

12 October 2017

The Manager
ASX Market Announcements
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Electronic Lodgement

**AMCIL Limited
2017 Annual General Meeting Presentation**

Dear Sir / Madam

Please find attached a presentation that will be delivered to shareholders at the Company's Annual General Meeting to be held today.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Matthew Rowe'.

Matthew Rowe
Company Secretary

The logo for AMCIL, consisting of the letters 'AMCIL' in a white, sans-serif font on a dark blue rectangular background.

AMCIL

The title 'Annual General Meeting 2017' is centered in white text on a horizontal blue bar that spans the width of the image.

Annual General Meeting 2017

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Results and Shareholder Returns

Annual General Meeting 2017

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AMCIL's Approach

Focused portfolio covering large and small companies.

Aim is to provide:

- attractive returns through strong capital growth over the medium to long term; and
- the generation of fully franked income.

Our size means small companies can have an equally important impact on portfolio returns as large ones.

Use of the trading portfolio and buy and write option strategies to generate additional fully franked income.

Financial Year Summary – to 30 June 2017

Profit for the Year

\$5.4m

Down 30.0% from 2016

Management Expense Ratio

0.68%

0.65% in 2016

Fully Franked Dividend

3.5¢

3.5 cents in 2016

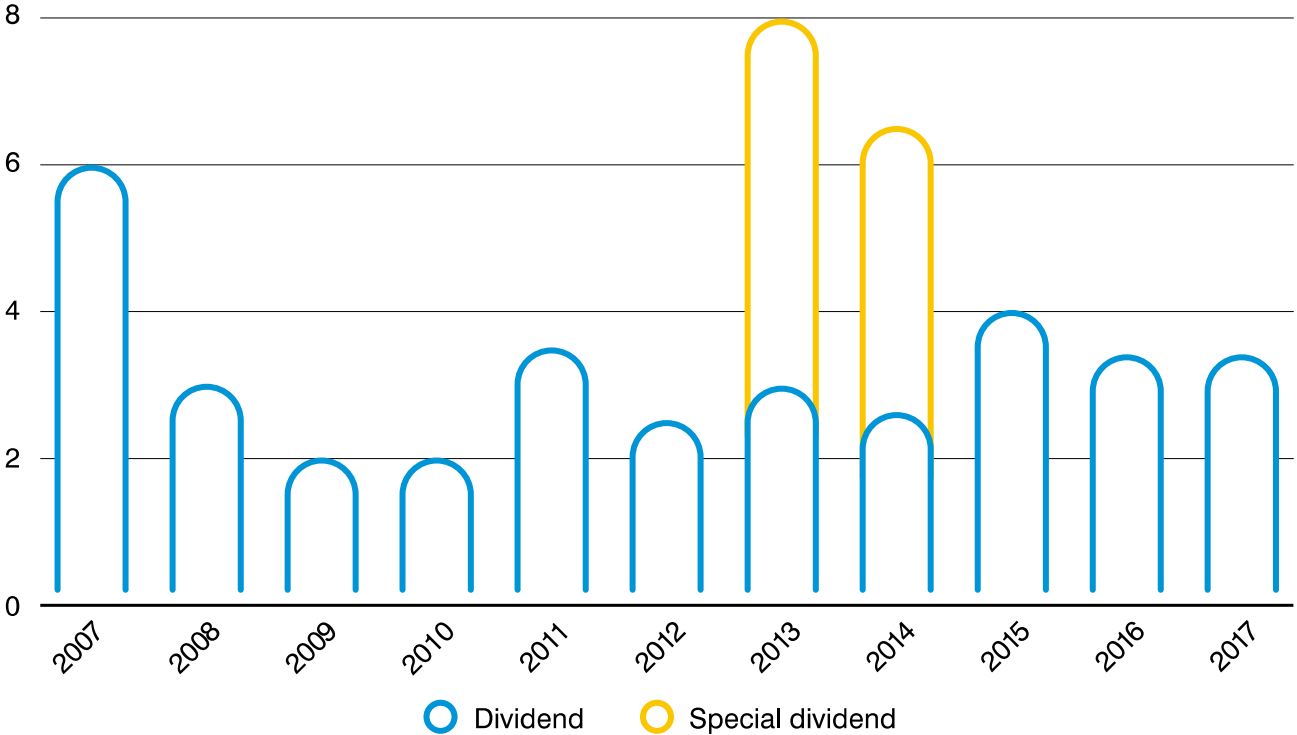
Total Portfolio

\$245.9m

Including cash at 30 June

\$240.8 million in 2016

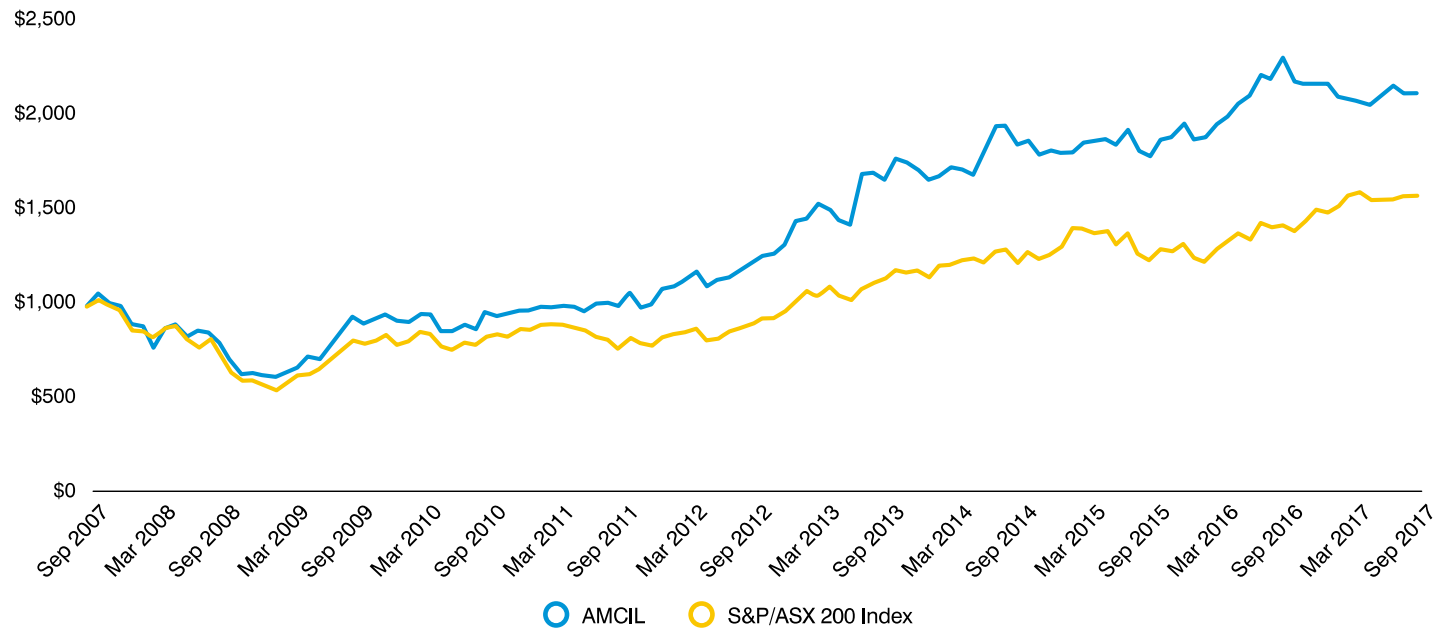
Dividend Reflects the Policy of Paying out all Available Franking Credits Each Year



