ANNUAL REPORT

FOR THE PERIOD ENDED 30 JUNE 2017

CONTANGO ASSET MANAGEMENT LIMITED AND CONTROLLED ENTITIES
(FORMERLY TYRIAN DIAGNOSTICS LIMITED)

ACN: 080 277 998

contango ASSET MANAGEMENT LIMITED

CONTENTS

LETTER FROM THE CHAIRMAN

Roger Amos
Non-executive Chairman
Contango Asset
Management Limited

Dear Shareholder

Welcome to the 2017 Contango Asset Management Annual Report.

It goes without saying that FY17 was a momentous year for the Company, and it is with great pleasure we deliver our results to you.

We underwent a name change from Tyrian Diagnostics to Contango Asset Management, and a fundamental change in direction into a pre-eminent funds management business.

Such changes are never without their challenges and some inevitable teething problems; however, it is testament to the Management Team and my fellow Directors that the business has transitioned seamlessly, and strengthened in the nine months since the change.

We set ambitious growth goals, and for much of the year, we have tracked nicely. At the end of the financial year, the Company was responsible for more than $750 million in Funds Under Management (FUM), an annual increase from $676m. However, recent outflows of institutional managed mandates have required a recalibration of the business. With a stable platform beneath us, and a robust cost management strategy, I am confident we can look forward to positive growth in FY18.

During the year, we have continued to roll-out a diverse product suite. These included our appointment as the Investment Adviser to an innovative new exchange traded product, the Switzer Dividend Growth Fund, in February. This was a great achievement in itself, which foreshadowed a much larger milestone.

Contango Global Growth Limited (CQG), the third Contango-branded LIC, was first announced to market in February and successfully listed on the ASX in June. CQG represented the culmination of months of meticulous planning by management, crowned with the major achievement of a partnership with California based WCM Investment Management as Investment Adviser.

Internally, the team continued to grow in a very positive fashion, with a number of highly experienced - and not to mention talented - individuals coming on board, all with instrumental roles to play in the Company's growth strategy.

Focus will remain on growth, incorporating an integrated distribution and marketing program to be rolled out toward to end of 2017 and into early 2018.

These developments have been made possible by the unwavering dedication of Mr George Boubouras and his management team, and while there are always going to be those growing pains, to have accomplished all of this in such a short period of time is a great achievement. I'm very much looking forward to what can be realised now that the foundations have been laid.

I would like to thank my fellow Directors on the diligent oversight during this major period of transition.

Thank you to our shareholders for supporting our vision. Here's to another successful year for CGA, and many more milestones along the way in FY18.

Yours faithfully

Roger Amos
Chairman

Contango Asset Management

MANAGING DIRECTOR'S REPORT

George Boubouras
Managing Director and Chief Investment Officer
Contango Asset Management Limited

"Eventful" is a term that readily gets thrown around in Annual Reports, when we reflect upon the year that was and consider all that we have achieved. However, in the case of FY17 for Contango Asset Management, eventful is without doubt the most fitting word I could use to describe our year.

And I mean eventful in the most positive way.

We embarked on an ambitious growth journey way back at the beginning of 2015, and by the middle of 2016, having carefully laid the platform, we were ready to really take off. It pleases me no end to be able to report that our bold transition to become one of Australia's leading investment houses is well on track, punctuated by all that we achieved in the past 12 months, and our operating platform is now set.

Firstly, there was the successful Management Buyout (MBO) and internal restructure, which saw an investment in our team that was designed to carefully align with the interests of our clients and shareholders.

By doing away with bonuses and incentives as part of the MBO, and encouraging an equity partnership model, every team member has "skin in the game", so to speak. We are all committed to the same cause, for the same reason, 365 days a year – as our clients, shareholders and stakeholders expect and deserve us to be.

We were also thrilled to open our Sydney office in 2017, giving us greater scalability and flexibility in operating across the two biggest Australian markets. Yet again, this was another fantastic indicator of how far we have come in a short period of time, and indeed the limitless potential we see ahead of us.

From an operational point of view, we grew our Funds Under Management to more than $750 million by fiscal year end 17, which was a solid achievement in the context of such a busy transitional period. With the platform now set, we look forward to taking further big steps in the year to come.

We placed a high importance on diversifying our product offering, underscored by two major launches during the second half of the financial year. Firstly, we were excited to be a part of the Switzer Dividend Growth fund, a new active exchange-traded fund that added yet another high calibre fund to the Contango offering.

That was followed by the launch and successful listing of Contango Global Growth Limited, in partnership with our Investment Adviser from Laguna Beach California, WCM Investment Management, a very well regarded and proven global growth manager. The new LIC successfully raised $100million, with more than 2,700 shareholders, and with a mandate to invest in the vast global equities market. We are excited by this product's potential.

All this was achieved against the backdrop of a remarkably volatile year for equities markets. Geopolitical instability and uncertainty in a multitude of sectors led to a series of ups and downs that gave many an investor headaches.

For some sectors navigating this instability proved difficult and Contango was not completely immune. Such is the nature of equities. Yet for the most part, we managed to continue to perform well against our various benchmarks while at the same time successfully establish our operating platform.

With such an eventful year behind us I'm confident that we will continue to deliver exceptional results. I think I can safely say that the stage is now set thanks to all we have achieved in FY17.

I look forward to what this team can achieve in FY18 and beyond.

Yours faithfully

George Boubouras
Managing Director and Chief Investment Officer

Contango Asset Management Limited

FINANCIAL REPORT

FOR THE PERIOD ENDED 30 JUNE 2017

CONTANGO ASSET MANAGEMENT LIMITED AND CONTROLLED ENTITIES
(FORMERLY TYRIAN DIAGNOSTICS LIMITED)

ACN: 080 277 998

CORPORATE GOVERNANCE STATEMENT

The Board and management of Contango Asset Management Limited are committed to conducting the Group's business in an ethical manner and in accordance with the highest standards of corporate governance. The Company has adopted and has substantially complied with the ASX Corporate Governance Principles and Recommendations (Third Edition) (**Recommendations**) to the extent appropriate to the size and nature of the Group's operations.

The Company has prepared a statement which sets out the corporate governance practices that were in operation throughout the financial year for the Company, identifies any Recommendations that have not been followed and provides reasons for not following such Recommendations (**Corporate Governance Statement**).

The Corporate Governance Statement is accurate and up to date as at 28 September 2017 and has been approved by the Board.

In accordance with ASX Listing Rules 4.10.3 and 4.7.4, the Corporate Governance Statement is available for review on the Company's website (www.contango.com.au) and will be lodged together with an Appendix 4G at the same time that this Annual Report is lodged with ASX.

The Appendix 4G will identify each Recommendation that needs to be reported against by the Company and will provide shareholders with information as to where relevant governance disclosures can be found.

The Company's corporate governance policies and charters are all available on the Company's website (www.contango.com.au).

DIRECTORS' REPORT

Your Directors present their report, together with the financial statements, of the consolidated entity (referred to hereafter as the Group) consisting of Contango Asset Management Limited (the 'Company' or 'Parent Entity') and the entities it controlled at the end of, or during, the financial year ended 30 June 2017.

1. GENERAL INFORMATION

DIRECTORS

The names of the Directors in office at any time during, or since the end of, the year are:

Roger Amos – Non-executive Chairman

George Boubouras – Executive Director (Appointed 25 August 2016)

Charles Aitken – Non-executive Director (Appointed 25 August 2016)

Martin Switzer – Non-executive Director (Appointed 25 August 2016)

Patricia Toh – Non-executive Director (Appointed 11 October 2016)

Merilyn Sleigh – Non-executive Director (Resigned 25 August 2016)

Simon O'Loughlin – Non-executive Director (Resigned 25 August 2016)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

INFORMATION ON DIRECTORS

The skills, experience and expertise of each person who is a Director of the Company at the end of the financial year is provided below, together with details of the Company Secretary as at year end.

Name	Roger Amos
Position	Non-Executive Chairman
Qualifications	FCA, FAICD

Roger was appointed to the Board in June 2007 and became Chairman six months later. Roger is an independent director of REA Group Limited, Enero Group Limited and 3P Learning Limited. He was a director until May 2012 of Austar United Communications Limited. He was Chairman of Opera Foundation Australia from 2009 to 2014. Roger previously had a long and distinguished career with the international accounting firm KPMG, retiring in June 2006 after 25 years as a partner.

Special responsibilities: Chairman

Other current directorships: Roger is a Governor of the Cerebral Palsy Alliance Research Foundation

Name	George Boubouras
Position	Executive Director
Qualifications	B.Ec (Hons)

George has over 25 years experience in financial services and has held senior leadership positions, as the chief investment officer, at various global and domestic firms. George holds a Bachelor of Economics (Honours) and has undertaken further study at Harvard, MIT Sloan School of Management, the University of New South Wales and holds the Stockbrokers Association of Australia RG 146 accreditation.

George has experience managing investments across various asset classes and investment teams and has worked at various firms including: Equity Trustees Ltd, as Chief Investment Officer; UBS Wealth Management, as Chief Investment Officer; Macquarie Group, as an Investment Strategist; and HSBC Asset Management, as Head of Asset Allocation, Fixed Income and Equity Research.

Special responsibilities: Managing Director and Chief Investment Officer

Other current directorships: Contango Income Generator Limited

Name	Charles Aitken
Position	Non-Executive Director

Mr Aitken is Chief Executive Officer and Chief Investment Officer of Aitken Investment Management Pty Ltd. He has more than 23 years of equity and futures market experience. He is an expert contributor to the Switzer Super Report, and previously to Alan Kohler's Eureka Report. He appears frequently on Australian and global financial media as an expert on Australian equities and global macroeconomic strategy.

Mr Aitken has previously been a Director and head of Sydney Sales Trading for Citigroup, Executive Director and Partner of Southern Cross Equities and Executive Director and Board member of ASX listed Bell Financial Group.

Special Responsibilities: Chair of Remuneration and Nominations Committee

Other current directorships: None

Name	Martin Switzer
Position	Non-Executive Director
Qualifications	B Bus

Mr Switzer is the Chief Operating Officer of Switzer Financial Group, a content and financial services business. He is currently a host on the Sky News Business Channel from time to time. Martin is also a consultant with the Australian Defence Force Financial Services Consumer Centre and travels around Australia providing financial information and education to ADF members and their families.

Special responsibilities: Chair of Audit Committee (from 25 August 2016)

Other current directorships: Martin is currently a director of Contango Global Growth Ltd, Switzer Asset Management, Switzer Home Loans, is on the board of fashion media business RUSSH and has been a director of the Entrepreneurs Organisation and an ambassador for the Fight Duchenne Foundation.

Name	Patricia Toh
Position	Non-Executive Director
Qualifications	B.Com, LLB

Ms Toh has had 15 years of investment banking and private equity experience. Ms Toh has previously held positions with Goldman Sachs, Macquarie Capital and GEMS Private Equity. Most recently Ms Toh was the Group Head of Strategy at Consolidated Press Holdings. Through this role, she was involved in CPH's portfolio company Boards, general oversight of assets under management, assessing investment opportunities, and establishing the Hong Kong office.

