

AUT - Closed Position - 1003

ID	Op	Type Of Security	Security	Currency	Entry Date	Entry Price	Exit Date	Exit Price	ABS Return	BRO	Profit/Loss
1003	Long	Equity	AUT	AUD	13 Jul	3.18	15 Jul	3.35	+0.17	20.00	+457.19

Security Profile

Aurora Oil and Gas

Ticker: ASX: AUT

Market Cap: \$1,307 million

15 July, 2011

The broader ASX 200 index continued to come under pressure during trade on Friday.

Aurora on the other hand continued to trade strongly higher in our favour. We sent an SMS advising members to take profits at market around the \$3.35 level. The intraday high was \$3.39, providing ample time for members to close their positions.

The ASX 200 index was trading very close to the all important 4,453 lows. If this low was taken out, this would lead to a strong move lower, thus would likely cause downward pressure on Aurora.

All in all, another nice pick.

Trade closed and profits banked.



14 July, 2011

Despite the positive lead from the US, the ASX 200 index failed to follow suit. At the close on Thursday, the local bourse finished 24.10 points lower (-0.50%).

Aurora Oil and Gas managed to buck the trend to trade strongly higher. Thus confirming support at the confluence of the 78.6% Fibonacci retracement and 50 day moving average at the \$3.15 region as identified yesterday. At the close, Aurora finished at \$3.25, up 7 cents (+2.20%).

There are no changes to this recommendation.

Figure 1 - Analysis



Figure 2 - Trade details



13 July, 2011

Company information

Aurora Oil & Gas Limited (AUT) is focused on oil and gas exploration and production in North America. AUT now participates in over 55,000 acres in the heart of the Eagle Ford Shale.

Technicals

Early June, we saw an ABC correction from the \$3.70 highs complete at the \$3.06 level. A strong rally followed which saw an advance to \$3.58 take place. More recently, another ABC corrective pattern has formed. Today's completion of this pattern landed at the confluence of the 78.6% Fibonacci retracement and 50 day moving average. This bodes well for a long entry, in attempt to ride the next wave higher towards point 'B'.



Figure 2 - 15 minute intraday chart

From our trigger / execution time frame, price touched the lower Bollinger Band to reject the lower region. This level also resulted in 'bullish divergence' to emerge, resulting in a nice rebound higher.



Figure 3 - Trade details

We sent an SMS advising members to go long at market around the \$3.18 level, stop placed below the prior swing low of \$3.06 and the psychologically significant \$3 whole number. Our target is towards the \$3.49 level. This trade has a risk to rewards profile of 1.48. Thus for every \$1 we risk, we seek to gain \$1.48 should our target level be met.

