

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Litigation Capital Management Limited

ACN/ARSN 608 667 509

1. Details of substantial holder (1)

Name Litigation Capital Management Limited

ACN/ARSN (if applicable) 608 667 509

The holder became a substantial holder on 13/12/2016

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary	21,869,407	21,869,407	40.85%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Litigation Capital Management Limited	Relevant interest as a result of restrictions on the disposal of shares arising from voluntary escrow arrangements (as per Annexure C) entered into with various seed capitalists (section 608(1)(c) of the <i>Corporations Act 2001</i> (Cth) (Act)).	3,216,096 fully paid ordinary shares.
	Relevant interest as a result of mandatory restriction agreements (as per Annexure B) entered into pursuant to the ASX Listing Rules (section 608(1)(c) of the Act).	18,653,312 fully paid ordinary shares.

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Litigation Capital Management Limited	See Annexure A	See Annexure A	See Annexure A

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Litigation Capital Management Limited	13/12/2016	Not applicable		21,869,407 fully paid ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

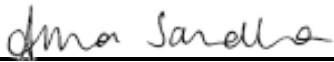
Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Litigation Capital Management Limited	'Aurora Place' Level 25, 88 Phillip Street, SYDNEY NSW 2000

Signature

print name Anna Sandham capacity Company Secretary
sign here  date 13/12/16

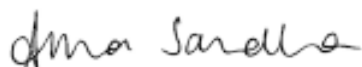
DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

GUIDE

This guide does not form part of the prescribed form and is included by ASIC to assist you in completing and lodging form 603.

Signature	This form must be signed by either a director or a secretary of the substantial holder.
Lodging period	Nil
Lodging Fee	Nil
Other forms to be completed	Nil
Additional information	<p>(a) If additional space is required to complete a question, the information may be included on a separate piece of paper annexed to the form.</p> <p>(b) This notice must be given to a listed company, or the responsible entity for a listed managed investment scheme. A copy of this notice must also be given to each relevant securities exchange.</p> <p>(c) The person must give a copy of this notice:</p> <ul style="list-style-type: none"> (i) within 2 business days after they become aware of the information; or (ii) by 9.30 am on the next trading day of the relevant securities exchange after they become aware of the information if: <ul style="list-style-type: none"> (A) a takeover bid is made for voting shares in the company or voting interests in the scheme; and (B) the person becomes aware of the information during the bid period.
Annexures	<p>To make any annexure conform to the regulations, you must</p> <ol style="list-style-type: none"> 1 use A4 size paper of white or light pastel colour with a margin of at least 10mm on all sides 2 show the corporation name and ACN or ARBN 3 number the pages consecutively 4 print or type in BLOCK letters in dark blue or black ink so that the document is clearly legible when photocopied 5 identify the annexure with a mark such as A, B, C, etc 6 endorse the annexure with the words: <i>This is annexure (mark) of (number) pages referred to in form (form number and title)</i> 7 sign and date the annexure. <p>The annexure must be signed by the same person(s) who signed the form.</p>



