

Regal Long Short Australian Equity Fund

ANNUAL RG240 UPDATE

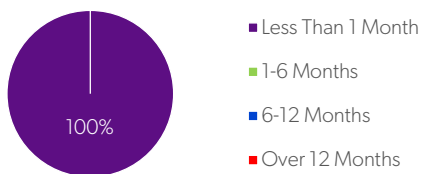
The Regal Long Short Australian Equity Fund ("Fund") is classified as a hedge fund in accordance with the Australian Securities and Investments Commission Regulatory Guide 240 'Hedge funds: Improving disclosure'. To gain exposure to Regal's strategy, the Fund invests into the Regal Australian Long Short Equity Fund ("Underlying Fund"), for which Regal is the trustee and investment manager.

As the Responsible Entity of the Fund, Perpetual Trust Services is required to provide extra information to you, as a retail investor in the Fund. This insert contains the extra information and will be provided to you on an annual basis.

LIQUIDITY PROFILE OF THE FUND'S ASSETS

Perpetual and Regal believe that, based on the positions of the Fund as at 30 June 2018, 95% of its assets are capable of being realised within 10 Business Days.

MATURITY PROFILE OF FUND LIABILITIES



LEVERAGE RATIO

The Fund is exposed to leverage through the Underlying Fund's use of short-selling strategies and potential cash borrowings. The Fund and the Underlying Fund does not use derivatives to generate leverage. The Underlying Fund engages in short selling of securities as part of its investment strategy in order to benefit from falling security prices.

As at 30 June 2018, the Fund is long 139% and short 35%. This results in gross leverage of 173% of NAV, and net leverage is 104% of NAV.

THE FUND'S ANNUAL INVESTMENT RETURNS

The performance figures in the table below represent the Fund's monthly and annual investment returns, net of fees and charges, for the periods shown, since inception. An annual period is the calendar year 1 January to 31 December.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2018	-1.21	1.80	-1.75	3.19	1.44	4.19							7.76
2017	-0.40	1.28	1.37	-0.67	-2.68	0.51	-0.24	2.25	4.09	4.08	3.02	4.39	18.06
2016	-5.99	-5.42	1.03	2.04	4.23	-1.87	5.69	-3.39	1.44	-5.53	0.99	1.98	-5.53
2015	4.65	9.86	-0.10	-2.75	-0.21	-4.69	8.21	-4.82	1.71	5.13	1.02	2.22	20.81
2014	-2.57	6.39	3.10	2.17	2.07	-2.31	5.38	1.65	-4.81	3.16	-3.09	-0.64	10.28
2013	3.31	4.61	-2.97	6.00	-4.88	-2.77	6.35	4.29	3.92	4.91	-0.64	2.39	26.44
2012	4.82	2.42	-0.03	2.02	-6.92	1.58	0.66	2.71	2.07	3.48	1.20	4.12	19.13
2011	n/a	n/a	5.30	2.89	1.73	-1.16	-0.45	-2.62	-6.40	6.93	-1.23	0.07	4.47

Important Information

This update notice issued by Perpetual Trust Services Limited ABN 48 000 142 049, AFSL 236648 ("PTSL") as responsible entity of, and issuer of units in, the Regal Long Short Australian Equity Fund ARSN 149 722 654 ("Fund"). The Fund implements its investment strategy indirectly by investing in an unregistered unit trust named the Regal Australian Long Short Equity Fund ("Underlying Fund"), the trustee and investment manager of which is Regal Funds Management Pty Limited ABN 30 107 576 821 AFSL 277737 ("Regal").

This notice is provided for general information purposes only, and is not to be construed as solicitation of an offer to buy or sell any financial product. This information does not take into account your investment objectives, particular needs or financial situation. A Product Disclosure Statement (PDS) issued by PTSL dated 1 July 2016 is available for the Fund. You should obtain the PDS for the Fund and consider the risks and disclosures for your circumstances before deciding whether to acquire, or continue to hold, an interest in the Fund.

Neither PTSL or Regal guarantee repayment of capital or any particular rate of return from the Fund. Statements of fact in this notice have been obtained from and are based upon sources that PTSL and Regal believes to be reliable. Neither PTSL or Regal give any representation or warranty as to the reliability or accuracy of the information contained in this report. All opinions and estimates included in this report constitute PTSL and Regal's judgement as at the date of this communication and are subject to change without notice.

ASSET ALLOCATION

As at 30 June 2018, the types of assets in which the Fund invested and the actual allocation to those asset classes is:

Asset Class	Net Allocation
Australian Equities	104%
Cash	-4%

DERIVATIVE COUNTERPARTIES ENGAGED

The Fund did not engage any counterparties in the period 1 July 2017 to 30 June 2018.

The derivatives counterparties engaged by the Underlying Fund in the period 1 July 2017 to 30 June 2018 are:

Derivatives Counterparty

BAML
UBS
Credit Suisse

CHANGES TO KEY SERVICE PROVIDERS

For the 12 months ending 30 June 2018, there have been no changes to key service providers for the Fund or the Underlying Fund.

DISTRIBUTION INFORMATION

The Fund distributed 8.58 Cents Per Unit for the 6 months ending 30 June 2018.

The Underlying Fund distributed 24.8 Cents Per Unit for the 6 months ending 30 June 2018.