



Contango Asset Management Successfully Lists

Following a public offer and backdoor listing, Contango Asset Management (CGA) shares started trading on the ASX on 29 September. The shares closed on the first day at \$1.64, well up on the \$0.60 offer price and have since traded as high as \$1.93. The listing marks the start of a new era for the fund manager, which counts two LICs amongst its stable of funds, Contango MicroCap (CTN) and Contango Income Generator (CIE). IIR rates both LICs as Recommended Plus.

Over the past two months CGA has made a number of new additions to its team to help meet new regulatory and compliance requirements and also bolster the investment team. The manager has plans to grow the funds management business including pursuing mandates in the wholesale sector and continuing to develop its LIC strategy.

Antipodes Global LIC Starts Trading

Antipodes Global Investment Company (APL) shares started trading on the ASX on 18 October after the company successfully raised \$313m in equity via an IPO. The listing of APL provides another option for investors seeking to achieve global diversification for their portfolios.

IIR provides full coverage of six internationally focused LICs, Cadence Capital (Recommended Plus), Hunter Hall (Recommended), Future Generation Global Investment Company (Recommended Plus) Asian Masters Fund (Recommended Plus), Emerging Markets Masters Fund (Recommended Plus) and Global Masters Fund (Recommended Plus). We also cover ASX Quoted Managed Fund, K2 Global Equities Fund (Recommended). Adding one or more of these LICs to a portfolio, depending on an investor's needs, will help to achieve diversification through building international exposure.

Blue Sky Alternatives Access Fund to Raise New Equity

Blue Sky Alternatives Access Fund (BAF), a LIC that invests in a diversified portfolio of actively managed alternative assets, is seeking to raise \$47m in new equity via a 1-3 entitlement offer at \$1.10 per share. Funds raised will be used for new investment opportunities in Blue Sky managed funds. The manager, Blue Sky, is an ASX listed fund manager that invests in four alternative asset classes: private equity and venture capital; private real estate; real assets including water entitlements, water infrastructure and agribusiness; and hedge funds. At the end of September, BAF held a \$135m portfolio spread across these asset classes with its largest sector exposures being the Blue Sky Water Fund, (22.8%) private equity (19.2%), student accommodation projects (18.5%) and residential projects (14.4%).

For the 12 months to the end of September, BAF generated a portfolio return (NTA plus dividends) of 5.8%. A fully franked dividend of five cents per share was paid in September, offering an attractive yield 4.5% on the entitlement offer price. BAF is targeting to pay annual dividends of at least 4% of closing NTA at 30 June, provided it has sufficient profit and cash flow to do so.

Alternative asset classes provide investors with another way of achieving diversification as well as potentially reducing risk and enhancing returns as part of an overall portfolio strategy. BAF presents a unique way for retail investors to gain exposure to alternatives, an asset class that is usually only available to wholesale investors. The LIC structure also provides investors with the benefits of market liquidity. IIR does not cover BAF so we do not provide an investment recommendation on the LIC.

H2Ocean cancels IPO

H2Ocean (H2O) has decided not to proceed with its IPO after failing to raise sufficient capital. H2O intended investing the IPO funds in a portfolio of 15-50 fintech start-ups. We understand H2O will now look to raise money via a private fund.

In our last Monthly LMI Update we highlighted the opportunity for investors to gain exposure to the technology sector by investing in existing LIC, Bailador Technology Investments (BTI). BTI invests in technology companies that are in the expansion stage, with a demonstrated revenue and customer base. Our rating for BTI is Recommended Plus. At 30 September BTI shares were trading at a 9.8% discount to pre-tax NTA.

Aurora Global Income Trust Bids for HHY Fund

Aurora Global Income Trust (AIB) has made a takeover offer for HHY Fund at net asset value (NAV). The bid is via a scrip offer with the number of units issued to HHY investors to be determined on the basis of the NAV of each fund. The bid follows an attempt by Wilson Asset Management to remove Aurora Funds Management as the responsible entity (RE) for HHY and wind up the fund. Aurora is also the RE for AIB.

If AIB's offer for HHY is successful, it will create a slightly larger income fund, but at \$16m it will still be relatively small. We note that Wilson Asset Management has recently released a substantial shareholder notice showing it has a 13% stake in AIB, in addition to its 20.65% stake in HHY. So it is still unclear as to how this corporate activity will be resolved.

The activity in HHY and the vote to wind up the AMP Capital China Growth Fund (AGF) highlights that LICs that persistently trade at substantial discounts to NTA are vulnerable to corporate action. However, investors should be wary of investing in discounted LICs simply on the basis of potential corporate activity, as there no guarantee such activity will occur and, if it does, whether it will be successful in eradicating the discount.

Watermark appoints new portfolio manager

Watermark Funds Management has appointed former Platinum Asset Management senior analyst, Simon Felton, as a new portfolio manager. Simon has considerable experience in international equities with 12 years as a senior analyst at Platinum's international fund. His areas of specialisation include capital goods, transport and infrastructure. Simon's appointment brings the total investment team at Watermark to seven. The team is led by Watermark founder, Justin Braitting, who has more than 24 years investment experience in the Australian and international equity markets.

Watermark manages two LICs, Australian Leaders Fund (ALF) and Watermark Market Neutral Fund (WMK). ALF has a market cap of over \$400m and has a portfolio of Australian and international shares. In our performance tables on the following pages we classify ALF as an absolute return fund as it has a significant portfolio of short positions as well as long positions. Over the past five years ALF has delivered an average annual return of 13.3%, compared to the ASX All Ordinaries Accumulation return of 11.0%.

WMK listed in July 2013 and has a market cap of \$98m. It adopts an equity market neutral strategy with equal sized long and short portfolios of Australian and international shares. At the end of June the long portfolio had a significant weighting to Australian small and mid-cap shares. Over the past three years it has delivered an average annual portfolio return of 6.3% compared to the ASX All Ordinaries Accumulation return of 6.4%. We do not cover ALF or WMK.

PRICING & PERFORMANCE UPDATE

Table: LIC Pricing & Performance Summaries*

Largest discounts to NTA		Largest premiums to NTA		Best performers [#]		Worst Performers [#]	
Company	Discount	Company	Premium	Company	Return %	Company	Return %
8EC	-20.5	MIR	21.4	CTN	31.6	USG	-8.0
WIC	-16.9	WAX	15.6	WAX	24.6	CDM	-7.6
GFL	-15.8	DJW	14.1	WIC	21.1	USF	-4.2
FSI	-14.4	WAM	12.1	WAM	19.8	KII	-3.7
CTN	-14.0	WAA	8.9	HHV	19.6	AUF	-2.8

* Only includes LICs covered by IIR
12 month NTA Returns at 30 September 2016

Australian equities had a good September quarter with the S&P/ASX 200 Accumulation Index up 5.1% for the quarter and a healthy 13.2% for the 12 months to 30 September 2016. Small caps again outperformed with the Small Ordinaries Accumulation Index up 8.5% for the quarter and 29.2% for the 12 months. The resources rally also helped drive the market with the S&P/ASX 200 Resources Accumulation Index up 14.2% for the quarter and 22.6% for the 12 months.

