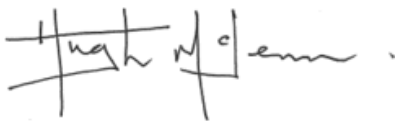


RELEASE TO AUSTRALIAN SECURITIES EXCHANGE ("ASX")

WEDNESDAY, 5 NOVEMBER 2014

SETTLEMENT UPDATE – PREMIUM INCOME FUND ("PIF")

1. The Board of Directors of Bentham IMF Limited ("IMF") refers to its previous announcement on 19 August 2014 concerning this matter.
2. The registration process to determine PIF unitholders eligible to share in the settlement has been completed.
3. Advice and directions that the Responsible Entity of PIF was justified in compromising its claims against KPMG on the terms of the Settlement Deed entered into on 19 August 2014 were given by the Federal Court on 4 November 2014.
4. The hearing of the application to the Federal Court to approve the settlement of the class action has been listed on 8 December 2014.
5. If the Court gives its approval to the settlement of the class action, including to the manner in which the settlement is to be distributed among eligible PIF unitholders and former unitholders, then IMF expects to generate, from the settlement of both the class action and the Responsible Entity's claim, income of about \$18.4 million and a profit after capitalised overheads but before tax of about \$8.7 million.
6. Further information is available by calling IMF on 1800 016 464 or on IMF's website: www.benthamimflimited.com.au.



Hugh McLernon
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