



## Fund Facts as at 31 August 2019

Monthly return	(6.37)%
Unaudited NTA per unit	AUD 0.1029
Net Assets ("NA")	AUD 25.57 million
Units in issue	248,409,958
Closing AUD/USD	\$0.6738

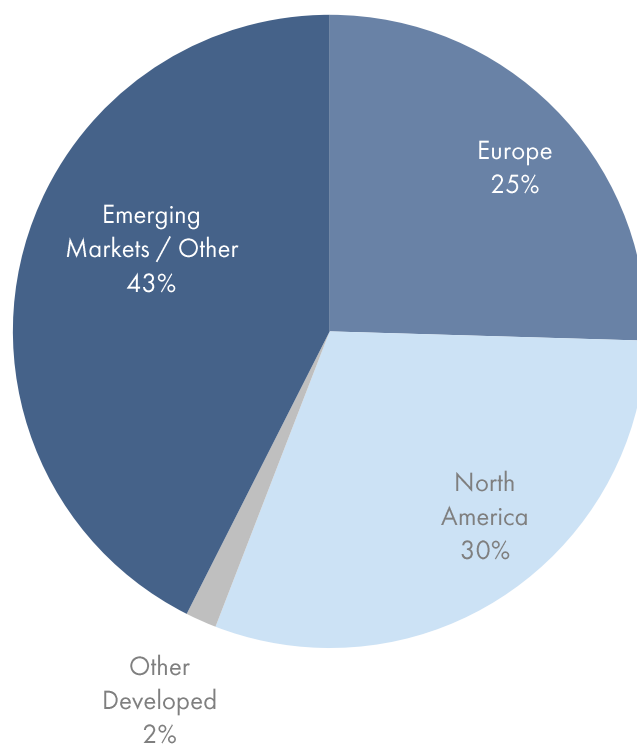
## Investment Objective & Strategy

<b>Investment Objective</b>	The objective of AIT is to generate attractive pre-tax risk-adjusted absolute returns over the medium to long term while maintaining a focus on capital preservation.
<b>Investment Strategy</b>	The strategy of AIT is to gain exposure to a portfolio of leading international absolute return funds and selected direct investments in subordinated debt and equity co-investments.

## Portfolio Overview as at 31 August 2019

ASSET BREAKDOWN	A\$m
Warana 2018 Fund <sup>(1)</sup>	\$ 5.7
Legacy AIT Funds	\$ 3.1
Warana 2019 Fund <sup>(1)</sup>	\$ 1.5
King Street Real Estate Fund (Offshore PF), LP	\$ 1.0
Warana Co-Investment Fund I	\$ 0.4
Unfunded Capital Commitments	\$ 13.9
Other Net Cash	\$ 0.0
<b>Total</b>	<b>\$ 25.6</b>

## UNDERLYING GEOGRAPHIC ALLOCATION<sup>(3)</sup> (Excluding Cash)



SIGNIFICANT POSITIONS <sup>(2)</sup>	A\$m	% NA
Warana 2018 Fund	\$ 5.7	22.2%
Axon Partners (Offshore), Ltd	\$ 1.7	6.5%
Warana 2019 Fund	\$ 1.5	5.8%
King Street Real Estate Fund (Offshore PF), LP	\$ 1.0	4.1%
Drawbridge Special Opportunities Fund LP	\$ 0.5	2.0%
Warana Co-Investment Fund I	\$ 0.4	1.6%
Marathon Special Opportunity Fund, LP	\$ 0.4	1.4%
Och-Ziff Asia Overseas Fund, Ltd	\$ 0.1	0.4%
Och-Ziff Overseas II Fund, Ltd	\$ 0.1	0.3%
Cerberus International, Ltd	\$ 0.1	0.5%
Farallon II Holdings, LP	\$ 0.1	0.5%
GSO Special Situations Fund, Ltd	\$ 0.1	0.5%
Other Investments & Receivables	\$ 0.2	0.8%
<b>Total Investment Portfolio</b>	<b>\$ 11.9</b>	<b>46.3%</b>

