

MONTHLY NTA STATEMENT: JUNE 2016

NET TANGIBLE ASSETS	30 JUN 2016	31 MAY 2016
NTA of investments before tax	\$1.205	\$1.181
NTA of investments before tax on unrealised gains	\$1.158	\$1.136
NTA after tax	\$1.110	\$1.093
Month-end closing share price (CTN.ASX)	\$1.000	\$0.945
Month-end closing convertible note price (CTNG.ASX)	\$100.00	\$100.00

ASSET COMPOSITION	30 JUN 2016		31 MAY 2016	
Investment Type	\$m	%	\$m	%
Resources	25.46	14.2	26.69	15.1
Industrials	174.04	96.8	178.90	101.0
Equity index futures	0.00	0.00	7.00	3.9
Liquidity	21.78	12.11	4.77	2.7
Borrowings (Convertible notes)	(26.06)	-14.5	(26.05)	-14.7
Tax liability	(15.38)	-8.6	(14.20)	-8.0
Net Assets After Tax	\$179.84	100.0%	\$177.11	100.0%
Ordinary Shares on Issue	162.040m		162.040m	
Convertible Notes on Issue	265,000		265,000	

TOP 20 STOCK HOLDINGS WITHIN THE CTN INVESTMENT PORTFOLIO*

CODE	STOCK	WEIGHT	CODE	STOCK	WEIGHT
MYX	Mayne Pharma Group Ltd	7.2%	ENN	Elanor Investors Group	2.3%
SAR	Saracen Mineral Hldgs Ltd	3.4%	AHG	Automotive Hldgs Group Ltd	2.2%
SGF	SG Fleet Group Limited	3.2%	PME	Pro Medicus Limited	2.1%
GMM	General Mining Corporation	3.2%	DCN	Dacian Gold Limited	2.1%
HUB	HUB24 Limited	2.9%	SIV	Silver Chef Limited	2.0%
CAT	Catapult Group Intl Ltd	2.9%	EML	Emerchants Limited	1.9%
ORE	Orocobre Limited	2.6%	PLS	Pilbara Minerals Limited	1.9%
QMS	QMS Media Limited	2.5%	HPI	Hotel Property Investments	1.8%
WEB	Webjet Limited	2.4%	PPS	Praemium Limited	1.8%
ENN	Elanor Investors Group	2.3%	VLW	Villa World Limited	1.8%

The investment portfolio contained 72 securities as at 30 June 2016. This excludes the investment in Contango Income Generator Limited which amount to approximately 16% of the NTA value.

RECENT ASX ANNOUNCEMENTS

01/07/2016	Completion of sale contract
24/06/2016	Sale of Funds Management Subsidiary via TDX Implementation Agreement
23/06/2016	Becoming a substantial holder for EGG
17/06/2016	Becoming a substantial holder for WAF
02/06/2016	Net Tangible Asset Backing

FURTHER INFORMATION ON DISPOSAL OF FUNDS MANAGEMENT ASSETS

Further to the release of the ASX announcements on 24 June 2016 and 1 July 2016, the Company is pleased to confirm the completed contract in respect of the disposal of its funds management subsidiary – Contango Asset Management Limited (CAML) to a private buying consortium consisting of CAML staff and a cornerstone investment vehicle controlled by Mr James Packer and Mr Rob Rankin.

Some key points about the arrangements for the Company going forward:

- CAML will continue as the Investment Manager of the Company's investment portfolio under a new Investment Management Agreement (IMA) which was negotiated with the new owners of CAML and approved by ASX. This offers strong continuity for shareholders, and a lack of any disruption to the investment activities of the Company, and we expect the portfolio to continue to perform well. The terms of the IMA are similar to that previously engaged (refer below) but also provide improved protections for CTN shareholders
- Bill Laister remains the Senior Portfolio Manager of the Company's portfolio in the CAML investment team led by George Boubouras who will hold the joint roles of Managing Director and Chief Investment Officer at CAML. Over the year ended 30 June 2016, the investment portfolio has delivered an investment return of 19.4% compared with 2.0% for the ASX/All Ordinaries Accumulation Index over the same period.
- The Board considered various alternatives for this important investment and concluded that this sale was the best available. In reaching this decision it sought advice from the ASX and at all times during the discussions the Board acted only with the interests of shareholders in mind. It also sought external advice as to the ongoing advisability of increasing the existing investment in CAML or seeking a strategic buyer that would maintain and invest in CAML's resources and capabilities to service the CTN mandate.
- The proceeds of the sale are \$13.0m - which will deliver a profit on disposal of these assets of approximately \$1.2m (before tax). These will be reinvested into the investment portfolio for future Company growth.
- The incumbent Board of CTN consisting of Mark Kerr (Chairman), Ian Ferres, David Stevens and Glenn Fowles will remain in place and be joined by Mr Alistair Drummond as a representative of the investment manager. Mr Fowles will continue to also hold the position of Company Secretary.
- The Company is in a strong position for the future with already sufficient reserves to meet its next 2 years' dividend obligations.

KEY TERMS OF THE NEW IMA

- Initial term of 5 years – continuing thereafter unless shareholders vote otherwise
- Investment management fee of 1.25% on the first \$200m of funds managed and 1.00% thereafter – these are unchanged from previous IMA
- No performance fee

- Performance hurdle for the investment manager that is relative to other peer managers – shareholders can vote to terminate the manager if these are not achieved
- Investment parameters unchanged from previous IMA

CONVERTIBLE NOTE INTEREST PAYMENT

The next interest payment is due on 30 September 2016.

DIVIDEND PAYMENT

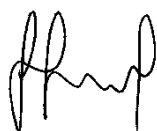
The interim dividend for FY16 of \$0.026 per share – 50% franked, was paid on 24 March 2016. Since the payment of its first dividend in 2004, including this dividend, the Company has declared dividends of 89.9 cents per share with a total dividend payout exceeding \$106m

The balance of Company's Dividend Reserve is \$13.9m – sufficient to pay proposed dividends into FY17.

CTN OFFERS A FIRM DIVIDEND POLICY

The after-tax NTA announced on the 1st of July 2015 of \$1.058 sets the base for FY16 dividend payments. In line with the Company's dividend policy to pay a minimum of 6% pa of the July 1 NTA value each year, CTN is able to provide investors with guidance of proposed dividend payments. This table is not a formal declaration of dividends. Shareholders and investors should only rely on the Official Declaration of Dividend for confirmation as to dividend amount and relevant dates including what level of franking may be attached to any dividends declared.

DIVIDEND GUIDANCE AS AT 30 JUNE 2016			AMOUNT
FY16 Final	Payable Sep/Oct 2016:	Minimum of	3.7 cents per share



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