



PENGANA

22 November 2004

Australian Stock Exchange Limited

Company Announcements Office

Exchange Centre

20 Bridge Street

Sydney NSW 2000

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Pengana Managers Limited: Announcement to ASX

Pursuant to the announcements dated 22 October 2004 and 22 November 2004, Pengana Managers Limited hereby lodges a Product Disclosure Statement related to the Pengana Managers Trust, which was registered as a Managed Investment Scheme by the Australian Securities and Investments Commission on Friday 19 November 2004.

Pengana Managers Limited ACN 108 437 592

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PENGANA

AURORA
FUNDS MANAGEMENT

Pengana Managers Trust

(ARSN 111 911 892)

Product Disclosure Statement

INVESTMENT MANAGER:

Pengana Capital Limited
(ACN 30 103 800 568)
(AFSL 226 566)

ISSUER & RESPONSIBLE ENTITY:

Aurora Funds Management Limited
(ABN 69 092 626 885)
(AFSL 222110)

DISCLAIMER

This Product Disclosure Statement ('PDS') is dated 13 December 2004. This PDS was lodged with the Australian Securities and Investments Commission ('ASIC') on 13 December 2004. No responsibility as to the contents of this PDS is taken by ASIC or any of its officers. The Australian Stock Exchange Limited ("ASX") takes no responsibility for the contents of this PDS, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon any part of the contents of this PDS. Investments in the Pengana Managers Trust (the 'Fund') are offered by Aurora Funds Management Limited ABN 69 092 626 885 (referred to in this PDS as 'Aurora', 'the Responsible Entity', 'RE', 'we', 'our', or 'us'). No Aurora Group (that is, Aurora and its related entities) other than us makes any statement or representation in this document.

Neither Aurora, nor any other member of the Aurora Group, guarantees the return on your investment, or the gain or repayment of capital in the Fund.

Your investment does not represent deposits in, or other liabilities of, the Aurora Group. Your investment can be subject to investment risk, including possible delays in repayment and the loss of income and principal invested, and Aurora does not in any way stand behind the capital value and/or investment performance of the Fund. Unless identified to the contrary, all references to monetary amounts are to Australian dollars.

This PDS is not an offer or invitation in relation to the Units in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. The distribution of this PDS outside Australia may be restricted by the laws of places where it is distributed and therefore persons into whose possession this document comes should seek advice on and observe those restrictions. Failure to comply with relevant restrictions may violate those laws.

This PDS contains important information about investing in the Fund. You should read the PDS in its entirety.

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1. The Offer

Pengana Managers Limited ("Pengana") was listed on the Australian Stock Exchange Limited ("ASX") on 01 July 2004. Under the listing prospectus of Pengana dated 29 March 2004, each Pengana Listed Security comprises of a share in Pengana ("Share") and a Class A Interest ("Class A Interest") in the Pengana Managers Trust ("Pengana Listed Security").

The Pengana Managers Trust is a bare trust established to hold equity in certain boutique funds management companies ("Equity Stakes"). As a condition of the listing, The ASX stipulated that, by 31 December 2004, the Pengana Managers Trust must be converted to a registered managed investment scheme (the "Fund").

This Product Disclosure Statement ("PDS") informs all holders of Pengana Listed Securities ("Holder") that each Class A Interest held in the Pengana Managers Trust will convert into one Unit in the Fund ("Unit"). This means that for each Share held in Pengana, a Holder will be allocated a corresponding Unit in the Fund.

2. Steps taken

Pengana took the following steps to convert the Pengana Managers Trust to a managed investment scheme:

- Pengana Equity Holdings Limited, the bare trustee of the Pengana Managers Trust retired as trustee and Aurora was appointed as the trustee in its place;
- By executing an amending deed, Aurora, as the new trustee of the Pengana Managers Trust, varied the bare trust deed by adopting in whole the constitution of the Pengana Managers Trust. This amendment does not apply to interests of any Holder who indicates that it does not wish to receive Units in the Fund;
- Aurora was appointed as the responsible entity ("RE") of the Fund to lodge a new constitution and a compliance plan for the Fund and to register the Fund with ASIC.

The new constitution changes the nature of the Pengana Managers Trust in the following ways:

- there will no longer be any separate trusts, instead there will be one common trust;

- Holders will give up their rights under the Pengana Managers Trust to be absolutely entitled to the Equity Stakes, instead each Holder will have an interest in the Fund;
- Holders will give up their rights under the Pengana Managers Trust to direct the trustee how to deal with the Equity Stakes. Instead the responsible entity of the Fund will determine how the Equity Stakes are dealt with.

Agreement to the above changes by each Holder constitutes consideration for the issue of the Units.

Aurora Funds Management was appointed as RE to lodge the new constitution and a compliance plan and to register the Fund with ASIC. The Pengana Managers Trust was registered as a managed investment scheme on 02 December 2004 (Australian registered scheme number 111 911 892).

Holders of Pengana Listed Securities were informed of the ASX requirement to convert the Pengana Managers Trust into a Managed Investment Scheme and were updated on the progress in disclosures made to the ASX including those made on 22 October 2004 and 22 November 2004.

3. Application procedure and key dates

This PDS will be distributed by Aurora only to Holders of Pengana Listed Securities at 5pm on Monday 20 December 2004.

In accordance with clause 21(c) of the trust deed for the Pengana Managers Trust, Pengana is able to complete the application form to apply for Units in the Fund, as the agent of each Holder.

Therefore you do not need to complete the application form attached to this PDS.

Pengana will, as agent for all Holders registered as Holders of the Pengana Listed Securities at 5pm on Wednesday 29 December 2004, complete the application form unless it has received instructions to the contrary.

The Units will be Issued before trading commences on Thursday 30 December 2004.

If you notify Pengana that you do not wish to receive Units in the Fund, then you will have acted in a manner that could sever the stapled nature of the Pengana Listed Securities. Consequently, clause A3 in the constitution of Pengana applies and Pengana will, acting in the manner set out below and in accordance with the constitution and trust deed of the Pengana Managers Trust, be entitled to cause you to forfeit your Pengana Listed Security.

In forfeiting your Pengana Listed Security, Pengana will attach a Unit in place of the Class A Interest for each Pengana Listed Security that has been forfeited and may:

- (a) dispose of the forfeited Pengana Listed Security by selling the forfeited Pengana Listed Security (after attaching a Unit in place of the Class A Interest) on terms and in any manner the directors of Pengana determine and in accordance with the Corporations Act and the listing rules of the ASX ("ASX Listing Rules"). The proceeds of such sale will be applied firstly to the expenses of the sale, secondly to any expenses necessarily incurred in connection with the forfeiture with the balance (if any) paid to you within 5 Business Days of receipt by Pengana of the proceeds of the sale; or
- (b) cancel the Pengana Listed Security and pay you an amount per share equal to the net tangible assets of Pengana per Pengana Listed Security (excluding the value of the Class A Interest) less any cost incurred by Pengana as a result of your actions, which costs will be no more than 24% of the net tangible assets, as determined by Pengana in its absolute discretion.

