



**NOTICE OF ANNUAL GENERAL MEETING
AND EXPLANATORY STATEMENT**

**For an Annual General Meeting to be held on
Thursday, 28 November 2013 at 9:30am (AEDT) at
The Hobart Room, Sofitel Sydney Wentworth,
61-101 Phillip Street, Sydney NSW 2000**

The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on (02) 8223 3567

Shareholders are urged to attend or vote by lodging the proxy form enclosed with the Notice

IMF (AUSTRALIA) LTD

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of IMF (Australia) Ltd (**Company**) will be held at the Hobart Room, Sofitel Sydney Wentworth, 61-101 Phillip Street, Sydney on Thursday, 28 November 2013 at 9:30am (AEDT) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Tuesday, 26 November 2013 at 5:00pm (AEDT).

Terms and abbreviations used in the Notice are defined in Schedule 1.

AGENDA

1. Annual Report

To consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2013, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass with or without amendment, as an advisory resolution the following:

"That the Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 – Re-election of Director – Mr Alden Halse

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That Mr Alden Halse, who retires in accordance with clause 13.4 of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

4. Resolution 3 – Re-election of Director – Mr Rob Ferguson

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That Mr Rob Ferguson, who retires in accordance with clause 13.4 of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

5. Resolution 4 – Approval of remuneration of non-executive Directors

To consider and, if thought fit, to pass with or without amendment, as a special resolution the following:

"That pursuant to and in accordance with clause 13.8 of the Constitution, Listing Rule 10.17 and for all other purposes, the maximum aggregate remuneration that may be paid to the non-executive Directors in any year be set at \$500,000, to be divided among the non-executive Directors in the manner determined by the Board from time to time."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a Director and any associates of a Director.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. Resolution 5 – Adoption of Proposed Constitution

To consider and, if thought fit, to pass with or without amendment, as a special resolution the following:

*"That in accordance with section 136 of the Corporations Act and for all other purposes, the current Constitution be repealed and the new constitution tabled at the Meeting (**Proposed Constitution**) be adopted on the terms and conditions in the Explanatory Memorandum."*

7. Resolution 6 – Approval for change of Company name

To consider and, if thought fit, to pass with or without amendment, as a special resolution the following:

*“That, with effect from the date that ASIC alters the details of the Company’s registration and pursuant to and in accordance with section 157 of the Corporations Act, the name of the Company be changed to **“Bentham IMF Limited.”**”*

8. Resolution 7 – Ratification of Placement

To consider and, if thought fit, to pass with or without amendment, as a special resolution the following:

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 18,481,406 Shares to sophisticated and professional investors on the terms and conditions in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who participated in the issue of the Shares and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed, and any associates of that person.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

BY ORDER OF THE BOARD



Ms Diane Jones
Company Secretary
Dated: 13 October 2013

IMF (AUSTRALIA) LTD

ABN 45 067 298 088

EXPLANATORY MEMORANDUM

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the Hobart Room, Sofitel Sydney Wentworth, 61-101 Phillip Street, Sydney on Thursday, 28 November 2013 at 9:30am (AEDT).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2:	Action to be taken by Shareholders
Section 3:	Annual Report
Section 4:	Resolution 1 – Adoption of Remuneration Report
Section 5:	Resolution 2 – Re-election of Director – Mr Alden Halse
Section 6:	Resolution 3 – Re-election of Director – Mr Rob Ferguson
Section 7:	Resolution 4 – Approval of remuneration of non-executive Directors
Section 8:	Resolution 5 – Adoption of Proposed Constitution
Section 9:	Resolution 6 – Approval for change of Company name
Section 10:	Resolution 7 – Ratification of Placement
Schedule 1:	Definitions
Schedule 2:	Terms of Preference Shares
Schedule 3:	Proportional Takeover Bid Provisions
Schedule 4:	Unmarketable Parcels

A Proxy Form is enclosed with the Notice.

2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

A Proxy Form is enclosed with the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

3. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2013.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at www.imf.com.au;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the Auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 – Adoption of Remuneration Report

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the

remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

The *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* which came into effect on 1 July 2011, amended the Corporations Act to provide that Shareholders will have the opportunity to remove the whole Board except the Managing Director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2012 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2014 annual general meeting, this may result in the re-election of the Board.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

Resolution 1 is an advisory Resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

5. Resolution 2 – Re-election of Director – Mr Alden Halse

In accordance with Listing Rule 14.4, a Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment, or 3 years, whichever is longer.

