



MIRRABOOKA
Investments Limited

30 August 2016

The Manager
ASX Market Announcements
Australian Securities Exchange
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Electronic Lodgement

**Mirrabooka Investments Limited
Statutory Annual Report, Annual Shareholder Review,
Notice of Meeting and Proxy Form**

Dear Sir / Madam

Please find attached the 2016 Statutory Annual Report, Annual Shareholder Review, Notice of Meeting and Proxy form being sent to shareholders.

Yours faithfully

Matthew Rowe
Company Secretary

Finding opportunities
in small and medium
sized companies

Annual Report
2016



MIRRABOOKA
Investments Limited

CONTENTS

1 Directors' Report
1 5 Year Summary
2 About the Company
3 Review of Operations and Activities
9 Top 20 Investments
10 Board and Management
12 Remuneration Report
14 Non-audit Services
15 Auditor's Independence Declaration
17 Financial Statements
17 Income Statement
18 Statement of Comprehensive Income
19 Balance Sheet
20 Statement of Changes in Equity
22 Cash Flow Statement
23 Notes to the Financial Statements
23 A. Understanding Mirrabooka's Financial Performance
26 B. Costs, Tax and Risk
30 C. Unrecognised Items
31 Additional Information
31 D. Balance Sheet Reconciliations
32 E. Income Statement Reconciliations
34 F. Other Information
36 Directors' Declaration
37 Independent Audit Report
39 Other Information
40 Substantial Shareholders
41 Holdings of Securities
45 Major Changes to the Investment Portfolio
46 Sub-underwriting
46 Transactions in Securities
47 Share Issues
48 Company Particulars
49 Shareholder Meeting

The investment goals of Mirrabooka are:

- ▶ To provide medium to long term investment gains through holding core investments in selected small and medium sized companies.
- ▶ To provide attractive dividend returns to shareholders from these investments.

YEAR IN SUMMARY

PROFIT FOR THE YEAR

\$8.8m

▲ Up 24.3% from 2015

TOTAL SHAREHOLDER RETURN

+13.1%

Share price plus dividend

FULLY FRANKED DIVIDEND

6.5¢ Final
5¢ Special
15¢ Total

17¢ total in 2015

MANAGEMENT EXPENSE RATIO

0.65%

0.67% in 2015

TOTAL PORTFOLIO RETURN

+15.4% Including franking*

Combined S&P/ASX Mid 50 and Small Ordinaries Accumulation Index +17.2%*

TOTAL PORTFOLIO

\$377.0m

Including cash at 30 June

\$333.8 million in 2015

* Assumes a shareholder can take full advantage of the franking credits.

DIRECTORS' REPORT

We are pleased to report to the shareholders of Mirrabooka Investments Limited ('Mirrabooka' or 'the Company') in relation to the financial year to 30 June 2016 as follows.

5 YEAR SUMMARY

	2016	2015	2014	2013	2012
Profit after tax (\$ million)	8.8	7.1	7.8	10.3	12.8
Profit after tax per share (cents)	5.9	5.1	5.6	7.5	9.4
Dividends per share (cents) ^(a)	15	17	20	15	10
Investments at market value (\$ million) ^(b)	356.0	308.4	317.1	262.8	238.9
Net asset backing (cents) ^(c)	238	229	241	211	187
Number of shareholders (30 June)	6,541	6,040	5,821	5,427	5,173

Notes

- (a) All dividends were fully franked. 2016 includes a special dividend of 5 cents. 2015 includes a special dividend of 7 cents. 2014 includes a special dividend of 10 cents. 2013 includes a special dividend of 5 cents. For 2016 the dividend carried a LIC capital gain attributable part of 13.6 cents. For 2015 it was 17.1 cents, for 2014 it was 20.7 cents, for 2013 it was 12.9 cents and for 2012 it was 5.7 cents.
- (b) Excludes cash.
- (c) Net asset backing per share based on year-end data before the provision for the final dividend. The figures do not include a provision for capital gains tax that would apply if all securities held as non-current investments had been sold at balance date, as Directors do not intend to dispose of the portfolio.

ABOUT THE COMPANY

Mirrabooka is a listed investment company specialising in investing in small and medium sized companies located within Australia and New Zealand. Our general definition of small and medium sized companies is those companies that fall outside the top 50 listed companies, by market capitalisation, on the Australian Securities Exchange (ASX) or that are in the S&P/ASX Mid 50s or Small Ordinaries Index.

There are many small and medium size companies listed on the ASX and we seek to invest in those companies that we believe offer investors attractive value. Of particular interest are companies with relatively low price earnings ratios and high dividend yields. Often these companies have strong growth prospects and specialise in a range of attractive product, market and industry sectors. Benefits may also arise from takeover and/or merger activity.

The Company has been operating since April 1999 and was listed on the ASX on 28 June 2001.

Investment Aims

The Company aims to provide medium to long term investment gains through holding core investments in selected small and medium sized companies and to provide attractive dividend returns to shareholders from these investments.

Approach to Investing

Investing in this sector can be subject to greater volatility compared with investing in larger capitalised companies because of the reliance these smaller companies have on single markets, products and/or key individuals. From time to time, shares in these smaller companies may also be subject to lower than normal liquidity. Consequently, this section of the market requires a significant amount of research and subsequent close monitoring of the portfolio.

In this context, we are willing to move quickly to realise investments when we form a view for risk management purposes that an investment is well overvalued or there has been a material adverse change in a company's circumstances or prospects. As such, we believe it is important to be nimble and responsive to material changes affecting these investments.

The Company typically holds between 80 to 100 stocks depending on their fit with our investment aims and the desired concentration of risk within the portfolio.

In addition, the Company also uses options written against its portfolio to generate additional income, although this activity is naturally limited by the lack of availability of option markets for most of the shares within the portfolio and the need to control our investments for risk management purposes.

Our Structure

The Company has a 'closed end' structure, which means that the number of shares on issue is determined by the Board from time to time. As a result, the Company does not issue new shares or cancel them as investors enter and leave. This allows us to concentrate on the performance of the funds invested over the longer term without having to consider inflows or outflows of monies. The nature of the listed investment company structure and our continued focus on the efficiency of our business also ensure administration costs and management fees are maintained at competitive levels for this sector of the market. In the financial year for 2015–16, this was 0.65 per cent of the portfolio's average market value (last year, 0.67 per cent).

By investing in the Company, shareholders have immediate access to a diversified portfolio including some of Australia's leading small and medium sized companies, and to a Board and Investment Committee with extensive investment skills and practical business experience. The portfolio is continually monitored with the Investment Committee meeting regularly to approve investment decisions.

Investing in the Company

As a listed investment company, Mirrabooka shares can be bought or sold through the Australian Securities Exchange (ASX Code: MIR). The Company does not charge entry or exit fees when shareholders acquire or dispose of their holdings, although transaction costs will be borne when buying or selling through a stockbroker.

Transparency

We take an active approach to keeping shareholders informed about the Company's activities and performance, including yearly and half-yearly profit announcements, regular shareholder meetings including a telephone conference twice a year and access to all Company announcements, such as net tangible asset announcements, through the ASX and our website mirra.com.au

REVIEW OF OPERATIONS AND ACTIVITIES

Profit and Dividend

Mirrabooka's reported profit was \$8.8 million for the 12 months to 30 June 2016 compared with \$7.1 million last year. The lift in profit was as a result of an increase in dividend income as well as a rise in the contribution from the trading portfolio.

The Company has declared a final dividend at 6.5 cents per share fully franked, the same as last year. It also declared a special dividend of 5 cents per share fully franked sourced from after tax realised gains of \$15.0 million made during the year (the corresponding figures last year were a special dividend of 7 cents per share fully franked from \$18.6 million of after tax realised gains).

The amount of the pre-tax attributable gain, known as a 'LIC capital gain', is 13.6 cents per share. This enables some shareholders to claim a tax deduction in their tax return. Further details are on the dividend statements.

Small and Mid-size Companies Lead the Market

Larger companies in the share market were heavily affected by growth concerns and market volatility throughout the year. In contrast, many companies in the small and mid cap sectors that are reflecting the changing nature of opportunities in the Australian economy continued to attract investor interest. In particular, companies with good growth prospects in attractive industry segments generally experienced strong share price performance. On the other hand, where there were concerns about such characteristics, these companies tended to substantially underperform. This produced an investment environment where there is now an unusually large dispersion in valuation levels amongst various stocks in the market.

Figure 1: Earnings per share and dividends per share

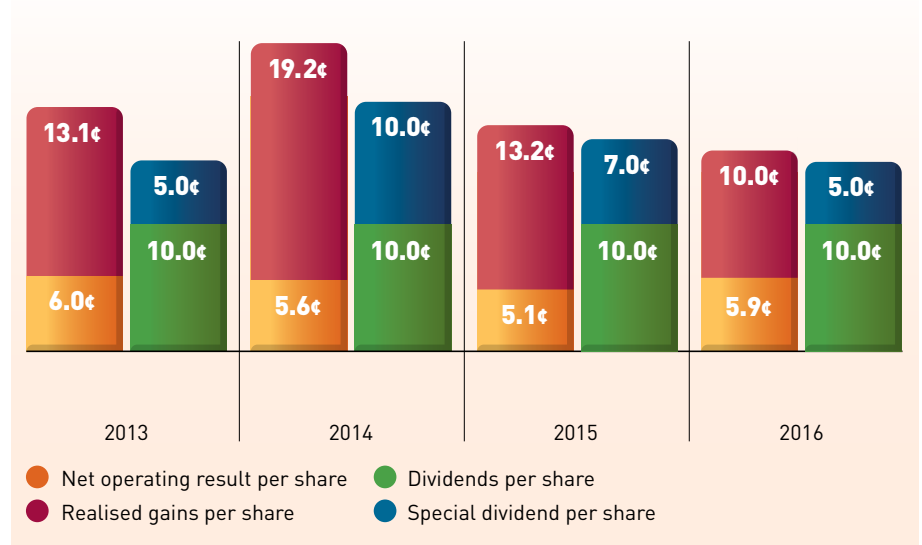
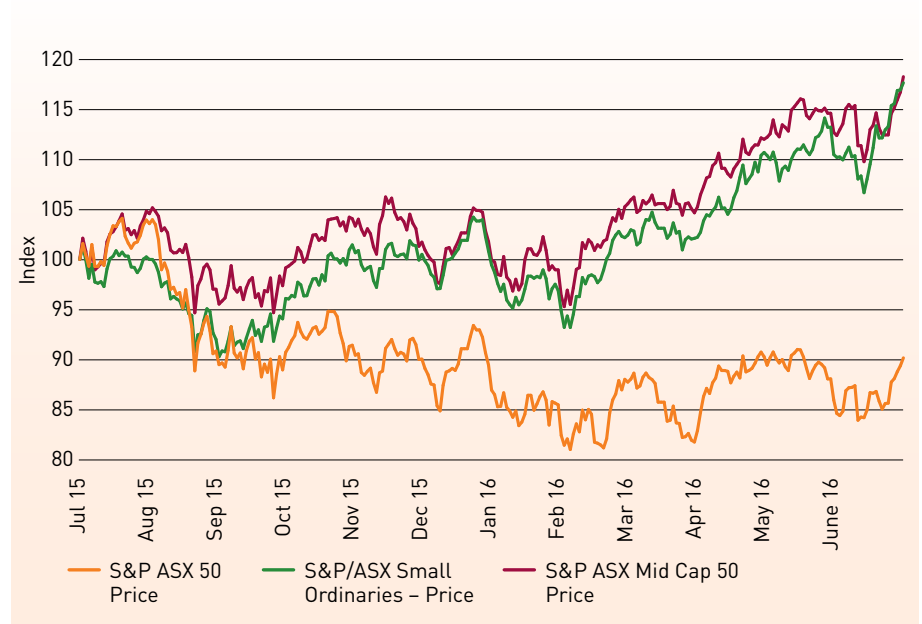
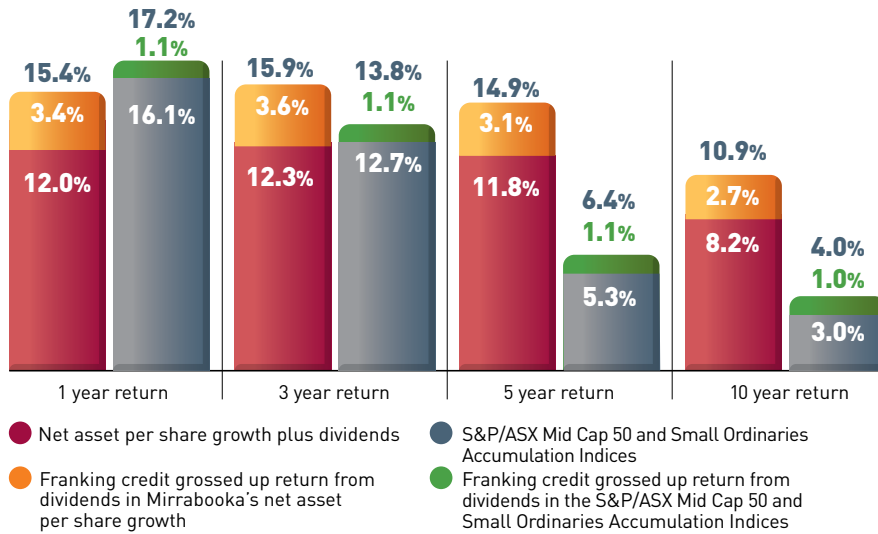


Figure 2: Performance of different sectors of the market by size of company



Source: FactSet

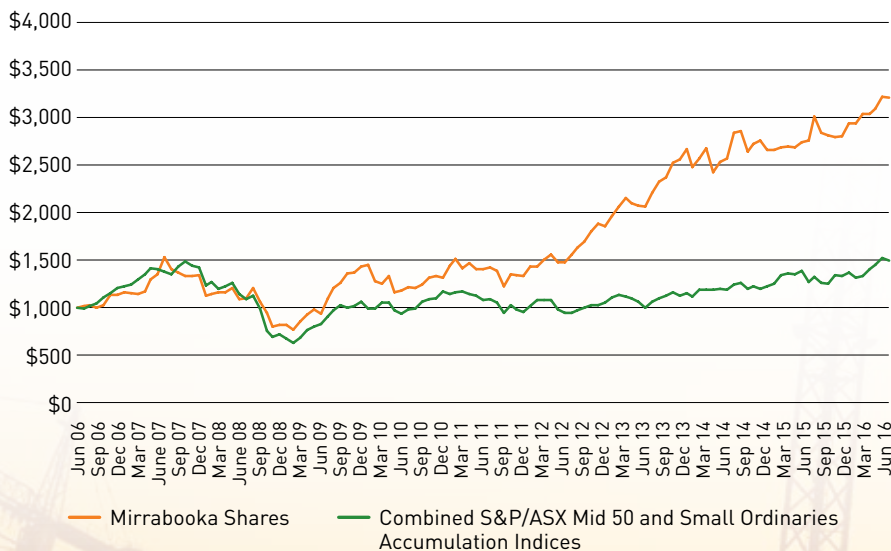
Figure 3: Portfolio return percentage per year to 30 June 2016



The tax paid on realised gains can impact relative performance figures against the Index, which does not have this impost. The inclusion of the benefit of franking credits from the tax paid and distributed to shareholders in the dividend is one way of overcoming this distortion.

Mirrabooka's net asset per share growth plus dividend series is calculated after management fees, income tax and capital gains tax on realised sales of investments. It should be noted that Index returns for the market do not include management expenses and tax.

Figure 4: Ten year performance of an investment of \$1,000 in Mirrabooka shares since listing including franking



Note: Assumes the reinvestment of dividends. This chart calculates the benefit of franking credits at the time dividends are paid for both Mirrabooka 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.

Continuing to Find Interesting Investment Opportunities

Mirrabooka successfully navigated its way through these conditions, which provided opportunities to adjust the portfolio over the year. The success of the Share Purchase Plan in November, which raised \$26 million, the sale of the residual in holdings that had become top 50 stocks and the takeover of companies in the portfolio also provided funds to add a number of new companies to the portfolio and for participation in capital raisings, including some IPOs.

New companies added included Mainfreight, OzForex Group, Navitas, ASG Group, Ardent Leisure and Australian Agricultural Company. The major additions to existing holdings were in Healthscope, Mayne Pharma (including participation in its recent capital raising) and Gateway Lifestyle Group.

Details of new companies added in the second half of the financial year are:

- **Australian Agricultural Company** which owns and operates properties, feedlots and farms for the production of beef products. It operates through different segments including the sale of cattle to domestic and overseas markets, and increasingly in producing grain finished and Wagyu beef for overseas customers.
- **ASG Group Ltd** which provides information technology business solutions and services for businesses in major sectors such as government, finance, healthcare, energy and mining. It specialises in applications management outsourcing and enterprise systems delivery under long term contracts.
- **Ardent Leisure** which owns and operates over 100 leisure assets including theme parks, tourist attractions, marinas, bowling centres, laser skirmish centres and health clubs across Australia, New Zealand and the United States. Its operations include the Main Event, which is a chain of entertainment centres in the United States, Dreamworld theme park and the WhiteWater World water park, both of which are on the Gold Coast, Queensland.

Portfolio Returns Remain Strong

Mirrabooka's total portfolio return for the year, including dividends paid and the full benefit of franking credits, was 15.4 per cent. This compares with the combined small and mid cap market index benchmark calculated on the same basis, which was 17.2 per cent. Whilst Mirrabooka's portfolio performance was very strong over the 12 months, the return was slightly lower than its benchmark given the Company is not a large investor in the small and mid cap resources sector, which had a very strong rebound towards the end of the financial year, particularly in the gold sector. Importantly, the five-year return for the portfolio including franking was 14.9 per cent per annum against the benchmark return, including franking of 6.4 per cent per annum.