It is the intention of Pengana that it will sell forfeited Pengana Listed Securities on-market through a broker and remit the proceeds to you (net of relevant expenses).

If you do not wish to receive Units in the Fund you must notify Pengana by 5pm on 29 December 2004.

Aurora may, at its sole discretion, change the dates stipulated above.

4. ASX Listing

The ASX also requires that the Units be quoted and stapled to the shares in Pengana. Therefore each Pengana Listed Security will comprise of a share in Pengana stapled to a Unit in the Fund

and can be traded on the ASX. This emulates typical stapled securities listings.

In order to comply with this requirement by the ASX, application will be made within 7 days from the date of this PDS for the listing of the Fund.

Once the Units are listed, if you transfer a Unit in accordance with the ASX Listing Rules, market rules of the ASX and the settlement rules of the ASX Settlement and Transfer Corporation Pty Ltd ("ASTC"):

- any person to whom such Unit is transferred automatically holds the corresponding Share; and
- the rights and obligations attaching to the Unit and the Share are transferred from you to the new holder; and
- your interest in the Unit and the Share will be removed from the Register and the new holder will be added; and
- you will cease to have any rights in relation to the transferred Unit, the Share, the Fund or Pengana.

ASX reserves the right (but without limiting its absolute discretion) to remove the Fund and/or Pengana from the official list, if any of the Pengana Listed Securities cease to be stapled, or any Units are issued by the Fund which are not stapled to equivalent Shares in Pengana or any Shares are issued by Pengana which are not stapled to equivalent Units in the Fund.

5. ASX Waivers

The following in-principle waivers have been given by the ASX:

- A waiver from Condition 7 of Listing Rule 1 not to require the Fund and Pengana to both have 500 Holders holding a parcel of securities with a value of at least \$2,000 on the condition that the Units and Shares are stapled and the value of a parcel of the Pengana Listed Securities is at least \$2,000.
- A waiver from Condition 8 of Listing Rule 1 not to require the Fund and Pengana to comply with either Listing Rule 1.2 or Listing Rule 1.3 on the condition that the Units and Shares are stapled and together they will meet the test under Listing Rule 1.3.
- A waiver from Condition 2 of Listing Rule 2 not to require the issue price of the Units to be at least 20 cents in cash on the basis that the issue price of the Pengana Listed Securities satisfied this requirement.

- A waiver from Clause 1 of Appendix 5A of Listing Rules to follow the timetable set out in Appendix 5A for distribution payments on the basis that on the set date, the Fund will provide an estimate of the rate and amount of distribution and the actual rates will be provided to the ASX as soon as possible after the Pengana Managers Trust becomes aware of it.
- A waiver from Listing Rule 8.10 on the condition that the Pengana Listed Securities continue to be stapled and that the responsible entity of the Fund and Pengana may only refuse to register a proper ASTC transfer or paper based transfer if the transfer is not accompanied by an equivalent proper ASTC transfer or paper based transfer in respect of each component of the Pengana Listed Securities.

6. Objective of the Fund

Units in the Fund give Holders of Pengana Listed Securities, equity stakes in boutique hedge Fund Managers ("Fund Managers") that manage the same hedge funds in which Pengana invests its capital. These ownership interests are intended to generate enhanced returns as the businesses of each Fund Manager grows over time.

7. Distributions

It is envisaged that Holders of Pengana Listed Securities will receive distributions consisting of a dividend from Pengana and a distribution from the Fund.

It is Pengana's intention to pay as much of its net profit in dividends as is permitted by law and prudent business practices. Dividends will be franked to the extent that available imputation credits permit.

In addition, the Fund Managers will distribute all of their net profits if any, to the extent permitted by law and prudent business practices, to their investors, including the Fund. The Fund will pass on the distributions to Holders. Distributions that are paid from the realisation of capital gains from the sale of Equity Stakes will be passed on to Holders.

It is envisaged that the distributions will occur on a semi-annual basis, provided the boutique funds and Equity Stakes grow as expected. If this

growth does not occur distributions may be delayed

8. Responsible Entity

Aurora Funds Management Limited, a specialist funds management group, is the RE for the Fund. Aurora provides Holders with the added protection of having an independent RE managing the Fund on their behalf. Aurora is also the issuer of this PDS and of the Units in the Fund.

Related interests to the following directors of Aurora, hold securities in PML:

Oliver J Morgan	25,000 securities
Richard G Matthews	5,000 securities

9. Custodian

BNP Paribas Fund Services Australasia Pty Limited (ABN 71 002 655 674) has been appointed by Aurora as custodian of the assets of the Fund. To hold the legal title to the Investment Securities for the benefit of the Investors.

10. Investment Manager

Pengana Capital Limited, a wholly owned subsidiary of Pengana Holdings Pty Limited, has been appointed by Aurora as the investment manager of the Fund ("Investment Manager" or "Pengana Capital"). It has an experienced and capable management team focused on delivering high quality products in both traditional and hedge fund segments of the market. Its directors are Lucy Turnbull, Russell Pillemer, Katrina Glendinning and Stuart Stuckey. Their CV's are set out in Pengana prospectus dated 29 March 2004.

Pengana Capital is responsible for the day-to-day administration of the Fund, and Holder and ASX reporting.

Aurora will receive regular reports from Pengana Capital in regard to the Fund's trading position and performance.

11. Investment Strategy

The Investment Manager is responsible for enhancing the value of the Equity Stakes held by the Holders of Pengana Listed Securities in the

Fund Managers. It does so by growing the businesses of the Fund Managers through the following key initiatives.

12. Manager Selection

The Investment Manager employs an experienced team that has used a combination of quantitative and qualitative techniques to select successful Fund Managers that (in the opinion of Pengana Capital) have the potential to attract additional funds over time.

Some empirical studies show that investing with new and recently established hedge Fund Managers offers investors a number of benefits relative to large, institutional hedge Fund Managers including lower funds under management, greater motivation, more efficient execution, less bureaucratic investment processes and higher ownership stakes.

Asset allocation is managed to enhance the risk / reward profile of Pengana and achieve an appropriate degree of strategic diversification.

Potential Fund Managers are assessed with respect to three broad criteria: investment philosophy, process and personnel. Independent judgment is applied with the relative importance of each criterion depending on the Fund Manager's strategy and approach.

Extensive due diligence meetings are conducted with the Fund Manager to examine all aspects of the investment process and its implementation. Consistency and insight should be evident throughout. If the Investment Manager is not satisfied with the outcome of its due diligence on the Fund Manager, the Fund will not invest with that boutique fund.

A further criterion is the Fund Manager's ability to grow the assets under management. Marketing and capacity issues are both assessed. A financial examination of the business model is performed by the Investment Manager's analysts to assess the viability of the objectives. Potential demand for the strategy at fee rates that can generate substantial operating profits must be identified.

Additionally, the incentivisation and motivation of the individuals involved are viewed as a key component. All the principals own meaningful stakes in the Fund Managers are expected to make personally significant investments in the funds and are expected to generate the majority of their remuneration through performance related fees.

