

Fund Name: Fortitude Capital Extension (Caymans) Fund
Administrator: Kingsway Taitz
Start Date: Sep-06 **End Date:** Apr-09
Benchmark 1: 1 Month Libor Rate



FORTITUDE CAPITAL

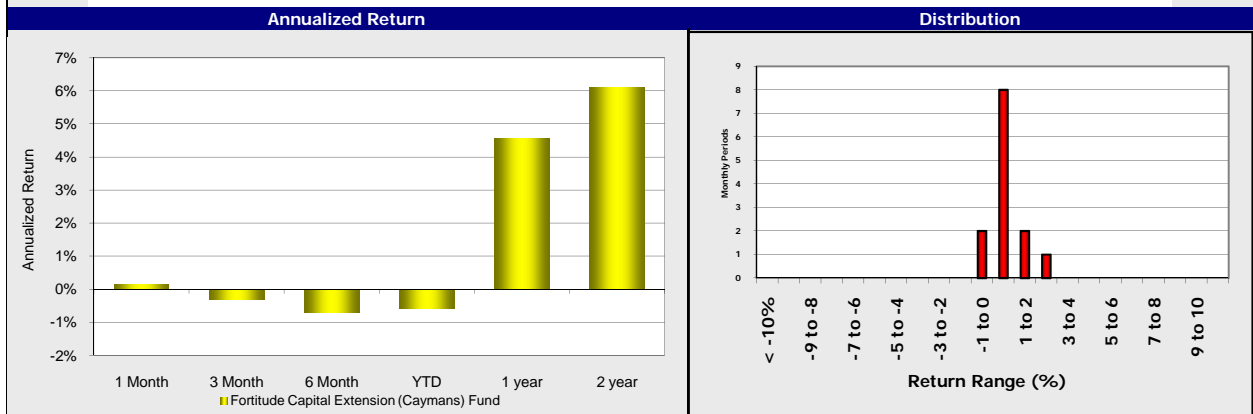
Notes

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	6.37%	3.62%		
Standard Deviation	2.76%	0.52%		
Sharpe (3.67%)	0.95	-0.09		
Alpha (Annualized)		0.06%		
Beta		1.73		
R-Squared		0.10		
Active Premium		2.75%		
Outperformed in up markets		53.13%		
Outperformed in down markets		0.00%		
Percent Profitable Quarters	86.67%	100.00%		
Average Quarterly Gain	1.89%	0.91%		
Average Quarterly Loss	-0.43%	0.00%		
Best Quarterly Return	5.08%	1.34%		
Worst Quarterly Return	-0.71%	0.11%		
Best 12 Month Return	8.89%	5.36%		
Worst 12 Month Return	4.52%	1.71%		
Monthly Profit/Loss Ratio	9.36	0.00		
Maximum Drawdown	-0.83%	0.00%		

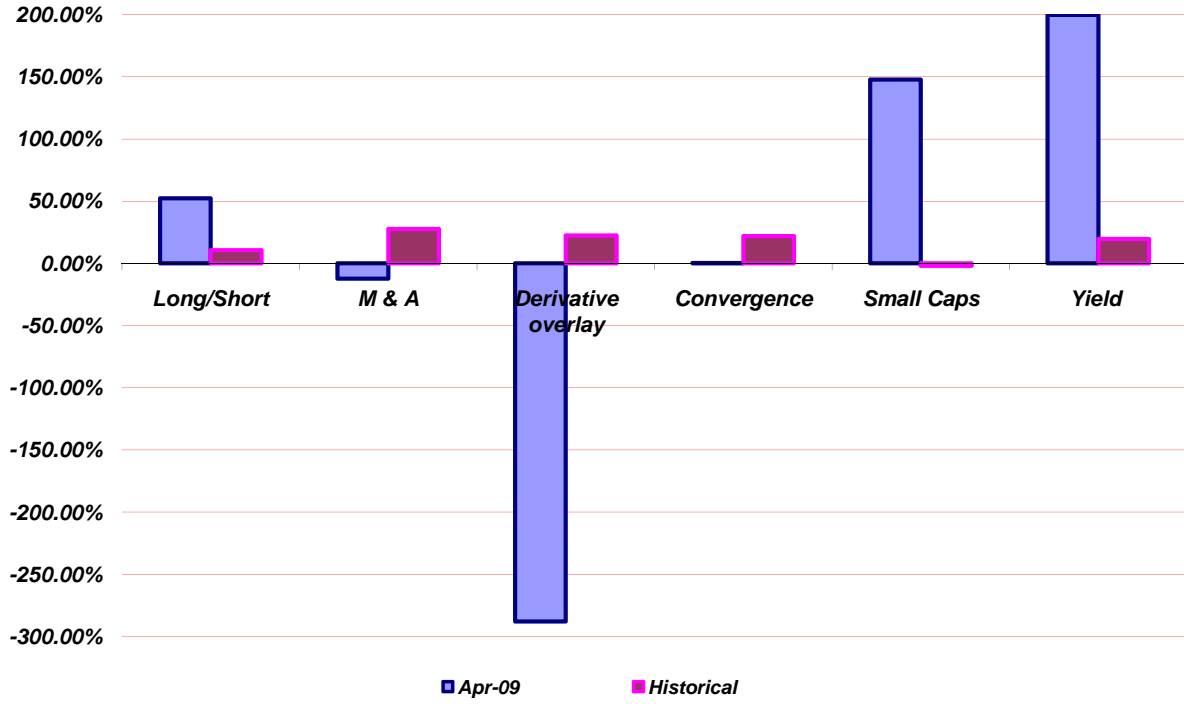
Latest Period Returns	Month	Quarter	YTD	1 Year	3 Year	5 Year	7 Year	10 Year
Fortitude Capital Pty Ltd	0.13%	-0.30%	-0.57%	4.57%				
1 Month Libor Rate	0.04%	0.12%	0.16%	1.71%				
Over/Under Benchmark-1	0.09%	-0.43%	-0.73%	2.86%				

