

24 November 2016

Dear AUP Unitholder,

**VOTE NO – VOTE AGAINST ALL RESOLUTIONS**

- **CURRENT MANAGEMENT DRIVING UNITHOLDER VALUE**
- **THE PROPOSAL TO REPLACE RESPONSIBLE ENTITY JEOPARDISES STRATEGY WITH NO STATED ALTERNATIVE**
- **PROPOSED REPLACEMENT RESPONSIBLE ENTITY ALSO HAS NO KNOWN STRATEGY/AGENDA**
- **WAM'S INTENTIONS ARE UNDISCLOSED**

By now you would have received a Notice of Meeting of unitholders in the Aurora Property Buy-Write Income Trust (**AUP**) scheduled to be held on 6 December 2016 (**Meeting**) from entities associated with Wilson Asset Management (**WAM**), seeking to replace your Responsible Entity (**RE**), Aurora Funds Management Limited (**Aurora**).

The Directors of Aurora are considering the validity of the Notice of Meeting and the eligibility of those entities stated to have convened the Meeting.

In the meantime, the Directors strongly recommend that you vote your AUP Units **AGAINST** all resolutions set out in the Notice of Meeting, and an additional proxy form accompanies this letter which allows you to appoint a representative of Aurora as your proxy should you be unable to attend the Meeting. The costs associated with the production and distribution of this letter are being met by Aurora itself and not by AUP.

**Background:**

**AUP**

Aurora is the issuer and responsible entity of AUP. Aurora was established in 2003 and is a boutique funds manager specialising in managing funds that invest in Australian and global listed securities and derivatives.

The Fund aims to provide investors with income through an active strategy of selling call options over a portfolio of ASX-listed property securities. A portion of the additional income may be used to purchase put options to reduce capital risk. This seeks to reduce the losses incurred by the Fund from falling security prices or index levels.

### **WAM's Reasoning**

The reasons given by WAM to you and all other AUP unitholders relate to the dissatisfaction with a takeover bid made by the Aurora Global Income Trust (**AIB**) for, and the adjournment of a meeting of unitholders of an unrelated Aurora-managed Fund, the HHY Fund (**HHY**), on the basis that the unit price of that fund has trailed the performance of its rising underlying net tangible assets (**HHY Meeting**).

### **WAM's conduct**

In October 2016, after the takeover offer was announced by AIB for all units in HHY, an entity associated with WAM has taken steps to acquire more than 5% of the units in AUP and has sought to remove Aurora as the responsible entity of AUP by requisitioning a Meeting on 6 December 2016. The reasons given by WAM to you and all other AUP unitholders relate to WAM's dissatisfaction in the adjournment of the HHY Meeting and the takeover bid made by AIB.

This dissatisfaction is notwithstanding the fact that the takeover bid by AIB may be in the interests of all AIB and HHY Unitholders. Aurora has engaged an Independent Expert to prepare a report as to the fairness and reasonableness of the takeover offer and it is expected that this report will be available in early to mid December.

Aurora cannot reconcile why entities associated with WAM would seek to take such aggressive action in the circumstances, other than to seek to specifically disadvantage Aurora and/or benefit WAM and their associates.

### **WAM's past unsuccessful attempt to control Keybridge, Aurora, and Aurora-managed investment funds and timeline of conduct**

On May 12<sup>th</sup> 2016, WAM put forward a restructure proposal to the then owner of Aurora, Keybridge Capital Limited (**Keybridge**) that sought to deliver management control of Keybridge, Aurora and other Aurora-managed investment Funds to entities associated with WAM. This proposal was without any control premium, nor any consideration for the value of management rights to be received by WAM.

On June 10<sup>th</sup> 2016, WAM withdrew this proposal for reasons including the lack of support from independent shareholders.

On August 3<sup>rd</sup> 2016, WAM called the HHY Meeting to wind-up HHY.

In early November 2016, WAM called meetings to remove Aurora from AUP and the Aurora Global Income Trust, and a 2<sup>nd</sup> HHY Meeting to remove Aurora as responsible entity from each of the respective funds.

It is perhaps not unreasonable to conclude from the above sequence of events that WAM and its associates are seeking to obtain control of Aurora-managed investment Funds, including AUP, without full disclosure of their motivation or intentions and without paying a control premium to you.

### **Conclusion**

Under Aurora's stewardship as Responsible Entity, AUP has had a long and established track record. WAM has neither disclosed its true intentions concerning the AUP Fund nor provided sufficient information concerning the plans or intentions of their proposed alternate responsible entity.

WAM as a unitholder of other Aurora-managed investment Funds, has had the opportunity to redeem all of their units, and instead WAM and its associates have chosen to acquire units in AUP and to continue to press for outcomes that appear to be only explained by self-serving interests and not in the best interests of all other AUP unitholders.