While the strategic fit within Fund's portfolio is a consideration, Fund Managers will not be selected on this basis alone. Of greater importance are the Investment Manager's assessment of the Fund Managers' investment ability and their prospects of growing a valuable funds management business.

13. Marketing Strategy

Pengana Capital has an experienced team with expertise in the marketing of hedge funds domestically and internationally, including to global fund of hedge funds groups, offshore and local institutions (including superannuation funds), high net worth individuals, and retail investors. Pengana Capital uses this expertise to help the selected Fund Managers attract additional capital and grow. This marketing effort is led by Damien Hatfield who is considered to be one of the leading hedge fund marketers in Australia.

14. Support Services

The Investment Manager has been engaged to support the Fund Managers and reduce operational risks by providing the following services so as to allow them to maximise the time spent on their investment strategies and thereby generate stronger performance:

- **Fund Structuring:** The Investment Manager will determine and establish the appropriate investment vehicles for each Fund Manager.
- **Third Party Relationships:** Administrator, custodian, RE and prime broker relationships will be developed as required on behalf of each Fund Manager.
- **Administration:** In conjunction with each Fund Manager, a third party administrator will be appointed to process and value the Fund Manager's positions.

15. Risk Management

The ongoing monitoring process covers business, operational and investment issues. The qualitative and quantitative monitoring of the Fund Managers is an essential component in ensuring they achieve their investment objectives.

Risk management monitoring is performed through an established third party risk management software provider. Value at risk and risk metrics relevant to the investment strategy are calculated daily to assess exposure, risk of loss and variability in performance.

Each Fund Manager has agreed limits within which it must manage its portfolio. These limits are used to control individual position sizes, portfolio liquidity, leverage and changes in the managers' investment process.

Pengana Capital does not take into account labour standards or environmental, social or ethical considerations when selecting, retaining or realising investments for the Fund.

The purpose of the monitoring process is to confirm the ongoing validity of the original investment thesis for each Fund Manager and to assess the asset allocation of the Fund. The process covers business, operational and investment issues. This ongoing qualitative and quantitative monitoring of the Fund Managers is an essential component in ensuring they achieve their investment objectives.

Portfolios and trading activity are monitored on a daily basis. Monthly, quarterly and annual review meetings between the Investment Manager and the key personnel of the Fund Managers will be held along with frequent informal interaction with the Fund Managers. The subject matter of such reviews includes performance, people and process issues, so as to confirm the underlying investment theory and its implementation.

Risk management monitoring is performed through an established third party risk management software provider. Value at risk and risk metrics relevant to the investment strategy will be calculated daily to assess exposure, risk of loss and variability in performance. Each Fund Manager will have agreed limits within which it must manage its portfolio. Portfolios will be stress tested to examine their performance in a variety of market environments. In addition, each Fund Manager will have access to risk management tools and will be able to perform pre trade and scenario analysis.

The strategy is to be a long term investor in the Fund Managers. However it will consider divesting if a Fund Manager persistently breaches compliance guidelines, fails to meet its investment objectives, fails to manage its risk within the limits agreed upon or experiences a consistent and significant underperformance relative to its peer group, as determined by the Investment Manager. In such case the moneys would be withdrawn and reinvested with a new or current Fund Manager.

16. Fund Managers

The table below shows the Fund Managers that Pengana has invested with and the Fund will (on behalf of each Holder of the Fund) take an Equity Stake in. The comments provided on the Fund Managers are based on the Investment Manager's due diligence process as described in previous sections. Please see the notes below for explanations of the terminology used. No further boutique funds or Fund Managers will be invested into in the near future, subject to performance of these Fund Managers.

Definitions

Strategies employed by the Fund Managers are:

- Equity long short: an equity based strategy that allows the flexibility to buy and sell securities.
- Equity market neutral: a subset of equity long short in which the value of stocks bought and sold ensures that the portfolio is not affected by market performance.
- Global macro: a flexible strategy that allows the manager to take advantage of a broad range of opportunities within global investment markets.
- Managed futures: a technical strategy that applies mathematical trading models to derivative markets.

The 'sector' describes the asset class in which the Fund Manager invests, for example Australian equities.

The 'process' refers to the investment process employed by the Fund Manager. For example if it uses computer models and defined trading rules it would be described as systematic. Alternatively, if investment decisions are based on the experience of the Principals and analysis performed by them it would be described as discretionary. Pairs trading refers to the market neutral strategy in which one stock is bought while another closely related stock is sold short, for example Coles Myer and Woolworths. The Fund Manager seeks to benefit from changes in the relative pricing of the two stocks.

Please note that the Fund Managers have been operating a short time only (less than a year in most cases). Therefore no historic performance has been included for the Fund Managers because such information is considered misleading and not a true representation. Holders

will be kept informed of the performance of the Fund Managers on a continuous disclosure basis because the Fund is listed and the performance of the Fund Managers will affect the price of the Pangana Listed Security.

Cape Leeuwin Capital

Equity Stake to Fund	24%
Inception	July 2004
Invested by PML	July 2004
Location	Sydney
Principals' (years experience)	Michael Basset (12)
Strategy ¹	Equity long short
Sector ²	Australian large cap
Process ³	Systematic with discretionary overlay
Key characteristics	Knowledge and experience, proven process, multiple factors considered

Michael Basset established Cape Leeuwin Capital in 2003. Michael has portfolio management and process development experience working in broking, funds management and hedge fund environments. He commenced his career as an equity analyst before being hired by Deutsche Asset Management in 1995 as a small cap specialist. He was seconded to the London office to assist in the implementation of equity valuation and portfolio construction methodologies. In 1999 he joined Merrill Lynch Equities, providing broking advice to institutional clients. He left Merrill Lynch Equities in 2001 and continued to develop investment systems, advising one of Australia's leading long short equity managers.

Cape Leeuwin Capital employs a systematic process that combines a long-term fundamental valuation measure with short-term indicators to capture periodic price discounts and premiums.

Stocks are quantitatively ranked on three factors: valuation, price momentum and earnings revisions. Cape Leeuwin Capital's research demonstrates that these factors are all influential in the determination of stock prices.

The valuation factor is a long-term model that values a company by calculating the current value of future cash flows. Shorter-term developments

and investor sentiment are captured using the price momentum and earnings revisions factors.

The portfolio construction methodology is straightforward but effective. It allocates capital to the most compelling opportunities first and so on until exhausted. The system requiring "long" positions to be rated highly on all indicators and "short" positions to be rated poorly on all indicators. Such a method ensures a high level of confidence in each position taken. A common sense fundamental overlay is applied when required.

Overall the portfolio may be net long or short depending on whether the process determines that the majority of stocks are under or over valued. The "net" position refers to the overall market exposure. For example a portfolio with 75% of its capital invested in long positions and 25% invested in short positions would be net long 50%.

