals may be eligible complainants. If you have a complaint, please write to info@waranacap.com.