



MONTHLY NTA STATEMENT

04 March 2014

28 FEBRUARY 2014 NTA VALUE	Value per share
NTA of investment before any tax effect	\$1.253
NTA before tax on unrealised gains ^[*]	\$1.234
NTA after tax on unrealised gains ^[**]	\$1.171

In February the company NTA value rose by 3.1% and the CTN share price rose from \$1.03 to \$1.075.

	January
CTN Investment Portfolio ¹	3.5%
Small Ordinaries Accum Index	5.0%
Emerging Companies Accum Index	1.0%

Over the last 5 years the CTN share price has delivered total returns to shareholders as follows².

As at 28.02.2014	% return		
	CTN Total Shareholder Return ²	S&P/ ASX Emerging Companies Accum	S&P/ASX Small Ords Accum
1 Year	-2.2%	-13.9%	-3.6%
2 years pa	5.7%	-17.3%	-3.0%
3 years pa	-1.2%	-15.3%	-5.0%
4 years pa	11.7%	-3.6%	1.0%
5 years pa	21.1%	9.7%	11.2%

COMMENT ON EARNINGS SEASON³

Overall it was a positive reporting season for small and micro industrial companies. Revenues were broadly in line with expectations and companies were successful in reducing costs. The companies that increased their dividends saw strong performance.

DIVIDEND INFORMATION

In response to the strong result for the first half of FY14, the Company's outlook for the Microcap sector and a review of the Company's franking position, the Directors of Contango MicroCap Limited (ASX: CTN) on 24 February 2014 advised an INCREASE in the FY14 Interim Dividend from the proposed amount of 3.0 cents per share to 4.0 cents per share.

By way of information:

- Shares will trade ex-dividend on **Friday 07 March 2014** ("Ex-date").
- The dividend will be **25% Franked** (1.0 cent per share)
- Those shareholders recorded in the register at the close of business on **Friday 14 March 2014** are entitled to receive the dividend ("Record Date").
- The payment of Dividend and issue of shares under the Dividend Reinvestment Plan will occur on **Monday 31 March 2014**. ("Payment Date").

CTN OFFERS A FIRM DIVIDEND POLICY⁴

The Company's dividend policy is to pay annual dividends amounting to a minimum 6% pa of the company NTA prevailing at the commencement of the Financial Year.

In line with the Dividend Policy CTN is able to provide an *indication* of future dividends.

Please note that these are not a formal declaration of dividend. 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.

At 4 March 2014 CTN provides investors with an *indication* of the dividends proposed to be paid in the next 12 months as per the company dividend policy and the recently declared dividend:

<i>Indicative⁵ Dividend Information as at 04 March 2014</i>		Amount
FY14 Interim	March 2014: Declared	4.0 cents p/s
FY14 Final	October 2014: Proposed[#]	3.3 cents p/s
	Share Price as at 28.02.2014	\$1.075 p/s

Since declaring its first dividend in December 2004, CTN has declared a total of 75.0 cents per share (cps) in dividends to shareholders amounting to a total payout of over \$82.3m.

<i>Net Tangible Assets</i>	Current Month End	Previous Month End
	28 February 2014 (cents)	31 January 2014 (cents)
NTA of investments before any tax effect	125.3	120.6
Tax associated with realised positions	-1.9	-1.3
NTA before tax on unrealised gains [*]	123.4	119.3
Tax associated with unrealised positions	-6.3	-5.7
NTA after tax on unrealised gains^{**}	117.1	113.6
Month-end closing share price	107.5	103.0

<i>Asset Composition</i>	Current Month End		Previous Month End	
	28 February 2014		31 January 2014	
Investment Type	\$m	%	\$m	%
Resources	39.18	19.9	37.82	20.0
Industrials (incl. CTN's investment manager)	142.45	72.7	142.28	75.4
Equity index futures	5.40	2.8	0.00	0.0
Total equity market exposure	187.03	95.4	180.10	95.4
Net portfolio liquidity	8.99	4.6	8.64	4.6
Total Investment Portfolio	\$196.02	100%	\$188.74	100%
Shares on Issue	156.460m		156.458m	