Clause 13.2 of the Constitution requires that one third of the Directors (excluding any alternate Directors and the Managing Director) must retire at each annual general meeting (or, if the number of such Directors is not a multiple of three, then such number as is appropriate to ensure that no Director other than alternate Directors and the Managing Director holds office for more than three years).

Clause 13.2 of the Constitution provides that a Director who retires under that clause is eligible for re-election.

Resolution 2 therefore provides that Mr Alden Halse retires by rotation and seeks re-election.

Details of the qualifications and experience of Mr Halse are included in the Annual Report.

The Board (excluding Mr Halse) recommends that Shareholders vote in favour of Resolution 2.

Resolution 2 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

6. Resolution 3 – Re-election of Director – Mr Rob Ferguson

The requirements of the Listing Rules and the Constitution regarding the rotation of Directors is explained in Section 5 above.

Resolution 3 provides that Mr Rob Ferguson retires by rotation and seeks re-election.

Details of the qualifications and experience of Mr Ferguson are included in the Annual Report.

The Board (excluding Mr Ferguson) recommends that Shareholders vote in favour of Resolution 3.

Resolution 3 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 3.

7. Resolution 4 – Approval of remuneration of non-executive Directors

7.1 General

At the Company's annual general meeting in 2009, Shareholders approved the maximum aggregate remuneration payable to non-executive Directors at \$300,000 per annum.

Resolution 4 seeks Shareholder approval to set the maximum aggregate remuneration payable to non-executive Directors at \$500,000 per annum.

The Board believes that the remuneration of the Directors must be maintained at a level consistent with similarly sized ASX listed companies, taking into account the time commitment of the role and Company performance. The increase in the aggregate remuneration pool sought by Resolution 4 is designed to:

- (a) accommodate an increase in the number of non-executive Directors, if such an increase is considered appropriate; and
- (b) allow for future increases in remuneration to current or future non-executive Directors, should this be considered appropriate.

Resolution 4, if passed, will ensure the Company has adequate flexibility to increase the size of the Board or the remuneration of non-executive Directors, as and when the business of the Company requires.

The Board does not give a recommendation on Resolution 4 in view of their personal interest in the Resolution.

Resolution 4 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 4.

7.2 Clause 13.8 of the Constitution and Listing Rule 10.17

Clause 13.8 of the Constitution provides that the remuneration of the Directors shall not be increased except pursuant to a resolution passed at a general meeting of the Company.

Listing Rule 10.17 provides that Shareholder approval is required to increase the total amount of Directors' fees payable by the Company. Listing Rule 10.17 does not apply to the salary of an executive Director. Listing Rule 10.17 requires that the following information be provided to Shareholders:

- (a) the amount of the increase sought is \$200,000, which would increase the annual remuneration pool from \$300,000 to \$500,000; and
- (b) a voting exclusion statement is included in the Notice.

Directors may be entitled to further remuneration if they are called upon to perform additional services or make special exertions on behalf of the Company or the business of the Company.

8. Resolution 5 – Adoption of Proposed Constitution

8.1 General

Resolution 5 seeks Shareholder approval for the adoption of the Proposed Constitution in accordance with section 136 of the Corporations Act.

A copy of the Proposed Constitution will be sent to any Shareholder on request and will also be available for inspection at the office of the Company during normal business hours prior to the Meeting and available for inspection at the Meeting.

The Proposed Constitution will be effective from the close of the Meeting.

Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

The Chairman intends to exercise all available proxies in favour of Resolution 5.

8.2 Summary of Proposed Constitution

In summary, the Proposed Constitution includes provisions to the following effect:

Shares

The issue of shares and options by the Company is under the control of the Directors, subject to the Corporations Act, Listing Rules and any rights attached to any special class of shares.

Preference Shares

The Corporations Act requires certain rights of preference shares to be either set out in the Proposed Constitution or approved in general meeting by special resolution before preference shares are issued.

The Proposed Constitution sets out a framework of rights for preference share issues from which the Board can determine to issue preference shares, without the need to obtain further Shareholder approval every time an allotment of preference shares is proposed. Schedule 6 to the Proposed Constitution contains the framework as well as specific rights of preference shares as to the repayment of capital, requirements for redemption (if the preference shares are redeemable), participation in surplus assets and profits, voting rights and priority of payment of capital and dividends. Other specific terms, including the dividend amount, the redemption date (if applicable) and redemption amount (if applicable), would be set by the issuing resolution of the Directors.