Significant positive contributors to portfolio performance by value over the year included Treasury Wine, NetComm, iProperty, Vocus Communications and Mayne Pharma.

In total, purchases in the investment portfolio were \$102.9 million for the year, whereas sales amounted to \$92.6 million over the year.

Share Price Performance

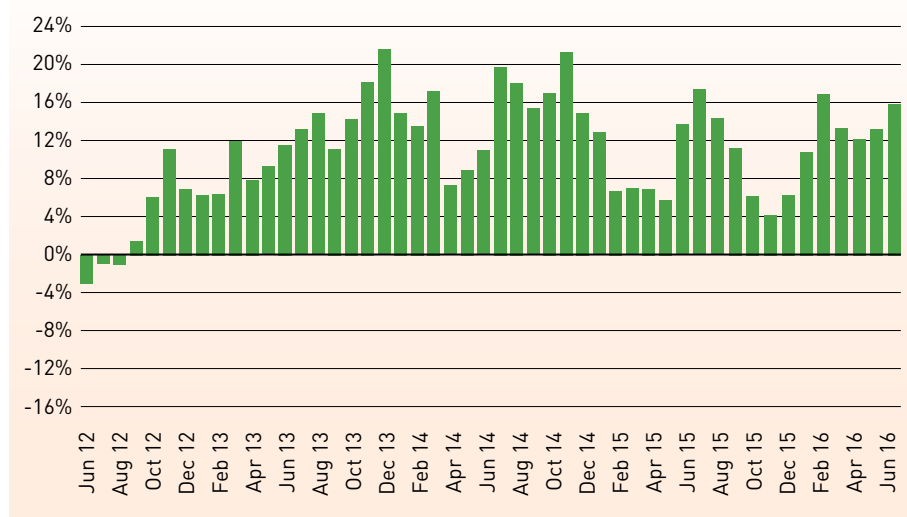
Figure 4 outlines the benefit of compound returns and the value of Mirrabooka's investment approach given the relative total share price return (including dividends) from an investment of \$1,000 in Mirrabooka since listing versus the return from the combined Mid Cap 50 and Small Ordinaries Accumulation Indices.

The attractive nature of Mirrabooka's dividend in the current low interest rate environment has seen strong demand for the Company's shares. At 30 June 2016, the share price was trading at a premium of 16 per cent to the net asset backing per share. The recent history is displayed in Figure 5.

Cash Position Provides Flexibility

Heightened volatility is likely to be widespread in markets for the foreseeable future given economic and political uncertainties. Whilst we remain cautious about valuations in some sectors, (as evidenced by the price earnings charts for the small ordinaries and mid cap sectors, Figures 6 and 7 on page 6) the breadth of opportunities that arise out of Mirrabooka's investment universe remains strong. At 30 June 2016, Mirrabooka held cash of \$21.0 million or 5.6 per cent of the total portfolio. This places the Company in a good position to take advantage of suitable opportunities should they arise, although given current conditions we also remain comfortable in holding this level of cash.

Figure 5: Share price relative to net asset backing



REVIEW OF OPERATIONS AND ACTIVITIES continued

Capital Changes

As a result of the reinvestment of dividends, 1,404,601 shares were issued in August 2015 at a price of \$2.50 per share, and 361,546 shares were issued in February 2016 at a price of \$2.46.

The Company also had a Share Purchase Plan during the year. 11,867,227 shares were issued at a price of \$2.20.

The Company's contributed equity, net of share issue costs, rose \$30.4 million to \$192.9 million from \$162.5 million. At the close of the year the Company had 155.1 million shares on issue.

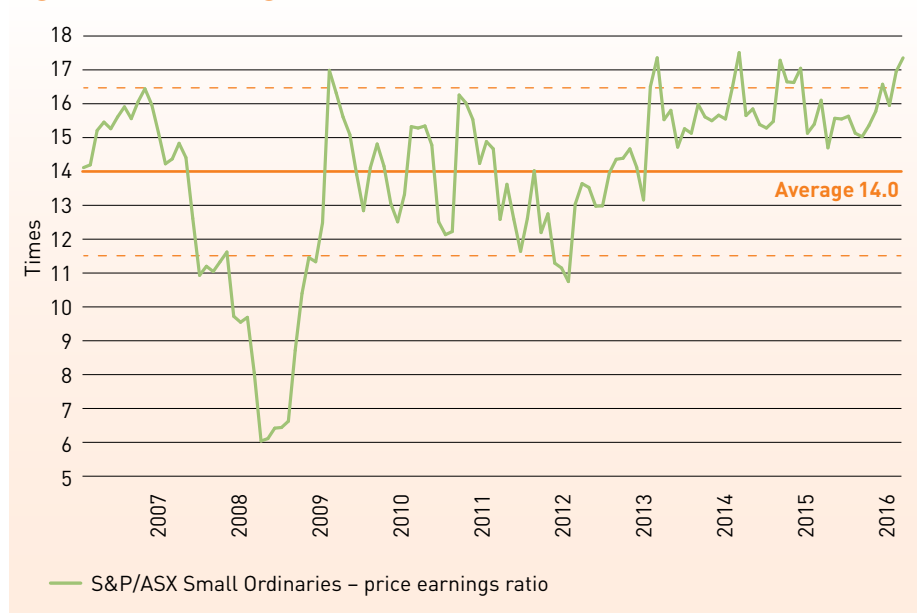
Dividends

A final fully franked dividend of 6.5 cents per share has been declared. This is in line with last year's final dividend. In addition, a fully franked special dividend of 5 cents per share has also been declared (last year, 7 cents per share).

The dividends paid during the year ended 30 June 2016 were as follows:

	\$'000
Final dividend for the year ended 30 June 2015 of 6.5 cents fully franked, plus special dividend of 7 cents also fully franked at 30 per cent, paid 7 August 2015	19,099
Interim dividend for the year ended 30 June 2016 of 3.5 cents per share fully franked at 30 per cent, paid 9 February 2016	5,001
	24,100

Figure 6: Price earnings ratios – Small Ordinaries



Source: FactSet

Figure 7: Price earnings ratios – Mid Cap 50 Sector



Source: FactSet



REVIEW OF OPERATIONS AND ACTIVITIES continued

Financial Condition

The Company's financing consists primarily of shareholders' funds.

Likely Developments

The Company intends to continue its investment activities in future years as it has done since inception. The results of these investment activities depend upon the performance of the companies and securities in which we invest. Their performance in turn depends on many economic factors. These include economic growth rates, inflation, interest rates, exchange rates and taxation levels. There are also industry and company-specific issues such as management competence, capital strength, industry economics and competitive behaviour.

We do not believe it is possible or appropriate to make a prediction on the future course of markets or the performance of our investments. Accordingly, we do not provide a forecast of the likely results of our activities. However, the Company's focus is on providing medium to long term investment gains through holding core investments in selected small and medium size companies and providing attractive dividend returns to shareholders from these investments.

Significant Changes in the State of Affairs

Directors are not aware of any other significant changes in the operations of the Company or the environment in which it operates that will adversely affect the results in subsequent years.

Events Since Balance Date

The Directors are not aware of any other matter or circumstance not otherwise disclosed in the financial statements or the Directors' Report that has arisen since the end of the financial year that has affected or may affect the operations, or the results of those operations, or the state of affairs of the Company in subsequent financial years.

Environmental Regulations

The Company's operations are such that they are not materially affected by environmental regulations.

Rounding of Amounts

The Company is of the kind referred to in the ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 relating to the 'rounding off' of amounts in the Directors' Report and Financial Report. Unless specifically stated otherwise, amounts in the Directors' Report and Financial Report have been rounded off to the nearest thousand dollars in accordance with that instrument.

Corporate Governance Statement

The Company's Corporate Governance Statement for the financial year ended 30 June 2016 can be found on the Company's website at:

mirra.com.au/corporate-governance.aspx

TOP 20 INVESTMENTS

As at 30 June 2016

Includes investments held in both the investment and trading portfolios.

Valued at closing prices at 30 June 2016

	Total Value \$'000	% of Portfolio
1 Treasury Wine Estates	13,212	3.7
2 Qube Holdings	11,050	3.1
3 Lifestyle Communities	10,522	3.0
4 Healthscope	9,573	2.7
5 IRESS	9,148	2.6
6 Vocus Communications	8,946	2.5
7 Freedom Foods Group	7,903	2.2
8 Mayne Pharma Group	7,838	2.2
9 Mainfreight	7,796	2.2
10 Seek	7,605	2.1
11 TPG Telecom	7,438	2.1
12 ResMed*	7,390	2.1
13 ALS	7,335	2.1
14 ARB Corporation	7,254	2.0
15 Nufarm	6,702	1.9
16 Challenger	6,599	1.9
17 Alumina	6,475	1.8
18 Japara Healthcare	6,253	1.8
19 Event Hospitality & Entertainment	6,175	1.7
20 Tassal Group	6,169	1.7
Total	161,381	

As a percentage of total portfolio value (excludes cash)

45.3%

* Indicates that options were outstanding against part of the holding.

BOARD AND MANAGEMENT

Directors

Terrence A Campbell AO BCom (Melb). Chairman and Independent Non-Executive Director. Chairman of the Investment Committee.

Mr Campbell has been a Director of the Company since December 1998. He is Chairman Emeritus of Goldman Sachs Australia & New Zealand (formerly Goldman Sachs JBWere). Mr Campbell was formerly Chairman and Chief Executive of Goldman Sachs JBWere. He is Chairman of Australian Foundation Investment Company Limited (AFIC), and a former Director of Djerriwarrh Investments Limited and AMCIL Limited.

Ross E Barker BSc (Hons), MBA, F Fin. Managing Director. Member of the Investment Committee.

Mr Barker has been a Director of the Company since December 1998 and was appointed Managing Director in February 2001. He is also Managing Director of AFIC, Djerriwarrh Investments Limited and AMCIL Limited. He is also Chairman of Melbourne Business School Ltd.

Ian A Campbell FAICD. Independent Non-Executive Director. Member of the Investment Committee and Audit Committee.

Mr Campbell is a Company Director who was appointed a Director of the Company in November 2007. He is a Non-Executive Director of BWX Limited. He was formerly Managing Director of GUD Holdings Limited and Deputy President of Australian Industry Group (Vic). He was also formerly Managing Director of Pacific Dunlop Cables Group.

David E Meiklejohn AM BCom, Dip Ed, FCPA, FAIM, FAICD. Independent Non-Executive Director. Chairman of the Audit Committee. Member of the Investment Committee.

Mr Meiklejohn was appointed a Director of the Company in March 2006. He is a Director of Coca-Cola Amatil Limited. He is a former Chairman of PaperlinX Limited, SPC Ardmona Limited, a former Deputy Chairman of GasNet Australia Limited, a former President of the Melbourne Cricket Club, a former Director of WMC Resources Limited, One Steel Limited and ANZ Banking Group Limited. He was formerly Chief Financial Officer and a Director of Amcor Limited.

Graeme W Sinclair BCom, ACA, ACIS, FAICD. Independent Non-Executive Director. Member of the Audit Committee and Investment Committee.

Mr Sinclair was appointed a Director of the Company in August 2009. A Chartered Accountant by training, he is a Director of Habitat for Humanity Australia (Victoria) and a Trustee of The William Buckland Foundation. He was formerly Managing Director and Group Chief Executive Officer of The Myer Family Company Pty Ltd group, Chairman of Australian Geographic Retail Pty Ltd and a Director of Peet Ltd.

Senior Executives

Geoffrey N Driver B Ec, Grad Dip Finance, MAICD. General Manager, Business Development and Investor Relations.

Mr Driver joined the Company in January 2003. Previously he was with National Australia Bank Ltd for 18 years in various roles covering business strategy, marketing, distribution, investor relations and business operations. Mr Driver is Deputy Chairman of Trust for Nature (Victoria).

Andrew JB Porter MA (Hons) (St And), FCA, MAICD. Chief Financial Officer.

Mr Porter joined the Company in January 2005. He is a Chartered Accountant and has had over 20 years' experience in accounting and financial management both in the United Kingdom, with Andersen Consulting and Credit Suisse First Boston, and in Australia where he was Regional Chief Operating Officer for the Corporate and Investment Banking Division of CSFB. He is also a Non-Executive Director of the Royal Victorian Eye & Ear Hospital and a member of the National Executive of the G100, the peak body for CFOs.

R Mark Freeman BE, MBA, Grad Dip App Fin (Sec Inst), AMP (INSEAD). Chief Investment Officer.

Mr Freeman has been Chief Investment Officer since joining the Company in February 2007. Prior to this he was a Partner with Goldman Sachs JBWere, where he spent 12 years advising the investment companies on their investment and dealing activities. He has a deep knowledge and experience of investments markets and the Company's approaches, policies and processes.

Matthew Rowe BA (Hons), MSc Corp Gov, FGIA, FCIS. Company Secretary.

Mr Rowe joined the Company in July 2016. He is a Chartered Secretary with over 10 years of experience in corporate governance with a particular focus on listed investment companies. He was previously a corporate governance adviser at a professional services firm, which included acting as Company Secretary for three ASX-listed companies. Prior to that Mr Rowe was the Company Secretarial Manager for a funds management company based in the United Kingdom.

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2016 and the numbers of meetings attended by each Director were:

	Board		Investment		Audit	
	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
TA Campbell	13	13	18	18	-	4 [#]
RE Barker	13	13	18	18	-	4 [#]
IA Campbell	13	12	18	16	4	4
DE Meiklejohn	13	12	18	16	4	4
GW Sinclair	13	12	18	17	4	4

Attended meetings by invitation.

Retirement, Election and Continuation in Office of Directors

Mr TA Campbell, having been last re-elected by shareholders at the 2013 Annual General Meeting (AGM), will retire and, being eligible, will offer himself for re-election at the forthcoming 2016 AGM.

Insurance of Directors and Officers

During the financial year the Company paid insurance premiums for Directors' and officers' liability insurance covering Directors named in this report. The terms of the insurance contract restrict disclosure of further details.

REMUNERATION REPORT

Directors of the Company, meeting as a Board, determine the fees of Directors within the aggregate limit established by shareholders in general meeting.

Directors

Persons who were Directors of Mirrabooka Investments Limited for part or all of the financial year ended 30 June 2016 were:

TA Campbell
RE Barker
IA Campbell
DE Meiklejohn
GW Sinclair

(a) Principles Used to Determine Nature and Amount of Remuneration

The constitution of Mirrabooka requires approval by the shareholders in general meeting of a maximum amount of remuneration to be allocated between Non-Executive Directors as they determine. In proposing the maximum amount for consideration in general meeting, and in determining the allocation, the Board takes account of the time demands made on Directors, together with such factors as the general level of fees paid to Australian corporate Directors. The amount of remuneration for each Director excludes amounts owing when the Directors' retirement allowances were frozen at 30 June 2004. The maximum amount of remuneration for Non-Executive Directors approved by shareholders at the Annual General Meeting in 2013 was \$500,000.

Directors hold office until such time as they retire, resign or are removed from office under the terms set out in the constitution of the Company.

Mirrabooka does not pay any performance-based remuneration. Mr Barker is made available as Managing Director of Mirrabooka by Australian Investment Company Services Ltd (AICS). As part of his remuneration arrangements with AICS, Mr Barker receives an 'at risk' component, which is based on performance, as do other Executives. The performance criteria include quantitative and qualitative assessments that include, amongst other things, the services that they have provided to Mirrabooka and for which AICS is paid.

(b) Remuneration of Directors

Details of the nature and amounts of each Director's remuneration in respect of the year to 30 June 2016 were as follows:

	Primary Fee \$	Post Employment Superannuation \$	Total Remuneration \$
TA Campbell – Chairman (Non-Executive)			
2016	126,027	11,973	138,000
2015	126,027	11,973	138,000
RE Barker – Managing Director (Executive)			
2016	-	-	-
2015	-	-	-
IA Campbell (Non-Executive)			
2016	63,014	5,986	69,000
2015	63,014	5,986	69,000
DE Meiklejohn – Director (Non-Executive)			
2016	63,014	5,986	69,000
2015	63,014	5,986	69,000
GW Sinclair – Director (Non-Executive)			
2016	63,014	5,986	69,000
2015	63,014	5,986	69,000
Total Remuneration: Directors			
2016	315,069	29,931	345,000
2015	315,069	29,931	345,000

(c) Directors' Retirement Allowances

The Board proposed and shareholders approved discontinuing the practice of paying Directors' retirement allowances.

The Directors' retirement allowance provided in past years was equal to the total emoluments that the Director received in the three years immediately preceding retirement where a Director had held office for five or more years and a proportionate part for less than five years' service.

For Directors in office at 30 June 2004, the amounts accrued as at that date will be paid to them upon their ultimate retirement. No further accruals of Directors' retiring allowances will be made after 30 June 2004. New Directors appointed to the Company after that date will not be entitled to any Directors' retirement allowance.

The amounts payable to the respective current Directors who were in office at 30 June 2004, which will be paid when they retire, are set out below. These amounts were expensed in prior years as the retirement allowances accrued.

	Amount Payable on Retirement \$
RE Barker	87,000
TA Campbell	174,000
	261,000

(d) Executives

Executives are officers who are involved in, concerned with, or who take part in the management of the affairs of the Company.