Special responsibilities: None

Other current directorships: None

Name	Merilyn Sleigh
Position	Non-Executive Director (resigned 25 August 2016)
Qualifications	FAICD PhD Dip Corp Man

Merilyn Sleigh was appointed to the Board in November 2008, and was chair of the Audit Committee and a member of the Remuneration Committee. Merilyn initially had a successful career as a scientific researcher and research manager with CSIRO. Since that time, she has gained extensive experience in all aspects of the development of a successful biotechnology company. She was previously Research Director for Peptech Ltd and from 2001 to 2007 was CEO and managing director of EvoGenix Ltd. EvoGenix, initially a venture capital-backed start up company, listed on the ASX in 2005 and in 2007 was sold to a larger company to form Arana Therapeutics. Merilyn acts as an adviser on science commercialisation with the Garvan Institute for Medical Research in Sydney is also a member of the governing Council of the University of Technology Sydney.

Special responsibilities: Chair of the Audit Committee (until 25 August 2016)

Other current directorships: Current non-executive directorships are held with Clover Corporation Ltd, the Rural Industries Research and Development Council, Intersect Australia Limited and Relationships Australia (NSW).

Name	Simon O'Loughlin
Position	Non-Executive Director (resigned 25 August 2016)

Mr O'Loughlin is the founder of O'Loughlins Lawyers, an Adelaide based, specialist commercial law firm. He has extensive experience in the corporate and commercial law fields while practising in Sydney and Adelaide, and also holds accounting qualifications. He has extensive experience and involvement with companies in the small industrial and resource sectors. He has also been involved in the listing and back-door listing of numerous companies on the ASX. He is a former Chairman of the Taxation Institute of Australia (SA Division) and Save the Children Fund (SA Division).

Special responsibilities: None

Other current directorships: Current non-executive directorships are held with Lawson Gold Ltd, WCP Resources Limited, Xref Limited, Chesser Resources Limited, Petratherm Limited and Oklo Resources Limited.

COMPANY SECRETARY

The following people held the position of Company Secretary during the financial year:

Name	Hari Morfis (appointed 24 November 2016)

Hari is a legal, risk and governance professional with over 15 years' experience predominantly in financial services. She has extensive corporate and commercial experience having commenced her career as a corporate lawyer at Herbert Smith Freehills. She spent 11 years at UBS in senior legal, risk and compliance roles most recently as Head of Compliance for the UBS Wealth Management Australia business. She is director of Melbourne Women in Film Festival Limited and Company Secretary of ASX Listed entities Contango Global Growth Limited, Contango Income Generator Limited and Contango MicroCap Limited.

Name	Andrew Blunden (resigned 24 November 2016)

Andrew is a Fellow of the Institute of Chartered Accountants in Australia. He has over 25 years' experience as Chief Financial Officer, Company Secretary and Director with both publicly listed and privately owned organisations. He has held executive positions with such companies as Sonic Healthcare Ltd, Computershare Ltd, LAN Systems Pty Ltd, Serco Australia Ltd and iasset.com Pty Ltd. He is the founding director of the not-for-profit business association, Pittwater Business Limited and, through his company, Part Time Professionals Pty Ltd, assists companies source contracted company secretarial and CFO services throughout Australia.

1.1 PRINCIPAL ACTIVITIES

During the year the principal activities of the Company consisted of:

(a) in respect of the period from 1 July 2016 to 28 September 2016: development and licensing of diagnostic intellectual property assets; and

(b) in respect of the period on and from 29 September 2016: the funds management business conducted by a wholly owned subsidiary of the Company, Contango Funds Management Limited (ACN 085 487 421). Contango Funds Management Limited is holder of Australian Financial Services Licence 237119 for the provision of funds management services to wholesale clients and is the responsible entity for the registered wholesale clients and is the responsible entity for the registered wholesale Contango Managed Investment Scheme ARSN 099 665 264.

There were no other significant changes in the nature of the Group's principal activities during the financial year.

1.2 BUSINESS MODEL, STRATEGY AND OUTLOOK

Business model

The Group is a wholesale and listed investment company (LIC) fund manager and manages large cap, mid cap, small cap, micro-cap and income focused mandates. It also manages three LIC mandates for Contango MicroCap Limited (CTN), Contango Income Generator Limited (CIE) and Contango Global Growth Limited (CQG).

Strategy

The Contango Group's strategy post completion of the funds management business acquisition is to grow its funds under management through new wholesale mandates and new LICs growing existing LIC strategies, operating exchange traded products using existing strategies and wholesale client schemes and focusing on delivering consistent returns for the Contango Group client base and shareholders.

The growth strategy will also include development of a suite of products through its associate entity Switzer Asset Management Limited, leveraging off the self-directed, SMSF, super and ageing sectors.

An important component of the Group's ability to implement its future strategies with success relates to marketing for LIC mandates and retaining and attracting key personnel. Over the current financial year, the Board intends to allocate a portion of available working capital towards the development of new funds, marketing, and compliance costs.

The Group has established medium to long-term share incentive schemes for eligible employees in order to motivate and reward a high performing team of professionals.

2. OPERATIONAL AND FINANCIAL REVIEW

OPERATING RESULTS

The consolidated loss of the Group amounted to $ (14,148,000) after providing for income tax (2016: loss of $300,000). Basic earnings per share was a loss of 43.0 cents (2016: 9.0 cents). The major reason for the loss was due to the non- cash impairment of goodwill and intangible assets ($10.3m) after application of accounting standards in light of a reduced level of funds under management post balance date and, after taking into account near term negative cash flow movements necessarily incurred when entering a business development growth phase.

Operational highlights in the year ended 30 June 2017 included:

- During the year, the company acquired the Contango funds management business and commenced operations as a fund manager from 29th September, 2016
- Changed its name from Tyrian Diagnostics Limited to Contango Asset Management Limited and consolidated every 300 shares existing at 1st July, 2016 into 1 share
- Raised $17.2m in share capital net of transaction costs pursuant to the Prospectus dated 18th August 2016 and replacement prospectus dated 31 August 2016
- re-listed on the ASX as a result of the change in the nature of the company's activities
- In February 2017, the Group's associate entity Switzer Asset Management Ltd (SAM) successfully launched an exchange traded managed fund, the Switzer Dividend Growth Fund, with strong growth in funds under management to 30 June 2017 of $64m
- In June 2017, a subsidiary of the Company was appointed fund manager to the listed investment company Contango Global Growth Limited which raised $100m in an initial public offering
- The Group built and strengthened its portfolio management capability and obtained long term employee contracts for key members of its investment team

3. FINANCIAL REVIEW

The net assets of the Group have increased by $3,270,000 from $259,000 at 30 June 2016 to $3,529,000 at 30 June 2017. This increase is largely due to the following factors:

- Issue of share capital raising $17.2m used for the purchase of the Contango funds management business
- Renovation and remodelling the Melbourne office of the acquired business and opening of a Sydney office
- Costs incurred in re-listing and building investment team capacity
- Incurring a goodwill impairment based on up front business development expenditure

4. OTHER ITEMS

4.1 SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than stated above in Operating Results there were no other significant changes in state of affairs of the Group during the financial year.

4.2 EVENTS AFTER THE REPORTING DATE

On 21 August 2017, the Group announced a share placement of 5,555,556 shares at $0.90 each to cornerstone, institutional and other sophisticated investors, raising $5 million gross in additional capital. The funds will be used to develop further the Group's suite of products, build internal business development capability and repay debt.

Subsequent to balance date, the Group experienced net outflows of funds under management relating to its institutional business as detailed in the Company's ASX announcement dated 25th September, 2017.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

4.3 DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or provided for during the financial year and no dividend is recommended in respect of the year (2016 - $nil).

4.4 FUTURE DEVELOPMENTS AND RESULTS

The Group intends to continue to consolidate and grow its position in the funds management sector and expected results of operations in future financial years are likely, in the short term, to reflect the Group's life cycle status as it funds the growth phase of its operations. There are no other likely developments which have not been included in this report.

4.5 ENVIRONMENTAL ISSUES

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

5. MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2017, and the number of meetings attended by each director are:

	DIRECTORS' MEETINGS		AUDIT AND RISK COMMITEE		REMUNERATION AND NOMINATIONS COMMITTEE	
	Attended	Held	Attended	Held	Attended	Held
Roger Amos	11	13	4	4	1	1
George Boubouras	10	10	-	-	1	1
Charles Aitken	10	10	3	3	1	1
Martin Switzer	10	10	3	3	1	1
Patricia Toh	7	7	-	-	-	-
Merilyn Sleigh	3	3	1	1	-	-
Simon O'Loughlin	2	3	-	-	-	-

Held: represents the number of meetings held during the time the Director held office and which the Director was eligible to attend.

6. INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company, the company secretaries and all executive officers of the company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses insurance contracts as such disclosure is prohibited under the terms of the contract.

The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

7. PROCEEDINGS ON BEHALF OF COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all of those proceedings.

8. NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-assurance services provided during the financial year by the auditor are outlined in Note 31 to the financial statements.

The Board of Directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed in Note 31 did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

9. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration in accordance with section 307C the Corporations Act 2001 for the year ended 30 June 2017 has been received and can be found on page 23 of the financial report.

10. ROUNDING OF AMOUNTS

The Company has applied the relief available to it under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. Accordingly, amounts in the financial statements have been rounded off to the nearest thousand dollars (unless otherwise stated).

REMUNERATION REPORT (AUDITED)

The Remuneration Report for the year ended 30 June 2017 outlines the Director and Executive remuneration arrangements of Contango Asset Management Limited and Controlled Entities in accordance with the requirements of the Corporations Act 2001 and its regulations. For the purposes of this Report, key management personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director of the parent company.

REMUNERATION POLICY

The Remuneration and Nomination Committee of the Board of Directors is established to assist the Board to ensure that the Company:

- has a board of directors with the appropriate skills and experience to undertaken it's duties and responsibilities; and
- adopts appropriate remuneration policies and procedures which are designed to meet the needs of the Company and to enhance individual and corporate performance.

The Board's policy for determining the nature and amount of remuneration for KMP of the Group is based on the following:

- The remuneration policy has been developed by the Remuneration Committee and approved by the Board, after having sought advice from external advisors in relation to market trends for non-executive director remuneration.
- All key management personnel receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, and performance incentives.
- Incentives paid in the form of options or rights are intended to align the interests of Directors and company with those of the shareholders.
- The Remuneration Committee reviews key management personnel packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors.

SERVICE AGREEMENTS

On appointment to the Board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including remuneration, relevant to the office of director.

The remuneration and other terms of employment for the Managing Director are set out in an employment contract as summarised below.

The employment contract includes an annual salary package of $395,000 inclusive of superannuation and subject to annual reviews, and is for an unlimited duration. The agreement for the Managing Director may be terminated by giving six months' notice (except in cases of termination for cause where termination is immediate).

In cases of resignation, no separation payment is made to the Managing Director except for amounts due and payable up to the date of ceasing employment, including accrued leave entitlements.

REMUNERATION DETAILS FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

The following table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the key management personnel of the Group.

