



MARKET OUTLOOK AND THE IMPLICATIONS FOR YOUR PORTFOLIO

CONTANGO SEMI ANNUAL INVESTMENT ROADSHOW
NOVEMBER 2016

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1. OVERVIEW OF CONTANGO ASSET MANAGEMENT LIMITED

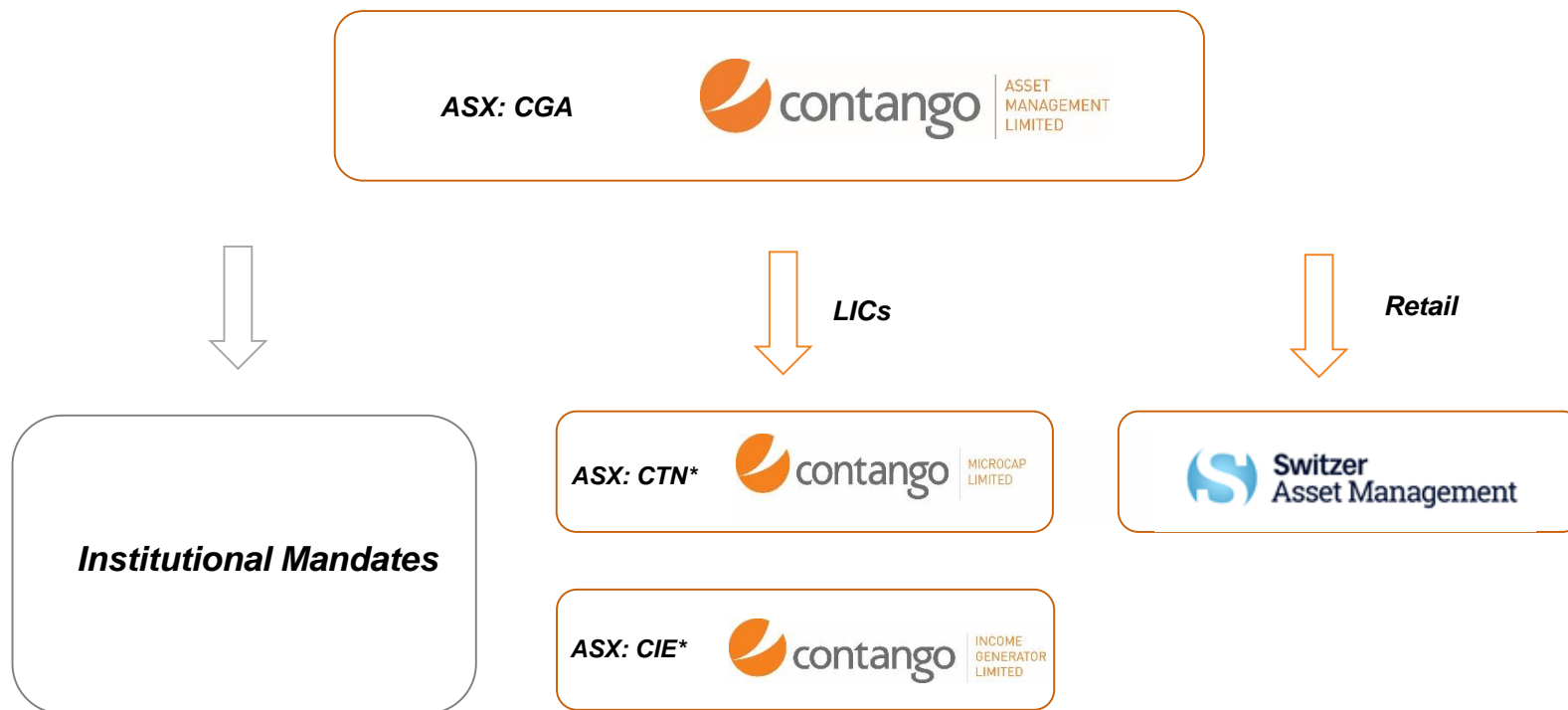
CONTANGO STRUCTURE IS ALIGNED WITH CLIENTS ESTABLISHED INSTITUTIONAL AND LIC FUND MANAGER

ASX: CGA



- Contango Funds Management Limited is an established institutional and LIC fund manager and wholly owned subsidiary of Contango Asset Management Limited (CGA)
- CGA Board: Roger Amos (Chair), Patricia Toh, Marty Switzer, Charlie Aitken and George Boubouras (MD)
- Audit and Risk Committee, REM Committee

CONTANGO GROUP STRUCTURE IS ALIGNED WITH CLIENTS ESTABLISHED INSTITUTIONAL AND LIC FUND MANAGER



**LICs – Long-term Investment Management Agreements*

46.25% ownership – JV with Switzer Financial Group (Contango manages retail mandates)

CONTANGO ASSET MANAGEMENT OFFERS DIFFERENT AND BESPOKE PORTFOLIO SOLUTIONS FOR WHOLESALE CLIENTS

- We offer institutional portfolio solutions across many different segments of the market
- We also offer bespoke portfolio solutions tailored for all risk budgets
- Blended portfolio solutions
- Access to a large wholesale funds management team
- Wholesale funds managers do not charge commissions
- ESG embedded in the investment process

**Contango Share Fund
Large Cap (GARP)**

**Contango Large Cap
Leaders Income Fund**

Contango Small Cap Fund

**Contango Mid Cap
(ex 30) Income Fund**

Contango Micro Cap Fund

**Contango Corporate
Bond Fund**

CONTANGO ASSET MANAGEMENT ALSO MANAGE INVESTMENTS FOR TWO LISTED INVESTMENT COMPANIES (LIC)

- Contango Income Generator Limited (ASX:CIE) is a LIC targeting dividends in the ex 30 investment universe
- CIE Listed on the ASX in August 2015 at a premium
- Contango MicroCap Limited (ASX: CTN) is a LIC targeting emerging Australian companies
- CTN listed on the ASX in March 2004 with a long track record of 16.3% (annualised) since inception (2004)*

**Contango Income
Generator Ltd
(ASX: CIE)**

**Targeting sustainable
dividends in the ex30
investment universe**

**Contango Micro Cap
Ltd
(ASX: CTN)**

**Targeting micro cap /
emerging companies**

**Gross performance*

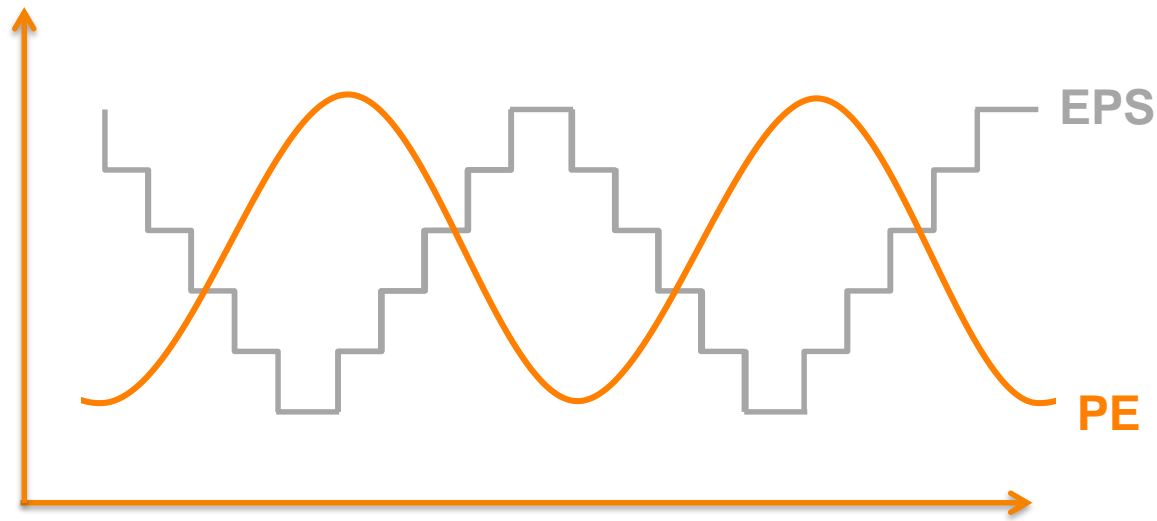
2. MACRO OUTLOOK

GLOBAL GROWTH UPGRADES?



OUR INVESTMENT PHILOSOPHY IS BASED ON THREE BASIC PRINCIPLES

- Economic conditions drive earnings and valuations
- Stocks and sectors perform differently at each stage of the economic cycle
- These relationships can be exploited in a systematic way to add value to investment portfolios

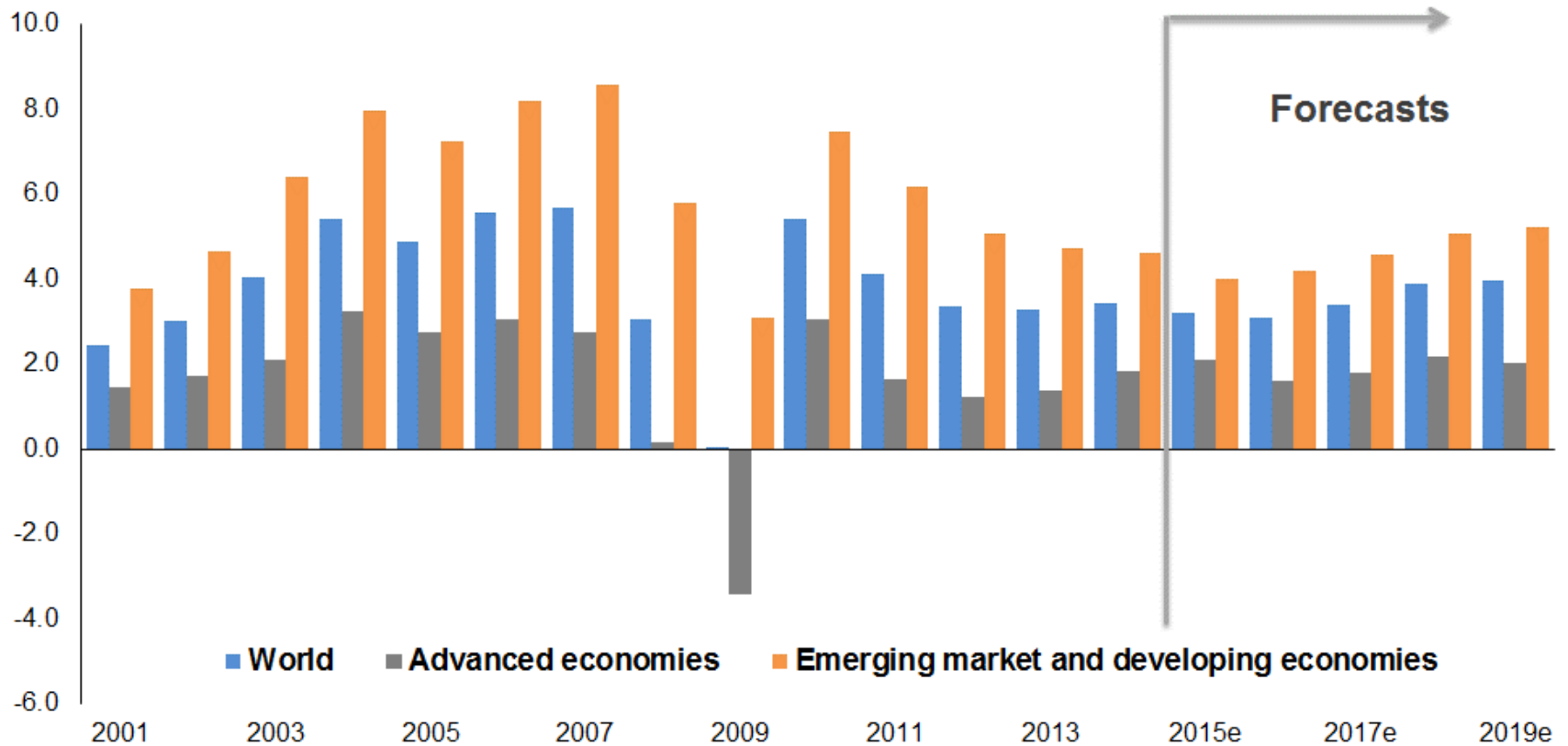


GLOBAL GROWTH FORECASTS HOLDING UP

UNEVEN ACTIVITY BY REGION

Global Growth Composition. Developed vs Developing Economies

Real GDP, Annual %. World growth compared to Developed and Developing Economies



Source: IMF, Contango

GLOBAL GROWTH MOMENTUM HAS IMPROVED FOLLOWING STIMULUS BUT STRUCTURAL HEADWINDS REMAIN

- Global growth profile has exhibited some signs of improvement
 - US ISM and German IFO supportive of improved growth momentum
 - Fed funds Dec rate hike on target despite US Election surprise
 - Trump factor needs time to play out however fiscal stimulus expectations now elevated
- Bulks, energy and metal prices have recovered strongly
 - China stimulus late 2015 holding up steel prices
 - Structural headwinds re Chinese bank NPL
- Bond market correction has been swift and will challenge economic recovery
 - Sharp spike in long bond yields does not reflect a pick up in economic activity, more the perceived shift in global policy prescription
 - Expect bond yields to grind higher but not significantly so.
- Aussie economy continues to transition well
 - Growth around trend with pulse activity improving and strong commodity prices imply AUD to remain stronger in the short term
 - Difficult for RBA to cut with improving commodity prices but low rates the theme

