

7 May 2018

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

By e-Lodgement

Dear Manager,

Increased Investment in Portfolio

The Board of Contango Income Generator Limited (the **Company** or **CIE**) (ASX: CIE) advises that the Company's manager, Contango Funds Management Limited (the **Manager**), in consultation with Company, intends to re-weight CIE's investment portfolio to full investment.

The Company has carried a cash weighting of approximately 15% over the past 12-18 months.

The Manager intends to increase the proportion of invested assets to a target of around 95% of net tangible assets. There will be no change to the investment strategy underpinning the portfolio's holdings.

The Board believes the investment portfolio will be more attractive to potential investors. In addition, the "cash coverage" of CIE's dividends and the level of franking on these dividends are expected to increase over time as a result of the Company's overall increased equity position.

Chairman Andrew MacDonald said, "the Board views this re-weighting by the Company as a positive and in line with its shareholders' investment objectives."

Sincerely,

Hari Morfis
Company Secretary

Contango Income Generator Limited

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