This difference in performance between the sectors was again reflected in the performance of LICs, with the Australian large cap share focused LICs portfolio (pre-tax NTA plus dividends) returning an average of 10.0% for the 12 months while the mid/small cap focused LIC portfolio returns averaged 18.3%.

Returns from the internationally focused LICs/LITs were mixed with the LICs with a blended portfolio of International and Australian shares mostly delivering solid returns. Hunter Hall Global Value (HHV) was the best of the LICs we cover in this category delivering a 12 month portfolio return of 19.6%.

LICs with a pure international focus were also mixed, with more delivering negative returns than positive returns. The MSCI World Index (AUD) was up 2.2% for the 12 months with the MSCI Emerging Markets Index up 7.2%. Amongst the international focused LICs we cover, Future Generation Global Investment Company (FGG) and Global Masters Fund (GFL) delivered positive returns of 0.6% and 0.1% respectively.

Small Caps: Flavour of the year

As we noted above, LICs with a small cap focus have done particularly well over the past year given the strong performance of the small cap sector. Small cap focused LICs have significantly outperformed LICs with a focus on Australian large cap shares. Given the weak growth outlook and pressure on dividends from many large companies, particularly in the banking, resource and energy sectors, we have noticed a few of the large cap focused LICs have started to increase their weightings of selected small cap stocks. We wonder if they have left their run a little late, either way, a slight increase in higher growth small caps stocks is unlikely to significantly shift the performance dial for their portfolios.

As shown in the table above, for the 12 months to 30 September, the top five performing LICs within our coverage were all mid/small cap focused, including HHV which has a portfolio of both Australian and international mid/small cap stocks.

Contango MicroCap (CTN)

With a portfolio return (NTA plus dividends) of 31.6%, CTN outperformed both the ASX All Ordinaries Accumulation Index return of 14.0% and the ASX Small Ordinaries Accumulation Index return of 29.2%. This strong return has helped erase the underperformance experienced by CTN a few years back. Despite the strong performance, CTN was still trading at a discount of 14% to pre-tax NTA at 30 September, although this narrowed from 17% over the quarter. With the externalisation of the manager (Contango Asset Management) and with key personnel now stakeholders in the manager, we expect there will be strong focus on maintaining the good performance numbers. This should see the discount continue to reduce over time. CTN has a well-diversified portfolio

of small and micro-cap stocks with a total of 77 securities, so performance is unlikely to be driven by any one stock. Our rating for CTN is Recommended Plus.

WAM Research (WAX)

WAX invests in a well-diversified portfolio of small and medium-sized industrial companies. Its portfolio return of 24.6% outperformed its benchmark, the All Ordinaries Accumulation Index return of 14%, given the absence of large cap stocks and over time has consistently performed well. Its five year average annual portfolio return of 18.5% compares favourably to All Ordinaries Accumulation Index return of 11% and the Small Ordinaries Accumulation Index return of 5.3%. With a high level of profit reserves we believe the dividend (which currently yields in excess of 5%) is sustainable. At 30 September WAX was trading at a 15.6% premium to pre-tax NTA, so clearly investors are paying for the consistent outperformance. We would prefer to be patient and buy at levels closer to NTA. Our rating for WAX is Recommended.

Westoz Investment Company (WIC)

WIC's performance over the 12 months was primarily driven by a strong performance during the September quarter with a portfolio return of 17%. WIC has a high weighting of West Australian small cap resources and resource services stocks, so it benefited from the ongoing rally in the sector. Over the medium-term the LIC has underperformed delivering three and five year portfolio returns of negative 0.8% and positive 3.6% respectively. WIC was trading at a 16.9% discount to pre-tax NTA at 30 September 2016 but we expect the discount to remain given the historic performance, portfolio concentration and the volatility of dividends. Our rating for WIC is Recommended.

WAM Capital (WAM)

With a market cap of close to \$1.4bn, WAM is the largest LIC in the mid/small cap space and, like its sister LIC, WAX, has a well-diversified portfolio of small and medium-sized industrial companies. The small cap focus has seen the LIC benefit from the strong returns from this sector over the past 12 months but it has also built a consistently strong performance track record over a long time. Over the past five years the annual average portfolio return has been 13.3%, outperforming both the All Ordinaries Accumulation and Small Ordinaries Accumulation indices. As with WAX, investors are paying up for the good performance with the shares at a 12.1% premium to pre-tax NTA at 30 September 2016. Our rating for WAM is Recommended Plus, but we would prefer to buy at levels closer to NTA.

Hunter Hall Global Value (HHV)

With a blended portfolio of Australian and international shares, Hunter Hall Global Value (HHV) suits investors looking for some global equities exposure. At the end of September 48% of the portfolio was invested in international equities, 30% in Australian equities and the rest in cash. The manager takes a high conviction approach and invests predominantly in small to mid-cap stocks. The portfolio (pre-tax NTA plus dividends) has performed well and beat the MSCI World Total Return Index, AUD over one, three and five-year periods. At the end of September 2016 HHV shares were trading at a 4.4% discount to pre-tax NTA.