Details of the preference share provisions are contained in Schedule 2.

Reductions of Capital

The Proposed Constitution is consistent with the Corporations Act requirements which must be satisfied by the Company in undertaking an alteration of capital.

Liens

If the Company issues partly paid shares and a call made on those shares is unpaid, the Company will have a lien over the shares on which the call is unpaid. The lien may be enforced by a sale of those shares.

Transfer of Shares

The Company may participate in any clearing and settlement facility provided under the Corporations Act, the Listing Rules and the ASX Settlement Operating Rules (**Operating Rules**). Transfers under the Operating Rules are affected electronically in the Clearing House Electronic Sub register System (**CHESS**) operated by ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX. For the purposes of the Company's participation in CHESS, the Company may issue holding statements in lieu of share certificates. The Company will not charge any fee for registering a transfer of shares. The Directors may refuse to register a transfer of shares in the circumstances permitted or required under the Corporations Act and Listing Rules.

Proportional Takeovers

A proportional takeover bid is one in which the offeror offers only to buy a specified proportion of each Shareholders' shares.

The Proposed Constitution provides for shareholder approval of any proportional takeover bid for the shares. Subject to the Listing Rules and the Operating Rules, the provisions require the Directors to refuse to register any transfer of shares made in acceptance of a proportional takeover offer until the requisite shareholder approval has been obtained.

The perceived advantages of including proportional takeover provisions in the Proposed Constitution are that such provisions may:

- (a) enhance the bargaining power of Directors in connection with any potential sale of the Company;
- (b) improve corporate management by eliminating the possible threat of a hostile takeover through longer term planning;
- (c) make it easier for Directors to discharge their fiduciary and statutory duties to the Company and its shareholders to advise and guide in the event of a proportional bid occurring; and
- (d) strengthen the position of shareholders of the Company in the event of a takeover, assuming the takeover will result in a sharing of wealth between the offeror and shareholders, as the more cohesive shareholders are in determining their response the stronger they are. A requirement for approval can force shareholders to act in a more cohesive manner. Where shareholders know that a bid will only be successful if a specified majority of shareholders accept the offer, they have less to fear by not tendering to any offer which they think is too low.

The perceived disadvantages of including proportional takeover provisions in the Proposed Constitution include the following:

- (a) a vote on approval of a specific bid suffers from a bias in favour of the incumbent Board;
- (b) the provisions are inconsistent with the principle that a share in a public company should be transferable without the consent of other shareholders; and
- (c) a shareholder may lack a sufficient financial interest in any particular company to have an incentive to determine whether the proposal is appropriate.

To comply with the Corporations Act, the proportional takeover provisions must be renewed by shareholders in general meeting at least every 3 years to remain in place.

Details of the proportional takeover provisions are contained in Schedule 3.

Alterations of share capital

Shares may be converted or cancelled with shareholder approval and the Company's share capital may be reduced in accordance with the requirements of the Corporations Act and the Listing Rules.

Buy Backs

The Company may buy back shares in itself on terms and at such times determined by the Directors.

Disposal of less than a Marketable Parcel

For the sake of avoiding excessive administration costs, the Proposed Constitution contains provisions enabling the Company to procure the disposal of shares where the Shareholder holds less than a marketable parcel of Shares within the meaning of the Listing Rules (currently being a parcel of shares with a market value of less than \$500). To invoke this procedure, the Directors must first give notice to the relevant shareholder holding less than a marketable parcel of shares, who may then elect not to have his or her Shares sold by notifying the Directors.

The proposed disposal of unmarketable parcel provisions of the Proposed Constitution are set in Schedule 4.

Variation of class rights

Class rights attaching to a particular class of shares may be varied or cancelled with the consent in writing of holders of 75% of the shares in that class or by a special resolution of the holders of shares in that class.

Meetings of Shareholders

Directors may call a meeting of shareholders whenever they think fit. Shareholders may call a meeting as provided by the Corporations Act. The Proposed Constitution contains provisions prescribing the content requirements of notices of meetings of shareholders and all shareholders are entitled to a notice of meeting. Consistent with the Corporations Act, a meeting may be held in two or more places linked together by audio-visual communication devices. A quorum for a meeting of Shareholders is 2 eligible voters.

