

Aurora Infrastructure Buy-Write Income Trust ASX Code: AIB

Performance Report - 30 September 2009

Summary

- A review of the Trust's Investment Strategy has been completed
- The Trust was 86% invested at the end of September
- The Trust announced a distribution of \$0.16 for the September quarter, which represented an annualised yield of 7.8% that will be paid in October



Monthly Performance

Jan 08	Feb 08	Mar 08	Apr 08	May 08	Jun 08	Jul 08	Aug 08	Sep 08	Oct 08	Nov 08	Dec08	AIB (12 mths)*	Index (12mths)*
0.41%	0.36%	-1.72%	2.33%	2.76%	-4.66%	0.75%	3.40%	-3.86%	-3.53%	1.58%	0.60%	-1.90%	-32.5%
Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09				AIB (9 mths)*	Index(9 mths)*
-1.56%	-3.60%	0.38%	1.80%	2.94%	0.17%	0.08%	0.00%	0.85%				0.91%	9.9%

Investment objective

The Aurora Infrastructure Buy-Write Income Trust (the Trust) is an ASX listed investment trust that aims to generate income from an active strategy of selling call options over a portfolio of global listed infrastructure securities.

Investment Strategy

The investment strategy seeks to capture income and growth from investing in some of the world's leading listed infrastructure entities.

The Investment Manager will use detailed fundamental analysis to select securities within the global infrastructure sector that may be anticipated to:

- provide a higher than average dividend yield over the medium term (including the influence of franking credits, special dividends and other financial restructuring); and
- provide the scope for additional income generation by the Trust writing call options on these securities.

The portfolio will generally hold 20 securities at any one time (either directly, or indirectly via an investment in a wholesale trust, and/or equity derivative instruments). The Trust may also use some gearing and at the Investment Manager's discretion, the portfolio may opportunistically:

- sell exchange traded or over the counter call options over each individual stock position in order to generate additional income; and
- purchase exchange traded or over the counter put options in order to provide some capital protection.

Investment Manager

Talon Infrastructure Pty Ltd has been appointed as the Investment Manager to the Trust with responsibility to advise on the Trust's global investment selection. Talon Infrastructure was founded in 2007 as an Australian based fund manager which specialises in the listed global infrastructure sector.

The Managing Director of Talon Infrastructure (Mr Nigel Trewartha, B.Ec (Honours), M.Comm) has over ten years experience in investment banking, corporate finance and the infrastructure sector. Immediately prior to establishing Talon Infrastructure, Nigel worked for over six years at Macquarie Bank Limited in investment banking, corporate finance, and funds management, and nearly one year as the Chief Financial Officer of Envestra Limited.

Trust features

Trust Listing	24 December 2007
Minimum Investment	\$2,000
Unit pricing	Monthly.
Distribution frequency	Quarterly.
Distribution policy	At least 2% of Net Asset value**
Distribution Reinvestment Plan	Available.
Applications	Investors may acquire Units on market or via the current Product Disclosure Statement.
Redemptions	On market by selling on the ASX or off-market at the end of each month.

Trust valuations

Market capitalisation	\$13,317,588
Net Asset Value (NAV) – incl. franking	\$14,460,134
Units on issue	1,773,314
Net Asset Value per Unit	\$8.1543
NAV plus distributions paid (since inception)	\$9.6118

Trust distributions (per Unit)

Period	Total	Yield at NAV (p.a.)
30 Jun 08	\$0.3975	8.2%
31 Dec 08	\$0.5700	12.3%
30 Jun 09	\$0.3300	7.7%
30 Sep 09	\$0.1600	7.8%
Total	\$1.4575	

Investment Manager commentary

By Talon Infrastructure Pty Ltd

The Aurora Infrastructure Buy-Write Income Trust achieved a return of 0.9% for the September quarter compared to the UBS Global 50/50 Infrastructure and Utility Index ("Index") which returned 12.8% over the same period. The relative performance of the Trust has lagged primarily due to being invested in cash for the majority of the September quarter while the investment strategy review was completed.

Over the past 12 months the Trust has returned -0.53%, while the Index has returned -5.6%. At the end of September the Trust was 86% invested in global infrastructure and utility stocks and 14% in cash and other assets.

