

12 November 2020

Company Announcements Office
ASX Limited
Exchange Centre
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Subject: Notice of Annual General Meeting

The Directors of Contrarian Value Fund Limited (“CVF” or “The Company”) wish to advise that the Annual General Meeting (“AGM”) of its Shareholders will be held on Tuesday, 15 December 2020 at 3:00pm AEST (4:00pm AEDT) at Level 11, 153 Walker St, North Sydney and simultaneously as a virtual meeting.

Following receipt of feedback from its Shareholder base, the Independent Directors announced that they were undertaking a strategic review with the assistance of independent external advisers where appropriate. This encompassed evaluating several strategic options for the Company, including:

- **On-Market Buyback:** This strategy, while beneficial in the short-term, has not achieved the desired outcome. The Board does not consider this to be a strategy that will provide a sustainable long-term benefit for Shareholders nor meet the objectives of our Shareholders.
- **Equal Access Off-Market Buyback:** The Company evaluated the merit of returning capital to Shareholders via an equal access off-market buyback program for approximately 20% of Shares on issue. After carefully reviewing the LIC sector based on the market capitalisation, mandate type and the range of share price discounts to NTA, it was concluded that the off-market buyback program would reduce the market capitalisation of the Company and is unlikely to materially reduce the share price to NTA discount for the remaining Shareholders.
- **Orderly realisation of the portfolio and delisting of the Company:** The Independent Directors reviewed the option of negotiating with the Manager to agree to an early termination of the management agreement, sale of the assets and delisting of the Company. This option has the potential to provide Shareholders with a higher return compared to selling CVF shares on the market given the current NTA discount. However, there will be costs associated with this option, including the Termination Fee payable to the Manager for early termination of the Management Agreement (which has approximately 4 years remaining).
- **A change of strategy to a secured private credit income investment strategy:** Based on the Company’s review of the LIC/LIT sector prior to the COVID-19 impact, it was evident that private credit sector on the ASX were generally trading in line or at a premium to NTA, underpinned by a predictable and sustainable income yield. However, since COVID-19 many

of the private credit LITs are now trading at a discount to NTA and the future for private credit LITs is now much more uncertain than previously to COVID-19.

- **Merger or other control transaction:** The Company considered alternatives including merger or a potential control transaction following a recent unsolicited approach. After looking at this in detail and engaging both a corporate law firm and an independent financial adviser to evaluate these options, the view was formed that, whilst this may result in closing the NTA discount, with regards to up-front Shareholder value, this would be unlikely to generate more certainty of value than the Sale and Distribution Proposal being put to Shareholders. The Company of course remains open to alternatives which may arise in the short term.

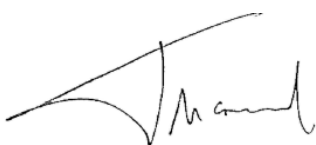
CVF previously provided an update on 5 June 2020 and in the Investor Presentation on 26 August 2020 informing Shareholders that the Company was seeking an ATO Ruling in relation to the strategic review. The Company has now obtained a private ruling from the ATO regarding the use of franking credits (the outcome of which has been included in return calculations). In the absence of a superior proposal, the Company would now like to provide Shareholders the opportunity to vote on a Sale and Distribution Proposal that is being put forward at the AGM.

The Sale and Distribution Proposal comprises the sale and realisation of the investments of the Company over the short term and distribution of net proceeds to Shareholders and consequently the termination of the Management Agreement, delisting and winding up of the Company. The Independent Board members consider the Sale and Distribution Proposal as a strategic option which may provide Shareholders with a higher return than Shareholders selling their CVF shares on the market.

The Independent Directors, pursuant to Listing Rule 11.2 and s256C of the Corporation Act 2001 are recommending to Shareholders to vote in favour of the resolutions in relation to the Sale and Distribution Proposal. They do consider that the proposal being put forward has the potential to address the feedback from the Company's Shareholders and consistent with the Company's previous indications about a strategic review, that it should be determined by a majority vote from Shareholders.

Please review the Notice of Meeting and Explanatory Memorandum as it contains further details on the Sale and Distribution Proposal. If you are in doubt as to how to deal with the Explanatory Memorandum, please consult your legal, financial, taxation or other professional adviser.

On behalf of the Board of Contrarian Value Fund Limited,



Tom McDonald
Company Secretary

Notice of Annual General Meeting

To be held at: Level 11, 153 Walker Street, North Sydney NSW
2060 and simultaneously as a virtual meeting

To be held on: 15 December 2020

Commencing: 3:00pm AEST (4:00pm AEDT)

This notice of Annual General Meeting is an important document and requires your urgent attention. Due to the COVID-19 outbreak, Shareholders are encouraged to participate in the General Meeting virtually or voting by proxy rather than attending the General Meeting in person.

If you are in any doubt as to how to deal with this Booklet, please consult your legal, financial, taxation or other professional adviser immediately.

IMPORTANT: The resolutions set out in the Notice of Annual General Meeting should be read together with the Explanatory Memorandum.

If you have recently sold all of your shares, please disregard all enclosed documents.



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Chairman's Letter

12 November 2020

Dear Shareholders,

Thank you for your patience as the Board conducted a review regarding the future of the Contrarian Value Fund (CVF or **Company**). Throughout this process, we have been guided by the aim to improve the share price to net tangible (NTA) asset discount to give Shareholders more certain liquidity at close to NTA. After carefully considering various options, the Board would like to present the following Notice of Meeting and accompanying Explanatory Memorandum asking Shareholders to consider the future of the Company.

We are inviting Shareholders to consider the sale of the Company's portfolio, return of capital and termination of the Management Agreement with ACVF Management Pty Ltd (**the Manager**), leading to the delisting of the Company (the **Sale and Distribution Proposal**).

The primary rationale for this is that the Board has received feedback from its shareholder base who note the share price to net tangible assets (NTA) discount and would be interested in a strategy to unlock value from the Company and provide liquidity. Hence the Sale and Distribution Proposal is being put to a vote.

The Board has provided you with information in relation to the proposal in this Booklet. Accordingly, we urge you to read this Booklet in full.

Background to strategic review

The Company was listed on the Australian Stock Exchange (ASX) in January 2015 as the Arowana Australasian Value Opportunities Fund (AAVOF) to provide Shareholders with exposure to the Manager's forensic data driven fundamental deep value investment approach and track record in Australian listed equities. Since its IPO, CVF shareholders who have held their shares have experienced a total return of 52.2%¹ (7.5% annualised) since listing, outperforming the broader market, as measured by the ASX S&P 200 Accumulation Index, by 12.5%¹ (1.6% annualised). This has been achieved through a combination of capital appreciation of the underlying portfolio (measured in terms of NTA on a pre-tax basis) and fully franked dividend income yield, paid on a semi-annual basis and recently on a more regular basis.

Despite the outperformance of its underlying portfolio since its IPO, the Company's shares have persistently traded at a discount to its NTA, which is commonplace for many listed investment companies (LICs) with an underlying listed equities portfolio. This issue is typically addressed through intervention in the form of share buybacks.

Following the receipt of feedback from its shareholder base, the Independent Board members have undertaken a strategic review with the assistance of independent external advisers where appropriate. This encompassed evaluating several strategic options for the Company, including:

- **On-Market Buyback:** This strategy, while beneficial in the short-term, has not achieved the desired outcome. The Board does not consider this to be a strategy that will provide a sustainable long-term benefit for Shareholders nor meet the objectives of our Shareholders.
- **Equal Access Off-Market Buyback:** The Company evaluated the merit of returning capital to Shareholders via an equal access off-market buyback program for approximately 20% of Shares

¹ CVF NTA Update as at 31 October 2020– net of all fees and expenses, pre-tax. Past performance is not a reliable indicator of future performance.

on issue. After carefully reviewing the LIC sector based on the market capitalisation, mandate type and the range of share price discounts to NTA, it was concluded that the off-market buyback program would reduce the market capitalisation of the Company and is unlikely to materially reduce the share price to NTA discount for the remaining Shareholders.

- **Orderly realisation of the portfolio and delisting of the Company:** The Independent Directors reviewed the option of negotiating with the Manager to agree to an early termination of the management agreement, sale of the assets and delisting of the Company. This option has the potential to provide Shareholders with a higher return compared to selling CVF shares on the market given the current NTA discount. However, there will be costs associated with this option, including the Termination Fee payable to the Manager for early termination of the Management Agreement (which has approximately 4 years remaining).
- **A change of strategy to a secured private credit income investment strategy:** Based on the Company's review of the LIC/LIT sector prior to the COVID-19 impact, it was evident that private credit sector on the ASX were generally trading in line or at a premium to NTA, underpinned by a predictable and sustainable income yield. However, since COVID-19 many of the private credit LITs are now trading at a discount to NTA and the future for private credit LITs is now much more uncertain than previously to COVID-19.
- **Merger or other control transaction:** The Company considered alternatives including a merger or a potential control transaction following a recent unsolicited approach. After looking at this in detail and engaging both a corporate law firm and an independent financial adviser to evaluate these options, the view was formed that, whilst this may result in closing the NTA discount, with regards to up-front Shareholder value, this would be unlikely to generate more certainty of value than the Sale and Distribution Proposal being put to Shareholders. The Company of course remains open to alternatives which may arise in the short term.

As the result of this review, sentiment of feedback from Shareholders to unlock value and provide liquidity at near to NTA and after seeking independent external advice, the Independent Board members have concluded that, in the absence of a superior proposal, it would be appropriate to provide Shareholders the opportunity to vote to **undertake a sale and distribution process, terminate the Management Agreement and delist the Company** (the **Sale and Distribution Proposal**).