Stanley Fund Managers

Equity Stake to Fund	24%
Inception	November 2004
Invested by PML	November 2004
Location	South Africa and Sydney
Principals' (years experience)	Chris Thompson (15) Elan Miller (8)
Strategy ¹	Equity market neutral
Sector ²	Global resources
Process ³	Fundamental pairs trading
Key characteristics	Knowledge and experience, dynamic process, good trading record

Stanley's Principals are Chris Thompson and Elan Miller. Chris Thompson has graduate and postgraduate qualifications in mining engineering. After completing 5 years practical experience he developed Gensec Investment Bank's hedge trading strategy and was responsible for its global implementation until his departure in August 2003. Elan Miller joined Gensec in 1996 as an equity trader. He has worked with Chris Thompson in the hedge trading operation for the last 7 years where he helped develop and implement the global strategy.

Stanley adopts an equity market neutral approach that seeks to generate returns independent from the direction of the broader market. To achieve this goal Stanley uses a technique called "pairs trading", which involves the purchase of one stock (the "long" position) and the simultaneous sale of a closely related stock (the "short" position). The fund profits if the "long" position increases in price by more than the short position and vice versa. Stock pairs are selected such that they are closely related, for example National Australia Bank and Commonwealth Bank of Australia. Careful pair selection reduces "macro" risks such as changes in exchange rates or economic growth that may be unanticipated or difficult to control.

Stanley applies this approach to the global resources sector. This is a sector that is cyclical in nature and subject to significant variation in investment from the broader funds management industry. Stanley's focused market neutral approach seeks to profit from these inefficiencies while reducing many of the risks associated with investment in the resource sector. The investment process relies on a dynamic weighting of fundamental, technical, liquidity and sentiment factors depending on the drivers in the current market.

Camelot Fund

Equity Stake to Fund	18%
Inception	February 2003
Invested by PML	July 2004
Location	Sydney
Principals' (years experience)	James Wallace (14) Matt Harper (16)
Strategy ¹	Global macro
Sector ²	Multiple
Process ³	Discretionary
Key characteristics	Knowledge and experience, opportunistic, conservative

James Wallace, the Managing Director, has 15 years experience. He was previously a currency options specialist at Citigroup and emerging markets specialist at UBS in New York after starting his career with Westpac Banking Corporation in Sydney. Matthew Harper was most recently Manager Financial Markets at Republic Mase Australia Limited in Sydney. He has also held the positions of Manager Foreign Exchange at Natwest and senior corporate

advisor at Ord Minnett Limited. He has 18 years experience

Camelot employs an opportunistic global macro approach that applies discretionary trading techniques to foreign exchange, equity and commodity markets. Directional and hedged trades are used to exploit anticipated price movements in these markets. The investment approach adopted seeks to draw upon the Principal's considerable experience while employed as proprietary traders at investment banks.

The Principals rely upon the contacts and information sources developed during their careers. Technical market data is supplemented with qualitative information and ideas sourced from brokers and other market participants. Further research is pursued if the broad analysis suggests a profitable trade opportunity exists. The research focuses on establishing the following facts: whether the asset is under or over priced, whether it is technically oversold or overbought and whether the return on the trade compensates for the risk. Research is conducted by both Principals. If a lack of a consistent thesis is uncovered the research ceases and the focus moves to the next opportunity.

Camelot is a relatively conservative manager with strict criteria applied to every trade and relatively low leverage which is limited to 5x. Decisions to enter positions are based on assessment of their potential risk and reward. Technical tools are supplementary to the fundamental analysis and used to assist in the timing of investment decisions.

For each position a stop loss level is decided in conjunction with the capital to be placed at risk. Stop losses specify a maximum loss for a trade before it should be closed. If that loss occurs the trade is terminated. The imposition of the stop loss is an automatic sell discipline for losing trades. Closure of profitable trades is determined by the fundamental and technical analysis described above.

Percon Capital

Equity Stake to Fund	24%
Inception	November 2003
Invested by PML	July 2004
Location	Sydney
Principals' (years experience)	Sanji Shivalingham (8)

Strategy ¹	Managed Futures
Sector ²	Multiple
Process ³	Systematic
Key characteristics	Technically sophisticated, short term, diversified

Sanji Shivalingham, the Principal of Percon Capital, has designed the process and its application. Sanji completed a BSC in computing and pure mathematics from the University of Sydney in 1990. He joined Price Waterhouse as a management consultant focusing on Forex options pricing in 1991 and moved to the financial markets division at Schroders Plc. in 1994. He began research into systematic trading systems in 1995 and commenced trading for Schroders Plc. in 1996. The group moved to London in 1998 but was closed 2 years later when the investment bank was sold to Salomon Smith Barney. In 2001 the Principal returned to Australia and co-founded the CTA Alternative Capital Management Pty Limited with a long-term colleague from Schroders.

The managed futures strategy applies systematic trading techniques to futures markets. It is highly technical in nature and requires a combination of sophisticated profit generating trading systems and their technological application to be successful.

Futures are derivative contracts whose value is determined by the value of an underlying asset. They may be linked to equity indexes, interest rates, commodities or other assets. They are typically highly liquid and may be traded at a fraction of the cost of the underlying asset. They are therefore attractive to investors who wish to capture asset class moves without incurring significant trading expenses.

Percon Capital's trading approach is extremely short term and diversified, applying 7 different systems across 16 markets. Some managed futures systems rely on assumptions or methodologies which mean they may be volatile, under perform for long periods or be unstable in changing market conditions. For example they may rely on arbitrary assumptions regarding return correlations or be dependent on fixed parameters. Percon Capital has developed models that do not require such assumptions. The systems are designed to be "robust": rather than being finely tuned to a particular type of market environment, they are more flexible and capable of handling a wider variety of price movements and market conditions. This approach has been successful in profiting in times of stress, such as the Russian default crisis 1998.

Risk management is an integral part of the trading system. Stop losses (a limit on the maximum loss from a trade before it is closed) are placed on all trades and the maximum total loss is calculated and monitored on an ongoing basis. Percon Capital uses a very low level of "margin to equity" – an indication of the risk taken to generate the returns.

17. Fees and Expenses

The constitution of the Fund provides for reimbursement of all expenses reasonably incurred in relation to proper performance of duties. At present no changes to fees are anticipated although fees can change for reasons such as changing economic conditions and changes in regulation.

All fees and expenses incurred are subject to GST at the current rate of 10%. The Fund may receive a rebate of 75% of GST paid – known as a reduced input tax credit. All charges described below are inclusive of the net effect of GST. The table below sets out the annual expenses that will be recovered from the Fund. They are not expected to meaningfully impact the investment returns generated by the Fund.

The table below shows significant fees that you may be charged from this Fund. These fees may be deducted from the Fund as a whole. Taxes are set out in another section of this document.

You should read all of the information about fees and charges, as it is important to understand their impact on your investment in this Fund.

