



The Unitholders  
Basis Aust-Rim Diversified Fund

24 February 2009

Dear Investors,

On 3<sup>rd</sup> October 2008 we advised you that the Fund had accumulated sufficient cash in order to make 2 special distributions of A\$116.43 each to remaining Unitholders of the Fund. However, these distributions would be dependent upon paying the Unitholders who had submitted valid redemption requests in respect of the 2 July 2007 Redemption Date and thus removing them from the register. The payment of these redemption requests is consistent with the Court decision. As the redemption price payable in respect of those redemption requests was to be calculated on the 30 June 2007 net asset value it was appropriate for this to occur only once the Fund's Auditors, Ernst & Young, had finalised their audit of the 30 June 2007 accounts. This removes any risk of overpayment to redeemers, which would reduce the assets of the Fund available for remaining Unitholders.

Whilst the audited financials are not yet available for lodgement with ASIC, the Responsible Entity has determined that the risk of overpayment or underpayment of the redemption price is very low. After a lengthy period during which the Auditors have been attempting to verify the valuation of the underlying securities in the Basis Pac-Rim Opportunity Fund (Master) as at 30 June 2007, they appear not to be requiring any changes to the figures in the 30 June 2007 accounts. Therefore over recent days the Registrar has been calculating and paying the 30<sup>th</sup> June 2007 redeemers and we can confirm that as of today all Units with 30<sup>th</sup> June 2007 redemption rights will have been removed from the Fund's register. Accordingly, we have instructed the Registrar to pay to all remaining Unitholders a special distribution of A\$232.86 per Unit (being A\$116.43 times 2) on Wednesday 25<sup>th</sup> February 2009.

The Responsible Entity remains committed to working with the directors of the International Funds to return the maximum amount of cash to Unitholders over time. With this in mind further distributions from the Fund's are contemplated in the near future though of a lower magnitude. The dates and amounts of further special distributions will be communicated to investors as such information becomes clearer.

We fully acknowledge the extended time taken to reach this point has been frustrating for many of us and wish to assure investors that the Responsible Entity remains committed to responding to any and all queries raised by the independent audit processes which the Fund is obliged to follow.

We appreciate your patience and support through these continuing difficult market conditions.

Yours faithfully

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