Everest Alternative Investment Trust
November 2009 Factsheet

The Everest Alternative Investment Trust (EAIT) has exposure to a portfolio of absolute return funds. The objective of the Investment Portfolio is to generate attractive risk-adjusted absolute returns over the medium-to-long term.

Fund Facts as at 30 November 2009

Estimated monthly return[1]	0.75%
NTA as at 30 November 2009[1,2]	$2.14

Investment manager summary

Investment managers posting positive returns	29
Investment managers posting negative returns	1
Largest manager allocation	16.8%
Smallest manager allocation	0.1%[3]

Fund NTA returns (net)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2009[1]	-2.97%[4]	0.00%	-0.44%	0.44%	1.75%	*1.97%*[5]	*0.23%*	*1.60%*	*1.02%*	*0.04%*	*0.75%*		***4.38%***
2008	-4.18%	0.77%	-2.29%	1.04%	1.80%	-2.15%	-1.58%	-2.14%	-9.84%	-15.15%	-8.57%	-7.81%	**-41.02%**
2007	2.60%	-0.13%	2.33%	2.51%	-4.89%[6]	0.65%	0.00%	-3.44%	1.27%	3.27%	-1.70%	0.74%	**2.90%**
2006	4.15%	-0.21%	2.63%	2.01%	-3.94%	0.32%	-2.40%	1.72%	1.69%	2.85%	3.70%	2.67%	**15.92%**
2005	-	-	-	-3.60%	1.00%	2.71%	4.80%	0.23%	3.20%	-3.76%	2.76%	2.46%	**9.83%**

1 Unaudited – In calculating the NTA, EAIT asset values have been calculated using unaudited absolute return fund performance estimates for the month being reported.
2 For the purposes of calculating the above figures, the Australian Equivalents to International Financial Reporting Standards (AEIFRS) have been applied (other than for classification of net assets attributable to unitholders of EAIT where Australian Generally Accepted Accounting Principles (AGAAP), as applied before the introduction of AEIFRS, have been used).
3 Residual allocation following a redemption.
4 On 29 January 2009, the EBI portfolio was split proportionately between EAIT and EBI; accordingly historical performance figures before that date are for EBI.
5 Following the announcement of our intention to separate EAIT into two funds, performance data from 1 June 2009 onwards represents the underlying absolute return funds only. Prior to 1 June 2009 the performance data reflects both the absolute return funds and direct investments.
6 The May 2007 monthly NTA performance was impacted by the EBI rights issue and placement which were completed that month and does not include the implied value of EBB shares received by investors who successfully participated in the EBI capital raising. The May 2007 performance of the underlying investment portfolio (excluding the effect of the capital raising) was +2.40%.

Market Commentary

Markets continued their stabilisation trend in November with fund flows continuing away from cash and into financial markets. November saw more signs of economic improvement and some better than expected third quarter earnings data, particularly within the cyclical consumer related sector. While global GDP rose in the September quarter, many companies still face significant headwinds; revenues and net income for the S&P 500 (excluding Financials) declined year-on-year to September (by 16% and 22%, respectively).

Despite the news in Dubai causing a minor correction late in the month, equities markets posted a strong November; the S&P500 was up 5.7% and ASX200 up 1.3%. Credit markets were a little more cautious with corporate bond credit spreads (implied yield above US Treasuries) widening for the first time since March 2009. High yield bond spreads increased by 9 basis points to 769 basis points while the investment grade bond index increased 2 basis points to 220.

Although the recent economic data has created some optimism and in general credit availability has improved, large numbers of overleveraged companies are facing restructurings. As companies face weaker revenues, fewer lenders, declining asset values and exhaustion of liquidity, we expect to see many more bankruptcies. The overhang of challenged credits remains and the notional value of defaults is now at $181 billion year-to-date.

Performance Commentary

EAIT's performance for the month was positive (+0.75%). Strong equity markets provided support for the Fund's long/short equity managers. ESL, the Funds' third largest allocation, returned 3.95% for the month and contributed 22bps to the overall return. ESL follows a concentrated US equities strategy with large positions in the automotive and retail sectors, which both performed well during the month.