The Independent Directors, pursuant to Listing Rule 11.2 and s256C of the *Corporation Act* 2001 are recommending to Shareholders to vote in favour of the resolutions in relation to the Sale and Distribution Proposal. They do consider that the proposal being put forward has the potential to address the feedback from the Company's Shareholders and consistent with the Company's previous indications about a strategic review, that it should be determined by a majority vote from Shareholders.

SALE AND DISTRIBUTION PROPOSAL

The proposal being put forward to Shareholders is to consider the sale and realisation of the investments of the Company over the short term and distribution of net proceeds to Shareholders and consequently the termination of the Management Agreement, delisting and winding up of the Company. The Independent Board members consider the Sale and Distribution Proposal as a strategic option which may provide Shareholders with a higher return than Shareholders selling their CVF shares on the market. However, Shareholders should note that there are costs associated with a termination of the Management Agreement (and the Manager forgoing its right to fees over the

remaining 4 year initial term under the Management Agreement (the total initial term referred to here as the **(Initial Term)**) and otherwise implementing the Sale and Distribution Proposal. The Termination Fee payable by CVF to the Manager has been negotiated by the Independent Non-Executive Directors of CVF on behalf of Shareholders.

To provide shareholders a guide to the potential outcome from the Sale and Distribution Proposal a sensitivity analysis has been provided in section 3.5 of the Explanatory Memorandum. As an indication at 31 October 2020, the Company's pre-tax NTA was \$0.97 per share and post-tax NTA was \$0.99. The cost associated with the Sale and Distribution proposal is expected to be approximately \$0.025 per share comprising of the Termination Fee, the estimated cost of brokerage, operational costs and external costs associated with winding-up the Company.

Advantages of the Sale and Distribution Proposal

Reasons why Shareholders may choose to vote for the Sale and Distribution Proposal include the following:

- **Liquidity** – the sale of the Company's investments will provide certainty to Shareholders in relation to the cash realisation of their investments in the Company as Shareholders will become entitled to the net sale proceeds of realisation of the Company's underlying investments less any cost associated with the termination of the Management Agreement, delisting and winding-up of the Company.
- **Return greater than market price** – given the persistent share price discount to the NTA, albeit in line with comparable peer companies, the return that would be achieved by Shareholders may be greater than the amount that would be received from selling CVF shares on-market.

Disadvantages of the Sale and Distribution Proposal

Reasons why Shareholders may choose to vote against the Sale and Distribution Proposal include the following:

- **Forgoing future returns** – the liquidation of the underlying investments in the portfolio may be pre-mature and could potentially deprive Shareholders of future long-term returns from the Company or a future increase in the value of their investment due to a favourable change in the value of the Company's investment portfolio, an alternative proposal put forward by a third party or a change in market conditions, particularly those relating to the valuation of listed investment companies such as the Company.
- **Market risk** – the sale of these positions may result in the Company selling those shares at a discount to the current market price. However, the Company will ensure an orderly process is undertaken during the sell down process.
- **Impact on return** – there is no guarantee of a specific price in respect to the Sale and Distribution Proposal. The price at which the Company will realise its investments is dependent on the individual investments, liquidity and the market. Furthermore, there will be costs associated with the termination of the Management Agreement and wind-up that will impact returns to Shareholders.
- **Loss of deferred tax asset** – as at 30 June 2020 the Company recognised a deferred tax asset of \$2.3m. This asset was recognised to the extent that it was probable that future taxable profits would be available against which the deferred tax asset could be utilised. In the instance there are

insufficient profits generated during a wind-up scenario the residual value of the deferred tax asset will be foregone.

Implementing the Sale and Distribution Proposal

To implement the Sale and Distribution Proposal, Shareholders will be asked to vote on the Resolutions 4, 5 and 6 set out in the Notice of Meeting.

Subject to Resolutions 4, 5 and 6 being passed, the Company will implement the Sale and Distribution Proposal. Broadly speaking, this will consist of the following key steps:

- the Company will pay an initial return of capital of \$0.26 per share and a franked dividend of \$0.09 per share;
- the Company will pay the Manager the Termination Fee to compensate the Manager for agreeing to terminate the Management Agreement;
- the Manager will commence the sale of all Company assets in an orderly fashion in the short term;
- the Company intends to make a final dividend distribution or capital return to Shareholders of the Company's surplus cash in one or more tranches; and
- when the assets of the Company have all been disposed of and the surplus cash returned to Shareholders, the Company would take steps to (subject to any ASX or shareholder approvals required) delist and wind-up the Company.

If any one or more of Resolutions 4, 5 and 6 are not passed, the Sale and Distribution Proposal will not be carried out.

In that event, the Board will continue to examine other strategies to maximise Shareholder value. Whilst this is occurring the Independent Board members are confident that the Manager will continue to invest judiciously within the scope of the mandate. The Manager has noted that it believes that value investing is on the cusp of a resurgence and as such, if the Sale and Distribution Proposal is not carried out, the Manager believes that there will be a range of value accretive opportunities for CVF to invest in.

The Notice of Annual General Meeting (“NoM”)

The NoM contains the resolutions being put to Shareholders and how to vote.

In considering how to vote, CVF Shareholders should consider the entire contents of the NoM and the Booklet, including the reasons to vote for and against the resolutions.

If you have queries in relation to the material in this Booklet, please do not hesitate to contact your adviser or the Company.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Kent Kwan', written in a cursive style.

Kent Kwan

Independent Chairman

Items of Business

The business of the Annual General Meeting is to consider the following proposed resolutions.

Financial statements and reports

To receive and consider the Company's annual financial report, including the directors' report and audit report for the year ended 30 June 2020.

Resolution 1 - Remuneration Report

To consider, and if thought fit, to pass the following Resolution as an **ordinary resolution**:

"That the Company adopt the Remuneration Report for the year ended 30 June 2020 in accordance with section 250R(2) of the Corporations Act 2001."

Resolution 2 - Re-election of Director – Mr Michael Barker

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Mr Michael Barker, who retires in accordance with the Company's constitution and, being eligible for re-election, be re-elected as a Director."

Resolution 3 - Re-election of Director – Ms Victoria Guy

To consider, and if thought fit, to pass the following Resolution as an **ordinary resolution**:

"That Ms Victoria Guy who retires in accordance with the Company's Constitution and, being eligible for re-election, be re-elected as a Director."

Resolutions 4, 5 and 6 need to be passed in order to authorise the Company to implement the Sale and Distribution Proposal. Resolutions 4, 5 and 6 are interdependent and each will only be approved if each of Resolutions 4, 5 and 6 is passed.

Resolution 4 – Disposal of Main Undertaking

To consider, and if thought fit, to pass the following as an **ordinary resolution**:

"That subject to Resolutions 5 and 6 also being passed, for the purposes of Listing Rule 11.2, and for all other purposes, the sale of the Company's assets and distributions of capital to Shareholders as a return of capital is approved."

Resolution 5 – Capital Reductions

To consider and, if thought fit, pass the following as an **ordinary resolution**:

"That subject to Resolutions 4 and 6 also being passed, for the purposes of sections 256B and 256C of the Corporations Act 2001, section 2.7 of the Company's Constitution and for all other purposes, and with effect from a date as determined by the Board, the issued share capital of the Company be reduced by an amount up to the Reduction Amount, which may be carried out in one or more tranches applied equally against each fully paid ordinary share on issue in the Company on the Record Date, and that reduction be satisfied by the payment to the Shareholders of the Reduction Amount proportionately to the number of Shares held by the Shareholder as at the Record Date and otherwise on the terms and conditions set out in the Explanatory Memorandum to this Notice."

Resolution 6 – Termination of the Management Agreement

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

That, subject to Resolutions 4 and 5 also being passed:

- a) *the Company will terminate the management agreement dated the 24th of November 2014 with the Manager, as contemplated in the Explanatory Memorandum; and*
- b) *the Company will pay the Manager the Termination Fee, as contemplated in the Explanatory Memorandum.*

Notes to Notice of Meeting

Time and Place

Notice is hereby given that the Annual General Meeting will be held as follows:

- Held at:** Level 11, 153 Walker St, North Sydney NSW 2060 and simultaneously as a virtual meeting
- Held on:** Tuesday, 15 December 2020
- Commencing:** 3:00pm AEST (4:00pm AEDT)

Due to COVID-19, Shareholders are **encouraged to participate in the Annual General Meeting virtually or voting by proxy rather than attending the Annual General Meeting in person.**

Details on how to access the Annual General Meeting virtually can be found at the back of this Booklet.

Explanatory Memorandum

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of Meeting.

Entitlement to vote

For the purpose of determining entitlements to vote at the Meeting, persons who are the registered holders of fully paid ordinary shares in the Company at 6:00pm AEST (7:00pm AEDT), on 11 December 2020, will be treated as Shareholders of the Company. If you are not the registered holder of a share in the Company at that time, you will not be entitled to vote in respect of that share at the Meeting.

Voting exclusions

The Company will disregard any votes cast in favour of **Resolution 1** by or on behalf of:

- a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- a Closely Related Party of such a member.

The Voting Restriction does not apply where the chairperson:

- or any other member of the Key Management Personnel is appointed in writing (by a Shareholder who is not a member of the Key Management Personnel or a Closely Related Party of Key Management Personnel) as a proxy with specific instructions on how to vote on a Resolution to adopt the Remuneration Report of the Company; or
- is appointed in writing (by a Shareholder who is not Key Management Personnel or a Closely Related Party of Key Management Personnel) as a proxy with no specific instructions on how to vote on a non-binding Shareholder vote on remuneration, where the Shareholder provides express authorisation for the chairperson to do so.

The Company will disregard any votes cast in favour of **Resolution 4, 5 or 6** by or on behalf of:

- a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed; or
- an associate of that person (or those persons).