TABLE OF BENEFITS AND PAYMENTS

				LONG-TERM POST EMPLOYMENT EMPLOYEE BENEFITS			
2017 DIRECTORS	CASH SALARY & FEES $	BONUS $	NON MONETARY $	SUPERANNUATION $	LONG SERVICE LEAVE	SHARE BASED PAYMENTS $	TOTAL $
Roger Amos	82,500	-	-	7,125	-	-	89,625
George Boubouras	375,384	-	-	19,616	3,498	758,478	1,156,976
Charles Aitken	37,500	-	-	3,563	-	126,791	167,854
Martin Switzer	37,500	-	-	3,563	-	126,791	167,854
Patricia Toh	5,265	-	-	500	-	-	5,765
Merilyn Sleigh	5,000	-	-	-	-	-	5,000
Simon O'Loughlin	5,000	-	-	-	-	-	5,000
Total	**548,149**	**-**	**-**	**34,367**	**3,498**	**1,012,060**	**1,598,074**

				LONG-TERM POST EMPLOYMENT EMPLOYEE BENEFITS			
2016 DIRECTORS	CASH SALARY & FEES $	BONUS $	NON MONETARY $	SUPERANNUATION $	LONG SERVICE LEAVE	SHARE BASED PAYMENTS $	TOTAL $
Roger Amos	45,000	-	-	-	-	-	45,000
Simon O'Loughlin	10,000	-	-	-	-	-	10,000
Merilyn Sleigh	30,000	-	-	-	-	-	30,000
Caroline Popper	20,000	-	-	-	-	-	20,000
Total	**105,000**	**-**	**-**	**-**	**-**	**-**	**105,000**

SECURITIES RECEIVED THAT ARE NOT PERFORMANCE RELATED

No members of key management personnel are entitled to receive securities which are not performance-based as part of their remuneration package.

DESCRIPTION OF SHARES ISSUED AS REMUNERATION

Details of the shares issued as remuneration to those key management personnel and executives during the year:

SHARE-BASED PAYMENTS

DIRECTORS	$	NUMBER OF SHARES
Roger Amos	-	-
George Boubouras	758,478	2,425,938
Charles Aitken	126,791	211,319
Martin Switzer	126,791	211,319
Patricia Toh	-	-
Merilyn Sleigh	-	-
Simon O'Loughlin	-	-

Shares issued to George Boubouras under the Employee Share Incentive Plan and Employee Share Loan Plan are detailed at page 22 and valued using the methodology set out at Note 21.

All options were issued by Contango Asset Management Limited and Controlled Entities and entitle the holder to ordinary shares in Contango Asset Management Limited and Controlled Entities for each option exercised.

There have not been any alterations to the terms or conditions of any share based payment arrangements since grant date.

KEY MANAGEMENT PERSONNEL OPTIONS AND RIGHTS HOLDINGS

30 JUNE 2017 DIRECTORS	BALANCE AT BEGINNING OF YEAR	GRANTED AS REMUNERATION	EXERCISED	OTHER CHANGES	BALANCE AT THE END OF YEAR	VESTED DURING THE YEAR	VESTED AND EXERCISABLE
Roger Amos	-	-	-	-	-	-	-
George Boubouras	-	-	-	-	-	-	-
Charles Aitken	-	-	-	-	-	-	-
Martin Switzer	-	-	-	-	-	-	-
Patricia Toh	-	-	-	-	-	-	-
Merilyn Sleigh	-	-	-	-	-	-	-
Simon O'Loughlin	-	-	-	-	-	-	-

30 JUNE 2016 DIRECTORS	BALANCE AT BEGINNING OF YEAR	GRANTED AS REMUNERATION	EXERCISED	OTHER CHANGES	BALANCE AT THE END OF YEAR	VESTED DURING THE YEAR	VESTED AND EXERCISABLE
Roger Amos	-	-	-	-	-	-	-
Simon O'Loughlin	-	-	-	-	-	-	-
Merilyn Sleigh	-	-	-	-	-	-	-

KEY MANAGEMENT PERSONNEL SHAREHOLDINGS

The number of ordinary shares in Contango Asset Management Limited and Controlled Entities held by each key management person of the Group during the financial year is as follows:

30 JUNE 2017 DIRECTORS	BALANCE AT BEGINNING OF YEAR	GRANTED AS REMUNERATION	EXERCISED	OTHER CHANGES	BALANCE AT THE END OF YEAR
Roger Amos	27,227	-	-	80,000	107,227
George Boubouras[1]	-	3,592,417	-	333,333	3,925,750
Charles Aitken[2]	-	211,319	-	-	211,319
Martin Switzer[2]	-	211,319	-	607,150	818,469
Patricia Toh	-	-	-	100,000	100,000
Merilyn Sleigh[3]	2,000	-	-	-	2,000
Simon O'Loughlin[3]	-	-	-	-	-
Total	**29,227**	**4,015,055**	**-**	**1,120,483**	**5,164,765**

[1] 2,425,938 shares were issued during the year under the ESIP and ESLP share plan to Mr. George Boubouras with an additional 1,166,479 shares issued by the company to Mr George Boubouras for nil consideration.

[2] 211,319 shares were issued to Mr Charles Aitken and Mr Martin Switzer during the year for nil consideration by the company

[3] Balance at the end of the year is at date of resignation

End of Audited Remuneration Report

OPTIONS

The number of options on issue at year end are 345,000. Details of the options are set out at Note 21.

This director's report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

Director:

Roger Amos
Chairman

Dated this 29th day of September 2017

AUDITOR'S INDEPENDENCE DECLARATION

HLB Mann Judd Assurance
Quality Audit Services

CONTANGO ASSET MANAGEMENT LIMITED

ACN 080 277 998

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Contango Asset Management Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

This declaration is in relation to Contango Asset Management Limited and the entities it controlled during the period.

Sydney, NSW
29September 2017

A G Smith
Director

HLB Mann Judd Assurance (NSW) Pty Ltd ABN 96 153 077 215
Level 19 207 Kent Street Sydney NSW 2000 Australia | Telephone +61 (0)2 9020 4000 | Fax +61 (0)2 9020 4190
Email: mailbox@hlbnsw.com.au | Website: www.hlb.com.au

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	NOTES	2017 000'S $	2016 000'S $
Revenue	2	3,759	-
Other revenue	2	389	21
Total revenue		4,148	21
Employee benefits expense		(3,096)	-
Operations expense		(590)	-
Professional services expense		(514)	(4)
Corporate and administrative expenses	3(A)	(3,570)	(317)
Share of loss of Associate	8	(25)	-
Earnings before depreciation and amortisation, impairment loss, finance costs and income tax		(3,647)	(300)
Depreciation and amortisation	3(B)	(431)	-
Impairment loss	11	(10,311)	-
Profit / (loss) before finance costs and income tax		(14,389)	(300)
Finance costs		(48)	-
Profit / (loss) before income tax		(14,437)	(300)
Income tax credit	4	289	-
Net profit / (loss) for the year		(14,148)	(300)
Other comprehensive income / (loss), net of income tax			
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		(14,148)	(300)
Net profit / (loss) attributable to:			
Members of the parent entity		(14,148)	(300)
Total comprehensive income / (loss) attributable to:			
Members of the parent entity		(14,148)	(300)
Earnings per share attributable to the ordinary equity holders of the Company:			
Basic earnings per share (cents)	20	(43.0)	(9.0)
Diluted earnings per share (cents)	20	(43.0)	(9.0)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	NOTES	2017 000'S $	2016 000'S $
ASSETS			
Current assets			
Cash and cash equivalents	5	819	297
Trade and other receivables	6	1,348	7
Other assets	7	187	10
Total current assets		2,354	314
Non-current assets			
Investment accounted for using the equity method	8	347	-
Other financial assets	9	504	-
Property, plant and equipment	10	220	-
Intangible assets	11	2,882	-
Total non-current assets		3,953	-
TOTAL ASSETS		6,307	314
LIABILITIES			
Current liabilities			
Trade and other payables	12	823	55
Borrowings	13	750	-
Provisions	14	341	-
Total current liabilities		1,914	55
Non-current liabilities			
Deferred tax liability	15	864	-
Total non-current liabilities		864	-
TOTAL LIABILITIES		2,778	55
NET ASSETS		3,529	259
EQUITY			
Issued capital	16	140,777	123,626
Reserves	17	267	-
Accumulated losses	18	(137,515)	(123,367)
TOTAL EQUITY		3,529	259

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

2016	ISSUED CAPITAL 000'S $	SHARE OPTION RESERVE 000'S $	ACCUMULATED LOSSES 000'S $	TOTAL 000'S $
Balance at 1 July 2015	123,626	3,799	(126,866)	559
Loss attributable to members of the parent entity	-	-	(300)	(300)
Total comprehensive income for the period	-	-	(300)	(300)
Transactions with owners in their capacity as owners				
Transfers to retained earnings from reserves	-	(3,799)	3,799	-
Balance at 30 June 2016	123,626	-	(123,367)	259
2017	**ISSUED CAPITAL 000'S $**	**SHARE OPTION RESERVE 000'S $**	**ACCUMULATED LOSSES 000'S $**	**TOTAL 000'S $**
Balance at 1 July 2016	123,626	-	(123,367)	259
Loss attributable to members of the parent entity	-	-	(14,148)	(14,148)
Total comprehensive income for the period	-	-	(14,148)	(14,148)
Transactions with owners in their capacity as owners				
Share based payment transactions	-	214	-	214
Issue of options	-	53	-	53
Issue of shares, net of transaction costs	17,151	-	-	17,151
Balance at 30 June 2017	140,777	267	(137,515)	3,529

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	NOTES	2017 000'S $	2016 000'S $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		3,870	11
Payments to suppliers and employees		(5,986)	(308)
Interest and costs of finance paid		(43)	-
Interest received		18	10
Income tax refund		35	-
Net cash provided by/(used in) operating activities	32	(2,106)	(287)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		(233)	-
Acquisitions of subsidiary, net of cash acquired		(10,273)	-
Purchase of investments		(75)	-
Payment for transaction costs to acquire businesses		(366)	-
Net cash used by investing activities		(10,947)	-
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		750	-
Proceeds from issue of new shares		14,244	-
Transaction costs relating to issue of new shares		(1,260)	-
Loans from related parties		(159)	-
Net cash provided by financing activities		13,575	-
Net increase/(decrease) in cash and cash equivalents held		522	(287)
Cash and cash equivalents at beginning of year		297	584
Cash and cash equivalents at end of financial year	5	819	297

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

TABLE OF CONTENTS

The accompanying notes form part of these financial statements.

GENERAL INFORMATION

The consolidated financial statements and notes represent those of Contango Asset Management Limited as a Group consisting of Contango Asset Management Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Contango Asset Management Limited's functional and presentation currency.

Contango Asset Management is a listed public company limited by shares, incorporated and domiciled in Australia.

The company changed its name from Tyrian Diagnostics Limited to Contango Asset Management Limited (formerly Tyrian Diagnostics Limited) on 29 August 2016.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 29 September 2017.

BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

A. GOING CONCERN

During the year ended 30 June 2017 the Group incurred a loss of $14,148,000 (2016: 300,000). Included in the year ended 30 June 2017 was one-off costs of $986,000 associated with the business combination and a charge to Profit and Loss of $10,311,000 for impairment of intangible assets. The Group also expensed $1,196,000 in share and option based payments. The revenue for the year ended 30 June 2017 included only revenue from the entities acquired as part of the business combination from 29 September 2016 to 30 June 2017.

On 21st August 2017, the Company announced and finalised the placement of 5,555,556 shares at $0.90 each to cornerstone institutional and other sophisticated investors, raising $5,000,000 in additional capital, of which $750,000 was used to repay the borrowings at 30 June 2017 (Note 13).