Table of Fees

	Amount	How & When Paid
Fees when your money moves in or out of the Fund: You may also incur a buy-sell spread when your money moves in or out of the Fund.	Nil while Fund listed – see below	Not applicable.
Establishment Fee: This is the fee to set up your account in the Fund.	Nil	Not applicable.
Contribution Fee: This is the fee for the initial and every subsequent investment you make	Nil	Not applicable.

to the Fund.		
Withdrawal Fee: This is the fee charged for each withdrawal you make from the Fund.	Nil	Not applicable.
Termination Fee: This is the fee when you close your investment.	Nil	Not applicable.
Management costs:		
Ongoing Fees: This is the total of all administration (other than the withdrawal fee), investment management, expense recovery and other fees charged by the Fund. A breakdown of these fees are:		
(a) Administration Fee: This is the fee to cover the general administration expenses of the Fund.	\$ 4,000	Per Annum
(b) Investment Management Fee: This is the fee for managing the Fund's investments.	\$ Nil	Not Applicable
(c) Issuers Management Fee: This is the fee payable to Aurora for its services in overseeing the Fund's operations and/or for providing access to the Fund's investment options.	\$22,000	Per Annum
(d) Expense Recoveries: This is an estimate of the out-of-pocket expenses we are entitled to recover from the Fund. includes Custodial, insurance, ASIC and Compliance related fees	\$ 25,000	Per Annum
(e) Member Fee: This is a member account-keeping fee charged by the Fund.	\$ Nil	Not Applicable
(f) Performance Fee: This fee provides an incentive for the RE to achieve positive performance of the Fund.	\$ Nil	Not Applicable
Total Ongoing Fees	\$51,000	

	per annum	
Additional Service Fees:		
Switching Fee: This is the fee charged when you switch between investment options offered by the Fund.	Nil	Not applicable.
Adviser Service Fee: This is the fee charged by your adviser for advice about your investment in the Fund.	Nil	Not applicable.

There will be no buy/spread charged on the issue price of the Units while the Fund is listed.

Important Additional Disclosures

Can the fees change?

Yes, all fees can change. Reasons might include changing economic conditions and changes in regulation. The constitution for the Fund governs how much can be charged, and how these fees can be changed. The constitution allows for fees to be reviewed and amended only by agreement between the RE and Pengana. Currently no increases in fees from those stated in the above tables are envisaged by either party.

Performance Fee

The Investment Manager will not charge performance fees to the Fund.

Transaction Costs and Government Charges

Transaction costs will normally be incurred when investing in or redeeming units from the Fund. These may include costs such as brokerage, government taxes, and stamp duty charges associated with the purchase or sale of assets in the Fund. They are necessary costs of the operation of the Fund that are paid out of the Fund. Transaction costs will not apply as the stapled nature of a Pengana Listed Security precludes Holders from investing in or redeeming Units directly from the Fund.

Expense Recoveries

The constitution for the Fund provides that we may be reimbursed from the Fund for all expenses reasonably incurred in relation to proper performance of our duties. For example this would

include fund and manager establishment, promotion (including product disclosure statements, advertising and promotional material and printing), licensing, custodian, registry, audit, taxation advice, external consultants, accounts, stationery, postage, termination costs and compliance committee expenses. We are also entitled to recover from the Fund abnormal expenses properly incurred by us for such things as unit holder meetings, legal costs and other expenses in connection with the Fund. These costs are rarely incurred and are generally insignificant over time.

Administration Fees

Aurora, as RE for the Fund, is entitled to receive a yearly management fee of \$22,000 (including GST).

Miscellaneous Fees

Holders may be charged a fee of up to \$10 per request for copies of documents, replacement cheques and account statements.

Management Expense Ratio

The management expense ratio of the Fund is the calculation of all ongoing management fees and expenses reasonably incurred in relation to proper performance of duties, expressed as a percentage of the average total asset value of the Fund (excluding liabilities). Management fees and expenses are not expected to meaningfully impact the investment returns generated by the Fund due to the fact that:

- There are no performance fees being charged by the Investment Manager; and
- Management fees and expenses are negligible and of a fixed nature;

Consequently the Fund will have a negligible and therefore statistically insignificant management expense ratio as a percentage of its net asset value.

If you want to work out your own fee structure and the impact this has, then ask your adviser for help or visit www.asic.gov.au where the ASIC offers a fee calculator.

How do you compare fees of different products?

If you want to work out your own fee structure and the impact this has, then ask your adviser for help or visit www.asic.gov.au where the ASIC offers a fee calculator to help investors compare the fees of different products.

What benefits are payable to Aurora and others?

Except for fees, remuneration and interests disclosed in this PDS, Aurora and its directors and employees have not received and are not entitled to any benefit in relation to the offer of Units in the Fund.

Subject to law, directors may receive a salary as employees of the Aurora Group, a director's fee, and from time to time may hold interests (directly or indirectly) in the shares of Aurora or units in the Fund. Aurora's internal sales staff may also receive a commission from Aurora calculated by reference to applications received.

Pengana Capital Limited has been appointed as the Investment Manager for the Fund. Pengana Capital Limited will not receive a fee from the Fund.

The Fund Managers do not charge any Fees to the Fund.

Other reimbursements are rarely incurred and are generally insignificant over time. For example, manager establishment costs, marketing materials, licensing, registry, audit, taxation advice, external consultants, accounts, stationery, postage, termination costs, holder meetings, legal costs and other expenses in connection with the Fund. Other examples may be costs such as brokerage, government taxes, and stamp duty charges associated with the purchase or sale of assets in the Fund.

18. Taxation treatment

The following is a summary of the Australian income tax, GST and stamp duty consequences of investing in the Fund. It is based on the Australian tax law in effect at 8 December 2004 as contained in the Income Tax Assessment Act 1936 ("ITAA36") and Income Tax Assessment Act 1997 ("ITAA97"). The summary is directed to investors whose Class A interest in Pengana Managers Trust will convert to Units in the Fund. It is assumed that investors acquired their Class A interest, and will therefore hold Units in the Fund, for long term investment purposes and are not engaged in a business of trading or dealing in similar securities. As the Australian taxation system is complex and each investor's tax consequences depend on their own specific circumstances, investors should not rely on this summary and should obtain appropriate independent tax advice prior to agreeing to the conversion of a class A interest.

Conversion of Class A Interest to Unit

Upon subscribing for Pengana Listed Securities investors acquired a share in Pengana and a Class A Interest in the Pengana Managers Trust. The Pengana Managers Trust is a bare trust. Investors therefore have an absolute, indefeasible entitlement to any Pengana Managers Trust property as against Pengana Equity Holdings Ltd, the trustee of the Pengana Managers Trust.

As summarised in the Prospectus (issued 29 March 2004), it was intended that the Pengana Managers Trust's property would comprise of Equity Stakes. However, at the date of the conversion no Equity Stakes will have been granted and the Pengana Managers Trust has no enforceable contractual right to be granted Equity Stakes. The Pengana Managers Trust will therefore have no trust property at the conversion date.

The conversion was effected by Pengana Equity Holdings Ltd retiring as trustee and appointing Aurora as trustee of the Pengana Managers Trust and Aurora entering into an amending deed varying the existing bare trust deed and adopting a new constitution for the Fund. Each investor will, via Pengana, be able to apply for Units in the Fund.

Because Investors are absolutely entitled against the Trustee to any Pengana Managers Trust property, the capital gains tax ("CGT") provisions of ITAA97 treat the investors as if they own any Trust property directly. In the absence of Pengana Managers Trust property, the investors do not hold a separate CGT asset. It follows that upon conversion of the Pengana Managers Trust to the Fund no CGT asset will be disposed of by investors.

