

Fund Name: Fortitude Capital Extension (Caymans) Fund
Administrator: Kingsway Taitz
Start Date: Sep-06 **End Date:** Mar-09
Benchmark 1: 1 Month Libor Rate
Benchmark 2: Credit Suisse - Tremont HFI Equity Market Neutral



FORTITUDE CAPITAL

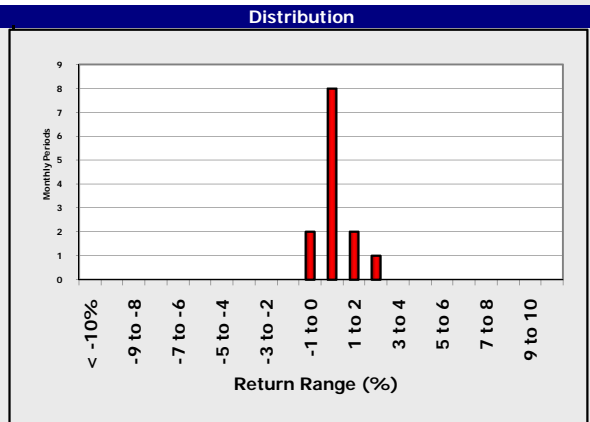
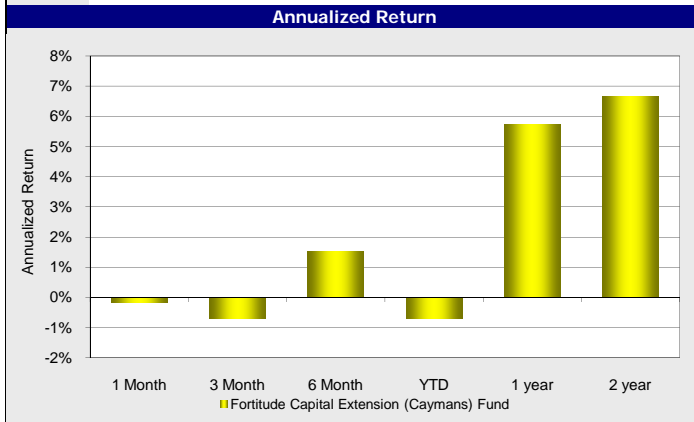
Notes

Fortitude Capital Extension (Caymans) Fund is a multi-strategy market neutral fund specialising in listed Australian equities and derivatives. The core philosophy is the management of risk through a long volatility overlay incorporating listed equity and index derivatives. The multi-strategy approach includes Long/Short, M&A, Yield and Convergence strategies. The portfolio managers adopt a proprietary style approach to the management of risk and incorporate strict stop loss procedures.

Return & Statistical Analysis	Fund	BM1	BM2	Growth of \$1000 (Since Inception)	
Compound ROR	6.53%	3.72%	(15.62%)		
Standard Deviation	2.80%	0.50%	25.75%		
Sharpe (3.80%)	0.95	-0.15	-0.63		
Alpha (Annualized)		-0.02%	6.81%		
Beta		1.75	0.02		
R-Squared		0.10	0.03		
Active Premium		2.81%	22.15%		
Outperformed in up markets		51.61%	33.33%		
Outperformed in down markets		0.00%	100.00%		
Percent Profitable Quarters	89.66%	100.00%	72.41%		
Average Quarterly Gain	1.89%	0.93%	2.10%		
Average Quarterly Loss	-0.46%	0.00%	-17.09%		
Best Quarterly Return	5.08%	1.34%	3.45%		
Worst Quarterly Return	-0.69%	0.11%	-42.36%		
Best 12 Month Return	8.89%	5.36%	10.15%		
Worst 12 Month Return	4.52%	1.90%	-44.01%		
Monthly Profit/Loss Ratio	9.37	0.00	0.36		
Maximum Drawdown	-0.81%	0.00%	-45.10%		

