

INVESTMENT OBJECTIVE

The Aurora Fortitude Absolute Return Fund (AFARF), aims to produce positive returns irrespective of the direction of the share market by investing in predominantly Australian listed securities and derivatives.

FUND PERFORMANCE TO 30 November 2016

	AFARF*	RBA CASH RATE
1 month	0.70%	0.12%
3 months	1.84%	0.38%
6 months	-8.29%	0.79%
12 months	-7.28%	1.79%
2 years (p.a)	-2.02%	1.97%
3 years (p.a)	-0.63%	2.16%
5 years (p.a)	1.84%	2.62%
Annualised Return Since Inception (Mar 05) - p.a.	5.83%	4.19%
Standard Deviation	3.80%	0.48%

Investment Objective

The Fund aims to achieve absolute returns (i.e. positive returns in both rising and falling equity markets) by using a number of different investments that allow the Fund to have very little correlation to the performance of the stock market index. The focus on 'absolute returns' differs from traditional funds in that the Fund aims to produce positive returns regardless of equity market conditions.

We have a wide discretion over the investments that may be held by the Fund. The pursuit of a diverse range of investments means that the Fund's returns are not necessarily dependent on the stock market's direction. In selecting investments for the Fund we follow a rigorous investment selection process which includes detailed qualitative and fundamental research.

About Aurora

Aurora Funds Management Limited is an Australian based alternative asset manager that specialises in managing absolute-return focussed strategies for high net worth, retail and institutional investors. At Aurora, we aim to achieve superior long-term results through a high conviction investment style that utilises a bottom up, value-orientated approach to select suitable investments. Our overarching goal is to provide investors with positive risk-adjusted returns that are independent of benchmarks or investment cycles.

Aurora is also the issuer of the:

- Aurora Dividend Income Trust (Managed Fund) (ASX code: AOD)
- Aurora Absolute Return Fund (ASX code: ABW)
- Aurora Global Income Trust (ASX code: AIB)
- Aurora Property Buy-Write Income Trust (ASX code: AUP)
- HHY Fund (ASX code: HHY)

Portfolio commentary

The Aurora Fortitude Absolute Return Fund returned +0.70% for November.

The Convergence strategy was the best performing strategy during the month, with NAC.ASX and APW.ASX providing a good contribution.

The Yield strategy was marginally profitable, with gains in NABHA.ASX offset by other positions within the strategy.

The Long/Short portfolio was largely flat during the month.

Downside protection, through ASX index puts, decreased in value as ASX market rallied, whilst we had modest gains in ASX company issued call options.

The Fund did not find any suitable investments for the M&A strategy during the month.

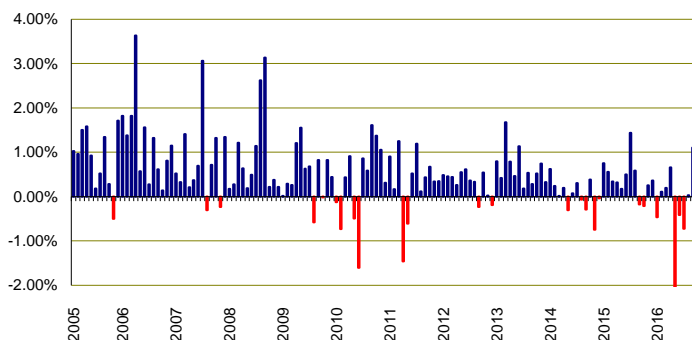
MONTHLY PERFORMANCE* (after fees %)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2016	0.36	-0.47	0.11	0.19	0.65	-8.91	-0.41	-0.72	0.03	1.10	0.70		-7.51%
2015	-0.04	0.75	0.55	0.34	0.31	0.17	0.50	1.44	0.59	-0.17	-0.21	0.25	4.56%
2014	0.32	0.62	0.24	0.01	0.19	-0.31	0.07	0.30	-0.07	-0.29	0.38	-0.74	0.72%
2013	-0.19	0.80	0.42	1.68	0.78	0.46	1.13	0.18	0.53	0.28	0.52	0.74	7.57%
2012	0.34	0.49	0.45	0.44	0.26	0.57	0.61	0.36	0.33	-0.23	0.54	0.02	4.23%
2011	0.31	0.90	0.16	1.25	-1.46	-0.61	0.51	1.19	0.11	0.43	0.67	0.34	3.83%
2010	0.44	-0.13	-0.73	0.43	0.91	-0.49	-1.60	0.86	0.58	1.61	1.37	1.05	4.33%
2009	0.21	0.01	0.28	0.26	1.20	1.55	0.63	0.67	-0.58	0.82	-0.02	0.82	6.01%
2008	1.34	0.17	0.27	1.21	0.63	0.18	0.45	1.14	2.61	3.13	0.21	0.37	12.38%
2007	1.14	0.52	0.32	1.40	0.21	0.36	0.63	3.06	-0.30	0.71	1.32	-0.23	9.55%
2006	1.71	1.82	1.38	1.82	3.63	0.57	1.55	0.27	1.32	0.61	0.14	0.80	16.75%
2005			1.02	0.96	1.50	1.58	0.92	0.18	0.52	1.34	0.28	-0.50	8.06%