The Company will hold Annual General Meetings in accordance with the Corporations Act and the Listing Rules.

Voting of Shareholders

Resolutions of shareholders will be decided by a show of hands unless a poll is demanded. On a show of hands each eligible voter present has one vote. On a poll each eligible shareholder

has one vote for each fully paid share held and a fraction of a vote for each partly paid share determined by the amount paid up on that share.

Proxies

An eligible shareholder may appoint a proxy to attend and vote at the meeting on the shareholder's behalf. The Proposed Constitution contains provisions specifying the manner of lodgement of proxy instruments. A shareholder may appoint an individual or corporation to act as its representative.

Directors

Unless changed by the Company in general meeting, the minimum number of directors is 3 and the maximum is 10. The existing Directors and the Company may appoint a new Director to fill a casual vacancy or as an addition to the Board. Any such Director must retire at the next following annual general meeting of the Company (at which meeting he or she may be eligible for election as Director). No Director other than the Managing Director may hold office for longer than 3 years without submitting himself or herself for re-election.

Powers of Directors

The business of the Company is to be managed by or under the direction of the Directors.

Remuneration of Directors

The Company may pay non-executive Directors a maximum of the total amount as determined by the shareholders in general meeting and such sum must not be paid by way of commission on, or percentage of, profits or operating revenue.

The remuneration of executive Directors will be subject to the provisions of any contract between each of them and the Company and may be by way of commission on, or percentage of, profits of the Company, but will not be by way of commission on, or percentage of, operating revenue.

Execution of documents

In accordance with the Corporations Act, the Proposed Constitution provides for execution of documents by the Company without the use of the Company's company seal.

Dividends

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference shares and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the shareholders entitled to the dividend. Subject to the rights of any preference shares and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the dividend as declared shall be payable on all shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such shares.

Indemnities and insurance

To the extent permitted by law, the Company indemnifies every person who is or has been a Director or secretary of the Company against a liability incurred by that person in his or her capacity as a Director or secretary provided that the liability does not arise out of conduct involving a lack of good faith (otherwise referred to as an excluded liability). A similar indemnity is provided in respect of legal proceedings. The Company may also pay the premiums on directors' and officers' liability insurance.

9. Resolution 6 – Approval of change of Company name

The Company announced on 16 September 2013 that the operations of its wholly owned US subsidiary, Bentham Capital LLC (**Bentham**) have been expanded, with the opening of a new office in Los Angeles.

Since the establishment of Bentham in New York in late 2011, the Company has seen a steady growth in US funded cases, in particular on the East Coast of the US. The Los Angeles office is intended to grow funding opportunities on the US West Coast where Bentham has already funded several cases.

Due to the increasingly international nature of the litigation funding industry, the Company may also expand its operations in the future by opening an office in the United Kingdom. Such an office would be likely to use the Bentham name.

To reflect the increased use of the Bentham name by the Company, both currently and in the future, the Directors have determined to change the name of the Company to "Bentham IMF Limited".

The change of name will take effect from when ASIC alters the details of the Company's registration.

The Board recommends that Shareholders vote in favour of Resolution 6.

Resolution 6 is a special resolution and requires approval of 75% of the votes cast by Shareholders.

The Chairman intends to exercise all available proxies in favour of Resolution 6.

10. Resolution 7 – Ratification of Placement

10.1 General

On 2 October 2013, the Company announced that it was undertaking a placement to raise approximately \$31,400,000 (before costs) through the issue of approximately 18,500,000 Shares at \$1.70 per Share.

The successful completion of the placement was announced on 3 October 2013. The Company raised approximately \$31,418,390 (before costs) through the issue of 18,481,406 Shares (**Placement Shares**). The Placement Shares were issued under the Company's 15% placement capacity without the need for Shareholder approval.

Resolution 7 seeks Shareholder approval for the ratification of the issue of the Placement Shares pursuant to Listing Rule 7.4.

The Board recommends that Shareholders vote in favour of Resolution 7.

Resolution 7 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 7.

10.2 Listing Rule 7.4

Listing Rule 7.4 provides an exception to Listing Rule 7.1. It provides that where a company in a general meeting ratifies a previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1.