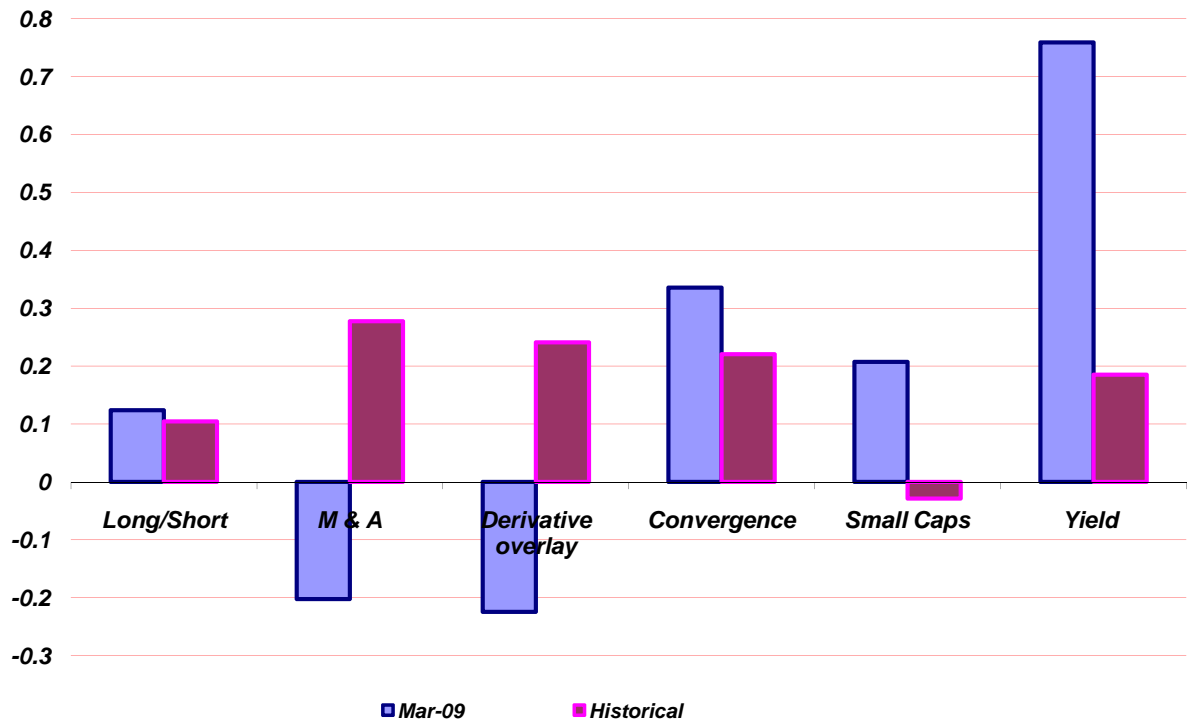
Latest Period Returns	Month	Quarter	YTD	1 Year	3 Year	5 Year	7 Year	10 Year
Fortitude Capital Pty Ltd	-0.18%	-0.69%	-0.69%	5.72%				
1 Month Libor Rate	0.04%	0.12%	0.12%	1.90%				
Credit Suisse - Tremont HFI Eq	1.10%	-3.49%	-3.49%	-43.40%				
Over/Under Benchmark-1	-0.22%	-0.81%	-0.81%	3.81%				
Over/Under Benchmark-2	-1.28%	2.80%	2.80%	49.12%				

Year	Monthly Performance (%) Net of Fees												Year				
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec					
2009	-0.26%	-0.25%	-0.18%														-0.69%
2008	1.33%	0.06%	-0.29%	1.21%	0.30%	-0.43%	0.34%	0.56%	2.10%	2.35%	-0.32%	0.20%					7.62%
2007	0.74%	0.60%	0.37%	1.14%	-0.01%	0.47%	0.42%	2.90%	0.02%	1.14%	0.44%	-0.23%					8.26%
2006									1.07%	0.42%	0.04%	0.24%					1.78%