The Fund's largest two exposures, Drawbridge and TPG, had months of +0.60% and +0.56% respectively. Drawbridge continues to provide liquidity under its realisation process with a further 2% of the Funds liquidating share class returned this month, bringing the total capital returned to EAIT this year to approximately 30% of the Fund's holding.

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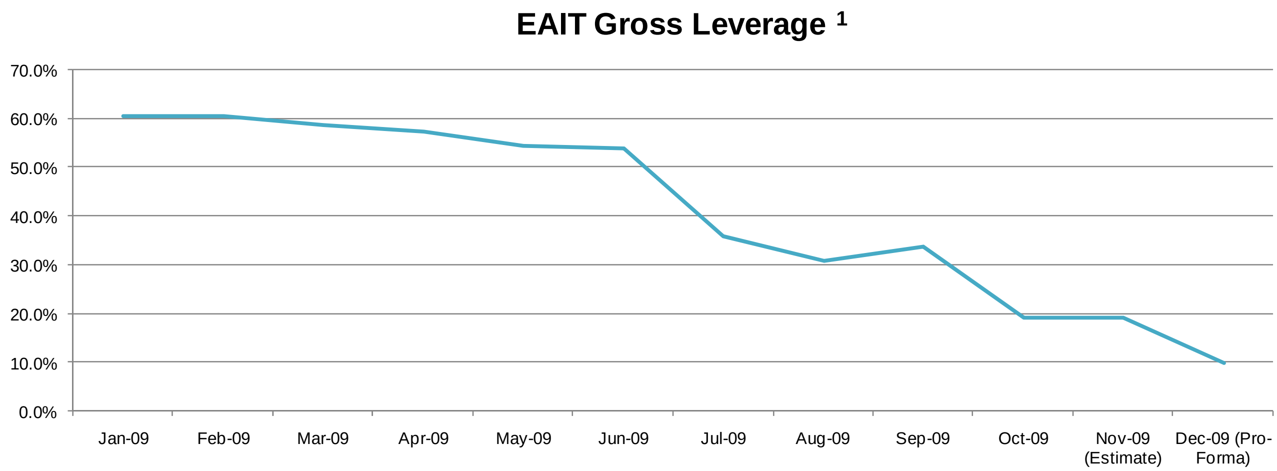
The Fund's largest distressed credit manager, Marathon Special Opportunities Fund, continues to perform very strongly, up 2.95% for the month and has returned just under 40% year to date. Distressed managers such as Marathon continue to benefit from attractive opportunities in the distressed and wider credit markets.

Our manager realisation process continued in November and we have been building cash holdings in order to repay further leverage and meet potential withdrawals under the December Withdrawal Offer. At month end, we had built a US$25 million cash position (approximately 30% of total assets) which we have since partially used to repay further debt, bringing gross leverage down to approximately 10%. The graph below illustrates the aggressive deleveraging that has occurred during the year. We are now in a reasonable position to negotiate greater fund flexibility with the swap provider. The completion of this deleveraging process is considered to be a major milestone for the fund and we continue to be more dynamic in our portfolio allocation.



1 Calculated on gross debt as a percentage of the Fund's total assets

Fund Commentary

The fund still has a material exposure to illiquid managers which we continue to work through in order to provide additional fund liquidity and to allow us to be more active in our asset allocation approach. The fund has benefited from the rebound in global sentiment as this has helped managers exit previously illiquid positions.

Generally speaking our active managers remain very conservatively positioned. They are not convinced that the economy has recovered to the extent that market pricing says it has and continue to run lower than average net exposure levels, investing in high conviction, defensive positions. Portfolio concentration rather than diversification remains a key theme, particularly for equities focussed managers. This conservatism has been reflected in recent manager returns which have been consistently positive but in the 0.50% to 1% monthly range in recent months.

In terms of strategy allocation, we continue to view the opportunities in the distressed credit space as extremely attractive and there are a number of managers who we believe are uniquely positioned to take advantage of the current credit cycle.