Having regard to the capital raised in the share placement and combined with forecasted cash-flow from operations, the directors believe that the Group has sufficient cash reserves to continue the growth strategy commenced in September 2016 for the foreseeable future, and for at least twelve months from the date of this report. The financial statements have therefore been prepared on a going concern basis.

B. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent Contango Asset Management Limited and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 24.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

C. BUSINESS COMBINATIONS

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is obtained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations, other than those associated with the issue of a financial instrument, are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

Goodwill

Goodwill is carried at cost less accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

i. the consideration transferred;

ii. any non-controlling interest (determined under either the full goodwill or proportionate interest method); and

iii. the acquisition date fair value of any previously held equity interest; over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Fair value measurements in any pre-existing equity holdings are recognised in profit or loss in the period in which they arise. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored and not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

Changes in the ownership interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions and do not affect the carrying amounts of goodwill.

D. TAX CONSOLIDATION

Contango Asset Management Limited and its wholly owned subsidiaries are consolidated for tax purposes.

E. INCOME TAX

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination. Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where:

i. a legally enforceable right of set-off exists; and

ii. the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

F. PROPERTY, PLANT AND EQUIPMENT

All classes of property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of property, plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

G. DEPRECIATION

The depreciable amounts all fixed assets are calculated using the diminishing balance method over their estimated useful lives commencing from the time the asset is held ready for use.

The estimated useful life for plant and equipment for the period is 3 years (2016: 3 years).

H. FINANCIAL INSTRUMENTS

Initial recognition and measurement:

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement:

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition:

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

I. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand and at banks, and short term deposits with an original maturity of three months or less held at call with financial institutions.

J. TRADE AND OTHER RECEIVABLES

Trade receivables, which generally have 30 day terms, are recognised initially at fair value, less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the Group will not be able to collect the debt.

Objective evidence of impairment includes financial difficulties of the debtor, default payments or debts more than 90 days overdue. On confirmation that the trade receivable will not be collectable an estimated loss of the gross carrying value of the asset is written off against the associated provision.

K. INVESTMENT IN JOINT VENTURES

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investments in its joint venture are accounted for using the equity method.

Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the joint venture. Any change in other comprehensive income ("OCI") of those investees is presented as part of the Group's other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and joint venture are eliminated to the extent of the interest in the joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of joint venture and its carrying value, and then recognises the loss in profit or loss.

L. IMPAIRMENT OF ASSETS

Goodwill and other assets that have an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136 'Impairment of Assets'. The depreciable amount of intangible assets with a finite life is amortised over its useful life. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired.

An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use.

For the purposes of impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash generating units).

M. REVENUE RECOGNITION

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

The following specific recognition criteria must also be met before revenue is recognised:

i. Rendering of services

Management fee revenue is recognised upon delivery of the service to the customer.

ii. Interest revenue

Interest revenue is recognised when it becomes receivable on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

N. GOODS AND SERVICES TAX (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the acquisition of the asset or as part of an item of expense.

Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

O. EMPLOYEE BENEFITS

Employee benefit obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

i. Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave, and any other employee benefits expected to be settled within twelve months of the reporting date are measured at the amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as provisions.

ii. Long-term employee benefit obligations

The provision for employee benefits in respect of long service leave and annual leave which, are not expected to be settled within twelve months of the reporting date, are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

iii. Bonus plan

The consolidated entity recognises a provision when a bonus is payable in accordance with the employee's contract of employment, and the amount can be reliably measured.

P. TRADE AND OTHER PAYABLES

Trade payables and other payables represent liabilities for goods and services provided to the Group prior to the end of the period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 7– 60 days of recognition.

Q. PROVISIONS

Provisions are recognised when the consolidated entity has a legal or constructive obligation, as a result of past events, for which it is probable that an out flow of economic benefits will result and that outflow can be reliably measured.

R. BORROWINGS

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

S. LEASES

The determination of whether an arrangement is or contains a lease is based on the substance of an arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in profit or loss. There were no finance leases during the year.

Operating lease payments are recognised as an expense in profit and loss on a straight-line basis over the lease term. Lease incentives are recognised in profit or loss as an integral part of the total lease expense.

T. SHARE BASED PAYMENTS

The consolidated entity provides benefits to its employees in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions). The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instrument at the date at which they are granted. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is measured at the market bid price at grant date. The fair value of shares issued where the shares are treated as an option is determined using the Black Scholes valuation model. In respect of share-based payments that are dependent on the satisfaction of performance conditions, the number of shares expected to vest is reviewed and adjusted at each reporting date

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date). The amount recognised for services received as consideration for these equity instruments granted is adjusted to reflect the best estimate of the number of equity instruments that eventually vest.

U. SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

V. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group:

i. Income tax

Income tax benefits are based on the assumption that no adverse change will occur in the income tax legislation and the anticipation that the group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

ii. Impairment of goodwill

Goodwill is allocated to cash generating units (CGU's) according to applicable business operations. The recoverable amount of a CGU is based on value in use calculations.

iii. Customer relationships

The useful life of customer relationships is estimated by management to be the expected period from which the Group is expected to derive benefits from this asset.

W. COMPARATIVE FIGURES

When necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

X. ROUNDING OF AMOUNTS

The amounts in the consolidated financial statements and directors' report have been rounded to the nearest

$1,000 (where rounding is applicable) where noted ($'000) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which this legislative instrument applies.

Y. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE AT 30 JUNE 2017

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

AASB 9: *Financial Instruments and associated Amending Standards* (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

The directors anticipate that the adoption of AASB 9 will not have a significant impact on the Group's financial instruments.

AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2018, as deferred by AASB 2015-8: *Amendments to Australian Accounting Standards – Effective Date of AASB 15*).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied. The transitional provisions of this Standard permit an entity to either:

The transitional provisions of this Standard permit an entity to either:

- restate the contracts that existed in each prior period presented per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors (subject to certain practical expedients in AASB 15);
- or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements regarding revenue.

There are also enhanced disclosure requirements. Although the directors anticipate that the adoption of AASB 15 may have an impact on the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases and related Interpretations*. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although the directors anticipate that the adoption of AASB 16 will impact the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

AASB 2014-10: *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (applicable to annual reporting periods beginning on or after 1 January 2018).

This Standard amends AASB 10: Consolidated Financial Statements with regards to a parent losing control over a subsidiary that is not a "business" as defined in AASB 3 to an associate or joint venture, and requires that:

- a gain or loss (including any amounts in other comprehensive income (OCI)) be recognised only to the extent of the unrelated investor's interest in that associate or joint venture;
- the remaining gain or loss be eliminated against the carrying amount of the investment in that associate or joint venture; and
- any gain or loss from remeasuring the remaining investment in the former subsidiary at fair value also be recognised only to the extent of the unrelated investor's interest in the associate or joint venture. The remaining gain or loss should be eliminated against the carrying amount of the remaining investment.

The application of AASB 2014-10 will result in a change in accounting policies for transactions of loss of control over subsidiaries (involving an associate or joint venture) that are businesses per AASB 3 for which gains or losses were previously recognised only to the extent of the unrelated investor's interest.

The transitional provisions require that the Standard should be applied prospectively to sales or contributions of subsidiaries to associates or joint ventures occurring on or after 1 January 2018. Although the directors anticipate that the adoption of AASB 2014-10 may have an impact on the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

AASB 2014-1: *Amendments to Australian Accounting Standards* (Part E) (applicable to annual reporting periods beginning on or after 1 January 2018).

Part E of this Standard defers the application date of AASB 9: Financial Instruments (December 2010) to annual reporting periods beginning on or after 1 January 2018. This part also makes consequential amendments to hedge accounting disclosures set out in AASB 7: *Financial Instruments: Disclosures*, and to AASB 132: *Financial Instruments: Presentation* to permit irrevocable designation of "own use contracts" as measured at fair value through profit or loss if the designation eliminates or significantly reduces an accounting mismatch. This standard is not expected to impact the Group's financial statements.

AASB 2016-1: *Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses* (applicable for reporting periods beginning on or after 1 January 2017).

This standard clarifies that deferred tax asset recognition on unrealised losses arising from assets measured at fair value in the financial statements should carried out after taking into account any restrictions imposed under tax laws on the source of taxable profits against which the deductible temporary differences can be offset. Further the future taxable profits should not include any amounts that are reversal of the deductible temporary differences.

AASB 2016-1 is not expected to impact the Group's financial statements since the directors believe that the Group's accounting policy for deferred tax asset in relation to assets measured at fair value is already in compliance with the standard.

AASB 2016-5: *Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions* (applicable from 1st January 2018).

This standard provides guidance on treatment of vesting conditions in a cash-settled share based payment arrangement that are similar to what has been prescribed for equity settled share based payment arrangements. It also clarifies that, subject to certain exceptions, share based payment transactions with net-settlement feature on account of withholding tax obligations should be classified in entirety as equity settled share based payment.

Since the Group does not have a policy of cash-settled share based awards or net-settlement features in equity settled plans, this standard is not expected to impact the Group's financial statements.

AASB 2017-1: *Amendments to Australian Accounting Standards – Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments* (applicable to annual reporting periods beginning on or after 1 January 2018) For NFPs the date of applicability of this standard is 1 January 2019.

This standard amends AASB 140: *Investment Property* to clarify that a change in use of a property is evidenced only by acts indicating actual change in use and not merely due to change in management intentions.

This standard also amends AASB 128: *Investments in Associates and Joint Ventures* to provide that the election to measure investment in an associate or joint venture that is held through venture capital organisations or a mutual fund, unit trust and similar entities including investment linked insurance funds at fair value through profit or loss, should be made at the time of initial recognition of the investment in associate or joint venture. Similarly, the election by an entity that is not an investment entity to retain fair value measurements used by its investment entity associate or joint venture for its subsidiaries, has to be made at the later of:

- the date of initial recognition of the associate or joint venture;
- date when the investment entity associate or joint venture becomes a parent; and
- date when the associate or joint venture becomes an investment entity.

The above amendments are required to be retrospectively applied in accordance with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors*. This standard is not expected to impact the Group's financial statements.

	2017 000'S $	2016 000'S $
NOTE 2: REVENUE		
Revenue		
Management Fees	3,759	-
Other income		
Interest received	18	10
Services Charges	358	-
Royalty income	12	11
Gain on investments	1	-
Total Other Income	389	21

	NOTES	2017 000'S $	2016 000'S $
NOTE 3:			
A. CORPORATE & ADMINISTRATIVE EXPENSES			
Advertising		214	317
Accounting, audit, acquisition and relisting costs		1,353	-
Other		191	-
Insurance		97	-
IT expenses		80	-
Office & communication costs		54	-
Travel & accommodation		385	-
Share based payments		1,196	-
Total corporate & administrative expenses		3,570	317
B. DEPRECIATION AND AMORTISATION			
Depreciation – property, plant and equipment	10	20	-
Amortisation – customer relationships	11	411	-
Total corporate & administrative expenses		431	-

	2017 000'S $	2016 000'S $
NOTE 4: INCOME TAX EXPENSE		
A. THE MAJOR COMPONENTS OF TAX EXPENSE COMPRISE:		
Current Tax	-	-
Derecognition of Deferred Tax liabilities	289	-
B. NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE:		
Loss before income tax expense	(14,437)	(300)
Prima facie income tax benefit at the statutory rate of 27.5%	3,970	90
Effect of amounts which are non-deductible/assessable in calculating taxable income		
Impairment of Goodwill	(2,684)	-
Impairment of Customer Lists	(151)	-
Share based Payments	(314)	-
Employee equity based incentive plans	(59)	-
Capital raising costs	85	-
Derecognition of Deferred Tax Loss on Customer Relationships	289	-
Tax losses not recognised as Deferred Tax assets	(847)	(90)
Income (expense)/benefit reported in the Consolidated Statement of Other Comprehensive Income	289	-

C. DEFERRED TAX LIABILITY

The amount of Deferred Tax Liability recognised in the Consolidated Statement of Financial Position relates to the recognition of Customer Relationships acquired of $2,882,000 net of amortisation and write downs.