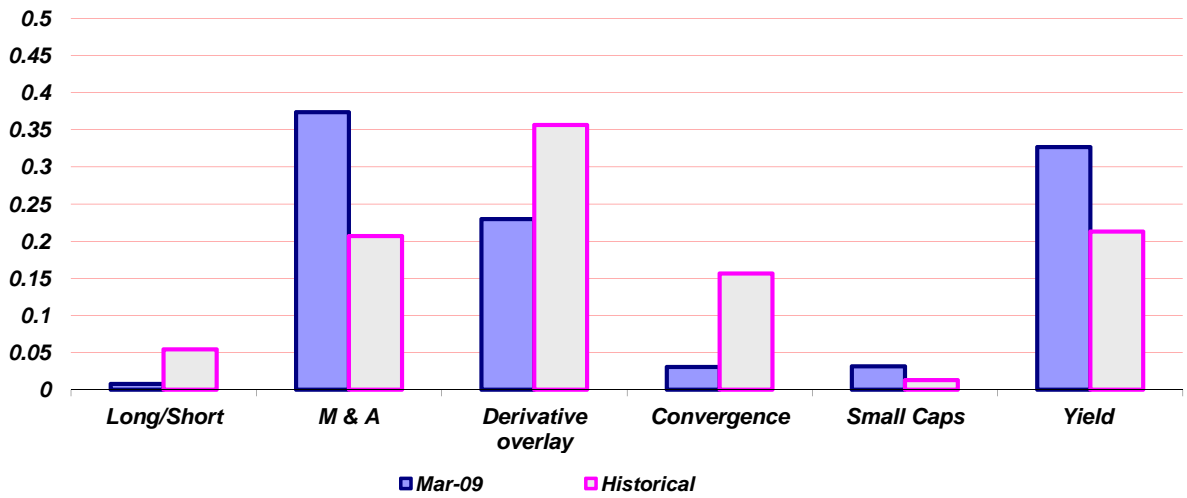


Disclosure Statement

P & L CONTRIBUTION BY STRATEGY



STRATEGY WEIGHTINGS



March Commentary

After a weak start the Australian Equity Market staged a strong rally during March finishing up 7.11%. Whilst most commentators were happy to declare a "bear market rally" after the market hit a five year low early in the month the extent of the recovery had some prepared to take the view that "we have seen the bottom!". The market's performance was largely driven by buying in the big underperformers of late 2008, with defensives being sold aggressively.

Fortitude is happy to maintain its market neutral approach in this environment; however this has come at a cost in our derivatives portfolio as call premiums are generally sold aggressively into rallies and investors and traders are more comfortable with risk as the market performs more in line with historical patterns. We maintain gamma positions in leading financials as we fear that there is still scope for down side surprises through this sector. Our volatility position in the index was at a relatively low level at month end avoiding large theta costs during the Easter Holidays in early April.

The portfolio's gamma positions allowed us to trade more aggressively in the long/short space with a particular focus on recovery and event situations providing attractive returns against limited downside.

Our largest gross exposure is to the Wesfarmers Partially Protected Shares (WESN) against Wesfarmers position. This spread continues to trade a significant discount to theoretical levels with the protection of early conversion. Whilst it is hard to see what will cause the spread to trade up to theoretical levels, there is virtually no downside in trade and as such we add to it when possible.

Heartware International is our largest holding in the M and A strategy and we feel that the relatively small capitalisation of the company and the complex nature of the consideration is a deterrent to many of the usual participants in this space. The deal is awaiting a US anti trust ruling; if this hurdle is cleared we expect to be increasing our position size.

International takeover interest in the resources sector is still a major focus of the market and the media. The intervention of the Treasurer in Minmetal's bid for OZ minerals will only add intrigue to future deals with presumably greater volatility and higher margins on announced deals - watch this space.

Macquarie Airports Tickets (MAZPA) continues to be rerated by the market and this was the major positive contributor to March returns. We continue to believe that this instrument offers an extremely attractive risk return profile that is misunderstood by some sections of the market. Redemptions and liquidity constraints within some hybrid funds may see supply of this name increase again in the short term and we will be looking to participate aggressively on any significant impact on pricing.