Changes to Tax Legislation – Franking Credits

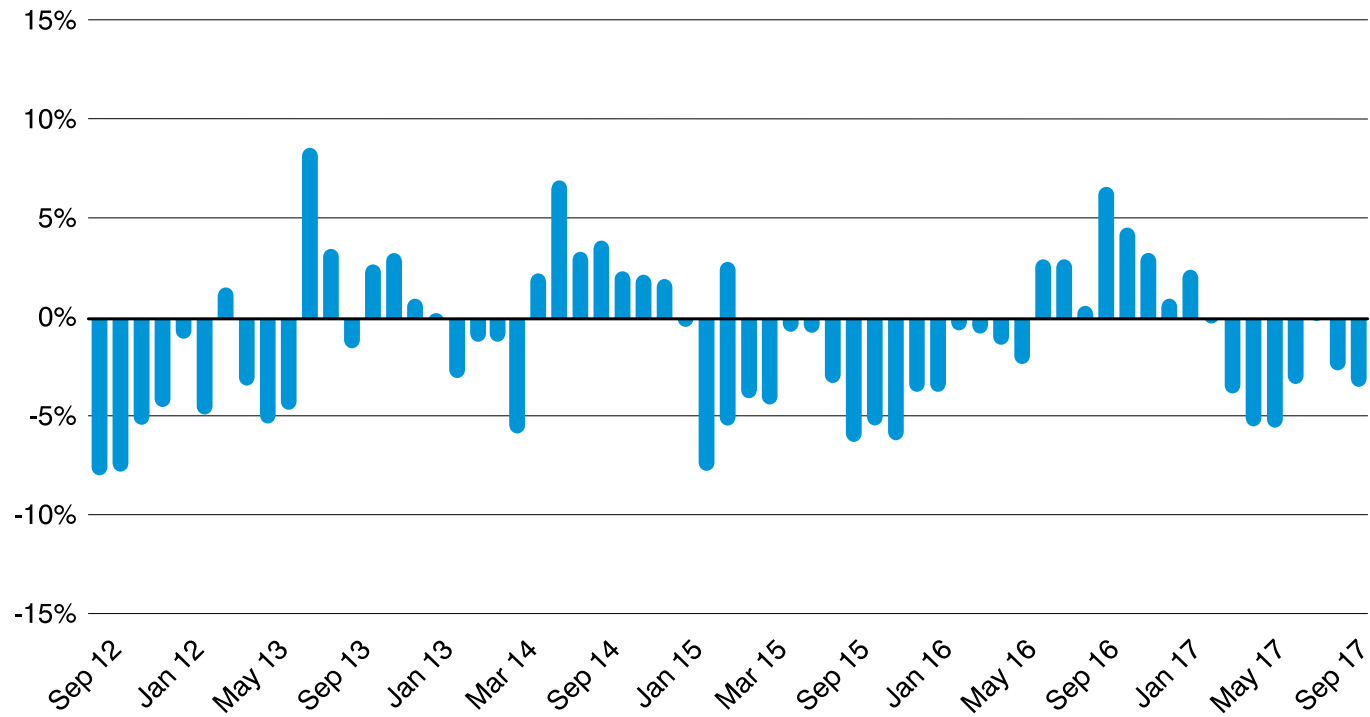
- The Federal Government has proposed retrospective legislation to prevent Investment Companies claiming the lower company tax rate until 2023–24.
- If enacted, AMCIL will continue to pay tax at 30%, and frank its dividends at 30% until 2023–24.
- This includes the 3.5 cent final dividend (franked at 27.5%), paid to shareholders in August 2017. If legislation is confirmed, AMCIL will re-issue a dividend statement before the end of the financial year.
- What does it mean for franking credits? – assuming a dividend of \$100:
 - *previous dividend with franking credits at 27.5% of \$37.93 will be replaced.*
 - *new statement showing dividend of \$100 with franking credits at 30% of \$42.86.*
 - *does not change shares issued under DRP or cash payment.*

Share Price Return Including Dividends and Benefit of Franking Credits – 10 Years to 30 September 2017



* Assumes the reinvestment of dividends. This chart calculates the benefit of franking credits at the time dividends are paid for both AMCIL and the index. In practice there is a timing difference between receipt of the dividend and the realisation of the franking benefit in the following tax year.

