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BY ELECTRONIC LODGEMENT

Company Announcements
ASX Limited
Exchange Centre
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**AURORA ANNOUNCES PROPOSED CONDITIONAL INCREASE IN OFFER PRICE FOR RNY
PROPERTY TRUST (RNY)**

Aurora Funds Management Limited (**Aurora**), as responsible entity of the Aurora Property Buy-Write Income Trust (**AUP**), announces that it proposes, if certain conditions (as set out below) are satisfied, to vary its takeover offer for units in RNY (**Offer**) by increasing the consideration offered from 1.5 cents (**Initial Offer**) to 1.7 cents per RNY Unit (**Improved Offer**).

Aurora considers there is value for both RNY unitholders and AUP unitholders in the Offer proceeding, provided that no prescribed occurrences occur, in particular that there is no disposal or agreement to dispose of all or a substantial part of RNY's residual property assets. The Board of RNY Australia Management Limited (**RAML**) has recently stated that 1.8 cents is the upper end of the potential returns for RNY unitholders if its winding up proposal is implemented.

Conditional increase in Aurora's Offer consideration

Aurora's Initial Offer is 1.5 cents cash per RNY Unit. However, Aurora will increase its offer to 1.7 cents cash per RNY unit:

- once Aurora reaches a relevant interest in RNY of greater than 50% during the Offer period; and
- when that happens, there have been no prescribed occurrences.

If the Improved Offer is triggered, Aurora will also declare the Offer free of its conditions.

RAML refuses to clarify its position

Aurora has attempted over the past few days to put matters of concern to the Board of RNY Australia Management Limited (**RAML**), including Aurora's concerns relating to the validity of the voting at Tuesday's meeting of RNY Unitholders on the resolution for the winding up of RNY. Aurora has been informed that RAML will provide a response by 9.00 am on Monday 18 September 2017.

The Board of RAML is also yet to respond in any way to Aurora regarding the Initial Offer or various attempts by Aurora to engage with respect to the takeover offer, despite the obvious simplicity of the Offer. Instead, as recently as today, the RAML Board has advised RNY unit holders to do nothing and has categorised the Offer as unsolicited, despite RAML previously stating on 11 August 2017:

"Aurora could make a tender offer for all the units if they...believe the [RNY] assets are undervalued".

The RAML Board also continues to raise the spectre of a potential triggering of the prescribed occurrences condition, which may result in the Offer ceasing to be available to RNY unitholders, even though triggering that condition is almost entirely within the control of RAML.

The Board of RAML should instead state to RNY unitholders:

- that there is a serious question concerning the validity of resolution 1 purportedly passed at Tuesday's meeting of RNY Unitholders; and
- whether the Board of RNY will implement that resolution, despite that question and where for it to do so will likely be a prescribed occurrence which would deny RNY Unitholders the benefit of the Offer.

Aurora has sought that RAML:

- make such an announcement promptly (and in any event before 5.00 pm on Monday 18 September 2017); and
- not do, cause or procure anything that would trigger the prescribed occurrence condition until 48 hours have elapsed after RAML has replied to the matters raised in this announcement,

so that the market is properly informed and nothing is done that makes it practically impossible for the Takeovers Panel to make meaningful orders to remedy in a practical way any unacceptable circumstances arising from RAML's conduct.

How to accept the Improved Offer, if it is made

If the conditions specified above are satisfied, Aurora will distribute the variation of its offers to all RNY unitholders in the form of a Supplementary Bidder's Statement. Aurora will also include a replacement acceptance form for RNY unitholders with its Supplementary Bidder's Statement.

Section 4 of the Bidder's Statement and the accompanying acceptance form provides detailed instructions on how to accept the Offer – if you have already accepted, or accept before the Improved Offer is made, by using that form, and Aurora subsequently makes the Improved Offer, you will automatically be entitled to receive the Improved Offer.

The Offer is scheduled to close at 7.00pm (Melbourne time) on 11 October 2017 unless extended in accordance with the Corporations Act. As noted in the Bidder's Statements, those RNY Unitholders who sell, or have sold, their RNY Units on-market on the ASX to Aurora before any Improved Offer, will not be entitled to receive the benefit of the increase in the Offer consideration.

Further information

If RNY Unitholders have any further questions about the Improved Offer, they can call the Offer Information Line on 1300 555 159 (toll-free within Australia) or + 61 3 9909 9909 (from outside Australia).

- Ends -