



Notification of dividend / distribution

Announcement Summary

Entity name

KATANA CAPITAL LIMITED

Security on which the Distribution will be paid

KAT - ORDINARY FULLY PAID

Announcement Type

New announcement

Date of this announcement

Tuesday October 18, 2016

Distribution Amount

AUD 0.00500000

Ex Date

Monday October 24, 2016

Record Date

Tuesday October 25, 2016

Payment Date

Friday November 18, 2016

DRP election date

Wednesday October 26, 2016 16:00:00

Additional Information

Katana's recent dividend yield at 7.9% plus franking credits, is one of the highest in the LIC space. However despite continued strong (gross) performance relative to the market, the challenging backdrop makes it prudent to reduce the quarterly dividend for the time being. This will also enable Katana to ensure that the current dividend is fully franked whilst assisting in growing the net tangible assets (NTA).

Refer to below for full details of the announcement

Announcement Details

Part 1 - Entity and announcement details

1.1 Name of +Entity

KATANA CAPITAL LIMITED

1.2 Registered Number Type

ABN

Registration Number

56116054301

1.3 ASX issuer code

KAT



1.4 The announcement is

New announcement

1.5 Date of this announcement

Tuesday October 18, 2016

1.6 ASX +Security Code

KAT

ASX +Security Description

ORDINARY FULLY PAID

Part 2A - All dividends/distributions basic details

2A.1 Type of dividend/distribution

Ordinary

2A.2 The Dividend/distribution:

relates to a period of one quarter

2A.3 The dividend/distribution relates to the financial reporting or payment period ending ended/ending (date)

Friday September 30, 2016

2A.4 +Record Date

Tuesday October 25, 2016

2A.5 Ex Date

Monday October 24, 2016

2A.6 Payment Date

Friday November 18, 2016

2A.7 Are any of the below approvals required for the dividend/distribution before business day 0 of the timetable?

- Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity required before business day 0 of the timetable for the dividend/distribution.

No

2A.8 Currency in which the dividend/distribution is made ("primary currency")

AUD - Australian Dollar

2A.9 Total dividend/distribution payment amount per +security (in primary currency) for all dividends/distributions notified in this form

AUD 0.00500000



2A.10 Does the entity have arrangements relating to the currency in which the dividend/distribution is paid to securityholders that it wishes to disclose to the market?

No

2A.11 Does the entity have a securities plan for dividends/distributions on this +security?

We have a Dividend/Distribution Reinvestment Plan (DRP)

2A.11a If the +entity has a DRP, is the DRP applicable to this dividend/distribution?

Yes

2A.11a(i) DRP Status in respect of this dividend/distribution

Full DRP

2A.12 Does the +entity have tax component information apart from franking?

No

Part 3A - Ordinary dividend/distribution

3A.1 Is the ordinary dividend/distribution estimated at this time?

No

3A.1a Ordinary dividend/distribution estimated amount per +security

AUD

3A.1b Ordinary Dividend/distribution amount per security

AUD 0.00500000

3A.2 Is the ordinary dividend/distribution franked?

Yes

3A.2a Is the ordinary dividend/distribution fully franked?

Yes

3A.3 Percentage of ordinary dividend/distribution that is franked

100.0000 %

3A.3a Applicable corporate tax rate for franking credit (%)

30.0000 %

3A.4 Ordinary dividend/distribution franked amount per +security

AUD 0.00500000

3A.5 Percentage amount of dividend which is unfranked

0.0000 %

3A.6 Ordinary dividend/distribution unfranked amount per +security excluding conduit foreign income amount

AUD 0.00000000

3A.7 Ordinary dividend/distribution conduit foreign income amount per security

AUD 0.00000000

Part 4A - +Dividend reinvestment plan (DRP)



4A.1 What is the default option if +security holders do not indicate whether they want to participate in the DRP?

Do not participate in DRP (i.e. cash payment)

4A.2 Last date and time for lodgement of election notices to share registry under DRP

Wednesday October 26, 2016 16:00:00

4A.3 DRP discount rate

%

4A.4 Period of calculation of reinvestment price

Start Date

Tuesday October 25, 2016

End Date

Thursday November 17, 2016

4A.5 DRP price calculation methodology

The pricing methodology used to determine the DRP price will be the weighted average share price during the on-market DRP buyback programme.

4A.6 DRP Price (including any discount):

AUD 0.00000

4A.7 DRP +securities +issue date

Friday November 18, 2016

4A.8 Will DRP +securities be a new issue?

No

4A.9 Is there a minimum dollar amount or number of +securities required for DRP participation?

No

4A.10 Is there a maximum dollar amount or number of +securities required for DRP participation?

No

4A.11 Are there any other conditions applying to DRP participation?

No

4A.12 Link to a copy of the DRP plan rules

<http://www.katanacapital.com.au/katana-capital-limited-charters-policies.html>

4A.13 Further information about the DRP

If shareholders wish to register for the DRP, they may do so by immediately contacting Computershare and making such arrangements as are necessary. Computershare may be contacted for these purposes as follows:

Computershare Investor Services Pty Limited

Within Australia: 1300 557 010

Outside Australia: +613 9415 4000

Facsimile: +618 9323 2033

By Mail: GPO Box 2975, Melbourne VIC 3001

Website: www.computershare.com.au

Part 5 - Further information

5.1 Please provide any further information applicable to this dividend/distribution

The Board of Katana is pleased to declare a fully franked dividend of 0.5 cents per share for the quarterly period ended 30 September 2016.



5.2 Additional information for inclusion in the Announcement Summary

Katana's recent dividend yield at 7.9% plus franking credits, is one of the highest in the LIC space. However despite continued strong (gross) performance relative to the market, the challenging backdrop makes it prudent to reduce the quarterly dividend for the time being. This will also enable Katana to ensure that the current dividend is fully franked whilst assisting in growing the net tangible assets (NTA).