RECOVERY IS PARTLY DUE TO MULTIPLE FISCAL AND PBOC STIMULUS
CHINESE STEEL PRICES HAVE SUPPORTED COKING, ORE AND THERMAL

Iron Ore Prices - China Import Fines 62% Fe spot

USD/metric tonne, Tianjin port. Daily data

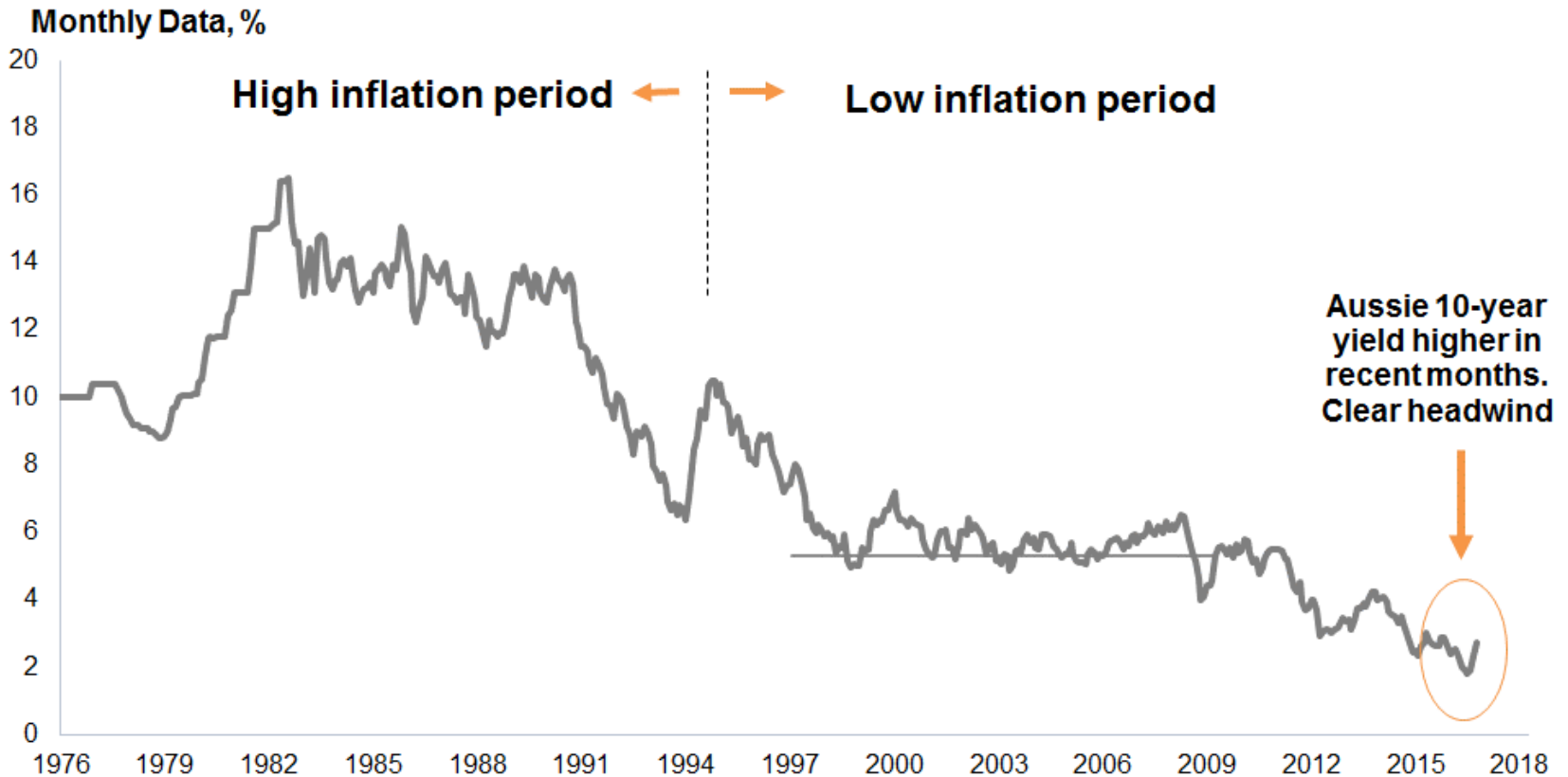


Source: Bloomberg, Contango

Price index is volume weighted average of transaction spot

AUSSIE LONG BOND YIELDS HIGHER AS US BONDS YIELDS RISE
DESPITE WEAKER BOND MARKET YIELDS REMAIN STRUCTURALLY LOW

Australian 10 Year Bond Yield

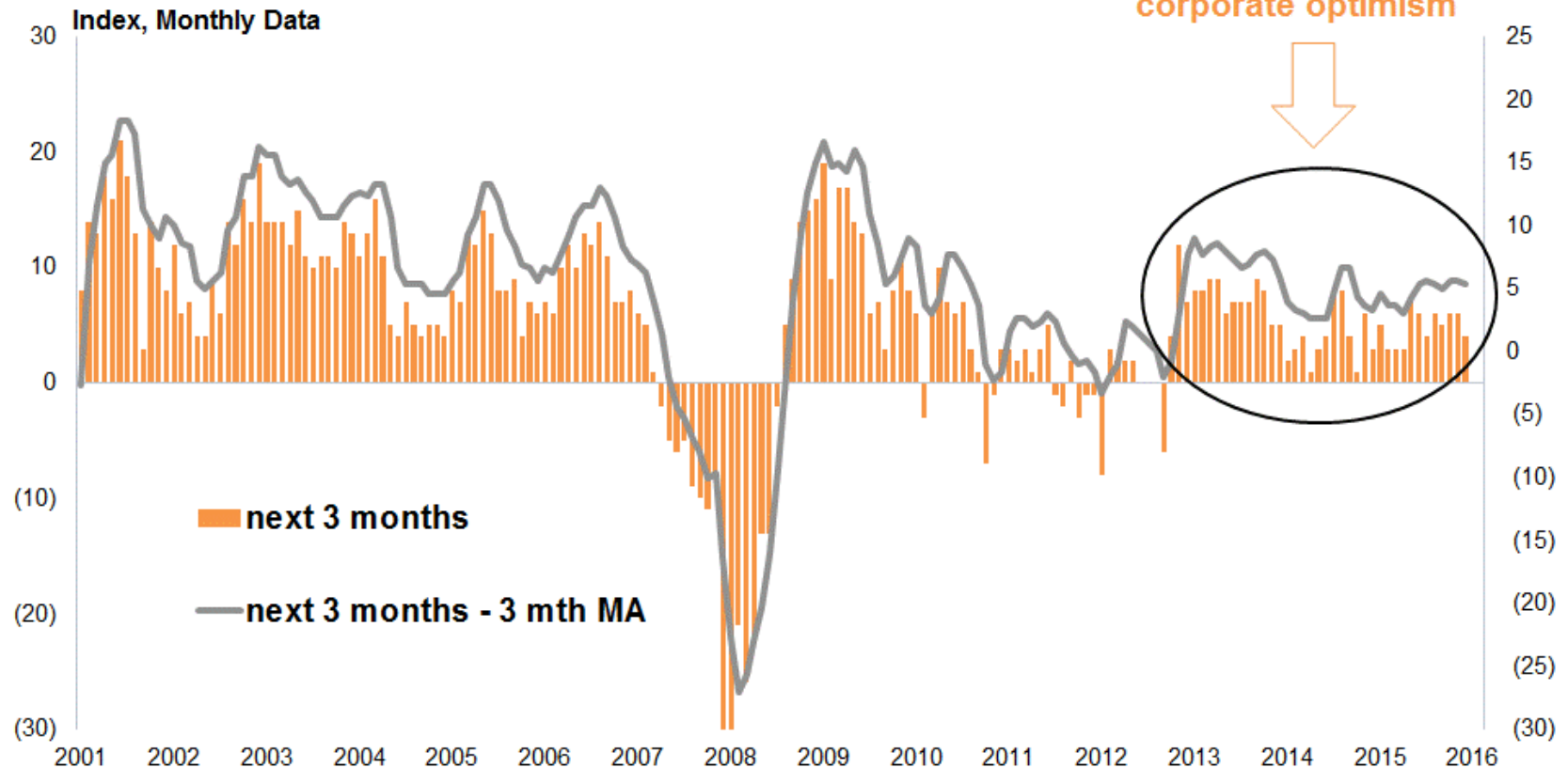