Year	Monthly Performance (%) Net of Fees												Year	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
2009	-0.27%	-0.26%	-0.18%	0.13%										-0.57%
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%

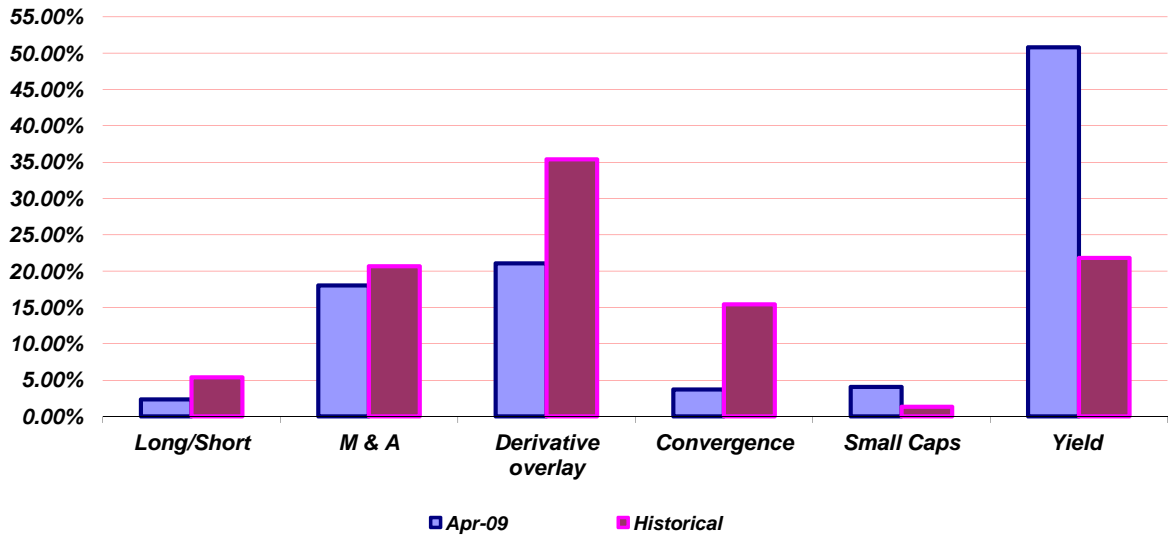


Past Performance is not indicative of future results

P & L CONTRIBUTION BY STRATEGY



STRATEGY WEIGHTINGS



April Commentary

Risk Back on the Menu

The Australian Equity Market continued its recovery during April, with S &P/ASX 200 gaining 5.5% however it is worth noting that this was a significant underperformer against most the major international markets.

The theme of recovery amongst last years laggards also continued with a strong focus on sectors that have been oversold on credit and consumer concerns. Sentiment in these areas was also aided by another 0.25% cut in official interest rates.

Our option books continue to struggle in this environment. We remain committed to our long gamma view however we are limiting our theta and vega exposures with a larger number of spread trades and a more discretionary approach to the timing of execution and hedging.

The yield portfolio again was a significant contributor to returns for the month. Our largest single name exposure is still in the Macquarie Airports Tickets (MAZPA) which continued to perform well but also benefited from riding the contraction in credit spreads in other well know names including Fairfax, Orica and Sky City Entertainment.

The portfolio also benefited from more aggressive positioning in the long/short portion of the portfolio. We continue our aggressive approach to bid into primary issue which remain popular as corporates look to restructure balance sheets replacing debt with equity. A deliberate approach of trading event names at the smaller end of the capitalisation spectrum was again well rewarded.

Risk spreads in both convergence and merger areas contracted during the month again highlighting the general increase in risk appetite. Kirin's bid for Lion Nathan adds a new opportunity for the portfolio and encourages our view that there will be continued restructuring within the industrial sector.

May looks to be an interesting month for all investors in Australia. The Federal Government's budget is due with concerns around the funding of expansionary fiscal policy and the ASIC ban on short selling of financial companies' expected to be lifted.