The effect of Shareholders passing Resolution 7 by ratifying the issue of the Placement Shares will be to restore the Company's ability to issue further securities, to the extent of 18,481,406 securities, during the next 12 months.

10.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Placement Shares:

- (a) 18,481,406 Placement Shares were issued.
- (b) The Placement Shares were issued at an issue price of \$1.70 each.
- (c) The Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally to in all respect with the Company's existing Shares on issue.
- (d) The Placement Shares were issued to sophisticated and professional investors who are not related parties or associates of the Company.
- (e) The funds raised from the issue of the issue of the Placement Shares will be used to fund the redemption of the Company's outstanding convertible notes, to increase financial flexibility and for working capital purposes, particularly in relation to the Company's stated objective of increasing its cases under management beyond \$2bn and growing its business in the US and UK/Netherlands markets.
- (f) A voting exclusion statement is included in the Notice.

Schedule 1 – Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means the ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means IMF (Australia) Ltd ABN 45 067 298 088.

Constitution means the constitution of the Company as at the commencement of the Meeting.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Listing Rules means the listing rules of ASX.

Meeting has the meaning given in the introductory paragraph of the Notice.

Notice means this notice of Annual General Meeting.

Placement Shares has the meaning given in Section 10.1.

Proposed Constitution has the meaning given in Resolution 5.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution referred to in the Notice.



Schedule means a schedule to the Notice.

Section means a section of the Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Strike means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.

For personal use only

Schedule 2 – Terms of Preference Shares

1. Definitions

In this Schedule, unless the context otherwise requires:

Conversion Circumstances means, in respect of a Converting Preference Share, whether the Preference Share is liable to be converted or convertible:

- (a) at the option of the Holder, or of the Company, or both;
- (b) upon the happening of a particular event; or
- (c) at a fixed time.

Conversion Date means, in respect of a Converting Preference Share, the date (if any) specified in the Issue Resolution for the conversion of that Preference Share or the date upon which an event specified in the Issue Resolution occurs which results in the conversion of that Preference Share.

Conversion Number means the number, or formula for determining the number, of ordinary Shares into which a Converting Preference Share will convert upon conversion.

Converting Preference Share means a Preference Share which is specified in the Issue Resolution as being liable to be converted or convertible into ordinary Shares in a manner permitted by the Corporations Act, whether at the option of the Holder or otherwise.

Dividend means any distribution of any property (including without limitation, money, Paid Up shares, debentures, debenture stock or other securities of the Company or of any other Corporation) to a Holder in respect of a Preference Share as a dividend, whether interim or final.

Dividend Date means, in respect of a Preference Share, a date specified in the Issue Resolution on which a Dividend in respect of that Preference Share is payable.

Dividend Rate means, in respect of a Preference Share, the terms specified in the Issue Resolution for the calculation of the amount of Dividend to be paid in respect of that Preference Share on any Dividend Date, which calculation may be wholly or partly established by reference to an algebraic formula.

Franked Dividend has the meaning given in section 160APA of the *Income Tax Assessment Act 1936* (Cth).

Holder means, in respect of a Preference Share, the registered holder of that Share.

Issue Resolution means the resolution specified in paragraph 3.

Preference Share means a Share issued under Article 2.2 of the Proposed Constitution.

Redeemable Preference Share means a Preference Share which is specified in the Issue Resolution as being liable to be redeemed in a manner permitted by the Corporations Act.

Redemption Amount means, in respect of a Redeemable Preference Share, the amount specified in the Issue Resolution to be paid on redemption of the Redeemable Preference Share.

Redemption Circumstances means, in respect of a Redeemable Preference Share, whether the Preference Share is liable to be redeemed:

- (a) at the option of the Holder, or of the Company, or both;
- (b) upon the happening of a particular event; or
- (c) at a fixed time.

Redemption Date means, in respect of a Redeemable Preference Share, the date specified in the Issue Resolution for the redemption of that Preference Share or the date upon which an event specified in the Issue Resolution occurs which results in the redemption of that Preference Share.

Specified Date means, in respect of a Redeemable Preference Share, the date (if any) specified in the Issue Resolution before which that Redeemable Preference Share may not be redeemed by the Holder.

