

Aurora Absolute Return Fund

MOLOPO ENERGY LIMITED - UPDATE ON APPLICATIONS TO TAKEOVERS PANEL

Aurora Funds Management Limited (“**Aurora**”) provides an announcement in respect of the Aurora Fortitude Absolute Return Fund (“AFARF”) which directly impacts the Aurora Absolute Return Fund (ABW).

Further information

If you have any queries or concerns, please contact us.

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18 April 2017

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ASX Limited
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Sydney NSW 2000
Attention: Company Announcements

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Further to the announcement made by Aurora Funds Management Limited (“**Aurora**”) on 12 April 2017 in relation to applications made by the Australian Securities and Investments Commission (“**ASIC**”) and Molopo Energy Limited (“**Molopo**”) to the Takeovers Panel seeking declarations of unacceptable circumstances in relation to Aurora's acquisitions of shares in Molopo on the basis of an alleged 'association' with Keybridge Capital Limited, Aurora notes that:

1. the members of the Panel who will consider the applications have been appointed;
2. the Panel has not yet decided whether to conduct proceedings on either application; and
3. if proceedings are conducted, one of the orders sought by ASIC is that approximately 39.5 million Molopo shares held by Aurora be sold within a period of 3 months (with the net proceeds of sale being paid to Aurora). If such an order were to be made, the effect that the sale of such a large number of shares in a relatively short timeframe would have on the trading price of Molopo shares is unknown (and could be adverse, having regard to the illiquid nature of trading in Molopo shares).

Aurora also notes that in the separate application made by Molopo, a divestment order is also sought on the basis that Aurora not receive any profit on the sale of the shares.

The Molopo shares owned by Aurora on behalf of Aurora Fortitude Absolute Return Fund and Aurora Global Income Trust currently represent approximately 30.4% and 39.5% respectively of the value of the assets of those funds.

As stated in its announcement on 12 April 2017, Aurora intends to vigorously oppose the applications.

Yours faithfully

Aurora Funds Management Limited



Betty Poon
Company Secretary