



JUSTKAPITAL LITIGATION PARTNERS LIMITED

ACN 088 749 008

NOTICE OF ANNUAL GENERAL MEETING 2016
EXPLANATORY STATEMENT
PROXY FORM

TIME: 10:30 am (AEDT)

DATE: Wednesday, 30 November 2016

PLACE: Auditorium

DEXUS Place

Level 15, Governor Macquarie Tower

1 Farrer Place

Sydney NSW 2000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting. Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact Diane Jones, the Company Secretary, on (+61 2) 9696 0222.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at **10:30am (AEDT) on Wednesday, 30 November 2016** at:

Auditorium

DEXUS Place

Level 15, Governor Macquarie Tower

1 Farrer Place

Sydney NSW 2000

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and either:

1. deliver the Proxy Form:
 - (a) by hand to: Link Market Services Ltd, 1A Homebush Bay Drive, Rhodes NSW 2138;
 - (b) by post to: JustKapital Litigation Partners Limited, C/- Link Market Services Ltd, Locked Bag A14, Sydney South NSW 1235; or
 - (c) by facsimile to (+61 2) 9287 0309; or
2. lodge online at: www.linkmarketservices.com.au, instructions as follows:

Select 'Investor & Employee Login' and enter JustKapital Litigation Partners Limited or the ASX code JKL in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website;

so that it is received not later than 48 hours before the commencement of the Meeting.

Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting of Shareholders of JustKapital Litigation Partners Limited (ACN 088 749 008) will be held at **10:30am (AEDT) on Wednesday, 30 November 2016 at Auditorium, DEXUS Place, Level 15, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000.**

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at **7:00 pm (AEDT) on Monday, 28 November 2016.** Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

“To receive and to consider the Annual Financial Report of the Company for the financial year ended 30 June 2016 together with the declaration of the Directors, the Directors’ Report, the Remuneration Report and the Auditor’s Report for that financial year.”

Note: This item of ordinary business is for discussion only and is not a Resolution.

However, pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

RESOLUTIONS

Part A: Remuneration Report

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s Annual Financial Report for the financial year ended 30 June 2016.”

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the KMP, or any of that person’s Closely Related Parties (such as close family members and any controlled companies of those persons) (each a **Restricted Voter**). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and

(b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the Chair to vote “against”, or to abstain from voting on, this Resolution.

Part B: Election of Directors

RESOLUTION 2 – RE-ELECTION OF MR PHILIP KAPP AS DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That Mr Philip Kapp, a Director who retires by rotation in accordance with the Company’s Constitution and ASX Listing Rule 14.4, and being eligible offers himself for re-election, is re-elected as a Director of the Company.”

RESOLUTION 3 – RE-ELECTION OF MR TIM STOREY AS DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That Mr Tim Storey, a Director who retires by rotation in accordance with the Company’s Constitution and ASX Listing Rule 14.4, and being eligible offers himself for re-election, is re-elected as a Director of the Company.”

Part C: Change of Company Name

RESOLUTION 4 – CHANGE COMPANY NAME TO “JUSTKAPITAL LIMITED”

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That, with effect from the date that ASIC alters the details of the Company’s registration and pursuant to and in accordance with section 157 of the Corporations Act, the name of the Company be changed to “JustKapital Limited” and the constitution be amended to reflect the name change.”

Part D: Changes in capital and new issues

RESOLUTION 5 – APPROVAL FOR ADDITIONAL PLACEMENT CAPACITY

To consider and, if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 5 by:

- (a) a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; and
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (c) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (d) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 6 – SUBSEQUENT APPROVAL OF ISSUES OF SECURITIES TO JOHN BANNISTER

To consider, and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.4 and all other purposes, subsequent approval is given to the issue to John Bannister of:

- (a) 6,400,000 Shares at an issue price of \$0.25 each;*
- (b) 2,666,666 Shares at an issue price of \$0.30 each; and*
- (c) 1,200,000 Options at an exercise price of \$0.25 each,*
on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 6 by John Bannister and any of his Associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 7 – SUBSEQUENT APPROVAL OF ISSUES OF SECURITIES TO ADELE WHYTE

To consider, and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.4 and all other purposes, subsequent approval is given to the issue to Adele Whyte of:

