



CHAPMANS
HIGH CONVICTION INVESTMENT & FINANCE

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ABN 34 000 012 386

28 May 2015

Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

CREDITOR DISPUTE - RESOLVED

The directors of Chapmans Ltd (ASX:CHP) (**Company**) wish to advise that it has reach agreement with the Peter Koadlow as the executor of the Estate of the Late Elsie Koadlow.

In accordance with the agreement, the company has agreed to pay a total of \$1,300,000 (which includes the \$1.2M owed plus interest and costs) in full and final settlement of the dispute.

As a result, Resolution 7 in relation to the issue of a convertible note to the lender will be not be considered at tomorrow's Annual General Meeting (AGM).

The directors of Company wish to provide the following additional information in respect of Resolutions 5 and 6 in respect of the issue of Shares to Peter Dykes and Anthony Dunlop.

Mr. Dykes currently holds 16.915M shares in the Company which currently represents 5.88% of the issued capital of the Company. If Mr. Dykes is issued a further 125M shares in accordance with Resolution 5 of the AGM, he will hold a total of 141.915M shares in the Company which will represent 12.47% of the issued capital of the Company.

Mr. Dunlop currently holds 2.5M shares in the Company which currently represents 0.87% of the issued capital of the Company. If Mr. Dunlop is issued a further 125M shares in accordance with Resolution 6 of the AGM, he will hold a total of 127.5M shares in the Company which will represent 11.21% of the issued capital of the Company.

The directors of the Company wish to provide additional information in respect of its investment in Digital4ge Pty Ltd. As per the Australian Financial Review article on 20 May 2015, Digital4ge intends to lodge a prospectus with the ASIC in the near future to IPO its Reffind business for \$20M. The

Company wishes to highlight that the Company currently owns 15% of Digital4ge and in turn Digital4ge will own 48% of Reffind post IPO which is expected to be in July 2015.

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The directors of the Company look forward to seeing Shareholders at tomorrow's AGM at 10am, Level 4, 95 Pitt Street, Sydney.

Yours Faithfully

CHAPMANS LIMITED

A handwritten signature in black ink, appearing to be 'PD' followed by a horizontal line.

Peter Dykes
Executive Chairman