Share Price is Trading at a Small Discount to Net Asset Backing



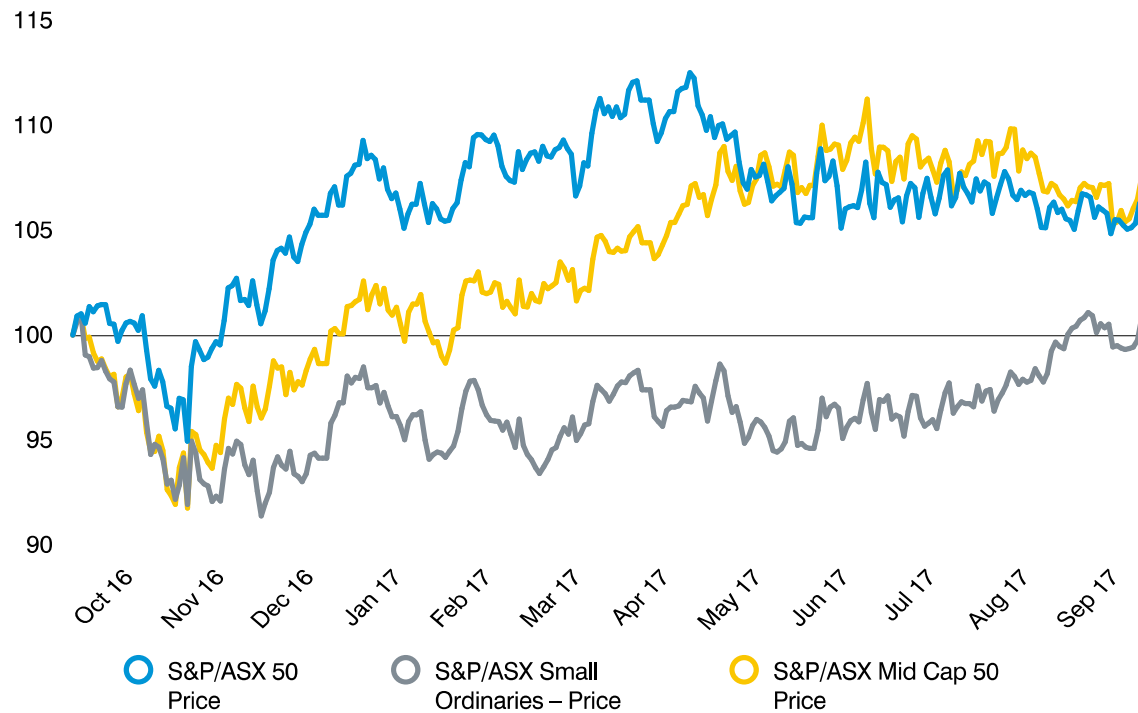


The Market and Portfolio

Annual General Meeting 2017

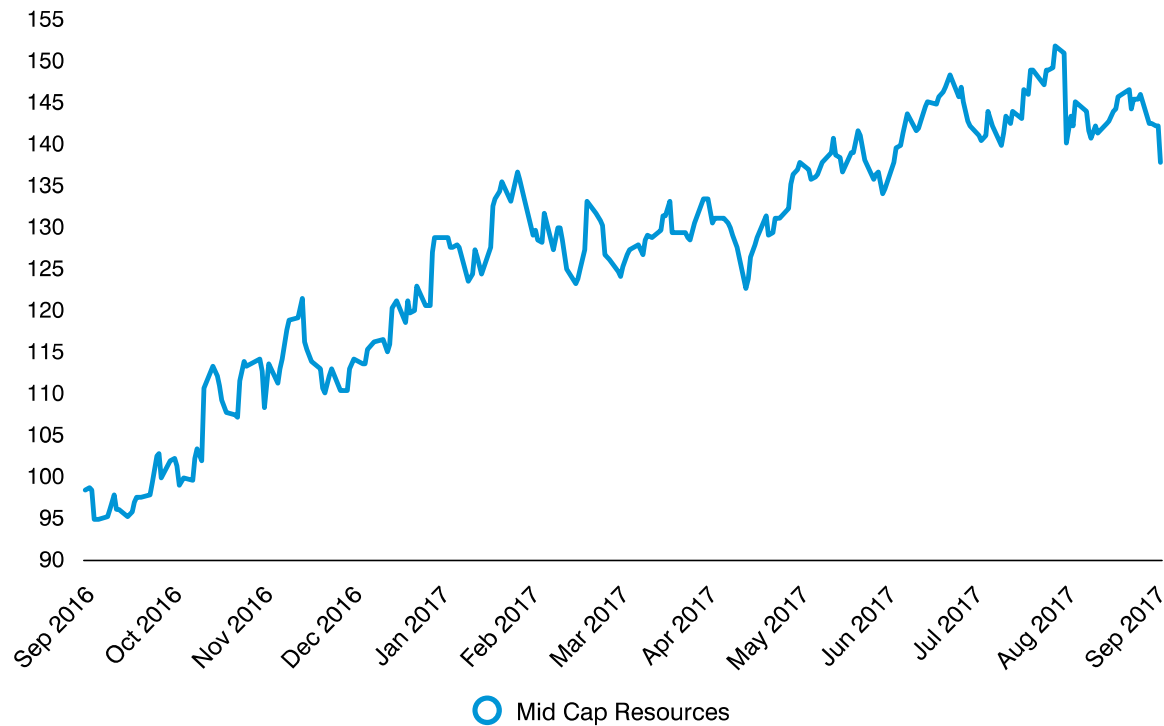
AMCIL

The Market by Company Size Over the Year to 30 September 2017

