

**EVEREST ALTERNATIVE INVESTMENT TRUST (EAIT)  
EAIT DIRECT INVESTMENTS FUND (EDIF)**

**CALCULATING THE COST BASE IMPACT OF THE IN-SPECIE DISTRIBUTION  
31 JULY 2009**

Please find below general information for capital gains tax (CGT) purposes on the calculation of the cost base of EDIF units issued as a result of the In-Specie Distribution 31 July 2009, and the impact of the In-Specie Distribution on the cost base of EAIT units.

This general information may be of importance to investors when calculating any capital gains or losses on the disposal of EDIF or EAIT units.

EDIF units received will not give rise to income in the hands of unitholders.

The CGT cost base and reduced cost base for the EDIF units received will be equal to the market value of the EDIF units at the time of distribution (estimated to be 19 cents per unit). The acquisition date of the EDIF units for CGT purposes will be 31 July 2009, the date of the In-Specie Distribution.

The CGT cost base and reduced cost base for unitholders' EAIT units will be reduced by an amount equal to the market value of the new units distributed to them in EDIF (estimated to be 19 cents per unit).

Unitholders are not expected to make a capital gain as a consequence of the In-Specie Distribution as the unitholder's cost base for each of their EAIT units is expected to exceed 19 cents per unit.

**SUMMARY - EDIF**

	<b>Cost Base</b>
<b>Cost base for EDIF = market value of EDIF at 31 July 2009</b>	<b>\$0.19</b>

**SUMMARY - EAIT**

	<b>Market Value used to calculate cost base in Exchange Offer</b>	
	<b>Market Value based on ASX Price</b>	<b>Market Value based on NTA</b>
<b>Cost base for EAIT under Exchange Offer is reduced by market value of EDIF at 31 July 2009</b>	<b>\$0.835</b>	<b>\$2.12</b>

For further information regarding the taxation impact of the In Specie Distribution please see the EDIF Information Booklet.

*Everest Financial Group Limited does not provide tax advice and accordingly investors should obtain independent advice from an accountant and/or professional adviser regarding the tax treatment of their investments in EAIT and EDIF.*