

CONTANGO INCOME GENERATOR LIMITED (CIE)

MONTHLY NTA STATEMENT

31 JULY 2017

Contango Income Generator Limited (CIE) is an investment company with the objective to deliver a sustainable income stream and modest capital growth to its shareholders over time. To deliver on its objective, the company will focus its investments on high yielding ASX listed securities that are outside of the largest 30 securities in the S&P ASX300 Index. This is because many investors are already exposed to these large cap stocks either directly or via existing managed fund or ETF investments.

If investors supplement their existing large cap portfolio with a diversified portfolio of high quality stocks outside of the top 30, they may be able to reduce the overall risk and volatility of their equity portfolio whilst maintaining or even increasing its dividend yield. This would be a more efficient portfolio allocation.

Contango Income Generator Limited has a dividend policy to pay a minimum 6.5% p.a. on its Net Tangible Asset Value. The company may also pay additional special dividends when favourable market circumstances allow.#

KEY DETAILS

Report Date:	31 July 2017
ASX Code (Shares / Options):	CIE / CIEO
Listed on ASX:	14 August 2015
Fund Manager:	Contango Funds Management Ltd
Benchmark:	ASX All Ordinaries Accumulation Index
Number of stocks:	30 – 40
Target / Maximum cash position:	5% / 50%
Portfolio size:	\$83.31 million
Shares on issue:	81.150 million
No. of stocks held:	51
Share price:	\$ 0.995

ASSET COMPOSITION

ASSET COMPOSITION	30 JUNE 2017		31 JULY 2017	
	\$m	%	\$m	%
Investment Type				
ASX listed shares	71.39	86.8	77.48	94.7
	0.00	0.0	(6.22)	(7.6)
Liquidity	12.51	15.2	11.96	14.6
Tax asset (liability)	(1.61)	(2.0)	(1.42)	(1.7)
Net Assets After Tax	\$82.29	100.0%	\$81.80	100.0
Ordinary Shares on Issue	81.150m		81.150m	
Options on Issue	33.887m		33.887m	

NET TANGIBLE ASSETS

NET TANGIBLE ASSETS	30 JUNE 2017	31 JULY 2017
NTA of investments before tax	\$1.034	\$1.025
NTA of investments before tax on unrealised gains	\$1.029	\$1.020
NTA after tax	\$1.014	\$1.008
Month-end closing share price (CIE.ASX)	\$0.965	\$0.995
Month-end closing convertible note price (CIEO.ASX)	\$0.005	\$0.003

Contango Income Generator Limited

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MONTHLY PORTFOLIO UPDATE

The performance of the CIE portfolio was -0.58% over the month, underperforming the ASX All Ords Accumulation Index return of 0.18%. Over the quarter, CIE returned -0.62% against index return of -2.13% and over the year CIE returned 7.98% against 6.62% for the index. Since inception CIE has risen 9.79% against the market increase of 8.21%.

The performance has been delivered with a cash holding of about 15% over the last year. Also, beta has been maintained well below the market. In contrast, the ASX 300 Industrial Accumulation Index returned 4.87% over the year. In this context, the returns of the portfolio continue to be pleasing.

The current and target cash weight is approximately 15% (adjusted for the short SPI position).

The best performing stocks (+10% or better) for July were, **Harvey Norman** (+14.4%), **Automotive Holdings** (+14.3%), and **JB Hi-Fi** (+11.3%). These stocks are reflective of the Fund's exposure to the recent sound recovery in retail sales.

In contrast, stocks returning below -10% for the month were **Coca Cola Amatil** (-10.7%) and **Monash IVF** (-10.7%) as a result of ongoing competitive pressures and key personnel departures respectively.

PERFORMANCE*

PERFORMANCE	INCOME GENERATOR (LIC)	ASX ALL ORDS ACCUM INDEX	ADDED VALUE
1 Month	-0.6%	0.2%	-0.8%
3 Months	-0.6%	-2.1%	1.5%
6 Months	5.4%	3.9%	1.6%
12 Months	8.0%	6.6%	1.4%
Inception (Aug 2015)	9.8%	8.2%	1.6%

For enquiries please contact:

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NOTES

* Past performance is not a predictor of future returns.

The Company will normally pay annual dividends amounting to a minimum 6.5%pa yield on the Net Tangible Asset value per share prevailing at the beginning of each financial year payable via (two) semi-annual dividend payments. CIE may have declared a Dividend prior to your reading this document. Only refer official ASX Announcements. All dates, dividend amounts & any franking which may be attached to possible future dividends are indicative only until formally declared.

DISCLAIMER:

Contango Income Generator Ltd (CIE) has prepared this update for information purposes only related to the underlying investment portfolio. The NTA figures contained in this document are unaudited and approximate. This document does not contain investment recommendations nor provide investment advice. Investors in LICs should understand the distinction between Investment Portfolio Performance, NTA Performance and Share Price return. Neither CIE nor its related entities, directors or officers guarantees the performance of, or the repayment of capital or income invested within CIE or any associated product. Contango Funds Management Limited ABN 52 085 487 421 AFSL No. 237119 is the investment manager of CIE. We strongly encourage you to obtain detailed professional advice and to read any relevant offer document in full before making any investment decision. CIE may not be suitable for your investment needs. This is not an offer to invest in any financial product.

TOP 10 HOLDINGS

Code	STOCK	WEIGHT %
ASX	ASX LTD	6.2
BOQ	BANK OF QUEENSLAND LTD	5.6
TAH	TABCORP HOLDINGS LTD	4.5
BEN	BENDIGO AND ADELAIDE BANK	4.0
CAR	CARSALES.COM LTD	2.8
IFL	IOOF HOLDINGS LTD	2.7
CTX	CALTEX AUSTRALIA LTD	2.7
ABC	ADELAIDE BRIGHTON LTD	2.7
SKI	SPARK INFRASTRUCTURE GROUP	2.7
HPI	HOTEL PROPERTY INVESTMENTS	2.6

SECTOR ALLOCATIONS

SECTOR	WEIGHT %
Consumer Discretionary	18.6
Consumer Staples	9.6
Energy	2.7
Financials Ex-REITs	27.7
Health Care	1.6
Industrials	7.9
Information Technology	1.8
Materials	8.1
REITs	10.4
Telecommunication Services	0.0
Utilities	4.5
[Cash]	14.5
[Futures]	-7.5

Source: Bloomberg