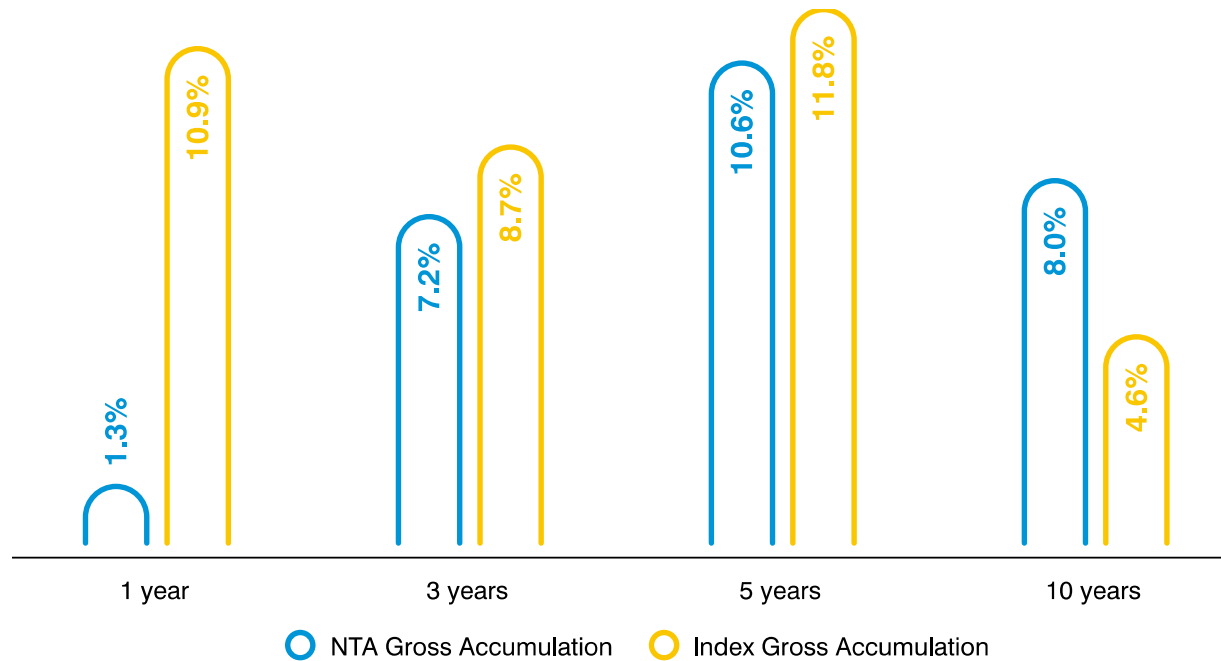


Source: FactSet

Mid Cap Resource Sector Returns Have Been Very Strong Over the Year to 30 September 2017 – Iluka is in AMCIL's Portfolio



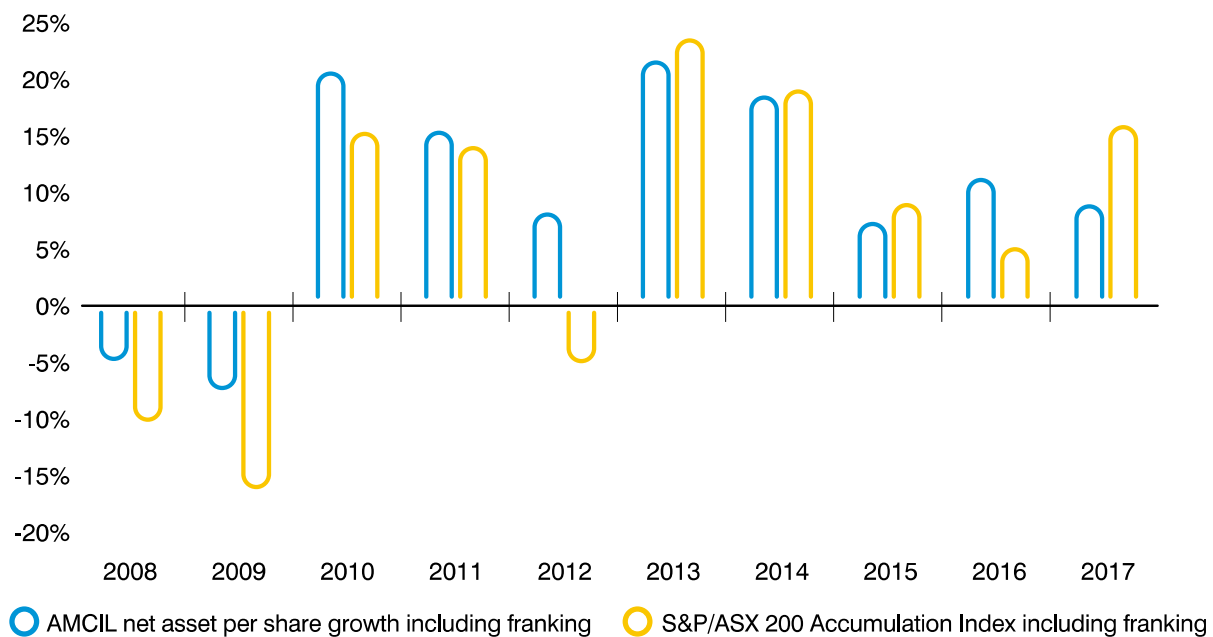
Portfolio Performance Including Benefit of Franking Credits* – to 30 September 2017



