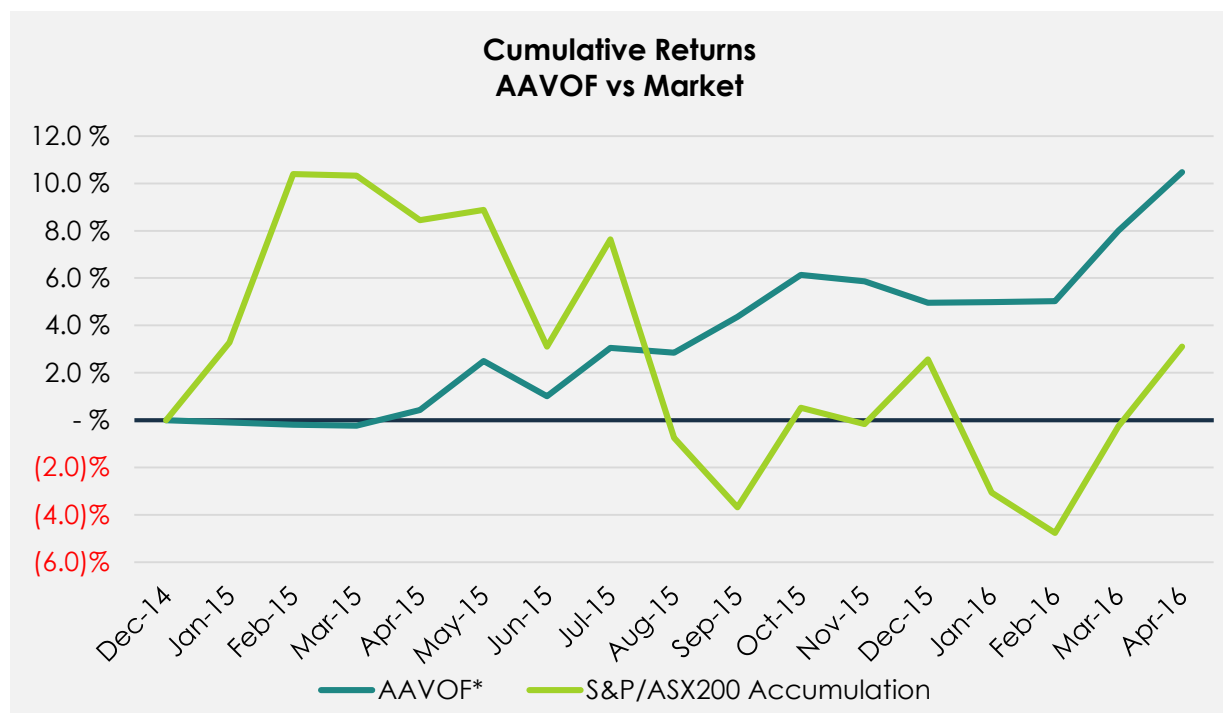


9 May 2016

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

Strong investment returns underpin intention to declare a maiden dividend

The Directors of Arowana Australasian Value Opportunities Fund Limited ("**AAVOF**" or the "**Company**") (ASX: AWQ) are pleased to provide an update to the market on AAVOF. Since listing on the ASX on 2 January 2015, the Company has performed very strongly, generating **10.5%** in investment returns* up to 30 April 2016 and outperforming the S&P/ASX 200 Accumulation Index which returned **3.1%** over the same period. This outperformance has been achieved despite AAVOF holding on average 66% of its assets in cash since its IPO (at 30 April 2016 cash holding is at 37%).



*Based on unaudited net tangible assets (NTA) after all costs and expenses and before providing for estimated tax on unrealised gains, calculated in accordance with the methodology currently used to prepare monthly ASX announcements issued in accordance with ASX Listing Rule 4.12.

AROWANA AUSTRALASIAN VALUE OPPORTUNITIES FUND LIMITED

ABN 27 602 250 644

Level 11, 153 Walker Street
North Sydney NSW 2060

Tel: +61 (0)2 8083 9800 Fax: +61 (0)2 8083 9804

Level 11, 110 Mary Street, Brisbane QLD 4000
PO Box 15575, City East QLD 4002

Tel: +61 (0)7 3182 3200 Fax: +61 (0)7 3182 3299

Net tangible asset backing per share, 30 April 2016

In accordance with Listing Rule 4.12 the Company advises that the following calculations have been made as at **30 April 2016**.