Source: Bloomberg, Contango

AUSTRALIAN BUSINESS CONFIDENCE

CORPORATE AUSTRALIA EXIBITING PRAGMATIC OPTIMISTISM

Business Confidence - Australia

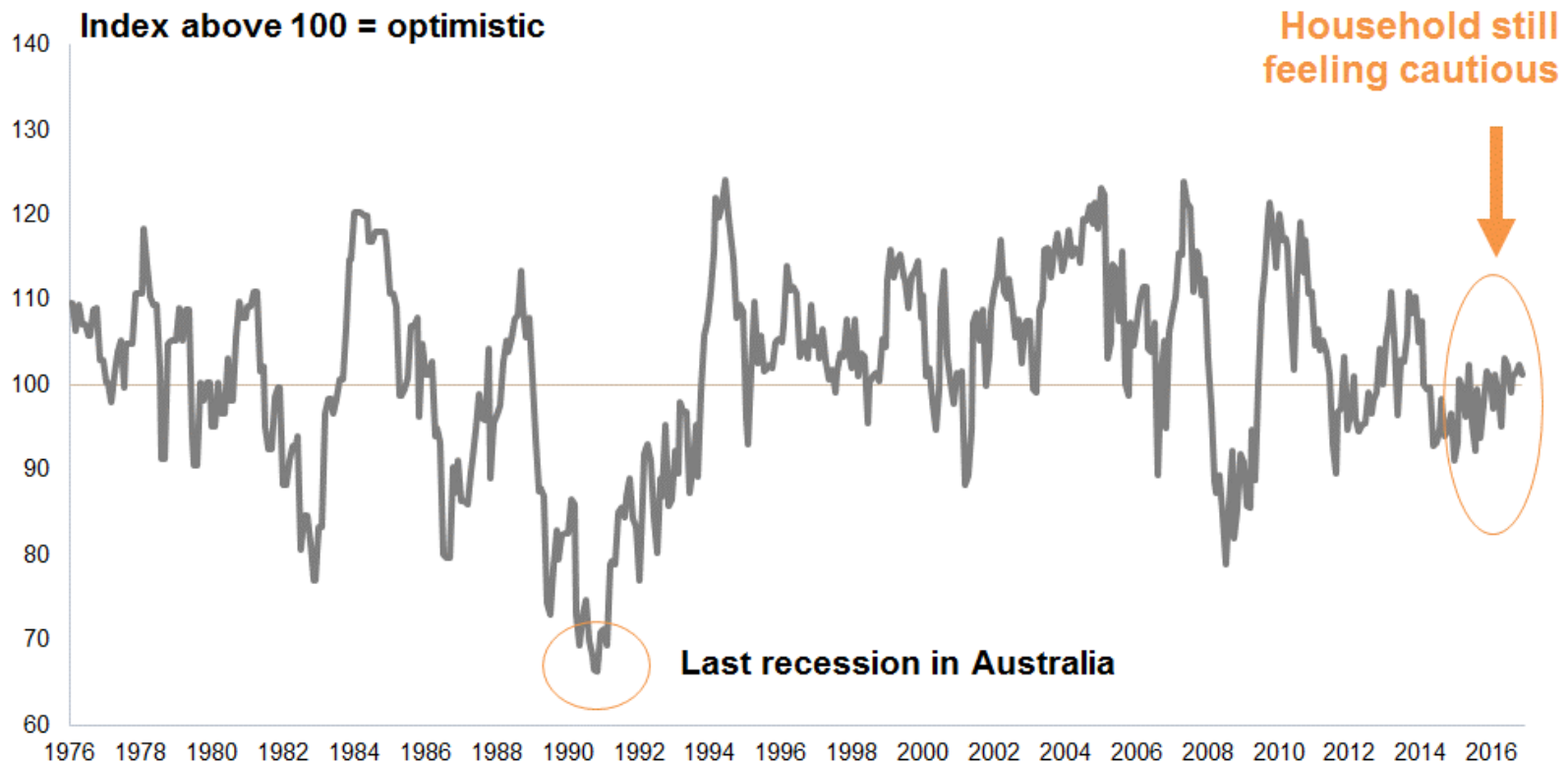


Source: Bloomberg, NAB, Contango

AUSTRALIAN BUSINESS CONFIDENCE

HOUSEHOLD CAUTIOUSLY OPTIMISTIC

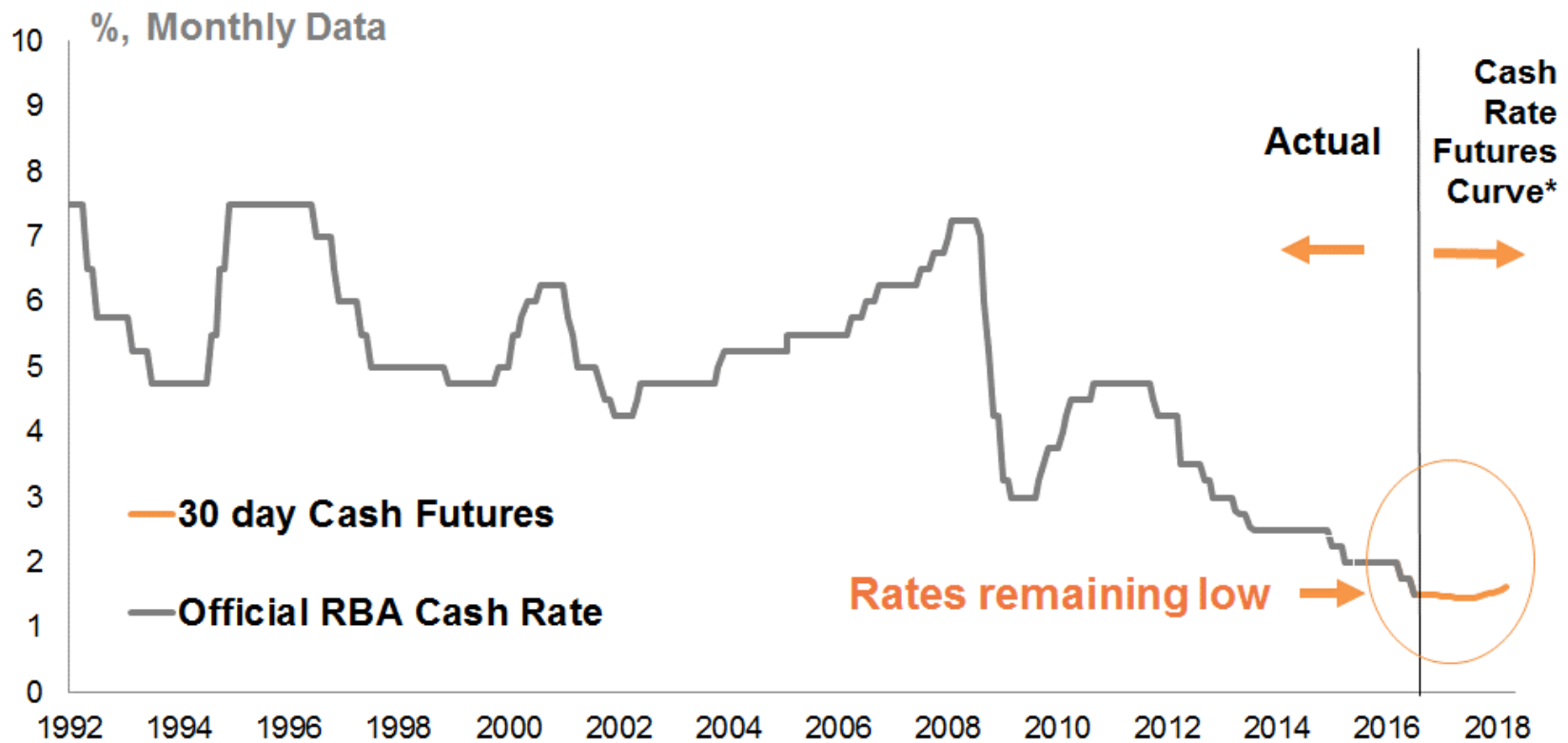
Consumer Sentiment Index, Australia



Source: Melbourne Institute, Contango

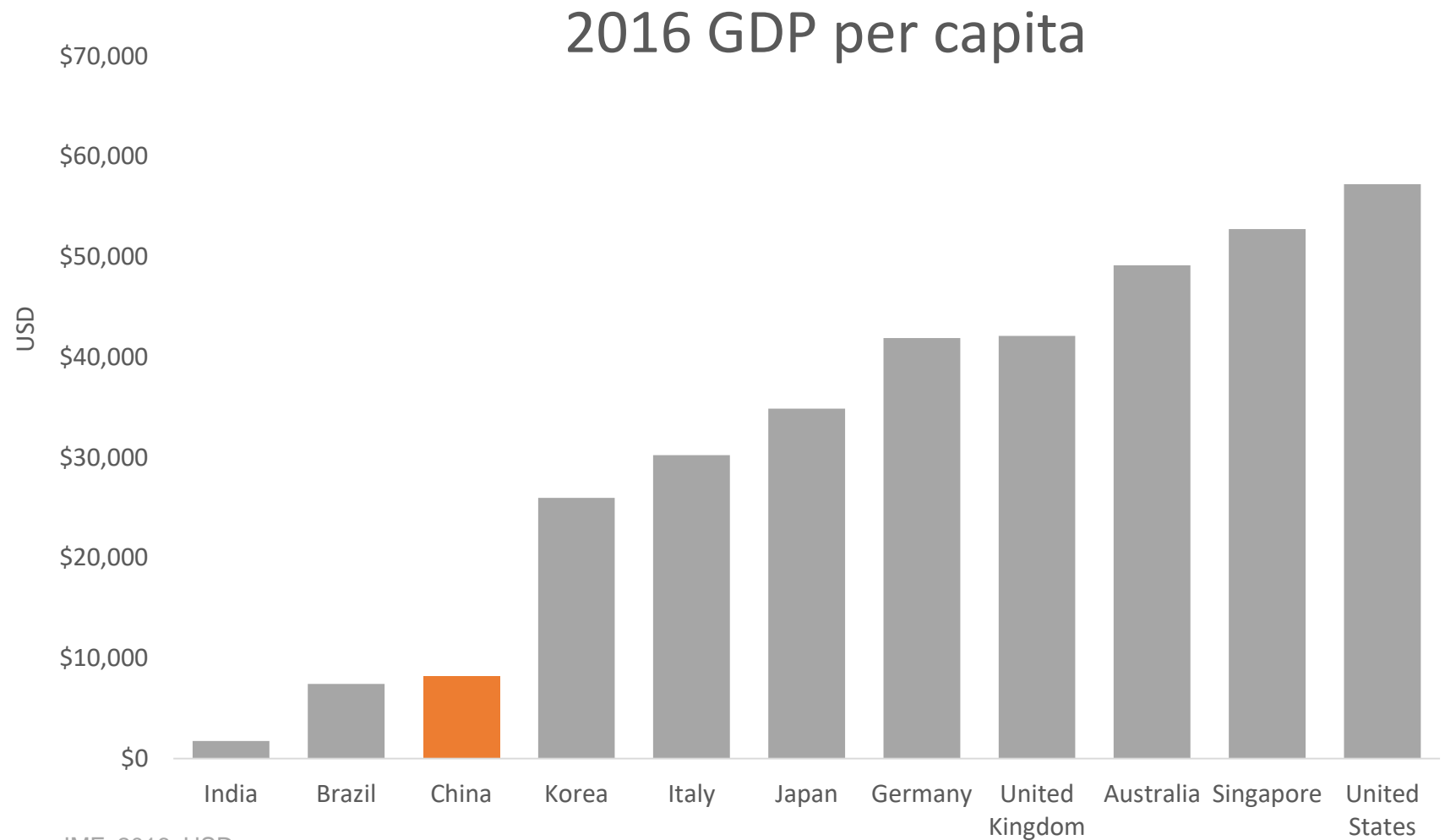
MARKET STILL PRICING IN LOW DOMESTIC RATES
STRUCTURALLY LOW INFLATION SUPPORTS LOW RATE