The Company has five Executives, RE Barker, Managing Director; GN Driver, General Manager – Business Development and Investor Relations; RM Freeman, Chief Investment Officer; AJB Porter, Chief Financial Officer; and MJ Rowe who is Company Secretary (and was appointed on 11 July 2016) (2015: five Executives, including SM Pordage who resigned as Company Secretary with effect from 29 April 2016). No remuneration is paid to the Executives directly by Mirrabooka as their services are provided pursuant to the arrangement with AICS described in the financial statements.

Holdings of Securities Issued by the Company

As at 30 June 2016, Directors and Executives who hold stock units issued by the Company for their own benefit or who have an interest in holdings in the name of another party and the total numbers of such securities are as follows:

	Balance at 1 July 2015	Net Changes	Balance at 30 June 2016
TA Campbell	2,525,107	96,356	2,621,463
RE Barker	458,113	23,370	481,483
IA Campbell	64,133	11,243	75,376
DE Meiklejohn	142,960	6,819	149,779
GW Sinclair	31,660	6,819	38,479
RM Freeman	170,923	6,819	177,742
GN Driver	30,104	8,896	39,000
SM Pordage*	2,817	n/a	n/a
AJB Porter	5,431	1,518	6,949

* Resigned effective 29 April 2016.

In accordance with the Company's policy, no Mirrabooka shares held by Directors or Executives are held subject to margin loans.

NON-AUDIT SERVICES

Details of non-audit services performed by the auditors may be found in Note F2 of the Financial Report.

The Board of Directors has considered the position and, in accordance with the advice received from the Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in the *Corporations Act 2001* including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company, or jointly sharing economic risk and rewards.

A copy of the Auditors' Independence Declaration is set out on page 15.

This report in relation to the financial year to 30 June 2016 is presented by the Directors of the Company in accordance with a resolution of Directors.



Terrence Campbell AO
Chairman

Melbourne
4 August 2016

AUDITOR'S INDEPENDENCE DECLARATION



Auditor's Independence Declaration

As lead auditor for the audit of Mirrabooka Investments Limited for the year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Charles Christie'.

Charles Christie
Partner
PricewaterhouseCoopers

Melbourne
4 August 2016

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FINANCIAL STATEMENTS CONTENTS

17 Financial Statements

- 17 Income Statement
- 18 Statement of Comprehensive Income
- 19 Balance Sheet
- 20 Statement of Changes in Equity
- 22 Cash Flow Statement

23 Notes to the Financial Statements

23 A. Understanding Mirrabooka's Financial Performance

- 23 A1. How Mirrabooka Manages its Capital
- 23 A2. Investments Held and How They Are Measured
- 24 A3. Operating Income
- 25 A4. Dividends Paid
- 26 A5. Earnings Per Share

26 B. Costs, Tax and Risk

- 26 B1. Management Costs
- 27 B2. Tax
- 28 B3. Risk

30 C. Unrecognised Items

- 30 C1. Contingencies

31 Additional Information

31 D. Balance Sheet Reconciliations

- 31 D1. Current Assets – Cash
- 31 D2. Revaluation Reserve
- 31 D3. Realised Capital Gains Reserve
- 32 D4. Retained Profits
- 32 D5. Share Capital

32 E. Income Statement Reconciliations

- 32 E1. Reconciliation of Net Cash Flows From Operating Activities to Profit
- 33 E2. Tax Reconciliations

34 F. Other Information

- 34 F1. Related Parties
- 34 F2. Remuneration of Auditors
- 34 F3. Segment Reporting
- 35 F4. Summary of Other Accounting Policies

FINANCIAL STATEMENTS

INCOME STATEMENT

For the year ended 30 June 2016

	Note	2016 \$'000	2015 \$'000
Dividends and distributions	A3	9,933	8,427
Revenue from deposits and bank bills		386	778
Other revenue		23	30
Total revenue		10,342	9,235
Net gains on trading portfolio		400	110
Income from options written portfolio		946	538
Income from operating activities		11,688	9,883
Administration expenses	B1	(2,299)	(2,245)
Profit for the year before income tax		9,389	7,638
Income tax expense	B2, E2	(544)	(522)
Profit for the year		8,845	7,116
		Cents	Cents
Basic earnings per share	A5	5.89	5.05

This Income Statement should be read in conjunction with the accompanying notes.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2016

	Year to 30 June 2016			Year to 30 June 2015		
	Revenue ¹ \$'000	Capital ¹ \$'000	Total \$'000	Revenue \$'000	Capital \$'000	Total \$'000
Profit for the year	8,734	111	8,845	7,024	92	7,116
Other comprehensive income						
Gains for the period on securities	-	36,360	36,360	-	11,420	11,420
Deferred tax expense on above	-	(10,926)	(10,926)	-	(3,489)	(3,489)
Total other comprehensive income	-	25,434	25,434	-	7,931	7,931
Total comprehensive income	8,734	25,545	34,279	7,024	8,023	15,047

1. 'Capital' includes realised or unrealised gains or losses (and the tax on those) on securities in the investment portfolio. Income in the form of distributions and dividends is recorded as 'revenue'. All other items, including expenses, are included in 'profit for the year', which is categorised under 'revenue'.

None of the items included in other comprehensive income will be recycled through the Income Statement.

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

BALANCE SHEET

As at 30 June 2016

	Note	2016 \$'000	2015 \$'000
Current assets			
Cash	D1	20,989	25,424
Receivables		771	590
Trading portfolio		683	547
Total current assets		22,443	26,561
Non-current assets			
Deferred tax assets	E2	17	-
Investment portfolio	A2	355,475	308,009
Total non-current assets		355,492	308,009
Total assets		377,935	334,570
Current liabilities			
Payables		2,935	1,752
Tax payable		5,976	9,086
Options sold		139	198
Total current liabilities		9,050	11,036
Non-current liabilities			
Deferred tax liabilities	E2	-	71
Deferred tax liabilities – investment portfolio	B2	34,674	29,853
Total non-current liabilities		34,674	29,924
Total liabilities		43,724	40,960
Net assets		334,211	293,610
Shareholders' equity			
Share capital	A1, D5	192,939	162,517
Revaluation reserve	A1, D2	69,606	59,193
Realised capital gains reserve	A1, D3	57,466	59,437
Retained profits	A1, D4	14,200	12,463
Total shareholders' equity		334,211	293,610

This Balance Sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2016

	Year Ended 30 June 2016					
	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the year		162,517	59,193	59,437	12,463	293,610
Dividends paid	A4	-	-	(16,977)	(7,123)	(24,100)
Shares issued under Dividend Reinvestment Plan	D5	4,401	-	-	-	4,401
Shares issued under Share Purchase Plan	D5	26,104	-	-	-	26,104
Other share capital adjustments		(83)	-	-	-	(83)
Total transactions with shareholders		30,422	-	(16,977)	(7,123)	6,322
Profit for the year		-	(15)	-	8,860	8,845
Other comprehensive income (net of tax)						
Net gains for the period		-	25,434	-	-	25,434
Other comprehensive income for the year		-	25,434	-	-	25,434
Transfer to realised capital gains of cumulative gains on investments sold		-	(15,006)	15,006	-	-
Total equity at the end of the year		192,939	69,606	57,466	14,200	334,211

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

2015 comparative

	Year Ended 30 June 2015					Total \$'000
	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains \$'000	Retained Profits \$'000	
Total equity at the beginning of the year		157,456	69,858	61,014	13,107	301,435
Dividends paid	A4	-	-	(20,209)	(7,724)	(27,933)
Shares issued under Dividend Reinvestment Plan	D5	5,077	-	-	-	5,077
Other share capital adjustments		(16)	-	-	-	(16)
Total transactions with shareholders		5,061	-	(20,209)	(7,724)	(22,872)
Profit for the year		-	36	-	7,080	7,116
Other comprehensive income (net of tax)						
Net gains for the period		-	7,931	-	-	7,931
Other comprehensive income for the year		-	7,931	-	-	7,931
Transfer to realised capital gains of cumulative gains on investments sold		-	(18,632)	18,632	-	-
Total equity at the end of the year		162,517	59,193	59,437	12,463	293,610

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT

For the year ended 30 June 2016

	Note	2016 \$'000 Inflows/ (Outflows)	2015 \$'000 Inflows/ (Outflows)
Cash flows from operating activities			
Sales from trading portfolio		7,962	553
Purchases for trading portfolio		(7,201)	(626)
Interest received		512	1,013
Proceeds from entering into options in options written portfolio		952	672
Payment to close out options in options written portfolio		(65)	(14)
Dividends and distributions received		8,042	7,156
		10,202	8,754
Other receipts		23	30
Administration expenses		(2,293)	(2,270)
Income taxes paid		(1,042)	(902)
Net cash inflow/(outflow) from operating activities	E1	6,890	5,612
Cash flows from investing activities			
Sales from investment portfolio		91,400	97,676
Purchases for investment portfolio		(100,293)	(74,594)
Tax paid on capital gains		(8,755)	(10,992)
Net cash inflow/(outflow) from investing activities		(17,648)	12,090
Cash flows from financing activities			
Share issues		26,104	-
Share issue transaction costs		(83)	(16)
Dividends paid		(19,698)	(22,855)
Net cash inflow/(outflow) from financing activities		6,323	(22,871)
Net increase/(decrease) in cash held		(4,435)	(5,169)
Cash at the beginning of the year		25,424	30,593
Cash at the end of the year	D1	20,989	25,424

For the purpose of the Cash Flow Statement, 'cash' includes cash and deposits held at call.

This Cash Flow Statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

A. Understanding Mirrabooka's Financial Performance

A1. How Mirrabooka Manages its Capital

Mirrabooka's objective is to provide shareholders with attractive investment returns through a stream of fully franked dividends and capital growth.

Mirrabooka recognises that its capital will fluctuate with market conditions. In order to manage those fluctuations, the Board may adjust the amount of dividends paid, issue new shares, buy back the Company's shares or sell assets to settle any debt.

Mirrabooka's capital consists of its shareholders' equity plus any net borrowings. A summary of the balances in equity is provided below:

	2016 \$'000	2015 \$'000
Share capital	192,939	162,517
Revaluation reserve	69,606	59,193
Realised capital gains reserve	57,466	59,437
Retained profits	14,200	12,463
	334,211	293,610

Refer to Notes D2–D5 for a reconciliation of movement for each equity account from period to period.

A2. Investments Held and How They Are Measured

Mirrabooka has three portfolios of securities: the investment portfolio, the options written portfolio, and the trading portfolio. Details of all holdings (except for the specific option holdings) as at the end of the reporting period can be found at the end of the Annual Report.

The investment portfolio holds securities that the Company intends to retain on a long term basis. The options written portfolio and trading portfolio are held for short term trading only and are relatively small in size when utilised. The Board has therefore focused the information below on the investment portfolio.

The balance and composition of the investment portfolio was:

	2016 \$'000	2015 \$'000
Equity instruments (at market value)	354,601	306,463
Puttable instruments and convertible notes that are classified as debt	874	1,546
	355,475	308,009

All options written by the Company are call options. If all options were exercised, this would lead to the sale of \$10.9 million worth of securities at an agreed price – the 'exposure' (2015: \$12.9 million).

\$3.5 million of shares are lodged with ASX Clear Pty Ltd as collateral for sold option positions written by the Company (2015: \$3.7 million). These shares are lodged with ASX Clear under the terms of ASX Clear Pty Ltd, which require participants in the exchange traded option market to lodge collateral, and are recorded as part of the Company's investment portfolio.

How Investments Are Shown in the Financial Statements

The Accounting Standards set out the following hierarchy for fair value measurement:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices, which can be observed either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for the asset or liabilities that are not based on observable market data.

All financial instruments held by Mirrabooka are classified as Level 1 (other than an immaterial amount of call options). Their fair values are initially measured at the costs of acquisition and then remeasured based on quoted market prices at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS *continued*

Net Tangible Asset Backing Per Share

The Investment Committee regularly reviews the net asset backing per share both before and after provision for deferred tax on the unrealised gains in Mirrabooka's long term investment portfolio. Deferred tax is calculated as set out in note B2. The relevant amounts as at 30 June 2016 and 30 June 2015 were as follows:

	30 June 2016	30 June 2015
Net Tangible Asset Backing Per Share	\$	\$
Before tax	2.38	2.29
After tax	2.15	2.08

Equity Investments

The shares in the investment portfolio are designated under the Accounting Standards as financial assets measured at fair value through 'other comprehensive income' (OCI) because they are equity instruments held for long term capital growth and dividend income, rather than to make a profit from their sale. This means that changes in the value of these shares during the reporting period are included in OCI in the Statement of Comprehensive Income. The cumulative change in value of the shares over time is then recorded in the revaluation reserve. On disposal, the amounts recorded in the revaluation reserve are transferred to the realisation reserve.

Puttable Instruments and Convertible Notes

Puttable instruments and convertible notes are classified as financial assets at fair value through profit and loss under the Accounting Standards and therefore need to be treated differently in the financial statements, even though they are managed in the same way as the rest of the investment portfolio. Changes in the value of these investments are reflected in the Income Statement and not in the Statement of Comprehensive Income with the other investments. Any gains or losses on these securities are transferred from retained profits to the revaluation reserve. On disposal, the amounts recorded in the revaluation reserve are transferred to the realisation reserve.

Securities Sold and How They Are Measured

Where securities are sold, any difference between the sale price and the cost is transferred from the revaluation reserve to the realisation reserve and the amounts noted in the Statement of Changes in Equity. This means the Company is able to identify the realised gains out of which it can pay a 'listed investment company' (LIC) gain as part of the dividend.

During the period \$90.6 million (2015: \$97.7 million) of equity securities were sold. The cumulative gain on the sale of securities was \$15.0 million for the period after tax (2015: \$18.6 million). This has been transferred from the revaluation reserve to the realisation reserve (see Statement of Changes in Equity). These sales were accounted for at the date of trade.

A3. Operating Income

Dividend Income

The total dividends and distributions received from Mirrabooka's investments in 2016 is set out below.

	2016	2015
	\$'000	\$'000
Dividends and distributions		
Securities held in investment portfolio at 30 June	8,622	7,415
Investment securities sold during the year	1,306	1,012
Securities held in trading portfolio at 30 June	-	-
Trading securities sold during the year	5	-
	9,933	8,427

Dividends from listed securities are recognised as income when those securities are quoted in the market on an ex-distribution basis. Dividends from unlisted securities are recognised as income when they are received. Capital returns on ordinary shares are treated as an adjustment to the carrying value of the shares.

Trading Income

Net gains on the trading and options portfolio are set out below.

	2016 \$'000	2015 \$'000
Net gains		
Net realised gains from trading portfolio	582	17
Realised gains on options written portfolio	687	459
Unrealised gains/(losses) from trading portfolio	(161)	41
Unrealised gains from options written portfolio	259	79
Gains/(losses) on convertible notes classified as debt	(21)	52
	1,346	648

A4. Dividends Paid

The dividends paid and payable for the year ended 30 June 2016 are shown below:

	2016 \$'000	2015 \$'000
(a) Dividends Paid During the Year		
Final dividend for the year ended 30 June 2015 of 6.5 cents fully franked plus special dividend of 7 cents, also fully franked at 30 per cent, paid 7 August 2015 (2015: 6.5 cents fully franked plus special dividend of 10 cents also fully franked at 30 per cent paid, on 8 August 2014)	19,099	22,996
Interim dividend for the year ended 30 June 2016 of 3.5 cents per share fully franked at 30 per cent, paid 9 February 2016 (2015: 3.5 cents fully franked at 30 per cent paid 10 February 2015)	5,001	4,937
	24,100	27,933
Dividends paid in cash	19,699	22,856
Dividends reinvested in shares	4,401	5,077
	24,100	27,933

(b) Franking Credits

Balance on the franking account after allowing for tax payable in respect of the current year's profits and the receipt of dividends recognised as receivables	25,662	25,961
Impact on the franking account of dividends declared but not recognised as a liability at the end of the financial year:	(7,644)	(8,185)
Net available	18,018	17,776
These franking account balances would allow Mirrabooka to frank additional dividend payments up to an amount of:	42,042	41,477

Mirrabooka's ability to continue to pay franked dividends is dependent upon the receipt of franked dividends from the trading and investment portfolios and on Mirrabooka paying tax.

NOTES TO THE FINANCIAL STATEMENTS continued

	2016 \$'000	2015 \$'000
(c) Dividends Declared After Balance Date		
Since the end of the year Directors have declared a final dividend of 6.5 cents per share fully franked at 30 per cent, plus a 5 cent special dividend, also fully franked. The aggregate amount of the final dividend for the year to 30 June 2016 to be paid on 9 August 2016, but not recognised as a liability at the end of the financial year is:	17,837	

(d) Listed Investment Company Capital Gain Account		
Balance of the LIC capital gain account	59,161	61,906
This equates to an attributable amount of	84,515	88,437

Distributed LIC capital gains may entitle certain shareholders to a deduction in their tax return, as set out in the dividend statement. LIC capital gains available for distribution are dependent on the disposal of investment portfolio holdings that qualify for LIC capital gains, or the receipt of LIC distributions from LIC securities held in the portfolios. \$14.7 million of the capital gain (\$21.0 million of the attributable amount) will be paid out as part of the final and the special dividend on 9 August 2016.

A5. Earnings Per Share

The table below shows the earnings per share based on the profit for the year:

	2016	2015
Basic earnings per share	Number	Number
Weighted average number of ordinary shares used as the denominator	150,135,002	141,032,627
	\$'000	\$'000
Profit for the year	8,845	7,116
	Cents	Cents
Basic earnings per share	5.89	5.05

Dilution

As there are no options, convertible notes or other dilutive instruments on issue, diluted earnings per share is the same as basic earnings per share.