However, the Company need not disregard a vote if it is cast by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way;
- the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

How to vote

Shareholders entitled to vote at the Meeting may vote:

- a) by attending the Meeting and voting in person;
- b) by appointing a proxy to attend and vote on their behalf, using the proxy form accompanying this Notice. A proxy may be an individual or a body corporate; or
- c) if a body corporate, by appointing a corporate representative.

Proxies

Any Shareholder entitled to vote at this General Meeting is entitled to appoint not more than two proxies to attend and vote in his/her stead.

A proxy need not be a Shareholder.

If the Shareholder appoints two proxies, the Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the votes. If the specified proportion or number of votes exceeds that which the Shareholder is entitled to, each proxy may exercise half of the Shareholder's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

Proxies must be:

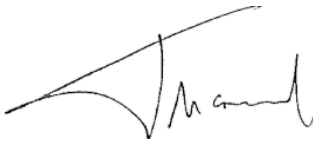
- a) lodged by posting them or delivering them by hand to the address specified below;
- a) received at the fax number specified below; or
- b) not later than 48 hours before the Annual General Meeting i.e. 3:00pm AEST (4:00pm AEDT) on 13 December 2020.

Address: GPO Box 3993, Sydney NSW 2001 Australia

Fax number: +61 2 9290 9655

A form of proxy is provided with this Notice. If the Proxy Form is signed by an attorney, the power of attorney or a certified copy of it must be sent with the Proxy Form.

By order of the Board of the Company,

A handwritten signature in black ink, appearing to read 'Tom McDonald', with a large, sweeping initial stroke.

Tom McDonald

Company Secretary

Important notices

General

You should read this Booklet in its entirety before making a decision on how to vote on the resolutions to be considered at the Meeting. The notice convening the Meeting is set out on pages 7 - 10 of this booklet. A proxy form for the Meeting is enclosed.

Defined terms

Capitalised terms in this Booklet are defined either in the Glossary in Section 5 of this Booklet or where the relevant term is first used.

References to dollars or \$ are references to the lawful currency of Australia. Any discrepancies between the totals and the sum of all the individual components in the tables convened in this Booklet are due to rounding.

Purpose of this Booklet

The purpose of this Booklet is to:

- state the nature of the business to be conducted at the Meeting; and
- provide such information as is prescribed by the *Corporations Act 2001*.

ASX

A copy of this Booklet has been lodged with the ASX. The ASX and its officers take no responsibility for the contents of this Booklet.

Investment decisions

This Booklet does not take into account the investment objectives, financial situation, tax position and requirements of any particular person. This Booklet should not be relied on as the sole basis for any investment decision in relation to Shares. It is important that you read the entire Booklet before making any voting or investment decision.

Past return and forward-looking statements

This Booklet may include certain prospective financial information which has been based on current expectations about future events. The prospective financial information is, however, subject to risks, uncertainties and assumptions that could cause actual results to differ materially from the expectations described in such prospective financial information. The assumptions on which prospective financial information is based may prove to be incorrect or may be affected by matters not currently known to, or considered material by, the Manager or the Company.

Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement and deviations are both normal and to be expected. None of the Manager, the Company, the officers of the Manager or the Company, or any person named in this Booklet makes any representation or warranty (either expressed or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement, or any events or results expressed or implied in any forward-looking statement. You are cautioned not to place undue reliance on those statements.

The forward-looking statements in this Booklet reflect views held only as at the date of this Booklet. Notwithstanding the uncertainty outlined above, there are reasonable grounds for including all forward-looking statements set out in this Booklet.

Past performance information is not a reliable indicator of future performance of the Company.

Important dates and times

Date of this Booklet	12 November 2020
Last time and date by which the proxy form for the Meeting can be lodged	3:00pm AEST (4:00pm AEDT), 13 December 2020
Time and date for determining eligibility to vote at the Meeting	6:00pm AEST (7:00pm AEDT), 11 December 2020
Meeting to vote on the Sale and Distribution Proposal	3:00pm AEST (4:00pm AEDT), 15 December 2020

The Meeting will be held at Level 11, 153 Walker Street, North Sydney NSW 2060 and as a virtual meeting.

You should consult your legal, financial, taxation or other professional adviser concerning the impact your decision may have on your own circumstances.

1. Explanatory Memorandum

This Explanatory Memorandum sets out further information regarding the proposed Resolutions to be considered by Shareholders at the 2020 Annual General Meeting commencing at 3:00pm AEST (4:00pm AEDT) on **15 December 2020** virtually and at Level 11, 153 Walker Street, North Sydney NSW 2060.

The Directors recommend that Shareholders read this Explanatory Memorandum before determining whether or not to support the Resolutions.

Financial statements and reports

Under Section 317 of the Corporations Act, CVF is required to lay its annual Financial Report, Directors' Report and Remuneration Report before its Shareholders at its Annual General Meeting. The annual financial report is submitted for Shareholders' consideration and discussion at the Annual General Meeting as required. Meeting attendees are invited to direct questions to the chairperson in respect of any aspect of the report they wish to discuss.

Representatives of CVF's auditor, PKF Brisbane Audit, will be present for discussion purposes on matters of relevance to the audit.

1.1. Resolution 1 – Remuneration Report

Resolution 1 provides Shareholders the opportunity to vote on CVF's Remuneration Report. The Remuneration Report is contained in the directors' report. Under Section 250R (2) of the Corporations Act, CVF must put the adoption of its Remuneration Report to a vote at its Annual General Meeting.

This vote is advisory only and does not bind the Directors or CVF (**Directors**).

The Remuneration Report sets out the Company's remuneration arrangements for Key Management Personnel of the Company. The Remuneration Report is part of the directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2020.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Voting consequences

Under the Corporations Act, if at least 25% of the votes cast on a remuneration report resolution are voted against the adoption of the remuneration report in two consecutive annual general meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of Directors of the Company at the second annual general meeting (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general Meeting (**Spill Meeting**) within 90 days of the second annual general meeting. All of the Directors of the Company who were in office when the directors' report (as included in the Company's annual financial report for the financial year ended immediately before the second annual general meeting) was approved, other than the Executive Directors of

the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as Directors of the Company is approved will be the Directors of the Company.

At the Company's previous annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

Proxy Restrictions

Members of the Key Management Personnel and their proxies and Closely Related Parties are restricted from voting on a Resolution put to Shareholders that the Remuneration Report of the Company be adopted. Key Management Personnel are those persons 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.

The Voting Restriction does not apply where:

- (a) the chairperson or any other member of the Key Management Personnel is appointed in writing (by a Shareholder who is not a member of the Key Management Personnel or a Closely Related Party of Key Management Personnel) as a proxy with specific instructions on how to vote on a Resolution to adopt the Remuneration Report of the Company; or
- (b) the chairperson is appointed in writing (by a Shareholder who is not Key Management Personnel or a Closely Related Party of Key Management Personnel) as a proxy with no specific instructions on how to vote on a non-binding Shareholder vote on remuneration, where the Shareholder provides express authorisation for the chairperson to do so.

Shareholders should be aware that any undirected proxies given to the chairperson will be cast by the chairperson and counted in favour of the Resolutions of this Meeting, including this Resolution 1, subject to compliance with the Corporations Act.

1.2. Resolution 2 - Re-election of Director – Mr Michael Barker

Under clause 6.2(b) of the Constitution, any director appointed to either to fill a casual vacancy or as an addition to the existing Directors holds office only until the end of the next following Annual General Meeting and is eligible for re-election at that meeting.

Mr Michael Barker was appointed as a Director of the Company on 30 September 2020, retires as a Director of CVF in accordance with clause 6.2(b) of the Constitution and, being eligible, wishes to stand for re-election.

Michael has over 25 years' experience in global private equity and M&A transactions. Most recently, Michael was the Managing Partner of the Mergers & Acquisitions Team at King & Wood Mallesons. He was responsible for the team's financial and operating performance, business strategy and planning, client relationships and business development and was entrusted with leading a team of over 250 senior lawyers across Australia.

The Directors (not including Mr Michael Barker) unanimously recommend that Shareholders vote in favour of Resolution 2.

1.3. Resolution 3 - Re-election of Director – Ms Victoria Guy

Under clause 6.7 of the Constitution, the Company must hold regular elections for directors at the times required under the ASX Listing Rules. ASX listing Rule 14.5 requires Companies to hold an election of directors each year.

Ms Victoria Guy, who retires as a Director of CVF in accordance with clause 6.7 of the Constitution and ASX Listing Rules, being eligible, wishes to stand for re-election.

Victoria currently works as an Investment Specialist at AtlasTrend, a financial technology company. Prior to this Victoria worked for the British Government as Programme Manager of the UK Research & Innovation Programme, the establishment of the UK's largest innovation and research funding body, sponsored by the Department for Business, Energy and Industrial Strategy.

Before temporarily relocating to the UK, Victoria was a Research Analyst with Ruminator Pty Ltd, a Melbourne based family office led by retired stockbroker and fund manager Peter Guy. Ruminator practices a rigorous value-based investment strategy. Victoria still maintains an advisory role within Ruminator. Prior to joining Ruminator in 2012 Victoria was a management consultant with Deloitte specialising in Strategy and Operations.

Victoria holds a Masters of Commerce from The University of Sydney (Merit) where she majored in Finance. Prior to this Victoria received a Bachelor of Arts, Media & Communications from the University of Melbourne.

The Directors (not including Ms Victoria Guy) unanimously recommend that Shareholders vote in favour of Resolution 3.

1.4. Resolution 4 - Disposal of Main Undertaking

Shareholders are asked to consider, and if thought fit, to vote on Resolutions 4, 5 and 6.