**VOTE NO - VOTE AGAINST ALL RESOLUTIONS AT THE UPCOMING MEETING BY COMPLETING THE ATTACHED PROXY FORM**

Betty Poon



Company Secretary  
On behalf of the board of  
Aurora Funds Management Limited

**Aurora Property Buy-Write Income Trust**

ARSN 125 153 648

Name  
Address line 1  
Address line 2  
Address line 3  
Address line 4  
Address line 5  
Postcode / Country

**LODGE YOUR VOTE**

 [www.registrydirect.com.au/investor/login](http://www.registrydirect.com.au/investor/login)

 <b>By mail</b> Aurora Funds Management Limited C/- Registry Direct PO Box 18366 Collins Street East VIC 8003	 <b>By hand</b> Registry Direct L6 2 Russell Street Melbourne VIC 3000
 <b>By facsimile</b> +61 3 9111 5652	 <b>All enquiries</b> 1300 55 66 35(within Australia) +61399099909(outside Australia)

**By email:** [aurora@registrydirect.com.au](mailto:aurora@registrydirect.com.au)

SRN/HIN: I/X\*\*\*\*\*

**YOUR VOTE IS IMPORTANT**

For your vote to be effective it must be received before 2:30pm (Sydney time) on Sunday, 4 December 2016.

**Proxy Collection**

Please note that, in order for your appointment of proxy to be effective, it **must be** received by Registry Direct or the Responsible Entity by no later than 2:30pm (Sydney time) on Sunday, 4 December 2016. Please complete, sign and return your Proxy Form as soon as possible.

**To vote by completing the Proxy Form**

**STEP 1 APPOINTMENT OF PROXY**

Indicate who you want to appoint as your Proxy.  
If you wish to appoint John Patton or Betty Poon as your proxy, mark the box. If you wish to appoint someone other than John Patton or Betty Poon as your proxy please write the full name of that individual or body corporate. This can include the Chairman of the Meeting. If you leave this section blank, or your named proxy does not attend the meeting, then John Patton or Betty Poon will be your proxy. A proxy need not be a unitholder of the Aurora Property Buy-Write Income Trust. Do not write the name of the Aurora Property Buy-Write Income Trust or the registered unitholder in the space.

**Appointment of a Second Proxy**

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting Registry Direct or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of units applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

**STEP 2 VOTING DIRECTIONS TO YOUR PROXY**

This proxy form has been prepared to direct your proxy to vote against resolutions 1 and 2. All your units will be voted in accordance with such direction.

**Proxy which is a Body Corporate**

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from Registry Direct.

**STEP 3 SIGN THE FORM**

The form **must** be signed as follows:

**Individual:** This form is to be signed by the unitholder.

**Joint Holding:** where the holding is in more than one name, all the unitholders should sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.


**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**


**STEP 4 LODGEMENT**

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **2:30pm (Sydney time) on Sunday, 4 December 2016**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

 **By Fax** + 61 3 9111 5652

 **By Mail** c/- Registry Direct  
PO Box 18366  
Collins Street East VIC  
8003 Australia

 **In Person** Level 6, 2 Russell Street  
Melbourne VIC 3000

**Attending the Meeting**

If you wish to attend the meeting please bring this form with you to assist registration.

**Aurora Property Buy-Write Income Trust**

ARSN 125 153 648

Name  
Address line 1  
Address line 2  
Address line 3  
Address line 4  
Address line 5  
Postcode / Country

**LODGE YOUR VOTE**

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SRN/HIN: I/X\*\*\*\*\*

**PROXY FORM**

**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Aurora Property Buy-Write Income Trust** (Fund) and entitled to attend and vote hereby appoint:

**John Patton** or failing him attending the meeting, **Betty Poon** as my/our proxy

**OR** if you are **NOT** appointing John Patton or failing him attending the meeting, Betty Poon as my/our proxy, please write the name of the person or body corporate (excluding the registered unitholder) you are appointing as your proxy below. Please note you may name the Chairman of the Meeting here if you wish.

or failing the individual or body corporate named, or if no individual or body corporate is named, John Patton or failing him attending the meeting, Betty Poon as my/our proxy at the General Meeting of the Fund to be held at **The Justice & Police Museum, Albert Street entry, Crn Albert & Phillip Streets, Circular Quay, Sydney NSW 2000 on Tuesday, 6 December 2016 at 2:30pm (Sydney time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions on the resolutions. The proxy may also vote on all procedural motions and procedural resolutions as the proxy sees fit.

John Patton and Betty Poon intend to vote all undirected proxies given to them **AGAINST** each Resolution.

**STEP 2 VOTING DIRECTIONS**

Resolution 1	Removal of Responsible Entity	<b>Against</b> <input checked="" type="checkbox"/>
Resolution 2	Appointment of new Responsible Entity	<input checked="" type="checkbox"/>

**STEP 3 SIGNATURE OF UNITHOLDERS**  
This form must be signed to enable your directions to be implemented.

Individual or Unitholder 1 <input style="width: 250px; height: 25px;" type="text"/> Sole Director and Sole Company Secretary	Unitholder 2 <input style="width: 250px; height: 25px;" type="text"/> Director	Unitholder 3 <input style="width: 250px; height: 25px;" type="text"/> Director / Company Secretary
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Contact Name..... Contact Daytime Telephone..... Date / / 2016