

## ASX MARKET ANNOUNCEMENT

### Completion of \$3.6 Million Fund Raising

Keybridge Capital Limited (**Keybridge**) is pleased to announce the completion of a \$3.6 million capital raising via the issue of 3,598,953 Convertible Redeemable Promissory Notes (ASX:KBCPA) (**CRPNs**) at a face value of \$1.00 each to professional/institutional investors.

The issue was completed within the placement capacity approved by shareholders at the Company's Annual General Meeting held on 22 November 2018.

The funds raised will be applied towards the investment capital base of Keybridge.

The CRPNs are fixed term, convertible, redeemable, unsecured, promissory notes in the capital of the Company, with a summary of their terms being as follows<sup>1</sup>:

- (a) Face value of \$1.00 each with maturity on 31 July 2020;
- (a) Fixed interest rate of 7% per annum generally payable in arrears on 20 March, 20 June, 20 September and 20 December each year;
- (b) Regarded as an 'equity interest' under Australian tax law with interest payments regarded as 'non-share dividends.' Interest payments are fully franked (where possible) or grossed up with additional cash payments to compensate for any unfranked component and 'qualified' Australian resident holders will have access to franking credits in this regard;
- (c) Rank ahead of ordinary shares with preferential right to payment of interest and capital on winding up;
- (d) At maturity:
  - (i) a holder may request a conversion of their CRPN to ordinary shares at a 2.5% discount to the volume weighted average price of shares at the time (over a Conversion VWAP Period defined as the 15 Business Days on which trading in Ordinary Shares took place immediately preceding (but not including) the date on which Conversion is to occur) (**VWAP**). Keybridge may respond to the holder's request by either converting the CRPN into ordinary shares (at the 2.5% discount to the VWAP price) or redeeming the CRPN for cash at face value;
  - (ii) Keybridge may elect to convert the CRPN to ordinary shares at a 5% discount to the VWAP price at maturity; and
- (e) Keybridge may also elect to redeem the CRPN for cash or convert the CRPN prior to maturity, on the occurrence of certain trigger events.

Keybridge first issued CRPN on 30 June 2015 as a pro-rata in-specie return of capital to Keybridge shareholders (**Return of Capital**). A Prospectus (dated 17 June 2015) was issued by Keybridge to accompany the in-specie distribution of CRPN (**Prospectus**).

Further details are also contained in Keybridge's Notice of Annual General Meeting and Explanatory Statement dated 18 October 2018 and released on ASX on [23 October 2018](#) (**Meeting Document**).

---

<sup>1</sup> Defined terms as defined in the CRPN Terms (a copy of which are in Annexure B of Meeting Document)

**FOR FURTHER INFORMATION:**

John Patton  
Chairman  
Tel: (03) 9686 7000  
Email: [jpatton@keybridge.com.au](mailto:jpatton@keybridge.com.au)

Victor Ho  
Company Secretary  
Tel: (08) 9214 9767  
Email: [cosec@keybridge.com.au](mailto:cosec@keybridge.com.au)

**ABOUT [KEYBRIDGE CAPITAL LIMITED](#) (ASX: [KBC](#))**

Keybridge is an investment and financial services group with a diversified portfolio of listed and unlisted investments/loan assets in the private equity (US), life insurance (New Zealand), property and funds management sectors and strategic holdings in HHY Fund (ASX:HHY), Molopo Energy Limited (ASX:MPO), Metgasco Limited (ASX: MEL) and Yowie Group Ltd (ASX:YOW). Keybridge is also the Investment Manager of HHY.