

Chairman's Address
Contango MicroCap Limited (ASX: CTN)
Annual General Meeting: 10:00am Thursday 6 November 2014

Mercure Melbourne Treasury Gardens
Fig Room – 13 Spring Street
MELBOURNE VIC 3000

Ladies, Gentlemen and Fellow Shareholders

Welcome to the eleventh Annual General Meeting of Contango MicroCap Limited.

Thank you for your attendance and for your continuing support during what was an outstanding year for CTN.

My name is Mark Kerr, I am the Chairman of the Board of Directors and I will be chairing the meeting today.

I would like to introduce the other members of the Board: Ian Ferres, David Stevens and Glenn Fowles.

I also note that Nick Bull representing Pitcher Partners, the Company's auditors, is in the audience today.

Following any questions on the accounts and the business of the meeting, the meeting will formally close, at which time we will hear a business update from David Stevens, MD of Contango MicroCap Limited followed by a review of the underlying investment portfolio by Bill Laister, Portfolio Manager with Contango Asset Management Limited.

This has been an exciting year for CTN. Our investment performance was outstanding with the portfolio returning 30.6%, translating into an FY14 operating profit of \$32.5 million.

Dividends attributed to the period were 8.6 cents per share. This was a 10.3% increase over the 7.8 cents per share attributed to FY13, and resulted from the Company's strong performance during the year.

During the year the Company successfully internalised its management structure allowing it to control its fee outgoings as the Company grows. The elimination of a performance fee that was previously payable to an external manager is another benefit to shareholders as it enables more profit to stay within the Company. In addition, to grow our funds management capability we acquired Bellwether Partners Limited - an institutional Australian equities manager.

2014 is the Company's ten year anniversary. We produced a very useful shareholder information and company reference document in our anniversary booklet. This was mailed to shareholders with the Notice of Meeting.

Looking back to our original prospectus I note that the Company's aim was to offer a practical way for investors to invest in the microcap sector and achieve a long term real rate of return over and above the All Ordinaries Accumulation Index. The Company also sought to regularly pay franked dividends and to preserve its capital base.

The Company has achieved these objectives, supported by the strong investment portfolio performance which has returned 16.9% pa since inception - significantly outperforming the All Ordinaries Accumulation Index which returned 9.1% pa.

Since declaring its first dividend in December 2004, CTN has paid a total of 79.6 cents per share in dividends to shareholders amounting to a total payout of over \$89.6m.

It is appropriate to recognise and acknowledge some of those who have been with CTN through its entire 10 year existence in David Stevens, Glenn Fowles, Carol Austin and Bill Laister. Their vision to establish the Company and contributions to it have been instrumental to the tremendous successes it has achieved.

Also, in the 2014 Queen's Birthday honours list Mr Ferres was appointed as a Member in the General Division of the Order of Australia (AM) for his service to the Finance and Investment sector through a range of advisory roles to professional organisations and to the community.

CTN also seeks to ensure that shareholders enjoy the full value of their shares by striving to minimise any discount the share price may have to its NTA value. These efforts have seen the discount narrow to under 3% at the end of October 2014.

CTN is highly regarded for its shareholder communications and promotional activities across the market. FY14 was another year where CTN grew its shareholder base. At June 30 CTN recorded a record number of shareholders at 4,918, up 502 people from a year earlier.

Subsequent to June 30 positive investor sentiment has seen CTN increase its shareholder base by an additional 509 people to 5,427 at the end of October. Investors are keen to obtain exposure to the microcap part of the market and enjoy the growth and dividends that CTN can deliver.

Outlook

Our fund managers remain confident of a grinding improvement in the world economy and therefore remain positive on the outlook and valuation for micro cap shares. This expectation and the internalisation of the Company's funds management capability lead us to the positive outlook for the Company as a leading listed investment company.

Specifically we have capitalised on the growth opportunities for LIC's presented by the growth in the SMSF market. The significant increase in our shareholder base is testament to this.

We now move onto the main business of the meeting.

While the business of the meeting has formally closed, we will now hear an update on the business from our MD, David Stevens, followed by a review of Contango's MicroCap portfolio by Bill Laister who will delve deeper into the portfolio merits and some of the stories behind the stocks. David and Bill will take any questions at the end of these presentations.

Thank you ladies and gentlemen for joining us today.