



RELEASE TO AUSTRALIAN SECURITIES EXCHANGE

23 OCTOBER 2018

EQUITY RAISING TO FUND GROWTH INITIATIVES AND INCREASE FINANCIAL FLEXIBILITY

SUMMARY

- **\$74.48 million institutional placement and up to \$10 million Share Purchase Plan**
- **Equity raising to fund growth initiatives and increase financial flexibility**

EQUITY PLACEMENT AND SPP

IMF Bentham Limited (**IMF**) announces it is conducting a fully underwritten institutional placement to raise A\$74.48 million (**Placement**). The Placement comprises an issue of 26.6 million new IMF ordinary shares (**New Shares**) and is underwritten by Euroz Securities Limited at a price of A\$2.80 per share (**Placement Price**).

IMF also plans to conduct a non-underwritten Share Purchase Plan (**SPP**) to facilitate retail shareholder participation of up to A\$15,000 per eligible shareholder at the Placement Price, subject to an overall cap of A\$10 million (or approximately 3.57 million shares) (the Placement and SPP together being the **Equity Raising**).

IMF is undertaking the Equity Raising to fund growth initiatives and to provide greater financial flexibility. IMF's Managing Director, Andrew Saker, commented: "The Equity Raising will allow us to take advantage of the numerous opportunities that are currently before IMF. We are seeing strong pipelines in all jurisdictions and IMF is targeting two new funds (a US fund and a non-US fund) with the aim of having close to \$1.5 billion in funds under management by the end of FY19. We believe it is a prudent time to fund IMF's future expected commitments to these funds and expansion growth plans, while also increasing financial flexibility. Greater financial flexibility will also allow IMF to pursue other growth prospects, including a footprint in continental Europe and expanding existing operations in Asia and Canada."

Placement Details

The Placement to eligible sophisticated, professional and other institutional investors to raise A\$74.48 million will be conducted via a bookbuild today in both Australia and selected international jurisdictions. The Placement is underwritten at the Placement Price.

IMF#ASX

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The Placement Price represents a:

- 10% discount to the closing price of A\$3.11 per share on 22 October 2018 being the last trading day prior to announcement of the Placement; and
- 7.8% discount to the 5 day VWAP of A\$3.0382 per share up to 22 October 2018 being the last trading day prior to announcement of the Placement.

The Placement represents approximately 15% of the current number of ordinary shares on issue and is within IMF's existing capacity under ASX Listing Rule 7.1. Accordingly no shareholder approval is required in connection with the Placement. Settlement of the Placement and the issue of the New Shares is expected to occur on 30 October 2018.

Further information in relation to the Placement and IMF can be found in the investor presentation, released on IMF's ASX announcement platform today (**Investor Presentation**).

Share Purchase Plan Details

The SPP will be open to IMF shareholders as at 7.00pm (Sydney time) on the record date of 22 October 2018, and whose registered address is in Australia or New Zealand (**Eligible Holders**). Eligible Holders will be invited to invest up to a maximum of A\$15,000 per shareholder in the SPP, subject to an overall cap of A\$10 million.

The issue price under the SPP will be the same as the Placement Price. No brokerage will be payable by subscribing shareholders. Further details on the SPP will be distributed to Eligible Holders shortly and released on the ASX.

Use of Proceeds

The gross proceeds raised under the Equity Raising will be used to:

- fund establishment costs for new US fund and non-US fund (**New Funds**);
- fund IMF's capital commitments to the New Funds;
- fund committed FY19 investments;
- pursue growth plans including a footprint in continental Europe and expanding existing operations in Asia and Canada;
- fund adverse costs; and
- general corporate purposes including working capital, transaction costs and potential bond redemptions.

BOND AMENDMENT AND PLACEMENT

IMF is in discussions with bondholders regarding a proposed amendment to the terms of existing IMF Bentham Bonds subject to the approval of IMF Bentham Bond Holders (**Bond Amendment**). IMF is also in discussions regarding a proposed issue of IMF Bentham Bonds to eligible institutional investors, conditional on the Bond Amendment being approved (**Conditional Bond Placement**). Further details on the Bond Amendment and Conditional Bond Placement can be found in the Investor Presentation.

IMF BACKGROUND

IMF is one of the leading global litigation funders, headquartered in Australia and with offices in the US, Canada, Singapore, Hong Kong and London. IMF has built its reputation as a trusted provider of

innovative litigation funding solutions and has established an increasingly diverse portfolio of litigation funding assets.

IMF has been a leading pioneer of litigation funding in Australia since 2001, playing a significant role in the initial steps towards a globalised industry via its international expansion in the US, Canada, Asia and Europe. IMF has a highly experienced litigation funding team overseeing its investments, delivering, as at 30 June 2018, a 90% success rate across 175 completed cases (excluding withdrawals).

Jeremy Sambrook
Company Secretary

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