Listing Rule 11.2 requires an entity proposing to carry out a significant change, which involves the disposal of its main undertaking, to seek the approval of Shareholders of its ordinary securities. As set out in 4.2 of ASX Guidance Note 12, in the case of a listed entity that conducts a business of trading in financial products, its main undertaking is the business of trading in financial products. As the Sale and Distribution Proposal contemplates the Company selling its investment portfolio and returning its excess capital to Shareholders, with a view to winding up the Company, Shareholder approval must be obtained.

The Directors (not including Mr Kevin Chin due to his position on the Investment Manager's Board) unanimously recommend that Shareholders vote in favour of Resolution 4.

Resolution 4 is an **ordinary resolution**.

1.5. Resolution 5 – Capital Reductions

The proposed Reductions by way of payment of cash to Shareholders will be equal reductions of capital.

Under Section 256B of the *Corporations Act* 2001, the Company may only reduce its capital if such reduction:

- (a) is fair and reasonable to Shareholders as a whole;
- (b) does not materially prejudice the Company's ability to pay its creditors; and
- (c) is approved by Shareholders in accordance with Section 256C of the *Corporations Act* 2001.

Section 256C of the *Corporations Act* 2001 requires that an equal reduction of capital be approved by Shareholders by an ordinary resolution passed at a general meeting of the Company.

The Directors consider that (and will only effect each of the Reductions to the extent that) each of the Reductions:

- (a) is fair and reasonable to the Shareholders as a whole; and
- (b) will not materially prejudice the Company's ability to pay its creditors.

The Directors (not including Mr Kevin Chin due to his position on the Investment Manager's Board) unanimously recommend that Shareholders vote in favour of Resolution 5.

Resolution 5 is an **ordinary resolution**.

1.6. Resolution 6 - Termination of the Management Agreement

If Resolutions 4, 5 and 6 are passed, the Company will start to liquidate the assets of the Company in an orderly manner and return capital to Shareholders less any associated cost in relation to the termination of the Management Agreement, and wind up of the Company.

The Termination Fee payable in relation to the termination of the Management Agreement is fixed at \$1.34m plus GST, as described at Section 3.5.1.

The Directors (not including Mr Kevin Chin due to his position on the Investment Manager's Board) unanimously recommend that Shareholders vote in favour of Resolution 6.

Resolution 6 is an **ordinary resolution**.

2. Overview

2.1. Strategic Review

Contrarian Value Fund Limited (CVF) (formerly known as the **AAVOF**) was listed on the Australian Stock Exchange in January 2015, with the intention to give Shareholders access to the investment strategy, philosophy and process of Arowana as applied to listed equities. Since its IPO, CVF shareholders who have held their shares have experienced a total return of 52.2%² (7.5% annualised) since listing, outperforming the broader market, as measured by the ASX S&P

² CVF NTA Update as at 31 October 2020 – net of all fees and expenses, pre-tax. Past performance is not a reliable indicator of future performance.

200 Accumulation Index, by 12.5%³ (1.6% annualised). This has been achieved through a combination of capital appreciation of the underlying portfolio (measured in terms of NTA on a pre-tax basis) and fully franked dividend income yield, paid on a semi-annual basis and recently on a more regular basis.

The Board has received feedback from its shareholder base who would be interested in a strategy to improve the share price to net tangible assets (NTA) discount to unlock value from the Company and provide liquidity. The Independent Board members recognise that over time the investment management team, the mandate with the Manager and indeed the composition of the Company's shareholder base has changed. It therefore seemed appropriate that the Sale and Distribution Proposal is put to a vote as an alternative pathway for Shareholders.

2.2. Sale and Distribution Proposal

The alternative strategic option for Shareholders to consider is the sale of the Company's investments and distribution of the net proceeds to Shareholders over the short term, the termination of the Management Agreement and consequent delisting and wind-up of the Company. Despite the long-term outperformance of the Manager, the Independent Board members consider this as a strategic option with the potential to provide Shareholders with a higher return than Shareholders selling their CVF shares on the market. However, Shareholders should note that there will be costs associated with the termination of the Manager (which has approximately 4 years remaining under the Management Agreement) and delisting the Company that will have an impact on any return to Shareholders.

Key considerations for the Sale and Distribution Proposal are set out in detail in Section 3.

2.3. Shareholder approvals

Shareholders are asked to consider Resolutions 4, 5 and 6 for the Sale and Distribution Proposal:

Sale and Distribution Proposal

Resolutions 4, 5 and 6 will be considered by Shareholders. Resolutions 4, 5 and 6 are interdependent and all must be passed in order for any of them to be passed.

1. Disposal of the main undertaking of the Company.
2. Return of capital to Shareholders.
3. Termination of the Management Agreement.

2.4. Effect of Not Passing the Sale and Distribution Proposal Resolutions

If any one or more of Resolutions 4, 5 and 6 are not passed, the Sale and Distribution Proposal will not be carried out.

In that event, the Board will continue to examine other strategies to maximise Shareholder value. Whilst this is occurring the Independent Board members are confident that the Manager will continue to invest judiciously within the scope of the mandate. The Manager has noted that it

³ CVF NTA Update as at 31 October 2020– net of all fees and expenses, pre-tax. Past performance is not a reliable indicator of future performance.

believes that value investing is on the cusp of a resurgence and as such, if the Sale and Distribution is not carried out, the Manager believes that there will be a range of opportunities for CVF to invest in.

2.5. Important voting instructions

All the Resolutions are ordinary resolutions and require approval by a simple majority of votes cast by eligible Shareholders at the Meeting.

The Notice of Meeting sets out the voting restrictions that apply to the Resolutions.

Resolutions 4, 5 and 6 are interdependent and each will only be actioned if each of Resolutions 4, 5 and 6 is passed.

You can vote 'Against' for any or all Resolutions and you may also choose to 'Abstain' for any or all Resolutions.

2.6. Timetable

The indicative timetable for the Sale and Distribution Proposal is as follows:

Key Step	Target Date
Dispatch of Booklet	Thursday, 12 November 2020
Annual General Meeting	Tuesday, 15 December 2020
Implementation of the Sales and Distribution Proposal commences (if approved)	Wednesday, 16 December 2020

The above dates are indicative only and subject to change.

2.7. What to do next

Read the remainder of this Booklet

You should read and consider the remainder of this Booklet in full before making any decision on the how to vote on the Resolutions.

Consider your options

Shareholders should refer to Sections 2 to 5 (inclusive) of this Booklet for further guidance on how to cast their vote. However, this Booklet does not consider the financial situation, investment objectives, and needs of any Shareholder. Consider seeking advice from your accountant, solicitor or other professional advisor.

Vote at the Meeting

The Directors encourage all Shareholders to vote on the Resolutions at the Meeting.

3. Key Considerations for the Sale and Distribution Proposal

3.1. Background

Notwithstanding, the long-term outperformance of the Manager, the Board has reviewed the option of selling the investments of the Company and returning the net proceeds to Shareholders over the short term, with the consequent early termination of the Management Agreement and winding-up the Company. This option is being put forward to Shareholders for consideration as it provides an alternative solution to enable Shareholders to achieve a return that will be higher than the current share price and closer to NTA in the short-term.

3.2. Advantages of the Sale and Distribution Proposal

Reasons why Shareholders may choose to vote in favour of the Sale and Distribution Proposal (Resolutions 4, 5 and 6) include the following:

- **Liquidity** – the wind-up of the company will provide certainty to Shareholders in relation to the cash realisation of their investments in the Company at an amount which will be determined by the net sale proceeds of the Company's underlying investments less costs associated with the termination of the Management Agreement and wind-up of the Company.
- **Return greater than market price** – Given the persistent share price discount to the NTA, which is in line with comparable listed peer companies, the return that would be achieved by Shareholders may be greater than the amount that would be received from selling CVF shares on the market.

3.3. Disadvantages and risks of the Sale and Distribution Proposal

Reasons why Shareholders may choose to vote against the Sale and Distribution Proposal include the following:

- **Forgoing future returns** – the liquidation of the underlying investments in the portfolio may be pre-mature and could potentially deprive Shareholders of future long-term returns from the Company or a future increase in the value of their investment due to a favourable change in the value of the Company's investment portfolio, an alternative proposal put forward by a third party or a change in market conditions, particularly those relating to the valuation of listed investment companies such as the Company.
- **Market risk** – the sale of these positions may result in the Company selling those shares at a discount to the current market price. However, the Company will ensure an orderly process is undertaken during the sell down process.
- **Impact on return** – there is no guarantee of a specific price in respect to a wind-up of the Company. The price at which the Company will realise its investments is dependent on the individual investments, liquidity and the market. Furthermore, there will be costs associated with the termination of the Management Agreement and wind-up that will impact the amount Shareholders receive.
- **Loss of deferred tax asset** – as at 30 June 2020 the Company recognised a deferred tax asset of \$2.3m. This asset was recognised to the extent that it was probable that future taxable profits would be available against which the deferred tax asset could be utilised. In the instance there

are insufficient profits generated during a wind-up scenario the residual value of the deferred tax asset will be foregone.

- **Loss of future investment opportunity** - The Sale and Distribution Proposal will result in the Company having nominal assets and eventually a proposal to wind up. Accordingly, the implementation of the Sale and Distribution Proposal will result in Shareholders no longer having access to the investment opportunity afforded by the Company.

The termination of the Management Agreement, terms of sale of the Company's investments and wind-up of the Company may also be affected by market, trading or commercial risks. Delays in the timing of the sale of the Company's underlying investments and the return of capital may occur. This would result in the Company having on-going operating costs which may adversely impact Shareholder return.

3.4. Company Financial Position

The financial impact of the capital reductions cannot be forecasted as it is currently unclear when, in what order and for how much the investments of the Company will be sold.

