

13 September 2016

The Manager
ASX Market Announcements
Australian Securities Exchange
Exchange Centre
Level 4, 20 Bridge Street
SYDNEY NSW 2000

NTA and fund update

The Directors of Arowana Australasian Value Opportunities Fund Limited (ASX: AWQ) are pleased to announce the 31 August Net Tangible Asset backing per share in the attached fund update which also highlights portfolio news.

The attached 31 August monthly update incorporates the NTA per share information required under Listing Rule 4.12. This calculation has been made in accordance with the definition of net tangible asset backing in Chapter 19 of the Listing Rules and is subject to review by the Company's external auditor.

On behalf of the Board of AWQ,



Tom Bloomfield
Company Secretary

AROWANA AUSTRALASIAN VALUE OPPORTUNITIES FUND LIMITED

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Net performance

At 31 August 2016	1 Mth	3 Mths	6 Mths	1 year	Since Inception (5-Jan-15)
AAVOF (AWQ) Investment Portfolio*	(6.8)%	(5.4)%	11.2%	13.5%	16.7%
S&P/ASX 200 Accumulation Index	(1.6)%	2.1%	13.9%	9.3%	8.5%
(Under)/Outperformance	(5.2)%	(7.5)%	(2.8)%	4.2%	8.2%

* Net return after all fees, costs and company tax and before providing for estimated tax on unrealised gains.

Net Tangible Assets (NTA) per Share

At 31 August 2016	Basic NTA per share (\$)
NTA after tax and before estimated tax on unrealised gains	1.08
NTA after tax and after estimated tax on unrealised gains*	1.05

* The Company is required to estimate the tax that may arise should the entire portfolio be disposed of on the above date and show the result per share after deducting this theoretical provision. Any such tax would generate franking credits, whose value would not be lost but rather transferred to shareholders on payment of franked dividends

About Arowana Australasian Value Opportunities Fund Limited (AAVOF)

AAVOF (ASX ticker: AWQ) offers investors an opportunity to gain exposure to a concentrated portfolio of securities built from a bottom up research process. Whilst the majority of the portfolio is built around Australian listed securities, AAVOF is able to invest in overseas listed securities and to hedge its portfolio.

The core objectives of the fund are to:

1. Generate superior returns over the medium to long term,
2. Provide shareholders a rising stream of dividends, and
3. Grow Net Tangible Assets per share

Ordinary Shares	
ASX ticker	AWQ
Last price	\$1.01
Number on issue	68,354,832
Pre-tax NTA per share	\$1.08
Market capitalisation	A\$69.0m
Gross portfolio value	A\$73.8m
Dividend*	\$0.04/share

* The Company's first dividend, at 4 cents per share, was declared on 29 August 2016 and is payable on 29 September 2016.

Market Commentary

Australia was an outlier in August, with the S&P/ASX200 Accumulation Index posting negative performance of -1.6%. Beyond our shores most emerging and developed market indices saw positive performance for the month. The worst performing sectors in Australia were the so called yield plays (the S&P/ASX 200 Utilities and Telecoms indices were down -5.8% and -8.9% respectively for the month) but this owed more to poor earnings performances by some leading stocks in these sectors than any repeat of the “taper tantrum” of 2013 when the US Federal Reserve surprised markets with its intentions for tighter monetary policy.

Portfolio Notes

The portfolio is largely unchanged from the prior month. Poor performance was overwhelmingly attributable to our large position in Infigen Energy with the stock falling 26% during the month. Part of this acute stock volatility is due to leverage; because the value of Infigen’s equity is a residual after accounting for the relatively fixed value of its debt, equity value is volatile. More simply, small changes in the value of the business lead to large changes in the value of equity. That’s been great on the way up (the stock is still up ~90% from our cost) but leverage doesn’t discriminate – it works equally on the way down as the way up. We would be buyers at this level but are at portfolio level limits.

AAVOF CORE OBJECTIVES



MONTHLY UPDATE AND
NET TANGIBLE ASSET REPORT

AS AT 31 AUGUST 2016



AAVOF Asset Allocation

Asset class	A\$m	%**
Australian Equities	31.8	43%
AUD cash and equivalent	34.5	47%
USD cash and equivalent	1.0	1%
Australian Hybrids & Bonds	-	0%
International Equities	6.5	9%
Hedges	-	0%
Portfolio Value*	73.8	100%

* Totals may not sum due to rounding

** Percentage of gross portfolio value

Top 5 Holdings

Ticker		%**
IFN	Infigen Energy	15%
SIV	Silver Chef Limited	10%
HLF.US	Herbalife Limited	9%
USD	USD ETF	6%
ELD	Elders Limited	6%
Top 5 as % of Gross Portfolio		46%