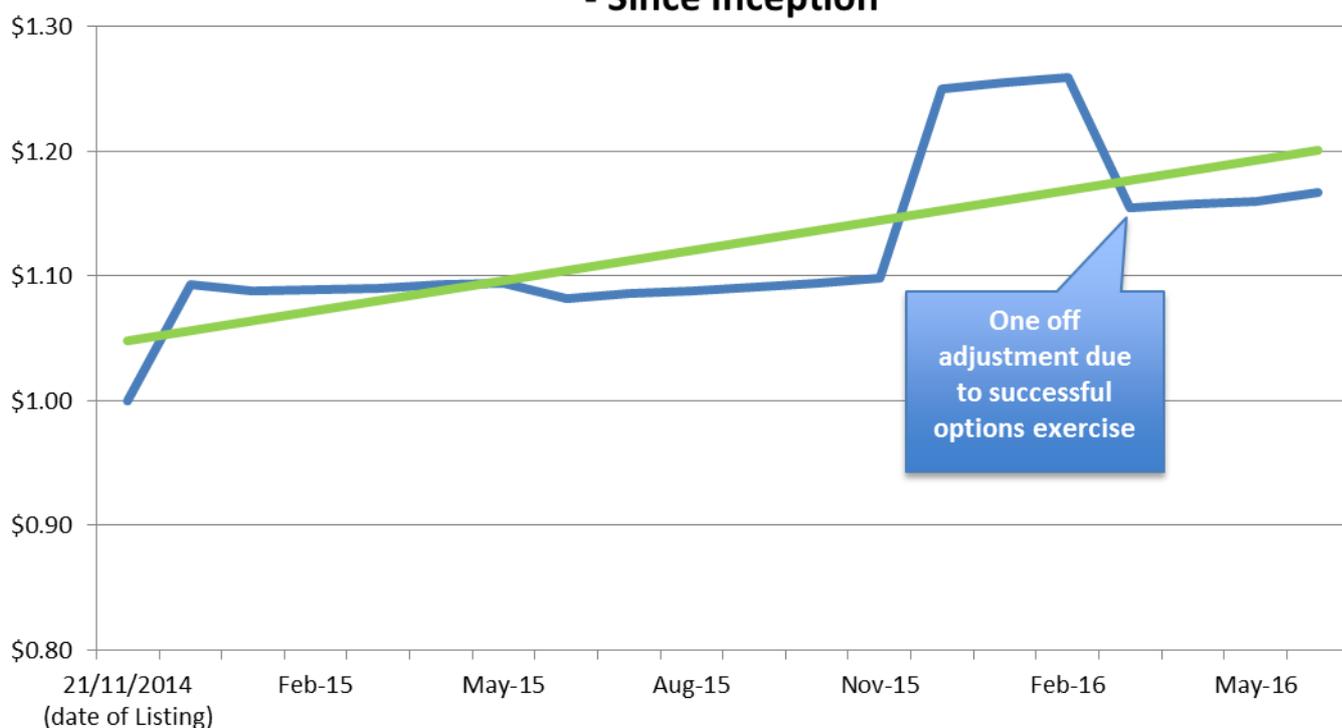


NET TANGIBLE ASSETS - AS AT 30 June 2016

Net Tangible Assets (NTA) per share (pre tax) **\$1.17**

Net Tangible Assets (NTA) per share (post tax) **\$1.09**

**Net Tangible Assets per share (pre tax)
- Since Inception**



Notes: NTA figures in this report are after all fees and are unaudited.

Annual Investment Performance

- The underlying investment performance of the Bailador portfolio, measured as the increase in the NTA between 1 July 2015 and 30 June 2016 (pre-tax, adjusted for options exercised), was a pleasing 18.7%.

Investment:

- Bailador finalised the latest funding round for Stackla. During June Bailador invested a further \$1.4m in Stackla at the valuation agreed in February. The funding round also included an investment by a third party, which has resulted in an increase in the carrying value of Bailador's investment in Stackla.

The valuation at 30 June 2016 represents a 13.5% increase on the previous carrying value. The uplift is due to warrants being in-the-money, and the original investment recognised at the value of the current round. The company's latest valuation represents a 42% uplift in value on the original investment made in Sep 2015.