Following the conversion each investor will be issued with Units in the Fund. These Units will be a CGT asset for Australian tax purposes and will have a separate CGT cost base to the Shares in Pengana.

Investors Who Decide Against Conversion

If an investor chooses not to apply for Units in the Fund, under its constitution Pengana is entitled to forfeit the Share to which the relevant Class A Interest relates. It is Pengana's intention to sell forfeited Shares on-market through a broker and remit the proceeds to investors (net of relevant expenses).

The disposal of Pengana Listed Securities will comprise separate disposals of each Share and Class A Interest for CGT purposes. No CGT implications will flow from the disposal of each

investor's Class A Interest. However, the disposal of each Share will generally result in either a capital gain or loss to an investor. The consequences for investors of a disposal of a Share are set out in further detail in the Pengana Prospectus dated 29 March 2004 (Section 9, Taxation Report, part 5).

Stapling of Units to Shares

The general effect of stapling is that each individual security retains its legal character. The individual securities are in turn treated separately for tax purposes. The stapling of a Unit in the Fund to a Share will not result in any CGT consequences for investors. Upon disposal, investors will be required to apportion the capital proceeds received between Units and Shares and determine whether they have made a capital gain or loss from each type of CGT asset.

Taxation of the Fund

For Australian tax purposes the Fund will be treated as a "flow-through" entity. Broadly, this means that Australian tax resident Holders will be liable for income tax on the proportion of the Fund's net income to which they are presently entitled. Since Holders will be presently entitled to 100% of the income of the Fund, the Fund itself should not be liable to income tax on its net income.

The Fund will not be treated as a corporate Unit trust under Division 6B of Part III of ITAA36. Because the Fund will not be entitled to an Equity Stake of more than 50% of the shares in any Fund Manager, and will not otherwise control any Fund Manager, it will not be treated as a public trading trust under Division 6C of Part III of ITAA36.

Taxation of Holders on Fund Income

Australian resident investors

The tax liability for the Fund's net income should rest solely with the Holders. Each Holder will be required to include in its assessable income the share of the Fund's net income to which it is presently entitled, in the income year in which the entitlement arises. This treatment will not change notwithstanding that the Fund might make a distribution of income after the end of the year of income, or a Holder might decide to reinvest a distribution in additional Units.

Dividends received by the Fund will be "franked" to the extent the dividend paying company attaches a tax credit for the income tax paid on its profits from which the dividend is sourced. The Fund may distribute franked dividend income to a

Holder. If it does, a Holder is entitled to the benefit of the franking credits and should include these credits in its assessable income and claim a tax rebate for the amount.

If the Fund generates a capital gain on the disposal of an asset, that gain may be reduced if it is a discount capital gain under Subdivision 115-A of ITAA97. Holders who are either an individual or a trust are entitled to a 50% discount on discount capital gains. Complying superannuation funds and certain eligible life insurance company Holders are entitled to a 33 1/3% discount on discount capital gains. Corporate Holders are not entitled to a discount.

As investors can enter and exit the Fund at different times by purchasing and selling Pengana Listed Securities, there remains a risk that the taxation liability with respect to gains that have benefited past investors may have to be met by subsequent investors and reflected in the Unit price.

Non-resident investors (not operating through an Australian permanent establishment)

Non-resident Holders are taxed differently to resident Holders, although the ultimate tax payable may not differ. As trustee of the Fund, Aurora will withhold Australian tax at appropriate rates from the Australian sourced portion of taxable distributions to non-resident Holders.

Tax Statement Provided to Investors

At the end of each financial year, Aurora will send to all investors (resident and non-resident) a tax statement that will set out the portion of the Fund's net income to which each investor is entitled and its constituent elements (including any franking credits).

Redemption or Transfer of Units

For Australian resident Holders both the redemption and transfer of Units are taxable events. Either taxable event may result in a capital gain or loss to a Holder. A CGT discount may be available to selected Holders that make a taxable capital gain which qualifies as a discount capital gain under Subdivision 115-A of ITAA97. The discount is 50% for individuals and trusts and 33 1/3% for complying superannuation funds and certain eligible life insurance companies.

Non-resident Holders are generally not subject to CGT on the disposal of their Units unless they or their associates held, or had an option or right to hold, 10% or more of the Units in the Fund at any time over the five year period prior to the disposal.

Goods & Services Tax (GST)

GST will generally be incurred on each of the fees and charges that apply to the Fund. GST which the Fund is liable to pay for taxable supply it makes or to re-imburse to the service provider in respect of any matters arising under the constitution will be deducted from the assets of the Fund. In specified circumstances, the Fund may receive a credit from the Australian Taxation Office of 75% of the GST amount re-imbursed. These payments and credits will be reflected in the Unit price of the Fund.

Quoting Tax File Numbers (TFN) or Australian Business Numbers (ABN)

The collection of TFNs from resident investors is authorised and their use is strictly regulated by tax and privacy legislation. Although it is not compulsory for an investor to quote its TFN or exemption details, if it elects not to, Aurora is required to deduct tax from distributions at the maximum personal rate (plus the Medicare levy). Investors that hold Units as part of a business may alternatively quote an ABN. Non-resident investors are not required to quote a TFN.

Stamp duty

The issue and redemption of Units should not be subject to stamp duty. No duty applies on a transfer of the Units. This applies so long as the Units are quoted on the ASX.

19. Risks

What are the Risks?

You should have regard as to whether the Fund is a suitable investment for you, and whether it meets your individual investment objectives and financial circumstances. For example, you should at least consider:

- What are your financial targets – how much money do you need?
- What is your investment timeframe?
- What degree of risk will you accept in order to achieve your targets?

All investments are subject to varying risks and generally all go down as well as up in value (ie you can experience investment gains or investment losses). Changes in value can be significant and they can happen quickly. Different types of investments perform differently at

different times and have different risk characteristics and volatility.

These are some of the reasons why you should consider diversifying your financial exposure to different types of investments. This Fund offers some diversification across different types of investments.

The significant risks for the Fund, and the ways we aim to manage them, are discussed below. We can't eliminate all risks and can't promise that the ways in which we manage them will always be successful. If these risks occur, then the value of your investment could fall.

The significant risks for the Fund are:

Investment Risk

External factors influence all investments. These factors can affect both the value of the investment and also the income that the investment produces. For example, factors such as interest rates, government policies, and economic conditions in general can have a significant impact on investment returns.

External risk factors cannot be eliminated. Accordingly, all investments carry the risk that:

- the capital value of the investment may decline;
- the amount of income you receive may vary over time; and/or
- your investment goals may not be achieved.
- Your investment risk is limited to the amount of your capital investment.
- The annual income stream from the Fund is not guaranteed.

Market Risk

Economic, technological, political or legal conditions, and even market sentiment, can (and do) change and this can mean that changes in the value of investment markets can affect the value of the investments in the Fund.

Liquidity Risk

Unusual market events or other situations may arise that cause market activity in any one (or more) stocks held within the Fund's portfolio to decrease. Any such event may prevent the Fund from promptly liquidating unfavourable positions and therefore result in losses to the Fund.