	2017 000'S $	2016 000'S $
D. TAX LOSSES		
Unused tax losses for which no deferred tax asset has been recognised:		
Potential tax benefit 27.5%	469	33,207
All unused tax losses disclosed above were incurred by Australian entities.		
A tax asset will not be recognised until it becomes probable that the tax consolidated group will obtain the benefit of these losses, because:		
i. it derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the losses to be realised, or		
ii. the losses are transferred to an eligible entity, and		
iii. the tax consolidated group continues to comply with the conditions for deductibility imposed by tax legislation, and there are no tax legislation changes that adversely affect the ability of the consolidated tax entity to realise the benefit from the deductions for the losses.		

	2017 000'S $	2016 000'S $
NOTE 5: CASH AND CASH EQUIVALENTS		
Bank balances	819	77
Short-term deposits	-	220
	819	297

	2017 000'S $	2016 000'S $
NOTE 6: TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	1,257	-
Sundry debtors	45	-
GST receivable	46	7
Total current trade and other receivables	1,348	7
The ageing of trade receivables as at 30 June 2017 is less than 30 days. There are no trade receivables which are past due and impaired as at 30 June 2017.		

	2017 000'S $	2016 000'S $
NOTE 7: OTHER ASSETS		
CURRENT		
Prepayments	110	10
Accrued income	77	-
	187	10

	PRINCIPAL PLACE OF BUSINESS / COUNTRY OF INCORPORATION	PERCENTAGE INTEREST (%) 2017	PERCENTAGE INTEREST (%) 2016
NOTE 8: INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD			
Joint Venture:			
Switzer Asset Management Limited	Australia	46.25	-

The Group has a 46.25% interest in Switzer Asset Management Limited (ACN: 123 611 978). The Group's interest in Switzer Asset Management Limited is accounted for using the equity method in the consolidated financial statements.

	2017 000'S $	2016 000'S $
SUMMARISED STATEMENT OF FINANCIAL POSITION OF SWITZER ASSET MANAGEMENT LIMITED:		
Current assets	623	-
Non-current assets	30	
Current liabilities	(79)	-
Non-current liabilities	(319)	
Equity	255	-
Group's share of equity	118	-

	2017 000'S $	2016 000'S $
SUMMARISED STATEMENT OF COMPREHENSIVE INCOME OF SWITZER ASSET MANAGEMENT LIMITED:		
Revenue	446	-
Administration expenses	(522)	-
Profit/(loss) before tax	(76)	-
Income tax expense	22	-
Profit/(loss) for the period (continuing operations)	(54)	-
Total comprehensive income for the period (continuing operations)	(54)	-
Group's share of profit/(loss) for the period	(25)	-

The associate entity had no contingent liabilities or capital commitments as at 30 June 2017.

The Group is committed to make a final instalment to complete the acquisition of Switzer Asset Management Limited. During the year an instalment for $53,000 was made in February 2017 with the final instalment due in January 2018 for $53,000.

The loss of $(54,000) in Switzer Asset Management Limited contained one off costs of $118,000 (2016: $nil) associated with the development of the exchange traded product ("ETP").

At 30 June 2017, the Group reduced the value of its investment in Switzer Asset Management Limited by its share of the joint venture's loss of $25,787. This reduced the value of the investment to $347,000.

	000'S $
Opening balance at 1st July 2016	-
Amounts acquired as part of business combination	372
Amounts invested during the year	-
Share of losses during the year	(25)
Closing balance at 30th June 2017	**347**

The Group performs its annual impairment test at year end of its interest in Switzer Asset Management Limited and when circumstances indicate the carrying value may be impaired. The Group's impairment test for its interest in the joint venture assumes that sales will increase by 85% in the 2018 year as a result of an increase in funds under management and costs will reduce by 25% as a result of the one-off costs being incurred in the 2017 for the development of the ETP.

	2017 000'S $	2016 000'S $
NOTE 9: OTHER FINANCIAL ASSETS		
NON-CURRENT		
Other financial asset[1]	345	-
Loan to Switzer Asset Management Limited (Note 26)	159	-
	504	-

[1]Other financial assets are interest bearing deposits supporting bank guarantees for operating leases and are refunded upon termination of the lease contract

	2017 000'S $	2016 000'S $
NOTE 10: PROPERTY, PLANT AND EQUIPMENT		
Furniture, fixtures and fittings		
At cost	187	-
Accumulated depreciation	(9)	-
Total furniture, fixtures and fittings	178	-
Computer equipment		
At cost	46	-
Accumulated depreciation	(4)	-
Total computer equipment	42	-
Total property, plant and equipment	220	-

MOVEMENTS IN CARRYING AMOUNTS OF PROPERTY, PLANT AND EQUIPMENT

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	FURNITURE, FIXTURES AND FITTINGS 000'S $	COMPUTER EQUIPMENT 000'S $	TOTAL 000'S $
2016			
Opening balance at 1 July 2015	-	-	-
Additions	-	-	-
Disposals – written down value	-	-	-
Depreciation expense	-	-	-
Closing balance at 30 June 2016	-	-	-
2017			
Opening balance at 1 July 2016	-	-	-
Additions	208	66	274
Disposals – written down value	(19)	(15)	(34)
Depreciation expense	(11)	(9)	(20)
Closing balance at 30 June 2017	178	42	220

	NOTES	**2017 000'S $**	2016 000'S $
NOTE 11: INTANGIBLE ASSETS			
Goodwill	25	9,760	-
Accumulated impairment loss		(9,760)	-
		-	-
Customer Relationships	25	3,844	-
Accumulated amortisation		(411)	-
Accumulated impairment loss		(551)	-
		2,882	-
Total Intangibles		2,882	-

A. MOVEMENTS IN CARRYING AMOUNTS OF INTANGIBLE ASSETS

	GOODWILL 000'S $	CUSTOMER RELATIONSHIPS 000'S $	TOTAL 000'S $
Opening value at 1 July 2016	-	-	-
Additions through business combinations	9,760	3,844	13,604
Amortisation charge	-	(411)	(411)
Impairment loss	(9,760)	(551)	(10,311)
Closing value at 30 June 2017	-	2,882	2,882

B. IMPAIRMENT TESTING

The Group performs its annual impairment test at 30 June 2017 and when circumstances indicate the carrying value may be impaired. The Group's impairment test for goodwill and customer relationships is based on value-in-use calculations.

Key assumptions used in "value in use" calculations and sensitivity to changes in assumptions are set out below. The calculation of value in use for the Group is most sensitive to the following assumptions:

- Value of funds under management
- Management fee rates
- Employment costs
- Growth rate estimates are used to extrapolate cash flows beyond the forecast period

Value of funds under management – The value of funds under management is the key determinant in the level of revenue received as management fees for the management of those funds. The value of funds under management is forecast to increase over the forecast period.

Management fee rates – The level of management fee rates for the forecast period has been estimated to be consistent with historical and industry norms.

Employment costs – A significant cost to the Group is employment costs. Over the forecast period employment costs are estimated to increase as stated below.

Discount rates - Discount rates represent the current market assessment of the risks specific to the Group and the time value of money.

The Group used the cash-generating unit's value-in-use to determine the recoverable amount. The projected cash flow has been done using the following key assumptions:

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Revenue increase	10%	20%	11%	9%	9%
Employment cost increase	0%	0%	5%	5%	5%
Other costs increase	5%	5%	5%	5%	5%

A pre-tax discount rate of 15% was applied in the value in use calculation. Cash flows beyond the five-year period have been extrapolated using a 2.5% growth rate. As a result of the analysis, the Group identified an impairment for the Group's goodwill of $9,760,000.

Customer relationships represents the value of relationships with customers existing at the date of acquisition of the Contango business – refer note 25. The value at acquisition date was determined using the net present value of the expected EBITDA margin (20%) from estimated future revenues adjusted for an appropriate attrition rate. The discount factors used ranged from 8.5% to 11.5% after tax.

The intangible asset is amortised over its expected useful life ranging from 7 to 12 years. Since acquisition date there have been some customers move their funds away from the Group, and as a result an impairment adjustment of $551,000 has been recorded in profit and loss.

The sensitivity within the valuation depends primarily on the expected revenues achieved over time. In the event that revenue varies the following impairments to the carrying value of customer relationships would need to be considered.

Change in Revenues	2%	5%	10%
Impairment expense that would be recognised	$57,600	$144,100	$288,200

	2017 000'S $	2016 000'S $
NOTE 12: TRADE AND OTHER PAYABLES		
CURRENT		
GST payable	49	-
Accrued expenses	360	13
Trade payables	355	42
Interest payable on short term loan	10	-
Other payable	49	-
Total Trade and Other Payables	823	55

Refer to Note 22 for further information on financial risk management.

	2017 000'S $	2016 000'S $
NOTE 13: BORROWINGS		
CURRENT		
Other unsecured loans	750	-
Total current borrowings	750	-

Summary of borrowing arrangements

Borrowings consist of an unsecured loan repayable in July 2017 at an interest rate of 5.25%. Subsequent to year end, the loan repayable date was extended to December 2017 and the loan was repaid on 5 September 2017.

	2017 000'S $	2016 000'S $
NOTE 14: PROVISIONS		
CURRENT		
Annual Leave	204	-
Long Service Leave	137	-
	341	-

	EMPLOYEE BENEFITS 000'S $
MOVEMENT IN CARRYING AMOUNTS	
Opening balance at 1 July 2015	-
Additional provisions	-
Provisions used	-
Closing balance at 30 June 2016	-
Additional provisions	341
Provisions used	-
Closing balance at 30 June 2017	341

	2017 000'S $	2016 000'S $
NOTE 15: DEFERRED TAX LIABILITY		
Deferred tax liability on customer relationships consists of:		
Acquired during the year (Note 25)	1,153	-
Reduction through impairment and amortisation (Note 11)	(289)	-
Closing balance at the end of the reporting period	864	-

	2017 000'S $	2016 000'S $
NOTE 16: ISSUED CAPITAL		
42,265,500 (2016: 1,022,027,092) Ordinary Shares	140,777	123,626
Total	140,777	123,626

	NUMBER OF SHARES 000'S $	000'S $
MOVEMENTS IN ORDINARY SHARES CAPITAL		
Opening Balance - 1 July 2016	1,022,027,092	123,626
Details		
Effect of Share consolidation 300 for 1, (25 August 2016)	(1,018,619,891)	-
Capital raising net of transaction costs (26 September 2016)	28,643,300	15,648
Issue of shares	2,506,094	1,503
Employee share incentive plan	2,003,301	-
Employee loan share plan	5,705,604	-
At the end of the reporting period	42,265,500	140,777

EMPLOYEE SHARE PLANS:

The shares issued under the Employee Share Incentive Plan and Employee Loan Share Plan have been treated as options under Australian Accounting Standards. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to the reserve account, refer to the Consolidated Statement of Changes in Equity. The fair value of any shares issued are measured at the market bid price at grant date. In respect of share-based payments that are dependent on the satisfaction of performance conditions, the number of shares expected to vest is reviewed and adjusted at each reporting date. The amount recognised for services received as consideration for these equity instruments granted is adjusted to reflect the best estimate of the number of equity instruments that eventually vest.

