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The Manager
ASX Market Announcements
Australian Securities Exchange Limited
Melbourne VIC 3000

By e-Lodgement

Dear Manager,

**Contango Asset Management to acquire Switzer Asset Management
Appointment of Marty Switzer as CEO**

Contango Asset Management Limited (the **Company** or **CGA**) (ASX:CGA) is pleased to announce that it has entered into an agreement to acquire the shares that it does not own in Switzer Asset Management Limited (**SAM**). The Company currently owns 46.25% of the capital of SAM and will increase its ownership interest to 100%.

The acquisition of SAM is strategically important for CGA and further advances CGA's previously stated objective of focussing on those areas of its business that offer the greatest potential for growth, being listed and exchange traded investments targeted at retail, self-directed and independent financial advisory channels.

About SAM

SAM currently has approximately \$110 million in funds under management (**FUM**). It is the responsible entity for two managed investment schemes or funds which are presently managed by the Company, being:

- the Halidon Yield Enhanced Fund - an unlisted retail managed fund with FUM of approximately \$32 million; and
- the Switzer Dividend Growth Fund - an exchange traded actively managed fund or ETMF (ASX: SWTZ) with FUM of approximately \$78 million.

SAM's signature success was the launch of the Switzer Dividend Growth Fund in February 2017. Since the fund's initial public offer in February 2017, which raised \$52 million, FUM has grown steadily to \$78 million as at 28 February 2018. Over the same period, the number of SWTZ unit holders has increased to around 2,700 investors, driven by SAM's close relationship with the Switzer Financial Group. The SWTZ product has resonated strongly with the self-directed investor market, a market that is central to CGA's strategic growth plans.

Following the success of the SWTZ ETMF, SAM has advanced plans to launch two further ETMFs in 2018.

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SAM is presently owned 46.25% each by CGA and Switzer Financial Group Pty Limited (**SFG**) and 7.5% by a minority shareholder.

Strategic merits of the transaction

CGA's decision to acquire the remaining 53.75% interest in SAM it does not already own more closely aligns the distribution, marketing, investment expertise, portfolio management and operational experience of both CGA and SFG. Acquiring SAM and cementing the relationship with SFG provides a number of significant advantages to the Company, including the following:

- acquiring a retail licence, enabling CGA to launch retail-backed investment funds;
- extending CGA's ability to use the Switzer name, a well recognised and respected brand in the retail investment market;
- strengthening the Company's access to a large range of retail and independent financial advisor relationships developed by SFG; and
- increasing CGA's financial interest in the most rapidly expanding part of its business and SAM's pipeline of new funds.

Details of the transaction

The consideration for the acquisition will be 7,166,667 fully paid ordinary shares in CGA to be issued to the vendors pro rata to the shares being sold by each of them. This will equate to approximately 15% of the Company's total issued capital following completion of the acquisition. There is no cash component of the consideration.

The Company values its alliance with the Switzer Financial Group and the contribution by SFG to the success of SAM to date. The all scrip nature of the consideration further aligns SFG and CGA's interests, provides a strong incentive to maximise the value of the SFG relationship across all of the Company's operations and represents a strong endorsement of CGA's future growth potential.

The transaction is conditional upon the approval of the shareholders of the Company. The Company expects to call an extraordinary general meeting of its members in May 2018 to approve the transaction. A notice of meeting, together with an Independent Expert's Report, is expected to be distributed to shareholders in April 2018.

Peter Switzer and Paul Rickard's continued involvement

The Company is pleased to announce that following completion of the transaction, Peter Switzer has agreed to remain as Chairman of the Investment Committee of SAM, providing invaluable leadership, expertise and insight for products issued by SAM. Paul Rickard will also continue as a member of SAM's Investment Committee. The Board views Peter and Paul's on-going involvement with SAM and the Company as positive in terms of CGA's strategic focus on the retail, self-directed and independent financial advisory channels.

CEO appointment – Marty Switzer

Since October 2017, director Marty Switzer has acted as the Chief Executive Officer of the Company on an interim basis. In that time, Marty has been responsible for overseeing the Company's significant transition, including undertaking a rigorous cost review, relocating CGA's operations to Sydney, implementing a revised operating structure and actioning a comprehensive plan and revised business model to drive the Company's future growth and profitability. The Board is

delighted that Marty has accepted the offer to take on the CEO role on a permanent basis. The Company will announce Marty's remuneration arrangements once they have been finalised.

As noted above, further information in relation to the transaction will be provided in the notice of meeting that is expected to be distributed to shareholders in April 2018. In the interim, contact details are provided below for any questions in relation to this announcement.

Yours faithfully,

Roger Amos
Chairman

Further inquiries:

Marty Switzer, Chief Executive Officer: 0407 297 702

Roger Amos, Chairman: 0411 447 194