

**RELEASE TO AUSTRALIAN SECURITIES EXCHANGE (“ASX”)**

**WEDNESDAY, 26 MARCH 2014**

**CO-FUNDING AND JOINT VENTURE ARRANGEMENTS**

**Introduction**

1. On 2 October 2013 the Board of Bentham IMF Limited (“IMF”) advised the market of its intention to establish operations in Europe and, in particular, the United Kingdom and the Netherlands.
2. IMF also advised on 2 October 2013 its intention to fund any such operations through joint venture arrangements and non-dilutionary debt.
3. The Board of IMF is now pleased to announce that the company has entered into co-funding arrangements and joint venture arrangements with subsidiary entities of funds managed by Elliott Management Corporation, a US-based investment advisory firm, and its affiliates. These funds have billions of U.S. dollars in funds under management globally.

**Asia Pacific Co-Funding Arrangements**

4. IMF has agreed to offer Elliott the opportunity to jointly fund cases in Asia Pacific with an initial budget of more than AUD\$8.5 million.
5. If Elliott elects to co-fund a case, the parties have agreed to meet the funding costs of that case equally and in return they have agreed to share in any recoveries on an equal basis. In addition, IMF will receive a fee for case management services provided to Elliott in connection with the co-funded cases.
6. IMF and Elliott will jointly guarantee their respective funding obligations to litigants (including adverse cost exposure).

**European Joint Venture**

7. The joint venture will fund cases throughout Europe but primarily in the United Kingdom and the Netherlands.
8. IMF's current expectation is for the joint venture to continue for an initial term of 5 years (subject to certain exceptions) and, thereafter, until such time as determined by the joint venture shareholders.
9. Each of IMF and Elliott have agreed to provide half of the funding costs and operational expenses of Bentham Ventures B.V. and in return have agreed to share in the profits and losses on an equal basis. As shareholders, they will also have equal board nomination rights.
10. London based Bentham Europe Ltd, a wholly owned subsidiary of Bentham Ventures B.V., will identify, evaluate and recommend funding opportunities to the joint venture. IMF will provide Bentham Europe Ltd with certain consultancy services for a fee.
11. IMF and Elliott will jointly guarantee Bentham Ventures B.V.'s funding obligations to litigants (including adverse cost exposure).



**Diane Jones**  
**Chief Operating Officer**

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