

1 July 2016

ASX Code: KBC

Company Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam,

SALE OF AURORA FUNDS MANAGEMENT

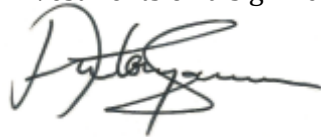
Keybridge Capital Limited (“Keybridge” or “the Company”) (ASX: **KBC**) is pleased to announce that it has completed the sale of its funds management business, Aurora Funds Management Limited (“Aurora”) to Seventh Orion Pty Ltd (“Seventh Orion”).

The Aurora business has been operating at a loss since it was acquired in FY15, resulting in a drag on earnings for the Company as a whole throughout FY16. Keybridge was unsuccessful in achieving its original turn-around strategy for the Aurora business and made a decision that it was in the best interests of the Company, the Aurora business and its staff and unitholders in the funds that the Company sell the business to a capable team that will implement a more effective strategy.

The initial purchase price received was \$0.75m. Keybridge stands to receive further payments of up to \$1.1m based on a number of potential milestones being met or achieved over the next 18 months.

Keybridge has also entered into an investment management agreement in relation to HHY Fund. Keybridge will continue to manage this fund, while Aurora will remain as the Responsible Entity.

Having sold Aurora, Keybridge is better placed to continue managing its remaining portfolio of investments on a significantly lower operating cost base into the future.



Antony Sormann
Executive Director

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About Keybridge

Keybridge Capital is a financial services company that invests in listed and unlisted equities, debt or mezzanine financial instruments.

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