

Aurora Sandringham Australian Equity Income Trust ASX Code: ABW

Performance Report - 30 April 2010

Summary

- The Trust returned -1.09% for the month versus the S&P/ASX200 Accumulation Index which returned -1.38%
- Since inception the Trust has paid eight distributions totalling \$0.6095 per Unit in cash and franking credits¹



Performance²

	1 mth	3 mths	6 mths	12 mths	3 yrs (p.a)	Since inception (p.a.)
Aurora Sandringham Australian Equity Income Trust	-1.09%	8.26%	5.38%	25.94%	-4.64%	2.96%
S&P/ASX200 Accumulation Index	-1.38%	6.54%	5.55%	32.38%	-3.81%	2.59%

Investment Objective

The Trust aims to outperform the Australian equity market as measured by the S&P/ASX200 Accumulation Index. Please note that while we aim to achieve this objective, the returns are not guaranteed.

Investment Strategy

The Trust seeks to meet the Investment Objective through using multiple investment strategies that the Investment Manager expects will outperform the S&P/ASX200 Accumulation Index. These strategies will be implemented by buying and selling listed and unlisted securities, managed investment schemes and risk management instruments. This may include investments in offshore markets. Accordingly, the Trust will seek to obtain:

- the S&P/ASX200 return by continuously having approximately 100% exposure to the Australian equity market through holding either futures over the S&P/ASX200 Index, or Australian listed securities; and
- an outperformance component by investing in investment strategies the Investment Manager expects (combined with the point above) will outperform the S&P/ASX200 Accumulation Index.

Where an investment is made that does not have an exposure to the Australian equity market, that exposure will typically be hedged into the Australian equity market. This hedging / risk management process seeks to broadly result in the Trust achieving the same performance as an investment in the Australian equity market as measured by the S&P/ASX200 Accumulation Index plus or minus any value created or lost by the investment and the hedge.

The Trust may utilise debt funding through a prime broking arrangement from time to time. However, the Trust's overall market exposure to the S&P/ASX200 Accumulation Index is generally expected to remain at, or around, 100% of net assets.

Investment Manager

Sandringham Capital Pty Limited ABN 97 112 639 648, AFSL 314178 (Sandringham) was appointed as the Investment Manager to the Trust on 20 October 2009. Sandringham is a funds management business which specialises in structured investments for institutional and wholesale investors. Sandringham, which was founded in January 2005, now manages in excess of \$50 million. Sandringham's executives have significant experience in capital markets, structured products and equities investment.

Trust features

Unit pricing	Monthly.
Distribution policy	At least 2.0% of Net Asset Value ³ per Unit per quarter
Distribution Reinvestment Plan	Available.
Applications	Investors may acquire Units on the ASX 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

Fund Size	\$7.6 million
Net Assets Value per Unit	\$1.2030
NAV plus distributions paid (since inception) ¹	\$1.8137

Trust distributions (per Unit)¹

Period	Cash	Franking	Total	Yield at NAV (p.a.)
31 Dec 06	\$0.0486	\$0.0208	\$0.0694	9.0%
30 Jun 07	\$0.1962	\$0.0371	\$0.2334	25.3%
31 Dec 07	\$0.0333	\$0.0332	\$0.0665	7.6%
30 Jun 08	\$0.0586	\$0.0400	\$0.0986	11.9%
31 Dec 08	\$0.0450	\$0.0000	\$0.0450	7.6%
30 Jun 09	\$0.0267	\$0.0000	\$0.0267	5.1%
31 Dec 09	\$0.0450	\$0.0000	\$0.0450	8.8%
31 Mar 10	\$0.0250	\$0.0000	\$0.0250	8.1%
Total	\$0.4784	\$0.1311	\$0.6095	

Trust Update

In accordance with the investment strategy, the Trust maintained approximately S&P/ASX200 Index market exposure and finished down 1.09% for the month versus the S&P/ ASX200 Accumulation Index performance of -1.38%.

Outperformance came from the Trust's investment in the Aurora Sandringham Global Income Trust. This trust seeks to take advantage of companies the Investment Manager expects will increase in value relative to the market around the announcement of their quarterly, half-yearly and yearly earnings results. April saw many US companies reporting their first quarter 2010 results and a vast majority exceeded consensus expectations particularly Retail, Technology and Materials stocks.

Significant Portfolio Holdings

Market Exposure	Weighting
S&P/ASX 200 Index Futures Contract	100%
Strategy Exposure	
Aurora Sandringham Dividend Income Trust	19.6%
Aurora Sandringham Global Income Trust	61.7%
Total invested as a % of NAV	81.2%

About Aurora

Aurora Funds Management (Aurora) is an investment management and distribution group owned and operated by a group of professionals with considerable experience in retail funds management, stockbroking, margin lending, corporate advisory and investment banking.

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

Aurora is also the issuer and/or the distributor of the:

- Aurora Sandringham Dividend Income Trust (ASX code: AOD)
- Aurora Sandringham Global Income Trust (ARSN 131 291 499)
- Aurora Global Infrastructure Income Trust (ASX code: AIB)
- Aurora Property Buy-Write Income Trust (ASX code:AUP)
- CORALS Commodities Fund (ARSN 131 196 882)
- van Eyk Blueprint Alternatives Plus (ASX code: VBP)

Aurora Funds Management

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1. Each historical distribution has been divided by six to reflect the Unit split carried out in November 2009. 2. This number represents a cumulative return and assumes reinvestment of distributions. 3. The Trust intends to always distribute at least 2.0% of NAV per Unit, excluding any franking credits, 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 Sandringham Australian Equity Income Trust (ARSN 110 303 430). 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. In particular as the Investment strategy of the Trust was materially altered in July 2009, and performance prior to this date (being from 12-months to 'since inception') has little bearing on future performance. The payment of franking credits to Unit holders is subject to the Trust achieving a taxable profit in that year.