

3 July 2017

ASX Limited
Level 6, Exchange Centre
20 Bridge Street
Sydney NSW 2000
Attention: Company Announcements

MOLOPO ENERGY LIMITED – DECLARATION BY TAKEOVERS PANEL

Further to the announcement made by Aurora Funds Management Limited (**Aurora**) on 2 June 2017 in relation to applications made by Keybridge Capital Limited (**Keybridge**) and Molopo Energy Limited (**Molopo**) for a review of the findings of the initial Takeovers Panel (**Panel**), the review Panel has now published a declaration.

The review Panel has agreed with the initial Panel that certain actions in relation to Keybridge and Aurora gave rise to unacceptable circumstances in relation to the affairs of Molopo. The review Panel also considered Keybridge and Aurora were associates in relation to Molopo and have contravened section 606 of the Corporations Act 2001 and the substantial holder notice provisions.

The Panel states in its declaration that it considered the board of directors of Aurora was aware of a strategy orchestrated by Mr Nicholas Bolton to control Molopo and agreed to or acquiesced in that strategy.

The review Panel's reasons for making its declaration have not been published, and without the benefit of those reasons, Aurora is not yet able to respond fully to the declaration.

Based upon the sworn evidence and the submissions which were provided to the Panel, members of the Aurora board fundamentally disagree with the finding of association between the company and Keybridge.

Managing Director of Aurora Funds Management, Mr John Patton, also provided sworn evidence to the Panel. The Board and Mr Patton are currently considering the declaration and any action they may take in response.

Separately, the review Panel is now considering the question of orders to make, and Aurora will make a further announcement in due course. A copy of the declaration has been published by the review Panel.

Aurora currently owns approximately 12.8% of Molopo on behalf of Aurora Fortitude Absolute Return Fund (and approximately 5.1% on behalf of Aurora Global Income Trust). Aurora Absolute Return Fund has an indirect exposure to Molopo through its investment in Aurora Fortitude Absolute Return Fund.

Unitholders should note the 27 June 2017 ASX announcement from Aurora explaining the inherent uncertainty in the calculation of the NAV of the Trust due to the inability of Aurora to calculate accurately the value of Molopo exposure until proceedings before the Panel are resolved.

Yours faithfully
Aurora Funds Management Limited



Betty Poon
Company Secretary