We are extremely focused on targeting liquid opportunities in any new allocations we make. The more liquid investment managers tend to be more trading-oriented and are often focussed on listed equities / larger debt situations. There are a number of long/short managers that offer relatively accommodative liquidity terms and also represent interesting opportunities from a risk/reward perspective. Given ongoing risks to global growth and uncertainty regarding the strength and depth of the US recovery however, our focus will continue to be on investment managers pursuing strategies based on fundamental, 'bottom-up' investing, rather than those who chase 'beta' or market returns.

We are also seeing interesting opportunities in some selected emerging markets. Whilst many market commentators are seeing a more sluggish recovery in the US and Europe, recent industrial activity surveys point to significantly stronger growth in emerging markets. Strong industrial activity, a growing middle class and increased sophistication in domestic financial markets are producing a number of home-grown managers in several of the larger emerging economies that offer interesting investment opportunities.

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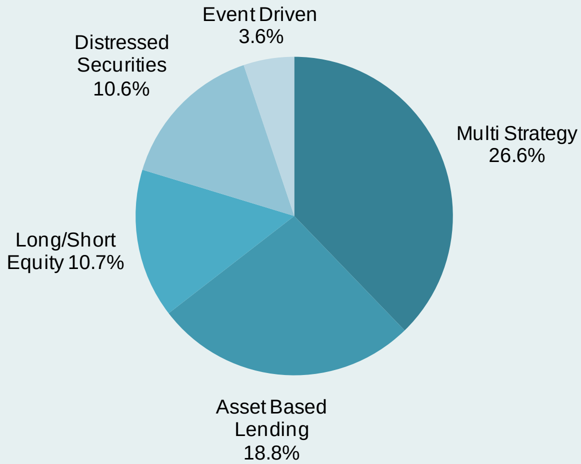
Exposure Summary

By Strategy



Based on the gross value of the Investment Portfolio. Exposure numbers may not total exactly due to rounding. Does not include impact of FX, interest rate or equity hedges.

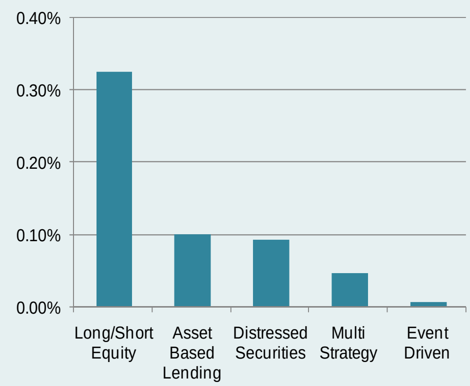
The investment strategy exposures are shown net of cash. Investment strategy and exposure data as at the first business day of the following month.

By Investment Manager (top eight managers)

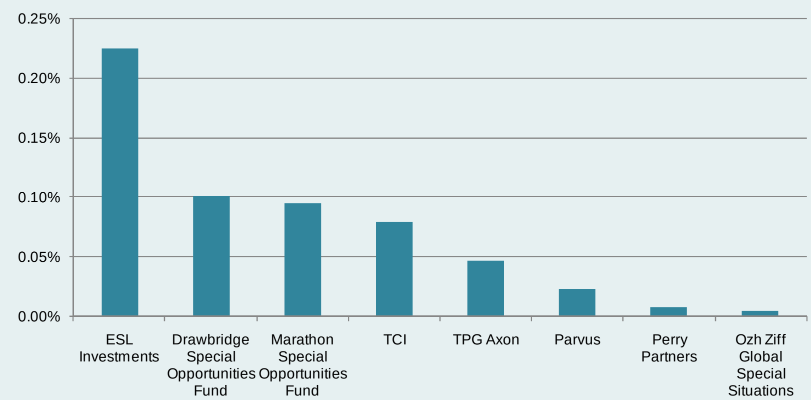
Fund	Strategy	Weight
Drawbridge Special Opportunities Fund	Asset Based Lending	16.8%
TPG Axon	Multi Strategy	8.3%
ESL Investments	Long Biased Equity	5.7%
Marathon Special Opportunities Fund	Distressed Securities	3.9%
Eton Park	Multi Strategy	3.4%
Och Ziff Global Special Situations	Multi Strategy	2.8%
TCI	Long/Short Equity	2.4%
Perry Partners	Event Driven	2.0%
Total		**45.3%**

Performance Contribution

By Strategy



By Investment Manager (top eight contributors)



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