Leverage

Fund Managers may use leverage and utilise investment techniques such as options and other derivatives which may also increase the volatility of their investments, thereby increasing the volatility of the Fund's investments.

Short Selling

The Fund Managers may use short selling as part of their strategy. Selling securities short creates the risk of losing an amount greater than the initial investment, and can also involve borrowing and other costs which can reduce the profit or create losses in particular positions.

External Investment Manager Risk

Under the Investment Management Agreement ("IMA") with Aurora, Pengana Capital Limited has agreed to invest the assets of the Fund according to the investment strategy. The IMA contains a number of termination provisions.

Fund Risk

These are risks particular to the Fund and include that it could terminate, the fees and expenses could change, we could be replaced as RE, and our Investment Manager could change. There is also a risk that investing in the Fund may give different results than investing individually because of income or capital gains accrued in the Fund and the consequences of investment and withdrawal by other investors.

We aim to minimise the Fund risk by monitoring the Fund and acting in your best interests.

Company Risk

The future earnings of Pengana and the value of the Equity Stakes may be affected by the general economic climate, commodity prices, currency movements, changing government policy and other factors beyond the control of the Investment Manager. As a result, no guarantee can be given in respect of the future earnings of Pengana or the value of the Equity Stakes;

Operational Risk

The Fund is a newly formed entity and has no operating history and the Fund Managers have not pursued Fund's investment strategy in the past. The Fund Managers and the boutique funds will involve a degree of business and financial risk. The boutique funds may be operated by Fund Managers who do not have significant track records. Consequently, the Fund's investments in the Equity Stakes may be subject to more significant risks than would be the case if the

Fund invested with more Fund Managers with longer track records. In any event, past performance is not necessarily indicative of future results.

20. Continuous Disclosure

The continuous disclosure requirements under the Corporations Act and the market rules of the ASX will apply to the Fund. Aurora will have various reporting and disclosure obligations to the regulator, ASIC and the ASX. Copies of documents Aurora lodge with ASIC may be obtained from or inspected at an ASIC office. We'll e-mail (or if you don't have an email address, post) you copies of the Fund's yearly and half yearly accounts and any continuous disclosure notices Aurora lodge free, if you ask.

21. Constitution

The Fund is governed by a constitution, as amended from time to time, ("Fund Constitution"). The Fund has been registered with the ASIC as a managed investment scheme under Chapter 5C of the Corporations Act. Together with the Corporations Act, the constitution for the Fund governs the rights and obligations of investors and the RE.

The Fund Constitution has been lodged with ASIC on or about 19 November 2004. You can inspect a copy of the constitution at our office free, or Aurora will provide you with a copy within 7 days of your request for the fee disclosed in the fees section of this PDS under the heading "Miscellaneous Fees".

The Fund Constitution contains additional information relating to the matters discussed in this PDS and sets out the conditions under which the Fund will operate, and the rights and obligations of the RE. The Fund Constitution limits our need to compensate you if things go wrong - generally, if Aurora comply with our duties, then Aurora do not need to compensate you unless the law so requires.

Aurora must have Holder approval to make changes to the Fund Constitution, where these changes may have an adverse impact on Holders.

The Fund Constitution provides for the stapling of one Unit to one Share and will remain stapled unless special resolution of the Holders of Pengana Listed Securities approve unstapling or unless stapling becomes unlawful or prohibited by the Listing Rules. A Unit can only be issued or

transferred if there is a corresponding issue or transfer of the Share to which it is stapled.

There will be a joint register for the Units and Shares so long as the Units and Shares are stapled.

There is no right to redeem the Units while the Fund is listed on the ASX. The RE may redeem the Units if the Fund or Pengana Managers Limited also redeems or buys back and cancels the corresponding stapled security.

The Fund terminates on the first of:

- its 80th anniversary; or
- the date that the RE tells Holders that it terminates; or
- any date that the law requires

Following termination, the RE must realise its assets and distribute the net proceeds to Holders

The Fund Constitution provides that the RE is entitled to fees as disclosed in this PDS.

The Fund Constitution provides that the RE must determine the distributable income of the Fund for each financial year.

The Fund Constitution provides that the RE may be removed or may retire in accordance with the Corporations Act 2001 and other relevant laws.

22. Compliance

A compliance plan has been established for the Fund. This plan sets out how Aurora will ensure compliance with both the Corporations Act and the constitution when operating the Fund.

The compliance plan has been lodged with ASIC on or about 19 November 2004. You can inspect a copy at our office free, or Aurora will provide you with a copy within 7 days of your request for the fee disclosed in the fees section of this PDS under the heading "Miscellaneous Fees".

A compliance committee has been established to monitor our compliance with the compliance plan. The majority of the members of the compliance committee are independent from the RE.

The compliance committee must regularly assess the adequacy of the compliance plan and report any breaches of the Corporations Act or the Fund Constitution to the RE. If the RE does not take appropriate action to deal with a breach, the compliance committee must report this failure to act to ASIC.

23. Investment Management Agreement

By an agreement on or about the same date as this PDS the RE has appointed the Investment Manager to manage the assets of the Fund and to manage the day to day administration of the Fund in accordance with the IMA and this PDS.

The IMA sets out the terms of the appointment, investment objectives and powers of the Investment manager. These are dealt with in this PDS. It also specifies the monthly, quarterly, semi annual and annual reporting requirement of the Investment Manager to the RE.

The IMA commences on signature and runs until terminated on 3 months notice or a lesser period of notice as the parties agree. In which event Aurora will retire as responsible entity of the Fund and a new responsible entity will need to be appointed.

The IMA may terminate prior to 3 month notice period for good cause being:

- a receiver, receiver and manager, administrative receiver or similar person is appointed with respect to the assets and undertakings of the Investment Manager;
- the Investment Manager goes into liquidation (other than for the purposes of a reconstruction or amalgamation on terms previously approved in writing by the Aurora);
- the Investment Manager ceases to carry on business in relation to its activities as an investment manager;
- The Investment Manager materially breaches any provisions of the IMA or fails to observe or perform any representation, warranty or undertaking given by the Investment Manager under the IMA and the Investment Manager fails to correct such breach or failure within 15 business days of receiving notice to do so specifying such material breach or failure.

The Investment Manager indemnifies the RE against any losses or liabilities reasonably incurred by the Investment Manager arising out of, or in connection with, and any costs, charges and expenses incurred in connection with, or on account of any bona fide investment decision made by the RE or its officers or agents except insofar as any loss, liability, cost, charge or expense is caused by the negligence, fraud or dishonesty of the RE or its officers or supervised agents. This obligation continues after the termination of the IMA. The RE is not otherwise

liable to the Investment Manager for any loss or liability.

The Investment Manager must indemnify the RE against any losses or liabilities reasonably incurred by RE arising out of, or in connection with, and any costs, charges and expenses incurred in connection with, any negligence, default, fraud or dishonesty of the Investment Manager or its officers or supervised agents. This obligation continues after the termination of the IMA. The Investment Manager is not otherwise liable to the Fund for any loss or liability.