B. Costs, Tax and Risk

B1. Management Costs

The total management expenses for the period are as follows:

	2016 \$'000	2015 \$'000
Administration fees paid to AICS	(1,433)	(1,398)
Other administration expenses	(866)	(847)

Administration Fees Paid to AICS

Australian Investment Company Services Limited (AICS) undertakes the day-to-day administration of Mirrabooka's investments and its operations, including financial reporting.

Other Administration Expenses

A major component of other administration expenses is Directors' remuneration. This has been summarised below:

	Short Term Benefits \$	Post Employment Benefits \$	Total \$
2016 Directors	315,069	29,931	345,000
2015 Directors	315,069	29,931	345,000

Mirrabooka recognises Directors' retirement allowances that have been crystallised as 'amounts payable'. There are no further retirement allowances that will need to be expensed.

B2. Tax

Mirrabooka's tax position, and how it accounts for tax, is explained here. Detailed reconciliations of tax accounting to the financial statements can be found in Note E2.

The income tax expense for the period is the tax payable on this financial year's taxable income, adjusted for any changes in deferred tax assets and liabilities attributable to temporary differences and for any unused tax losses. Deferred tax assets and liabilities (except for those related to the unrealised gains or losses in the investment portfolio) are offset, as all current and deferred taxes relate to the Australian Taxation Office and can legally be settled on a net basis.

A provision has been made for taxes on any unrealised gains or losses on securities valued at fair value through the Income Statement – i.e. the trading portfolio, puttable instruments, convertible notes that are classified as debt and the options written portfolio.

A provision also has to be made for any taxes that could arise on sale of securities in the investment portfolio, even though there is no intention to dispose of them. Where Mirrabooka disposes of such securities, tax is calculated according to the particular parcels allocated to the sale for tax purposes, offset against any capital losses carried forward.

Tax Expense

The income tax expense for the period is shown below:

	2016 \$'000	2015 \$'000
<i>(a) Reconciliation of Income Tax Expense to Prima Facie Tax Payable</i>		
Net profit before income tax expense	9,389	7,638
Tax at the Australian tax rate of 30 per cent (2015 – 30 per cent)	2,817	2,291
Tax offset for franked dividends	(2,143)	(1,730)
Tax effect of sundry items not taxable in calculating taxable income	(88)	(4)
	586	557
Over provision in prior years	(42)	(35)
Total tax expense	544	522

NOTES TO THE FINANCIAL STATEMENTS continued

Deferred Tax Liabilities – Investment Portfolio

The Accounting Standards require us to recognise a deferred tax liability for the potential capital gains tax on the unrealised gain in the investment portfolio. This amount is shown in the Balance Sheet. However, the Board does not intend to sell the investment portfolio, so this tax liability is unlikely to arise at this amount. Any sale of securities would also be affected by any changes in capital gains tax legislation or tax rate applicable to such gains when they are sold.

	2016 \$'000	2015 \$'000
Deferred tax liabilities on unrealised gains in the investment portfolio	34,674	29,853
Opening balance at 1 July	29,853	35,125
(Credited)/charged to Income Statement for puttable instruments/non-equity investments	(6)	16
Tax on realised gains	(6,099)	(8,777)
Charged to OCI for ordinary securities on gains or losses for the period	10,926	3,489
	34,674	29,853

B3. Risk

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

As a LIC that invests in tradeable securities, Mirrabooka can never be free of market risk as it invests its capital in securities that are not risk free – the market price of these securities will fluctuate.

A general fall in market prices of 5 per cent and 10 per cent, if spread equally over all assets in the investment portfolio, would lead to a reduction in Mirrabooka's comprehensive income of \$12.4 million and \$24.8 million respectively, at a tax rate of 30 per cent (2015: \$10.7 million and \$21.5 million), and a reduction in profit after tax of \$31,000 and \$61,000 respectively, at a tax rate of 30 per cent (2015: \$54,000 and \$108,000). The revaluation reserve at 30 June 2016 was \$69.6 million (2015: \$59.2 million). It would require a fall in the value of the investment portfolio of 28 per cent after tax to fully deplete this (2015: 27 per cent).

Mirrabooka seeks to reduce market risk at the investment portfolio level by ensuring that it is not, in the opinion of the Investment Committee, overly exposed to one company or one particular sector of the market. The relative weightings of the individual securities and the relevant market sectors are reviewed by the Investment Committee and risk can be managed by reducing exposure where necessary. Mirrabooka does not have a minimum or maximum amount of the portfolio that can be invested in a single company or sector.

Mirrabooka's investment exposure by sector is as below:

	2016 %	2015 %
Energy	2.54	4.95
Materials	9.51	15.04
Industrials	13.36	13.87
Consumer discretionary	16.67	14.39
Consumer staples	8.92	6.45
Healthcare	15.00	11.90
Financials	9.97	9.01
Real estate	6.10	4.94
Info technology and telecommunications	12.36	10.89
Utilities	0.00	0.93
Cash	5.57	7.63

There were no securities representing over 5 per cent of the investment portfolio at 30 June 2016 (2015: nil).

Mirrabooka is not currently materially exposed to interest rate risk as all its cash investments are short term for a fixed interest rate. Mirrabooka is also not directly exposed to material currency risk as most of its investments are quoted in Australian dollars.

The writing of call options provides some protection against a fall in market prices as it generates income to partially compensate for a fall in capital values. Options are only written against securities that are held in the trading or investment portfolio.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Mirrabooka is exposed to credit risk from cash, receivables, securities in the trading portfolio and securities in the investment portfolio respectively. None of these assets are overdue. The risk in relation to each of these items is set out below.

Cash

All cash investments not held in a transactional account are invested in short term deposits with Australia's 'big four' commercial banks or their wholly-owned subsidiaries or in cash management trusts managed by those subsidiaries. In the unlikely event of a bank default or default on the underlying securities in the cash trust, there is a risk of losing the cash deposits and any accrued unpaid interest.

Receivables

Outstanding settlements are on the terms operating in the securities industry, which usually require settlement within two days of the date of a transaction. Receivables are non-interest bearing and unsecured. In the event of a payment default, there is a risk of losing any difference between the price of the securities sold and the price of the recovered securities from the discontinued sale.

Trading and Investment Portfolios

Converting and convertible notes or other interest-bearing securities that are not equity securities carry credit risk to the extent of their carrying value. This risk will be realised in the event of a shortfall on winding up of the issuing companies.

Liquidity Risk

Liquidity risk is the risk that an entity will not be able to meet its financial liabilities.

Mirrabooka monitors its cash flow requirements daily. The Investment Committee also monitors the level of contingent payments on a regular basis by reference to known sales and purchases of securities, dividends and distributions to be paid or received, put options that may require Mirrabooka to purchase securities, and facilities that need to be repaid. Mirrabooka ensures that it has either cash or access to short term borrowing facilities sufficient to meet these contingent payments.

Mirrabooka's inward cash flows depend upon the dividends received. Should these drop by a material amount, Mirrabooka would amend its outward cash flows accordingly. Mirrabooka's major cash outflows are the purchase of securities and dividends paid to shareholders, and both of these can be adjusted by the Board and management. Furthermore, the assets of Mirrabooka are largely in the form of readily tradeable securities, which can be sold on-market if necessary.

NOTES TO THE FINANCIAL STATEMENTS continued

The table below analyses Mirrabooka's financial liabilities into relevant maturity groupings. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less Than 6 Months \$'000	6-12 Months \$'000	Greater Than 1 Year \$'000	Total Contractual Cash Flows \$'000	Carrying Amount \$'000
30 June 2016					
Non-derivatives					
Payables	2,935	-	-	2,935	2,935
	2,935	-	-	2,935	2,935
30 June 2015					
Non-derivatives					
Payables	1,752	-	-	1,752	1,752
	1,752	-	-	1,752	1,752

C. Unrecognised Items

Unrecognised items, such as contingencies, do not appear in the financial statements, usually because they don't meet the requirements for recognition. However, they have the potential to have a significant impact on the Group's financial position and performance.

C1. Contingencies

Directors are not aware of any material contingent liabilities or contingent assets other than those already disclosed elsewhere in the Financial Report.

ADDITIONAL INFORMATION

Additional information that shareholders may find useful is included here. It is grouped into three sections:

- D. Balance Sheet reconciliations
- E. Income Statement reconciliations
- F. Other information

D. Balance Sheet Reconciliations

This section provides further information about the basis of calculation of line items in the financial statements.

D1. Current Assets – Cash

	2016 \$'000	2015 \$'000
Cash at bank and in hand (including on-call)	20,989	25,424
	20,989	25,424

Cash holdings yielded an average floating interest rate of 2.22 per cent (2015: 2.8 per cent). All cash investments not held in a transactional account or an overnight 'at call' account are invested in short term deposits with Australia's 'big four' commercial banks or their wholly-owned subsidiaries, all rated 'AA-' by S&P, which have a maturity of three months or less or in cash management trusts managed by those subsidiaries that invest predominantly in securities with a A1+ rating.

D2. Revaluation Reserve

	2016 \$'000	2015 \$'000
Opening balance at 1 July	59,193	69,858
Gains/(losses) on investment portfolio		
– Equity instruments	36,360	11,420
– Puttable/debt instruments (transferred from retained profits)	(21)	52
Provision for tax on above	(10,920)	(3,505)
Cumulative taxable realised (gains)/losses (net of tax)	(15,006)	(18,632)
	69,606	59,193

This reserve is used to record increments and decrements on the revaluation of the investment portfolio as described in accounting policy Note A2.

D3. Realised Capital Gains Reserve

	2016 \$'000	2015 \$'000
Opening balance at 1 July	59,437	61,014
Dividends paid	(16,977)	(20,209)
Cumulative taxable realised gains for period through OCI (net of tax)	15,006	18,632
	57,466	59,437

This reserve records gains or losses after applicable taxation arising from disposal of securities in the investment portfolio as described in Note A2.

ADDITIONAL INFORMATION continued

D4. Retained profits

	2016 \$'000	2015 \$'000
Opening balance at 1 July	12,463	13,107
Dividends paid	(7,123)	(7,724)
Profit for the year	8,845	7,116
Transfer to revaluation reserve (puttable instruments and non-equity investments)(net of tax)	15	(36)
	14,200	12,463

This reserve relates to past profits.

D5. Share Capital

Date	Details	Note	Number of Shares '000	Issue Price \$	Paid-up Capital \$'000
1/7/2014	Balance		139,369		157,456
8/8/2014	Dividend Reinvestment Plan	(i)	1,681	2.46	4,134
10/2/2015	Dividend Reinvestment Plan	(i)	423	2.23	943
Various	Costs of issue		-		(16)
30/6/2015	Balance		141,473		162,517
7/8/2015	Dividend Reinvestment Plan	(i)	1,404	2.50	3,512
19/11/2015	Share Purchase Plan	(ii)	11,867	2.20	26,104
9/2/2016	Dividend Reinvestment Plan	(i)	362	2.46	889
Various	Costs of issue		-		(83)
30/6/2016	Balance		155,106		192,939

(i) Shareholders elect to have all or part of their dividend payment reinvested in new ordinary shares under the Dividend Reinvestment Plan (DRP). The price of the new DRP shares is based on the average selling price of shares traded on the Australian Securities Exchange and Chi-X in the five days after the shares begin trading on an ex-dividend basis.

(ii) During the year ended 30 June 2016, the Company offered a Share Purchase Plan (SPP). Shareholders were invited to subscribe for \$15,000 worth of new shares. Pricing was set at a 10 per cent discount to the VWAP of shares traded on the ASX and Chi-X in the five trading days up to and including the closing date of the offer. Shares issued under the SPP were not entitled to the interim dividend paid on 9 February 2016.

All shares have been fully paid, rank pari passu and have no par value.

E. Income Statement Reconciliations

E1. Reconciliation of Net Cash Flows From Operating Activities to Profit

	2016 \$'000	2015 \$'000
Profit for the year	8,845	7,116
Change in fair value of puttable instruments	15	(36)
Net decrease/(increase) in trading portfolio	(136)	(547)
Increase/(decrease) in options written portfolio	(59)	119
Dividends received as securities under DRP investments	(1,074)	(1,009)
Decrease/(increase) in current receivables	(181)	448
– Less increase/(decrease) in receivables for investment portfolio	17	-
Increase/(decrease) in deferred tax liabilities	4,733	(5,335)
– Less (increase)/decrease in deferred tax liability on investment portfolio	(4,821)	5,272
Increase/(decrease) in current payables	1,183	1,463
– Less decrease/(increase) in payables for investment portfolio	(1,178)	(1,485)
Increase/(decrease) in provision for tax payable	(3,110)	(2,609)
– Less CGT provision	(6,099)	(8,777)
– Add taxes paid on capital gains	8,755	10,992
Net cash flows from operating activities	6,890	5,612

E2. Tax Reconciliations

Tax expense composition

	2016 \$'000	2015 \$'000
Charge for tax payable relating to the current year	680	604
Over provision in prior years	(42)	(35)
Increase/(decrease) in deferred tax liabilities	(88)	(63)
Increase/(decrease) in deferred tax liabilities – investment portfolio	(6)	16
	544	522

Amounts Recognised Directly Through Other Comprehensive Income

Net increase in deferred tax liabilities relating to capital gains tax on the movement in gains in the investment portfolio	10,926	3,489
	10,926	3,489

Deferred Tax Assets and Liabilities

The deferred tax balances are attributable to:

	2016 \$'000	2015 \$'000
(a) Tax on unrealised gains or losses in the trading portfolio	48	(12)
(b) Tax on unrealised gains in the options written portfolio	(78)	(24)
(c) Provisions and expenses charged to the accounting profit that are not yet tax deductible	81	78
(d) Interest and dividend income receivable that is not assessable for tax until receipt	(34)	(113)
	17	(71)

Movements:

Opening asset balance at 1 July	(71)	(134)
Credited/(charged) to Income Statement	88	63
	17	(71)

Deferred tax assets arise when provisions and expenses have been charged but are not yet tax deductible. These assets are realised when the relevant items become tax deductible, as long as enough taxable income has been generated to claim the assets against, and as long as there are no changes to the tax legislation that affect Mirrabooka's ability to claim the deduction.

The portion of deferred tax liability likely to be reversed within the next 12 months is \$61,000 (2015: \$149,000). This relates primarily to items described in items (a), (b) and (d) above.

ADDITIONAL INFORMATION continued

F. Other Information

This section covers other information that is not directly related to specific line items in the financial statements, including information about related party transactions and other statutory information.

F1. Related Parties

All transactions with deemed related parties were made on normal commercial terms and conditions and approved by independent Directors.

F2. Remuneration of Auditors

For the year the auditor earned or will earn the following remuneration:

	2016 \$	2015 \$
PricewaterhouseCoopers		
Audit or review of financial reports	124,342	122,274
Non-audit services		
Taxation compliance services	15,708	15,371
Total remuneration	140,050	137,645

F3. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Board, through its sub-committees, has been identified as the chief operating decision-maker, as it is responsible for allocating resources and assessing performance of the operating segments.

Description of Segments

The Board makes the strategic resource allocations for Mirrabooka. Mirrabooka has therefore determined the operating segments based on the reports reviewed by the Board, which are used to make strategic decisions.

The Board is responsible for Mirrabooka's entire portfolio of investments and considers the business to have a single operating segment. The Board's asset allocation decisions are based on a single, integrated investment strategy and Mirrabooka's performance is evaluated on an overall basis.

Segment Information Provided to the Board

The internal reporting provided to the Board for Mirrabooka's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of Australian Accounting Standards, except that net assets are reviewed both before and after the effects of capital gains tax on investments (as reported in Mirrabooka's net tangible asset announcements to the ASX).

Other Segment Information

Revenues from external parties are derived from the receipt of dividend, distribution and interest income, and income arising on the trading portfolio and realised income from the options portfolio.

Mirrabooka is domiciled in Australia and most of Mirrabooka's income is derived from Australian entities or entities that maintain a listing in Australia. Mirrabooka has a diversified portfolio of investments, with no investment comprising more than 10 per cent of Mirrabooka's income, including realised income from the trading and options written portfolios.

F4. Summary of Other Accounting Policies

This general purpose Financial Report has been prepared in accordance with Australian Accounting Standards, Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. This Financial Report has been authorised for issue and is presented in the Australian currency. Mirrabooka has the power to amend and reissue the Financial Report.

Mirrabooka has attempted to improve the transparency of its reporting by adopting 'plain English' where possible. Key 'plain English' phrases and their equivalent AASB terminology are as follows:

Phrase	AASB Terminology
Market value	Fair value for actively traded securities
Cash	Cash and cash equivalents
Share capital	Contributed equity
Options	Derivatives written over equity instruments that are valued at fair value through profit or loss

Mirrabooka complies with International Financial Reporting Standards (IFRS). Mirrabooka is a 'for profit' entity.

Mirrabooka has not applied any Australian Accounting Standards or AASB Interpretations that have been issued as at balance date but are not yet operative for the year ended 30 June 2016 ('the inoperative standards') except for AASB 9, which was adopted on 7 December 2009. The impact of the inoperative standards has been assessed and the impact has been identified as not being material. Mirrabooka only intends to adopt other inoperative standards at the date at which their adoption becomes mandatory.

Basis of Accounting

The financial statements are prepared using the valuation methods described in A2. All other items have been treated in accordance with the historical cost convention.

Fair Value of Financial Assets and Liabilities

The fair value of cash and cash equivalents, and non-interest bearing monetary financial assets and liabilities of Mirrabooka approximates their carrying value.

Rounding of Amounts

Mirrabooka is a company of the kind referred to in the ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the Financial Report. Amounts in the Financial Report have been rounded off in accordance with that instrument, to the nearest thousand dollars or, in certain cases, to the nearest dollar.