In recent months investors have become more comfortable again and sentiment has swung in favour of more cyclical and perhaps lower quality companies. In the infrastructure and utilities sector globally this trend has seen transport infrastructure and some commodity sensitive names rebounding strongly off their March lows. The Investment Manager currently sees limited opportunity in these popular areas.

The move to more cyclical stocks has left behind many utilities, with some still trading close to their March lows. This has created the opportunity to build positions in a range of high quality regulated utilities with good capital positions at favourable prices.

As at the end of September, the portfolio is dominated by regulated electric, gas and water utilities across Europe, United Kingdom and the United States - over 75% of the portfolio. These positions have been established at the expense of transport infrastructure (reduced from 22% six months ago to 7% at the end of September) and contracted assets (reduced from 21% six months ago to 0% at the end of September).

The large position in regulated utilities leaves the Trust relatively defensively positioned. If the current strong cyclical driven rally continues, it is unlikely the Trust will be able to keep pace. Conversely, if markets retreat or others see the opportunity perceived in the Trust's utility holdings, the Trust should be well positioned.

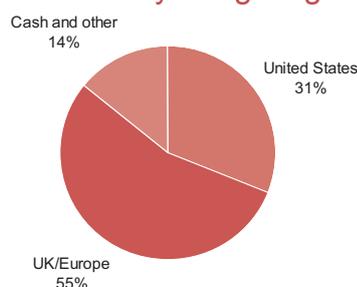
The Trust has sold call and purchased put options over approximately 45% of the underlying stock positions. Six stocks in the portfolio have no option positions and some are only partially covered by options. This positioning primarily reflects the Investment Manager's view of where there is potential for significant share price appreciation over time. The Trust currently has no debt and the Investment Manager intends to leave the Trust unleveraged.

Five Stocks from the Portfolio

	Country	Sub-Sector	Weight
Red Electrica	Spain	Transmission	5.0%
Enagas	Spain	Pipelines	4.8%
Nstar	USA	Electric Utility	4.6%
Pennon	UK	Water Utility	4.6%
Xcel Energy	USA	Electric Utility	4.4%
Remaining portfolio holdings			76.6%

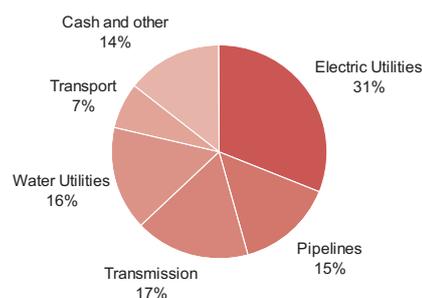
Source:Talon Infrastructure

Portfolio Country Weightings



Source:Talon Infrastructure

Portfolio Sub-Sector Weightings



Source:Talon Infrastructure

About Aurora

Aurora Funds Management (Aurora) aims to source, package and distribute carefully researched investment strategies that are managed by specialist wholesale investment managers.

Aurora is also the issuer of the:

- Aurora Sandringham Dividend Income Trust (ASX Code: AOD)
- Aurora Buy-Write Income Trust (ASX Code: ABW)
- Aurora Property Buy-Write Income Trust (ASX Code: AUP)
- van Eyk Blueprint Alternatives Plus (ASX Code: VBP)

Aurora Funds Management

Level 11, 88 Phillip Street, Sydney NSW 2000 PO Box R1695, Royal Exchange NSW 1225

Telephone:1300 553 431, Visit: www.aurorafunds.com.au, or Email: enquiries@aurorafunds.com.au

* This number represents a cumulative return ** The Trust intends to always distribute at least 2.0% of NAV per quarter regardless of Trust performance. This means that if the Trust has insufficient net income in a given quarter, investors may receive a partial (or full) return of capital.

Disclaimer: This information has been prepared by Aurora Funds Management Ltd (ABN 69 092 626 885 AFSL 222110) in its capacity as Responsible Entity for the Aurora Infrastructure Buy-Write Income Trust (ARSN 127 692 406). It has been prepared without taking into account the objectives, financial situation or needs of any investor, which should be considered before investing. Investors should consider a copy of the Product Disclosure Statement and seek their own financial advice prior to investing in the Trust. The information in this Performance Report is of a summary nature only and does not constitute advice of any kind, nor is it an offer of any financial product. Past performance is not a reliable indication of future performance.