3.5. Sensitivity Analysis and Termination Fee

The final amount at which Shareholders will realise their investment in the Company will be determined after factoring the termination cost of the Management Agreement with the Manager (which includes the payment of the Termination Fee) as well as several variables including the final realisation price of the investment portfolio, professional fees (including legal, audit and tax), transaction costs (brokerage and foreign exchange), on-going operational costs, taxation costs and external costs associated with winding-up the Company.

The amount to be received from the sale of the Company's investments will be subject to the usual market, trading and commercial risks.

The table below illustrates a range of potential outcomes for Shareholders based on the assets under management, the pre-tax NTA and the closing share price as at 31 October 2020 together with cost assumptions. Shareholders should note that this table is illustrative only. The final amount to be returned to Shareholders may be materially different to those outcomes referred to below. Please refer to the relevant risks sections as well as the reasons why Shareholders may vote against the Sale and Distribution Proposal (Section 3.3)).

Sensitivity Analysis on costs associated with the Termination of the IMA and wind-up of the Company									
% change in equities portfolio	-10.0%	-7.5%	-5.0%	-2.5%	31-Oct-20	2.5%	5.0%	7.5%	10.0%
Cash including unsettled trades (\$000)	29,867	29,867	29,867	29,867	29,867	29,867	29,867	29,867	29,867
Equities (\$000)	33,078	33,997	34,916	35,834	36,753	37,672	38,591	39,510	40,429
Total Gross Asset Value (\$000)	62,945	63,864	64,783	65,702	66,621	67,540	68,458	69,377	70,296
NTA per share (\$)	0.91	0.92	0.93	0.95	0.96	0.97	0.99	1.00	1.01
Estimated Franking Credits available for distribution (\$)	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
NTA per share including franking credits (\$)	0.95	0.96	0.97	0.99	1.00	1.01	1.03	1.04	1.05
Less:									
Termination Fees (\$000)	1,340 -	1,340 -	1,340 -	1,340 -	1,340 -	1,340 -	1,340 -	1,340 -	1,340
Estimated Brokerage Costs (\$000)	155 -	155 -	155 -	155 -	155 -	155 -	155 -	155 -	155
Estimated Operational Cost* (\$000)	265 -	265 -	265 -	265 -	265 -	265 -	265 -	265 -	265
Estimated Realisable Net Asset Value (\$000)	63,985	64,904	65,823	66,742	67,661	68,580	69,498	70,417	71,336
Estimated Return per share including franking credits (\$)	0.92	0.93	0.95	0.96	0.97	0.99	1.00	1.01	1.03

Last Share Price as at 31 Oct 2020 \$0.81

Shares on Issue
as at 31 Oct 2020 ('000) 69,471

*estimated operational cost for 6 months

3.5.1. Termination Fee

Under the Management Agreement, the Manager is appointed on an ongoing basis to provide management services as Manager of the Company, and is entitled to receive management and performance based fees for as long as it acts as manager. Prior to expiry of the Initial Term of the Management Agreement, the Manager is not entitled to be removed as manager by the Company or Shareholders other than for limited breach related events.

If the Sale and Distribution Proposal is approved:

- in order to compensate the Manager for agreeing to the early termination of the Management Agreement, the Company will pay the Manager a fee (**Termination Fee**) of \$1.34m plus GST. This Termination Fee has been negotiated with the Manager by the Independent Non-Executive Directors of CVF on behalf of Shareholders;
- the Termination Fee will be payable in full on the date the Company pays the first return instalment to Shareholders. The Manager will agree to forego its ongoing management fees for the balance of the term of the Management Agreement while it assists with implementation of the Sale and Distribution Proposal; and
- the Management Agreement will be terminated with effect on the date of second return to Shareholders.

In summary, the Termination Fee has been determined having regard to independent legal advice provided that legal damages may be awarded to the Manager to compensate it for the Management Agreement being terminated without cause before the end of the Initial Term and such damages would be calculated by reference to amongst other things, the management and performance fees the Manager may have earned. Independent external advice was then obtained by the Independent Directors of the Company in relation to the approach to be taken with respect to the calculation of the Termination Fee and the calculated range of the Termination Fee having regard to the past performance of the Manager, the condition of the portfolio and general conditions of the market up to the date of the advice. The Directors then sought to negotiate the Termination Fee with the Manager.

The Company has obtained the Manager's approval to the Termination Fee given the early termination of the Management Agreement (noting there are approximately 4 years of management fee rights remaining in the Initial Term) and future fees forgone by the Manager.

3.5.2. Timing of the proposed distributions

General

As the remaining investments of the Company are sold the Board intends to make timely distributions of the Company's surplus cash in one or more tranches. To the extent the Board considers it in the best interests of Shareholders and in compliance with the *Corporations Act 2001*, such distributions will take place by return of capital or dividend, which will be based on the Company's position at the time of the payment and the Australian income tax legislation at the time.

When the assets of the Company have been disposed of and the surplus cash returned to Shareholders, the Board intends to take steps to propose the delisting, winding up and deregistration of the Company (including obtaining any required approvals from ASX and Shareholders at the time).

Each of the Reductions will be an "equal" reduction and will be distributed to the shareholders on a pro rata basis. Accordingly, the Reductions require the approval of the shareholders by ordinary resolution in the Meeting.

Initial payment

If Sale and Distribution Proposal is approved at the Meeting, the Directors intend to make an initial return of capital payment of \$0.26 per share and a franked dividend of \$0.09 per share to shareholders around Wednesday, 30 December 2020.

Dividend Reinvestment Plan (DRP)

If Sale and Distribution Proposal is approved at the Meeting, the DRP will be cancelled.

3.5.3. Key Dates

Set out below is an indicative timetable for the matters contemplated by Resolutions 4, 5 and 6. These indicative dates are subject to change:

Matter	Indicative Date
Meeting of Shareholders and approval of Sale and Distribution Proposal	Tuesday, 15 December 2020
Company announces initial return of capital and lodges Appendix 3A.4	Wednesday, 16 December 2020 (immediately following approval of Sale and Distribution Proposal)
Commencement of sale of investments of the Company	Over the ensuing months
Effective date of the initial return of capital and dividend (Effective Date)	Wednesday, 16 December 2020 being at least one day after the Meeting
Trading of shares on “ex return of capital and ex dividend” basis in connection with the initial payment referred to below	Friday, 18 December 2020, being two business days after the Effective Date
Record date for initial payment (Record Date)	Monday, 21 December 2020, being three business days after the Effective Date
Initial return of capital payment of \$0.26 per share and franked dividend of \$0.09 per share to shareholders	Wednesday, 30 December 2020, being five business days after the Record Date
Payment of Termination Fee to Manager	Wednesday, 30 December 2020
Directors determine to reduce and return further tranche of capital to Shareholders and informs the ASX	At a time or times determined by Directors

3.5.4. Amount of Capital to be returned

The total amount of capital to be returned to Shareholders in connection with the Reductions (in one or more tranches) will be an amount determined having regard to the net proceeds of the sale of the remaining assets of the Company (after costs and expenses).

3.5.5. Entitlement to Participate

Shareholders who hold Shares on the day that is the applicable Record Date will be entitled to participate in the returns of capital in connection with such Reduction tranche.

3.5.6. Fractional Entitlements

Fractions resulting from the Reductions will be rounded as determined by the Board.

3.5.7. Basis of Entitlement

The entitlement of Shareholders to participate in the reductions and returns of capital will be on a pro rata basis having regard to their existing shareholding in the Company on the Record Date for the purposes of the relevant Reduction tranche.

3.5.8. Current Assets and Estimated Costs and Expenses

The unaudited pre-tax and post-tax NTA of the Company as at 31 October 2020 were as follows⁴:

- Pre-Tax NTA \$0.97 per Share; and
- Post-Tax NTA \$0.99 per Share.

The main component of the Company's post-tax NTA at 31 October 2020 were as follows:

- equity investments of \$0.53 per Share;
- cash and cash equivalents (including unsettled trades) of \$0.43 per Share; and
- tax on unrealised gains of \$0.03 per Share⁵.

As at 31 October 2020 the Company's top 5 holdings (as a percentage of total funds under management) were as follows:

Ticker		%
PSH.NA	PERSHING SQUARE HOLDINGS	7%
AENA.SA	AENA SME SA	6%
VRL	VILLAGE ROADSHOW LIMITED	5%
NEC	NINE ENTERTAINMENT CO HOLDINGS	4%
JHG.US	JANUS HENDERSON GROUP PLC	4%
Top 5 as % of Gross Portfolio		26%

The costs and expenses which will be incurred by the Company in connection with the Sale and Distribution Proposal are estimated to be approximately \$1.76m (equivalent to approximately \$0.025 per share, and will include the costs of:

- realising the Company's investments (brokerage and duty);
- the Company's normal operating expenses outside of the management fee;
- professional advice and administrative matters (legal, financial, taxation, company secretarial and printing);
- the Termination Fee; and
- winding up.

⁴ CVF NTA Update as at 31 October 2020– net of all fees and expenses, pre-tax.

⁵ The Company is required to estimate the tax that may arise should the entire portfolio be disposed of on the above date and show the result per share after deducting this theoretical provision. Generally, any such tax would generate franking credits, whose value would not be lost but rather transferred to shareholders on payment of franked dividends. At the current time, the Company has unrealised losses and as such, the disposal of these assets at their current price, would generate a tax asset which under the Sale and Distribution Proposal would likely be foregone.

3.5.9. Conditions to the Reductions

The Reductions are at the discretion of the Board and will be carried out upon the sale of assets of the Company having regard to the Company's surplus cash, provided the Board is satisfied that each such Reduction is fair and reasonable to the Shareholders as a whole and does not materially prejudice the Company's ability to pay its creditors and continues to comply with such requirements set out in the *Corporations Act 2001*.