DIRECTORS' DECLARATION

In the Directors' opinion:


- (1) the financial statements and notes set out on pages 17 to 35 are in accordance with the *Corporations Act 2001* including:
- (a) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) giving a true and fair view of the Company's financial position as at 30 June 2016 and of its performance for the financial year ended on that date; and
- (2) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note F4 to the financial statements confirms that the financial statements also comply with International Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Directors.

This declaration has been made after receiving the declarations required to be made to the Directors by the Managing Director and the Chief Financial Officer regarding the financial statements in accordance with Section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2016.

The declarations received were that, in the opinion of the Managing Director and the Chief Financial Officer and to the best of their knowledge, the financial records of the Company have been properly maintained, that the financial statements comply with Accounting Standards and that they give a true and fair view.



Terrence Campbell AO
Chairman

Melbourne
4 August 2016



Independent auditor's report to the members of Mirrabooka Investments Limited

Report on the financial report

We have audited the accompanying financial report of Mirrabooka Investments Limited (the company), which comprises the balance sheet as at 30 June 2016, the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note F, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

PricewaterhouseCoopers, ABN 52 780 433 757
Freshwater Place, 2 Southbank Boulevard, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.



Auditor's opinion

In our opinion:

- (a) the financial report of Mirrabooka Investments Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.
- (b) the company's financial report also complies with International Financial Reporting Standards as disclosed in Note F.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2016. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion, the remuneration report of Mirrabooka Investments Limited for the year ended 30 June 2016 complies with section 300A of the *Corporations Act 2001*.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers', written over a faint, larger version of the same text.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'Charles Christie', written over a faint, larger version of the same text.

Charles Christie
Partner

Melbourne
4 August 2016

OTHER INFORMATION

At 27 July 2016 there were 6,656 holdings of shares. These holdings were distributed in the following categories:

Size of Holding	Holdings
1 to 1,000	504
1,001 to 5,000	1,335
5,001 to 10,000	1,275
10,001 to 100,000	3,393
100,000 and over	149
Total	6,656

Percentage held by the 20 largest holders	16.23%
Average shareholding	23,303

There were 116 shareholdings of less than a marketable parcel of \$500 (175 shares).

Voting Rights of Ordinary Shares

The Constitution provides for votes to be cast:

- (i) on a show of hands, one vote for each shareholder; and
- (ii) on a poll, one vote for each fully paid ordinary share.

Major Shareholders

The 20 largest registered shareholders of the Company's ordinary shares as at 27 July 2016 are noted below:

Holder	Shares Held	%
Australian Foundation Investment Company Limited	8,727,827	5.63
Djerriwarrh Investments Limited	4,437,671	2.86
Terrence A Campbell	2,621,463	1.69
Netwealth Investments Limited <Wrap Services A/C>	1,075,872	0.69
Navigator Australia Ltd <MLC Investment Sett A/C>	850,415	0.55
Netwealth Investments Limited <Super Services A/C>	805,089	0.52
Nulis Nominees (Australia) Limited <Navigator Mast Plan Sett A/C>	690,466	0.45
Mr Ian Stanley Fraser + Mr John Bruce Hannaford + Mr Andrew Stanley Fraser <Joe White Bequest Cap A/C>	621,240	0.40
National Nominees Limited	613,816	0.40
Australian Executor Trustees Limited <No 1 Account>	499,754	0.32
Somoke Pty Limited <Pulman Super Fund A/C>	486,425	0.31
Ross Barker	481,483	0.31
Baker Custodian Corporation	456,819	0.29
Yelgarn Pty Ltd <Montgomery Super Fund A/C>	446,819	0.29
Lonceta Pty Ltd <Hancock Super Fund A/C>	416,766	0.27
Dequetteville Nominees Pty Ltd	408,478	0.26
Abtourk (Vic No 11) Pty Ltd	406,519	0.26
Prof Peter Angas Parsons	402,267	0.26
O R Dolgoshein Pty Ltd <Geoffrey J Long S/F A/C>	373,314	0.24
Brownell Superannuation Pty Ltd <Brownell Super Fund A/C>	350,000	0.23

SUBSTANTIAL SHAREHOLDERS

The Company has been notified of substantial shareholdings as follows:

Holder	Number of Shares	Date Notified
Australian Foundation Investment Company Limited	5,200,000	28/06/01

The above notice was lodged prior to the rights issues of September 2003 and February 2008. Current shareholding reflected on page 39.

HOLDINGS OF SECURITIES

As at 30 June 2016

Details of the Company's portfolios are given below. The list should not, however, be used to evaluate portfolio performance or to determine the net asset backing per share (which is recorded each month on the toll free telephone service at 1800 780 784), as individual holdings in the portfolio may change.

Unless otherwise stated, the securities in this list are fully paid ordinary shares, trust units, stapled securities or convertible notes.

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
TWE	Treasury Wine Estates	Wine company with over 50 brands produced in Australia, New Zealand, the United States and Italy and sold globally	1,263	1,431	13,212
QUB	Qube Holdings	Provider of import and export logistics services with national operations	4,448	5,000	11,050
LIC	Lifestyle Communities	Developer, owner and manager of independent living communities for elderly citizens. The company operates eight villages across Victoria, encompassing a full range of community and lifestyle-orientated facilities on site	3,450	3,616	10,522
HSO	Healthscope	One of Australia's leading private healthcare operators through the ownership and operation of private hospitals and medical centres	800	3,347	9,573
IRE	IRESS	Provider of share market and wealth management information systems	840	840	9,148
VOC	Vocus Communications	Provider of wholesale, retail and business telecommunications services in Australia and New Zealand	1,050	1,050	8,946
FNP	Freedom Foods Group	Specialist producer of allergen-free foods, with related packaging and marketing interests in dairy and seafood	1,829	1,947	7,903
MYX	Mayne Pharma Group	A specialty pharmaceutical company that develops and manufactures branded and generic products, which it distributes globally either directly or through distribution partners	1,000	4,114	7,838
MFT	Mainfreight	Provider of managed warehousing and international and domestic freight forwarding services	0	490	7,796
SEK	SEEK	Operator of employment classifieds websites in Australia and offshore with interests in education and training	415	500	7,605
TPM	TPG Telecom	Provider of a diverse range of communication services to residential users, small and medium sized enterprises, government and large corporate enterprises. The company owns and operates its own domestic network infrastructure and an international submarine cable connecting Australia and Guam	625	625	7,438
RMD*	ResMed	Leading developer, manufacturer and distributor of medical equipment for treating, diagnosing and managing sleep-disordered breathing and other respiratory disorders	1,000	900	7,390
ALQ	ALS	Provider of analytical laboratory services to mining, life sciences, energy and industrial clients	1,350	1,500	7,335
ARB	ARB Corporation	Manufacturer and distributor of four-wheel drive vehicle accessories in Australia and internationally	433	433	7,254
NUF	Nufarm	Agricultural chemical company that manufactures and sells crop protection and seed products globally	909	909	6,702
CGF	Challenger	Financial services company providing life insurance, annuities and funds management	613	765	6,599
AWC	Alumina	40 per cent interest in a joint venture with Alcoa involved in bauxite mining, alumina refining and aluminium smelting	5,322	5,000	6,475
JHC	Japara Healthcare	Provider of residential aged care services	1,991	2,452	6,253
EVT	Event Hospitality and Entertainment	Entertainment, hospitality and leisure company with interests in cinemas, hotels and resorts	535	425	6,175
TGR	Tassal Group	Producer of Atlantic salmon from Tasmania	2,576	1,550	6,169
ANN*	Ansell	Designer, manufacturer and distributor of a wide range of industrial, surgical and examination gloves and other protective products	415	340	6,149

HOLDINGS OF SECURITIES *continued*

As at 30 June 2016

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
IPL	Incitec Pivot	Manufacturer and supplier of nitrogen-based fertiliser and industrial explosives	2,014	2,037	6,050
WLL	Wellcom Group	Production company providing pre media, digital asset management and specialty printing services to advertisers, retailers and corporations	1,204	1,287	6,047
PPT	Perpetual	Diversified financial company offering investment management, financial advice and corporate trust services	144	144	5,921
REH	Reece	Distributor and retailer of plumbing, building and hardware supplies	122	157	5,812
AMA	AMA Group	An automotive aftercare and accessories business focused on the vehicle panel repair market and the manufacture and sale of bullbars	5,517	7,015	5,647
AUB	AUB Group	Investor in a network of small to medium sized Australian insurance brokers	452	558	5,635
SOL	Washington H Soul Pattinson	Listed investment company with a diverse portfolio of investments including coal mining, building materials, telecommunications, pharmaceuticals and other listed equities	321	321	5,464
CGL	The Citadel Group	Provider of professional training services and technology-related consulting	1,028	990	5,347
OFX	OzForex Group	An online foreign currency payment service provider to consumers and small businesses	0	2,250	5,220
NVT*	Navitas	An international education provider through its University Pathways Programs, Creative Media Education, English Language Training and Settlement services	0	918	5,028
APE	AP Eagers	Operator of a national footprint of full service motor vehicle dealerships representing a broad range of car and truck brands in Australia	420	420	5,011
EQT	EQT Holdings	Provider of private client, trustee, estate administration and funds management services	328	300	4,932
FPH	Fisher & Paykel Healthcare Corporation	Designs, manufactures and markets a range of medical devices used in respiratory care and the treatment of obstructive sleep apnoea	331	515	4,921
IVC	InvoCare	Provider of services related to funerals, burials and cremations	360	360	4,730
GTY	Gateway Lifestyle Group	Develops and operates residential communities for elderly residents	125	1,581	4,537
NTC	NetComm Wireless	Delivers advanced broadband and wireless devices that empower businesses, people and machines to connect to the internet	1,500	1,800	4,536
CVW	ClearView Wealth	Life insurance company with associated offerings in wealth management and financial advice	2,288	4,425	4,204
VTG	Vita Group	Retailer of mobile phones and accessories, and provider of telecommunications solutions to corporate customers	1,401	1,000	4,110
CTX*	Caltex Australia	Australia's leading transport fuel supplier and convenience retailer, with integrated oil refining, logistics and marketing operations across the country	150	129	4,099
CSV	CSG	A print and communications solution provider to corporate and government customers	1,250	2,741	4,084
AAC	Australian Agricultural Company	Owns and operates properties, feedlots and farms for the production of beef and is expanding its value added branded beef operations	0	2,215	3,909
GBT	GBST Holdings	A provider of software and services to the global financial services industry	320	919	3,807
BKW	Brickworks	Australia's largest manufacturer of bricks and pavers, with other investments in property development and listed equities	262	262	3,762

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
ILU	Iluka Resources	Miner of zircon and titanium-based mineral sands products with an additional iron ore production royalty	500	575	3,732
ASZ	ASG Group	Australian IT business solutions provider offering IT management and consulting services	0	3,900	3,549
AAD	Ardent Leisure	An operator of leisure and entertainment assets across Australia, the United States and New Zealand	0	1,800	3,384
OCL	Objective Corporation	Provider of information technology software and services	729	1,873	3,353
CVO	Cover-More Group	Provider of travel insurance and medical assistance services	1,680	2,583	3,126
PGC	Paragon Care	A supplier of medical equipment and consumables to the healthcare market	0	4,000	2,800
BLX	Beacon Lighting Group	Australia's largest lighting and accessory retailer with integrated operations from design and sourcing through to merchandising and retailing	1,624	2,000	2,720
SOM	SomnoMed	Provides 'continuous open airway therapy' oral devices for the treatment of sleep-related breathing disorders and obstructive sleep apnoea	0	749	2,688
PBG	Pacific Brands	Owns and markets a portfolio of brands that is predominately driven by Bonds underwear and apparel and Sheridan linen and home accessories	0	2,500	2,640
TOX	Tox Free Solutions	Integrated waste management and environmental service business	1,200	1,000	2,590
SRX	Sirtex Medical	An Australian medical device company that markets its proprietary radiation therapy for the treatment of liver-related cancers globally	40	100	2,557
ADH	Adairs	A specialty retailer of home furnishings in Australia with a national footprint of stores across a number of store formats	500	1,031	2,547
PPS	Praemium	A provider of investment platforms, administration and customer relationship management solutions to the financial services industry in Australia, the United Kingdom and Asia	1,965	7,000	2,415
GHC	Generation Healthcare REIT	Real estate investment trust that invests in hospitals, medical centres, laboratories and other purpose-built healthcare facilities	1,044	1,044	2,298
CDP	Carindale Property	50 per cent interest in the Westfield Carindale Shopping Centre, south-east of Brisbane	255	255	2,270
MVP	Medical Developments	Manufacturer and distributor of pharmaceutical drugs and medical equipment, mainly for pain management	0	370	2,257
ICQ	iCar Asia	Operator of a network of automotive-related classifieds websites across South East Asia	2,600	2,600	2,210
GTN	GTN	Supplier of traffic information reports to radio stations across each operating geography (Australia, Canada, United Kingdom and Brazil), providing advertisers in these markets with a unique and broad audience reach	0	1,053	2,126
ISD	Isentia Group	Provides large consumer brand, corporate and government clients with media monitoring, relations and insights software and services that helps drive business and communication decisions	0	550	1,909
IDX	Integral Diagnostics	A national operator of a network of diagnostic imaging sites	0	1,296	1,879
SIV	Silver Chef	Provides hospitality and other small business operators with a 'rent-try-buy' funding solution for their capital equipment	0	171	1,830
ASB	Austal Limited	Specialises in the design, construction and maintenance of high-performance aluminium vessels for defence and commercial purposes	2,000	1,500	1,815
REG	Regis Healthcare	Owns and operates residential aged care facilities	274	384	1,801
CGC	Costa Group Holdings	Australia's largest grower, packer and marketer of premium quality fresh fruit and vegetables with a focus on the berry, premium tomato, mushroom and citrus markets	0	600	1,632

HOLDINGS OF SECURITIES *continued*

As at 30 June 2016

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
FLT	Flight Centre Travel Group	Global travel agency business with retail, corporate and wholesale brands across a range of countries	65	50	1,579
IEL	IDP Education	Provider of international English language testing, student placement and English language teaching services	0	326	1,344
LSX	Lion Selection Group	Mining investment company that invests in, and provides funding to, mining companies in the project development phase	3,325	4,360	1,330
MUA	Mitula Group	An online classifieds search engine operating in 40 countries	1,000	1,350	1,282
SKB	Skydive The Beach Group	Australia and New Zealand's largest operator of tandem skydives across landmark tourist drop zones in each country	0	2,494	1,272
AWE	AWE	Oil and gas company with production development and exploration assets in Australia, New Zealand, the United States and Indonesia	1,500	1,500	1,245
NFNG	Nufarm Step-Up Securities	Agricultural chemical company that manufactures and sells crop protection and seed products globally	10	10	874
RBL	Redbubble	Operates a global online marketplace for print on demand products (including T-shirts and other clothing, wall art and home décor), based on user submitted artwork	0	815	872
SFC	Schaffer Corporation	Industrial corporation with interests in the manufacture of automotive leather and building materials	163	163	831
BWX	BWX	An Australian branded body, hair and skin care products company	0	167	785
WTC	WiseTech Global	Global provider of cloud-based software for the international and domestic logistics industries	0	149	661
HUB	HUB24	Provider of platform, investment, advisory and stock-broking services to institutional, corporate and retail clients	0	171	628
XRO	Xero	Develops cloud-based accounting software for small and medium sized businesses in New Zealand, Australia, the United Kingdom and the United States	0	30	522
MSV	Mitchell Services	Provider of exploration and mine site drilling services to the mining industry	51,367	27,521	468
PHG	Pulse Health	Operator of private hospitals, day surgeries and related healthcare services in regional communities	3,500	2,101	462
AB1	Animoca Brands Corporation	Creates and publishes a portfolio of mobile games and content for smartphones and tablets across a number of markets globally	0	2,223	445
RWC	Reliance Worldwide Corporation	Global provider of water control systems and plumbing solutions for domestic, commercial and industrial applications with the largest product category being 'push to connect' plumbing fittings in the United States residential market	0	120	371
ACX	Aconex	The most widely used online collaboration platform in the world for construction, infrastructure, energy and resources projects	0	48	336
MTO	Motorcycle Holdings	Australia's largest motorcycle dealership operator with locations in Queensland, New South Wales and the Australian Capital Territory	0	58	157
REV	Real Estate Investar Group	Provider of online tools that help people build and manage their investment property portfolios	0	1,400	81
WICOA	WestOz Options	Listed investment company focused on Western Australian-based companies	0	162	0
Total					356,019

* Indicates that options were outstanding against part of the holding.

MAJOR CHANGES TO THE INVESTMENT PORTFOLIO

	Cost \$'000
Acquisitions (Above \$3 million)	
Mainfreight*	6,755
Healthscope	6,387
OzForex Group*	5,568
Mayne Pharma Group	4,089
Navitas*	3,954
Gateway Lifestyle Group	3,790
ASG Group*	3,680
Ardent Leisure Group*	3,453
Australian Agricultural Company*	3,136

* New stock in the portfolio.

	Proceeds \$'000
Sales (Above \$3 million)#	
iProperty Group (takeover by REA Group Limited)	8,665
Blackmores	5,018
Broadspectrum (takeover by Ferrovial)	4,943
James Hardie Industries	4,448
Tassal Group	4,357
Sims Metal Management	4,153
Veda Group (takeover by Equifax)	4,096
BigAir Group	3,753
Energy Developments (takeover by DUET Group)	3,410
SAI Global	3,212
Oil Search	3,063

All are complete disposals from the portfolio other than Tassal Group.