	2017 000'S $	2016 000'S $
NOTE 17: RESERVES		
Share option reserve		
Opening Balance	-	-
Recognition of share-based payments	214	
Issue of share options	53	-
	267	-
Total reserves	267	-

The share option reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

	2017 000'S $	2016 000'S $
NOTE 18: ACCUMULATED LOSSES		
Opening balance	(123,367)	(123,067)
Net loss attributable to the shareholders	(14,148)	(300)
Accumulated losses at end of the year	(137,515)	(123,367)

NOTE 19: DIVIDENDS

No dividend has been declared or paid in respect to the financial year ended 30 June 2017 (2016: $nil).

NOTE 20: EARNINGS PER SHARE

Basic EPS is calculated by dividing the profit or loss for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	2017 CENTS	2016 CENTS
Basic earnings (loss) per share		
Total loss per share attributable to the ordinary equity holders of the company	(43.0)	(9.0)
Dilutive earnings (loss) per share		
Total loss per share attributable to the ordinary equity holders of the company	(43.0)	(9.0)

The following table reflects the income and share data used in the basic and diluted EPS computations:

	2017 000'S $	2016 000'S $
(A) RECONCILIATION OF EARNINGS TO PROFIT OR LOSS FROM CONTINUING OPERATIONS		
Basic earnings per share		
Loss attributable to the ordinary equity holders of the company used in calculating basic loss per share	(14,148)	(300)
Diluted earnings per share		
Loss attributable to the ordinary equity holders of the company used in calculating diluted loss per share	(14,148)	(300)
(B) EARNINGS USED TO CALCULATE OVERALL EARNINGS PER SHARE		
Earnings used to calculate overall earnings per share	(14,148)	(300)
	2017 NO.	**2016 NO.**
(C) WEIGHTED AVERAGE NUMBER OF SHARES USED AS THE DENOMINATOR IN CALCULATION OF EARNINGS PER SHARE		
Weighted average number of ordinary shares used in calculating basic earnings per share	32,896,924	1,022,027,092

Options have not been included in the calculation of diluted earnings per share because they are considered to be antidilutive for the year ended 30 June 2017. These options could potentially dilute basic earnings per share in future periods. Shares issued under the ESIP and ELSP have been included in the calculation of ordinary and diluted earnings per share.

NOTE 21: SHARE-BASED PAYMENTS

In September 2016, 1,906,094 shares were issued to Directors (George Boubouras, Charles Aitken, Martin Switzer), Paul Rickard and associates (but not related parties) of Martin Switzer. The shares were valued at $0.60 per share, being the offer price under the prospectus issued during the year, resulting in an expense of $1,144,000 being recorded during the period.

4,396,107 shares were also issued to Pacific Point Partners Limited in satisfaction of a pre-acquisition loan of$2,600,000 and interest of $37,664. The shares were valued at $0.60 per share, being the offer price under the prospectus issued during the year. These shares were included in the total shares issued under the prospectus of 28,643,300 shares.

In September 2016, 345,000 share options were granted to Pacific Point Partners Limited in partial consideration of providing a loan to assist in the acquisition of Contango. The Options have an exercise price of $0.60 each and are exercisable at any time after the one year anniversary of the date of grant until the fifth year anniversary of the date of grant.

The fair value at grant date is estimated using a Black-Scholes pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of options was estimated on the date of grant using the following assumptions:

Exercise price	$0.60
Dividend yield (%)	0.00
Expected Volatility (%)	25.00
Risk free interest rate (%)	1.70
Fair value per option	$0.1527

For the year ended 30 June 2017, the Group has recognised $52,681 of share-based payment expense in regards to the options granted to Pacific Point Partners Limited in the profit or loss.

GRANT DATE	EXPIRY DATE	EXERCISE PRICE	START OF THE YEAR	GRANTED DURING THE YEAR	FORFEITED DURING THE YEAR	BALANCE AT THE END OF THE YEAR	VESTED AND EXERCISABLE AT THE END OF THE YEAR
26/09/2016	26/09/2021	$0.60	-	345,000	-	345,000	-

Also in September 2016, 2,003,301 shares were issued under the Employee Share Incentive Plan (ESIP) and 5,705,604 Shares were issued under the Employee Loan Share Plan (ELSP) (Collectively known as the Share Plans) to certain employees of the Group. As the ELSP and ESIP have similar features to an option, the appropriate approach is to value the plans using an option pricing model.

The key details of the Share Plans are as follows:

- Only certain employees of the Group are eligible to participant in the Share Plans, which is for fully paid ordinary shares in the capital of the Company. The Company loans the employee an amount equal to the acquisition price of the shares at zero interest.
- The loan amount for shares acquired under the ESIP and is repayable in instalments during the three years after the acquisition of shares.
- The loan amount for shares acquired under the Share Plans is repayable within 30 days after the 7th anniversary of the date of acquisition of shares.
- 1/3 of the shares are locked until the fifth anniversary of the date of acquisition of the shares. A further 1/3 of the shares are locked until the sixth anniversary of the date of acquisition of the shares. The final 1/3 of the Shares are locked until the seventh anniversary of the date of acquisition of the shares.
- If an employee who is a participant ceases to be an employee during the relevant loan period or prior to the fifth anniversary of the date of acquisition due to dismissal the shares will become 'Leaver Shares' and may be purchased by the Company or employee pursuant to the put/call option arrangements. Further details on the ESIP and ELSP can be found in the announcements made to the Australian Securities Exchange on 28 September 2016.

The fair value at grant date is estimated using a Black-Scholes pricing model, taking into account the terms and conditions upon which the options were granted:

The fair value of shares issued under the ELSP are as follows:

Exercise Price	$0.60
Dividend yield (%)	0.00
Expected volatility (%)	25.00
Risk-free interest rate (%)	1.70
Life	6.0, 6.5 and 7.0 years
Calculated fair value per share: between	$0.17 and $0.18

The fair value of shares issued under the ESIP was estimated using the following assumptions:

Exercise price	nil
Dividend yield (%)	0.00
Expected volatility (%)	25.00
Risk-free interest rate (%)	1.70
Life	6.0, 6.5 and 7.0 years
Calculated fair value per share	$0.60

Estimated likelihood of employees remaining an employee over the term of the Share Plans is 75%. The likelihood of employees remaining an employee is assessed annually.

EMPLOYEE SHARE PLAN	GRANT DATE	EXPIRY DATE	EXERCISE PRICE	START OF THE YEAR	GRANTED DURING THE YEAR	FORFEITED DURING THE YEAR	BALANCE AT THE END OF THE YEAR	VESTED AND EXERCISABLE AT THE END OF THE YEAR
Employee Loan Share Plan	25/09/2016	25/09/2023	$0.60	-	5,705,604	-	5,705,604	-
Employee Share Incentive Plan	25/09/2016	25/09/2023	$nil	-	2,003,301	-	2,003,301	-

For the year ended 30 June 2017, the Group has recognised $214,168 of share-based payment expense in regards to shares issued under the Share Plans in profit or loss.

A summary of the movements of all Group options issued is as follows:

	NUMBER	WEIGHTED AVERAGE EXERCISE PRICE
Options outstanding as at 1 July 2015		
Granted	-	-
Forfeited	-	-
Exercised	-	-
Expired	-	-
Options outstanding as at 30 June 2016	-	-
Granted	8,053,905	$0.45
Forfeited	-	-
Exercised	-	-
Expired	-	-
Options outstanding as at 30 June 2017	8,053,905	$0.45
Options exercisable as at 30 June 2017	-	-
Options exercisable as at 30 June 2016	-	-

NOTE 22: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of foreign exchange risk and aging analysis for credit risk.

Risk management is carried out by the Board of Directors.

MARKET RISK

Foreign currency risk

The Group was not subject to any material foreign exchange risk in the 2017 and 2016 financial years.

Price risk

The Group was not subject to any material price risk in the 2017 and 2016 financial years, including equities securities price risk and commodities price risk.

Interest rate risk

The Group's main interest rate risk arises from cash and cash equivalents, the majority of which is held in various at-call deposits at variable rates and various short-term deposits with interest rates fixed for the terms of the deposits. During 2016 and 2017, the Group's cash on hand at variable rate was denominated in Australian dollars. As at the reporting date, the Group had the following variable rate cash on hand:

	2017		2016	
	WEIGHTED AVERAGE INTEREST RATE %	BALANCE 000'S $	WEIGHTED AVERAGE INTEREST RATE %	BALANCE 000'S $
Cash at bank	1.31	819	1.85	297
Net exposure to cash flow interest rate risk		819		297

Sensitivity

The following table illustrates sensitivities to the Group's exposures to changes in interest rates, exchange rates and commodity and equity prices. The table indicates the impact of how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	PROFIT 000'S $	EQUITY 000'S $
Year ended 30 June 2017		
+/- 1.00% in interest rates	8	8
Year ended 30 June 2016		
+/- 1.00% in interest rates	4	4

CREDIT RISK

The Group was not subject to any material credit risk in the 2017 and 2016 financial years.

LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Due to the simple nature of the underlying businesses, and consistently negative cash flows from operations, the Group aims to simplify funding by minimising credit lines and investing surplus funds in very liquid deposits at call or short term deposits.

Financial liability and financial asset maturity analysis

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on the remaining period between the reporting date and the contractual maturity date. Cash flows realised from financial assets reflect management's expectations as to the timing of realisation. Actual timing may therefore differ from that disclosed. The amounts disclosed in the table are the contractual undiscounted cash flows.

	WITHIN 1 YEAR 000'S $	1 TO 5 YEARS 000'S $	OVER 5 YEARS 000'S $	TOTAL 000'S $
Group- 2016				
Financial liabilities due for payment				
Trade & other payables (Note 12)	(55)	-	-	(55)
Total expected outflows	(55)	-	-	(55)
Financial assets- cash flows realisable				
Cash and cash equivalents	297	-	-	297
Total anticipated inflow on financial instruments	297	-	-	297
Net inflow on financial instruments	242	-	-	242
Group- 2017				
Financial liabilities due for payment				
Trade payables (Note 12)	(823)	-	-	(823)
Borrowings	(750)	-	-	(750)
Total expected outflows	(1,573)	-	-	(1,573)
Financial assets- cash flows realisable				
Cash and cash equivalents	819	-	-	819
Trade & other receivables	1,348	-	-	1,348
Other financial assets	-	-	345	345
Other	-	-	159	159
Total anticipated inflow on financial instruments	2,167	-	504	2,671
Net inflow on financial instruments	594	-	504	1,098

FAIR VALUE

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the consolidated statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Group approximates their carrying amounts.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

	2017		2016	
	NET CARRYING VALUE 000'S $	**NET FAIR VALUE 000'S $**	NET CARRYING VALUE 000'S $	NET FAIR VALUE 000'S $
Finanacial assets				
Cash and cash equivalents	819	819	297	297
Trade and other receivables	1,348	1,348	7	-
Other financial assets	504	504	-	-
Total financial assets	2,671	2,671	304	297
Financial liabilities				
Trade and other payables	823	823	55	55
Borrowings	750	750	-	-
Total financial liabilities	1,573	1,573	55	55

CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. As the Group incurs net cash outflows from operations and has large accumulated losses, the primary method used to adjust its capital structure is the issue of new shares. The Group has determined that where possible it will issue ordinary shares, rather than issue hybrid forms of securities, so as to avoid any restrictions on its use of capital or commit to interest repayments.