For the purposes of the *Corporations Act 2001*, the proposed return to Shareholders will be treated as an equal reduction of capital.

Some of the Company's funds will be required to meet ongoing costs of the Company prior to the implementation of the winding up of the Company. To ensure any capital return does not materially adversely affect the financial position of the Company, the Board retains the discretion to either proceed, or not proceed, or to reduce the Reduction Amount if necessary.

If the capital return is implemented and as a result the assets of the Company are not sufficient for the Company to remain listed on ASX, the Board intends to take steps to propose a members voluntary winding up. The Board would put such a proposal to Shareholders to consider as soon as practicable after implementation of the capital return.

3.6. ASX Waiver

Listing Rule 7.25 provides that a company must not reorganise its capital if the effect of doing so would be to decrease the price at which its main class of shares would be likely to trade after the reorganisation to an amount less than \$0.20.

The Reductions involve the distribution of an amount of capital representing the assets of the Company and the cash in excess of its needs and therefore will eventually be likely to cause the Shares to trade at a level less than \$0.20. The Company has sought and obtained a waiver from ASX from this Listing Rule.

4. Taxation Considerations

4.1. Introduction

This Section is a general outline of the Australian income tax and Goods and Services Tax (GST) consequences for CVF Shareholders as a result of implementing the Sale and Distribution Proposal. This general outline reflects the current provisions of the Income Tax Assessment Act 1936 (Cth) (ITAA 1936), the Income Tax Assessment Act 1997 (Cth) (ITAA 1997) and the A New Tax System (Goods and Services Tax) Act 1999 (Cth) (GST Act) (collectively referred to as the Tax Law), and the regulations made under the Tax Law, and takes into account current tax rulings issued by the Australian Taxation Office (ATO) and the current administrative practices of the ATO. This outline does not otherwise take into account or anticipate changes in the Tax Law, whether by way of judicial decision or legislative action.

Please note that this outline is of a general nature only. It does not constitute tax advice and should not be relied upon as such.

CVF Shareholders are advised to obtain their own independent tax advice, which considers their particular circumstances.

This outline is relevant to those Shareholders who hold CVF shares on capital account for Australian income tax purposes. It does not apply to persons who:

- hold their CVF shares on revenue account (such as share trading entities) or as trading stock;
- have received their CVF shares as a result of the participation in an incentive plan of CVF; or
- are subject to the taxation of financial arrangements rules in Division 230 of the ITAA 1997 in relation to gains and losses on their CVF shares.

4.2. Disposal of assets as a result of implementing the Sale and Distribution Proposal

Taxable gains or tax losses may be realised by the Company on disposal of the current listed equity positions following the implementation of the Sale and Distribution Proposal. To the extent that any net taxable gain arises, this should generate franking credits upon the payment of any associated income tax liabilities.

Any proceeds from the disposal of current assets which are then distributed to Shareholders would be either dividends or a return of capital. The tax implications of receiving a dividend or capital return are discussed below in Sections 4.3 & 4.4. The Company would make a determination at the time of each distribution as to whether the distribution is a dividend, a capital return or combination of the two.

CVF applied for and received a private binding tax ruling from the ATO regarding the tax implications of distributions made after the disposal of assets. In summary, the private ruling confirmed that the portion of the distribution paid out of realised gains would constitute a dividend and would be frankable. While the precise amount of the dividend will only be determined after the sale of assets, it is not expected that the full balance of the dividend distribution reserve (\$11,254,369 at 30 June 2020) would be able to be paid out as a fully franked dividend. Any distribution amount which exceeds the realised gains would be in the form of a capital return.

4.3. Dividends paid after disposal of assets

Under the Sale and Distribution Proposal, the Company may distribute profits to Shareholders in the form of a dividend. The treatment of dividends received by the various Shareholder classes is discussed below.

Individuals and complying superannuation entities

Where dividends on a share are distributed, those dividends will constitute assessable income of an Australian tax resident Shareholder. Australian tax resident Shareholders who are individuals or complying superannuation entities should include the dividend in their assessable income in the year in which they derive the dividend, together with any franking credit attached to that dividend if they are a “qualified person” (refer further comments below). Such Shareholders should be entitled to a tax offset equal to the franking credit attached to the dividend subject to being classified as a “qualified person” or where the Shareholder receives less than \$5,000 in franking credits from all sources for the income year. The tax offset can be applied to reduce the tax payable on the Shareholder’s taxable income. Where the tax offset exceeds the tax payable on the Shareholder’s taxable income in an income year, such Shareholders should be entitled to an income tax refund.

Where the dividend paid is unfranked, the Shareholder will generally be taxed at their prevailing tax rate on the dividend received with no tax offset. It is not expected that unfranked dividends will be paid under the Sale and Distribution Proposal.

Australian corporate shareholders

Corporate Shareholders are required to include both the dividend and associated franking credit in their assessable income subject to being classified as a “qualified person”. A tax offset is then allowed up to the amount of the franking credit on the dividend.

An Australian resident corporate Shareholder should be entitled to a credit in its own franking account to the extent of the franking credit attached to the dividend received. Such corporate Shareholders can then pass on the benefit of the franking credits to their own Shareholder(s) on the payment of dividends.

Excess franking credits received cannot give rise to a refund, but may be able to be converted into carry forward tax losses.

Trusts and partnerships

Shareholders who are trustees (other than trustees of complying superannuation entities) or partnerships should include the franking credit in their assessable income in determining the net income of the trust or partnership. Subject to being classified as a “qualified person”, the relevant beneficiary or partner may be entitled to a tax offset equal to the beneficiary’s or partner’s share of the franking credit received by the trust or partnership.

Non-Australian Shareholders

Non-Australian Shareholders who receive a fully franked dividend should not have any Australian dividend withholding tax levied on their distribution.

To the extent a dividend which is not fully franked is paid by the Company, Australian dividend withholding tax at a rate of 30% will be levied on the payment. This rate may be reduced where the non-Australian Shareholder is resident of a jurisdiction which has a Double Tax Agreement with Australia or where the dividend constitutes Conduit Foreign Income. Non-Australian

Shareholders should seek independent tax advice (taking into account their circumstances) to confirm the treatment of any dividends paid to them which are not fully franked.

Shares held at risk

The benefit of franking credits can be denied where a Shareholder is not a “qualified person” in which case the Shareholder will not be able to include an amount for the franking credits in their assessable income and will not be entitled to a tax offset.

Broadly, to be a qualified person, a Shareholder must satisfy the holding period rule including, if necessary, the related payment rule.

The holding period rule requires a Shareholder to hold the shares “at risk” for more than 45 days continuously, measured as the period commencing the day after the Shareholder acquires the shares and ending on the 45th day after the shares become ex-dividend. Any day on which a Shareholder has a materially diminished risk or loss of opportunity for gain (through transactions such as granting options or warrants over shares or entering into a contract to sell the shares) will not be counted as a day on which the Shareholder held the shares “at risk”. This holding period rule is subject to certain exceptions. Special rules apply to trusts and beneficiaries.

Under the related payment rule, a different testing period applies where the Shareholder has made, or is under an obligation to make, a related payment in relation to a dividend. A related payment is one where a Shareholder or their associate passes on the benefit of the franking credit to another person. The related payment rule requires the Shareholder to have held the shares at risk for a period commencing on the 45th day before, and ending on the 45th day after the day the Shares become ex-dividend. Practically, this should not impact Shareholders who do not pass the benefit of the dividend to another person. Shareholders should obtain their own tax advice to determine if these requirements have been satisfied.

Dividend washing rules can apply such that no tax offset is available (nor is an amount required to be included in your assessable income) for a dividend received. CVF Shareholders should consider the impact of these rules having regard to their own personal circumstances.

4.4. Return of capital via a capital reduction without cancellation of the shares

The tax treatment of returns of capital via a capital reduction without cancellation of the shares is discussed below.

Australian Residents

A return of capital via a capital reduction without cancellation of the shares would reduce the Shareholder’s cost base in their shares. Where a Shareholder’s cost base is reduced to zero, any excess return of capital would give rise to a capital gain.

The cost base of a Shareholder’s share should broadly be equal to the original cost paid for the Shares plus any transaction costs incurred in relation to the purchase or the sale. Shareholders should obtain their own advice on this separately.

A Shareholder who is an individual or trust and who has held their shares for at least 12 months should be eligible for a 50% CGT discount on any capital gain that arises as a result of the return of capital. If a capital gain derived by a trust is distributed to a beneficiary, it will also be necessary to consider the eligibility of the beneficiary to access the 50% CGT discount.

A Shareholder that is a complying superannuation fund and that has held their shares for at least 12 months should be eligible for a 33.33% CGT discount on any capital gain that arises as a result of the return of capital.

A Shareholder that is a company would not be eligible for the CGT discount.

No capital loss would arise for Shareholders from a return of capital via a capital reduction without cancellation of shares.

Non-Resident Shareholders

For Shareholders who are not tax residents of Australia and hold their Shares on capital account, no Australian tax implications should arise as a result of receiving a return of capital as the Shares should not be considered taxable Australian property.

Non-resident Shareholders should seek independent tax advice with regards to any tax consequences arising in their country of residence.

4.5. Wind up of the Company at conclusion of Sale and Distribution Proposal

Following the disposal of all assets, the return of surplus cash to Shareholders (via dividends and the return of capital discussed above) and the termination of the IMA, the Company would be wound up.

To the extent that any Shareholders still have a cost base in their shares (i.e. where any previous returns of capital have not reduced the cost base to nil), those Shareholders should make a capital loss equal to their remaining reduced cost base at the time the share is ultimately cancelled.

