



RELEASE TO AUSTRALIAN SECURITIES EXCHANGE

THURSDAY, 29 SEPTEMBER 2016

KAGARA LIMITED CLASS ACTION – UPDATE

1. IMF Bentham Limited ("IMF") refers to its previous announcement in the Kagara matter of 15 August 2016 regarding IMF's proposal to fund claims of certain current and former shareholders of Kagara Limited ("Kagara") against certain former directors of Kagara.
2. IMF confirms that the condition precedent to its funding of this matter has been satisfied. IMF will now be funding Piper Alderman lawyers to pursue claims for compensation against certain former directors of Kagara.
3. IMF also confirms that legal proceedings for the class action have been commenced in the Federal Court in Sydney today.
4. For further information regarding IMF and its activities, please visit our website at www.imf.com.au.

A handwritten signature in black ink, appearing to read "J. Sambrook".

Jeremy Sambrook
Company Secretary

IMF#2711772_3