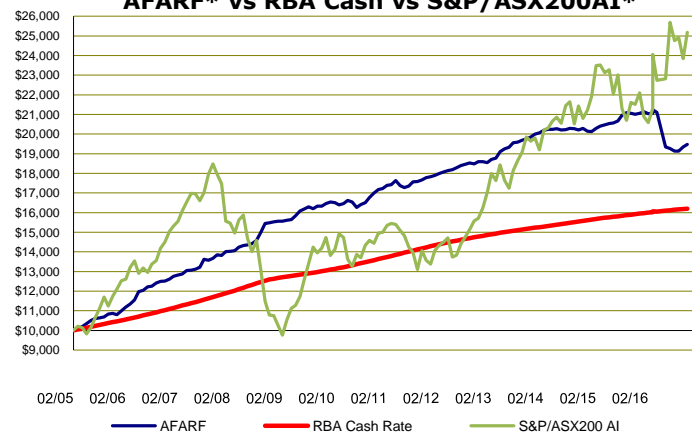
FUND DISTRIBUTIONS (per Unit)

Period (per Unit)	Amount (\$)	Yield at NAV (p.a)
June 2005 to June 2011	\$0.5944	
31-12-11	\$0.0194	8.00%
31-03-12	\$0.0193	8.00%
30-06-12	\$0.0205	8.55%
30-09-12	\$0.0190	8.00%
31-12-12	\$0.0142	6.00%
31-03-13	\$0.0140	6.00%
30-06-13	\$0.0298	12.87%
30-09-13	\$0.0139	6.00%
31-12-13	\$0.0139	6.00%
31-03-14	\$0.0139	6.00%
30-06-14	\$0.0253	10.91%
30-09-14	\$0.0135	-0.34%
31-12-14	\$0.0298	13.39%
31-03-15	\$0.0085	4.00%
30-06-15	\$0.0183	8.55%
30-09-15	\$0.0085	4.05%
31-12-15	\$0.0239	11.12%
31-03-16	\$0.0085	4.08%
30-06-16	\$0.0091	4.41%
30-09-16	\$0.0075	4.00%
Total since inception	\$0.9251	

Monthly Returns Since Inception (%)*



AFARF* vs RBA Cash vs S&P/ASX200AI*



KEY FACTS		AFARF*	RBA Cash
Feeder Fund	Aurora Absolute Return (ABW)	Sharpe Ratio	-1.08
APIR Code	AFM0005AU	Sortino Ratio	-0.55
Benchmark	RBA Cash Rate	Best month	3.63%
Prime Broker/Custodian	UBS	Worst month	-8.91%
Administrator	Unity Fund Services	Positive months	83%
Auditors	Deloitte Touche Tohmatsu	Net Asset Value per Unit	\$ 0.7457
		Exit Price per Unit	\$ 0.7455

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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 Fortitude Absolute Return Fund (ARSN 145 894 800). 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 PDS dated 29 January 2014 and seek their own financial advice prior to investing in the Fund. 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. The investment objective is expressed after the deduction of fees and before taxation. See the PDS for details on taxation. The objective is not intended to be a forecast, and is only an indication of what the investment strategy aims to achieve over the medium to long term. While we aim to achieve the objective, the objective and returns are not guaranteed. The payment of franking credits to Unit holders is subject to the Fund achieving a taxable profit in that year. For further information please visit www.aurorafunds.com.au. *AFARF vs RBA vs S&P/ASX200AI graph generated with compounded monthly returns, net of fees. Franking included in both AFARF and S&P/ASX 200 AI after May 2012. AZZG has been priced at 0 for the report.