- (a) 1,600,000 Shares at an issue price of \$0.25 each;*
- (b) 666,667 Shares at an issue price of \$0.30 each; and*
- (c) 300,000 Options at an exercise price of \$0.25 each,*
on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 7 by Adele Whyte and any of her Associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 8 – SUBSEQUENT APPROVAL OF ISSUE OF SECURITIES TO OAKTOWER PARTNERSHIP

To consider, and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.4 and all other purposes, subsequent approval is given to the issue of 1,250,000 Shares to Oaktower Partnership or its nominee at an issue price of \$0.20 each, on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 8 by Oaktower Partnership (or its nominee) and any of its Associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 9 – SUBSEQUENT APPROVAL OF ISSUE OF SECURITIES TO JAMES WALKER

To consider, and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.4 and all other purposes, subsequent approval is given to the issue of 166,667 Shares to James Walker or his nominee at an issue price of \$0.30 each, on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 9 by James Walker (or his nominee) and any of his Associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 10 – APPROVAL OF FUTURE ISSUE OF EARN-OUT SHARES TO JOHN BANNISTER AND ADELE WHYTE

To consider, and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue Shares to John Bannister and Adele Whyte or their nominees on the terms and in accordance with the formula set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 10 by John Bannister, Adele Whyte (or their nominees) and any of their Associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 11 – APPROVAL OF FUTURE ISSUE OF SHARES TO PHILIP KAPP

To consider, and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and ASX Listing Rule 7.2 Exception 14 and for all other purposes, approval is given for the Company to issue 1,500,000 Shares to Philip Kapp (or his nominee) on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 11:

- (a) by or on behalf of Philip Kapp (or his nominee) and any of his Associates (each a **Restricted Voter**); or
- (b) as proxy by a member of the KMP, or any of that person’s Closely Related Parties (such as close family Shareholders and any controlled companies of those persons), where the proxy appointment does not specify the way the proxy is to vote on the Resolution.

If you appoint the Chair and you are not a Restricted Voter, by submitting the Proxy Form you authorise the Chair to exercise the proxy even though Resolution 11 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his stated intention to vote in favour of Resolution 11. If you do not want your vote exercised in favour of Resolution 11, you should direct the Chair to vote “against”, or to abstain from voting on, this Resolution.

RESOLUTION 12 – APPROVAL OF FUTURE ISSUE OF SHARES TO LITMAN HOLDINGS PTY. LTD.

To consider, and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to a total of 7,333,333 Shares to Litman Holdings Pty. Ltd. or its nominee on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 12 by Litman Holdings Pty Limited (or its nominee) and any of its Associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 13 – APPROVAL OF FUTURE ISSUE OF SECURITIES ON THE CONVERSION OF CONVERTIBLE BONDS

To consider, and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company be authorised to undertake the issue of up to 10,000,000 Options and 16,666,667 Shares to various sophisticated and professional investors, on the terms and in the proportions set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 13 by:

- (a) a person who may participate in the in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; and
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (c) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (d) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Accordingly, the Company will disregard any votes by Philip Kapp and his Associates and any other investors and their Associates who hold Convertible Bonds.

RESOLUTION 14 – APPROVAL OF FUTURE ISSUE OF SECURITIES ON THE CONVERSION OF CONVERTIBLE BONDS TO RELATED PARTY

To consider, and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

“Conditional on the passing of Resolution 13, that for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 100,000 Options and 166,667 Shares to Mr Philip Kapp, on the terms and in the proportions set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 14 by Philip Kapp (or his nominee) and any of his Associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 15 – ADOPTION OF JKL INCENTIVE PLAN

To consider, and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.2 (Exception 9(b)), sections 259B and 260C(4) of the Corporations Act and for all other purposes, approval is given for the Company to issue securities under the executive incentive plan titled ‘JKL Incentive Plan’ and the associated loan agreement titled ‘Non-Recourse Loan Agreement’ referred to in the plan on the terms set out in the Explanatory Statement.”

Voting Exclusion Statement: In accordance with the ASX Listing Rules and the Corporations Act, the Company will disregard any votes cast on Resolution 15:

- (a) by or on behalf of a Director who is entitled to participate in the JKL Incentive Plan, or any of their Associates (each a **Restricted Voter**); or
- (b) as proxy by a member of the KMP, or any of that person’s Closely Related Parties (such as close family Shareholders and any controlled companies of those persons), where the proxy appointment does not specify the way the proxy is to vote on the resolution.