Name: Anna Sandham
Capacity: Company Secretary
Date: 13 December 2016

Securities subject to voluntary escrow arrangements

Registered Holder of Securities	Number and Class of Securities
Kanamex Pty Ltd	2,729,452
Seistend Pty Ltd	643,430
Veruse Pty Ltd	643,430
Merric Investments Pty Ltd	792,087
Paradice Capital Pty Ltd	428,571
Paradice Capital Pty Ltd	290,376
Ben Cameron Pty Ltd	120,000
Benjamin Cameron & Sophia Cameron	223,998
Box Seat Pty Ltd	199,998
Craig Keats	120,000
EJAWA Pty Ltd	198,000
Este Pty Ltd	88,000
FL Bragg Holdings Pty Ltd	402,000
Hamilton Family Investments Pty Ltd	199,998
Jamatal Investments Pty Ltd	88,000
Kamina Investment Holding Ltd	402,000
Kerry Cameron King & Christine Margaret King	198,000
Leverton Pastoral Company Pty Ltd	270,000
Lillie Road Investments Pty Ltd	199,998
Medicine Securities Pty Ltd	360,000
MJC Pty Ltd	1,720,002
Paul & Sarah Kelly Pty Ltd	339,996
PFH (NSW) Pty Ltd	2,400,000
PJF Super Pty Ltd	999,996
Rachel Arnott & Kenneth Arnott	303,996
Richard Mews	277,998
Richard Ewan Bromley Mews & Wee Khoon Mews	282,000
Robert Douglas Cropper	450,000
RST Super Pty Ltd	999,996
Shaun Trewin	24,000
Stamina Pty Ltd	720,000
Stephen and Jacqueline Miller	88,000
Storb Consultants Superannuation Fund Pty Ltd	223,998
Stradbroke Securities Pty Ltd	235,998
Thomas Robson and Samuel Robson	199,998
Tigershark Investments Pty Ltd	199,998
Wolseley (Australia) Pty Ltd	589,998

Securities subject to restriction agreements

Registered Holder of Securities	Number and Class of Securities
Kanamex Pty Ltd	483,105
Seistend Pty Ltd	958,054
Veruse Pty Ltd	958,054
Merric Investments Pty Ltd	451,869
Paradice Capital Pty Ltd	171,429
Paradice Capital Pty Ltd	193,584



Name: Anna Sandham
Capacity: Company Secretary
Date: 13 December 2016

Appendix 9A

Restriction agreement

Introduced 01/07/96 Origin: Appendix 11 Amended 01/07/98, 11/03/02, 24/10/05, 20/07/07

We, the persons in:

- Item 1 of the schedule (“entity”);
- Item 2 of the schedule (“holder”);
- Item 3 of the schedule (“controller”),

agree as follows.

Introduction

- *A. The entity intends to issue restricted securities to the holder. The holder will hold the restricted securities as set out in this agreement. It is a condition of the issue of the restricted securities that we will comply with this agreement.
- *A. The entity wants to be listed and has issued restricted securities. The holder will hold the restricted securities as set out in this agreement on the basis that the entity will take the steps necessary to be admitted to the +official list of ASX.
- B. We have provided ASX with all the information necessary to properly form an opinion about who is a +controller of the holder and who is required to execute this agreement.
- C. We enter this agreement for the purpose of complying with chapter 9 of the listing rules.

(* delete as applicable)

Agreement

Escrow restrictions

1. During the escrow period, the holder will not do any of the following.
 - (a) +Dispose of, or agree or offer to +dispose of, the restricted securities.

+ See chapter 19 for defined terms.

Appendix 9A Restriction agreement

- (b) Create, or agree or offer to create, any security interest in the restricted securities.
 - (c) Do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the restricted securities.
 - (d) Participate in a return of capital made by the entity.
Amended 24/10/05
- 2. During the escrow period, a controller will not do any of the following.
 - (a) +Dispose of, or agree or offer to +dispose of, the controller interests.
 - (b) Create, or agree or offer to create, any security interest in the controller interests.
 - (c) Do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the controller interests.
- 3. We will comply with chapter 9 of the listing rules. If any of us is not a listed entity, we will comply as if we were a listed entity. Each of us will take any steps we are able to take that are necessary to enable any of the others to comply.
- 4.
 - (a) If the restricted securities are kept on the +certificated subregister, the holder will deposit the certificates for the restricted securities with a bank or +recognised trustee for the escrow period.
 - (b) If the restricted securities are kept on the +issuer sponsored subregister, the holder hereby agrees in writing to the application of a +holding lock to the restricted securities.

Warranties

- 5. If only the holder and the entity are parties to this agreement, one of the following applies.
 - (a) The holder is an individual.
 - (b) The holder has no +controller.
 - (c) The holder has the +controllers set out in item 3 with the interests identified in item 6, and each +controller comes within an exception set out in rule 9.1.4.

+ See chapter 19 for defined terms.

The holder gives this warranty.

