



The Unitholders
Basis Aust-Rim Diversified Fund

21st August 2009

Dear Investors,

In our prior letters to Unitholders on 24th February 2009 and 22nd May 2009 we advised of the return of capital in the form of a special distribution of A\$232.86 per unit and A\$70.00 per unit respectively. At that time we also advised that a further distribution from the Fund was contemplated in the near future. We are pleased to advise Unitholders that we have this month instructed the Registrar of the Fund to pay a further special distribution of A\$70.00 per unit to all remaining Unitholders.

The Responsible Entity remains committed to working with the Cayman Funds to return the maximum amount of cash to Unitholders over time. However, at this time there is little ability to return any further amounts until the issues of the Cayman Funds are finalised. This includes realising the value from the Fund's legacy investment in the Basis Yield Alpha Fund (Master) (In Liquidation), in which the Joint Official Liquidators are pursuing claims against certain bank counterparties, which may return further cash to Aust-Rim Unitholders but the amount is not determinable at this time. The dates and amounts of further special distributions will be communicated to investors as such information becomes clearer or when there is more clarity from the Cayman Funds as to the timing of their liquidation.

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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