

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 December 2010

Monthly return	-4.51%	Net Assets (NA)	AUD 175,843,237
Unaudited NTA Dec 2010	AUD 1.346	Units in issue	130,692,470
Gross Assets (GA)	AUD 177,272,391	Traded on	ASX
Leverage - GA/NA	1.0081	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

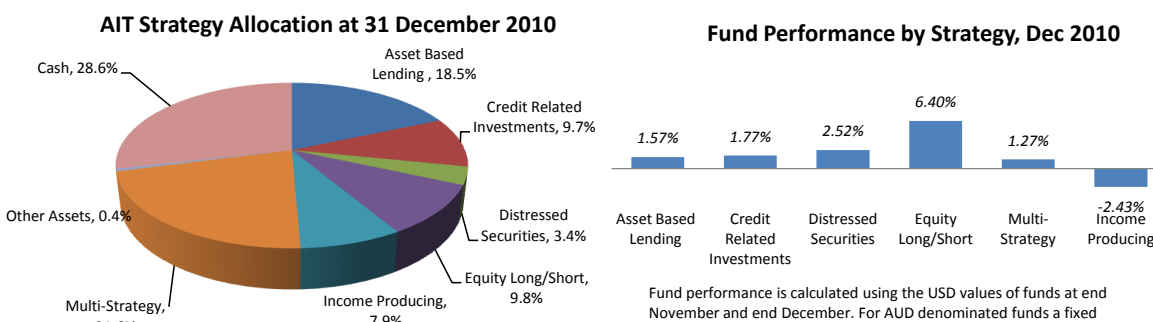
Distribution and Unitholder Meeting

- On 31 January 2011, AIT announced a distribution to unitholders of AUD 0.38 per unit (totalling AUD 49.7m) for payment on 18 February 2011. Further details are attached at the end of this factsheet (page 4). As funds were transferred from USD to AUD in January, this has reduced AIT's USD exposure from 85.6% to approximately 60% post December.
- Following the publication of AIT's annual report (at the end of February 2011) Laxey will host a meeting and presentation for all unitholders on 9 March, in Sydney. Full details are attached (page 3).

Performance Commentary

- For December, AIT returned -4.51% in NTA terms. Exchange rate movement was the primary negative contributor as the AUD strengthened by 6.7% against the USD. AIT's underlying funds returned +2.4% on a fixed exchange rate basis.

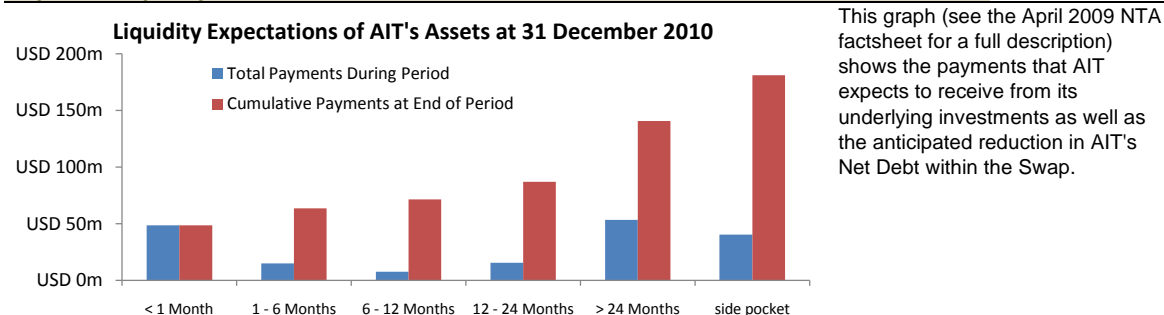
AIT Asset Allocation and Fund Performance for the Month by Strategy



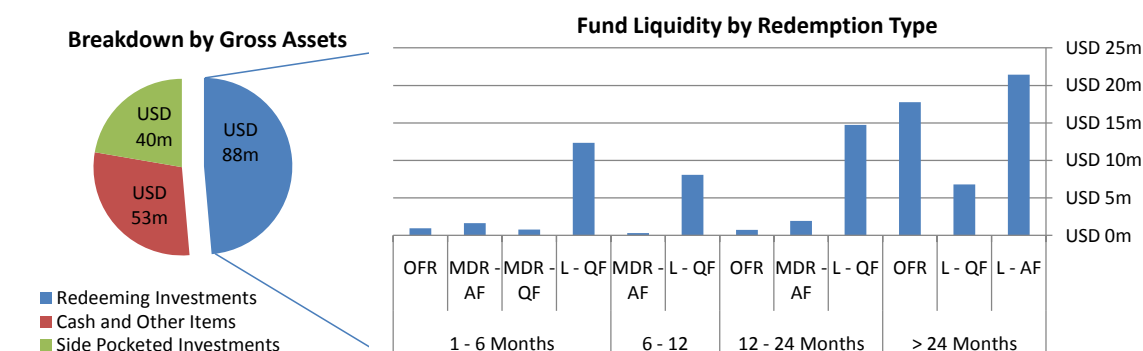
Liquidity of AIT

- 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. AIT's debt was fully repaid in August 2010; as a result, AIT is free to make distributions to shareholders and will do so as sufficient cash becomes available.
- A large proportion of AIT's cash (previously classed under 'Other Assets') was locked within a secondary swap with BNP until the end of 2010. As expected, this was released in January 2011 and is contributing to the February Distribution.