SUB-UNDERWRITING

During the year the Company participated as a sub-underwriter of issues of securities. The principal underwriter and securities involved were:

Company	Underwritten by	Description	Amount Underwritten
Mayne Pharma Group Limited	Credit Suisse/UBS	\$888 million equity raising including: <ul style="list-style-type: none">• \$601 million 1 for 1.725 accelerated non-renounceable pro rata entitlement offer• \$287 million institutional placement	\$1,333,334
ALS Limited	J.P. Morgan/Morgans Corporate	\$325 million 1 for 9 accelerated non-renounceable pro rata entitlement offer	\$699,999
Silver Chef Limited	Wilson HTM Corporate Finance/Morgans Corporate	\$30 million 5 for 21 accelerated non-renounceable pro rata entitlement offer	\$605,447
Somnomed Limited	Wilson HTM	\$10.5 million 2 for 25 accelerated non-renounceable pro rata entitlement offer	\$776,086

TRANSACTIONS IN SECURITIES

During the year ended 30 June 2016, the Company recorded 909 transactions in securities. \$441,515 in brokerage (including GST) was paid or accrued for the year.

SHARE ISSUES

Date of Issue	Type	Price Per Share \$
9 February 2016	Dividend Reinvestment Plan	2.46
19 November 2015	Share Purchase Plan	2.20
7 August 2015	Dividend Reinvestment Plan	2.50
10 February 2015	Dividend Reinvestment Plan	2.23
8 August 2014	Dividend Reinvestment Plan	2.46
11 February 2014	Dividend Reinvestment Plan	2.33
9 August 2013	Dividend Reinvestment Plan	2.26
12 February 2013	Dividend Reinvestment Plan	2.14
3 August 2012	Dividend Reinvestment Plan	1.85
10 February 2012	Dividend Reinvestment Plan	1.74
5 August 2011	Dividend Reinvestment Plan	1.83
16 August 2010	Share Purchase Plan	1.60
12 February 2010	Dividend Reinvestment Plan	1.99
7 August 2009	Dividend Reinvestment Plan	1.55
13 February 2009	Dividend Reinvestment Plan	1.32
29 February 2008	1 for 7 rights issue	1.95
2 August 2007	Dividend Reinvestment Plan	2.49
2 March 2007	Dividend Reinvestment Plan	2.09
23 August 2006	Dividend Reinvestment Plan	1.86
15 March 2004	Share Acquisition Plan	1.15
23 September 2003	1 for 4 rights issue	1.00
13 April 2003	Share Acquisition Plan	1.00
22 April 1999	Initial share issue	1.00

COMPANY PARTICULARS

Mirrabooka Investments Limited (MIR)
ABN 31 085 290 928

Directors

Terrence A Campbell AO, Chairman
Ross E Barker, Managing Director
Ian A Campbell
David E Meiklejohn AM
Graeme W Sinclair

Company Secretaries

Matthew J Rowe
Andrew JB Porter

Auditor

PricewaterhouseCoopers
Chartered Accountants

Country of Incorporation

Australia

Registered Office and Mailing Address

Level 21, 101 Collins Street
Melbourne Victoria 3000

Contact Details

Telephone (03) 9650 9911
Facsimile (03) 9650 9100
Email invest@mirra.com.au
Website mirra.com.au

For enquiries regarding net asset backing (as advised each month to the Australian Securities Exchange):

Telephone 1800 780 784 (toll free)

Share Registrar

Computershare Investor Services Pty Ltd
Yarra Falls, 452 Johnston Street
Abbotsford Victoria 3067

Shareholder

Enquiry Lines 1300 653 924
+61 3 9415 4342
(from overseas)

Facsimile (03) 9473 2500

Website investorcentre.com/contact

For all enquiries relating to shareholdings, dividends and related matters, please contact the Share Registrar as above.

Australian Securities Exchange Code

MIR Ordinary shares

SHAREHOLDER MEETING

Annual General Meeting

Time 1.30pm

Date Monday 10 October 2016

Venue RACV City Club

Location 501 Bourke Street
Melbourne



Finding opportunities
in small and medium
sized companies

Annual Review
2016



MIRRABOOKA
Investments Limited

CONTENTS

- 1 Year in Summary
- 2 Review of Operations and Activities
- 10 Top 20 Investments
- 11 Income Statement
- 12 Balance Sheet
- 13 Statement of Changes in Equity
- 14 Holdings of Securities
- 25 Major Changes to the Investment Portfolio
- 27 5 Year Summary
- 28 Company Particulars
- 29 Shareholder Meeting

The investment goals of Mirrabooka are:

To provide medium to long term investment gains through

- ▶ holding core investments in selected small and medium sized companies.

To provide attractive dividend

- ▶ returns to shareholders from these investments.

Mirrabooka is a listed investment company specialising in investing in small and medium sized companies located within Australia and New Zealand. Our general definition of small and medium sized companies is those companies that fall outside the top 50 listed companies by market capitalisation on the Australian Securities Exchange (ASX) or are in the S&P/ASX Mid Cap 50s or Small Ordinaries Index.

YEAR IN SUMMARY

PROFIT FOR THE YEAR

\$8.8m

▲ Up 24.3% from 2015

TOTAL SHAREHOLDER RETURN

+13.1%

Share price plus dividend

FULLY FRANKED DIVIDEND

6.5¢ Final

5¢ Special

17¢ total in 2015

15¢
Total

MANAGEMENT EXPENSE RATIO

0.65%

0.67% in 2015

TOTAL PORTFOLIO RETURN

+15.4% Including franking*

Combined S&P/ASX Mid 50 and Small Ordinaries Accumulation Index +17.2%*

TOTAL PORTFOLIO

\$377.0m

Including cash at 30 June

\$333.8 million in 2015

* Assumes a shareholder can take full advantage of the franking credits.

REVIEW OF OPERATIONS AND ACTIVITIES

Profit and Dividend

Mirrabooka's reported profit was \$8.8 million for the 12 months to 30 June 2016 compared with \$7.1 million last year. The lift in profit was as a result of an increase in dividend income as well as a rise in the contribution from the trading portfolio.

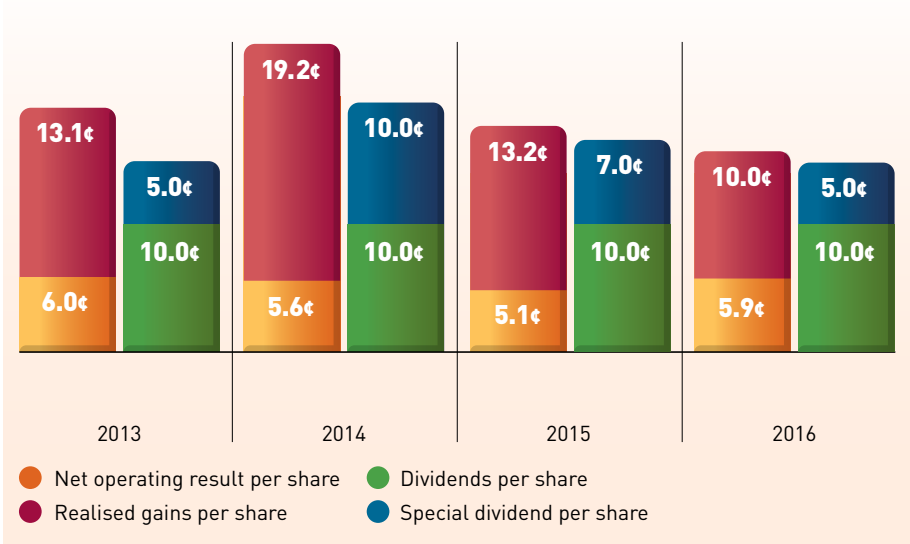
The Company has declared a final dividend at 6.5 cents per share fully franked, the same as last year. It also declared a special dividend of 5 cents per share fully franked sourced from after tax realised gains of \$15.0 million made during the year (the corresponding figures last year were a special dividend of 7 cents per share fully franked from \$18.6 million of after tax realised gains).

The amount of the pre-tax attributable gain, known as a 'LIC capital gain', is 13.6 cents per share. This enables some shareholders to claim a tax deduction in their tax return. Further details are on the dividend statements.

Small and Mid-size Companies Lead the Market

Larger companies in the share market were heavily affected by growth concerns and market volatility throughout the year. In contrast, many companies in the small and mid cap sectors that are reflecting the changing nature of opportunities in the Australian economy continued to attract investor interest. In particular, companies with good growth prospects in attractive

Figure 1: Earnings per share and dividends per share



industry segments generally experienced strong share price performance. On the other hand, where there were concerns about such characteristics, these companies tended to substantially underperform. This produced an investment environment where there is now an unusually large dispersion in valuation levels amongst various stocks in the market.

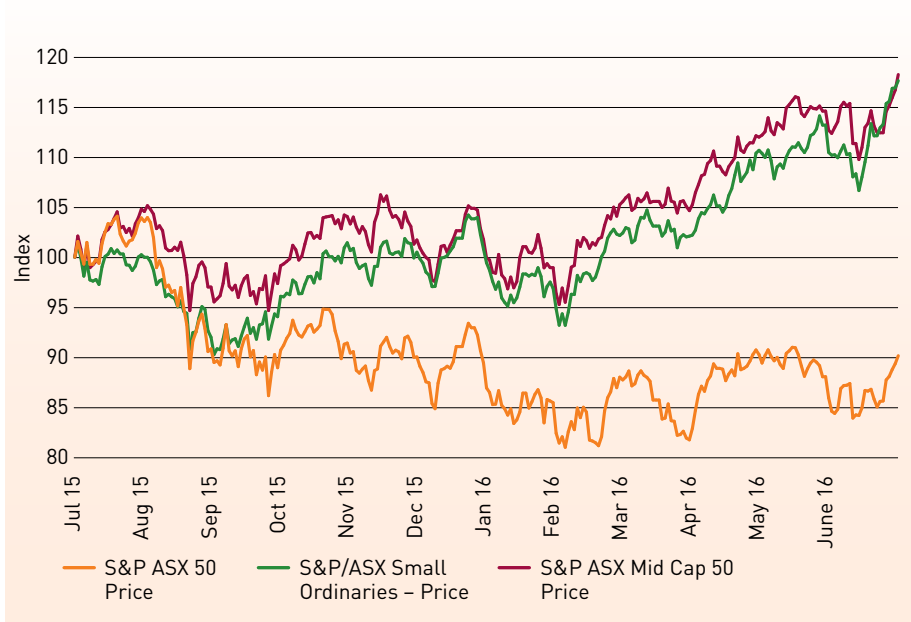
Continuing to Find Interesting Investment Opportunities

Mirrabooka successfully navigated its way through these conditions, which provided opportunities to adjust the portfolio over the year. The success

of the Share Purchase Plan in November, which raised \$26 million, the sale of the residual in holdings that had become top 50 stocks and the takeover of companies in the portfolio also provided funds to add a number of new companies to the portfolio and for participation in capital raisings, including some IPOs.

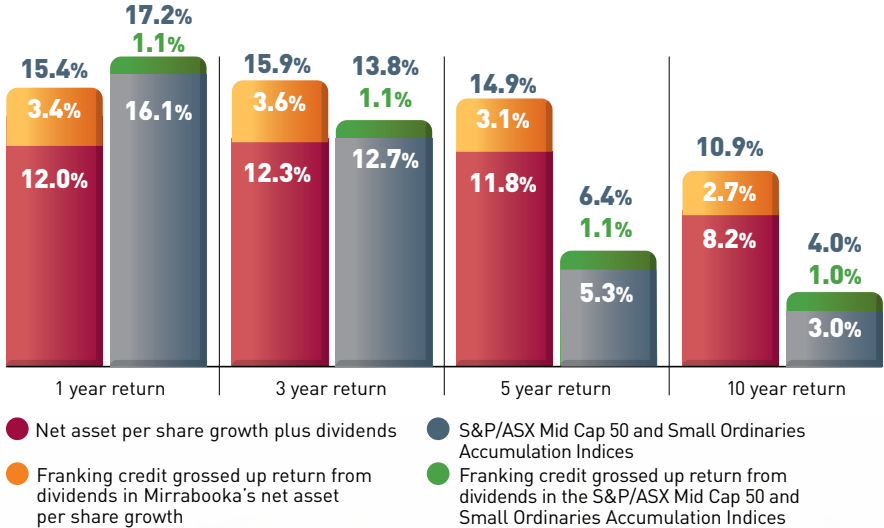
New companies added included Mainfreight, OzForex Group, Navitas, ASG Group, Ardent Leisure and Australian Agricultural Company. The major additions to existing holdings were in Healthscope, Mayne Pharma (including participation in its recent capital raising) and Gateway Lifestyle Group.

Figure 2: Performance of different sectors of the market by size of company



Source: FactSet

Figure 3: Portfolio return percentage per year to 30 June 2016



The tax paid on realised gains can impact relative performance figures against the Index, which does not have this impost. The inclusion of the benefit of franking credits from the tax paid and distributed to shareholders in the dividend is one way of overcoming this distortion.

Mirrabooka's net asset per share growth plus dividend series is calculated after management fees, income tax and capital gains tax on realised sales of investments. It should be noted that Index returns for the market do not include management expenses and tax.

REVIEW OF OPERATIONS AND ACTIVITIES

continued

Details of new companies added in the second half of the financial year are:

- **Australian Agricultural Company** which owns and operates properties, feedlots and farms for the production of beef products. It operates through different segments including the sale of cattle to domestic and overseas markets, and increasingly in producing grain finished and Wagyu beef for overseas customers.
- **ASG Group Ltd** which provides information technology business solutions and services for businesses in major sectors such as government, finance, healthcare, energy and mining. It specialises in applications management outsourcing and enterprise systems delivery under long term contracts.
- **Ardent Leisure Leisure** which owns and operates over 100 leisure assets including theme parks, tourist attractions, marinas, bowling centres, laser skirmish centres and health clubs across Australia, New Zealand and the United States. Its operations include the Main Event, which is a chain of entertainment centres in the United States, Dreamworld theme park and the WhiteWater World water park both of which are on the Gold Coast, Queensland.

Portfolio Returns Remain Strong

Mirrabooka's total portfolio return for the year, including dividends paid and the full benefit of franking credits, was 15.4 per cent. This compares with the combined small and mid cap market index benchmark calculated on the same basis, which was 17.2 per cent. Whilst Mirrabooka's portfolio performance was very strong over the 12 months, the return was slightly lower than its benchmark given the Company is not a large investor in the small and mid cap resources sector, which had a very strong rebound towards the end of the financial year, particularly in the gold sector. Importantly, the five-year return for the portfolio including franking was 14.9 per cent per annum against the benchmark return, including franking of 6.4 per cent per annum.

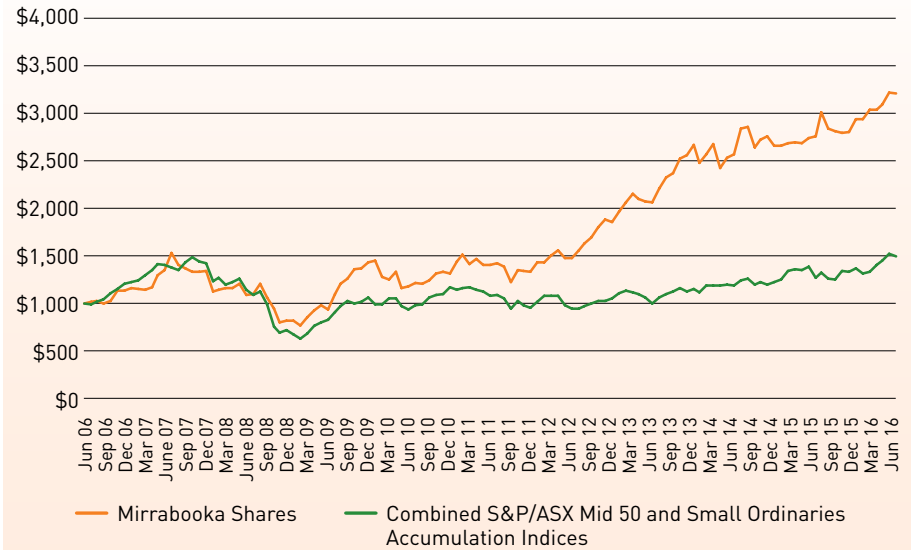
Significant positive contributors to portfolio performance by value over the year included Treasury Wine, NetComm, iProperty, Vocus Communications and Mayne Pharma.

In total, purchases in the investment portfolio were \$102.9 million for the year, whereas sales amounted to \$92.6 million over the year.

REVIEW OF OPERATIONS AND ACTIVITIES

continued

Figure 4: Ten year performance of an investment of \$1,000 in Mirrabooka shares since listing including franking



Note: Assumes the reinvestment of dividends. This chart calculates the benefit of franking credits at the time dividends are paid for both Mirrabooka 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.



REVIEW OF OPERATIONS AND ACTIVITIES

continued

Share Price Performance

Figure 4 (page 6) outlines the benefit of compound returns and the value of Mirrabooka's investment approach given the relative total share price return (including dividends) from an investment of \$1,000 in Mirrabooka since listing versus the return from the combined Mid Cap 50 and Small Ordinaries Accumulation Indices.

The attractive nature of Mirrabooka's dividend in the current low interest rate environment has seen strong demand for the Company's shares. At 30 June 2016, the share price was trading at a premium of 16 per cent to the net asset backing per share. The recent history is displayed in Figure 5.