24. Cooling-off Period

There is no cooling-off period for investment in the Units in the Fund. Once Pengana has submitted a completed Application Form as your agent and provided the Application is accepted, you are not able to withdraw it.

25. Complaints Handling

You may lodge any complaints in relation to the management or administration of the Fund, by communicating with the complaints department at Pengana, Level 38, 264 George Street, Sydney, NSW, 2000. Complaints will always acknowledge any complaint in writing and respond within 45 days.

If you are not satisfied with our response, you may refer (at no cost) the complaint directly to an independent complaints handling scheme. Aurora is a member of the following scheme:

Financial Industry Complaints Service
PO Box 579
Collins Street West
Melbourne VIC 8007
Call Centre: 1300 780 808

In order for a complaint to be considered by the Financial Industry Complaints Service, the claim involved must be under \$100,000 (unless the investor and Aurora agree otherwise in writing).

26. CHES

Aurora will apply to participate in the Clearing House Electronic Sub register System known as CHES and, in accordance with the ASX Listing Rules and the ASTC Settlement Rules, will maintain an electronic issuer-sponsored sub-register and an electronic CHES sub-register.

Currently Pengana Managers Limited is participating in CHESS in relation to the Pengana Listed Securities. These two sub-registers will together make up the principal register of the Pengana Listed Securities.

27. Privacy Policy

Aurora will collect personal information from you in order to process your application, administer your investment, conduct research and provide you with services related to your investment. To do that, we will usually disclose your personal information to our agents, contractors, or third party service providers to whom we outsource services such as registry, custodian, mailing functions, and fund administration and accounting. If you do not provide us with your personal information we cannot process your application.

We may use your personal information to tell you about other products and services offered, or distributed, by the Aurora Group or Investment Manager. In order to do that we may disclose your personal information to them or our service providers. If you do not want us to do this, please contact us on 02 9080 2377. We may also disclose your personal information to your financial adviser.

It is important that you tell us if you do not want us to use your personal information in this way, because by investing in the Fund you will be taken to have consented to these uses and disclosures.

In most cases you can gain access to the personal information that we hold about you. Aurora aims to ensure that the personal information we retain about you is accurate, complete and up-to date. To assist us with this, please contact us if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information we may have about you, we will take steps to correct it.

28. Consents

Pengana Capital Limited has given, and has not withdrawn as at the date of this PDS, its consent to being named in this PDS as the investment manager for the Fund. Pengana Capital Limited does not make any statements in or take any responsibility for any parts of the PDS.

Pengana Managers Limited has given, and has not withdrawn as at the date of this PDS, its consent to being named in this PDS as the investment manager for the Fund. Pengana Managers Limited does not make any statements

in or take any responsibility for any parts of the PDS.

BNP Paribas Fund Services Australasia Pty Limited has given, and has not withdrawn as at the date of this PDS, its consent to being named in this PDS as the custodian and administrator of the assets of the Fund. BNP Paribas Fund Services Australasia Pty Limited does not make any statements in or take any responsibility for any parts of the PDS.

Cape Leeuwin Capital and Michael Basset have given, and have not withdrawn as at the date of this PDS, their consent to being named in this PDS in the form and context in which they appear. Cape Leeuwin Capital and Michael Basset do not make any statements in or take any responsibility for any parts of the PDS.

Stanley Fund Managers, Chris Thompson and Elan Miller have given, and have not withdrawn as at the date of this PDS, their consent to being named in this PDS in the form and context in which they appear. Stanley Fund Managers, Chris Thompson and Elan Miller do not make any statements in or take any responsibility for any parts of the PDS.

Camelot Fund, James Wallace and Matt Harper have given, and have not withdrawn as at the date of this PDS, their consent to being named in this PDS in the form and context in which they appear. Camelot Fund, James Wallace and Matt Harper do not make any statements in or take any responsibility for any parts of the PDS.

Percon Capital and Sanji Shivalingham have given, and have not withdrawn as at the date of this PDS, their consent to being named in this PDS in the form and context in which they appear. Percon Capital and Sanji Shivalingham do not make any statements in or take any responsibility for any parts of the PDS.

Baker & McKenzie has given, and has not withdrawn as at the date of this PDS, its consent to being named in this PDS as the legal adviser for the Fund. Baker & McKenzie does not make any statements in or take any responsibility for any parts of the PDS other than the section headed "How is my investment Taxed?".

This PDS is signed by Richard Matthews on behalf of Aurora as issuer of the Units and each of the directors of Aurora consent to the lodgement of this PDS with ASIC.


 Director
 Aurora Funds Management Limited

Pengana Managers Trust Application Form

Do not complete this form. Pengana will do so on your behalf.

A. Please enter the Applicant's name:

Applicant's Given Names or Company Name															Family Name				

Joint Applicant #2 (or <Account Name>)																			

Joint Applicant #3 (or <Account Name>)																			

B. Please enter Applicant's postal address:

Street Number & Street, or PO Box number																			

Suburb, City or Town												State				Postcode			

Additional address information if required																			

C. Please enter contact information:

Contact Name (Given Name, Family Name)																			

Telephone Number (Bus Hours)										Facsimile Number (Bus Hours)									

E-mail address																			

D. Please enter Australian Tax File Number or ABN (or exemption category if applicable, or leave blank).

Tax File No / ABN								Applicant #2								Applicant #3							

E. CHESS HIN (If Applicable)

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I/We the Applicant(s) declare that:

- I/We have read this PDS in full;
- This Application is for Units in Pengana Managers Trust and I/we acknowledge that Pengana is authorised as my/our agent, upon and subject to the terms of the PDS, to subscribe for [redacted] number of Units pursuant to the PDS to which this Application is attached;
- Upon allotment I/we agree to be bound by the provisions of the constitution of the Fund and any other obligations or restrictions contained in the PDS; and
- I/We have read the section of this PDS called "Privacy Policy" and agree that Aurora and Pengana may collect, use, disclose and handle personal information in the manner set out in that section.

Signed by Pengana on
Behalf of the Applicant(s)

Fund Directory

For enquiries about your Units or address details contact:

Registries Limited

Level 2, 28 Margaret Street
Sydney, NSW 2000
Telephone: (02) 9290 9602
Facsimile: (02) 9279 0664

For investment related enquiries contact:

Investment Manager:
Pengana Capital Limited
Level 38, Australia Square
264 George St
Sydney NSW 2000
www.pengana.com.au
E-mail: info@pengana.com.au
Telephone: (02) 8248 3900
Facsimile: (02) 8248 3905

Responsible Entity:
Aurora Funds Management Limited
Level 32, Aurora Place
88 Phillip Street
Sydney NSW 2000
www.aurorafunds.com.au
Telephone: (02) 9080 2377
Facsimile: (02) 9080 2378

Custodian and Administrator:
BNP Paribas Fund Services Australasia Pty Limited
Level 6, 60 Castlereagh Street
Sydney, NSW 2000

Legal Advisers:
Baker & McKenzie
Level 27
50 Bridge Street
Sydney NSW 2000