



ABN 47 107 617 381  
Level 24  
360 Collins Street  
Melbourne VIC 3000  
Phone 03 – 9222 2333  
Fax 03 – 9222 2345  
Web [www.contangomicrocap.com.au](http://www.contangomicrocap.com.au)  
Email [contango@contango.com.au](mailto:contango@contango.com.au)

## **Dividend Policy**

---

The Board of Contango MicroCap Limited is pleased to announce changes to its Dividend Policy to acknowledge that regular dividend payments are important to its shareholders. Feedback from shareholders indicates that they would welcome more certainty in the pattern of dividend payments.

Having weathered the global financial crisis in good form, the Contango MicroCap Limited is in a position to make undertakings about the future pattern of dividend payments.

Going forward the Company will normally pay annual dividends amounting to a 6% yield on the Net Tangible Asset value per share prevailing at the beginning of the financial year. The Company may also continue to pay additional special dividends when favourable market circumstances allow.

In exceptional circumstances, where profits or retained earnings are not sufficient to meet this proposed yield, the lower dividend will be augmented by an equivalent capital return payment.

On 15 December 2009 the Company announced an interim dividend for the 2009/10 financial year of 2 cents per share which was paid on 22 March 2010.

In adopting this policy immediately, a proposed final dividend for the year ended 30 June 2010 of 5 cents per share will become payable in October 2010.

In formulating this policy, the Board was mindful of those sections of the Corporations Law that prevent companies paying dividends other than from profits. CTN in fact suspended dividend payments during the GFC because of this constraint. However, in recognition of the importance of regular income flows to our shareholders, the Board has resolved to make capital repayments in situations where compliance with the Corporations Law may limit the payment of dividends.

A handwritten signature in black ink, appearing to read 'Glenn Fowles', is positioned above the typed name.

Glenn Fowles - Company Secretary  
CONTANGO MICROCAP LIMITED  
16 April 2010