

MEDIA RELEASE

Forager Fund's \$138m Australian Shares Fund (ASX:FOR) commences trading on ASX

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Units in Forager Funds Management's flagship Australian Shares Fund Listed Investment Trust (LIT) commenced trading on ASX this morning with a market capitalisation of \$138m (ASX:FOR).

Like other closed ended structures, the best known being the listed investment company ("LIC"), the number of units on issue in the LIT is fixed, meaning the Fund will not be required to set aside liquidity to meet any potential redemption requests.

"By removing liquidity risk through today's listing, we are able to fully invest the Fund's assets when we see attractive opportunities, and remain invested, or invest more in times of market distress," said Johnson

One of Australia's few LITs, the unique vehicle was selected due to its suitability for the Fund's style of investing, which will continue to be long term, capital gain focussed where returns can be lumpy from one year to the next.

"Earlier this year we asked our existing unitholders to accept the potential illiquidity, noise and volatility associated with an ASX-listed entity in return for a listed investment trust structure best suited to maximising the long-term returns we're known for, which they did, with 96 per cent of votes supporting the listing," said Johnson.

Forager has listed what it hopes to be one of the most "investor friendly" vehicles in the listed fund market.

"We have no tenure in our management contract of this listed vehicle, there are no termination payments due if we are voted out as the investment manager and as a Manager, we have funded the cost of today's listing exercise, rather than asking investors to pay for it from fund assets," said Johnson.

And in another rarity, an indicative net asset valuation (NAV) of the fund will be published daily prior to market open, commencing Monday 19 December, in order to assist price discovery and to ensure that the secondary market is as efficient as possible.

"We don't anticipate our investors to be anything other than long term in their outlook, but we do want to help them create an orderly and well informed market when they want to transact on ASX," said Johnson.

As at 30 November 2016, Forager's Australian Shares Fund has delivered investors 14.34% growth over the past 12 months and 20.37% pa over the past five years.

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About Forager Funds Management

With an additional smaller investment mandate in the Australian market, Forager currently manages in total over \$160m in the Australian equities strategy. It now also manages over \$110m in its International Fund, which has had a very successful past 12 months. As at 30 November 2016, Forager's Australian Shares Fund has delivered investors 14.34% growth over the past 12 months and 20.37% pa over the past five years.

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