NOTE 23: PARENT ENTITY

Set out below is the supplementary information about the parent entity.

	2017 000'S $	2016 000'S $
Statement of Financial Position		
Current assets	66	314
Non-current assets	2,882	-
Total Assets	2,948	314
Current liabilities	774	55
Non-current liabilities	864	-
Total Liabilities	1,638	55
Issued capital	140,777	123,626
Accumulated losses	(139,734)	(123,367)
Share option reserve	267	-
Total Equity	1,310	259
Statement of Profit or Loss and Other Comprehensive Income		
Total profit or loss for the year	(16,367)	(300)
Total other comprehensive income	-	-
Total comprehensive income	(16,367)	(300)

CONTINGENT LIABILITIES

The parent entity has no contingent liabilities as at 30 June 2017.

CONTRACTUAL COMMITMENTS

The parent entity did not have any commitments as at 30 June 2017.

NOTE 24: INTERESTS IN SUBSIDIARIES

COMPOSITION OF THE GROUP

The subsidiaries listed below have share capital consisting solely of ordinary shares which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's principal place of business is also its country of incorporation.

	PRINCIPAL PLACE OF BUSINESS / COUNTRY OF INCORPORATION	**PERCENTAGE OWNED (%) 2017**	PERCENTAGE OWNED (%) 2016
Subsidiaries:			
CAM SPV Pty Ltd	Australia	100	-
2735 CSM Holdings Pty Ltd	Australia	100	-
Contango Funds Management Limited	Australia	100	-
Contango International Limited	Australia	100	-
Contango Group Services Pty Ltd	Australia	100	-

Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

NOTE 25: BUSINESS COMBINATION

ACQUISITION OF CAM SPV PTY LTD AND ITS SUBSIDIARIES:

On 29 September 2016, the Group acquired 100% of the share capital of CAM SPV Pty Ltd (ACN: 612 978 800) and its subsidiary, 2375 CSM Holdings Pty Ltd (ACN: 085 657 147) (CSM). CSM owns 100% of the share capital of Contango Funds Management Limited (ACN: 085 487 421) (CFML) and Contango Group Services Pty Ltd (ACN: 085 586 590) (CGS). CSM, CFML and CGS are collectively referred to as 'Contango'.

CSM also holds a 46.25% non-controlling shareholding investment in Switzer Asset Management Limited (ACN: 123 611 978) (SAM). SAM is an Australian fund manager specialising in managed funds for retail investors. The business of SAM (previously Halidon Asset Management Ltd) was established in 2007. SAM is jointly owned by Switzer Financial Group Pty Ltd (ACN: 112 294 649) (46.25%) and CSM (46.25%) and 7.5% is owned by another party.

Contango is a boutique wholesale and listed investment company (LIC) fund manager with mandates across the entire market capitalisation spectrum. CFML is the holder of Australian Financial Services Licence 237119 which licences CFML to provide funds management services for wholesale and institutional clients. CFML is the responsible entity of the registered wholesale Contango Managed Investment Scheme (ARSN: 099 665 264). CFML manages large cap, mid cap, small cap, micro cap and income focused mandates for its institutional clients. It also manages three LIC mandates.

The fair value of the identifiable assets and liabilities of Contango as at the date of acquisition were:

	FAIR VALUE RECOGNISED ON ACQUISITION 000'S $
Assets	
Cash and cash equivalents	2,675
Trade and other receivables	872
Plant and equipment	22
Investment in associate	372
Other assets	628
Customer relationships (intangible asset)	3,844
Total assets	8,413
Liabilities	
Trade and other payables	753
Provisions and deferred revenue	719
Deferred tax liability on customer relationships (intangible assets)	1,153
Total liabilities	2,625
Total identifiable net assets at fair value	5,788
Goodwill arising on acquisition	9,760
Purchase consideration transferred	15,548
Analysis of cash flows on acquisition:	
Net cash acquired with the subsidiary (included in cash flows from investing activities)	2,675
Cash paid	(12,948)
Payments to acquire businesses, net of cash acquired	(10,273)

From the date of acquisition, Contango has contributed $4,142,000 of revenue and $11,718,000 to the net loss before tax from the continuing operations of the Group. If the acquisition had taken place at the beginning of the year, revenue from continuing operations would have been $5,559,000 and the loss from continuing operations for the period would have been $11,861,000.

Transaction costs of $986,000 have been expensed and are included in administrative expenses in the statement of profit or loss and are part of operating cash flows in the statement of cash flows.

NOTE 26: RELATED PARTIES

i. Entities exercising control over the Group:

The ultimate parent entity, which exercises control over the Group, is Contango Asset Management Limited which is incorporated in Australia and owns 100% of all Controlled Entities.

ii. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

For details of remuneration disclosures relating to key management personnel, refer to Note 27: Key Management Personnel Disclosures and the remuneration report in the Directors' Report.

iii. Subsidiaries

Interests in subsidiaries are set out in Note 24.

A. TRANSACTIONS WITH RELATED PARTIES

Other than the loan to associates outlined below and remuneration to key management personnel, the Group had no related party transactions during the year.

B. LOANS TO/FROM RELATED PARTIES

During the year, the Group provided a zero-interest subordinated loan of $159,469 to its associate Switzer Asset Management Limited (SAM) with no fixed term. The loan is subordinated to all other creditors of SAM and not repayable until 30 June 2027.

	$'000
Balance of loan at beginning of the year	-
Loans advanced	159
Balance at the end of the year	159

NOTE 27: KEY MANAGEMENT PERSONNEL DISCLOSURES

Key management personnel remuneration included within employee expenses for the year is shown below:

	2017 000'S $	2016 000'S $
Short-term employee benefits	548	105
Post-employment benefits	34	-
Other long term benefits	4	-
Share based payments	1,012	-
	1,598	105

NOTE 28: CONTINGENT LIABILITIES

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2017 (30 June 2016:None).

NOTE 29: CAPITAL AND LEASING COMMITMENTS

A. FINANCE LEASES

There were no finance lease commitments for the year (2016: nil).

B. OPERATING LEASES

Non-cancellable operating leases contracted for but not recognised in the financial statements:

	2017 000'S $	2016 000'S $
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	412	-
- between one year and five years	653	-
- later than five years	-	-
	1,065	-

Operating leases have been taken out for the rental of premises. Lease payments are increased on an annual basis to reflect market rentals.

NOTE 30: SEGMENT INFORMATION

The Group operates solely in the business of providing funds management services. Revenue, profit, net assets and other financial information reported to and monitored by the Chief Operating Decision Maker (CODM) for the single identified operating segment are the amounts reflected in the Statement of Profit & Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows. The CODM has been identified as the Board of directors.

	2017 000'S $	2016 000'S $
NOTE 31: AUDITORS' REMUNERATION		
Auditors of the parent entity		
Remuneration of the auditor for:		
- auditing or reviewing the financial statements	67,500	20,000
- taxation services	5,600	3,100
- preparation of Investigating Accountant's Report and member of Due Diligence Committee	27,500	25,000
	100,600	48,100
Auditors of subsidiary entities		
Remuneration of the auditor for:		
- auditing or reviewing the financial statements	147,441	-
- taxation services	10,300	-
- due diligence services	-	-
	157,741	-

The auditor of the Company is HLB Mann Judd Assurance (NSW) Pty Ltd.

	2017 000'S $	2016 000'S $
NOTE 32: CASH FLOW INFORMATION		
A. RECONCILIATION OF RESULT FOR THE YEAR TO CASH FLOWS FROM OPERATING ACTIVITIES		
Reconciliation of net income to net cash provided by operating activities:		
Loss for the year	(14,148)	(300)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- impairment loss	10,311	-
- depreciation and amortisation	431	-
- employee share option expense	267	-
- net gain on disposal of property, plant and equipment	33	-
- (gain)/loss on revaluation of investment in associate	22	-
- unrealised gain on investment	(45)	
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	(500)	(4)
- (increase)/decrease in other assets	527	-
- increase/(decrease) in trade and other payables	1,578	17
- increase/(decrease) in income taxes payable	35	-
- increase/(decrease) in deferred tax liability	(289)	-
- increase/(decrease) in provisions	(328)	-
Cash flow from operations	(2,106)	(287)
B. LOAN FACILITIES		
Amount unutilised	-	-
Amount utilised	750	-
	750	-

NOTE 33: EVENTS OCCURRING AFTER THE REPORTING DATE

On 21 August 2017, the Group announced a share placement of 5,555,556 shares at $0.90 each to cornerstone, institutional and other sophisticated investors, raising $5 million gross in additional capital. The funds will be used to develop further the Group's suite of products, build internal business development capability and repay debt.

Subsequent to balance date, the Group experienced net outflows of funds under management relating to its institutional business as detailed in the Company's ASX announcement dated 25th September, 2017.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

NOTE 34: COMPANY DETAILS

The registered office of the company and principal place of business is:

Contango Asset Management Limited
Level 27
35 Collins Street
Melbourne VIC 3000

DIRECTOR'S DECLARATION

The directors of the Company declare that in their opinion:

1. the financial statements and notes for the year ended 30 June 2017 are in accordance with the *Corporations Act 2001* and:
    a. comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
    b. give a true and fair view of the financial position and performance of the consolidated group;
2. the Chief Executive Officer and Chief Finance Officer have given the declarations required by Section 295A of the *Corporations Act 2001* that:
    a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
    b. the financial statements and notes for the financial year comply with the Accounting Standards; and
    c. the financial statements and notes for the financial year give a true and fair view.
3. in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director:

Roger Amos
Chairman

Dated this 29th day of September 2017

INDEPENDENT
AUDITOR'S REPORT

HLB Mann Judd Assurance
Quality Audit Services

CONTANGO ASSET MANAGEMENT LIMITED

ACN 080 277 998

INDEPENDENT AUDITOR'S REPORT

To the Members of Contango Asset Management Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Contango Asset Management Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the financial report of Contango Asset Management Limited is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

HLB Mann Judd Assurance (NSW) Pty Ltd ABN 96 153 077 215
Level 19 207 Kent Street Sydney NSW 2000 Australia | Telephone +61 (0)2 9020 4000 | Fax +61 (0)2 9020 4190
Email: mailbox@hlbnsw.com.au | Website: www.hlb.com.au