To the extent that any Shareholders' cost base has previously been reduced to nil by returns of capital, no further capital gain or capital loss should arise as a result of the wind-up of the Company and cancellation of shares.

4.6. Status as a listed investment company (LIC)

To the extent that the Company satisfies the definition of a LIC, eligible Shareholders (i.e. Australian resident individuals, complying superannuation funds, trusts and partnerships) should be entitled to benefits that are similar to the CGT discount concession. This occurs where the Company pays a dividend which is reasonably attributable to certain capital gains (i.e. a LIC Capital Gain).

Broadly, a LIC Capital Gain is a capital gain that is made by a LIC that:

- arises in respect of certain permitted investments; and
- would have given rise to the CGT discount concession had it been derived by an entity that was not the LIC.

"Permitted investments" include shares in listed and unlisted companies, derivatives and other securities such as managed investment schemes and unlisted securities. Assets held on revenue account are not "permitted investments".

Where the Company makes a LIC capital gain and pays a dividend which is reasonably attributable to that LIC capital gain, the Company will advise Shareholders of the proportion (if any) of the dividend which is attributable to the LIC capital gain.

Eligible Shareholders should then be entitled to a deduction for the part of the dividend which is attributable to the LIC capital gain. The deduction will be equal to the relevant discount percentage applicable to the Shareholder.

However, it is generally expected that the Company has held its previous investments and will hold its new investments on revenue account. Consequently, it is likely the Company will not make capital gains and therefore, CVF Shareholders would not be able to obtain a deduction in relation to dividends attributable to gains on the new investments.

4.7. GST

The CVF Shareholders should not be liable to GST in respect of the holding of their Company shares nor for the change in investment mandate.

5. Glossary

5.1. Defined Terms

The following terms used in this Booklet (including the Notice of Meeting in Appendix 1 to this Booklet) have the meanings given to them below, unless the context otherwise requires.

Associate	has the same meaning as in the <i>Corporations Act</i> 2001.
ASIC	Australian Securities & Investment Commission.
ASX	ASX Limited (ACN 008 624 691).
Booklet	this booklet dated 12 November 2020.
Board	the board of Directors of the Company.
Business Day	a day that is not a Saturday, Sunday, public holiday or bank holiday in New South Wales, Australia.
CGT	capital gains tax.
Closely Related Party	a closely related party of a Key Management Personnel and includes (among others), a spouse, child or dependent of the Key Management Personnel and a company controlled by the Key Management Personnel.
Constitution	the constitution of CVF from time to time.
Corporations Act	<i>Corporations Act</i> 2001 (Cth).
CVF or the Company	Contrarian Value Fund Limited ACN 602 250 644.
CVF Investments	all investments held by CVF from time to time.
Directors	the directors of the Company.
DRP	CVF's Distribution Reinvestment Plan.
Explanatory Memorandum	the Explanatory Memorandum to the Notice of Meeting, as set out in this Booklet.
Initial Term	the initial term of appointment of the Manager under the Management Agreement, being the period ending on 28 November 2024.
Key Management Personnel	those persons having authority and responsibility for planning, directing and controlling the activities of the Group, whether directly or indirectly. The Company's Remuneration Report identifies the Company's key management personnel.
Management Agreement	the investment management agreement between the Manager and the Company dated 28 November 2014.
Manager	ACVF Management Pty Ltd (ACN: 602 230 375, the Manager)
Meeting	the meeting of Shareholders to be convened on 15 December 2020 by the Notice of Meeting.
NTA	pre-tax net tangible asset backing per Unit.
Notice of Meeting	the notice dated 12 November 2020 for the Meeting, as set out in this Booklet.
Record Date	the day that is four business days after the Directors determine to reduce and return capital and informs ASX of such.

Reduction Amount	an amount determined by the Board having regard to the net proceeds of the sale of the remaining assets of the Company plus any cash in excess of the Company's needs.
Reductions	the reduction of share capital of the Company contemplated by Resolution 4 or any tranches as the context requires.
Remuneration Report	the Remuneration Report set out in the Directors' Report action of the Company's Annual Financial Report for the year ended 30 June 2020.
Resolutions	the resolutions set out in the Notice of Meeting.
Sale and Distribution Proposal	the proposed sale and realisation of the investments of the Company and the distribution of the proceeds to Shareholders in the short term and associated termination of the Management Agreement, as more fully described in Section 3.
Share	a fully paid ordinary shares in the Company.
Shareholder	a registered holder of fully paid ordinary shares.
Termination Fee	the fee payable to the Manager if the Sale and Distribution Proposal is approved, described in Section 3.5.1.

6. Corporate Directory

Directors	Kien Khan (Kent) Kwan (Independent Chairman) Victoria Guy (Independent Vice-Chairperson) Kevin Chin (Non-Executive Director) Michael Barker (Independent Non-Executive Director)
Company Secretary	Tom McDonald
Principal registered office in Australia	Level 11, 153 Walker Street North Sydney NSW 2060
Manager	ACVF Management Pty Ltd Level 11, 153 Walker Street North Sydney NSW 2060
Share Registry	Boardroom Pty Limited Level 12, 225 George Street Sydney NSW 2000
Auditor	PKF Brisbane Audit Level 6, 10 Eagle Street Brisbane QLD 4000
Tax Adviser	PKF Sydney Tax Level 8, 1 O'Connell Street Sydney NSW 2000
Legal Adviser to the Manager	Corrs Chambers Westgarth Level 17, 8 Chifley Square Sydney NSW 2000
Stock Exchange	Australian Securities Exchange CVF – Ordinary Shares
Website	www.contrarianvaluefund.com

7. Online Voting User Guide

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Please refer to the next page.

Online Voting User Guide

Getting Started

In order to participate in the meeting, you will need to download the App onto your smartphone device. This can be downloaded from the Google Play Store™ or the Apple® App Store by searching by app name “Lumi AGM”.

Alternatively, Lumi AGM can be accessed using any web browser on a PC, tablet or smartphone device. To use this method, please go to <https://web.lumiagm.com/370227665>.

To log in to the portal, you will need the following information:

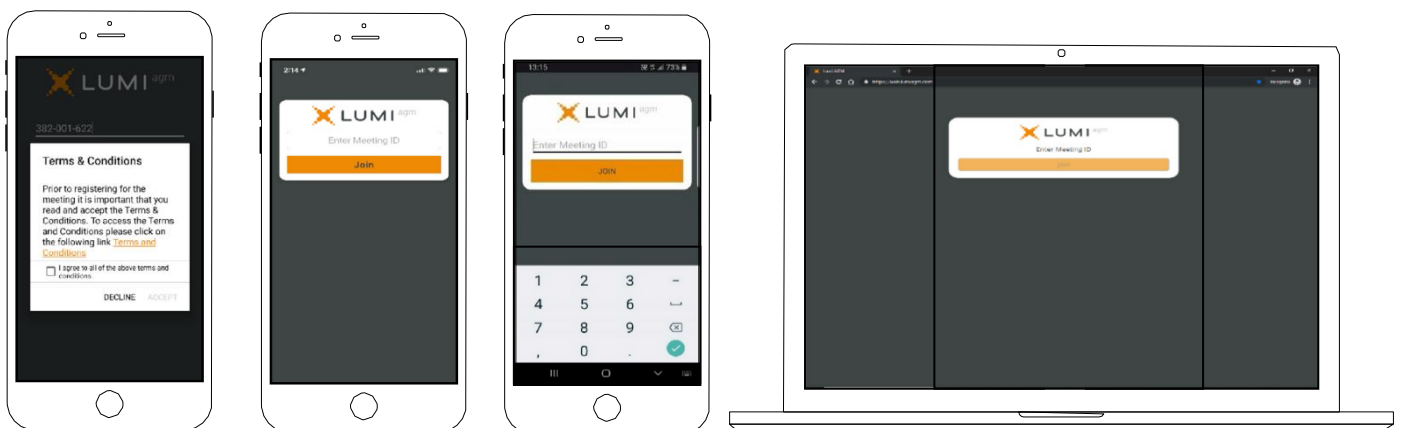
Meeting ID: 370-227-665

Australian Residents	Username – Voting Access Code (VAC*) and Password (postcode of your registered address). *Voting Access Code (VAC) can be located on the first page of your proxy form or on your notice of meeting email)
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Overseas Residents	Username – Voting Access Code (VAC*) and Password (three-character country code e.g. New Zealand – NZL. A full list of country codes can be found at the end of this guide.) *Voting Access Code (VAC) can be located on the first page of your proxy form or on your notice of meeting email)
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Appointed Proxy	To receive your Username and Password, please contact our share registry, Boardroom Pty Ltd on 1300 737 760 or +61 2 9290 9600 between 8:30am to 5:30pm (AEST) Monday to Friday.
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To join the meeting, you will be required to enter the above unique 9-digit meeting ID above and select ‘Join’. To proceed to registration, you will be asked to read and accept the terms and conditions.



If you are a **Shareholder**, select 'I have a login' and enter your Username VAC (Voting Access Code) and Password (postcode or country code). If you are a **Proxy holder** you will need to enter the unique Username and Password provided by Boardroom and select 'Login'.

If you are not a Shareholder, select 'I am a guest'. You will be asked to enter your name and email details, then select 'Enter'. Please note, guests are not able to ask questions at the meeting.



Navigating

Once you have registered, you will be taken to the **homepage** which displays your name and meeting information.



To **activate the webcast**, please click on the **Broadcast bar** at the bottom of the screen. If prompted, you may have to click the play button in the window to initiate the broadcast.



Once you select to view the webcast from a smartphone it can take up to approximately 30 seconds for the live feed to appear on some devices. If you attempt to log into the app before the Meeting commences, a dialog box will appear.