After tax and expenses. Ignores benefits LIC tax credits.

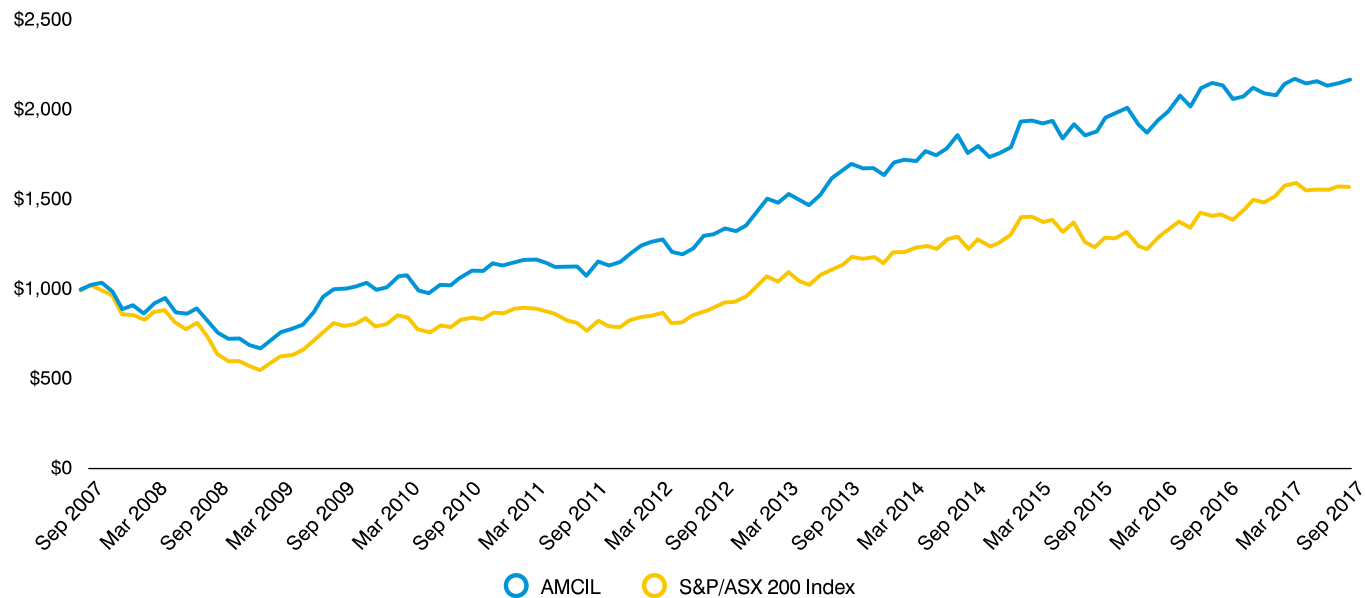
* Assumes an investor can take full advantage of the franking credits.

Performance of the Portfolio Each Financial Year can vary quite markedly from the S&P/ASX 200 Accumulation Index



Note assumes an investor can take full advantage of the franking credits.

Total Portfolio Returns including Dividends and Benefit of Franking Credits – 10 Years to 30 September 2017



* Assumes the reinvestment of dividends. This chart calculates the benefit of franking credits at the time dividends are paid for both AMCIL and the index. In practice there is a timing difference between receipt of the dividend and the realisation of the franking benefit in the following tax year.