Pricing & Recommendations – Australian Share Focus

All data as at 30 September 2016	ASX Code	Market Cap (\$M) *	Last Price (\$)	Dividend Yield	Pre-Tax NTA (\$)	Pre-tax NTA Prem/Disc	3 Year Avg Prem/Disc	M'ment	M'ment Fee	IIR Rating
Australian Shares - Large Cap										
Australian Foundation Investment Company	AFI	6,484.0	5.70	4.2%	5.60	1.8%	3.6%	Internal	0.16	Recommended+
Argo Investments	ARG	4,994.1	7.23	4.2%	7.30	-1.0%	3.3%	Internal	0.17	Recommended+
Milton Corporation	MLT	2,727.7	4.19	4.4%	4.26	-1.6%	1.2%	Internal	0.13	Highly Recommended
BKI Investment Company	BKI	937.8	1.56	4.7%	1.56	-0.3%	0.6%	Internal	0.16	Not Rated
Djerriwarrh Investments	DJW	778.2	3.56	6.7%	3.12	14.1%	27.4%	Internal	0.46	Recommended+
Australian United Investment	AUI	889.6	7.20	4.7%	7.87	-8.5%	-4.7%	Internal	0.10	Recommended+
Diversified United Investments	DUI	684.9	3.29	4.3%	3.61	-8.9%	-5.8%	Internal	0.13	Recommended
Whitefield Limited	WHF	359.5	4.30	4.0%	4.76	-9.7%	-6.8%	Internal	0.35	Recommended+
AMCIL Limited	AMH	258.0	1.00	3.5%	0.94	6.4%	-0.8%	Internal	0.65	Recommended+
Absolute Equity Performance Fund	AEG	100.6	1.09	0.0%	1.02	7.3%	12.5%	External	na	Not Rated
Wealth Defender Equities	WDE	98.5	0.78	3.8%	0.88	-10.9%	-6.5%	External	0.98	Not Rated
Century Australia	CYA	69.2	0.85	4.1%	0.90	-6.1%	-5.8%	External	1.08	Not Rated
Aberdeen Leaders	ALR	66.2	1.10	4.5%	1.22	-9.8%	-2.9%	External	2.40	Recommended
Ironbark Capital	IBC	57.9	0.46	4.7%	0.54	-15.4%	-9.7%	External	0.65	Not Rated
Aust Governance Masters Index Fund	AQF	51.7	1.81	4.4%	1.84	-1.6%	-0.1%	External	0.49	Not Rated
Flagship Investments	FSI	39.8	1.56	4.6%	1.82	-14.4%	-15.1%	External	0.00	Recommended
CBG Capital	CBC	22.1	0.90	3.5%	0.99	-9.6%	-7.0%	External	1.00	Recommended
Aurora Property Buy Write Inc. Trust	AUP	11.8	5.47	8.1%	5.45	0.4%	-1.2%	External	2.00	Not Rated
WAM Leaders Limited	WLE	411.2	1.15	0.0%	1.11	2.7%	3.2%	External	1.00	Recommended
Australian Shares - Mid/Small Cap										
WAM Capital	WAM	1,374.0	2.34	6.1%	2.09	12.1%	9.7%	External	1.00	Recommended+
Carlton Investments	CIN	840.6	31.75	3.8%	36.92	-14.0%	-11.1%	Internal	0.08	Not Rated
Mirrabooka Investments	MIR	461.0	2.95	5.1%	2.43	21.4%	13.4%	Internal	0.65	Recommended+
WAM Research	WAX	275.2	1.58	5.2%	1.37	15.6%	6.2%	External	1.00	Recommended
Future Generation Investment Company	FGX	400.0	1.15	3.5%	1.18	-2.2%	-1.5%	External	0.00	Highly Recommended
QV Equities	QVE	274.5	1.24	2.4%	1.19	4.6%	-1.5%	External	0.90	Not Rated
Contango MicroCap	CTN	182.5	1.13	5.6%	1.31	-14.0%	-12.0%	External	1.25	Recommended+
Westoz Investment Company	WIC	116.2	0.90	6.7%	1.08	-16.9%	-10.3%	External	1.00	Recommended
Watermark Market Neutral Fund	WMK	96.5	1.07	5.6%	1.08	-1.4%	-4.4%	External	1.00	Not Rated
Thorney Opportunities	TOP	113.6	0.67	1.7%	0.75	-10.7%	27.4%	External	na	Not Rated
Contango Income Generator	CIE	77.0	0.95	6.8%	1.01	-5.7%	-3.5%	External	0.95	Recommended+
Naos Emerging Opp Company	NCC	61.9	1.32	4.7%	1.42	-7.0%	-11.4%	External	1.25	Not Rated
Ozgrowth Limited	OZG	59.2	0.17	3.0%	0.20	-15.4%	-17.6%	External	1.00	Not Rated
Acorn Capital Inv Fund	ACQ	53.3	1.09	1.7%	1.22	-10.5%	-14.3%	External	na	Not Rated
Sandon Capital Investments	SNC	40.1	0.91	5.5%	1.02	-11.3%	-7.4%	External	1.25	Not Rated
WAM Active Limited	WAA	41.7	1.18	4.1%	1.08	8.9%	10.3%	External	1.00	Recommended
Katana Capital Limited	KAT	34.4	0.77	7.8%	0.83	-7.2%	-7.1%	External	na	Not Rated
Ryder Capital	RYD	37.6	1.02	0.0%	1.12	-8.9%	-2.3%	External	na	Not Rated
8IP Emerging Companies	8EC	32.6	0.99	0.0%	1.24	-20.5%	-9.8%	External	1.25	Recommended
Lion Select Group	LSX	35.3	0.33	0.0%	0.38	-13.2%	-29.5%	External	1.50	Not Rated
Glennon Small Companies Fund	GC1	46.7	1.00	3.8%	1.10	-9.1%	-5.3%	External	1.00	Recommended
Naos Absolute Opportunities Coy.	NAC	36.8	1.07	4.0%	1.26	-15.1%	-12.5%	External	1.75	Not Rated
Barrack St Investments	BST	17.9	0.98	2.6%	1.12	-12.9%	-14.5%	External	1.00	Recommended
Bentley Capital	BEL	9.9	0.13	7.7%	0.19	-31.6%	-36.9%	External	na	Not Rated
Orion Equities	OEQ	2.9	0.16	0.0%	0.45	-64.4%	-57.6%	External	na	Not Rated
Australian/International Shares - Blended										
Cadence Capital	CDM	337.9	1.25	8.8%	1.16	7.4%	6.1%	External	1.00	Recommended+
Hunter Hall Global Value	HHV	341.0	1.40	4.6%	1.46	-4.4%	-11.6%	External	1.50	Recommended
Perpetual Investment Company	PIC	242.6	0.96	2.9%	1.05	-8.8%	-3.3%	External	1.00	Not Rated
Clime Capital	CAM	63.7	0.81	6.0%	0.92	-12.5%	-7.3%	External	na	Not Rated
Mercantile Investment Company	MVT	44.8	0.16	0.0%	0.18	-10.2%	-14.4%	External	na	Not Rated
Sunvest Corporation	SVS	3.2	0.26	0.0%	0.59	-55.9%	-41.6%	External	na	Not Rated