NOTE: We recommend once you have logged in, you keep your browser open for the duration of the meeting. If you close your browser you will be asked to repeat the log in process.

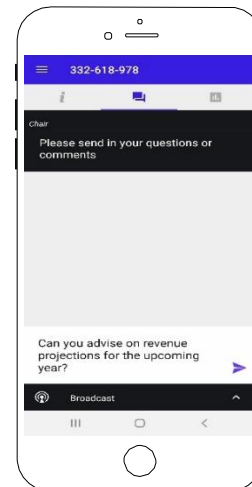


To ask a Question

If you would like to ask a question:

1. Select the question icon 
2. Compose your question.
3. Select the send icon 
4. You will receive confirmation that your question has been received.

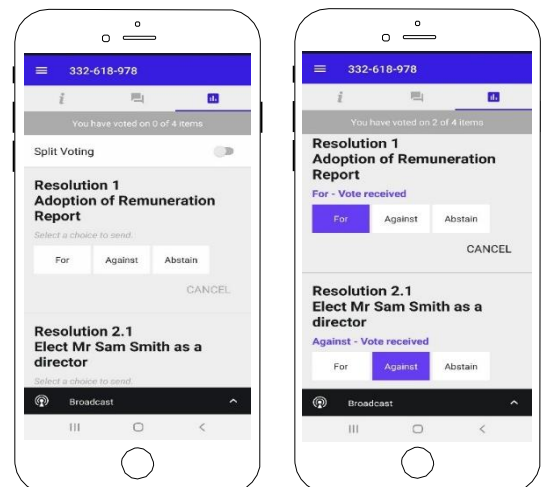
The Chair will give all Shareholders a reasonable opportunity to ask questions and will endeavor to answer all questions at the Meeting.



To Vote

If you would like to cast a vote:

1. When the Chair declares the polls open, the resolutions and voting choices will appear.
2. Press the option corresponding with the way in which you wish to vote.
3. Once the option has been selected, the vote will appear in blue.
4. If you change your mind and wish to change your vote, you can simply press the new vote or cancel your vote at any time before the Chair closes the polls.
5. Upon conclusion of the meeting the home screen will be updated to state that the meeting is now closed.



Need help? If you require any help using this system prior to or during the Meeting, please call **1300 737 760** or **+61 2 9290 9600** so we can assist you.

Country Codes

For overseas shareholders, select your country code from the list below and enter it into the password field.

ABW	Aruba
AFG	Afghanistan
AGO	Angola
AIA	Anguilla
ALA	Aland Islands
ALB	Albania
AND	Andorra
ANT	Netherlands Antilles
ARE	United Arab Emirates
ARG	Argentina
ARM	Armenia
ASM	American Samoa
ATA	Antarctica
ATF	French Southern
ATG	Antigua & Barbuda
AUS	Australia
AUT	Austria
AZE	Azerbaijan
BDI	Burundi
BEL	Belgium
BEN	Benin
BFA	Burkina Faso
BGD	Bangladesh
BGR	Bulgaria
BHR	Bahrain
BHS	Bahamas
BIH	Bosnia & Herzegovina
BLM	St Barthelemy
BLR	Belarus
BLZ	Belize
BMU	Bermuda
BOL	Bolivia
BRA	Brazil
BRB	Barbados
BRN	Brunei Darussalam
BTN	Btn
BUR	Burma
BVT	Bouvet Island
BWA	Botswana
CAF	Central African Republic
CAN	Canada
CCK	Cocos (Keeling) Islands
CHE	Switzerland
CHL	Chile
CHN	China
CIV	Cote D'ivoire
CMR	Cameroon
COD	Democratic Republic of Congo
COK	Cook Islands
COL	Colombia
COM	Comoros
CPV	Cape Verde
CRI	Costa Rica
CUB	Cuba
CYM	Cayman Islands
CYP	Cyprus
CXR	Christmas Island
CZE	Czech Republic
DEU	Germany
DJI	Djibouti
DMA	Dominica
DNK	Denmark
DOM	Dominican Republic

DZA	Algeria
ECU	Ecuador
EGY	Egypt
ERI	Eritrea
ESH	Western Sahara
ESP	Spain
EST	Estonia
ETH	Ethiopia
FIN	Finland
FJI	Fiji
FLK	Falkland Islands (Malvinas)
FRA	France
FRO	Faroe Islands
FSM	Micronesia
GAB	Gabon
GBR	United Kingdom
GEO	Georgia
GGY	Guernsey
GHA	Ghana
GIB	Gibraltar
GIN	Guinea
GLP	Guadeloupe
GMB	Gambia
GNB	Guinea-Bissau
GNQ	Equatorial Guinea
GRC	Greece
GRD	Grenada
GRL	Greenland
GTM	Guatemala
GUF	French Guiana
GUM	Guam
GUY	Guyana
HKG	Hong Kong
HMD	Heard & Mcdonald Islands
HND	Honduras
HRV	Croatia
HTI	Haiti
HUN	Hungary
IDN	Indonesia
IMN	Isle Of Man
IND	India
IOT	British Indian Ocean Territory
IRL	Ireland
IRN	Iran Islamic Republic of
IRQ	Iraq
ISM	British Isles
ISL	Iceland
ISR	Israel
ITA	Italy
JAM	Jamaica
JEY	Jersey
JOR	Jordan
JPN	Japan
KAZ	Kazakhstan
KEN	Kenya
KGZ	Kyrgyzstan
KHM	Cambodia
KIR	Kiribati
KNA	St Kitts And Nevis
KOR	Korea Republic of
KWT	Kuwait
LAO	Lao Pdr
LBN	Lebanon

LBR	Liberia
LBY	Libyan Arab Jamahiriya
LCA	St Lucia
LIE	Liechtenstein
LKA	Sri Lanka
LSO	Lesotho
LTU	Lithuania
LUX	Luxembourg
LVA	Latvia
MAC	Macao
MAF	St Martin
MAR	Morocco
MCO	Monaco
MDA	Republic Of Moldova
MDG	Madagascar
MDV	Maldives
MEX	Mexico
MHL	Marshall Islands
MKD	Macedonia Former Yugoslav Rep
MLI	Mali
MLT	Mauritania
MMR	Myanmar
MNE	Montenegro
MNG	Mongolia
MNP	Northern Mariana Islands
MOZ	Mozambique
MRT	Mauritania
MSR	Montserrat
MTQ	Martinique
MUS	Mauritius
MWI	Malawi
MYS	Malaysia
MYT	Mayotte
NAM	Namibia
NCL	New Caledonia
NER	Niger
NFK	Norfolk Island
NGA	Nigeria
NIC	Nicaragua
NIU	Niue
NLD	Netherlands
NOR	Norway Montenegro
NPL	Nepal
NRU	Nauru
NZL	New Zealand
OMN	Oman
PAK	Pakistan
PAN	Panama
PCN	Pitcairn Islands
PER	Peru
PHL	Philippines
PLW	Palau
PNG	Papua New Guinea
POL	Poland
PRI	Puerto Rico
PRK	Korea Dem Peoples Republic of
PRT	Portugal
PRY	Paraguay
PSE	Palestinian Territory Occupied
PYF	French Polynesia
QAT	Qatar Re
REU	Reunion

ROU	Romania
RUS	Russian Federation
RWA	Rwanda
SAU	Saudi Arabia Kingdom Of
SDN	Sudan
SEN	Senegal
SGP	Singapore
SGS	Sth Georgia & Sth Sandwich Isl
SHN	St Helena
SJM	Svalbard & Jan Mayen
SLB	Solomon Islands
SCG	Serbia & Outlying
SLE	Sierra Leone
SLV	El Salvador
SMR	San Marino
SOM	Somalia
SPM	St Pierre And Miquelon
SRB	Serbia
STP	Sao Tome And Principe
SUR	Suriname
SVK	Slovakia
SVN	Slovenia
SWE	Sweden
SWZ	Swaziland
SYC	Seychelles
SYR	Syrian Arab Republic
TCA	Turks & Caicos Islands
TCO	Chad
TGO	Togo
THA	Thailand
TJK	Tajikistan
TKL	Tokelau
TKM	Turkmenistan
TLS	East Timor
TMP	East Timor
TON	Tonga
TTO	Trinidad & Tobago
TUN	Tunisia
TUR	Turkey
TUV	Tuvalu
TWN	Taiwan
TZA	Tanzania United Republic of
UGA	Uganda
UKR	Ukraine
UMI	United States Minor
URY	Uruguay
USA	United States of America
UZB	Uzbekistan
VNM	Vietnam
VUT	Vanuatu
WLF	Wallis & Futuna
WSM	Samoa
YEM	Yemen
YMD	Yemen Democratic
YUG	Yugoslavia Socialist Fed Rep
ZAF	South Africa
ZAR	Zaire
ZMB	Zambia
ZWE	Zimbabwe

All Correspondence to:

- ✉ By Mail Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 By Fax: +61 2 9290 9655
- 💻 Online: www.boardroomlimited.com.au
- ☎ By Phone: (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 4:00pm AEDT on Sunday 13 December 2020.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT <https://www.votingonline.com.au/cvfagm2020>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)
- STEP 3: Enter your Voting Access Code (VAC):

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **4:00pm AEDT on Sunday, 13 December 2020.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖥 Online <https://www.votingonline.com.au/cvfagm2020>

📠 By Fax + 61 2 9290 9655

✉ By Mail Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 In Person Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Contrarian Value Fund Limited

ACN 602 250 644

☐

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Contrarian Value Fund Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held as a **Virtual Meeting on Tuesday 15 December 2020 at 4:00pm AEDT** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director - Mr Michael Barker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Director – Ms Victoria Guy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Disposal of Main Undertaking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Capital Reductions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Termination of the Management Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2020