6. If the holder, the entity and any +controller are parties to this agreement, the holder has the +controllers set out in item 3 with the controller interests identified in item 6, and any +controller who is not a party to this agreement comes within an exception set out in rule 9.1.4. The holder and each +controller give this warranty.
7. If item 7 of the schedule is completed, the full particulars of security interests which have been created, or are agreed or offered to be created, in the restricted securities are set out. A release of the security interests is attached. Apart from this, before the escrow period begins, the holder has not done, or omitted to do, any act which would breach clause 1 if done or omitted during the escrow period. The holder gives this warranty.
8. If item 8 of the schedule is completed, the full particulars of security interests which have been created, or are agreed or offered to be created, in the controller interests are set out. A release of the security interests is attached. Apart from this, before the escrow period begins, the +controller has not done, or omitted to do, any act which would breach clause 2 if done or omitted during the escrow period. Each +controller gives this warranty.
9. A breach of any of these warranties is a breach of this agreement.

Consequences of breaching this agreement

10. If it appears to the entity that the holder or a +controller may breach this agreement, the entity must take the steps necessary to prevent the breach, or to enforce the agreement.
11. If the holder or a +controller breach this agreement, each of the following applies.
 - (a) The entity must take the steps necessary to enforce the agreement, or to rectify the breach.
 - (b) The entity must refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or +conversion of any of the +restricted securities. This is in addition to other rights and remedies of the entity.
 - (c) The holder of the +restricted securities ceases to be entitled to any dividends, distributions or voting rights while the breach continues.

Amendment

12. This agreement will not be changed or waived without ASX's written consent.

+ See chapter 19 for defined terms.

Jurisdiction

13. The laws of the State of the home branch of the entity apply to this agreement. We submit to the jurisdiction of the courts of that State.

Definitions and interpretation

In this agreement:

ASX means ASX Limited.

controller interests means the +securities, substantial economic interest or other interests in the restricted securities and each intermediate entity through which that interest occurs, full particulars of which are set out in item 6 of the schedule.

escrow period means the period set out in item 4 of the schedule.

restricted securities means the +securities set out in item 5 of the schedule and any +securities attaching to or arising out of those +securities that are restricted securities because of the definition of restricted securities in the listing rules.

The singular includes the plural and vice versa.

A reference to a party includes its successors, personal representatives and transferees.

Words and expressions defined in the listing rules of ASX, and not in this agreement, have the meanings given to them in the listing rules.

Every warranty or agreement (expressed or implied) in which more than one person joins, binds them individually and any combination of them as a group.

Schedule

1. Entity's name and address: Litigation Capital Management Limited ACN 608 667 509 (LCM), Level 25 Aurora Place, 88 Philip Street, Sydney NSW 2000
2. Holder's name and address:
3. Each +controllers' name and address:
4. Escrow period (the date from which the initial restricted securities are escrowed): 24 months commencing on the date on which quotation of the securities commences.
5. Particulars of restricted securities:
6. Particulars of controller interests:
7. Particulars of security interests over restricted securities:
8. Particulars of security interests over controller interests:

+ See chapter 19 for defined terms.

Executed by Litigation Capital Management Limited:

.....
Director

.....
Director/Company Secretary

.....
Name (please print)

.....
Name (please print)

Executed by [Holder]:

.....
Director

.....
Director/Company Secretary

.....
Name (please print)

.....
Name (please print)

Signed by [Controller], in the presence of:

.....
Witness

.....

.....
Name (please print)

+ See chapter 19 for defined terms.

Name:
Capacity:
Date:

Voluntary Escrow Deed

Parties

1. **Litigation Capital Management Limited ACN 608 667 509** of Level 25 Aurora Place, 88 Philip Street, Sydney NSW 2000 (**Company**); and

insert name and address of LCM Shareholder (**Holder**):

- 2.

Introduction

- A. The Holder has been issued with _____ Shares (the **Restricted Securities**).
- B. The Holder will hold, and will only deal with, the Restricted Securities as set out in this Deed.

