AURORA
FUNDS MANAGEMENT

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21 January 2019

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

AURORA ABSOLUTE RETURN FUND (FUND)

The estimated Net Asset Value (**NAV**) per Unit of the Fund including franking credits as at 18 January 2019 was $0.2925.

The Fund has an indirect exposure to Molopo Energy Limited (MPO) through its investment in Aurora Fortitude Absolute Return Fund ("AFARF"). MPO was suspended from trading on the Australian Stock Exchange (ASX) on 27 July 2017 and remains suspended as at the date of this update.

On 10 August 2018, Aurora made an ASX Announcement advising of its decision to not declare AFARF's takeover bid free from its defeating conditions and therefore to withdraw the AFARF takeover bid.

Following the withdrawal of the AFARF takeover bid, AFARF reassessed its valuation of Molopo from $0.135 per share (take-over bid price) to $0.036 per share. For further information please refer to the AFARF ASX announcement made 14 August 2018.

As part of the year end audit process, AFARF has further reassessed its valuation of Molopo from $0.036 to $0.026 per share.

As more information is released by Molopo on the Drawbridge shareholding as well as the Canadian litigation, it may be appropriate for Aurora to revisit the carrying value of its Molopo investment.

The fair value of Aurora's investment in Molopo is based on significant estimates and judgements adopted by management of Aurora based on all available information about Molopo as at the date of the 30 June 2018.

At that valuation MPO shares represent approximately 15% of the value of the assets of the Trust.

About the Aurora Absolute Return Fund
The Fund aims to produce positive returns irrespective of the direction of the share market, by investing in predominantly Australian listed securities and derivatives through the unlisted Aurora Fortitude Absolute Return Fund (ARSN 145 894 800).