Cash Position Provides Flexibility

Heightened volatility is likely to be widespread in markets for the foreseeable future given economic and political uncertainties. Whilst we remain cautious about valuations in some sectors, (as evidenced by the price earnings charts for the small ordinaries and mid cap sectors, Figures 6 and 7 on page 9), the breadth of opportunities that arise out of Mirrabooka's investment universe remains strong. At 30 June 2016, Mirrabooka held cash of \$21.0 million or 5.6 per cent of the total portfolio. This places the Company in a good position to take advantage of suitable opportunities should they arise, although given current conditions we also remain comfortable in holding this level of cash.

Figure 5: Share price relative to net asset backing

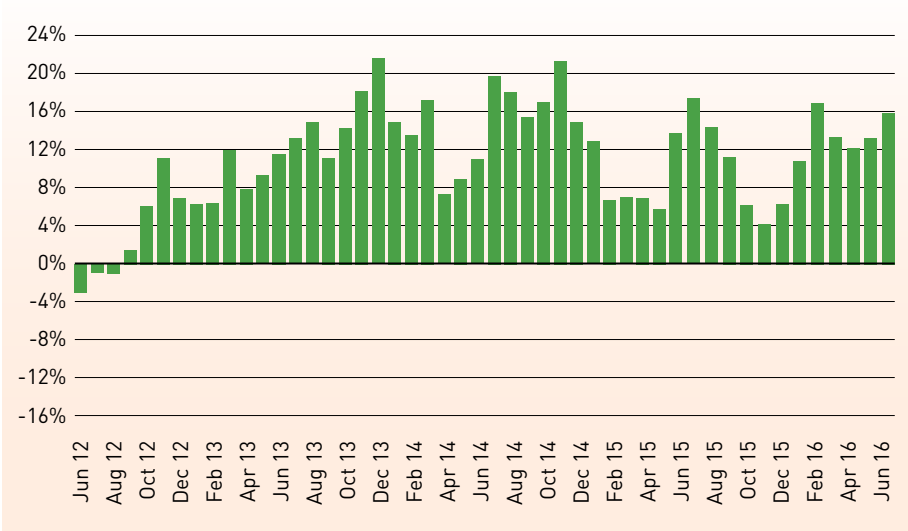
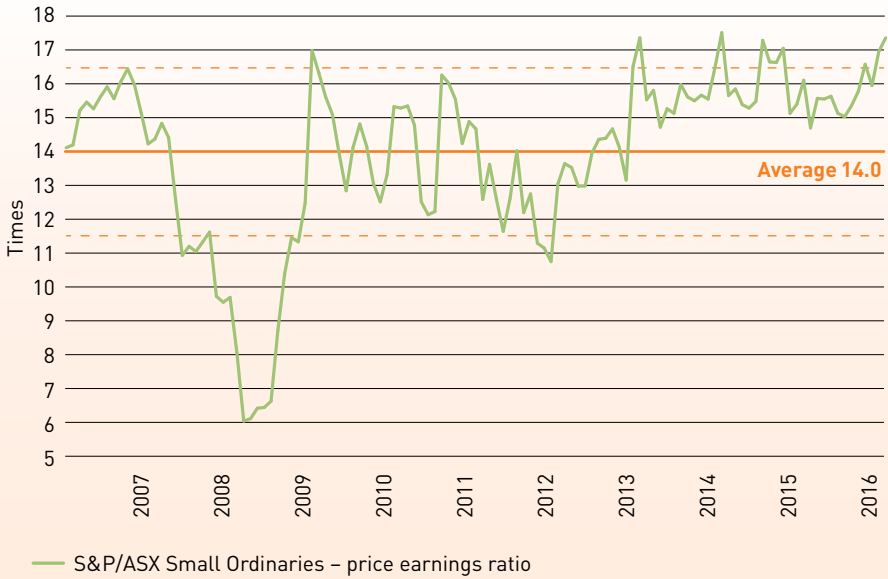
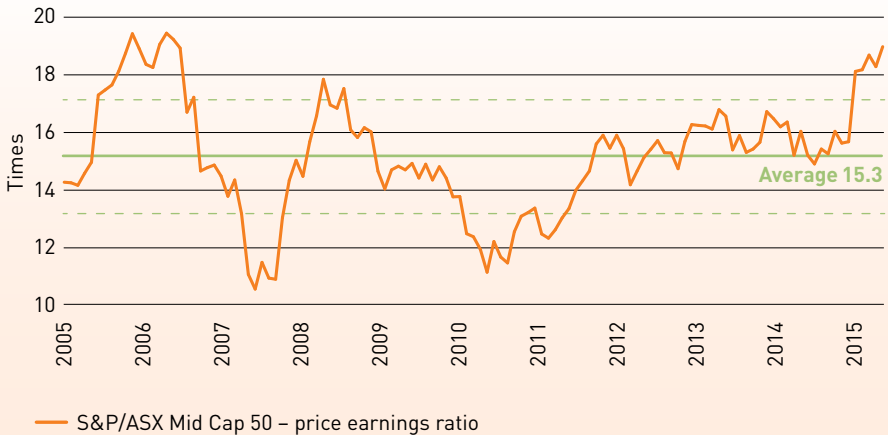


Figure 6: Price earnings ratios – Small Ordinaries



Source: FactSet

Figure 7: Price earnings ratios – Mid Cap 50 Sector



Source: FactSet

TOP 20 INVESTMENTS

As at 30 June 2016

Includes investments held in both the investment and trading portfolios.

Valued at closing prices at 30 June 2016

	Total Value \$'000	% of Portfolio
1 Treasury Wine Estates	13,212	3.7
2 Qube Holdings	11,050	3.1
3 Lifestyle Communities	10,522	3.0
4 Healthscope	9,573	2.7
5 IRESS	9,148	2.6
6 Vocus Communications	8,946	2.5
7 Freedom Foods Group	7,903	2.2
8 Mayne Pharma Group	7,838	2.2
9 Mainfreight	7,796	2.2
10 Seek	7,605	2.1
11 TPG Telecom	7,438	2.1
12 ResMed*	7,390	2.1
13 ALS	7,335	2.1
14 ARB Corporation	7,254	2.0
15 Nufarm	6,702	1.9
16 Challenger	6,599	1.9
17 Alumina	6,475	1.8
18 Japara Healthcare	6,253	1.8
19 Event Hospitality & Entertainment	6,175	1.7
20 Tassal Group	6,169	1.7
Total	161,381	

As a percentage of total portfolio value (excludes cash)

45.3%

* Indicates that options were outstanding against part of the holding.

INCOME STATEMENT

For the year ended 30 June 2016

	2016 \$'000	2015 \$'000
Dividends and distributions	9,933	8,427
Revenue from deposits and bank bills	386	778
Net gains on trading portfolio and non-equity investments	400	110
Income from options written portfolio	946	538
Other income	23	30
Income from operating activities	11,688	9,883
Administration expenses	(2,299)	(2,245)
Profit before income tax expense	9,389	7,638
Income tax expense	(544)	(522)
Profit for the year	8,845	7,116
	Cents	Cents
Profit per share	5.89	5.05

BALANCE SHEET

As at 30 June 2016

	2016 \$'000	2015 \$'000
Current assets		
Cash	20,989	25,424
Receivables	771	590
Trading portfolio	683	547
Total current assets	22,443	26,561
Non-current assets		
Deferred tax assets	17	-
Investment portfolio	355,475	308,009
Total non-current assets	355,492	308,009
Total assets	377,935	334,570
Current liabilities		
Payables	2,935	1,752
Tax payable	5,976	9,086
Options written portfolio	139	198
Total current liabilities	9,050	11,036
Non-current liabilities		
Deferred tax liabilities – other	-	71
Deferred tax liabilities – investment portfolio	34,674	29,853
Total non-current liabilities	34,674	29,924
Total liabilities	43,724	40,960
Net assets	334,211	293,610
Shareholders' equity		
Share capital	192,939	162,517
Revaluation reserve	69,606	59,193
Realised capital gains reserve	57,466	59,437
Retained profits	14,200	12,463
Total shareholders' equity	334,211	293,610

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2016

	2016 \$'000	2015 \$'000
Total equity at the beginning of the year	293,610	301,435
Dividends paid	(24,100)	(27,933)
Dividend Reinvestment Plan	4,401	5,077
Share Purchase Plan	26,104	-
Costs of share issues	(83)	(16)
Total transactions with shareholders	6,322	(22,872)
Profit for the year	8,845	7,116
Revaluation of investment portfolio	36,360	11,420
Provision for tax on revaluation	(10,926)	(3,489)
Revaluation of investment portfolio (after tax)	25,434	7,931
Total comprehensive income for the year	34,279	15,047
Realised gains on securities sold	21,105	27,409
Tax expense on realised gains on securities sold	(6,099)	(8,777)
Net realised gains on securities sold	15,006	18,632
Transfer from revaluation reserve to realised gains reserve	(15,006)	(18,632)
Total equity at the end of the year	334,211	293,610

A full set of Mirrabooka's accounts are available on the Company's website.

HOLDINGS OF SECURITIES

As at 30 June 2016

Details of the Company's portfolios are given below. The list should not, however, be used to evaluate portfolio performance or to determine the net asset backing per share (which is recorded each month on the toll free telephone service at 1800 780 784), as individual holdings in the portfolio may change.

Unless otherwise stated, the securities in this list are fully paid ordinary shares, trust units, stapled securities or convertible notes.

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
TWE	Treasury Wine Estates	Wine company with over 50 brands produced in Australia, New Zealand, the United States and Italy and sold globally	1,263	1,431	13,212
QUB	Qube Holdings	Provider of import and export logistics services with national operations	4,448	5,000	11,050
LIC	Lifestyle Communities	Developer, owner and manager of independent living communities for elderly citizens. The company operates eight villages across Victoria, encompassing a full range of community and lifestyle-orientated facilities on site	3,450	3,616	10,522
HSO	Healthscope	One of Australia's leading private healthcare operators through the ownership and operation of private hospitals and medical centres	800	3,347	9,573
IRE	IRESS	Provider of share market and wealth management information systems	840	840	9,148
VOC	Vocus Communications	Provider of wholesale, retail and business telecommunications services in Australia and New Zealand	1,050	1,050	8,946
FNP	Freedom Foods Group	Specialist producer of allergen-free foods, with related packaging and marketing interests in dairy and seafood	1,829	1,947	7,903

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
MYX	Mayne Pharma Group	A specialty pharmaceutical company that develops and manufactures branded and generic products, which it distributes globally either directly or through distribution partners	1,000	4,114	7,838
MFT	Mainfreight	Provider of managed warehousing and international and domestic freight forwarding services	0	490	7,796
SEK	SEEK	Operator of employment classifieds websites in Australia and offshore with interests in education and training	415	500	7,605
TPM	TPG Telecom	Provider of a diverse range of communication services to residential users, small and medium sized enterprises, government and large corporate enterprises. The company owns and operates its own domestic network infrastructure and an international submarine cable connecting Australia and Guam	625	625	7,438
RMD*	ResMed	Leading developer, manufacturer and distributor of medical equipment for treating, diagnosing and managing sleep-disordered breathing and other respiratory disorders	1,000	900	7,390
ALQ	ALS	Provider of analytical laboratory services to mining, life sciences, energy and industrial clients	1,350	1,500	7,335

HOLDINGS OF SECURITIES *continued*

As at 30 June 2016

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
ARB	ARB Corporation	Manufacturer and distributor of four-wheel drive vehicle accessories in Australia and internationally	433	433	7,254
NUF	Nufarm	Agricultural chemical company that manufactures and sells crop protection and seed products globally	909	909	6,702
CGF	Challenger	Financial services company providing life insurance, annuities and funds management	613	765	6,599
AWC	Alumina	40 per cent interest in a joint venture with Alcoa involved in bauxite mining, alumina refining and aluminium smelting	5,322	5,000	6,475
JHC	Japara Healthcare	Provider of residential aged care services	1,991	2,452	6,253
EVT	Event Hospitality and Entertainment	Entertainment, hospitality and leisure company with interests in cinemas, hotels and resorts	535	425	6,175
TGR	Tassal Group	Producer of Atlantic salmon from Tasmania	2,576	1,550	6,169
ANN*	Ansell	Designer, manufacturer and distributor of a wide range of industrial, surgical and examination gloves and other protective products	415	340	6,149
IPL	Incitec Pivot	Manufacturer and supplier of nitrogen-based fertiliser and industrial explosives	2,014	2,037	6,050

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
WLL	Wellcom Group	Production company providing pre media, digital asset management and specialty printing services to advertisers, retailers and corporations	1,204	1,287	6,047
PPT	Perpetual	Diversified financial company offering investment management, financial advice and corporate trust services	144	144	5,921
REH	Reece	Distributor and retailer of plumbing, building and hardware supplies	122	157	5,812
AMA	AMA Group	An automotive aftercare and accessories business focused on the vehicle panel repair market and the manufacture and sale of bullbars	5,517	7,015	5,647
AUB	AUB Group	Investor in a network of small to medium sized Australian insurance brokers	452	558	5,635
SOL	Washington H Soul Pattinson	Listed investment company with a diverse portfolio of investments including coal mining, building materials, telecommunications, pharmaceuticals and other listed equities	321	321	5,464
CGL	The Citadel Group	Provider of professional training services and technology-related consulting	1,028	990	5,347
OFX	OzForex Group	An online foreign currency payment service provider to consumers and small businesses	0	2,250	5,220

HOLDINGS OF SECURITIES *continued*

As at 30 June 2016

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
NVT*	Navitas	An international education provider through its University Pathways Programs, Creative Media Education, English Language Training and Settlement services	0	918	5,028
APE	AP Eagers	Operator of a national footprint of full service motor vehicle dealerships representing a broad range of car and truck brands in Australia	420	420	5,011
EQT	EQT Holdings	Provider of private client, trustee, estate administration and funds management services	328	300	4,932
FPH	Fisher & Paykel Healthcare Corporation	Designs, manufactures and markets a range of medical devices used in respiratory care and the treatment of obstructive sleep apnoea	331	515	4,921
IVC	InvoCare	Provider of services related to funerals, burials and cremations	360	360	4,730
GTY	Gateway Lifestyle Group	Develops and operates residential communities for elderly residents	125	1,581	4,537
NTC	NetComm Wireless	Delivers advanced broadband and wireless devices that empower businesses, people and machines to connect to the internet	1,500	1,800	4,536
CWW	ClearView Wealth	Life insurance company with associated offerings in wealth management and financial advice	2,288	4,425	4,204
VTG	Vita Group	Retailer of mobile phones and accessories, and provider of telecommunications solutions to corporate customers	1,401	1,000	4,110

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
CTX*	Caltex Australia	Australia's leading transport fuel supplier and convenience retailer, with integrated oil refining, logistics and marketing operations across the country	150	129	4,099
CSV	CSG	A print and communications solution provider to corporate and government customers	1,250	2,741	4,084
AAC	Australian Agricultural Company	Owns and operates properties, feedlots and farms for the production of beef and is expanding its value added branded beef operations	0	2,215	3,909
GBT	GBST Holdings	A provider of software and services to the global financial services industry	320	919	3,807
BKW	Brickworks	Australia's largest manufacturer of bricks and pavers, with other investments in property development and listed equities	262	262	3,762
ILU	Iluka Resources	Miner of zircon and titanium-based mineral sands products with an additional iron ore production royalty	500	575	3,732
ASZ	ASG Group	Australian IT business solutions provider offering IT management and consulting services	0	3,900	3,549
AAD	Ardent Leisure	An operator of leisure and entertainment assets across Australia, the United States and New Zealand	0	1,800	3,384
OCL	Objective Corporation	Provider of information technology software and services	729	1,873	3,353

HOLDINGS OF SECURITIES *continued*

As at 30 June 2016

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
CVO	Cover-More Group	Provider of travel insurance and medical assistance services	1,680	2,583	3,126
PGC	Paragon Care	A supplier of medical equipment and consumables to the healthcare market	0	4,000	2,800
BLX	Beacon Lighting Group	Australia's largest lighting and accessory retailer with integrated operations from design and sourcing through to merchandising and retailing	1,624	2,000	2,720
SOM	SomnoMed	Provides 'continuous open airway therapy' oral devices for the treatment of sleep-related breathing disorders and obstructive sleep apnoea	0	749	2,688
PBG	Pacific Brands	Owns and markets a portfolio of brands that is predominately driven by Bonds underwear and apparel and Sheridan linen and home accessories	0	2,500	2,640
TOX	Tox Free Solutions	Integrated waste management and environmental service business	1,200	1,000	2,590
SRX	Sirtex Medical	An Australian medical device company that markets its proprietary radiation therapy for the treatment of liver-related cancers globally	40	100	2,557
ADH	Adairs	A specialty retailer of home furnishings in Australia with a national footprint of stores across a number of store formats	500	1,031	2,547

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
PPS	Praemium	A provider of investment platforms, administration and customer relationship management solutions to the financial services industry in Australia, the United Kingdom and Asia	1,965	7,000	2,415
GHC	Generation Healthcare REIT	Real estate investment trust that invests in hospitals, medical centres, laboratories and other purpose-built healthcare facilities	1,044	1,044	2,298
CDP	Carindale Property	50 per cent interest in the Westfield Carindale Shopping Centre, south-east of Brisbane	255	255	2,270
MVP	Medical Developments	Manufacturer and distributor of pharmaceutical drugs and medical equipment, mainly for pain management	0	370	2,257
ICQ	iCar Asia	Operator of a network of automotive-related classifieds websites across South East Asia	2,600	2,600	2,210
GTN	GTN	Supplier of traffic information reports to radio stations across each operating geography (Australia, Canada, United Kingdom and Brazil), providing advertisers in these markets with a unique and broad audience reach	0	1,053	2,126
ISD	Isentia Group	Provides large consumer brand, corporate and government clients with media monitoring, relations and insights software and services that helps drive business and communication decisions	0	550	1,909