2. Rights of Holders

Each Preference Share confers upon its Holder:

- (a) the rights referred to in articles 2.2(b) and 2.2(c) of the Proposed Constitution;
- (b) the right in winding up to payment in cash of the amount then paid up on it, and any arrears of Dividend in respect of that Preference Share in priority to any other class of Shares;
- (c) the right in priority to any payment of a Dividend to any other class of Shares, to a cumulative preferential dividend payable on each Dividend Date in relation to that Preference Share calculated in accordance with the Dividend Rate in relation to that Preference Share; and
- (d) no right to participate beyond the extent elsewhere specified in this paragraph 2 in surplus assets or profits of the Company, whether in winding up or otherwise.

3. Issue Resolution

- (a) The Directors may allot a Preference Share by a resolution of the Directors specifying:
 - (i) the Dividend Date;
 - (ii) the Dividend Rate;
 - (iii) whether the Preference Share is or is not a Redeemable Preference Share;
 - (iv) if the Preference Share is a Redeemable Preference Share, the Redemption Amount, the Redemption Date, the Redemption Circumstances and any Specified Date for that Redeemable Preference Share;
 - (v) whether the Preference Share is or is not a Converting Preference Share;
 - (vi) if the Preference Share is a Converting Preference Share, the Conversion Circumstances, the Conversion Number and any Conversion Date; and
 - (vii) any other terms and conditions to apply to that Preference Share.
- (b) The Issue Resolution in establishing the Dividend Rate for a Preference Share may specify that the Dividend is to be:
 - (i) fixed;

- (ii) variable depending upon any variation of the respective values of any factors in an algebraic formula specified in the Issue Resolution; or
- (iii) variable depending upon such other factors as the Directors may specify in the Issue Resolution,

and may also specify that the Dividend is to be a Franked Dividend or not a Franked Dividend.

- (c) Where the Issue Resolution specifies that the Dividend to be paid in respect of the Preference Share is to be a Franked Dividend the Issue Resolution may also specify:
 - (i) the extent to which such Dividend is to be franked; and
 - (ii) the consequences of any Dividend paid not being so franked, which may include a provision for an increase in the amount of the Dividend to such an extent or by reference to such factors as may be specified in the Issue Resolution.

4. Redemption

- (a) The Company must redeem a Redeemable Preference Share on issue:
 - (i) in the case where the Redeemable Preference Share is liable to be redeemed at the option of the Company, on the specified date where the Company, not less than 10 Business Days before that date, has given a notice to the Holder of that Redeemable Preference Share stating that the Redeemable Preference Share will be redeemed on the specified date;
 - (ii) in the case where the Redeemable Preference Share is liable to be redeemed at the option of the Holder, on the specified date where the Holder of that Redeemable Preference Share, not less than 10 Business Days before that date, has given a notice to the Company stating that the Redeemable Preference Share will be redeemed on the specified date; and
 - (iii) in any event, on the Redemption Date,

but no Redeemable Preference Share may be redeemed by the Holder before the Specified Date unless the Redemption Date occurs before that date.

- (b) On redemption of a Redeemable Preference Share, the Company, after the Holder has surrendered to the Company the Certificate (if any) in respect of that Redeemable Preference Share, must pay to the Holder the Redemption Amount by:
 - (i) directly crediting the account nominated in writing by the Holder from time to time; or
 - (ii) cheque made payable to the Holder or such other person nominated in writing by the Holder sent through the post to:
 - (A) in the case where the Holder is a joint holder of the Redeemable Preference Share, the address in the Register of the person whose name stands first on the Register in respect of the joint holding; or
 - (B) otherwise, to the address of the Holder in the Register.

5. Conversion

- (a) The Company must convert a Converting Preference Share on issue:

- (i) in the case where the Converting Preference Share is liable to be redeemed at the option of the Company, on the specified date where the Company, not less than 10 Business Days before that date, has given a notice to the Holder of that Converting Preference Share stating that the Converting Preference Share will be converted on the specified date;
- (ii) in the case where the Converting Preference Share is liable to be redeemed at the option of the Holder, on the specified date where the Holder of that Converting Preference Share, not less than 10 Business Days before that date, has given a notice to the Company stating that the Converting Preference Share will be converted on the specified date; and
- (iii) in any event, on the Conversion Date.
- (b) On conversion of a Converting Preference Share the Company must allot to the Holder additional ordinary Shares such that following conversion the Holder holds that number of ordinary Shares in accordance with the Conversion Number. Conversion of a Converting Preference Share does not constitute a cancellation, redemption or termination of a Converting Preference Share or the issue, allotment or creation of a new Share.
- (c) The allotment of additional ordinary Shares on Conversion does not constitute a cancellation, redemption or termination of a Converting Preference Share. Conversion is the taking effect of existing rights of a Converting Preference Share and the ending of the special rights attached to the Converting Preference Share.
- (d) Following Conversion, each Converting Preference Share will rank equally with and will confer rights identical with and impose obligations identical with all other fully paid ordinary Shares then on issue.

