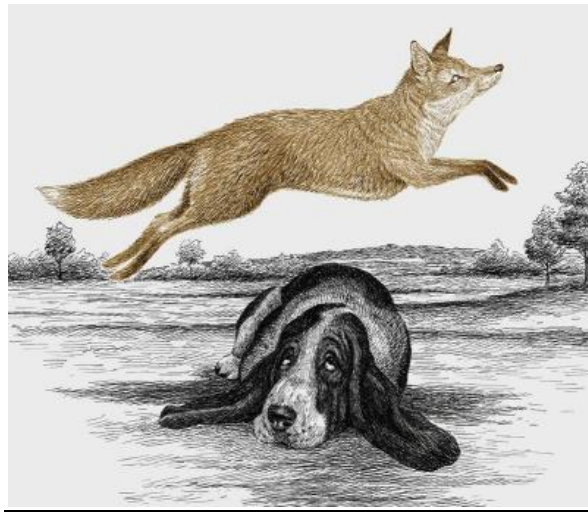


Quick Brown Fox Asset Management

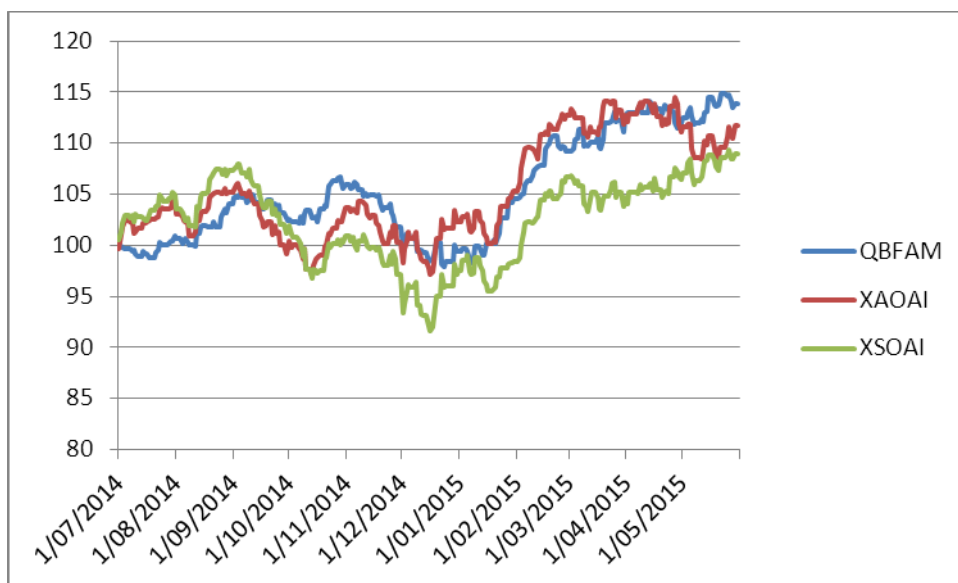


Monthly Report – May 2015

The fund was up 1.69% in May. This was ahead of the All Ords (+0.58%) but lagged the Small Ords (+2.35%). The fund has outperformed both indices over 3 months, 6 months and since inception.

	1 month	3 months	6 months	Since Inception
QBFAM	1.69%	4.98%	15.30%	13.85%
XAOAI	0.58%	-0.93%	9.21%	11.70%
XSOAI	2.35%	2.03%	11.64%	8.90%

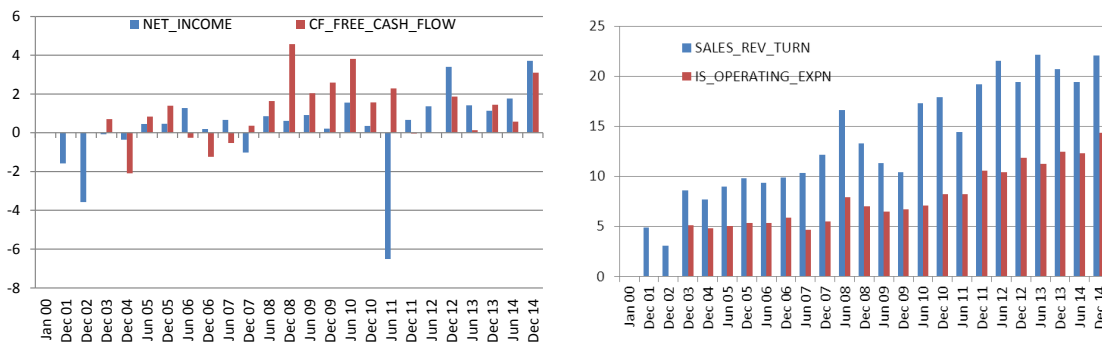
After a strong start to the year the fund has held onto its returns.



New Positions

eBet Limited

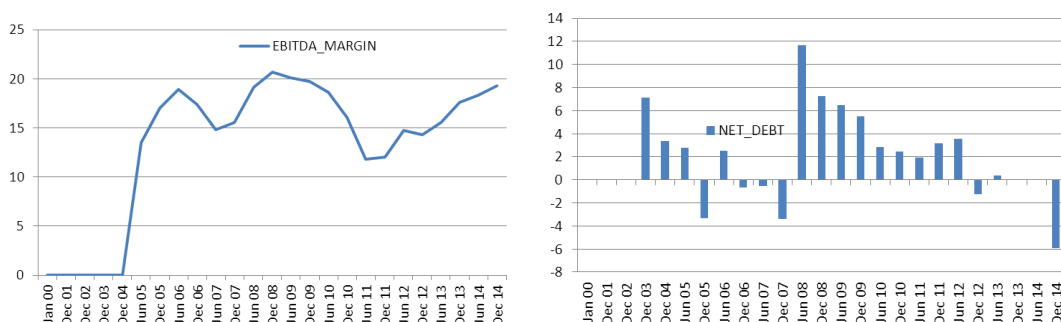
eBet is a gaming systems company with a presence across Queensland, NSW, Victoria and Tasmania. It also has a small offshore exposure. Revenues have grown solidly over the last 10 years and that has led to consistent profits in more recent times.



In the 2010 financial year eBet got a boost from a deal with WMS to be the exclusive distributor of their products in Australia. More recently this deal has gone to the wayside with Scientific Gaming taking over WMS. The result has been a drag on revenue in recent periods. Despite this the company has managed to maintain and in recent periods increase overall revenue with the increased rollout of their own products. The below table shows the contrast in the divisions with WMS revenue (Gaming machines) falling 92% over the last year whilst Gaming systems revenue rose 45%. The overall result was revenue growth of 6%. With the falls from the WMS contract largely finished the company's overall growth rate should improve from here.

Business Segments	Dec 2014 (\$,000)	Dec 2013 (\$,000)	Variance
Revenue	22,372	21,040	+6%
Gaming Systems	9,289	6,427	+45%
Gaming Machines	255	3,138	-92%
Gaming Operations	12,518	11,144	+12%
Others	310	331	-6%

Despite these challenges eBet's margins have been very consistent and their balance sheet has improved to a position of net cash.



The outlook is a positive one for the company and recent guidance is for FY15 Profit before Tax growth of 52-60%. During the month the fund took advantage of a selloff in the shares to introduce the position. The selloff wasn't caused by anything other than a large seller. It gave us an opportunity to buy a fast growing company at a very compelling multiple (<10x).



The Portfolio

The fund is currently invested in 12 positions and retains a cash balance of 23.5%. The fund introduced EBT and reduced its position in HSN following strong price appreciation.