Pricing & Recommendations – International Shares & Specialist Focus

All data as at 30 September 2016	ASX Code	Market Cap (\$M) *	Last Price (\$)	Dividend Yield	Pre-Tax NTA (\$)	Pre-tax NTA Prem/Disc (\$)	3 Year Avg Prem/Disc	M'ment	M'ment Fee	IIR Rating
International Shares - Diversified										
Magellan Flagship Fund	MFF	813.7	1.73	1.2%	1.96	-11.6%	-3.8%	External	1.50	Not Rated
Platinum Capital	PMC	355.7	1.51	4.7%	1.49	1.3%	9.2%	External	1.50	Not Rated
Future Generation Global Investment Company	FGG	290.6	1.05	0.0%	1.07	-1.7%	4.2%	External	0.00	Recommended+
PM Capital Global Opportunities Fund	PGF	296.4	0.85	3.5%	0.99	-14.3%	-9.1%	External	1.00	Not Rated
Templeton Global Growth	TGG	273.8	1.16	3.9%	1.30	-11.4%	-7.0%	External	1.00	Not Rated
Ellerston Global Investments	EGI	74.3	0.98	2.0%	1.13	-13.6%	-2.8%	External	0.75	Not Rated
International Shares - Emerging Markets										
Platinum Asia Investments	PAI	277.1	0.95	0.0%	0.99	-4.8%	1.4%	External	1.10	Not Rated
Asian Masters Fund	AUF	170.4	1.29	1.7%	1.27	1.6%	1.3%	External	1.00	Recommended+
Emerging Markets Masters Fund	EMF	171.9	1.82	3.3%	1.78	2.2%	2.5%	External	1.10	Recommended+
Ellerston Asian Investments	EAI	106.8	0.89	0.0%	0.99	-10.4%	-8.8%	External	0.95	Not Rated
PM Capital Asian Opportunities Fund	PAF	51.7	0.93	2.7%	1.06	-12.4%	-11.6%	External	1.00	Not Rated
International - Specialist										
Argo Global Listed Infrastructure	ALI	251.3	1.76	1.7%	1.96	-10.5%	-6.3%	External	1.20	Not Rated
Global Value Fund	GVF	110.3	1.08	4.7%	1.10	-2.3%	-6.3%	External	1.50	Not Rated
Zeta Resources	ZER	35.0	0.35	0.0%	0.51	-31.8%	-20.1%	External	0.50	Not Rated
Global Masters Fund	GFL	12.6	1.47	0.0%	1.74	-15.8%	-14.4%	Internal	0.00	Recommended+
Aurora Global Income Trust	AIB	5.1	0.78	8.5%	0.77	1.0%	-1.9%	External	1.33	Not Rated
Fixed Income Funds										
Australian Enhanced Income Fund	AYF	19.5	6.00	6.3%	5.97	0.5%	-0.8%	External	na	Not Rated
Australian Masters Yield Fund No 1	AYD	27.1	30.00	5.3%	30.40	-1.3%	2.7%	External	0.59	Not Rated
Australian Masters Yield Fund No 2	AYH	18.2	42.80	6.1%	42.70	0.2%	2.9%	External	0.59	Not Rated
Australian Masters Yield Fund No 3	AYJ	69.9	71.55	3.6%	71.59	-0.1%	0.8%	External	0.59	Not Rated
Australian Masters Yield Fund No 4	AYK	54.6	54.83	3.4%	54.80	0.1%	2.2%	External	0.59	Not Rated
Australian Masters Yield Fund No 5	AYZ	75.6	74.76	3.5%	74.84	-0.1%	1.1%	External	0.50	Not Rated
Private Equity Funds										
US Select Private Opportunities Fund	USF	83.9	2.15	9.8%	2.06	4.4%	-0.1%	External	2.33	Recommended
Bailador Technology Investments	BTI	97.7	1.06	0.0%	1.17	-9.8%	-14.5%	External	1.75	Recommended+
US Select Private Opportunities Fund 2	USG	117.6	2.13	7.0%	2.08	2.4%	4.3%	External	2.33	Recommended
IPE Limited	IPE	31.2	0.23	29.0%	0.22	4.5%	-1.0%	External	1.50	Not Rated
Absolute Return Funds										
Armida Investment Corporation Limited	AIK	135.4	0.14	0.0%	0.14	0.8%	-22.4%	Internal	na	Not Rated
Arowana Australasian Value Op. Fund	AWQ	68.0	0.99	4.1%	1.04	-5.3%	-4.1%	External	1.00	Not Rated
Aurora Absolute Return Fund	ABW	13.9	0.83	4.5%	0.84	-1.2%	-1.5%	External	na	Not Rated
Alternative Investment Trust	AIQ	12.4	0.10	15.8%	0.11	-10.5%	-17.5%	External	na	Not Rated
Hastings High Yield Fund	HHY	11.9	0.13	0.0%	0.13	-0.2%	-19.6%	External	na	Not Rated
Australian Leaders Fund Limited	ALF	407.5	1.51	6.6%	1.36	11.0%	8.5%	External	na	Not Rated
Monash Absolute Investment Company Limited	MA1	50.4	0.96	0.0%	0.98	-1.8%	-1.6%	External	1.50	Not Rated
Other Specialist										
Blue Sky Alternatives Access Fund	BAF	155.2	1.21	6.6%	1.08	12.0%	0.7%	External	1.20	Not Rated

*Based on fully paid ordinary shares available for trade.