At the date of this Notice of Meeting:

- (a) Philip Kapp, Tim Storey and Michael Hill as Directors; and
- (b) Diane Jones and Anthony Hersch as KMPs,

are entitled to participate in the JKL Incentive Plan and are therefore ineligible to vote on Resolution 15.

If you appoint the Chair and you are not a Restricted Voter, by submitting the Proxy Form you authorise the Chair to exercise the proxy even though Resolution 15 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his stated intention to vote in favour of Resolution 15. If you do not want your vote exercised in favour of Resolution 15, you should direct the Chair to vote “against”, or to abstain from voting on, this Resolution.

RESOLUTION 16 – APPROVAL OF FUTURE ISSUE OF RIGHTS TO PHILIP KAPP

To consider, and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

“Conditional on the passing of Resolution 15, that, for the purposes of ASX Listing Rules 10.14 and 10.12 Exception 4 and for all other purposes, approval is given for the Company to issue 1,817,345 Rights to acquire up to 1,817,345 Shares to Philip Kapp (or his nominee) and for the issue, and subsequent acquisition by Philip Kapp, of Shares in respect of those Rights, on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 16:

- (a) by or on behalf of Philip Kapp (or his nominee) and any of his Associates (each a **Restricted Voter**); or
- (b) as proxy by a member of the KMP, or any of that person’s Closely Related Parties (such as close family Shareholders and any controlled companies of those persons), where the proxy appointment does not specify the way the proxy is to vote on the Resolution.

If you appoint the Chair and you are not a Restricted Voter, by submitting the Proxy Form you authorise the Chair to exercise the proxy even though Resolution 16 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his stated intention to vote in favour of Resolution 16. If you do not want your vote exercised in favour of Resolution 16, you should direct the Chair to vote “against”, or to abstain from voting on, this Resolution.

Resolution 16 will be deemed to have been withdrawn if Resolution 15 is not approved. Please refer to the Explanatory Statement for further information.

RESOLUTION 17 – APPROVAL OF FUTURE ISSUE OF RIGHTS TO TIM STOREY

To consider, and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

“Conditional on the passing of Resolution 15, that, for the purposes of ASX Listing Rules 10.14 and 10.12 Exception 4 and for all other purposes, approval is given for the Company to issue 333,180 Rights to acquire up to 333,180 Shares to Tim Storey (or his nominee) and for the issue, and subsequent acquisition by Tim Storey, of Shares in respect of those Rights, on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 17:

- (a) by or on behalf of Tim Storey (or his nominee) and any of his Associates (each a **Restricted Voter**); or
- (b) as proxy by a member of the KMP, or any of that person’s Closely Related Parties (such as close family Shareholders and any controlled companies of those persons), where the proxy appointment does not specify the way the proxy is to vote on the Resolution.

If you appoint the Chair and you are not a Restricted Voter, by submitting the Proxy Form you authorise the Chair to exercise the proxy even though Resolution 17 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his stated intention to vote in favour of Resolution 17. If you do not want your vote exercised in favour of Resolution 17, you should direct the Chair to vote “against”, or to abstain from voting on, this Resolution.

Resolution 17 will be deemed to have been withdrawn if Resolution 15 is not approved. Please refer to the Explanatory Statement for further information.

RESOLUTION 18 – APPROVAL OF FUTURE ISSUE OF RIGHTS TO MIKE HILL

To consider, and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

“Conditional on the passing of Resolution 15, that, for the purposes of ASX Listing Rules 10.14 and 10.12 Exception 4 and for all other purposes, approval is given for the Company to issue 333,180 Rights to acquire up to 333,180 Shares to Mike Hill (or his nominee) and the issue, and subsequent acquisition by Mike Hill, of Shares in respect of those Rights, on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 18:

- (a) by or on behalf of Mike Hill (or his nominee) and any of his Associates (each a **Restricted Voter**); or
- (b) as proxy by a member of the KMP, or any of that person's Closely Related Parties (such as close family Shareholders and any controlled companies of those persons), where the proxy appointment does not specify the way the proxy is to vote on the Resolution.

If you appoint the Chair and you are not a Restricted Voter, by submitting the Proxy Form you authorise the Chair to exercise the proxy even though Resolution 18 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his stated intention to vote in favour of Resolution 18. If you do not want your vote exercised in favour of Resolution 18, you should direct the Chair to vote "against", or to abstain from voting on, this Resolution.