TOP UNDERLYING WARANA FUNDS POSITIONS	A\$m
SFR Holdings Ltd	\$ 1.1
D.E. Shaw Special Investments	\$ 0.4
Other Investments (127)	\$ 3.2
Net Cash/Unsettled Trades	\$ 1.1
<b>Total</b>	<b>\$ 5.7</b>

## CURRENCY EXPOSURE & PERFORMANCE

	Inv. Port.	Cash	Total	August 2019 Performance	
USD	100%	95%	97%	AUD/USD	-1.6%
AUD	0%	5%	3%	AIT Impact	+1.5%

(Note: Some totals may not sum due to rounding)

## Portfolio Update and Commentary

- AIT's NTA return was down 6.37% for August 2019 due to the dilutive effects of the 1-for-1 Non-Renounceable Rights Issue (impact of approximately -6.73%), which was completed in August at AUD 9.5 cents per unit – a discount of 13.56% to the 31 July NTA. The Trust issued 124,204,979 new units, raising approximately A\$11.8mm.
- The dilutive effects from the Rights Issue were slightly offset by positive performance in AIT's legacy portfolio, King Street Real Estate Fund (Offshore PF), LP and currency (approximately 1.56%).
- During the month, the Trust paid the final Warana 2018 Fund capital call as well as the initial 10% capital call to Warana 2019 Fund on its US\$10mm commitment.

(1) All references to Warana 2018 Fund and Warana 2019 Fund in this document mean Warana SP Offshore Fund SPC - 2018 Segregated Portfolio and Warana SP Offshore Fund SPC - 2019 Segregated Portfolio, respectively.

(2) Represents Net Asset Value of investments calculated by aggregating Net Asset Values of underlying Investment Managers. Refer to the Other Information for further details on the valuation policy.

(3) Geographic allocation is estimated by the Investment Manager based upon the available information. In many cases, splits have been estimated and therefore may be inaccurate. The geographic allocation should be considered indicative only.



## Company Data and Information

<b>Responsible Entity</b>	Columbus Investment Services Limited ABN 69 095 162 931 AFSL 221 183	<b>Management Fee</b>	1.5% plus GST
<b>Investment Manager</b>	Warana Capital Pty Limited ABN 44 611 063 579 AFSL 493579	<b>Performance Fee</b>	20% plus GST of NTA outperformance over 8% pa hurdle
<b>Administrator</b>	Unity Fund Services	<b>ISIN</b>	AU000000AIUQ2
<b>Custodian</b>	One Managed Investment Funds Limited	<b>SEDOL</b>	B1B0GT6
		<b>ARSN</b>	112 129 218
		<b>Domicile</b>	Australia
		<b>Currency</b>	AUD
		<b>Exchange</b>	ASX

## 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 the Investment Manager of AIT

Warana Capital Pty Limited ("Warana") focuses on managing portfolios invested in third party funds and has core expertise in acquiring and managing funds acquired in the secondary market. The underlying funds and assets acquired are generally illiquid with uncertain holding periods to ultimate recovery. Warana has significant experience acquiring these funds at sufficient discounts to deliver absolute and annualised returns notwithstanding the time period and recovery uncertainty.

## Distribution Policy

Subject to sufficient cash reserves, AIT intends to distribute 5% per annum of the Trust's net asset value, paid in semi-annual instalments following the publication of the half and full year accounts, respectively. As at the end of the 2018 tax year, the Trust has in excess of A\$400m in accumulated tax losses and in excess of A\$20m in accumulated capital losses. Under certain circumstances and provided relevant legislative conditions are satisfied, these losses may be able to be applied against future taxable income to reduce the amount of taxable income and therefore the amount of any income distribution. Unitholders may reinvest distributions by purchasing additional units through the Trust's Distribution Reinvestment Plan ("DRP"). Participation in the Plan is optional and is open to all eligible unitholders. Further information is included in the published DRP.