Source: ASX/IRESS

Performance – Australian Share Focus

All data as at 30 September 2016	ASX Code	NTA (plus dividends) Return (%)					Share Price (plus dividends) Return (%)					Benchmark
		1 Mth	3 Mths	1 yr	3 yrs	5 yrs	1 Mth	3 Mths	1 yr	3 yrs	5 yrs	
Australian Shares - Large Cap												
Australian Foundation Investment Company	AFI	0.2	4.4	10.2	4.5	10.7	0.9	4.1	4.4	3.7	12.5	S&P/ASX 200 Acc Index
Argo Investments	ARG	0.4	4.9	11.2	5.3	11.1	-1.1	0.2	-0.7	5.5	12.7	S&P/ASX 200 Acc Index
Milton Corporation	MLT	-0.2	3.2	8.6	5.1	11.3	-0.9	0.2	2.5	6.5	13.7	All Ordinaries Acc Index
BKI Investment Company	BKI	-1.3	3.0	7.6	3.4	9.1	-1.6	0.7	2.0	5.0	12.8	S&P/ASX 300 Acc Index
Djerriwarrh Investments	DJW	0.6	5.5	10.3	2.2	8.6	-2.2	-9.4	-7.9	-1.3	7.9	S&P/ASX 200 Acc Index
Australian United Investment	AUI	3.4	6.4	11.8	3.6	10.0	-3.5	3.3	3.1	3.1	11.2	ASX 300 Acc Index
Diversified United Investments	DUI	2.6	4.4	10.6	5.2	11.9	-3.6	2.9	4.7	5.1	13.7	ASX 300 Acc Index
Whitefield Limited	WHF	-0.8	3.7	12.2	8.6	16.0	-0.5	4.1	7.9	7.4	16.8	S&P/ASX 200 Industrials Acc (XJOAI) Index
AMCIL Limited	AMH	0.0	4.8	12.1	8.1	14.4	5.3	8.0	27.2	10.7	17.7	S&P/ASX 200 Acc Index
Absolute Equity Performance Fund	AEG	-1.1	-5.7	na	na	na	-3.1	-7.6	na	na	na	na
Wealth Defender Equities	WDE	0.2	4.1	2.5	na	na	1.9	11.1	-9.0	na	na	na
Century Australia	CYA	2.5	6.4	11.3	5.3	10.1	-0.5	5.0	11.6	5.3	12.1	S&P/ASX 300 Acc Index
Aberdeen Leaders	ALR	4.3	6.1	15.8	6.4	11.3	0.0	4.8	11.5	-1.5	8.6	S&P ASX 200 Acc Index
Ironbark Capital	IBC	-1.8	1.5	5.9	3.0	4.8	-2.1	2.0	1.3	-0.2	5.5	na
Aust Governance Masters Index Fund	AQF	0.5	5.1	10.0	4.4	10.1	0.6	7.0	7.6	2.2	9.1	S&P/ASX 100 Acc Index
Flagship Investments	FSI	-3.2	2.3	14.8	7.2	12.2	-2.5	8.6	16.9	9.7	10.0	All Ordinaries Index
CBG Capital	CBC	-1.5	3.3	6.1	na	na	5.9	-2.7	-1.4	na	na	S&P/ASX 200 Acc Index
Aurora Property Buy Write Inc. Trust	AUP	-2.4	-2.2	9.1	9.0	10.1	-2.0	-2.0	11.8	9.3	11.1	RBA Cash Rate
WAM Leaders Limited	WLE	0.7	4.5	na	na	na	-1.7	4.1	na	na	na	S&P/ASX 200 Acc Index
Australian Shares - Mid/Small Cap												
WAM Capital	WAM	1.8	8.9	19.8	12.3	13.3	3.1	4.9	25.3	14.1	18.2	All Ordinaries Acc Index
Carlton Investments	CIN	1.5	6.1	15.5	13.4	17.6	0.8	2.5	13.7	14.1	21.1	S&P/ASX 200 Acc Index
Mirrabooka Investments	MIR	0.4	7.0	16.5	11.4	16.6	6.9	11.2	25.9	13.5	22.4	S&P/ASX Mid Cap 50's Acc Index, S&P/ASX Small Ordinaries Acc Index
WAM Research	WAX	2.2	10.9	24.6	14.6	18.5	3.9	17.0	34.2	18.4	26.3	All Ordinaries Acc Index
Future Generation Investment Fund	FGX	-1.8	1.3	7.8	na	na	3.1	2.7	10.4	na	na	All Ordinaries Acc Index
QV Equities	QVE	0.2	7.0	18.6	na	na	5.1	14.8	24.6	na	na	na
Contango MicroCap	CTN	2.1	11.6	31.6	9.1	8.2	1.0	16.2	30.7	10.8	13.6	ASX All Ordinaries Acc Index
Westoz Investment Company	WIC	3.0	17.0	21.1	-0.8	3.6	5.3	12.9	19.0	-0.6	9.1	Absolute return focus
Watermark Market Neutral Fund	WMK	3.8	2.9	4.9	6.3	na	0.9	4.9	15.4	5.2	na	na
Thorney Opportunities	TOP	8.3	25.4	38.3	20.5	na	0.1	16.6	50.1	2.0	13.5	na
Contango Income Generator	CIE	-1.3	4.9	12.0	na	na	0.5	7.1	4.3	na	na	All Ordinaries Acc Index
NaoS Emerging Opp Company	NCC	2.9	13.6	43.0	8.6	na	12.8	26.9	50.2	13.4	na	Small Ordinaries Acc Index (XSOAI)
Ozgrowth Limited	OZG	2.1	14.2	33.9	-1.1	3.0	10.0	24.3	31.8	3.3	11.0	Absolute return focus
Acorn Capital Inv Fund	ACQ	4.9	15.6	41.8	na	na	8.6	23.8	52.8	na	na	na
Sandon Capital Investments	SNC	2.1	7.4	10.0	na	na	-0.5	13.1	7.9	na	na	na
WAM Active Limited	WAA	4.6	7.5	17.2	5.8	8.3	2.7	18.7	31.0	6.6	11.4	All Ordinaries Acc Index
Katana Capital Limited	KAT	-1.2	0.5	7.1	0.1	4.0	-2.5	0.0	2.4	4.9	6.2	na
Ryder Capital	RYD	3.2	14.9	12.7	na	na	7.4	7.4	1.0	na	na	na
8IP Emerging Companies	8EC	6.2	12.4	na	na	na	-2.5	0.5	na	na	na	ASX Emerging Co. Acc Index
Lion Select Group	LSX	-2.6	2.7	35.7	-15.5	na	10.0	8.2	78.4	-17.6	na	na
Glennon Small Companies Fund	GC1	2.7	5.7	13.7	na	na	3.5	3.5	3.3	na	na	ASX Small Ords Acc Index
Naos Absolute Opportunities Coy.	NAC	0.0	5.9	21.1	na	na	0.9	7.0	17.5	na	na	na
Barrack St Investments	BST	-1.7	1.7	8.6	na	na	0.0	5.3	17.7	na	na	All Ordinaries Accum Index
Bentley Capital	BEL	-1.5	-5.3	-15.5	-2.6	3.2	0.0	0.0	0.1	5.9	6.0	na
Orion Equities	OEQ	0.0	-5.7	-17.8	-6.8	-12.1	0.0	0.0	-27.3	-10.7	-13.5	na
Australian/International Shares - Blended												
Cadence Capital	CDM	0.1	6.8	-7.6	2.3	6.7	-1.6	2.9	-9.3	4.0	10.3	All Ordinaries Acc Index
Hunter Hall Global Value	HHV	0.1	4.1	19.6	17.1	16.9	-0.3	7.9	35.6	22.5	20.9	MSCI Total Return Index, Net Dividends Reinvested in Australian dollars
Perpetual Investment Company	PIC	-1.3	7.5	9.2	na	na	0.0	5.9	4.1	na	na	na
Clime Capital	CAM	0.0	5.9	4.3	-3.3	3.2	0.6	5.5	-1.9	-4.7	5.1	na
Mercantile Investment Company	MVT	-1.8	-0.6	8.7	6.7	24.3	3.2	10.3	18.5	7.2	24.3	na
Sunvest Corporation	SVS	0.0	1.7	103.4	-8.9	-12.8	0.0	8.3	8.3	2.7	-4.1	na