Operative clauses

1. Definitions

In this deed:

ASX means ASX Limited ACN 008 624 691;

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

Dispose has the meaning ascribed to it in the Listing Rules and the term **Disposal** has a corresponding meaning;

Listing Rules means the Listing Rules of ASX, as amended from time to time;

Restriction Period means the period commencing on the date on which the quotation of the Restricted Securities commences and ending at 7:00pm AEST on the date that the Company's audited financial statements for the financial year ending 30 June 2017 are released to the ASX;

Restricted Securities means the Shares set out in paragraph A of the introduction section of this Deed and any securities attaching to or arising out of those Securities;

Security has the meaning ascribed to it in the Listing Rules;

Security Interest means any:

- (a) interest in, or right reserved over, property (including any retention of title to property or any right to set off or withhold payment of any deposit or other moneys); or

- (b) interest created, or otherwise arising over, property under a mortgage, charge, security interest, bill of sale (as defined in any relevant statute), lien, pledge, trust or right, by way of security for the payment of a debt or other monetary obligation or the performance of or compliance with any other obligation and any instrument or transaction which reserves, constitutes or evidences the interests and rights referred to in paragraph (a) of this definition;

Share means ordinary shares in the capital of the Company and references to **Shares** shall have a corresponding meaning; and

Successful Takeover Bid means a takeover bid made in accordance with Chapter 6 of the Corporations Act, for which acceptances are received or tendered (and not withdrawn) in respect of more than 50% of the Shares that are not subject to an escrow arrangement and either (as applicable) and the Takeover Bid is unconditional or all conditions to the Takeover Bid have been satisfied or waived.

2. Interpretation

In this deed, unless the context otherwise requires:

- (a) a reference to:
 - (1) a person includes the person's successors, executors, administrators and and substitutes;
 - (2) a right includes a benefit, remedy, authority, discretion and power;
- (b) the singular includes the plural and vice versa;
- (c) where two or more persons are defined as a party to this Deed that term means each of the persons jointly, each of them severally and any two or more of them jointly;
- (d) words and expressions defined in the Listing Rules or the Corporations Act, and not in this Deed, have the meanings ascribed to them in the Listing Rules or the Corporations Act (as applicable); and
- (e) an agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and severally and an agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and severally.

3. Condition Precedent

The rights and obligations in this Deed will not become binding until and unless the Company is admitted to the ASX's official list.

4. Restriction

4.1 Subject to clause 4.2, during the Restriction Period the Holder will not:

- (a) Dispose of or transfer, or agree or offer to Dispose of or transfer, the Restricted Securities;

- (b) create, grant, or agree or offer to create or grant, any Security Interest in the Restricted Securities; or
 - (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the Restricted Securities.
- 4.2 Despite anything contained in this clause 4, if a takeover bid is made or a scheme of arrangement is proposed for the acquisition of some or all of the Shares, then:
- (a) if the takeover bid becomes a Successful Takeover Bid, the Holder may accept the offer (or tender the Restricted Securities into a bid acceptance facility) on such terms as the Holder decides in respect of some or all of the Restricted Securities registered in its name; and
 - (b) if the scheme of arrangement is approved in accordance with clause 411(4)(b) of the Corporations Act, none of the restrictions in this clause 4 shall apply.
- 4.3 The Holder acknowledges and agrees that if the Successful Takeover Bid or scheme of arrangement does not proceed, does not become unconditional or is not approved by the Court in accordance with clause 411(4)(b) of the Corporations Act (as applicable), the Restricted Securities will continue to be restricted in accordance with the terms of this Deed for the remainder of the Restriction Period.
- 4.4 The Holder hereby agrees to the Company implementing a 'holding lock' on the Restricted Securities which will prevent the transfer or Disposal of the Restricted Securities in accordance with the terms of this Deed.
- 4.5 Clauses 4.1 will not apply to the extent necessary to allow a Disposal of Restricted Shares:
- (a) if required by applicable law or pursuant to an order of a court of competent jurisdiction; or
 - (b) if the Holder is a natural person, following the death, serious disability or permanent incapacity through ill health of the Holder.
 - (c) to enable a reorganisation of the Holder's corporate structuring, subject to:
 - (1) the prior written consent of the Company;
 - (2) the Holder retaining ultimate control of the Restricted Shares: and
 - (3) any new holder of the Restricted Shares agreeing to be bound by a deed in substantially the same terms as this Deed.
- 4.6 Nothing in this Deed will affect any rights of the Holder to receive or participate in any dividends, rights issue(s), bonus issue, return of capital or other distributions in connection with the Restricted Securities or to exercise voting rights in respect of the Restricted Securities.