## Historical NTA Returns

Monthly	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2006									1.7%	2.8%	3.5%	2.7%	9.3%
2007	2.8%	(9.3%)	2.1%	5.1%	(4.9%)	(4.9%)	(0.2%)	(3.2%)	1.3%	3.3%	(1.7%)	0.7%	(9.5%)
2008	(4.2%)	0.8%	(1.8%)	0.8%	1.5%	(3.8%)	(1.6%)	(1.9%)	(9.8%)	(15.4%)	(7.9%)	(7.8%)	(41.5%)
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%	4.9%	2.1%	(3.7%)	(0.2%)
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%	0.7%	0.5%	(3.1%)	(12.8%)
2018	(1.7%)	2.9%	(1.6%)	(0.2%)	(1.1%)	0.9%	0.0%	1.8%	(1.3%)	1.0%	4.0%	3.9%	8.8%
2019	(2.9%)	1.8%	0.0%	3.8%	0.3%	0.3%	4.9%	(6.4%)					1.4% / 8.7%*

\* Shaded areas show performance before investment strategy commencement & EGM on 12 February 2018.

\*\* The NTA backing per unit for August 2019 was diluted by the effect of the 1-for-1 Non-Renounceable Rights Issue ("Rights Issue"). The performance of the underlying investment portfolio (excluding the effects of the Rights Issue) for August 2019 was positive 0.4%, which would bring the year to date return to 8.7% for 2019.

## Other Information

The monthly NTA is released to the ASX and [www.thealternativeinvestmenttrust.com](http://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.

The net asset value of AIT is calculated by aggregating the valuations provided to AIT by the underlying fund managers and their administrators. Unaudited valuations are generally provided to AIT monthly and the funds are audited annually. Notwithstanding this process and based on its knowledge of the AIT funds and its experience on the secondary market, Warana believes that:

- it will likely take several years to fully receive liquidation proceeds and in that period AIT will be subject to either positive or negative performance; and
- if sold today, holdings would be liquidated at discounts to their prevailing net asset values.

When Warana 2018 Fund acquires positions in the secondary market it will generally acquire funds at discounts to the funds' reported (and audited, if available) valuations. The Warana 2018 Fund then itself reports a net asset value quarterly which aggregates:

- the most recent available net asset values provided by the underlying funds (with no discount reflecting the actual cost);
- for fund positions that have fully transferred in at the quarter end (fund purchases generally take several months to complete).

It generally takes 6-8 weeks post quarter end for Warana 2018 Fund and Warana 2019 Fund ("Warana Funds") to receive the net asset values and position reports from the underlying funds, which causes a similar delay in the Warana Funds releasing their own aggregated net asset value. AIT reflects the updated Warana Funds valuations in the calculation of its net asset value as soon as it is published by the Warana Funds – being generally the second month after quarter end.

For the period up to 31 August 2019 covered by this fact sheet there were no material changes to any of the following: the Trust's risk profile; the Trust's strategy; and key investment personnel related to the Alternative Investment Trust.

For information since that date, please refer to either of the following websites [www.thealternativeinvestmenttrust.com](http://www.thealternativeinvestmenttrust.com) or [www.oneinvestment.com.au/alternative-investment-trust](http://www.oneinvestment.com.au/alternative-investment-trust).

## Legal Notice

Columbus Investment Services Limited (ABN 69 095 162 931) (AFSL 221 183) ("Columbus") is the responsible entity of the Alternative Investment Trust (ARSN 112 129 218) ("Fund" or "AIT"). 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 Capital Pty Limited (ABN: 44 611 063 579; AFSL: 493579) ("Warana") is authorised by and registered with the Australian Securities and Investments Commission. Warana is the investment manager of the Alternative Investment Trust. 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, particularly US dollars. This risk is 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.

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 31 August 2019.

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](mailto:info@waranacap.com).

FURTHER INFORMATION may be obtained at [www.thealternativeinvestmenttrust.com.au](http://www.thealternativeinvestmenttrust.com.au) or by calling +612 8277 0000