Expected Liquidity Profile of Gross Assets of AIT



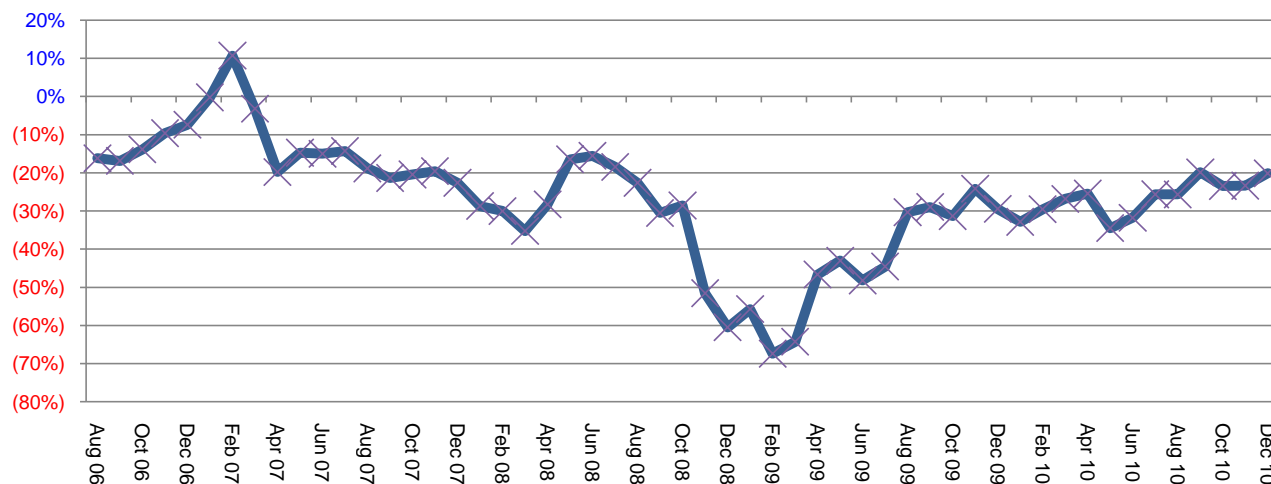
Breakdown of Gross Assets by Redemption Type of Underlying Funds



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.

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%)	(5.60%)

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 December 2010

Fund	Strategy	% Gross Assets
Drawbridge Special Opportunities	Asset Based Lending	18.45%
ESL Investments	Equity Long/Short	9.80%
EBIIF	Income Producing	7.89%
Marathon Special Opportunity Fund	Credit Related Investments	5.16%
TPG-Axon Partners Offshore Ltd	Multi-Strategy	3.98%
Eton Park Overseas Fund Ltd	Multi-Strategy	3.90%
Everest Absolute Return Fund	Multi-Strategy	2.88%
GSO Special Situations Oversea	Credit Related Investments	2.77%
Och-Ziff Global Special Investments	Multi-Strategy	2.75%
Cerberus International Ltd	Distressed Securities	1.85%
Total		59.44%

AIT Top Unitholders*

Weiss Capital	34.60%†
Laxey Partners Ltd	23.52%
QVT Funds	8.08%

* Source: Bloomberg

† As at 3 Feb 2011 (33.18% at 31 Dec 2010)

Currency Exposure

AUD	14.44%
USD	85.56%

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 (formerly PIML - see announcement on 22 June 2010) is part of The Trust Company Limited (TCL), a specialist fiduciary service provider in Australia and Singapore. TCL 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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Meet the Responsible Entity and Manager of

AIT *Alternative* **Investment Trust**

**InterContinental Hotel, 117 Macquarie Street, Sydney, NSW
Wednesday 9th March, 2011 at 11am**

Refreshments will be provided (drinks and snacks)

AIT unitholders and any interested parties are invited to attend a presentation hosted by The Trust Company and Laxey on Wednesday 9th March at 11am at the InterContinental Hotel, Sydney. The presentation will cover AIT's annual results for 2010, the progress made on the wind up of AIT and the manager's expectations regarding AIT's future.

www.thealternativeinvestmenttrust.com

Alternative Investment Trust (AIQ) – Distribution of approx. AUD 49.7 million ARSN 112 129 218

The Trust Company (RE Services) Limited (**Trust**) as responsible entity of AIQ and Laxey Partners (UK) Limited (Laxey) as investment manager of AIQ are pleased to announce that approx. AUD 49.7 million is being made available for distribution at AUD 0.38 per unit to all unitholders recorded on AIQ's register of unitholders as at 5.00PM Sydney time on 11 February 2011.

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. AUD 0.38 per unit is the second 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 and brings the total distributed per unit to AUD 0.85.

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 2011.

The distribution will be made to unitholders on 18 February 2011.

For any queries or information please contact:

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