Resolution 18 will be deemed to have been withdrawn if Resolution 15 is not approved. Please refer to the Explanatory Statement for further information.

RESOLUTION 19 – CONDITIONAL SPILL RESOLUTION

To consider, and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

"Subject to and conditional upon, at least 25% of the votes on Resolution 1 being cast against Resolution 1, that for the purposes of section 250V of the Corporations Act and for all other purposes:

- (a) *the Company convene another meeting of the Company's members (the Spill Meeting) within 90 days;*
- (b) *all the Company's Directors;*
 - (i) *who are directors at the date of the AGM; and*
 - (ii) *who are not a managing director of the Company who may continue to hold office indefinitely under the listing rules of a prescribed financial market (and the Company is included on that market's official list) without being re-elected to the office, cease to hold office, immediately before the end of the Spill Meeting; and*
- (c) *resolutions to appoint new directors to replace the vacated directors be put to vote at the Spill Meeting."*

Voting Exclusion Statement: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 19 by or on behalf of a member of the KMP, or any of that person's Closely Related Parties (such as close family members and any controlled companies of those persons) (each a **Restricted Voter**). However, the Company need not disregard a vote if:

- (c) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 19; and
- (d) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the Chair to exercise the proxy even though Resolution 19 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to

vote in favour of Resolution 19. If you do not want your vote exercised in favour of Resolution 19, you should direct the Chair to vote “against”, or to abstain from voting on, this Resolution.

Resolution 19 will be deemed to have been withdrawn and the result of the contingent vote or poll will not be valid if less than 25% of the votes are cast against Resolution 1. Please refer to the Explanatory Statement for further information.

Dated: 26 October 2016

BY ORDER OF THE BOARD

Diane Jones

Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at **10:30am** (AEDT) on **Wednesday, 30 November 2016** at **Auditorium, DEXUS Place, Level 15, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000**.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Annual General Meeting are set out below.

AGENDA

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2016 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. These amendments may result in reducing the Company's printing costs.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company's Annual Financial Report on its website at www.justkapital.com.au.

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

RESOLUTIONS

Part A: Remuneration Report

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1. Background

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at www.justkapital.com.au.

However, given at the last AGM at least 25% of the votes cast were against the adoption of the Remuneration Report, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the 2016 Meeting (subject of this Notice of Meeting), the Company will be required to put to the vote Resolution 19 (**Spill Resolution**) at the 2016 AGM to approve the calling of a further meeting (**Spill Meeting**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the 2016 AGM (or by 28 February 2017). All of the Directors who were in office when the directors' report prepared in respect of the financial year ending 30 June 2016 was approved, other than the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

Shareholders should note that the Directors recommend that the Remuneration structure is changed from 1 July 2016 as detailed in the Explanatory Statement for Resolutions 15 to 18 below.

1.2. Voting

The Chairman intends to exercise all available proxies in favour of Resolution 1. Shareholders should note that a voting exclusion applies to Resolution 1. In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the KMP, or any of that person's Closely Related Parties (such as close family members and any controlled companies of those persons) (each a **Restricted Voter**). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (b) it is not cast on behalf of a Restricted Voter.

If the Chairman is appointed as your proxy, and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form you are considered to have provided the Chairman with express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP.

Part B: Election of Directors

RESOLUTIONS 2 & 3 – RE-ELECTION OF MR PHILIP KAPP AND MR TIM STOREY AS DIRECTORS

2.1. Why is the Company seeking Shareholder approval?

The Company's Constitution requires that if the Company has three or more Directors, a third (or the number of Directors nearest to one third) of those Directors must retire at each AGM, provided always that no Director (except a Managing Director) shall hold office for a period in excess of three years or until the third AGM following his or her appointment, whichever is the longer, without submitting himself or herself for re-election. A Director who retires by rotation under clause 13.2 of the Company's Constitution is eligible for re-election.

Philip Kapp and Tim Storey were both appointed on 4 August 2014 and are the longest standing Directors.

Mr Kapp and Mr Storey retire by rotation (and in advance of 3 August 2017) and seek re-election at this Annual General Meeting.

2.2. Background

Background details for Mr Kapp and Mr Storey are set out below.

Philip Kapp

Mr Philip Kapp is the Chairman of the Company. He has over 25 years' legal experience in M&A, capital restructuring and private equity transactions and was formerly a senior partner of a major law firm.