Performance – International Shares & Specialist Focus

All data as at 30 September 2016	ASX Code	NTA (plus dividends) Return (%p.a)					Share Price (plus dividends) Return (%p.a)					Benchmark
		1 Mth	3 Mths	1 yr	3 yrs	5 yrs	1 Mth	3 Mths	1 yr	3 yrs	5 yrs	
International Shares - Diversified												
Magellan Flagship Fund	MFF	-4.7	2.2	-4.3	16.8	22.2	-3.4	-7.5	-6.5	9.2	24.0	na
Platinum Capital	PMC	-0.8	5.7	-2.8	4.8	11.2	0.3	-4.6	-15.4	4.0	13.8	MSCI All Country World Net Index in A\$
Future Generation Global Investment Company	FGG	-1.0	2.8	0.6	na	na	0.0	-0.5	-3.7	na	na	MSCI World Index AUD
PM Capital Global Opportunities Fund	PGF	-2.7	4.8	-10.6	na	na	0.6	4.8	-11.1	na	na	na
Templeton Global Growth	TGG	-0.7	5.5	-3.5	5.4	13.3	-1.6	3.9	-7.7	3.7	15.2	MSCI All Country World Free Index
Ellerston Global Investments	EGL	1.9	5.8	7.7	na	na	-0.5	8.2	-8.2	na	na	na
International Shares - Emerging Markets												
Platinum Asia Investments	PAI	-2.1	6.3	2.5	na	na	0.5	6.8	-4.5	na	na	na
Asian Masters Fund	AUF	-1.6	3.3	-2.8	9.1	10.8	-2.3	4.9	-0.6	7.6	9.7	MSCI AC Asia ex Japan Index
Emerging Markets Masters Fund	EMF	-1.1	2.3	-1.6	7.4	na	-0.5	4.6	-0.5	6.0	na	MSCI Emerging Mkt Index
Ellerston Asian Investments	EAI	-0.6	6.5	na	na	na	-3.0	5.2	na	na	na	na
PM Capital Asian Opportunities Fund	PAF	-1.2	3.9	7.2	na	na	2.7	2.7	9.8	na	na	na
International - Specialist												
Argo Global Listed Infrastructure	ALI	-0.5	-3.6	1.5	na	na	0.0	-1.3	-2.0	na	na	na
Global Value Fund	GVF	-0.6	3.1	-2.5	na	na	-0.9	2.4	10.1	na	na	BBSW 1 year swap rate + 4
Zeta Resources	ZER	14.7	66.4	133.2	-15.3	na	-12.5	94.4	25.0	-11.8	na	na
Global Masters Fund	GFL	-4.8	-1.4	0.1	11.4	14.7	6.2	7.7	-11.2	12.6	16.6	S&P 500 US Index
Aurora Global Income Trust	AIB	1.0	-6.3	-2.6	1.2	2.6	6.1	6.1	-2.1	1.8	2.5	UBS Australia Bank Bill Index
Fixed Income Funds												
Australian Enhanced Income Fund	AYF	1.3	2.5	7.4	4.0	5.8	4.1	6.4	6.8	5.3	6.5	na
Australian Masters Yield Fund No 1	AYD	0.7	0.8	3.0	7.9	na	-0.5	-1.4	1.5	7.3	na	na
Australian Masters Yield Fund No 2	AYH	0.4	-0.2	4.6	7.3	na	0.1	-0.1	4.5	7.3	na	na
Australian Masters Yield Fund No 3	AYJ	0.5	0.9	3.8	na	na	0.0	0.8	3.1	na	na	na
Australian Masters Yield Fund No 4	AYK	0.4	0.6	3.5	na	na	0.2	0.3	3.5	na	na	na
Australian Masters Yield Fund No 5	AYZ	0.5	1.4	4.5	na	na	0.1	0.8	4.2	na	na	na
Private Equity Funds												
US Select Private Opportunities Fund	USF	-1.9	1.5	-4.2	10.8	na	1.4	0.9	1.0	13.1	na	na
Bailador Technology Investments	BTI	0.0	0.0	7.2	na	na	-0.4	6.6	32.2	na	na	8% p.a. compound
US Select Private Opportunities Fund II	USG	-1.4	-0.5	-8.0	9.6	na	1.4	-6.2	-10.7	9.0	na	Absolute Return w H/W Mark
IPE Limited	IPE	-1.8	0.0	10.1	10.4	8.6	0.0	-2.1	37.9	12.5	21.8	na
Absolute Return Funds												
Armidale Investment Corporation Limited	AIK	-11.0	-7.5	5.2	4.1	9.8	3.7	16.1	37.5	36.0	19.2	na
Arowana Australasian Value Op. Fund	AWQ	0.0	-4.4	5.9	na	na	1.5	1.0	2.5	na	na	na
Aurora Absolute Return Fund	ABW	0.1	-9.5	-10.9	-2.8	0.2	9.7	0.4	-10.8	-3.2	0.1	RBA Cash Rate
Alternative Investment Trust	AIQ	-2.0	12.5	-1.8	22.1	34.3	0.0	11.9	17.0	24.7	44.6	na
Hastings High Yield Fund	HHY	0.1	-2.8	13.9	20.8	61.7	4.2	8.7	35.9	48.7	106.1	na
Australian Leaders Fund Limited	ALF	3.8	2.3	3.0	4.7	13.3	-1.0	4.5	12.4	2.6	16.4	All Ordinaries Acc Index
Monash Absolute Investment Company Limited	MA1	0.7	1.7	na	na	na	1.6	1.1	na	na	na	na
Other Specialist												
Blue Sky Alternatives Access Fund	BAF	0.9	0.7	5.8	na	na	2.4	5.0	25.2	na	na	na
Benchmark Returns												
S&P/ASX 50 Accumulation Index	XFLAI	na	na	na	na	na	0.6	4.5	9.9	4.7	11.0	na
S&P/ASX 200 Accumulation Index	XJOAI	na	na	na	na	na	0.5	5.1	13.2	6.0	11.2	na
S&P/ASX 300 Accumulation Index	XKOA	na	na	na	na	na	0.5	5.2	13.5	6.0	11.0	na
All Ordinaries Accumulation Index	XAOAI	na	na	na	na	na	0.4	5.3	14.0	6.4	11.0	na
Small Ordinaries Accumulation Index	XSOAI	na	na	na	na	na	1.5	8.5	29.2	7.1	5.3	na
S&P/ASX 200 Industrials Accumulation Index	XJIAI	na	na	na	na	na	-0.4	3.8	12.1	8.7	15.9	na
S&P/ASX 200 Resources Accumulation Index	XMJAI	na	na	na	na	na	5.6	14.2	22.6	1.2	-0.3	na
RBA Cash Rate at 30 September 2016: 1.5%												

Source: ASX/IRESS

Note: Share Price and NTA are adjusted using adjustment factors provided by IRESS.

