



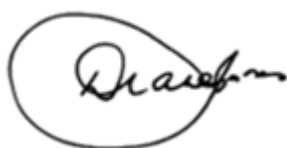
RELEASE TO AUSTRALIAN SECURITIES EXCHANGE ("ASX")

FRIDAY, 6 JANUARY 2012

COMPANY UPDATE

1. The following is an update on matters thought likely to be completed by 30 June 2012.
2. It is possible that, depending on events, other cases may also be completed by that date. Further company updates will be published if and when those events occur.
3. Bank of Queensland - this is an action by a group of franchisees claiming damages against the Bank. A trial has been set down for 12 weeks commencing in April 2012.
4. Centro - this matter consists of 2 class actions for damages against the Centro companies and trusts and their former auditors PricewaterhouseCoopers ("PWC"). A trial has been set down for 10 weeks commencing in March 2012.
5. Collyer Bristow - this is a series of claims in the UK by numerous clients claiming damages against their former solicitors. The trial has been underway for some time. IMF has jointly funded part only of the client costs with a subsidiary of the insurer Allianz and has offset any liability for adverse costs should the claims be unsuccessful.
6. Credit Corp - this is a small class action which has been settled and announced to ASX. The settlement is subject to Court approval which will be sought in the third quarter of FY 2012.
7. Centrex - this is a claim for damages against Centrex which has been set down for trial commencing in March 2012.
8. Ion - this is a claim by numerous clients of IMF in the external administration of Ion, which is expected to be completed in the second half of FY2012. IMF expects final revenue of about \$1m in this matter.
9. Lehman - this a class action claim by numerous Councils against Lehman. The major part of the trial has been completed and the Court will hear some final evidence in the third quarter of FY2012.
10. LGFS - this is a class action claim by Councils for damages against LGFS, ABN AMRO and Standard and Poors. The trial is almost completed and will be finalised in the third quarter of FY2012.
11. National Potato - this is an action for damages in South Africa by National Potato Co-operative ("NPC") against PWC. The trial has been completed and final judgment has been given in favour of NPC. A hearing on costs will occur in the third quarter of FY2012. IMF expects revenue of about \$16m including costs. PWC have indicated they will appeal from the judgment. It is expected that this result will be brought to account in FY2012 and, depending on audit advice, in the first half of FY2012.

12. Smart Company - this is a claim for damages by Smart against Clipsal. IMF funded Smart in 2005 but terminated the funding agreement in 2006. The claim continued with alternative funding and was dismissed in December 2012 with IMF paying \$0.7m towards Clipsal's costs for the period of the IMF funding agreement.
13. Sons of Gwalia - a small final dividend to be paid to IMF's clients will finalise this matter in the third quarter of FY 2012. IMF expects to receive about \$0.2m.
14. Uniloc - this is a claim in the US for damages by Uniloc against Microsoft. After numerous hearings and appeals Uniloc holds a judgment for damages against Microsoft and a further hearing will commence on 27 February 2012 to determine the amount of those damages.
15. Westgem - in this matter IMF is funding a proposed claim for damages by Westgem and others against Bankwest. As part of that claim an application has been made to remove receivers from Westgem. The hearing of that application has been completed and judgment is expected in the third quarter of FY2012.

A handwritten signature in black ink, appearing to read 'Diane Jones', enclosed within a hand-drawn oval.

Diane Jones
Chief Operating Officer