How AMCIL Invests – What we Look for in Companies

Quality First

Board and management, financial position, as well as some key financial metrics – the level of gearing and cash flow.

Growth
Including dividends

Ability of companies to grow earnings over time, which ultimately should produce good dividend and capital growth.

Value

Value tries to reflect the opportunity a business has to prosper and thrive over the medium to long term.

Portfolio of small and large companies that is actively managed to deliver superior returns

How we have gone about Positioning the Portfolio

- Larger companies offering growth and/or income through the use of buy and write option strategies.
- Companies with good prospects for expansion:
 - very good management,
 - credible growth; and
 - unique product positions
- Opportunities where value is more immediately on offer.

Positioning of the Portfolio – Larger Companies

Offering growth

The logo for CSL, featuring the letters 'CSL' in a bold, red, sans-serif font with a small 'TM' trademark symbol to the upper right.The logo for Amcor, consisting of a stylized blue and green globe icon above the word 'amcor' in a lowercase, black, sans-serif font.The logo for Transurban, featuring a green stylized 'T' icon followed by the word 'Transurban' in a black, sans-serif font.The logo for Oil Search, featuring a blue and white globe icon followed by the words 'Oil Search' in a bold, black, sans-serif font.The logo for James Hardie, featuring a green square icon with white 'JH' initials followed by the words 'James Hardie' in a bold, black, sans-serif font.The logo for RioTinto, featuring the words 'RioTinto' in a white, serif font centered within a red rectangular background.

For buy and write option strategies

The logo for Wesfarmers, featuring a stylized red 'W' icon.The logo for Wesfarmers, featuring a green stylized leaf icon above the word 'Wesfarmers' in a green, sans-serif font.The logo for NAB, featuring a red starburst icon followed by the letters 'nab' in a white, lowercase, sans-serif font on a black rectangular background.The logo for Woodside, featuring a white stylized leaf icon above the word 'woodside' in a white, lowercase, sans-serif font on a red square background.

Positioning of the Portfolio – Growth Companies

Very good management, credible growth, unique product positions.



Positioning of the Portfolio – Value Opportunities

Undervalued situations:

Recent purchases.



BHP

Incitec Pivot Limited

Reducing positions.



Top 20 Investments as at 30 September 2017

Rank	Company	% of Portfolio
1	BHP*	5.4%
2	National Australia Bank*	4.9%
3	Westpac Banking Corporation*	4.8%
4	Lifestyle Communities	4.5%
5	Commonwealth Bank of Australia*	4.1%
6	CSL*	4.0%
7	Qube Holdings*	3.4%
8	Mainfreight	3.4%
9	James Hardie Industries*	3.2%
10	Oil Search*	2.9%

* Indicates that options were outstanding against part of the holding.
 Note percentage of Portfolio excludes the impact of cash holding at \$16.6 million.

Top 20 Investments as at 30 September 2017 continued

Rank	Company	% of Portfolio
11	Transurban Group	2.7%
12	IRESS*	2.6%
13	Treasury Wine Estates*	2.6%
14	CYBG	2.3%
15	Computershare*	2.3%
16	Amcor*	2.3%
17	Seek*	2.3%
18	Rio Tinto*	2.2%
19	Iluka Resources*	2.1%
20	Wesfarmers*	2.1%

* Indicates that options were outstanding against part of the holding.
 Note percentage of Portfolio excludes the impact of cash holding at \$16.6 million.

Some Recent Adjustments to the Portfolio

Added:

The logo for Westfield, featuring the word "Westfield" in a red, stylized, cursive font.

new addition

The logo for Rio Tinto, consisting of the words "Rio Tinto" in white, sans-serif font inside a red rectangular box.

new addition

A stylized red logo consisting of three vertical bars of varying heights, representing the letter 'W'.The logo for Computershare, featuring a purple circular icon with three curved lines on the left, followed by the word "Computershare" in a purple, sans-serif font.

Complete sales:

The logo for QBE, featuring a blue circular icon with three curved lines on the left, followed by the letters "QBE" in a bold, black, sans-serif font.The logo for TRG, featuring the letters "TRG" in a bold, purple, sans-serif font, with a yellow triangle pointing upwards behind the 'T'.The logo for ResMed, featuring a blue and red dotted arc above the word "ResMed" in a bold, black, sans-serif font.The logo for Mayne Pharma, featuring a red circle on the left and the words "mayne pharma" in a red, sans-serif font to its right.