ASX Quoted Managed Funds

About ASX Quoted Managed Funds

Quoted managed Funds (QMFs) are a relatively new type of exchange traded product (ETP) traded on the ASX. While traditional exchange traded funds (ETFs) adopt passive strategies that synthetically track the performance of an index or other benchmark, QMFs are actively managed funds. The legal structure is the same as a traditional managed fund, but the units can be bought and sold on the ASX just like shares. Unlike listed investment companies, QMFs are open ended with the manager acting as market maker. This ensures the units trade close to net asset value. The manager issues new units as required to meet market demand.

Pricing & Rating

All data as at 30 September 2016	ASX Code	Market Cap (\$)	Last Price (\$)	Dividend Yield	Pre-Tax NTA (\$)	M'ment Fee	IIR Rating
Australian Share Strategies							
Aurora Dividend Income Trust	AOD	13.4	13.4	6.2%	0.71	1.30	Not Rated
Betashares Aus Top20 Equity Yield Max Fund	YMAX	328.0	328.0	0.0%	na	0.59	Not Rated
Betashares Australian Dividend Harvester Fund	HVST	293.7	293.7	0.0%	na	0.65	Not Rated
BetaShares Australian Equities Bear Hedge Fund	BEAR	66.1	66.1	0.0%	na	1.19	Not Rated
Betashares Australian Equities Strong Bear Hedge Fund	BBOZ	103.9	103.9	0.0%	na	1.19	Not Rated
Betashares Geared Australian Equity Fund	GEAR	52.4	52.4	0.0%	na	0.80	Not Rated
Betashares Managed Risk Australian Share Fund	AUST	30.4	30.4	0.0%	na	0.39	Not Rated
K2 Australian Small Cap Fund	KSM	23.1	23.1	0.0%	2.70	2.05	Recommended
International Share/Security Strategies							
AMP Capital Global Infrastructure Securities Fund (Unhedged)	GLIN	17.9	2.56	0.0%	na	0.95	Not Rated
AMP Capital Global Property Securities Fund (Unhedged)	RENT	11.1	2.42	0.0%	na	0.99	Not Rated
BetaShares Geared U.S. Equity Fund - Currency Hedged	GGUS	4.0	10.00	0.0%	na	0.74	Not Rated
Betashares Managed Risk Global Share Fund	WRLD	11.8	9.86	0.0%	na	0.39	Not Rated
BetaShares S&P 500 Yield Maximiser Fund	UMAX	75.7	16.74	0.0%	na	0.59	Not Rated
K2 Global Equities Fund	KII	36.8	2.33	0.0%	2.35	2.00	Recommended
Magellan Global Equities Fund	MGE	647.6	2.52	2.0%	2.52	1.35	Not Rated
Magellan Global Equities Fund (Currency Hedged)	MHG	35.6	2.47	2.0%	2.48	1.35	Not Rated
Schroders Real Return Fund (Managed Fund)	GROW	21.2	3.52	0.0%	na	0.90	Not Rated
AMP Capital Dynamic Markets Fund (Hedge Fund)	DMKT	11.5	2.52	0.0%	na	0.48	Not Rated
Magellan Infrastructure Fund (Currency Hedged) (Managed Fund)	MICH	31.4	2.51	0.0%	2.50	0.95	Not Rated

Performance

All data as at 30 September 2016	ASX Code	NTA (plus dividends) Return (%p.a)					Share Price (plus dividends) Return (%p.a)				
		1 Mth	3 Mths	1 year	3 years	5 years	1 Mth	3 Mths	1 year	3 years	5 years
Australian Share Strategies											
Aurora Dividend Income Trust	AOD	-0.4	1.1	-2.5	-5.7	1.6	-0.9	2.2	-2.0	-5.8	1.4
Betashares Aus Top20 Equity Yield Max Fund	YMAX	na	na	na	na	na	0.9%	2.6%	-3.8%	-8.0%	na
Betashares Australian Dividend Harvester Fund	HVST	na	na	na	na	na	-3.0%	-4.2%	-5.2%	na	na
BetaShares Australian Equities Bear Hedge Fund	BEAR	na	na	na	na	na	-0.9%	-6.4%	-13.1%	-5.0%	na
Betashares Australian Equities Strong Bear Hedge Fund	BBOZ	na	na	na	na	na	-2.9%	-12.9%	-29.4%	na	na
Betashares Geared Australian Equity Fund	GEAR	na	na	na	na	na	1.1%	7.5%	15.4%	na	na
Betashares Managed Risk Australian Share Fund	AUST	na	na	na	na	na	-0.4%	1.7%	na	na	na
K2 Australian Small Cap Fund	KSM	0.0	8.0	na	na	na	2.2	10.5	na	na	na
International Share/Security Strategies											
AMP Capital Global Infrastructure Securities Fund (Unhedged)	GLIN	na	na	na	na	na	0.8%	1.6%	na	na	na
AMP Capital Global Property Securities Fund (Unhedged)	RENT	na	na	na	na	na	-0.8%	-1.6%	na	na	na
BetaShares Geared U.S. Equity Fund - Currency Hedged	GGUS	na	na	na	na	na	-2.0%	8.3%	33.7%	na	na
Betashares Managed Risk Global Share Fund	WRLD	na	na	na	na	na	-1.3%	0.3%	na	na	na
BetaShares S&P 500 Yield Maximiser Fund	UMAX	na	na	na	na	na	-2.1%	-1.5%	-3.8%	na	na
K2 Global Equities Fund	KII	-0.4	5.9	-3.7	na	na	0.0	5.9	-5.7	na	na
Magellan Global Equities Fund	MGE	-1.5	3.1	-1.3	na	na	-0.8	2.9	0.1	na	na
Magellan Global Equities Fund (Currency Hedged)	MHG	0.2	6.1	8.9	na	na	-0.4	7.4	10.2	na	na
Schroders Real Return Fund (Managed Fund)	GROW	na	na	na	na	na	-0.8%	na	na	na	na
AMP Capital Dynamic Markets Fund (Hedge Fund)	DMKT	na	na	na	na	na	0.0%	na	na	na	na
Magellan Infrastructure Fund (Currency Hedged) (Managed Fund)	MICH	1.3	na	na	na	na	1.2	na	na	na	na

WHO IS IIR?

