

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.

Performance As at 30 September 2016	June '16 Quarter	Sept '16 Quarter	Financial Year to Date	Since Inception
Chesapeake Capital Limited – Investment Capital Available (\$1.5m)*	11.7%	(1.9%)	(1.9%)	40.7%
Small Ordinaries Accumulation Index	5.8%	8.5%	+8.5%	22.9%
All Ordinaries Accumulation Index	4.0%	5.2%	+5.2%	7.2%

\* Initial investment capital available

After a strong first formative year with an audited +42.6% return on its available investment capital of \$1.5m, Chesapeake hit a flat patch in the September quarter and we gave back a little of the considerable unrealised gains from the prior year. Acceptance of the partial (50%) takeover for Mareterram Limited (1.12m shares at 35¢) realised an excellent return on that investment (20¢ cost) and facilitated a new investment in GRD-Franmarine, which is expected to list on the ASX in the first half of 2017. Disappointingly the share prices of Mareterram, DroneShield and Uscom all retreated across the quarter. With 5 investments and an initial new investment requirement typically of \$500,000, it may be necessary to liquidate some investments to facilitate new ones and with a small fund there is a certain inevitability about this. Notwithstanding, we continue to hold very positive views on our current investments which all continued to trade above our cost basis at the end of the September quarter.

### Current Investments



www.regalpointresources.com.au

**Regalpoint Resources Ltd (ASX code: RGU)** During the September quarter Regalpoint entered into an agreement to acquire AssetOwl Pty Ltd. 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 anticipates completing the transaction and relisting on the ASX by the end of December 2016.



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.

## Existing Investments



**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 and anticipates a transition to breakeven in FY'16. The company has been releasing good news as it makes progress on executing its business plan. This position has been reduced into share price strength.



**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 FSD offers a range of imported seafood products including prawns, fish fillets, lobsters, scallops and a range of value added seafood products.

## Corporate Snapshot

This snapshot reflects Chesapeake's evolution since 1 July 2016 and the make-up of its asset base as at 30 September 2016. The unaudited NTA is \$2.16m (24.2¢ per share). Operating costs have been kept to a minimum with the Directors electing not to take fees of any description.

As At 30 September 2016	\$'m
1-Jul-16 Audited Opening Net Assets	2.20
Operating Costs YTD	-0.02
Investment Gains YTD	-0.03
Provision for Taxation YTD	0.01
<b>Net Tangible Assets</b>	<b>2.16 (24.2¢ps)</b>

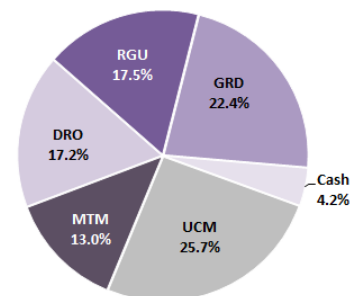
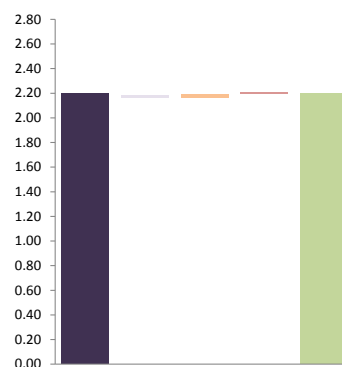
Shares on Issue: 8.92m

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
Net Tangible Assets (\$'m)	1.51	1.55	1.61	1.97	2.20	2.16
NTA per Share (¢)	17.0	17.4	18.1	22.1	24.6	24.2

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