HLB Mann Judd Assurance

CONTANGO ASSET MANAGEMENT LIMITED

ACN 080 277 998

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Key Audit Matter	How our audit addressed the key audit matter
Business Acquisition (note 25)	
During the year, the Group acquired CAM SPV Pty Ltd and its subsidiaries. This was considered a significant purchase for the Group. Accounting for this transaction is a complex and judgemental exercise, requiring management to determine the fair value of acquired assets and liabilities, in particular determining the allocation of purchase consideration to goodwill and separately identifiable intangible assets, being customer relationships. We focussed on this area as a key audit matter given the size of the acquisition and its impact on the financial statements of the Group.	We read the sale and purchase agreement to understand key terms and conditions. We reviewed the accounting treatment, and considered whether it complied with the requirements of Accounting Standards. We reviewed management's assumptions used to allocate various professional costs incurred between those incurred in relation to the business acquisition (expensed) and those related to the raising of equity (offset against proceeds raised from the issue of equity). We reviewed the independent valuation report obtained by management which valued customer relationships. Our review included evaluating the key assumptions used. We assessed whether the Group's disclosures met the requirements of relevant accounting standards.
Assessment of Impairment Analysis of Intangible Assets (note 11)	
At 30 June 2017, the Group's statement of financial position includes intangible assets with a carrying value of $2.8m. The recoverability of this asset is assessed by the directors at least annually. The intangible assets arose on the acquisition of CAM SPV Pty Ltd and its subsidiaries during the year (note 25). The assessment of impairment of the Group's goodwill and customer relationships incorporated significant judgement in respect of factors such as the value of funds under management, management fee rates, employment costs and discount rates forecast by management. We focussed on this area as a key audit matter as: - intangible assets represent approximately 82% of the net assets of the group; - the Group incurred a loss before income tax of $4.1m (before impairment of intangibles) for the year ended 30 June 2017; - the Group's impairment analysis involves significant estimates and judgements and the selection of key external and internal inputs, and resulted in an impairment loss of $10.3m in relation to intangibles.	We compared current year actual results to the forecasts used by the directors, including the key assumptions of value of funds under management, management fee rates and employment costs. In cases where forecast value of funds under management and management fee rates were different from actuals, we obtained from management their analysis of why their forecast of funds under management and the associated management fees generated were different from actuals. We also challenged the discount rate by comparing to market data. We performed sensitivity analysis on the key assumptions used in the analysis. We reviewed the independent valuation report obtained by management to assess the carrying value of customer relationships at the date of acquisition, and reviewed management's subsequent impairment analysis at year end, considering loss of mandates and how this impacted on the balance. We assessed whether the Group's disclosures met the requirements of relevant accounting standards.

HLB Mann Judd Assurance

CONTANGO ASSET MANAGEMENT LIMITED

ACN 080 277 998

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Key Audit Matter	**How our audit addressed the key audit matter**
Going Concern (note 1(a))	
For the year ended 30 June 2017, the Group incurred a loss after income tax of \$14.1m, and had cash outflows from operating activities of \$2.1m. As at 30 June 2017, the Group had net assets of \$3.5m, and an excess of current assets over current liabilities of \$0.4m. At 30 June 2017, the Group had a loan liability of \$0.75m. We focussed on this area as a key audit matter given the loss incurred during the year, the net cash outflows during the year, the loan obtained from a third party, and the judgement used in assessing the ability of the Group to continue as a going concern.	We considered the appropriateness of the going concern basis of accounting by evaluating and testing the cash flow projections prepared by the Group, comparing the current year (2017) actuals to the key assumptions used by management in preparing the projections. Where key forecast revenue and expenses were different from 2017 actuals, we challenged management as to why forecast revenues and expenses were expected to be different and evaluated the key assumptions used. We performed sensitivity analysis on the key assumptions. We reviewed the issue of shares to raise additional funds subsequent to year end. We assessed whether the Group's disclosures met the requirements of relevant accounting standards.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

HLB Mann Judd Assurance

CONTANGO ASSET MANAGEMENT LIMITED

ACN 080 277 998

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

HLB Mann Judd Assurance

CONTANGO ASSET MANAGEMENT LIMITED

ACN 080 277 998

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 22 of the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Contango Asset Management Limited for the year ended 30 June 2017 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd

A Smith

HLB Mann Judd Assurance (NSW) Pty Ltd
Chartered Accountants

A G Smith
Director

Sydney, NSW
29 September 2017

ADDITIONAL INFORMATION FOR LISTED COMPANIES

ASX ADDITIONAL INFORMATION

Additional information required by the ASX Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 31st August 2017.

SUBSTANTIAL SHAREHOLDERS

The number of substantial shareholders and their associates are set out below:

VOTING RIGHTS

Ordinary Shares

On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options

No voting rights.

DISTRIBUTION OF EQUITY SECURITY HOLDERS

Analysis of the number of shareholders by size of holding at 31 August 2017 is presented below:

HOLDING	NUMBER OF HOLDERS	NUMBER OF ORDINARY SHARES	PERCENTAGE OF SHARES ON ISSUE %
1 – 1,000	680	131,345	54.71
1,001 – 5,000	152	413,367	12.23
5,001 – 10,000	97	783,071	7.80
10,001 – 100,000	250	8,852,002	20.11
100,001 and over	64	37,641,271	5.15
Total	**1,243**	**47,821,056**	**100**
Number of holders with less than a marketable parcel of ordinary shares	571	53,705	

TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest shareholders of the Company as at 31 August 2017 are listed below

HOLDER NAME	NUMBER OF ORDINARY SHARES	PERCENTAGE OF SHARES ON ISSUE %
AET SFS PTY LTD	5,786,851	12.10
PACIFIC POINT PARTNERS LIMITED	4,224,393	8.83
HENLEY HOLDINGS AUST PTY LTD	3,592,417	7.51
WILLIAM LAISTER	1,690,550	3.54
CITICORP NOMINEES PTY LIMITED	1,424,844	2.98
PACIFIC POINT PARTNERS LIMITED	1,388,889	2.90
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,388,889	2.90
MR ROBERT DARIUS FRASER	1,250,000	2.61
AET SFS PTY LTD	833,334	1.74
SHAWN REX BURNS	739,616	1.55
MR VICTOR JOHN PLUMMER	694,444	1.45
UBS NOMINEES PTY LTD	600,000	1.25
TC CORPORATE P/L	600,000	1.25
MRS TRACY FRASER	579,444	1.21
MR VICTOR JOHN PLUMMER	555,556	1.16
BISCUIT TIN PTY LTD	528,298	1.10
WARRIOR 1995 PTY LTD	528,296	1.10
ALISTAIR MCKINLEY DRUMMOND	528,296	1.10
MR PETER WILLIAM SWITZER & MRS MAUREEN ELIZABETH SWITZER & MR MARTIN FRANCIS SWITZER	523,817	1.10
ROBERT NAIRN PTY LTD	500,000	1.05
BACKWARDATION INVESTMENTS PTY LTD	489,304	1.02
MRS JOANNA IVERS & MR RICHARD IVERS	464,304	0.97
CAMIPA PTY LTD	422,637	0.88
Total shares held by the twenty largest shareholders	**29,334,179**	**61.30**
Total ordinary shares on issue	**47,821,056**	

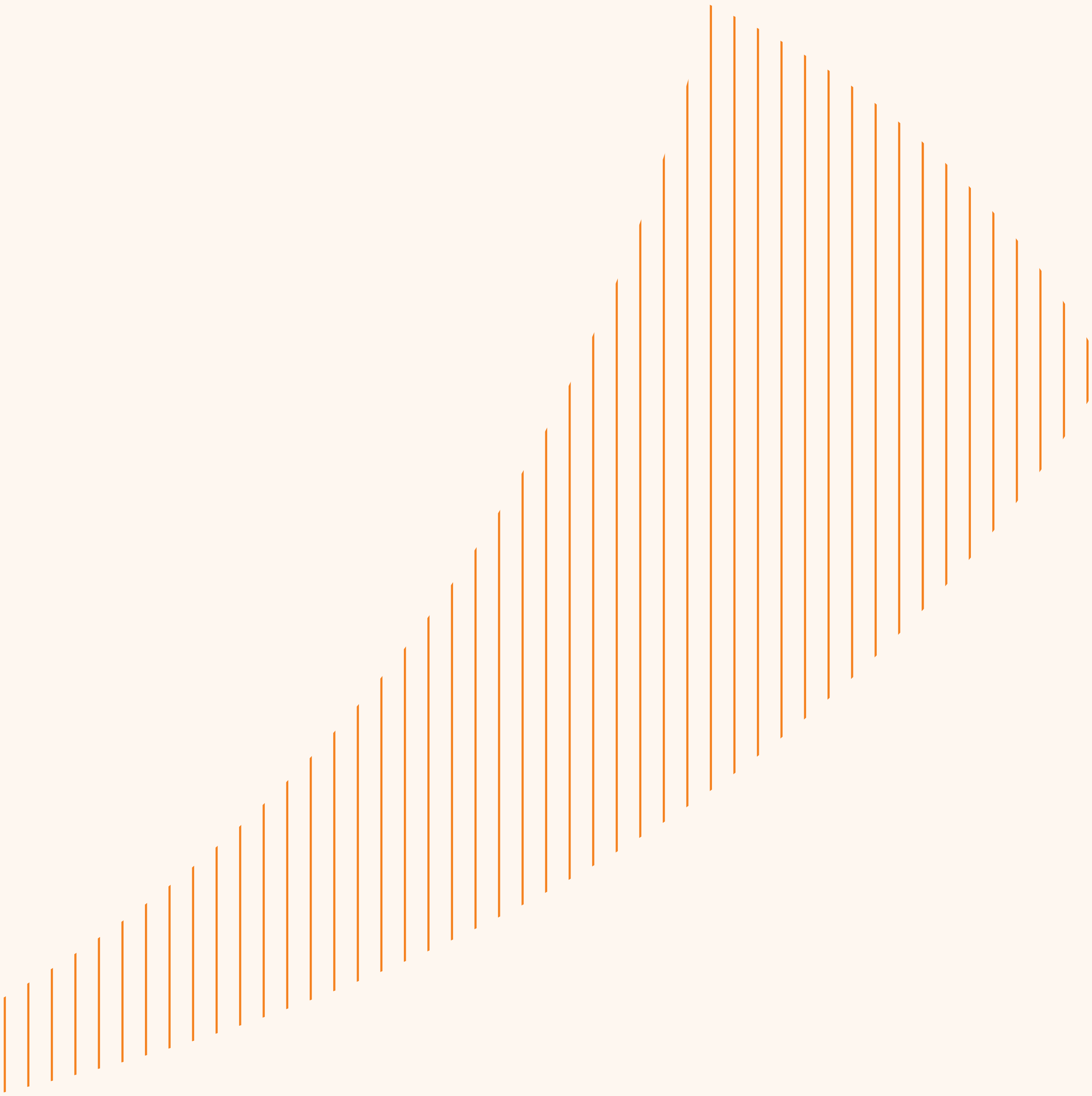
TWENTY LARGEST OPTION HOLDERS

UNISSUED EQUITY SECURITIES

Options issued -.

SECURITIES EXCHANGE

The Company is listed on the Australian Securities Exchange.



ASSET
MANAGEMENT
LIMITED

Level 27, 35 Collins Street
Melbourne VIC 3000 Australia

P +61 3 9222 2333
F +61 3 9222 2345

E info@contango.com.au
W contango.com.au