Independent Investment Research, "IIR", is an independent investment research house based in Australia and the United States. IIR specialises in the analysis of high quality commissioned research for Brokers, Family Offices and Fund Managers. IIR distributes its research in Asia, United States and the Americas. IIR does not participate in any corporate or capital raising activity and therefore it does not have any inherent bias that may result from research that is linked to any corporate/ capital raising activity.

IIR was established in 2004 under Aegis Equities Research Group of companies to provide investment research to a select group of retail and wholesale clients. Since March 2010, IIR (the Aegis Equities business was sold to Morningstar) has operated independently from Aegis by former Aegis senior executives/shareholders to provide clients with unparalleled research that covers listed and unlisted managed investments, listed companies, structured products, and IPOs.

IIR takes great pride in the quality and independence of our analysis, underpinned by high caliber staff and a transparent, proven and rigorous research methodology.

INDEPENDENCE OF RESEARCH ANALYSTS

Research analysts are not directly supervised by personnel from other areas of the Firm whose interests or functions may conflict with those of the research analysts. The evaluation and appraisal of research analysts for purposes of career advancement, remuneration and promotion is structured so that non-research personnel do not exert inappropriate influence over analysts.

Supervision and reporting lines: Analysts who publish research reports are supervised by, and report to, Research Management. Research analysts do not report to, and are not supervised by, any sales personnel nor do they have dealings with Sales personnel

Evaluation and remuneration: The remuneration of research analysts is determined on the basis of a number of factors, including quality, accuracy and value of research, productivity, experience, individual reputation, and evaluations by investor clients.

INDEPENDENCE – ACTIVITIES OF ANALYSTS

IIR restricts research analysts from performing roles that could prejudice, or appear to prejudice, the independence of their research.

Pitches: Research analysts are not permitted to participate in sales pitches for corporate mandates on behalf of a Broker and are not permitted to prepare or review materials for those pitches. Pitch materials by investor clients may not contain the promise of research coverage by IIR.

No promotion of issuers' transactions: Research analysts may not be involved in promotional or marketing activities of an issuer of a relevant investment that would reasonably be construed as representing the issuer. For this reason, analysts are not permitted to attend "road show" presentations by issuers that are corporate clients of the Firm relating to offerings of securities or any other investment banking transaction from that our clients may undertake from time to time. Analysts may, however, observe road shows remotely, without asking questions, by video link or telephone in order to help ensure that they have access to the same information as their investor clients.

Widely-attended conferences: Analysts are permitted to attend and speak at widely-attended conferences at which our firm has been invited to present our views. These widely-attended conferences may include investor presentations by corporate clients of the Firm.

Other permitted activities: Analysts may be consulted by Firm sales personnel on matters such as market and industry trends, conditions and developments and the structuring, pricing and expected market reception of securities offerings or other market operations. Analysts may also carry out preliminary due diligence and vetting of issuers that may be prospective research clients of ours.

INDUCEMENTS AND INAPPROPRIATE INFLUENCES

IIR prohibits research analysts from soliciting or receiving any inducement in respect of their publication of research and restricts certain communications between research analysts and personnel from other business areas within the Firm including management, which might be perceived to result in inappropriate influence on analysts' views.

Remuneration and other benefits: IIR procedures prohibit analysts from accepting any remuneration or other benefit from an issuer or any other party in respect of the publication of research and from offering or accepting any inducement (including the selective disclosure by an issuer of material information not generally available) for the publication of favourable research. These restrictions do not preclude the acceptance of reasonable hospitality in accordance with the Firm's general policies on entertainment, gifts and corporate hospitality.

DISCLAIMER

This publication has been prepared by Independent Investment Research (Aust) Pty Limited trading as Independent Investment Research ("IIR") (ABN 11 152 172 079), an corporate authorised representative of Australian Financial Services Licensee (AFSL no. 410381). IIR has been commissioned to prepare this independent research report (the "Report") and will receive fees for its preparation. Each company specified in the Report (the "Participants") has provided IIR with information about its current activities. While the information contained in this publication has been prepared with all reasonable care from sources that IIR believes are reliable, no responsibility or liability is accepted by IIR for any errors, omissions or misstatements however caused. In the event that updated or additional information is issued by the "Participants", subsequent to this publication, IIR is under no obligation to provide further research unless commissioned to do so. Any opinions, forecasts or recommendations reflects the judgment and assumptions of IIR as at the date of publication and may change without notice. IIR and each Participant in the Report, their officers, agents and employees exclude all liability whatsoever, in negligence or otherwise, for any loss or damage relating to this document to the full extent permitted by law. This publication is not and should not be construed as, an offer to sell or the solicitation of an offer to purchase or subscribe for any investment. Any opinion contained in the Report is unsolicited general information only. Neither IIR nor the Participants are aware that any recipient intends to rely on this Report or of the manner in which a recipient intends to use it. In preparing our information, it is not possible to take into consideration the investment objectives, financial situation or particular needs of any individual recipient. Investors should obtain individual financial advice from their investment advisor to determine whether opinions or recommendations (if any) contained in this publication are appropriate to their investment objectives, financial situation or particular needs before acting on such opinions or recommendations. This report is intended for the residents of Australia. It is not intended for any person(s) who is resident of any other country. This document does not constitute an offer of services in jurisdictions where IIR or its affiliates do not have the necessary licenses. IIR and/or the Participant, their officers, employees or its related bodies corporate may, from time to time hold positions in any securities included in this Report and may buy or sell such securities or engage in other transactions involving such securities. IIR and the Participant, their directors and associates declare that from time to time they may hold interests in and/or earn brokerage, fees or other benefits from the securities mentioned in this publication.

IIR, its officers, employees and its related bodies corporate have not and will not receive, whether directly or indirectly, any commission, fee, benefit or advantage, whether pecuniary or otherwise in connection with making any statements and/or recommendation (if any), contained in this Report. IIR discloses that from time to time it or its officers, employees and related bodies corporate may have an interest in the securities, directly or indirectly, which are the subject of these statements and/or recommendations (if any) and may buy or sell securities in the companies mentioned in this publication; may affect transactions which may not be consistent with the statements and/or recommendations (if any) in this publication; may have directorships in the companies mentioned in this publication; and/or may perform paid services for the companies that are the subject of such statements and/or recommendations (if any).

However, under no circumstances has IIR been influenced, either directly or indirectly, in making any statements and/or recommendations (if any) contained in this Report. The information contained in this publication must be read in conjunction with the Legal Notice that can be located at <http://www.independentresearch.com.au/Public/Disclaimer.aspx>.