

Investment Objective: To earn capital growth and income through value, arbitrage, and special situation investments in the continent of Africa. Portfolio investments will include equity, debt, and other interests in both listed and unlisted assets.

Listing: AOF is traded on the AIM market of the London Stock Exchange.

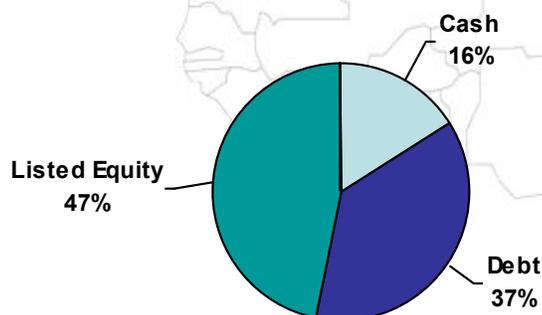
Dividend policy: The Fund will pay a quarterly dividend that in sum will equal 1 year Libor on an annual basis.

Fund Performance (as of 31 March 2009)

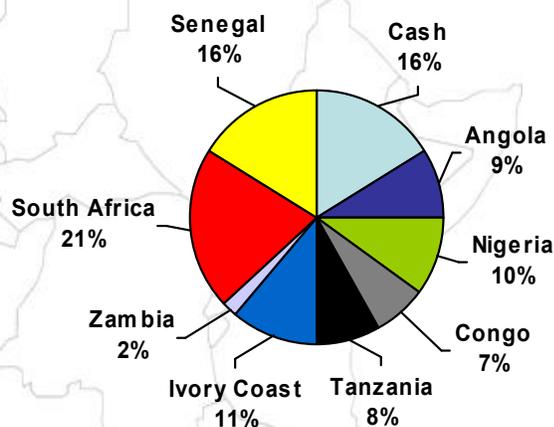
NAV per share:	\$0.511	Total Net Assets:	\$21.8 mm
Share price as at 31 March 09:	\$0.365	Market Capitalisation:	\$15.6 mm
Premium/Discount to NAV:	-28.6%	Shares outstanding:	42.6 mm
Current Quarterly Dividend:	\$0.0026		

US\$ NAV Return % (Incl Dividends)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY
2009	-3.6%	-10.4%	16.7%										0.64%

Strategy



Geography



Top Ten Holdings	Description	% of NAV
Sonatel	Fast growing mobile phone provider in Senegal and neighboring countries	15.9%
African Bank Investments Limited	South African consumer finance and microlending company	9.0%
Ivory Coast Govt 10% 28/01/11	Ivory Coast securitized domestic bonds denominated in Euros	8.1%
AFDB 13.75% TZS 5/9/09	African Development Bank AAA rated Tanzanian shilling bond	7.7%
Gold Fields Ltd	Fourth largest world gold producer mining primarily in South Africa	7.0%
Africa Offshore LIB+600 2/15/12 and LIB+600 6/29/12	Floating rate US\$ 1st priority mortgage bonds on oilfield construction vessels	6.9%
Addax Petroleum Corp.	Oil and gas production company with operations focused in West Africa	5.5%
Katanga Mining 14% 11/30/13	Bond financing the restart of the Kamoto copper and cobalt mine in the DRC	4.1%
Diamondcorp 12% 2011	Secured loan to South African diamond producer with amortizing repayment	3.4%
Moto Goldmines Ltd	Gold exploration and development principally in the DRC	3.0%
TOTAL		70.6%

Manager's Comment

Market Conditions: AOF's NAV was approximately unchanged during the first quarter of 2009, falling from \$0.52 to \$0.51 but paying a \$0.0113 dividend during the period. The quarter started out with significant market declines but then moderated in March. As a reference, in USD terms the S&P 500 declined 12%, South Africa declined 7%, Egypt declined 10%, Kenya declined 24%, and Nigeria declined 40%. Amongst this broad negative trend, it is worth noting that Brazil gained 3% and China 30% during the quarter.

NAV Performance and Portfolio Highlights: The fixed income portfolio represents 37% of net assets and the equity portfolio represents 47% of net assets. The fixed income portfolio is valued at 45% of par value and has a 23% current yield. The equity portfolio is comprised primarily of companies with a single digit PE and double digit dividend yield. The portfolio overall is generating approximately a 15% cash yield. Subsequent to the quarter end, one of our fixed income holdings, Katanga Mining, appreciated 43% in value to 50% of par from 35% of par. This was the result of Glencore's announcement that it would underwrite a \$250 million equity rights offering, meaning that this new money would support the company in a junior position to AOF's bonds. The fact that the bonds are still trading at 50% of par value and a 38% yield to maturity reflects continued pessimism in the credit markets. While the transaction will result in Glencore acquiring ownership in the range of 78% of Katanga's outstanding equity, it represents a substantial commitment to Katanga and to the DRC, and is very good news for bondholders.

Portfolio Appraisal Value: The Manager has instituted a policy of sharing our appraisal of the portfolio's intrinsic value on a quarterly basis in these newsletters. The objective is to provide the Manager's long-term view of the attractiveness of AOF's portfolio. It is a subjective estimate, and does not tell when that value will be realized, nor does it guarantee that any particular security will reach its Appraisal Value. As of 31st March, the Manager's appraisal of the intrinsic economic value of the portfolio was \$0.65 per share. The market price of \$0.37 as of quarter end, represents a 43% discount.

Strategy: We are focused on investing in companies with minimal debt and little need to access the capital markets, with a particular emphasis on goods and services in short supply in Africa. Market leading, cash generative businesses are trading at historically low valuations, and where we can find companies offering a single digit PE, significant free cash flow, and a secure market position, we will look to deploy risk capital. At the same time, in the realm of fixed income, where we can find a 20%+ yield to maturity and high asset coverage with a loan-to-value ratio better than 50%, we will also look to deploy risk capital.

Tender Offer: AOF announced a tender offer in early February which was closed on the 26th of February. Shareholders were given the option to submit fully 100% of their holdings for redemption. Given the severe pressures on the investment community, including some of AOF's shareholders, the Manager is pleased that 37% of holders chose to remain invested, and is working diligently to provide rewarding long term returns for its smaller but newly committed shareholder base.

Fund Details

<i>Bloomberg:</i>	AOF LN	<i>Portfolio Managers:</i>	Francis Daniels Robert Knapp
<i>Reuters:</i>	AOF.L	<i>Investment Manager:</i>	Africa Opportunity Partners
<i>Website:</i>	www.africaopportunityfund.com	<i>Email Address:</i>	funds@lcf.co.uk
<i>Listing:</i>	AIM / London Stock Exchange	<i>Broker:</i>	LCF Edmond de Rothschild Securities
<i>Structure:</i>	Closed-end		Tel: +44 20 7845 5960 Fax: +44 20 7845 5961 www.countryfunds.co.uk
<i>ISIN:</i>	KYG012921048 Euroclear/Clearstream	<i>Nominated Adviser:</i>	Grant Thornton UK LLP Tel: +44 20 7383 5100
<i>Inception:</i>	26 July 2007	<i>Auditor:</i>	Ernst & Young
<i>Domicile:</i>	Cayman Islands		

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