Official RBA Cash Rate & Implied Cash Futures Curve



Source: Bloomberg, Contango

CHINA'S STRUCTURAL GROWTH STORY IS JUST BEGINNING



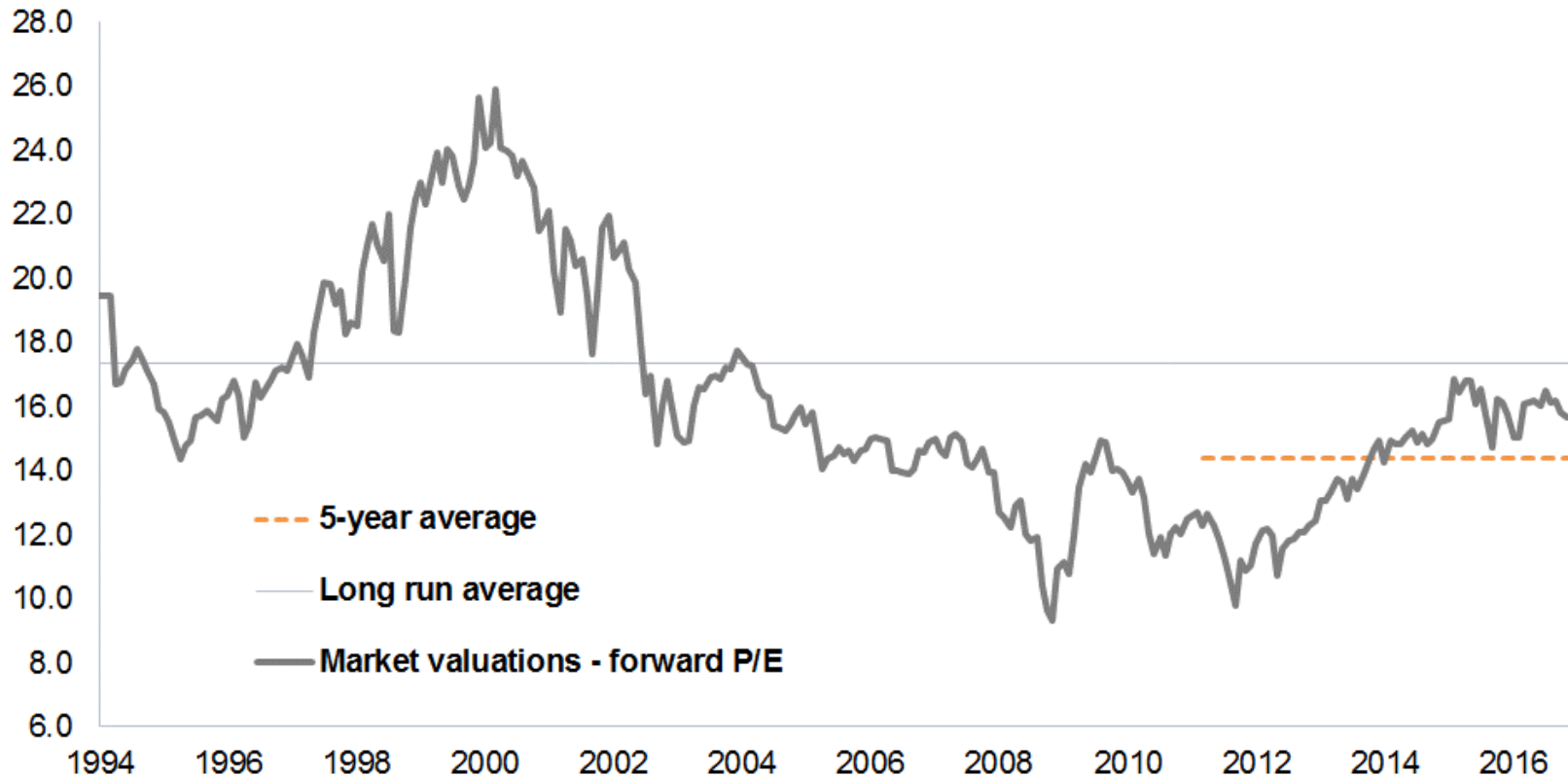
Source: IMF, 2016, USD

3. CURRENT MARKET VALUATIONS ARE VALUATIONS COMPELLING?

GLOBAL EQUITY VALUATIONS NOT UNREASONABLE BELOW LONG-RUN HISTORICAL AVERAGE

World (MSCI) Equity Valuations

1 Year Forward P/E. I/B/E/S. End-month Data

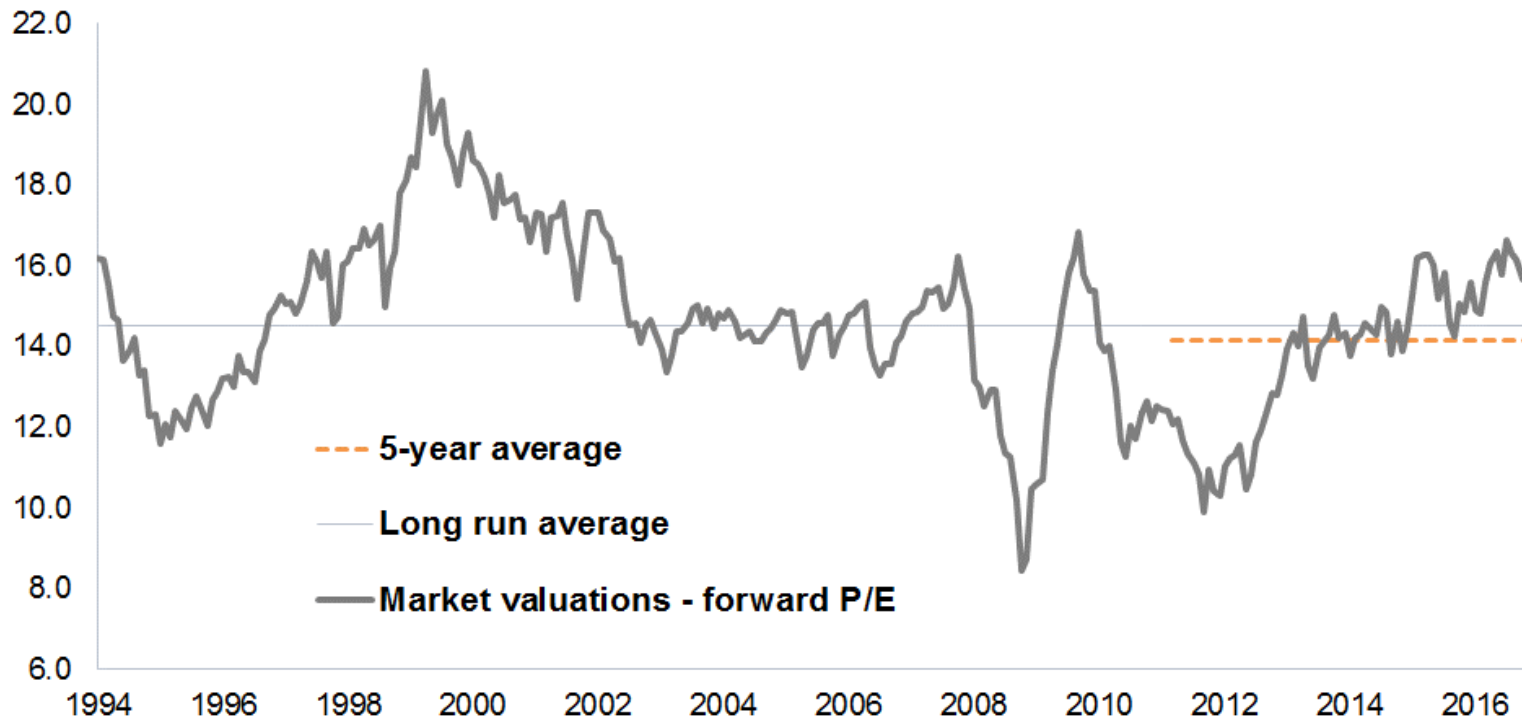


Source: Bloomberg, IBES, Contango

AUSTRALIAN EQUITY VALUATIONS - WORST OF DOWNGRADES OVER? ANTICIPATING A PICK-UP IN EARNINGS MOMENTUM

ASX 200 12 Month Forward P/E Ratio

1 Year Forward P/E. I/B/E/S. End-month Data

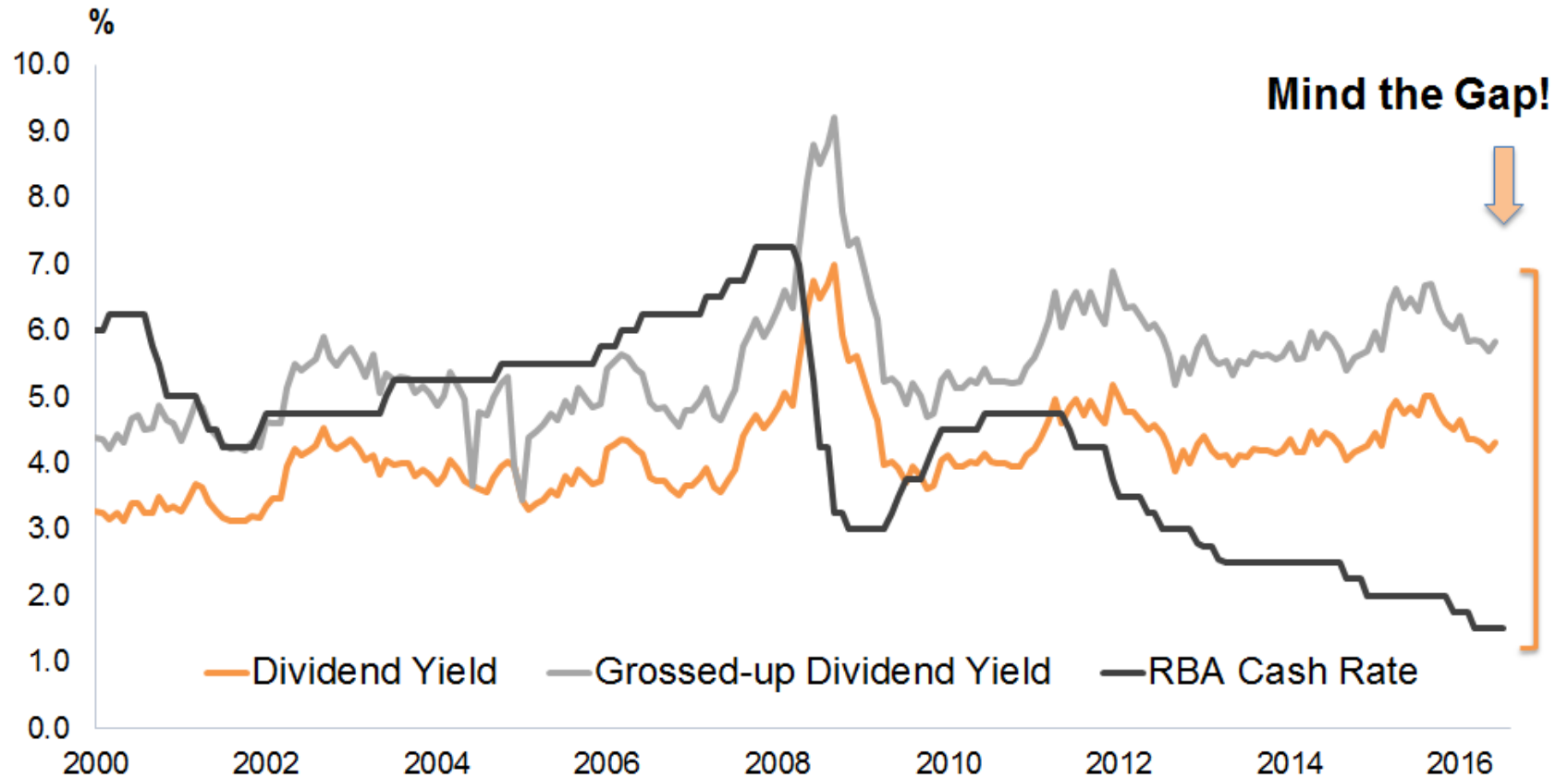


Source: Bloomberg, IBES, Contango

AUSTRALIAN EQUITIES CONTINUE TO OFFER COMPELLING DIVIDENDS

FRANKING CONTRIBUTION REMAINS COMPELLING

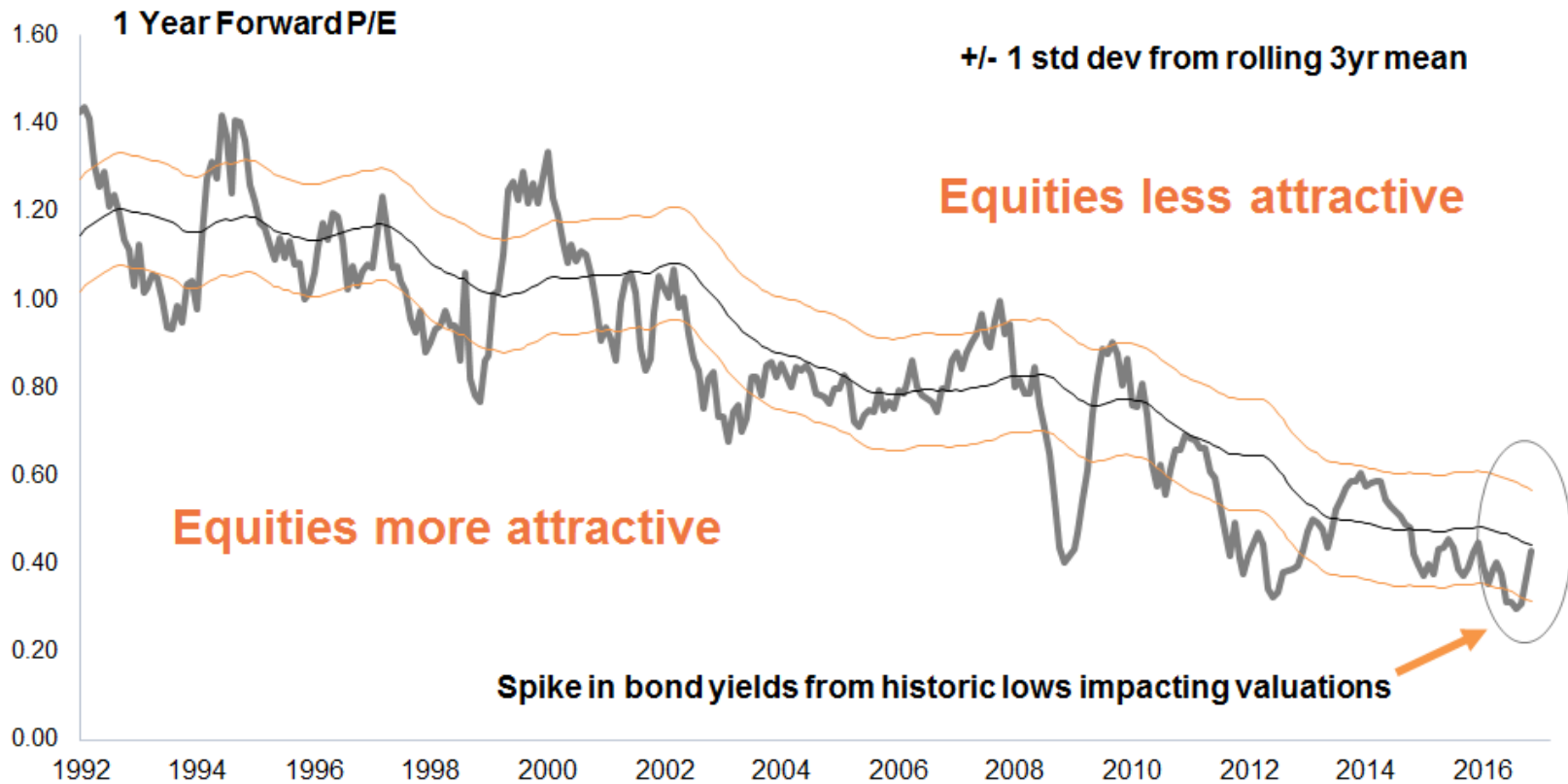
ASX 200 Dividend Yield & Cash Rate



Source: Bloomberg, RBA, Contango

LOW BOND YIELDS ARE SUPPORTIVE FOR EQUITY VALUATIONS
RECENT SPIKE IN LONG BOND YIELDS HAS BEEN SWIFT

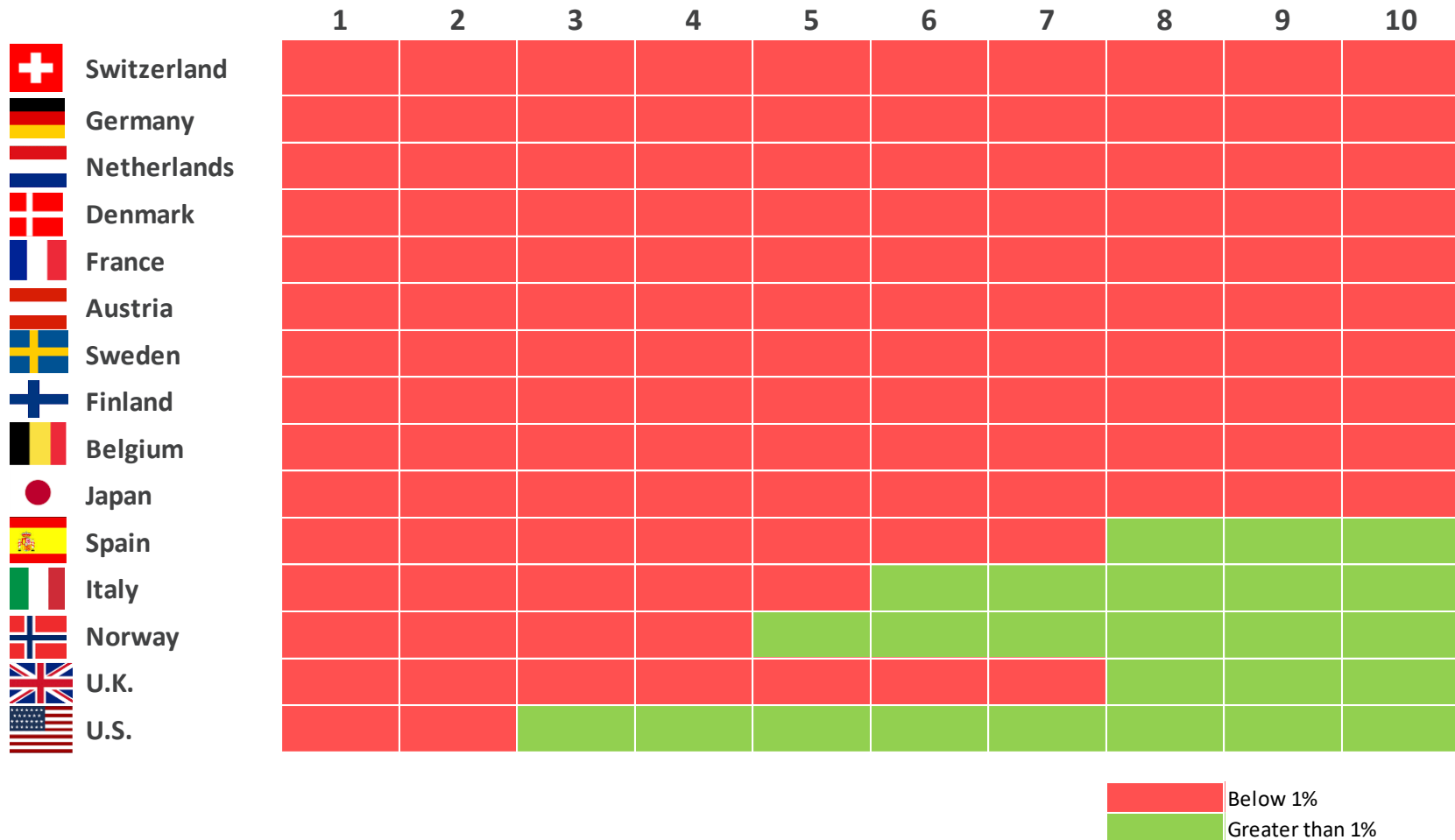
Australian Bond Yield - Earnings Yield Ratio



