

CONTANGO MICROCAP LIMITED
ABN 47 107 617 381

PRELIMINARY FINAL REPORT / APPENDIX 4E

FOR THE YEAR ENDED 30 JUNE 2017

PROVIDED TO THE ASX UNDER LISTING RULE 4.3A

Appendix 4E - Preliminary Final Report

CONTANGO MICROCAP LIMITED (ABN 47 107 617 381)

(ASX code "CTN")

1. **Reporting period** – for the year ended 30 June 2017, compared with the year ended 30 June 2016
2. **Results for announcement to the market**
 - Revenues from ordinary activities down \$42.6m from \$30.3m to -\$12.3m
 - Loss from ordinary activities after tax down from a profit of \$15.8m to a loss of \$13.9m
 - Net loss after tax for the period attributable to members down from a profit of \$17.3m to a loss of \$13.9m

Dividends paid or payable relating to the current year earnings

- Interim dividend for the year ended 30 June 2017 of 2.7 cents per share (50% franked) was paid on 24 February 2017 (\$4,526,712 paid)
 - Final dividend for the year ended 30 June 2017 was declared on 29 August 2017 at 3.9 cents per share – 50% franked, paying on 13 October 2017
3. **Statement of Comprehensive Income** – refer attached financial statements
 4. **Statement of Financial Position** - refer attached financial statements
 5. **Statement of Cash Flows** - refer attached financial statements
 6. **Dividends** – during the financial year ended 30 June 2017, the company paid a total of \$10,528,865 to shareholders as dividend payments. Refer to note 6 of the attached financial statements.
 7. **Dividend reinvestment plan** - the Company's DRP provides for a 3% discount to the Volume Weighted Average Price of ordinary shares for the 4 trading days up to and including record date. The last date for receipt of election notices for participation in the DRP is close of business one day after record date.
 8. **Statement of Retained Earnings/(Accumulated Losses)** – refer attached financial statements
 9. **Net tangible assets per security** – as at 30 June 2017 the NTA was \$0.96 per share (2016: \$1.10).
 10. **Control gained or lost over entities during the period**

The Company had no gain or loss of control over entities during the period

11. Associates

The Company has no associates or joint venture entities

12. Significant information relating to the entity's financial performance and financial position

- The investments of the Company are primarily listed companies on the ASX and have been subject to market value changes that have occurred over the year. Any profit or loss on the revaluation or disposal of investments is taken directly to profit.
- Over the 12 month period ended 30 June 2017 the investment return obtained from the Company's investment portfolio compared to its relevant ASX benchmarks was

CTN investment portfolio return	-6.1%
ASX All Ordinaries Accumulation Index	13.1%
S&P/ASX Small Companies Accumulation Index	7.0%

- For the financial year ended 2017, total investment losses were \$16.7m (2016: gains of \$27.9m)
- Securities income and interest earned from investments was \$4.4m for the year (2016: \$5.3m)
- Expenses for the year were \$8.2m (2016: \$7.2m)

13. The financial information provided in this Appendix 4E has been prepared in accordance with Australian accounting standards.

14. Commentary on the results for the period

- For the financial year ended 30 June 2017 the loss after tax was \$13,894,290 (2016: profit of \$17,249,857).
- The earnings per ordinary share were -8.4cps (2016: 10.7cps).
- 180,289 shares were issued through the exercise of unlisted options at \$1.106 per share on 27 September 2016
- 1,004,179 shares were issued under the dividend reinvestment program applicable to the dividend paid on 14 October 2016 at a price of \$1.10 per share.
- 4,431,474 shares were issued by way of a placement of shares at a price of \$1.10 on 14 October 2016
- 835,508 shares were issued under the dividend reinvestment program applicable to the dividend paid on 24 March 2017 at a price of \$1.10 per share.
- 202,000 shares were cancelled during the month of June 2017 through the company's on-market share buy-back program. These shares had an average purchase price of \$0.915 per share

15. Audit of the financial report - This report is based on accounts which have been audited.



Mark Kerr (Chairman)

Date: 29 August 2017