6. Certificate

The Certificate (if any) issued by the Company in relation to any Preference Share, must specify in relation to that Preference Share:

- (a) the date of issue of the Preference Share;
- (b) the Dividend Rate and Dividend Dates;
- (c) whether the Preference Share is a Redeemable Preference Share;
- (d) if the Preference Share is a Redeemable Preference Share, the:
- (i) Redemption Circumstances;
- (ii) Redemption Amount; and
- (iii) Redemption Date to the extent possible or if not, the event which if it occurs will result in redemption of that Redeemable Preference Share; and
- (e) if the Preference Share is a Converting Preference Share, the:
- (i) Conversion Circumstances;
- (ii) Conversion Number; and
- (iii) Conversion Date to the extent possible or if not, the event which if it occurs will result in conversion of that Converting Preference Share; and
- (f) any other matter the Directors determine.

Schedule 3 – Proportional Takeover Bid Provisions

1. Definitions

In this Schedule:

Approving Resolution means a resolution to approve a proportional takeover bid in accordance with this Schedule.

Deadline means the 14th day before the last day of the bid period for a proportional takeover bid.

Voter means a person (other than the bidder under a proportional takeover bid or an associate of that bidder) who, as at the end of the day on which the first offer under that bid was made, held bid class securities for that bid.

2. Refusal of Transfers

(a) Requirement for an Approving Resolution

- (i) The Company must refuse to register a transfer of Shares giving effect to a takeover contract for a proportional takeover bid unless and until an Approving Resolution is passed in accordance with this Schedule.
- (ii) This Schedule ceases to apply on the 3rd anniversary of its last adoption, or last renewal, in accordance with the Corporations Act.

(b) Voting on an Approving Resolution

- (i) Where offers are made under a proportional takeover bid, the Directors must call and arrange to hold a meeting of Voters for the purpose of voting on an Approving Resolution before the Deadline.
- (ii) The provisions of the Proposed Constitution concerning meetings of members (with the necessary changes) apply to a meeting held under paragraph 2.22(b)(i).
- (iii) Subject to the Proposed Constitution, every Voter present at the meeting held under paragraph 2.22(b)(i) is entitled to one vote for each Share in the bid class securities that the Voter holds.
- (iv) To be effective, an Approving Resolution must be passed before the Deadline.
- (v) An Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.
- (vi) If no Approving Resolution has been voted on as at the end of the day before the Deadline, an Approving Resolution is taken, for the purposes of this Schedule, to have been passed in accordance with this Schedule.

Schedule 4 – Unmarketable Parcels

1. Definitions

In this Schedule:

Sale Share means a Share which is sold or disposed of in accordance with this Schedule.

2. Power to Sell Unmarketable Parcels

(a) Existing unmarketable parcels

- (i) The Company may sell the Shares of a member if:
 - (A) the total number of Shares of a particular class held by that member is less than a marketable parcel;
 - (B) the Company gives that member notice in writing stating that the Shares are liable to be sold or disposed of by the Company; and
 - (C) that member does not give notice in writing to the Company, by the date specified in the notice of the Company (being not less than 42 days after the date of the Company giving that notice), stating that all or some of those Shares are not to be sold or disposed of.
- (ii) The Company may only exercise the powers under paragraph 2.12(a)(i), in respect of one or more members, once in any 12 month period.
- (iii) The power of the Company under paragraph 2.12(a)(i) lapses following the announcement of a takeover bid. However, the procedure may be started again after the close of the offers made under the takeover bid.

(b) New unmarketable parcels

- (i) The Company may sell the Shares of a member if:
 - (A) the Shares of a particular class held by that member are in a new holding created by a transfer on or after 1 September 1999; and
 - (B) that transfer is of a number of Shares of that class that was less than a marketable parcel at the time the transfer document was initiated, or in the case of a paper based transfer document, was lodged with the Company.
- (ii) The Company may give a member referred to in paragraph 2.22(b)(i) notice in writing stating that the Company intends to sell or dispose of the Shares.