Source: Bloomberg, IBES, Contango

LOWER BOND YIELDS ARE SUPPORTIVE FOR EQUITY VALUATIONS

Government Bond Yields Across Maturities (years)
Below 1 % / Greater than 1%

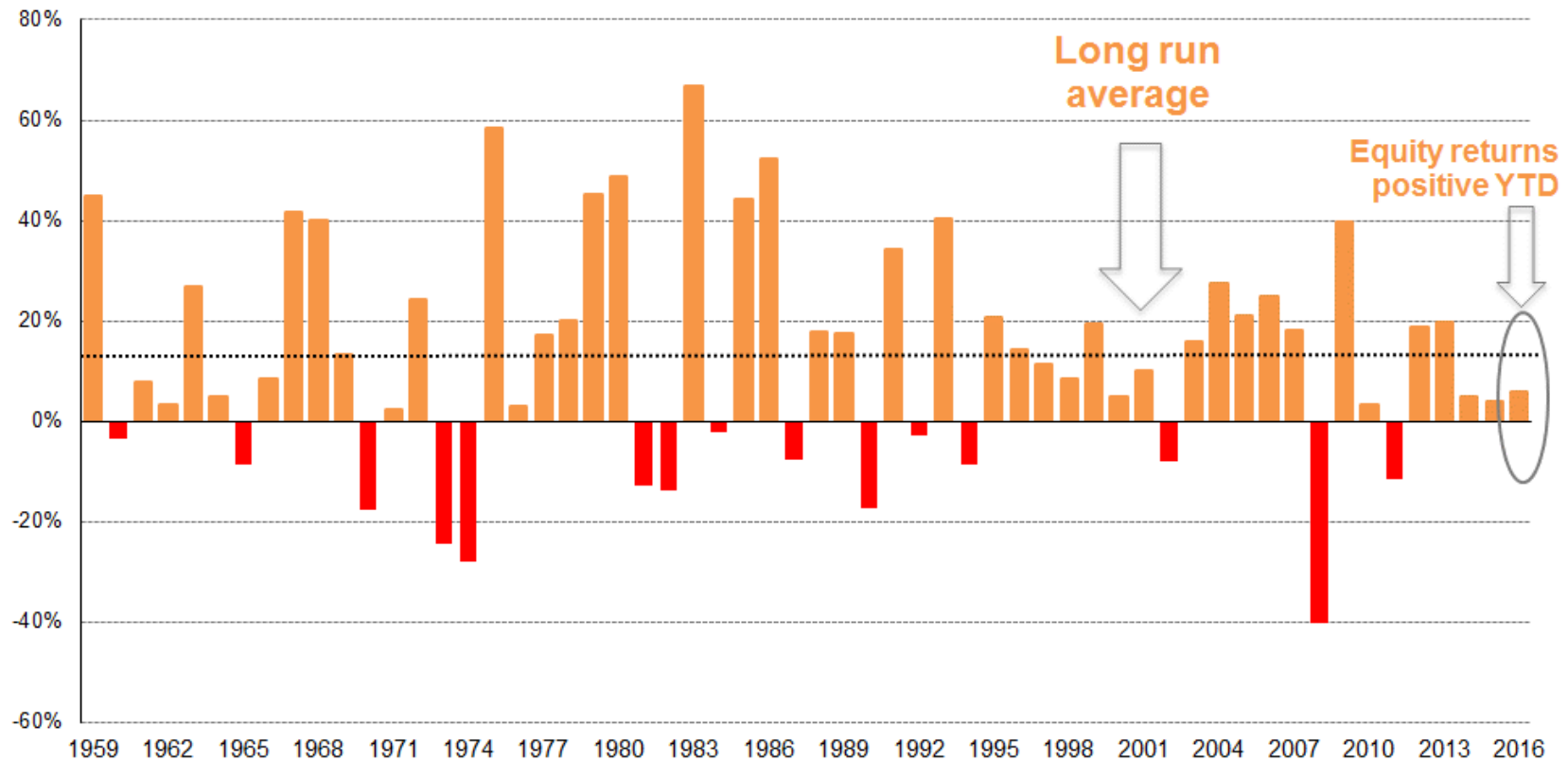


Source: Bloomberg, Contango Asset Management

EQUITY RETURNS OVER THE LONG RUN – LIFE CYCLE HYPOTHESIS

EQUITY RETURNS POSITIVE YEAR-TO-DATE

All Ordinaries Accumulation Index - Annual Performance



Source: Bloomberg, RBA Bulletin, Contango

*Accumulation data. 2016 reading is data as of 18 Nov (YTD%)

4. WHAT ARE THE IMPLICATIONS FOR YOUR PORTFOLIO?

LARGE CAP, MID CAP INCOME AND A
MICRO CAP STRATEGY

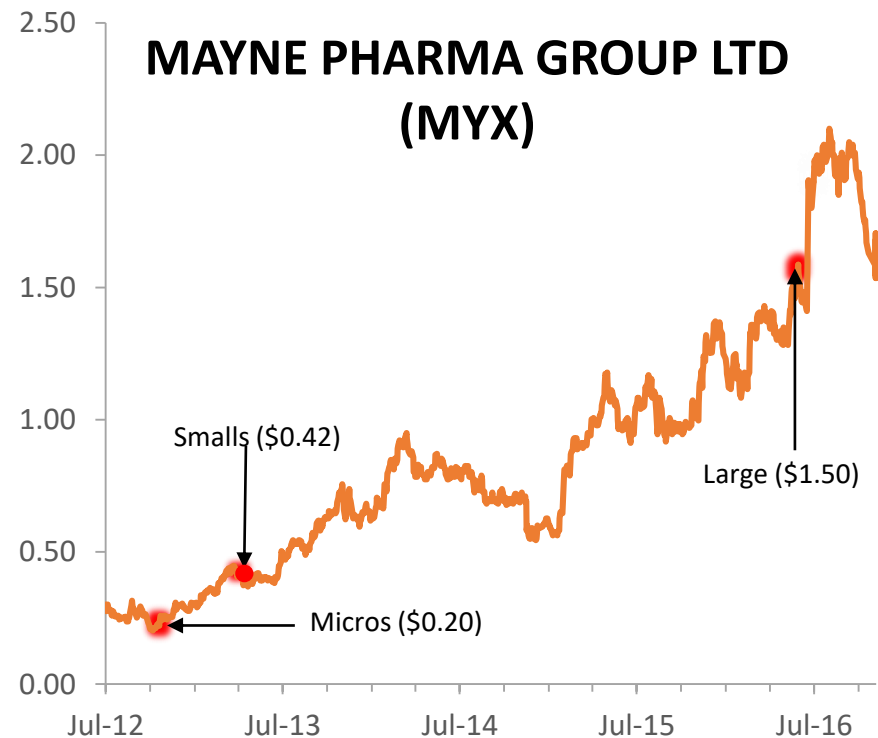
PORTFOLIO STRATEGY IMPLICATIONS FROM THE TOP-DOWN VIEW

- Aussie equities to outperform bonds and cash
 - Interest rates lower for longer
 - Lower AUD required
- Super Sector strategy suggests increase in leverage growth
 - Prefer companies with secular growth and foreign currency exposure
 - Marginal uplift as commodity prices recover
- Portfolio Construction more nuanced
 - Defensive earnings growth via healthcare, diversified financials
 - Remaining underweight global cyclicals
 - We have accumulated energy and market leverage
 - Structural issues with consumer staples


Long term example of the Contango Process

Mayne Pharma (MYX)

- Acquired by Micro funds at \$0.20 in 2012
- Added to Small cap funds at \$0.42 in 2013
- Recently added to the Large cap funds at \$1.50
- Pharmaceutical company focused on generic drugs
- Drivers include acquisitions and product development
- Recent large acquisition of drug portfolio from Teva / Allergan merger
- Product launches accelerating
- Strong management with Scott Richards growing the company from ~\$0.20 to current ~\$1.55



Source: Bloomberg



4.1. THE CONTANGO ASSET MANAGEMENT AUSTRALIAN SHARE FUND – LARGE CAP (GARP) STRATEGY

AUSTRALIAN SHARE FUND STRATEGY - LARGE CAP (GARP*) IS A DIVERSIFIED PORTFOLIO OF LARGE CAP GROWTH STOCKS

- Offers a diversified exposure to the Australian equity market and a higher expected return than investments in cash or fixed income
- Actively managed portfolio of Australian listed shares on the S&P/ASX 300 Index
 - Target return of the S&P/ASX 300 Accumulation Index plus 2%
 - Tracking error of 1.5% - 4%
 - Broad composition of 25 - 40 stocks
- Business cycle process
 - Combines a systematic top-down and bottom-up analysis
- Fund facts
 - Inception is April 1999

* GARP: Growth at Reasonable Price

AUSTRALIAN SHARE FUND STRATEGY - LARGE CAP (GARP)

STOCK POSITIONS CONSISTENT WITH STRATEGY VIEW

Top 10 holdings overweight vs benchmark

Code	Stock	Over %
ANZ	AUST AND NZ BANK	2.7
CGF	CHALLENGER LTD	2.0
OSH	OIL SEARCH LTD	2.0
CSL	CSL LTD	1.9
AMC	AMCOR LIMITED	1.8
CHC	CHARTER HALL GROUP	1.8
JHX	JAMES HARDIE INDUST.	1.7
VOC	VOCUS COMMUNICATIONS LTD	1.7
GMG	GOODMAN GROUP	1.7
BXB	BRAMBLES LTD	1.6

Largest 10 holdings underweight vs benchmark

Code	Stock	Under %
WBC	WESTPAC BANK	-2.0
NAB	NATIONAL AUS. BANK	-1.7
SCG*	SCENTRE GROUP	-1.6
TCL*	TRANSURBAN GROUP	-1.5
WPL*	WOODSIDE PETROLEUM LTD	-1.4
WFD*	WESTFIELD CORP	-1.2
WOW	WOOLWORTHS LTD	-1.1
QBE*	QBE INSURANCE GROUP LTD	-1.0
AMP*	AMP LTD	-0.9
IAG*	INSURANCE AUSTRALIA GROUP	-0.9

**Stocks not held*

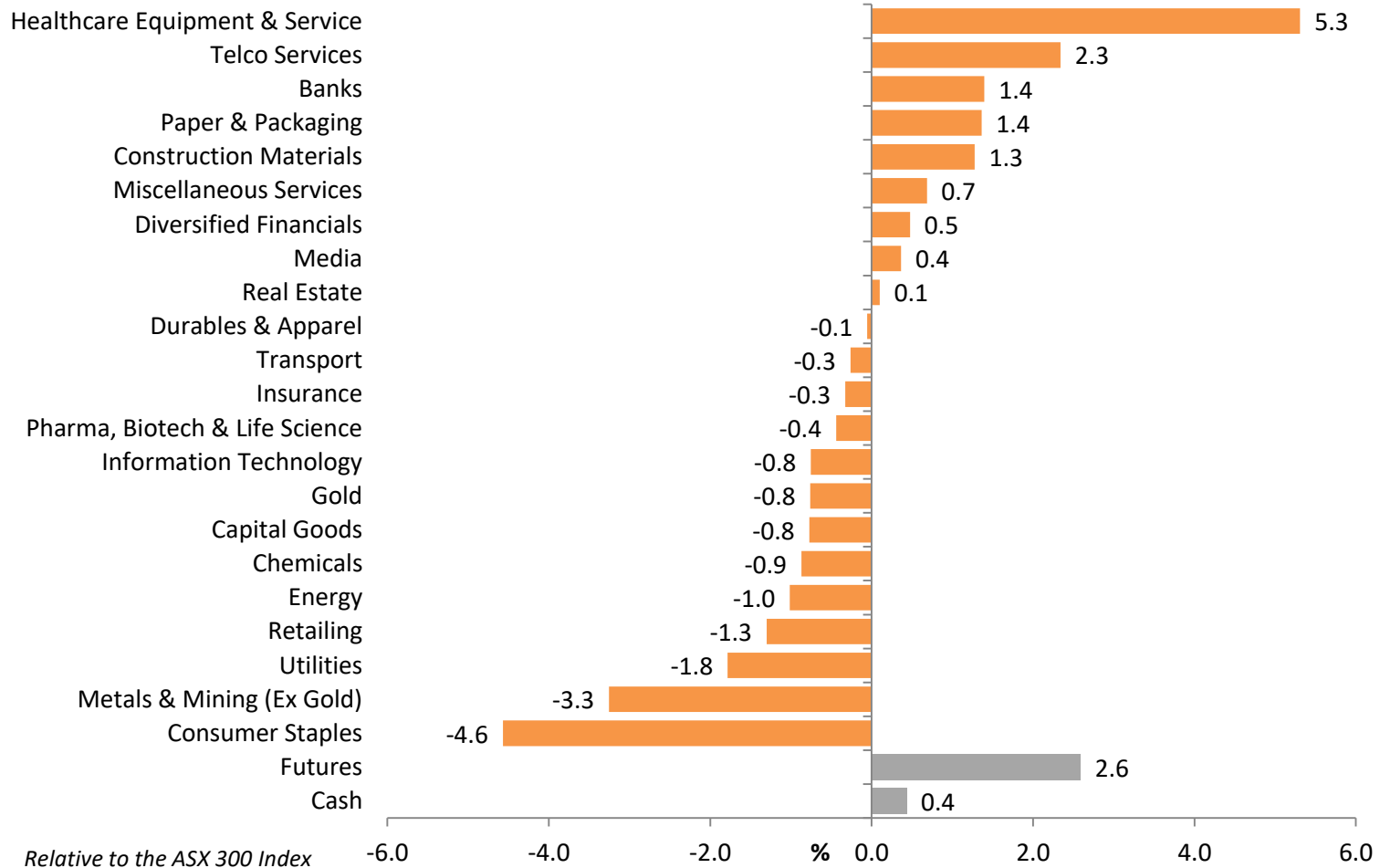
October 2016

Source: Bloomberg, Bloomberg AIMS, Heuristic Investment Systems

AUSTRALIAN SHARE FUND STRATEGY - LARGE CAP (GARP)

