

29 October 2019

UPDATE ON TAKEOVERS PANEL ORDERS

Reference is made to the recent proceedings before the Takeovers Panel involving the Company, John Bridgeman Limited (JBL), JB Finance Group Pty Ltd (JBFG), King's Currency Pty Limited (King's Currency) and Partners For Growth (PFG), in the matter of Benjamin Hornigold 05, 06 & 07 and 08R, 10R & 11R, and the orders made by the Takeovers Panel as part of those proceedings.

As at 25 October 2019, King's Currency has failed to comply with the orders of the Takeovers Panel; in particular, Order 1, which requires it to return to the Company all foreign currency banknotes placed by the Company with King's Currency pursuant to the Services Agreement with King's Currency.

In addition, as at 28 October 2019, JBL has also failed to comply with the orders of the Takeovers Panel; in particular, Order 14, which requires JBL to pay the Company \$120,000 (plus GST), representing the costs actually, necessarily, properly and reasonably incurred by the Company in the course of the Takeovers Panel proceedings.

JBL has advised that it has offset the \$120,000 amount of the cost order against management fees it claims are owed by BHD to JBL. The Company disputes that JBL has the right to set-off the payment of the cost order against alleged contractual entitlements, which the Company continues to dispute, and has communicated this to JBL's legal advisers. JBL's legal advisers have, to date, not replied to that correspondence.

The Company intends to vigorously defend its rights and is contemplating legal action against both JBL and King's Currency, in order to enforce the orders of the Takeovers Panel.

The Company will update shareholders as and when further information becomes available.

ENDS

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