Significant Repositioning of the Portfolio has occurred already this Financial Year

- Total sales \$37.7 million – 9 holdings sold completely.
- Purchases of \$34.1 million – 4 new holdings added.
- One of the key characteristics is the quality of management.
- \$58 million of the portfolio covered by call options – of this \$6 million are subject to being exercised.

Moving Forward

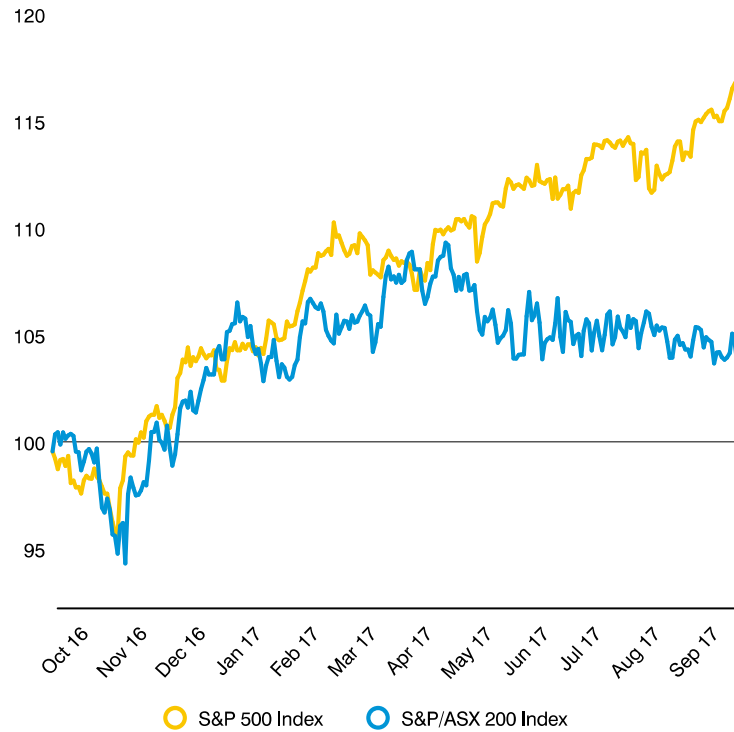


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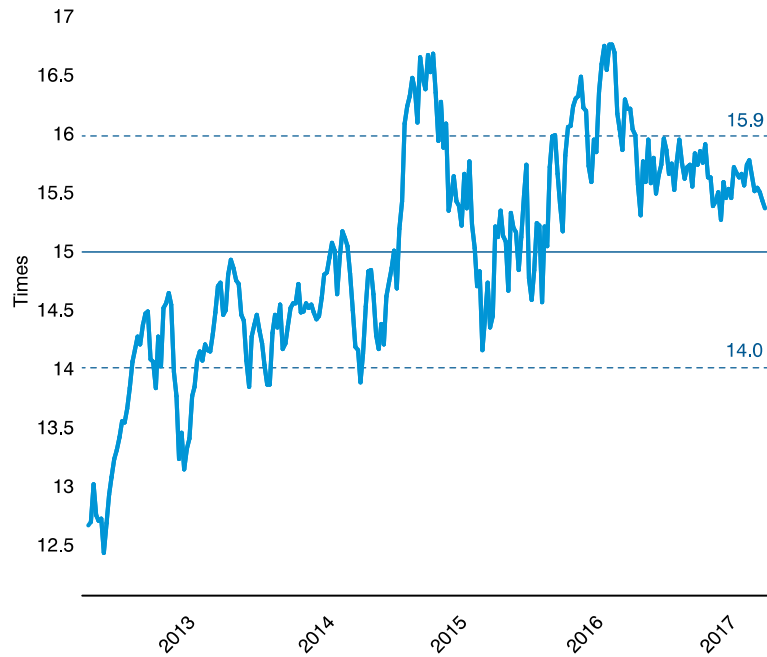
Moving Forward

The Australian equity market has lagged the US – 1 year to 30 September 2017



Source: FactSet

Although valuations for many companies in Australia are still at the top end – P/E ratio for S&P/ASX 200 index



Source: FactSet

Moving Forward

- Significant repositioning of the portfolio has occurred.
- AMCIL holds a relatively strong cash position.
- Remain cautious about growth for a number of sectors, although buy and write strategies can still generate good returns.
- Market volatility will produce opportunities even in good companies.