PORTFOLIO EMPLOYING AND ACTIVELY MANAGING RISK

Large Cap Portfolio Active Weights: Contango Industry Sectors



October 2016

Source: Bloomberg, Bloomberg AIMs, Heuristics Investment Systems

AUSTRALIAN SHARE FUND STRATEGY - LARGE CAP (GARP)

ACTIVE RISK POSITIONS ARE CONSISTENT WITH THE FUND'S OBJECTIVES

November 2016	Contango Large Cap	ASX 300 Accum Index
Price to Earnings Ratio	15.7	15.5
Dividend Yield (net)	4.2	4.3
Dividend Yield (gross)	5.5	5.6
EPS Growth (%)	11.1	9.0
Return on Equity (%)	14.2	14.7
Beta	1.00	1.00
Active Share	44.6	
Tracking Error*	2.20	-

Source: Bloomberg, Bloomberg AIMS, Heuristic Investment Systems

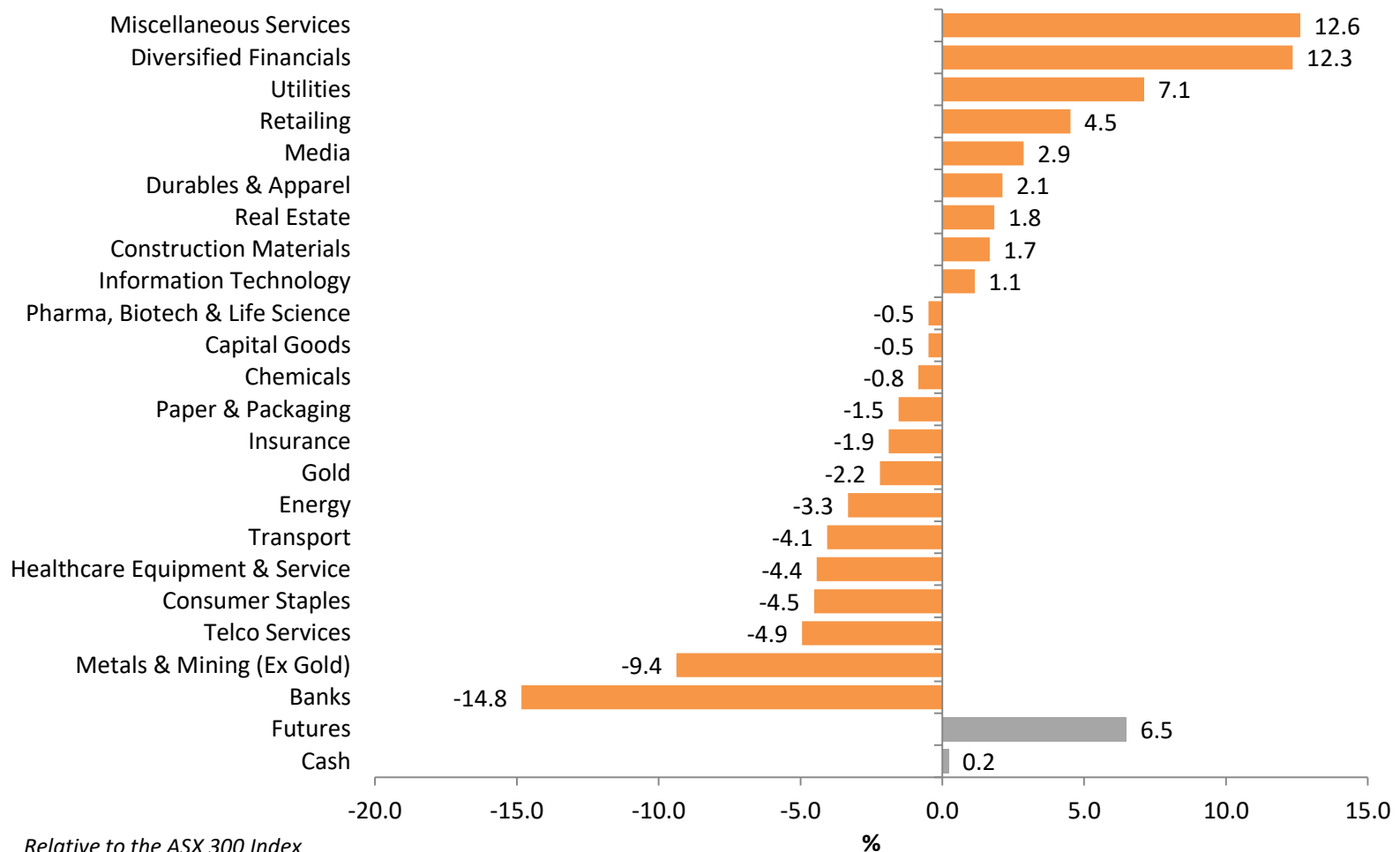
4.2 THE CONTANGO INCOME GENERATOR (EX 30 MID CAP INCOME) STRATEGY

A LOWER VOLATILITY AND HIGHER YIELDING EQUITY INCOME STRATEGY THAT DIVERSIFIES AWAY FROM THE TOP-30

- Offers a portfolio of lower volatility and higher yielding Australian listed shares outside of the top-30
 - Provides diversification away from large cap banks and telcos.
- Actively managed portfolio of Australian listed shares on the ASX/S&P 300 ex-30 with:
 - Higher than market dividend yield (targeting 100bps)
 - High franking
 - Lower volatility and balance sheet strength
 - Stable earnings and solid dividend growth.
- Fund facts
 - Inception wholesale fund Dec 2012 / inception LIC is August 2015

THE MIDCAP INCOME GENERATOR STRATEGY'S ACTIVE WEIGHTS ARE A PRODUCT OF THE INVESTMENT PROCESS

Income Generator Strategy Active Weights: Contango Industry Sectors



October 2016

Source: Bloomberg, Bloomberg AIMs, Heuristics Investment Systems

THE INCOME GENERATOR STRATEGY'S STOCK POSITIONS ARE A PRODUCT OF THE INVESTMENT PROCESS

Top 10 holdings overweight vs benchmark
Ex30 investment universe

Code	Stock	Over %
TTS	TATTS GROUP LTD	5.4
BOQ	BANK OF QUEENSLAND	5.4
ASX	ASX LTD	5.0
BEN	BENDIGO & ADELAIDE BANK	5.0
TAH	TABCORP HOLD.	4.3
JBH	JB HI-FI LTD	3.5
ABC	ADELAIDE BRIGHTON LTD	2.6
PPT	PERPETUAL LTD	2.5
SAI	SAIGLOBAL LTD	2.5
SKI	SPARK INFRAS. GRP	2.2

Largest 10 holdings underweight vs benchmark are the
10 largest stocks in the index. Income generator is ex30

Code	Stock	Under %
CBA*	COMMONWEALTH BANK	-8.8
WBC*	WESTPAC BANK	-7.1
ANZ*	AUST AND NZ BANK	-5.7
NAB*	NATIONAL BANK	-5.2
BHP*	BHP BILLITON	-5.2
TLS*	TELSTRA CORP LTD	-4.2
WES*	WESFARMERS LTD	-3.2
CSL*	CSL LTD	-3.2
WOW*	WOOLWORTHS LTD	-2.1
MQG*	MACQUARIE GROUP LTD	-1.9

October 2016

Source: Bloomberg, Bloomberg AIMS, Heuristic Investment Systems

THE INCOME GENERATOR STRATEGY'S ACTIVE RISK POSITIONS ARE CONSISTENT WITH THE STRATEGY OBJECTIVES

The strategy objective is to target defensive (low beta) cashflow business models with consistent payout ratios that are large (median market cap) vs the ex30 investment universe and also target franking

November 2016	Contango Income Generator	All Ordinaries	S&P/ ASX300 Top-30	S&P/ ASX300 ex-30
Median Market Cap (\$M)	2304.6	557.9	19465.4	1179.3
Price to Earnings Ratio	15.8	15.6	15.2	16.1
Earnings Growth	4.7	9.0	9.3	8.5
Dividend Yield (Net)	5.4	4.3	4.5	3.8
Dividend Yield (Gross)	7.2	5.6	6.1	4.7
Return on Equity	14.7	14.6	15.7	12.6
Beta to ASX300	0.86	1.00	1.06	0.90

Source: Bloomberg, Bloomberg AIMS, Heuristic Investment Systems

PERFORMANCE OF THE MIDCAP (EX 30) DIVIDEND INCOME GENERATOR FUND WHOLESALE STRATEGY

October 2016	Contango Income Generator	All Ordinaries Accum Index	Added Value
1 Year	6.9%	6.6%	0.3%
2 Years pa	8.6%	3.5%	5.1%
Inception (Dec 2012) pa	14.8%	8.6%	6.3%

Gross Performance Wholesale fund

Source: Bloomberg, Bloomberg AIMS, Heuristic Investment Systems

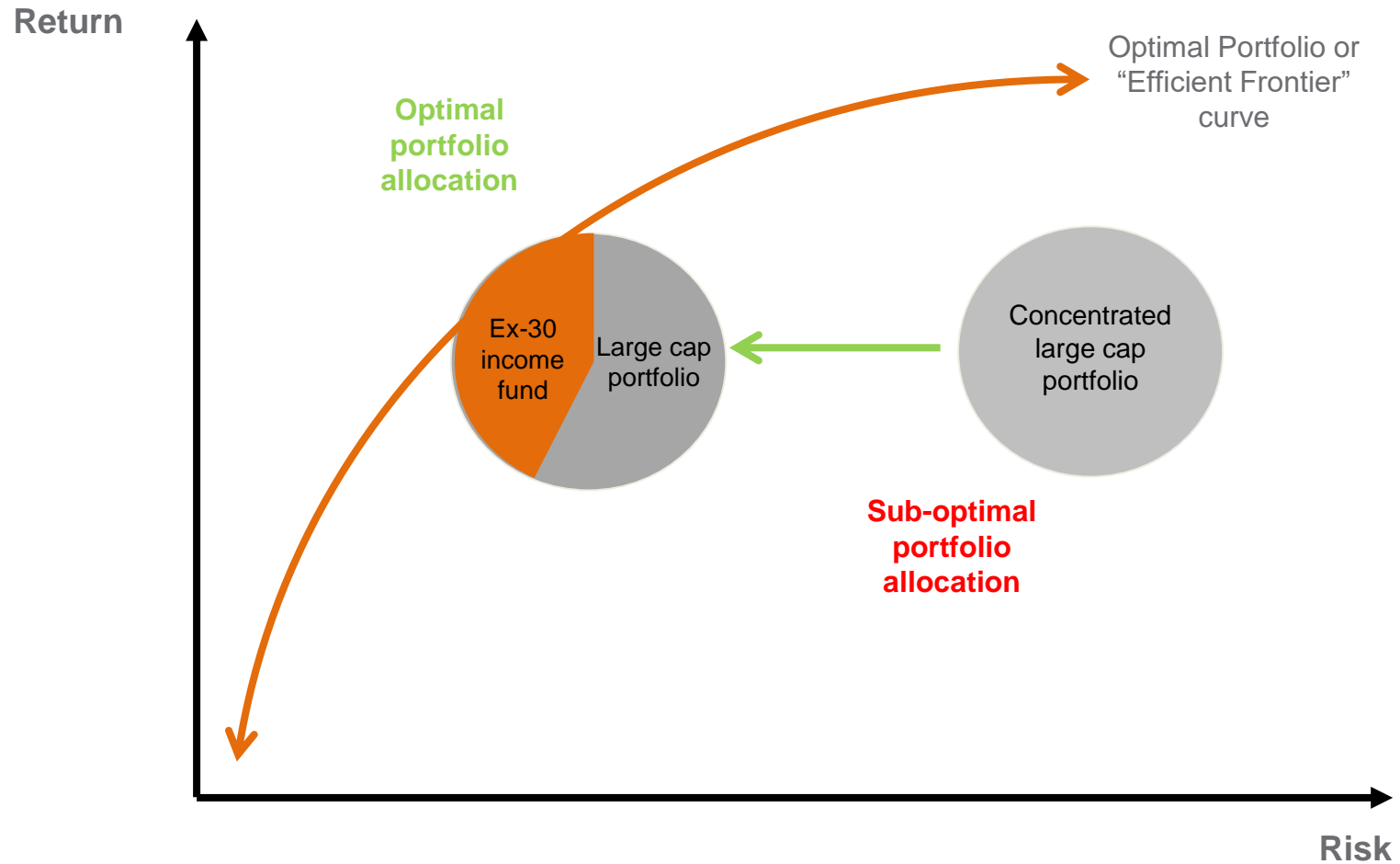
PERFORMANCE OF THE MIDCAP (EX 30) DIVIDEND INCOME GENERATOR STRATEGY LISTED INVESTMENT COMPANY (CIE)