5. Warranties

- 5.1 Each party represents and warrants to the other party that:
- (a) it has full power and authority, without the consent of any other person, to enter into

and perform its obligations under this Deed (including, if it has entered into this Deed as a trustee, under the trust deed for the relevant trust);

- (b) it has taken all necessary action to authorise the execution, delivery and performance of this Deed in accordance with its terms;
- (c) this Deed constitutes legal, valid and binding obligations on it and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (d) the execution, delivery and performance of this deed does not and will not violate, breach or result in a contravention of:
 - (1) any applicable law, regulation or authorisation;
 - (2) its constitution or other constituent documents, if any (if the party is a body corporate), and if the party is a trustee, the trust deed for the relevant trust; or
 - (3) any agreement, undertaking, Security Interest or document which is binding on it; and
- (e) if the party is a trustee:
 - (1) the party has the right to be fully indemnified out of the assets of the relevant trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the relevant trust are sufficient to satisfy that right in full; and
 - (2) the relevant trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the relevant trust.

6. Consequences of breaching this Deed

- 6.1 If it appears to the Company that the Holder may breach this Deed, the Company is entitled, but not obliged, to take any steps reasonably necessary to prevent the breach, or to enforce this Deed.
- 6.2 If the Holder breaches this Deed, the Company may:
 - (a) take the steps necessary to enforce this Deed, or to rectify the breach;
 - (b) to the extent permitted by law and the Listing Rules, refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion or other Disposal of any of the Restricted Securities;
 - (c) sue the Holder for breach of contract; and
 - (d) do all or any of the above things at its option.
- 6.3 The rights and remedies of the Company referred to in this clause 6 are in addition to, and do not derogate from, any other rights and remedies that the Company may have at law as a result of the Holder breaching this Deed.

7. Miscellaneous

- 7.1 This Deed is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns and in the case of the Holder its / his / her personal representatives and any trustee, receiver or other person lawfully acting on its / his / her behalf.
- 7.2 This Deed shall be governed by and construed in accordance with the laws of the State of New South Wales, Australia and each party irrevocably submits unconditionally to the non-exclusive jurisdiction of the Courts of that State and of all Courts competent to hear appeals from them, in relation to any legal action, suit or proceeding arising out of or with respect to this Deed.
- 7.3 The Holder undertakes to, and to procure that all persons under its control, do all things necessary or desirable to effect the transactions contemplated by this Deed as expeditiously as possible, including executing, delivering or completing any form, document or instrument necessary or desirable to give effect to any of the transactions contemplated by this Deed.
- 7.4 This Deed may be executed in two or more counterparts, all of which together shall constitute one and the same document. A party who has executed a counterpart of this Deed may deliver it to, or exchange it with, the other parties by:
 - (a) faxing; or
 - (b) emailing a portable document format copy of,the executed counterpart to the other parties.

Executed as a deed on 2016

Executed by Litigation Capital Management Limited:

..... Director Director/Company Secretary
..... Name (please print) Name (please print)

If the Holder is an Individual:

Signed by.....**in the presence of:**

..... Witness signature Signature of Holder
..... Name of witness (please print)	

If the Holder is an Individual:

Signed by.....**in the presence of:**

.....
Witness signature

.....
Signature of Holder

.....
Name of witness (please print)

If the Holder is a Company:

Executed by.....:

.....
Director

.....
Director/Company Secretary

.....
Name (please print)

.....
Name (please print)