HOLDINGS OF SECURITIES *continued*

As at 30 June 2016

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
IDX	Integral Diagnostics	A national operator of a network of diagnostic imaging sites	0	1,296	1,879
SIV	Silver Chef	Provides hospitality and other small business operators with a 'rent-try-buy' funding solution for their capital equipment	0	171	1,830
ASB	Austal Limited	Specialises in the design, construction and maintenance of high-performance aluminium vessels for defence and commercial purposes	2,000	1,500	1,815
REG	Regis Healthcare	Owns and operates residential aged care facilities	274	384	1,801
CGC	Costa Group Holdings	Australia's largest grower, packer and marketer of premium quality fresh fruit and vegetables with a focus on the berry, premium tomato, mushroom and citrus markets	0	600	1,632
FLT	Flight Centre Travel Group	Global travel agency business with retail, corporate and wholesale brands across a range of countries	65	50	1,579
IEL	IDP Education	Provider of international English language testing, student placement and English language teaching services	0	326	1,344
LSX	Lion Selection Group	Mining investment company that invests in, and provides funding to, mining companies in the project development phase	3,325	4,360	1,330
MUA	Mitula Group	An online classifieds search engine operating in 40 countries	1,000	1,350	1,282
SKB	Skydive The Beach Group	Australia and New Zealand's largest operator of tandem skydives across landmark tourist drop zones in each country	0	2,494	1,272

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
AWE	AWE	Oil and gas company with production development and exploration assets in Australia, New Zealand, the United States and Indonesia	1,500	1,500	1,245
NFNG	Nufarm Step-Up Securities	Agricultural chemical company that manufactures and sells crop protection and seed products globally	10	10	874
RBL	Redbubble	Operates a global online marketplace for print on demand products (including T-shirts and other clothing, wall art and home décor), based on user submitted artwork	0	815	872
SFC	Schaffer Corporation	Industrial corporation with interests in the manufacture of automotive leather and building materials	163	163	831
BWX	BWX	An Australian branded body, hair and skin care products company	0	167	785
WTC	WiseTech Global	Global provider of cloud-based software for the international and domestic logistics industries	0	149	661
HUB	HUB24	Provider of platform, investment, advisory and stock-broking services to institutional, corporate and retail clients	0	171	628
XRO	Xero	Develops cloud-based accounting software for small and medium sized businesses in New Zealand, Australia, the United Kingdom and the United States	0	30	522

HOLDINGS OF SECURITIES *continued*

As at 30 June 2016

Code	Name	Principal Activity	Number Held 2015 '000	Number Held 2016 '000	Market Value 2016 \$'000
MSV	Mitchell Services	Provider of exploration and mine site drilling services to the mining industry	51,367	27,521	468
PHG	Pulse Health	Operator of private hospitals, day surgeries and related healthcare services in regional communities	3,500	2,101	462
AB1	Animoca Brands Corporation	Creates and publishes a portfolio of mobile games and content for smartphones and tablets across a number of markets globally	0	2,223	445
RWC	Reliance Worldwide Corporation	Global provider of water control systems and plumbing solutions for domestic, commercial and industrial applications with the largest product category being 'push to connect' plumbing fittings in the United States residential market	0	120	371
ACX	Aconex	The most widely used online collaboration platform in the world for construction, infrastructure, energy and resources projects	0	48	336
MTO	Motorcycle Holdings	Australia's largest motorcycle dealership operator with locations in Queensland, New South Wales and the Australian Capital Territory	0	58	157
REV	Real Estate Investar Group	Provider of online tools that help people build and manage their investment property portfolios	0	1,400	81
WICOA	WestOz Options	Listed investment company focused on Western Australian-based companies	0	162	0
Total					356,019

* Indicates that options were outstanding against part of the holding.

MAJOR CHANGES TO THE INVESTMENT PORTFOLIO

Acquisitions (Above \$3 million)	Cost \$'000
Mainfreight*	6,755
Healthscope	6,387
OzForex Group*	5,568
Mayne Pharma Group	4,089
Navitas*	3,954
Gateway Lifestyle Group	3,790
ASG Group*	3,680
Ardent Leisure Group*	3,453
Australian Agricultural Company*	3,136

* New stock in the portfolio.

MAJOR CHANGES TO THE INVESTMENT PORTFOLIO continued

Sales (Above \$3 million)#	Proceeds \$'000
iProperty Group (takeover by REA Group)	8,665
Blackmores	5,018
Broadspectrum (takeover by Ferrovial)	4,943
James Hardie Industries	4,448
Tassal Group	4,357
Sims Metal Management	4,153
Veda Group (takeover by Equifax)	4,096
BigAir Group	3,753
Energy Developments (takeover by DUET Group)	3,410
SAI Global	3,212
Oil Search	3,063

All are complete disposals from the portfolio other than Tassal Group.

5 YEAR SUMMARY

	2016	2015	2014	2013	2012
Profit after tax (\$ million)	8.8	7.1	7.8	10.3	12.8
Profit after tax per share (cents)	5.9	5.1	5.6	7.5	9.4
Dividends per share (cents) ^(a)	15	17	20	15	10
Investments at market value (\$ million) ^(b)	356.0	308.4	317.1	262.8	238.9
Net asset backing (cents) ^(c)	238	229	241	211	187
Number of shareholders (30 June)	6,541	6,040	5,821	5,427	5,173

Notes

(a) All dividends were fully franked. 2016 includes a special dividend of 5 cents. 2015 includes a special dividend of 7 cents. 2014 includes a special dividend of 10 cents. 2013 includes a special dividend of 5 cents. For 2016 the dividend carried a LIC capital gain attributable part of 13.6 cents. For 2015 it was 17.1 cents, for 2014 it was 20.7 cents, for 2013 it was 12.9 cents and for 2012 it was 5.7 cents.

(b) Excludes cash.

(c) Net asset backing per share based on year-end data before the provision for the final dividend. The figures do not include a provision for capital gains tax that would apply if all securities held as non-current investments had been sold at balance date, as Directors do not intend to dispose of the portfolio.

COMPANY PARTICULARS

Mirrabooka Investments Limited (MIR)
ABN 31 085 290 928

Directors

Terrence A Campbell AO, Chairman
Ross E Barker, Managing Director
Ian A Campbell
David E Meiklejohn AM
Graeme W Sinclair

Company Secretaries

Matthew J Rowe
Andrew JB Porter

Auditor

PricewaterhouseCoopers
Chartered Accountants

Country of Incorporation

Australia

Registered Office and Mailing Address

Level 21, 101 Collins Street
Melbourne Victoria 3000

Contact Details

Telephone (03) 9650 9911
Facsimile (03) 9650 9100
Email invest@mirra.com.au
Website mirra.com.au

For enquiries regarding net asset backing (as advised each month to the Australian Securities Exchange):

Telephone 1800 780 784 (toll free)

Share Registrar

Computershare Investor Services Pty Ltd
Yarra Falls, 452 Johnston Street
Abbotsford Victoria 3067

Shareholder

Enquiry Lines 1300 653 924
+61 3 9415 4342
(from overseas)

Facsimile (03) 9473 2500

Website investorcentre.com/contact

For all enquiries relating to shareholdings, dividends and related matters, please contact the Share Registrar as above.

Australian Securities Exchange Code

MIR Ordinary shares

The Annual Report for 2016 is available on Mirrabooka's website mirra.com.au or by contacting the Company on (03) 9650 9911.

SHAREHOLDER MEETING

Annual General Meeting

Time 1.30pm

Date Monday 10 October 2016

Venue RACV City Club

Location 501 Bourke Street
Melbourne





NOTICE OF ANNUAL GENERAL MEETING 2016

The Annual General Meeting of **Mirrabooka Investments Limited (ABN: 31 085 290 928, “the Company”)** will be held at: **RACV City Club, 501 Bourke Street, Melbourne Victoria at 1.30pm (AEDT) on Monday 10 October 2016.**

The Company has determined that, for the purpose of voting at the meeting, shares will be taken to be held by those persons recorded on the Company’s register at **7.00pm (AEDT) on Saturday 8 October 2016.**

BUSINESS OF THE MEETING

1. FINANCIAL STATEMENTS AND REPORTS

To consider the Directors’ Report, Financial Report and Independent Audit Report for the financial year ended 30 June 2016.

(Please note that no resolution will be required to be passed on this matter).

2. ADOPTION OF REMUNERATION REPORT

To adopt the Remuneration Report for the financial year ending 30 June 2016.

(Please note that the vote on this item is advisory only)

3. RE-ELECTION OF DIRECTOR

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

“That Mr Terrence A Campbell AO, a Director retiring from office in accordance with Rule 46 of the Constitution, being eligible is re-elected as a Director of the Company.”

By Order of the Board

A handwritten signature in black ink, appearing to read 'M Rowe', is written over a horizontal line.

Matthew Rowe
Company Secretary
30 August 2016

EXPLANATORY NOTES - BUSINESS OF THE MEETING

IMPORTANT: Shareholders are urged to direct their proxy how to vote by clearly marking the relevant box for each item on the proxy form.

Where permitted, the Chairman of the meeting intends to vote undirected proxies in favour of all items of business.

1. FINANCIAL STATEMENTS AND REPORTS

During this item there will be a reasonable opportunity for shareholders to ask questions and comment on the Directors' Report, Financial Report and Independent Audit Report for the financial year ended 30 June 2016. No resolution will be required to be passed on this matter.

Shareholders who have not elected to receive a hard copy of the Company's 2016 Annual Report can view or download it from the Company's website at:

www.mirra.com.au/Shareholder-Reports.aspx

2. ADOPTION OF REMUNERATION REPORT

During this item there will be a reasonable opportunity for shareholders at the meeting to comment on and ask questions about the Remuneration Report which is contained within the 2016 Annual Report.

As prescribed by the Corporations Act 2001, the vote on the proposed resolution is an advisory one.

Voting exclusions on item 2

Pursuant to section 250R(4) of the Corporations Act 2001, the Company is required to disregard any votes cast on item 2 (in any capacity) by or on behalf of either 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 (together "prohibited persons").

However, the Company will not disregard a vote if:

- the prohibited person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- the vote is not cast on behalf of a prohibited person.

If the Chairman of the meeting is appointed, or taken to be appointed, as a proxy, the shareholder can direct the Chairman of the meeting to vote for or against, or to abstain from voting on, the resolution on item 2 (Adoption of Remuneration Report) by marking the appropriate box opposite item 2 on the proxy form.

Pursuant to section 250R(5) of the Corporations Act 2001, if the Chairman of the meeting is a proxy and the relevant shareholder does not mark any of the boxes opposite item 2, the relevant shareholder will be expressly authorising the Chairman to exercise the proxy in relation to item 2.

The Chairman intends to exercise such proxies by voting them in favour of the adoption of the Remuneration Report.

The Board recommends that shareholders vote in favour of adopting the Remuneration Report.

3. RE-ELECTION OF DIRECTOR

Mr Terrence Campbell AO was last re-elected by shareholders at the 2013 Annual General Meeting and so is required to stand for re-election at this Annual General Meeting. His biographical details are as follows:

Terrence A Campbell AO

BCom (Melb). Chairman and Independent Non-Executive Director. Chairman of the Investment Committee.

Mr Campbell was appointed a Director of the Company in December 1998. He is Chairman Emeritus of Goldman Sachs Australia & New Zealand (formerly Goldman Sachs JBWere). Mr Campbell was formerly Chairman and Chief Executive of Goldman Sachs JBWere. He is Chairman of Australian Foundation Investment Company Limited (AFIC), and a former Director of Djerriwarrh Investments Limited and AMCIL Limited.

The Board recommends that shareholders vote in favour of the re-election of Mr Campbell.

Further information regarding the Company's corporate governance arrangements and the Board's role can be found on the Company's website at: www.mirra.com.au/Corporate-Governance.aspx

SHAREHOLDER INFORMATION

Proxies

1. A shareholder entitled to attend and vote at this meeting is entitled to appoint not more than two proxies (who need not be members of the Company) to attend, vote and speak in the shareholder's place and to join in any demand for a poll.
2. Where a shareholder appoints more than one representative, proxy or attorney, those appointees are entitled to vote on a poll but not on a show of hands.
3. A shareholder who appoints two proxies may specify a proportion or number of the shareholder's votes each proxy is appointed to exercise. Where no such specification is made, each proxy may exercise half of the votes (any fractions of votes resulting from this are disregarded).
4. **Proxy forms may be lodged online by visiting www.investorvote.com.au or by scanning the QR Code on the proxy form with a mobile device.**
5. **Relevant custodians may lodge their proxy forms online by visiting www.intermediaryonline.com**
6. Proxy forms and any authorities (or certified copies of those authorities) under which they are signed may be delivered in person, by mail or by fax to the Company's Share Registry (see details below) no later than 48 hours before the meeting, being **1.30pm (AEDT) on Saturday 8 October 2016**. Further details are on the proxy form.
7. A proxy need not vote in that capacity on a show of hands on any resolution nor (unless the proxy is the Chairman of the meeting) on a poll. However, if the proxy's appointment specifies the way to vote on a resolution, and the proxy decides to vote in that capacity on that resolution, the proxy must vote the way specified (subject to the other provisions of this Notice, including the voting exclusions noted above).
8. In certain circumstances the Chairman of the meeting will be taken to have been appointed as the proxy of the relevant shareholder in respect of the meeting or the poll on that resolution even if the shareholder has not expressly appointed the Chairman of the meeting as their proxy. This will occur where:
 - an appointment of a proxy specifies the way the proxy is to vote on a particular resolution; and
 - the appointed proxy is not the Chairman of the meeting; and
 - at the meeting, a poll is called on the resolution; and
 - either of the following apply:
 - if a record of attendance is made for the AGM - the proxy is not recorded as attending
 - the proxy does not vote on the resolution.

Corporate representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the meeting. Unless it has previously been given to the Company, the representative should bring evidence of their appointment to the meeting, together with any authority under which it is signed. The appointment must comply with section 250D of the Corporations Act 2001.

Attorneys

A shareholder may appoint an attorney to vote on their behalf. To be effective for the meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the deadline for the receipt of proxy forms (see above), being no later than 48 hours before the meeting.

Share Registry

The Company's Share Registry details are as follows:

Computershare Investor Services Pty Limited

Street address:
Yarra Falls
452 Johnston Street
Abbotsford VIC 3067

Postal address:
GPO Box 242
Melbourne VIC 3001

Telephone:	1300 653 924 (within Australia) +61 3 9415 4342 (outside Australia)
Facsimile:	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
Internet:	www.investorcentre.com/contact



MIRRABOOKA
Investments Limited

ABN 31 085 290 928



MIR
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



Online:
www.investorvote.com.au



By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

In Person:
Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
Abbotsford, Victoria

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online users only (Custodians)
www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 653 924
(outside Australia) +61 3 9415 4342

Proxy Form



Appoint your proxy and view the Annual Report online

Go to www.investorvote.com.au or scan the QR Code with your mobile device. Follow the instructions on the secure website to appoint your proxy.

Your access information that you will need to appoint your proxy online:

Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential. Please dispose of this form carefully if you appoint your proxy online.



For your vote to be effective it must be received by 1.30pm (AEDT) on Saturday 8 October 2016

How to direct your proxy to vote

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a shareholder of the Company.

Lodgement of proxy form

This proxy form (and any authority under which it is signed or a certified copy of it) must be received at an address given above by 1.30pm (AEDT) on Saturday 8 October 2016, being not later than 48 hours before the commencement of the meeting. Any proxy form received after that time will not be valid for the scheduled meeting.

Signing instructions for postal forms

Individual: Where the holding is in one name, the shareholder or attorney must sign.

Joint Holding: Where the holding is in more than one name, all of the shareholders or attorneys should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the meeting

If a representative of a corporate shareholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the Company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO APPOINT YOUR PROXY,
or turn over to complete the form →**

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Shareholders sponsored by a broker (reference number commences with 'X') should advise their broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a proxy to vote on your behalf

XX

I/We being a shareholder/s of **MIRRABOOKA INVESTMENTS LIMITED** hereby appoint

the Chairman of the meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the meeting. Do not insert your own name(s).

or failing the individual or body corporate named in relation to the meeting generally or in relation to a poll on a given resolution, or if no individual or body corporate is named, the Chairman of the meeting, as my/our proxy to act generally at the meeting or in relation to a poll on the given resolution (as applicable) on my/our behalf, including to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of **Mirrabooka Investments Limited** to be held at **RACV City Club, 501 Bourke Street, Melbourne, Victoria, at 1.30pm (AEDT) on Monday 10 October 2016** and at any adjournment or postponement of that meeting.

Chairman to vote undirected proxies in favour: I/We acknowledge that the Chairman of the meeting intends to vote undirected proxies in favour of each item of business, to the extent permitted by law.

Chairman authorised to exercise proxies on remuneration related matters: If I/we have appointed the Chairman of the meeting as my/our proxy (or the Chairman of the meeting becomes my/our proxy by default), I/we expressly authorise the Chairman of the meeting (to the extent permitted by law) to exercise my/our proxy in respect of item 2 even though the item is connected directly or indirectly with the remuneration of a member of key management personnel of Mirrabooka Investments Limited, which includes the Chairman of the meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Item 2	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Re-election of Director - Mr Terrence A Campbell AO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Board recommendations and undirected proxies: The Board recommends shareholders vote in favour of each item of business. The Chairman of the meeting intends to vote undirected proxies in favour of each item of business, to the extent permitted by law.

SIGN Signature of Shareholder(s) *This section must be completed.*

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

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MIR

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Computershare +