October 2016	Contango Income Generator	All Ordinaries Accum Index	Added Value
3 Months	-1.4%	-3.1%	1.7%
1 Year	6.9%	6.6%	0.3%
Inception (Aug 2015) pa	7.9%	5.0%	2.9%

Gross Performance LIC

Source: Bloomberg, Bloomberg AIMS, Heuristic Investment Systems

A BLEND OF TOP-30 AND EX-30 INCOME STOCKS IS A MORE EFFICIENT PORTFOLIO ALLOCATION



A DIVERSIFIED PORTFOLIO

WHAT DOES CONTANGO INCOME GENERATOR LTD OFFER

Feature	Contango Income Generator Limited
Diversified exposure to ex-30 income securities	✓
Dividend policy of 6.5% of NTA	✓
Targeting capital growth over time	✓
Targeting lower volatility	✓
Maximise franking where possible	✓
Complements existing income portfolios	✓

A DIVERSIFIED PORTFOLIO

MIDCAP EX-30 INCOME FOCUSED STRATEGY

Potential wholesale investors may include the following*	Contango Income Generator Limited
SMSFs	✓
Retirees	✓
Yield focused investors	✓
High Net Worth (HNW) investors	✓
Investors over-exposed to large cap stocks including the Banks and Telstra	✓

* This information is not intended to be advice as it does not take into account investment objectives, financial situation and particular needs of any person and should not be used as the basis for making investment, financial or other decision. Potential investors should consider their own investment objectives and circumstances and conduct their own due diligence prior to making investment decisions.

4.3 MIDCAP STOCK COMMENTARY

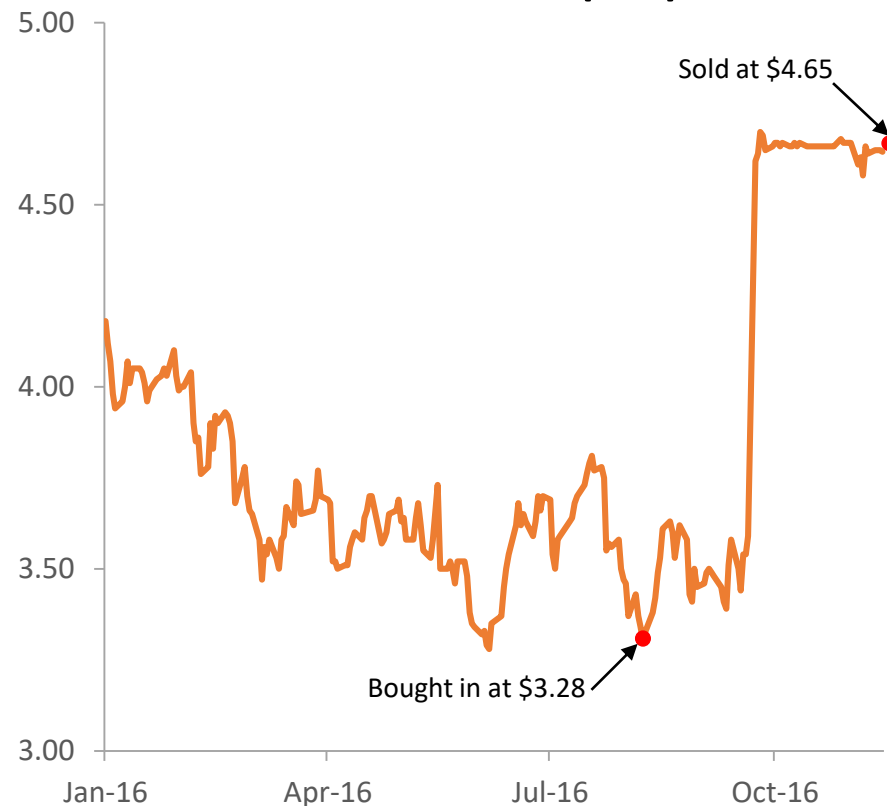


STOCK COMMENTARY

SAI GLOBAL LTD (SAI)

- Conglomerate of service businesses. Some strategic assets
- Share price offers strong yield, good free cash flow, reasonable balance sheet
- History of corporate break up interest in company
- Potential acquirers looking for operational efficiencies with some assets holding strategic interest
- Hong Kong private equity firm, Baring PE, offer an attractive price to take the company private
- Fund sells exposure

SAI Global LTD (SAI)



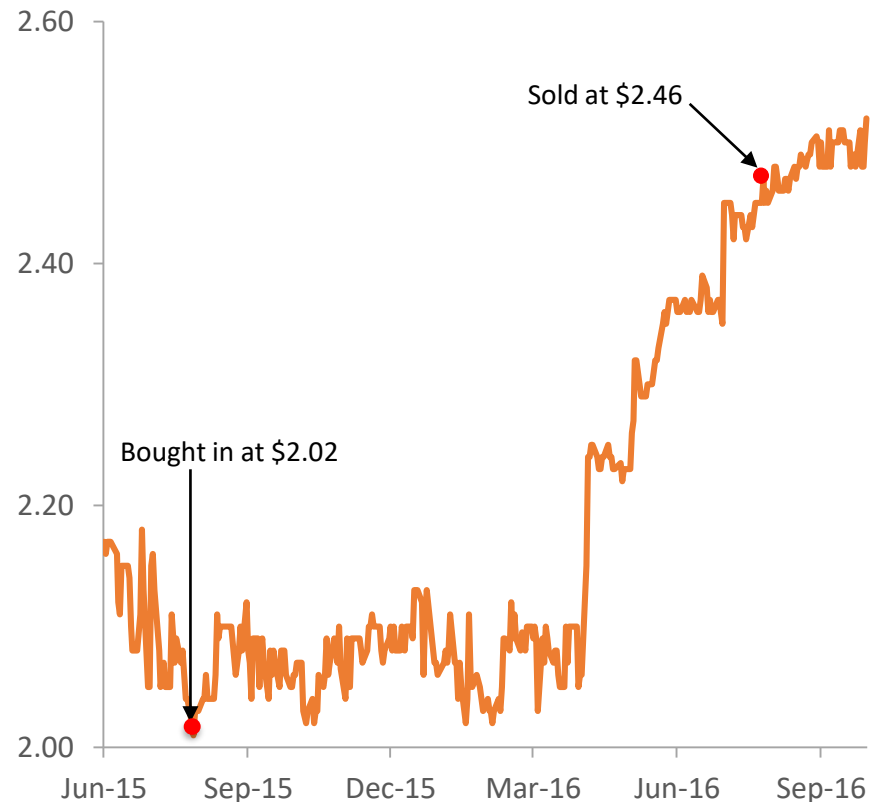
Source: Bloomberg

STOCK COMMENTARY

GPT Metro Office (GMF)

- High yield office trust managed by GPT but a small part of the group
- Cash flow is strong supported by long leases and quality buildings
- Property managers can gain synergies by adding assets to their existing property platform
- Other managers believe they can operate the assets more efficiently
- Bidding war erupts between two property groups, Centuria and Growth point
- Fund sells for cash

GPT Metro Office (GMF)



Source: Bloomberg

STOCK COMMENTARY

MONASH IVF GROUP (MVF)

- Solid business with good free cashflow and high fully franked yield
- Company out of favour as IVF cycle had slowed. Share price is low
- IVF cycle recovers and share price moves higher
- At much higher share price the fund reduces its exposure to the company
- The company has earned its way out of the portfolio
- Wait for another opportunity in this stock or another stock
- Highlights investment life cycle

Monash IVF Group (MVF)



Source: Bloomberg

4.4. THE CONTANGO ASSET MANAGEMENT MICRO CAP STRATEGY

THE MICRO CAP STRATEGY IS A DIVERSIFIED PORTFOLIO OF EMERGING COMPANY (FUTURE LEADERS) STOCKS

- Offers a diversified exposure to ASX listed micro cap companies and a higher expected return than the Large Cap (GARP) Fund
- Actively managed portfolio of Australian listed shares with a market capitalisation of between \$30-\$350 million
 - Target return of the S&P/ASX Small Ords Accumulation Index plus 3%
 - Tracking error of 5% - 12%
 - Broad composition of 50 - 100 stocks
- Business cycle process
 - Combines top-down and bottom-up analysis
- Fund facts
 - Inception March 2004
 - Max cash is 25% wholesale / 50% LIC

MICRO CAP FUND'S PERFORMANCE (LIC) HAS BEEN STRONG SINCE INCEPTION

October 2016	MicroCap Fund	Small Ordinaries	ASX 300 Accumulation
3 Months	2.2%	-4.7%	5.5%
6 Months	17.6%	6.2%	9.7%
1 Year	30.1%	14.9%	13.8%
3 Years pa	10.7%	4.4%	6.1%
Since inception (March 2004) pa	16.3%	5.1%	7.8%

Gross Performance

LIC

Source: Bloomberg, Bloomberg AIMS, Heuristic Investment Systems

MICRO CAP FUND'S STOCK POSITIONS CONSISTENT WITH STRATEGY VIEW

Top 10 holdings overweight vs ASX Small Cap benchmark

Code	Stock	Over %
CAT	CATAPULT GRP INTL.	3.3
HUB	HUB24 LTD	3.1
EML	EMERCHANTS LTD	3.0
ENN	ELANOR INVESTOR GRP	2.9
WEB	WEBJET LTD	2.4
SGF	SG FLEET GROUP LTD	2.4
PPS	PRAEMIUM LTD	2.3
ORE	OROCOBRE LTD	2.2
QMS	QMS MEDIA LTD	2.1
XIP	XENITH IP GROUP LTD	2.1

Largest 10 holdings underweight vs ASX Small Cap benchmark

Code	Stock	Under %
LNK*	LINK ADMIN. HLDS	-1.8
EVN*	EVOLUTION MINING LTD	-1.7
MQA*	MACQUARIE ATLAS RDS GRP	-1.5
NHF*	NIB HOLDINGS LTD	-1.4
OZL*	OZ MINERALS LTD	-1.4
IGO*	INDEPENDENCE GROUP NL	-1.3
CHC*	CHARTER HALL GROUP	-1.3
MTS*	METCASH LTD	-1.3
WOR*	WORLEYPARSONS LTD	-1.3
CWY*	CLEANAWAY WASTE MNGMT	-1.3

* Stocks not held

LIC

October 2016

Source: Bloomberg, Bloomberg AIMS, Heuristic Investment Systems

CONTANGO MICRO CAP STRATEGY THEMATIC THEMES TARGETING GROWTH SECTORS

- **Aging Population and Health:** Lifestyle Communities (LIC) / Cogstate (CGS) / PolyNovo (PNV)
- **Wellness and Vanity:** Total Face Group (TFG) / Mayne Pharma (MYX)
- **Quality Food/Brand Australia:** Apiam Animal Health (AHX) / Murray River Organics
- **IT/Social Media:** Catapult (CAT) / RXP Services (RXP)
- **Outdoor Advertising:** QMS Media (QMS) / APN Outdoor Group (APO)
- **Tourism and Leisure:** Webjet (WEB) / Indoor Skydiving (IDZ) / E-Sports
- **Cyber Security:** Key global players dominate market
- **Lithium:** Orecobre (ORE) / Galaxy (GXY) / Pilbara (PLS)
- **SMSF and Superannuation:** Praemium (PPS) / Hub24 (HUB)