Stackla has continued to perform very strongly with material reinforcement of KPIs and annual ARR growth in excess of 80%. The company has attracted leading global brands such as Universal Music Group, World Rugby, Virgin Holidays and SKY as recent new customers, and has further established itself in the US with key senior hires joining the team in San Francisco.

- The flow of investment opportunities for Bailador continues to be strong. The Manager anticipates making additional investments to the portfolio over the coming months.

Research:

- **Patersons** recently released their Listed Investment Company report, initiating coverage of BTI. The report shows that BTI has delivered the strongest NTA growth of all LICs covered in the twelve months to 31 May 2016, whilst still trading at a discount to NTA. To read the Patersons report, [CLICK HERE](#).

Press:

- **Andrea Kowalski**, Investment Director at Bailador recently published an article on the value of User Generated Content (UGC). To read the article, [CLICK HERE](#).

SUMMARY OF INVESTMENT PORTFOLIO

<i>Investment</i>	<i>Description</i>	<i>Notes</i>	<i>Current Value (\$'m)</i>	<i>% of Portfolio</i>
 SiteMinder	<ul style="list-style-type: none"> The world leader in hotel channel management and distribution solutions for online accommodation bookings. www.siteminder.com 	<ul style="list-style-type: none"> No change in valuation 	31.3	26.6%
 VIOCORP	<ul style="list-style-type: none"> Leading platform provider for publishing and broadcasting video content through the web, IPTV and mobile services. www.viocorp.com 	<ul style="list-style-type: none"> Value increase due to the continued accrual of interest on convertible loans 	28.5	24.2%
 iPRO SOLUTIONS	<ul style="list-style-type: none"> Specialist provider of cloud based vendor management software www.iprolive.com 	<ul style="list-style-type: none"> Value increase due to the continued accrual of interest on convertible loans from BTI 	8.5	7.2%
 Stackla	<ul style="list-style-type: none"> Social marketing platform aggregating User Generated Content (UGC). www.stackla.com 	<ul style="list-style-type: none"> Follow-on investment of \$1.4m Increase in valuation due to higher valuation on funding round, warrants in money and accrual of interest on convertible loans from BTI 	7.4	6.3%
 SMI STANDARD MEDIA INDEX	<ul style="list-style-type: none"> An independent source of advertising data aggregation, analysis and sales. www.standardmediaindex.com 	<ul style="list-style-type: none"> No change in valuation 	5.5	4.7%
 straker TRANSLATIONS	<ul style="list-style-type: none"> Provider of cloud based translation services. www.strakertranslations.com 	<ul style="list-style-type: none"> Minor change in value due to FX movements 	4.6	3.9%
 ClickLoans	<ul style="list-style-type: none"> Provider of end-to-end online mortgages and mortgage solutions www.clickloans.com.au www.creditandfinance.com.au 	<ul style="list-style-type: none"> \$4m new investment in May 2016 	4.0	3.4%
 rezdy	<ul style="list-style-type: none"> Online software package for Tours and Activity (TAA) providers. www.rezdy.com 	<ul style="list-style-type: none"> Value increase due to the accrual of interest on convertible loans from BTI. 	2.7	2.3%
Cash at bank			27.8	23.6%
Other			-2.5	-2.1%
TOTAL			117.7	100.0%

Notes: Figures in this report are unaudited and exclude tax. The current value for each investment in the table above is consistent with the BTI investment valuation policy, which may be found in the BTI prospectus lodged with ASIC on 3rd October 2014 and available on the ASX website.

Important Notice: Bailador Investment Management Pty Ltd A.C.N. 143 060 511 ("Manager") has prepared the information in this announcement. This announcement has been prepared for the purposes of providing general information only and does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any securities in BTI nor does it constitute financial product or investment advice nor take into account your investment, objectives, taxation situation, financial situation or needs. An investor must not act on the basis of any matter contained in this announcement in making an investment decision but must make its own assessment of BTI and conduct its own investigations and analysis. Past performance is not a reliable indicator of future performance.

FURTHER INFORMATION

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