



RELEASE TO AUSTRALIAN SECURITIES EXCHANGE (“ASX”)

MONDAY, 31 JANUARY 2011

COMPANY UPDATE

1. On 12 October 2010 IMF announced a company update which set out the matters thought likely to be completed by 30 June 2011.
2. We also undertook to provide updates to the initial list as the year progresses.
3. Set out below is the first update of the matters referred to in the October 2010 announcement.
4. Sons of Gwalia – the Administrator announced a further interim dividend which resulted in a payment of \$2.8M to IMF in December 2010. A further small dividend is expected during the course of this financial year. That dividend is not likely to return more than \$0.5M to IMF.
5. ION – On 21 January 2011 the Administrator declared a dividend of 45 cents in the dollar. IMF is currently working with the Administrator to determine the amount of the payment to be made to IMF clients. The likely return to IMF from this matter is thought to be in the range of \$2M – \$3M.
6. National Potato – the South African Court has handed down a judgment in favor of IMF’s client National Potato Co-operative Limited. The court is yet to deal with the question of interest and costs and will do so in the next few months if the parties cannot come to an agreement on those matters. The likely revenue to IMF is about \$16.5M with a likely profit before tax of about \$13.0M. Barring any appeal it is expected that the matter will be finalized by 30 June 2011.
7. PAN Pharmaceuticals – this matter was settled on a conditional basis on 23 November 2010. The settlement is conditional on Court approval. The matter is due back before the court on 3 March 2011. If Court approval is obtained, IMF will receive about \$24M which will generate a profit after tax of capitalized overheads of about \$17M.
8. Hydrocool – this is a Federal Court matter in which judgment is yet to be delivered. Judgment had been expected prior to 31 December 2010. No further information is available.
9. Confidential matter – mediation on this matter will occur on 3 March 2011.
10. Local Government Financial Services – mediation was held on this matter during December 2010. The matter is expected to go to trial in October 2011.
11. Uniloc – the appeal judgment was handed down by the US Appeal Court in favor of IMF’s client Uniloc. The Court also ordered that the matter go back before a jury for a determination as to damages. In the absence of settlement between the parties the matter is likely to be determined during the 2012 financial year.

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12. Lehman – the mediation has been set down in this matter for 23 and 24 February 2011 and if the matter does not settle, the trial will commence on 28 February 2011.
13. Babcock and Brown US – mediation has been set down in this matter for 17 February 2011.
14. On 3 June 2010 IMF announced it was prepared to fund litigation against WDS Limited subject to sufficient investors wishing to join the litigation. As that number has not been reached IMF will advise investors that the funding has been withdrawn.
15. On 20 September 2010 IMF announced it was prepared to fund litigation against Washington Brown Associates. IMF is not proceeding with this matter.
16. Neither WDS Limited or Washington Brown have been included in the Case Investment Portfolio as at 31 December 2010.



Diane Jones
Chief Operating Officer

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