20 largest listed stock holdings and their weights within the CTN Investment Portfolio					
Code	Stock	Wgt	Code	Stock	Wgt %
SGH	Slater & Gordon Limited	3.8%	VLW	Villa World Limited	2.4%
GEM	G8 Education Limited	3.5%	AHE	Automotive Holdings Group Limited	2.4%
TGS	Tiger Resources Limited	3.3%	GBT	GBST Holdings Limited	2.3%
MYX	Mayne Pharma Group Limited	3.3%	SFW	Sfg Australia Limited	2.2%
IPP	iProperty Group Limited	2.7%	INA	Ingenia Communities Group	2.1%
CWP	Cedar Woods Properties Limited	2.7%	NHF	NIB Holdings Limited	1.9%
VRL	Village Roadshow Limited	2.6%	BDR	Beadell Resources Limited	1.9%
AUB	Austbrokers Holdings Limited	2.5%	MLD	MACA Limited	1.9%
BTT	BT Investment Management Limited	2.5%	MDL	Mineral Deposits Limited	1.9%
PRT	Prime Media Group Limited	2.5%	EPW	ERM Power Limited	1.8%

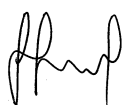
The CTN Investment Portfolio held 67 securities at 28 February 2014. In addition to this CTN owns 100% of fund manager Contango Asset Management Limited representing 6% of CTN's Net Tangible Assets.

STRONG LONG TERM PERFORMANCE

CTN first listed on the ASX on 25 March 2004. The underlying investment portfolio has provided a compound return of 17.4% per annum¹ since inception in March 2004 substantially outperforming relevant indices and demonstrating the skill and experience of the investment managers.

At CTN we believe that listed funds are and will continue to play a very important role in Investor and SMSFs portfolios. The desirability of regular dividends for income planning, the transparency of the underlying portfolio, the franking credit advantage and the convenience and security of ASX listing are bringing more investors to listed funds.

Further Information			
Investment Manager	Contango Asset Management Ltd	Inception Date	25 March 2004
Shares on issue	156.5 million	Portfolio Size	\$196.0m
Stock Universe	Generally those \$10m-\$350m market cap. at time of acquisition	Number of stocks held	Targeting 60-120 stock holdings. 67 securities held at 28.02.2014
Companies we look to invest in	Those with a proven track record that are looking to expand Particularly those with potential to move from micro to smalls to large		
Companies we look to avoid	Pseudo-private Equity Biotech or early stage companies	Mining Companies at exploration stage	
Investments Held	A diversified portfolio of 60-100 Australian microcap companies listed on the ASX		



Glenn Fowles - Director - CONTANGO MICROCAP LIMITED

* Unaudited, *before* provision for tax on unrealised gains. ** Unaudited, *after* provision for tax on unrealised gains.

Based on Dividend Policy announcement of 16 April 2010 - 6% pa applied to the after tax NTA prevailing on 1 July 2013 being \$1.052, representing a total minimum indicative amount of 6.3 cents per share to be attributed to the period.

Notes

- ¹ Past performance is no indicator of future performance or returns. Refers to the performance of the underlying investment portfolio and Performance information is historical. Performance returns may vary. Investors in LICs need to understand the distinction between Portfolio Performance, NTA Performance and Share Price return.
- ² Total Return refers to the performance of the Share Price including Dividends Paid. Past performance is no indicator of future performance.
- ³ This is not to be taken as financial advice or statement on future market performance. Refer disclaimer.
- ⁴ Dividend Policy announcement of 16 April 2010 – Annual Dividends amounting to a minimum 6%pa of each year's July 1 NTA value
- ⁵ This is not to be read as either a Formal Declaration or announcement as to when Formal Declaration will be made. It is an Indicative Dividend only and you should only refer to the Official Declaration of Dividend in any decision making.

Disclaimer

This document and all comments within including documents referenced or linked are not to be construed as providing investment advice. Anyone reading this should seek advice from a licensed financial adviser before making any investment decision. Performance information is historical. Performance returns may vary. Past performance is not indicative of future performance. Investors in LICs should understand the distinction between Portfolio Performance, NTA Performance and Share Price return. Microcaps can be a volatile investment category and CTN may not be suitable for your investment requirements. This document does not contain a Declaration of Dividend for any future period.

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CTN wants to keep you up-to-date with information you need as a shareholder or interested party. So we have developed a dedicated iPhone, iPad App and Android App for phones and tablets that you can download for free.

It uses push technology to notify you the moment an announcement, report or news item has been added to the CTN web site. You can quickly check updated share prices, market charts, news and research.

Our Investor Centre App is now available to download for free from the iTunes or the Google Play store.