



RELEASE TO AUSTRALIAN SECURITIES EXCHANGE

THURSDAY, 9 AUGUST 2018

CASE RESOLUTIONS

Summary

- **IMF announces the successful completion of two investments, in Canada and the United States respectively**

RESOLUTION - CANADIAN CASE CAN001

IMF Bentham Limited (ASX: **IMF**) refers to its announcement dated 1 December 2015. Case CAN001 relates to the funding by IMF of a class action against various school boards in Quebec in respect of school fees charged in violation of the Education Act. The settlement, including the payments due to IMF pursuant to its funding, was approved by the Quebec Superior Court on 30 July 2018.

IMF will receive revenue from this investment of approximately \$2.7m, which will generate a profit after capitalised overheads (but before tax) of approximately \$1.8m. It is anticipated that this revenue will be recognised in FY18. The outcome represents a return on invested capital (**ROIC**) for IMF from this investment of 2.5x and an IRR of approximately 125%.

RESOLUTION - USF Case 7

IMF refers to its announcement dated 19 June 2017 concerning USF Case 7. This was a case funded in the United States in two tranches, the first by IMF's wholly owned subsidiary Bentham Capital LLC (**Bentham**) and the second via IMF's US investment vehicle, Bentham IMF 1 LLC (**Fund 1**).

IMF confirms that Bentham's client was successful in opposing the appeal of the arbitration award in favour of its client and that Bentham and Fund 1 have now received aggregate revenue from this investment of approximately \$4.1 million. Bentham's revenue from the first tranche of the investment was recognised by IMF in FY17. It is anticipated that Fund 1's revenue of \$1.2 million will be recognised in FY18. Across both tranches this investment has generated a profit after capitalised overheads (but before tax) of approximately \$1.7 million.

This outcome represents a ROIC for Fund 1 from this investment of 0.7x and an IRR of approximately 70%. For details of the distribution rights of IMF and the external investor in Fund 1, refer to IMF's announcement dated 13 February 2017.

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 31 December 2017, a 90% success rate across 166 completed cases (excluding withdrawals).

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