

14 October 2019

ASX Codes: KBC; KBCPA

MARKET ANNOUNCEMENT

Keybridge Capital Limited (ASX: KBC) (**Keybridge**) provides the following update:

Board Appointments:

Keybridge has appointed Nicholas Bolton, its Chief Executive Officer, to the Board as Managing Director.

Keybridge has also appointed Richard Dukes to the Board.

Other Management Changes:

Victor Ho has been removed as Company Secretary and John Patton appointed as Interim Company Secretary.

Bentley Capital Limited (Bentley) and William Johnson litigation against the Company determined:

As announced on 26 September 2019, Bentley and William Johnson commenced proceedings against Keybridge seeking a declaration that William Johnson was properly appointed to the role as Chairman on 10 July 2019, as communicated in an ASX release attributed to the Company on 11 July 2019.

The Federal Court determined that William Johnson had **not** been validly appointed as the Chairman of Keybridge.

John Patton was and remains the Chairman of Keybridge.

The Federal Court has reserved on the matter of costs.

Second Takeover Bid Received from WAM Active:

Following WAM Active's Takeover Bid announced on 28 June 2019, which was later withdrawn on 22 August 2019, WAM Active now makes a second highly conditional cash bid for Keybridge Capital Limited, now at a reduced 6.9c per share. Amongst other things, the bid is conditional upon:

- An unusual condition where Keybridge is **not** to resume trading on the ASX before 31 October 2019 (in circumstances where it needs to resume trading before 22 October 2019 to remedy an event of default on its CRPN, as announced 10 September 2019);
- Keybridge to **not** realise assets in excess of \$500,000 (in a circumstance where Keybridge must realise assets to repay its redeeming CRPN obligations);
- Keybridge to **not** accept conversion requests on any of the CRPN to equity (in circumstances where Keybridge may need to convert CRPN to equity based on its liquidity requirements); and
- Keybridge NTA to **not** decline below 6.15c per share.

Keybridge recommends shareholders take no action in relation to the highly conditional Bid at this stage.

FOR FURTHER INFORMATION:

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

Nicholas Bolton
Chief Executive Officer
Tel: 0412 606 899
Email: nbolton@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.