

Tyndall Australian Share Income Fund

Fund Objective

To primarily provide a tax-effective income stream that exceeds the dividend yield of the S&P/ASX 200 Accumulation Index (grossed up for franking credits) by 2% p.a. over rolling five-year periods. Its secondary objective is to provide long-term capital growth through investing in undervalued companies using Tyndall's intrinsic value approach.

Fund Details – 31 December 2011

Responsible Entity	Tyndall Asset Management Limited
APIR Code	TYN0038AU
Fund Size	\$15.7 million
Minimum Investment	\$50,000 or platform nominated minimums
Asset Allocation	94.7% Equity/5.3% Cash
Inception Date	November 2008
Distribution Frequency	Quarterly

Market Commentary

The S&P/ASX 200 Accumulation Index fell 1.4% during the month to be down 10.5% for the year.

The focus of global markets during December continued to be on Europe, with the holding of another European Summit. While there was agreement reached by the majority of the EU leaders on measures designed to enforce tougher fiscal discipline plus the provision of further funding support via the IMF, there remained lingering doubts as to whether they were comprehensive enough to resolve the debt crisis. This together with concerns that a number of euro-zone countries may have their credit ratings downgraded dampened market sentiment, offsetting continuing positive economic data out of the US.

The local market was also impacted by a number of profit downgrades, especially in the retail sector. As expected, the Reserve Bank of Australia eased the official cash rate by another 25 basis points to 4.25%. In easing rates, the RBA cited the European debt crisis as a key downside risk to the global economic outlook.

Sectors that detracted the most from the Index's monthly performance were Materials, Energy and Listed Property Trusts. The best performing sectors during the month were Banks, Telecommunication Services and Utilities.

Top Holdings

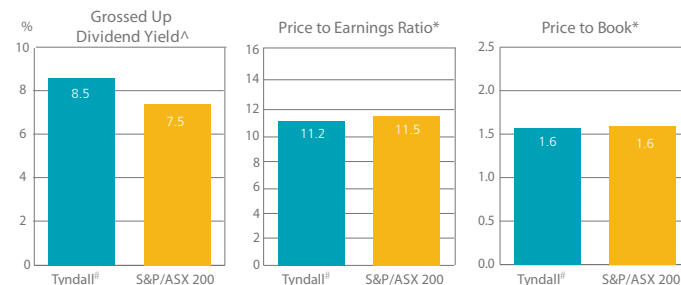
Name	% of Fund
AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED	7.34
WESTPAC BANKING CORPORATION LIMITED	6.05
COMMONWEALTH BANK OF AUSTRALIA	5.60
NATIONAL AUSTRALIA BANK LIMITED	5.59
BHP BILLITON LIMITED	5.46
TELSTRA CORPORATION LIMITED	4.69
WOOLWORTHS LIMITED	4.61
DUET GROUP	4.28
DULUX GROUP LIMITED	3.67
SPARK INFRASTRUCTURE LTD	3.36

Franking Levels

Date	%
31 December 2011	84.96
30 September 2011	87.76
30 June 2011	87.42
31 March 2011	87.66
31 December 2010	79.43
30 September 2010	84.00

We Search for Value

While Tyndall is a stock picker, searching for 'intrinsic value' in companies, we monitor our portfolio for value characteristics including:



[^] Based on Tyndall estimates ^{*} Based on Broker Consensus forecast
[#] Tyndall Australian Share Income Fund

Net Fund Performance to 31 December 2011

	Growth Return (%)	Distribution Return (%)	Total Return (%)
1 month	-1.40	0.94	-0.46
3 months	2.23	0.98	3.21
6 months	-10.01	2.31	-7.70
1 year p.a.[~]	-14.12	5.55	-8.57
2 year p.a.	-10.39	4.90	-5.49
3 year p.a.	0.41	5.40	5.81
Since inception p.a.	0.66	5.19	5.85

Total Returns are post fees, pre tax using redemption prices and assume reinvestment of distributions. Growth Return is the change in redemption prices over the period. Distribution Return equals Total Return minus Growth Return.
[~] Performance impacted by 25 basis points in April due to BHP buy-back. Refer to Tax-Effective Developments.
 Note: The Distribution Returns do not include the benefits of franking credits.

Fund Performance

The Fund delivered a negative absolute return for the month. Positions in JB Hi-Fi, Myer Holdings, Billabong, Fairfax and Westpac were the main detractors from performance during the month. Billabong and JB Hi-Fi fell sharply following a profit downgrade. Myer and Fairfax fell in line with weakness in the retail sector. Fairfax also fell on a sharp decline in advertising spend. Westpac weakened on the receipt of a class action.

Positions in Spark Infrastructure, Telstra, ANZ, Iluka Resources and Duet Group were the main contributors to positive during the month. Spark, Telstra and Duet benefited from a flight to defensive stocks in light of market uncertainty. Iluka rallied on higher rutile and synthetic rutile prices. ANZ benefited from an easing in credit spreads and a favourable court ruling on the fee-type class action by IMF (Australia).

Tax-Effective Developments

Please note, the Fund's participation in the BHP off-market buy-back has impacted reported pre-tax performance by approximately 25 basis points in April. The Fund participated in the buy-back in order to obtain the post-tax benefits for many of the Fund's unitholders of a realised capital loss and large fully franked dividend component of the buy-back proceeds.

For information about Tyndall and our products and services, or to request a product disclosure statement, please call Tyndall Investor Services on **1800 251 589**
 Latest fund ratings are available at: www.tyndall.com.au