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## ASX Announcement

28 FEBRUARY 2018

### LCM DELIVERS SIGNIFICANT LITIGATION PROJECT PORTFOLIO GROWTH

Litigation Capital Management Limited (“LCM”) (ASX Code: LCA) is pleased to announce its results for the six months ended 31 December 2017 (1H18), with a post reporting event that saw the company achieve a resolution of two of its Litigation Projects positioning the business for a healthy statutory profit position for FY18.

Commenting on the 1H18 results, LCM’s Managing Director Patrick Moloney said *“Our clear strategic focus is to invest in a portfolio of projects which can produce a high Internal Rate of Return (“IRR”). We had \$19M of capital invested in litigation projects as at 31 December 2017, up 52% on the \$12.5M invested at 30 June 2017. Our current portfolio of 14 litigation projects has an aggregate Gross Claim Size of \$919M, 11 of which we are financing directly. We have also conditionally agreed to fund a further five claims with an aggregate Gross Claim Size of \$463M.”*

#### Positive outlook for FY18

On 31 January 2018 the Company announced the completion of two litigation Projects funded directly by LCM, generating revenue of \$20.2M with an EBITDA contribution of \$12.3M. Commenting on the outlook Mr Moloney said *“We are pleased to have recently completed two significant projects, which will enable us to move to a healthy statutory profit over FY18. Over the past six and a half years we have invested in highly profitable projects delivering a running IRR (inclusive of losses) of 82%. This demonstrates that LCM has the expertise to select and manage profitable Litigation Projects”.*

We are highly encouraged by our pipeline of 29 litigation projects, five of which are subject to a conditional funding agreement. These Projects if funded, have an estimated Gross Claim Size of c.\$2.6B and estimated budget of c.\$109B. Our focus is to add to our pipeline of litigation projects over time, investing in projects with attractive financial returns, to add value for shareholders.”

Litigation Capital Management Limited provides litigation financing and ancillary services to enable the recovery of funds from legal claims in Australia. It serves companies and individuals primarily in the areas of commercial and insolvency matters, and class actions. Litigation Capital Management Limited was founded in 1998 and is based in Sydney, Australia.

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