3. Exercise of Power of Sale

(a) Extinguishment of interests and claims

The exercise by the Company of its powers under paragraph 2 extinguishes, subject to this Schedule:

- (i) all interests in the Sale Shares of the former member; and
- (ii) all claims against the Company in respect of the Sale Shares by that member, including all Dividends determined to be paid in respect of those Share and not actually paid.

- (b) Manner of sale
- (i) The Company may sell or dispose of any Shares under paragraph 2 at any time:
 - (A) using a financial services licensee on the basis that person obtains the highest possible price for the sale of the Shares; or
 - (B) in any other manner and on any terms as the Directors resolve.
 - (ii) The Company may:
 - (A) exercise any powers permitted under the Applicable Law to enable the sale or disposal of Shares under this Schedule;
 - (B) receive the purchase money or consideration for Sale Shares;
 - (C) appoint a person to sign a transfer of Sale Shares; and
 - (D) enter in the Register the name of the person to whom Sale Shares are sold or disposed.
 - (iii) The person to whom a Sale Share is sold or disposed need not enquire whether the Company:
 - (A) properly exercised its powers under this Schedule in respect of that Share; or
 - (B) properly applied the proceeds of sale or disposal of those Shares; and the title of that person is not affected by those matters.
 - (iv) The remedy of any person aggrieved by a sale or disposal of Sale Shares is in damages only and against the Company exclusively.
 - (v) A certificate in writing from the Company signed by a Director or Secretary that a Share was sold or disposed of in accordance with this Schedule is sufficient evidence of those matters.
- (c) Application of proceeds
- (i) If the Company exercises the powers under paragraph 2, either the Company or the person to whom a Sale Share is sold or disposed of must pay the expenses of the sale or disposal.
 - (ii) The Company must apply the proceeds of any sale or disposal of any Sale Shares in the following order:
 - (A) in the case of an exercise of the powers under paragraph 2, the expenses of the sale or disposal;
 - (B) the amounts due and unpaid in respect of those Shares; and
 - (C) the balance (if any) to the former member or the former member's Personal Representative, on the Company receiving the certificate (if any) for those Shares or other evidence satisfactory to the Company regarding the ownership of those Shares.
- (d) Voting and dividend rights pending sale

- (i) If the Company is entitled to exercise the powers under paragraph 2, the Company may by resolution of the Directors remove or change either or both:
 - (A) the right to vote; and
 - (B) the right to receive Dividends,of the relevant member in respect of some or all of the Shares liable to be sold or disposed of.
- (ii) After the sale of the relevant Sale Shares, the Company must pay to the person entitled any Dividends that have been withheld under paragraph 3.43(d)(i).

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

┌ 000001 000 IMF
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au

- Cast your proxy vote**
- Access the annual report**
- Review and update your securityholding**

Your secure access information is:

Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 9:30am (AEDT) on Tuesday, 26 November 2013**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

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MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of IMF (Australia) Ltd hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of IMF (Australia) Ltd to be held at the Hobart Room, Sofitel Sydney Wentworth, 61-101 Phillip Street, Sydney, NSW 2000 on Thursday, 28 November 2013 at 9:30am (AEDT) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 & 4 (except where I/we have indicated a different voting intention below) even though Resolution 1 & 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: For Resolution 4, this express authority is also subject to you marking the box in the section below.

If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 & 4 by marking the appropriate box in step 2 below.

Important for Resolution 4: If the Chairman of the Meeting is your proxy and you have not directed the Chairman how to vote on Resolution 4 below, please mark the box in this section. If you do not mark this box and you have not otherwise directed your proxy how to vote on Resolution 4, the Chairman of the Meeting will not cast your votes on Resolution 4 and your votes will not be counted in computing the required majority if a poll is called on this item. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 4 of business.

I/We acknowledge that the Chairman of the Meeting may exercise my/our proxy even if the Chairman has an interest in the outcome of Resolution 4 and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Director – Mr Alden Halse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Director – Mr Rob Ferguson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Approval of remuneration of non-executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Adoption of Proposed Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Approval for change of Company name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Ratification of Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / / _____

IMF

1 7 2 9 7 5 A

Computershare +