Net Tangible Asset backing per Ordinary Share, after all costs and fees and **before** providing for estimated tax associated with unrealised portfolio positions. \$1.08

Net Tangible Asset backing per Ordinary Share, after all costs and fees and **after** providing for estimated tax associated with unrealised portfolio positions. \$1.04

The Fully Diluted NTA per Ordinary Share, assuming the full exercise of all outstanding options, at the exercise price of \$0.98, is estimated at 30 April 2016 at **\$1.03 pre-tax** and **\$1.01 post-tax**. The expiry date of all options is 30 June 2016.

The calculation of the above amounts 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 AAVOF's external auditor.

Dividend intention

The Directors of AAVOF advise that the audited financial results in respect of the year ended 30 June 2016 are expected to be released to market on or around 18 August 2016.

Given the strong investment results to date, it is the intention of the Directors, subject to completion of the Company's audit and no material adverse changes in financial markets and the value of AAVOF's portfolio, to declare a maiden dividend of 3 cents per share for the year ended 30 June 2016. Whilst the extent of franking will not be accurately determinable until after 30 June 2016, it is likely the level of franking will be below 50% given most of the Company's gains to date remain unrealised since IPO.

In respect of future dividend policy AAVOF has resolved to distribute between 70% - 100% of post-tax income as dividends in future reporting periods.

Investment mandate

AAVOF's investment strategy is focused on the deep research of companies and industries in a state of structural change. To date this approach has yielded strong investment results, despite the fund holding on average 66% in cash since its IPO (at 30 April 2016 cash holding is at 37%).

AAVOF's board has agreed with the investment manager to expand the Company's investment universe to allow up to 25% of AAVOF's portfolio to be invested in securities listed on non-Australian securities exchanges. The primary focus for the investment mandate will continue to be on ASX listed securities and so the benchmark index for AAVOF will remain the S&P/ASX 200 Accumulation Index. In line with AAVOF's robust risk management approach, the mandate restrictions on the number of investments and individual security limits will remain unchanged. In addition, AAVOF can now hedge its portfolio up to 25% should this be deemed prudent. The focus of AAVOF will remain on deep research of value based investments, which to date has yielded strong results.

AROWANA AUSTRALASIAN VALUE OPPORTUNITIES FUND LIMITED

ABN 27 602 250 644

Level 11, 153 Walker Street
North Sydney NSW 2060

Level 11, 110 Mary Street, Brisbane QLD 4000
PO Box 15575, City East QLD 4002

Tel: +61 (0)2 8083 9800 Fax: +61 (0)2 8083 9804

Tel: +61 (0)7 3182 3200 Fax: +61 (0)7 3182 3299

AAVOF Listed options expiring on 30 June 2016

AAVOF's listed options (ASX: AWQO) will expire on 30 June 2016. The Directors note that, given the cost of exercise at \$0.98 per new share is at a discount to both the current stock price and the net tangible asset backing per share, option holders consider exercising their options before the expiry date.

New shares issued in respect of exercised options will qualify for any dividend paid in respect of the 2016 financial year (currently anticipated to be 3 cents per share).

Option holders wishing to exercise their options should contact Boardroom Pty Limited, AAVOF's share registrar, for option exercise forms. Cheques should be drawn on an Australian bank for the number of options to be exercised multiplied by \$0.98 and must be received by AAVOF by no later than 5.00 pm on 30 June 2016.

As at 30 April, 2016, key relevant financial data were as follows:

Share price as at 30 April 2016	\$1.02
Option exercise price	\$0.98
NTA per share pre tax ¹	\$1.08
NTA per share post tax	\$1.04
Fully Diluted ² NTA per share pre tax ¹	\$1.03
Fully Diluted ² NTA per share post tax	\$1.01

¹ At 30 April 2016, after all costs and fees and before estimated tax on unrealised gains.

² Assuming full exercise of all 48,114,000 options outstanding, at \$0.98. Expiry date is 30 June 2016.

For further information, please contact:

Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000
T: +61 2 9290 9600
F: +61 2 9279 0664
www.boardroomlimited.com.au

AROWANA AUSTRALASIAN VALUE OPPORTUNITIES FUND LIMITED

ABN 27 602 250 644

Level 11, 153 Walker Street North Sydney NSW 2060 Tel: +61 (0)2 8083 9800 Fax: +61 (0)2 8083 9804	Level 11, 110 Mary Street, Brisbane QLD 4000 PO Box 15575, City East QLD 4002 Tel: +61 (0)7 3182 3200 Fax: +61 (0)7 3182 3299
---	---