

Chesapeake Capital Limited (“Chesapeake” or the “Company”) is a Pooled Development Fund (“PDF”) that seeks to invest in a concentrated portfolio of generally listed companies, through the provision of new equity capital under the PDF framework so as to generate returns in excess of the S&P Small Ordinaries Accumulation Index was recapitalised by new management in mid-2015. The PDF structure has attractive tax advantages for shareholders.

Performance As at 31 December 2016	June '16 Quarter	Sept '16 Quarter	Dec'16 Quarter	FY '17 YTD	Since Inception
Chesapeake Capital Limited – Investment Capital Available*	11.7%	(1.9%)	6.1%	4.2%	46.8%
Small Ordinaries Accumulation Index	5.8%	8.5%	(2.4%)	5.8%	21.0%
All Ordinaries Accumulation Index	4.0%	5.2%	4.4%	9.9%	12.1%

* Initial investment capital available from June 2015 was \$1.5m so returns have been calculated from that reference point.

After a “flat patch” in the September quarter Chesapeake bounced back in the December quarter. A share placement targeted at the Top 20 shareholders who own circa 90% of the shares on issue raised \$0.75m of new equity capital subscribed at 25¢ per share. These funds facilitated a \$500,000 investment in the Axesstoday IPO which listed successfully on the ASX in late December initially trading at a 25% premium to the IPO issue price. The share prices of other investments generally responded positively to developments and all are trading above cost. As a consequence the December quarter’s performance was +6.1% (unaudited).

Chesapeake now has circa \$3.06m of Net Assets spread across six investments and cash of circa \$0.4m available for deployment when we identify another appropriate investment opportunity.

New Investments



www.axesstoday.com.au

Axesstoday Limited (ASX code: AXL) Axesstoday is a rapidly growing specialist provider of equipment finance for small to medium sized enterprises (“SME’s”). Established 4 years ago the Company is profitable and is growing nationally based on a highly effective product, technology and marketing innovations. Chesapeake subscribed \$500,000 into the IPO which raised \$10m to capitalise the company at \$38m.

Existing Investments



www.regalpointresources.com.au

Regalpoint Resources (ASX Code RGU) to become AssetOwl Ltd (ASX code: AO1) AssetOwl is an innovative technology company which has developed an enterprise software Management Platform initially applicable to retailers with a growing number of applications to other industries. The Management Platform is a powerful tool designed specifically for retailers to visualise, question, analyse and interpret data within the four walls of each property and collectively across all properties within a network. The company completed a \$3.5m capital raising at 20¢ps.



www.droneshield.com

DroneShield Limited (ASX code: DRO) DroneShield brings together world class expertise in engineering physics, defence, intelligence and aerospace to design, manufacture and sell drone detection systems that use highly specialised and cost-effective technology to achieve levels of detection that are not possible with other methods or at a comparable cost.



GRD-Franmarine Holdings Limited (unlisted) is a Western Australian based public unlisted company which owns all licenses and patents associated with a revolutionary new fully enclosed capture and containment hull cleaning technology called the “Envirocart”. The Envirocart is the only in-water hull cleaning technology on the global market that is capable of meeting the current water discharge quality guidelines and the new Australian Department of Agriculture, Fisheries and Forestry (“DAFF”) In-water Hull Cleaning guidelines. The Envirocart enables the complete in-water removal, capture and containment of marine biofouling from a vessel’s hull without damaging the antifouling paint or polluting the surrounding marine environment.



Mareterram Limited (ASX code: MTM) operates in the agribusiness sector through two business divisions. The business divisions are Commercial Fishing Division and Food Service Division is an importing and trading business which buys product from overseas producers and local manufacturers and sells to customers who are wholesalers, distributors, retailers or end-users in the food service channel. The Food Services Division offers a range of imported seafood products including prawns, fish fillets, lobsters, scallops and a range of value added seafood products.



Uscom Limited (ASX code: UCM) is a medical device company providing premium, non-invasive technologies to clinicians with proprietary high-quality cardiac, blood pressure and pulmonary monitoring devices targeting global markets. Uscom has been delivering positive developments with increasing international sales. The company has been releasing good news as it makes progress on executing its business plan.

Corporate Snapshot

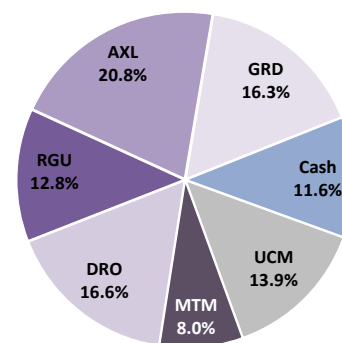
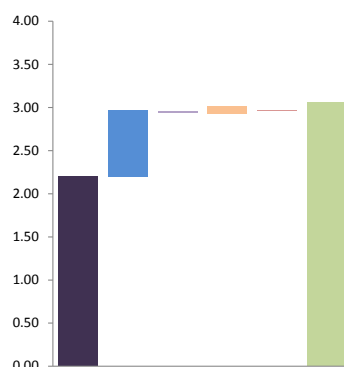
This snapshot reflects Chesapeake’s evolution since 1 July 2016 and the make-up of its asset base as at 31 December 2016. The unaudited NTA is \$3.06m (25.7¢ per share). Cash stands at circa \$0.4m. Operating costs continue to be kept to a minimum.

As At 31 December 2016	\$'m
1 Jul 16 Audited Opening Net Assets	2.20
New Capital	0.75
Operating Costs YTD	-0.05
Investment Gains YTD	0.18
Provision for Taxation YTD	-0.02
Net Tangible Assets	3.06

Shares on Issue:	11.92m
June 2018 Options on Issue:	9.52m
Number of Shareholders:	519

Directors:

James Cullen	Executive Chairman
Aaron Constantine	Non Executive Director
Ian Macliver	Non Executive Director
Bernard Romanin	Non Executive Director



	30 Jun '15	30 Sept '15	31 Dec '15	31 Mar '16	30 Jun '16	30 Sept '16	31 Dec '16
Net Tangible Assets (\$'m)	1.5	1.6	1.6	2.0	2.2	2.2	3.1*
NTA per Share (¢)	17.0	17.4	18.1	22.1	24.6	24.2	25.7
S&P/ASX Small Ords Accumulation	5,352	5,143	5,725	5,784	6,122	6,642	6,479
All Ordinaries Accumulation	47,575	44,820	47,788	46,664	48,530	51,100	53,353

* Includes \$0.75m of new capital in December 2016

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