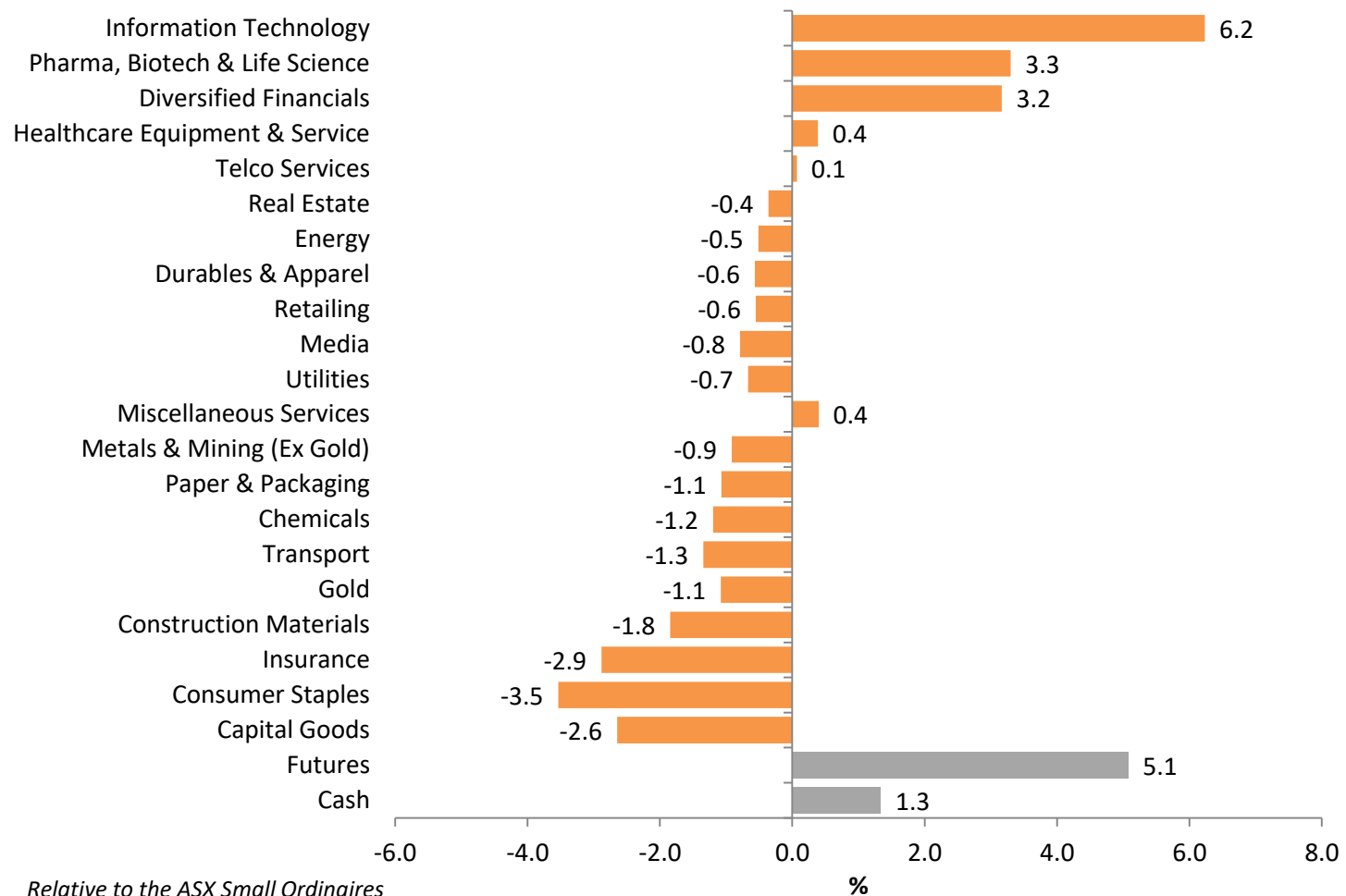
CONTANGO MICRO CAP FUND'S THEMATIC THEMES
TARGETING GROWTH SECTORS

Health
SocialMedia
QualityFood
BrandAustralia
OutdoorAdvertising
SMSFLithium
Tourism&Leisure
Cyber
E-Sports
Security
Vanity

MICRO CAP STRATEGY

EMPLOYING AND ACTIVELY MANAGING RISK

Micro Cap Portfolio Active Weights: Contango Industry Sectors



Source: Bloomberg, Bloomberg AIMs, Heuristics Investment Systems

MICRO CAP STRATEGY ACTIVE RISK POSITIONS ARE CONSISTENT WITH THE OBJECTIVES OF TARGETING (EMERGING) GROWTH

November 2016	Contango Micro Cap	ASX Small Ords Index
Price to Earnings Ratio	14.8	14.8
Dividend Yield (net)	3.5	3.9
Dividend Yield (gross)	4.4	4.6
EPS Growth (%)	17.3	12.6
Return on Equity (%)	15.8	14.9
Beta	0.8	1.0
Tracking Error*	8.26	-

Source: Bloomberg, Bloomberg AIMS, Heuristic Investment Systems

4.5 MICROCAP STOCK COMMENTARY



STOCK COMMENTARY

EMEFCY GROUP LTD (EMC)

Emefcy Group LTD (EMC)

- Global manufacturer of energy efficient wastewater treatment solutions and provider of Treated Water--as--a--Service
- Disruptive technology providing a low cost sources of Class A recycled water, (90% energy savings, 65%+ opex savings, 60% capex savings to comparable plant)
- Technology proven
- Sales into China (\$20bil opportunity)
- Cash on balance sheet
- Upside: Sales into China, developing world, developed world e.g. hotels, commercial buildings



Source: Bloomberg

STOCK COMMENTARY

EMEFCY GROUP LTD (EMC)

China's new 5 year plan:

Increase rural wastewater treatment from 10% to 70% of population; benefiting 440 million

Potential A\$20 billion opportunity over the next 5-7 years

Revenue per plant estimated up to A\$1 million or more

Most rural wastewater is untreated



Most rural surface water is now polluted



Containerized MABR demo plants accelerate certification



Source: Emefcy Investor Presentation

STOCK COMMENTARY

COGSTATE (CGS)

- Digital test for the measurement of neurological performance. Used in clinical trials for drugs treating Dementia, Alzheimer's etc
- CGS's tests are less prone to errors, cheaper and have 10 years of data to support accuracy
- >47m people suffer from Dementia, growing at 8m p.a.
- Drug companies are spending more on these areas. Success could drive further development and potentially a diagnostic product
- Cash on balance sheet
- Very strong sales momentum (1Q17 contracts +100% on pcp)

Cogstate (CGS)



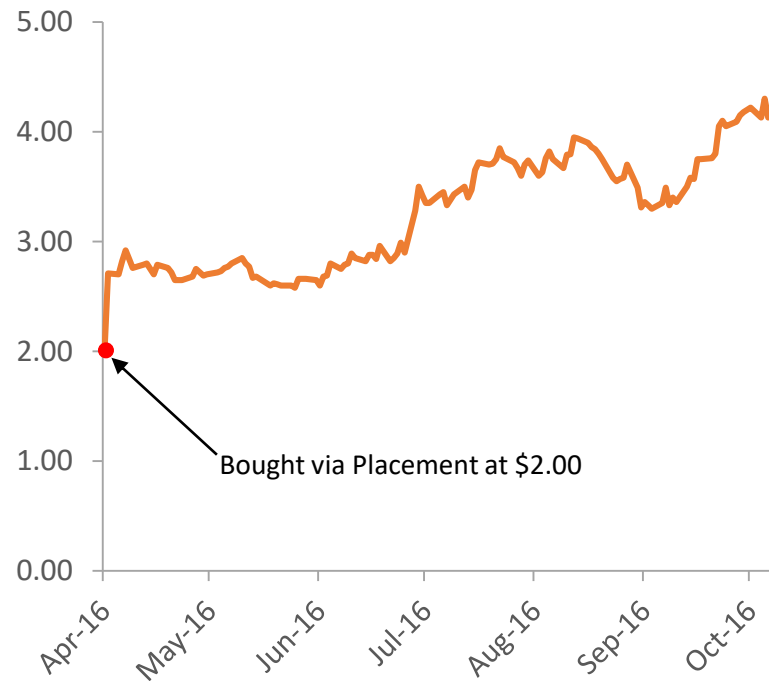
Source: Bloomberg

STOCK COMMENTARY

MOTORCYCLE HOLDINGS (MTO)

- Largest motorcycle retailer in Australia
- 4 main revenue streams; i) new & used bikes ii) accessories & parts iii) servicing & repairs, and iv) finance & insurance
- Industry consolidator, like AHG & APE
- Big earnings uplift on acqu's with better systems, sourcing and products
- Barriers - each dealership has an allocated geographic area
- Strong management - founder is CEO & 22% shareholder

MotorCycle Holdings (MTO)



Source: Bloomberg

5. SUMMARY



INVESTING IS SIMPLE - BUT NOT EASY

“Do you know the only thing that gives me pleasure? It's to see my dividends coming in” John D Rockefeller

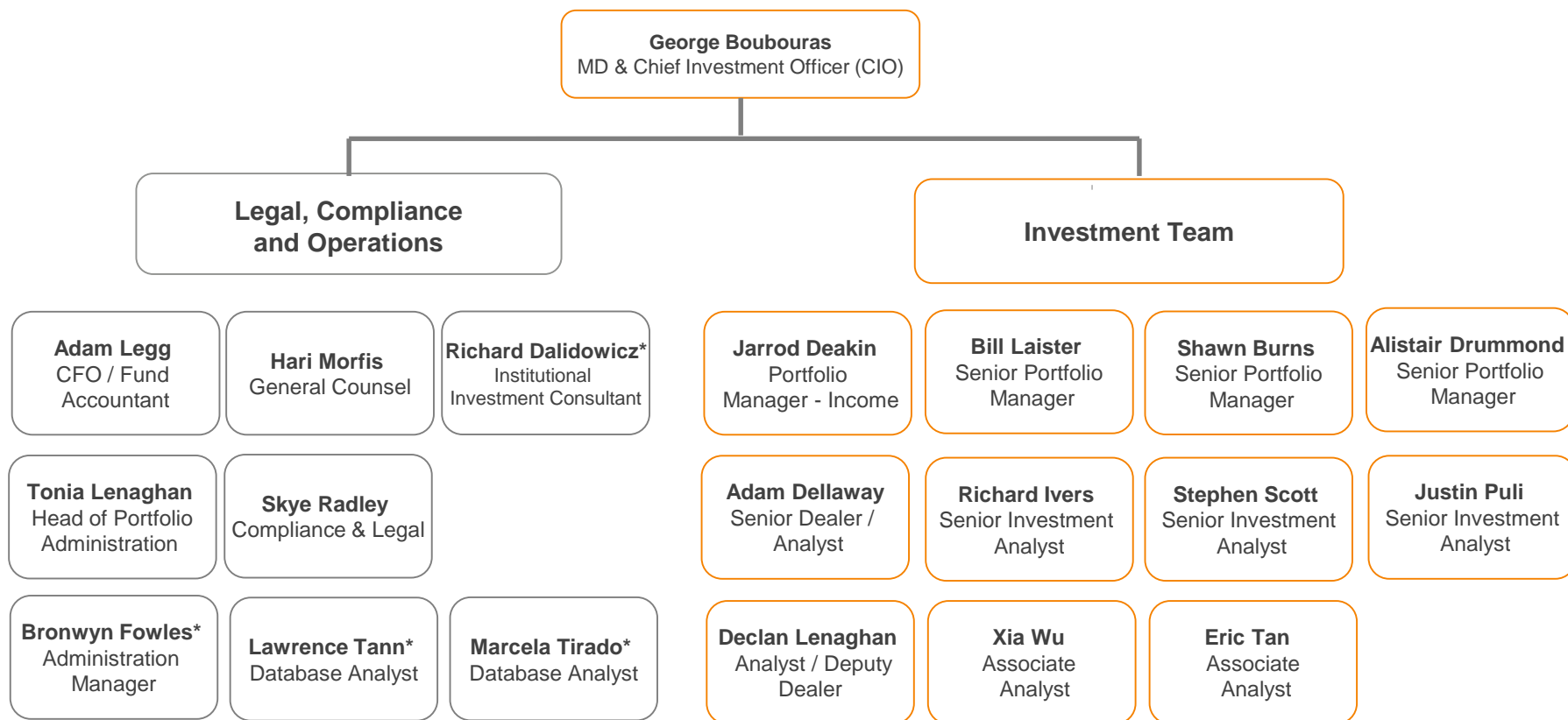
- Core structural thematic themes target high growth sectors
- Trump Whitehouse surprised market. Fiscal stimulus next step GDP upgrades?
- China economic conditions have been better than expected. Commodity rally past 6 months imply earning upgrades for FY17
- Domestic equity valuations not unreasonable. Worst of the large cap earnings downgrades behind us
- RBA cash rates to remain low despite US rates rising. AUD needs to stay low to help drive domestic earnings higher
- Demographic structural drivers imply the search for yield will intensify
- *Volatility is a part of investing - remain alert but not alarmed*

6. INTRODUCING THE INVESTMENT TEAM



CONTANGO HAS A FLAT AND EFFICIENT STRUCTURE

EXPERIENCED AND LARGE INVESTMENT TEAM



* Contract/part time employee

WELL RESOURCED INVESTMENT TEAM
WITH AN AVERAGE OF OVER 20 YEARS INDUSTRY EXPERIENCE

Role	Team member	Years experience
Chief Investment Officer (CIO) & MD	George Boubouras	26
Senior Portfolio Manager	Alistair Drummond	31
Senior Portfolio Manager	Bill Laister	35
Senior Portfolio Manager	Shawn Burns	30
Portfolio Manager – Income Solutions	Jarrold Deakin	23
Head of Portfolio Administration	Tonia Lenaghan	30
Senior Investment Analyst / Deputy PM MicroCap	Stephen Scott	20
Senior Investment Analyst	Justin Puli	14
Senior Investment Analyst	Richard Ivers	23
Associate Analyst	Xia Wu	4
Associate Analyst	Eric Tan	2
Senior Dealer / Analyst	Adam Dellaway	18
Database Analyst / Deputy Dealer	Declan Lenaghan	2/2

* Contract / part time employee

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