

TAKEOVER UPDATE ANNOUNCEMENT

3 August 2017

BY ELECTRONIC LODGEMENT

Company Announcements
ASX Limited
Exchange Centre 20 Bridge Street
Sydney NSW 2000

AURORA FORTITUDE ABSOLUTE RETURN FUND — LIQUIDITY MANAGEMENT

In the announcement by Aurora Funds Management Limited (**Aurora**) as responsible entity of the Aurora Fortitude Absolute Return Fund (**AFARF**) made on 27 July 2017 about AFARF's proposed takeover bid for Molopo Energy Limited (**Molopo**), AFARF stated that Molopo shareholders who accept the takeover offer and elect to receive AFARF units will be able to request redemption of the units off-market at the prevailing net asset value based redemption price in accordance with AFARF's constitution and fund updates.

In that regard, Aurora notes that redemption guidelines are currently in place to manage the liquidity requirements of AFARF. In summary, redemption requests are considered and processed on a quarterly basis and, as a general principle, AFARF will provide unit holders with access to liquidity by redemptions of up to 5% of the total funds under management in any given quarter (with applications being scaled back proportionately if aggregate redemption requests for a quarter exceed that threshold). Full details of the redemption guidelines are set out in the 'Liquidity Management' fund update dated 17 February 2017 available from Aurora's website (<http://www.aurorafunds.com.au/investment-funds/afarf-unlisted-managed-fund/fund-updates/>).

The liquidity management of AFARF and redemption guidelines are subject to change, and the board of Aurora intends to review the guidelines in the course of finalising AFARF's bidder's statement for its proposed takeover of Molopo. Any updates in relation to this matter will be uploaded to Aurora's website, and the bidder's statement will include an explanation of any applicable redemption guidelines.

Yours faithfully



Betty Poon

Company Secretary

Aurora Funds Management Limited

as responsible entity of

Aurora Fortitude Absolute Return Fund