Mr Kapp is widely regarded as one of Australia's leading lawyers, practicing in the area of private equity, mergers and acquisitions and capital markets. He was previously a Senior Partner with Clayton Utz (Group Head Private Equity), Minter Ellison (Chairman) and Andersen Legal. Mr Kapp founded and was managing partner of Andersen Legal. He also sat on the Board of Arthur Andersen.

Mr Kapp holds no other current directorships and his former directorships in the last three years include Rhip Limited, LiveTiles Limited, AHAlife Holdings Limited and Energy Developments Limited.

Tim Storey

Mr Tim Storey is an executive director of the Company and chairs the Nomination and Remuneration Committee. Mr Tim Storey chairs Stride Property Group (NZX:SPG), is a Director of Investore Property Limited (NZX:IPL) and holds a number of directorships in various private and public companies.

Mr Storey is a barrister and solicitor and was a partner at one of New Zealand's premier law firms through to 2006 and has practised in both Australia and New Zealand, focussing on corporate, commercial and property transactions. He is a member of the Institute of Directors (NZ) and the Financial Services Institute of Australasia.

2.3. Directors' recommendation

The Directors of the Company (excluding Philip Kapp in respect of Resolution 2 and Tim Storey in respect of Resolution 3) believe that Resolutions 2 and 3 are in the best interests of the Company and unanimously recommend that Shareholders vote in favour of these Resolutions.

The Chairman intends to exercise all available proxies in favour of Resolutions 2 and 3.

Part C: Change of Company name

RESOLUTION 4 – APPROVAL TO CHANGE THE NAME OF THE COMPANY TO JUSTKAPITAL LIMITED

4.1. Background

The Company's business has been extending to include disbursement funding and an insurance division. To reflect the expanding businesses operated by the Company, the Directors have determined to change the name of the Company to "JustKapital Limited". The change of name will take effect from when ASIC alters the details of the Company's registration.

4.2. Directors Recommendation

The Directors of the Company recommend that Shareholders vote in favour of Resolution 4. Resolution 4 is a special resolution and requires 75% of all of the votes cast by Shareholders. The Chairman intends to exercise all available proxies in favour of Resolution 4.

Part D: Changes in capital and new issues

RESOLUTION 5 – APPROVAL FOR ADDITIONAL PLACEMENT CAPACITY

5.1. Background

Under Listing Rule 7.1A, certain companies may seek shareholder approval by special resolution passed at an annual general meeting to have the additional capacity to issue equity securities (which must be in the same class as an existing quoted class of equity securities of the company) which do not exceed 10% of the existing ordinary share capital without further shareholder approval. The ability of a company to make an issue under Listing Rule 7.1A is in addition to its 15% placement capacity under Listing Rule 7.1.

At the date of the Explanatory Statement, the Company is an 'eligible entity' and therefore able to seek approval under Listing Rule 7.1A for additional placement capacity, as it is not included in the S&P/ASX300 and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million). If at the time of the Annual General Meeting the Company is no longer an 'eligible entity' Resolution 5 will be withdrawn.

5.2. Why is the Company seeking Shareholder approval?

Approval under this Resolution 5 is sought for the Company to issue equity securities under Listing Rule 7.1A.

If Resolution 5 is approved the Company may make an issue of equity securities under Listing Rule 7.1A at any time (either on a single date or progressively) up until the earlier of:

- (a) the date which is 12 months after the date of the 2016 Annual General Meeting; or
- (b) the date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by the ASX.

Accordingly, the approval given if this Resolution 5 is passed will cease to be valid on the earlier of 30 November 2017 or the date on which holders of the Company's ordinary securities approve a transaction under Listing Rules 11.1.2 or 11.2.

The maximum number of equity securities which may be issued in the capital of the Company under the approval sought by this Resolution will be determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

$(A \times D) - E$

where:

- A** is the number of shares on issue 12 months before the date of issue or agreement to issue:
- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the 12 months;
 - (iii) plus the number of fully paid shares issued in the 12 months with approval of the holders of shares under Listing Rules 7.1 and 7.4 (this does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without Shareholder approval);
 - (iv) less the number of fully paid shares cancelled in the 12 months.
- D** is 10%.
- E** is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rules 7.1 or 7.4.

The ability of the Company to make an issue under Listing Rule 7.1A is in addition to its 15% placement capacity under Listing Rule 7.1. The effect of Resolution 5 will be to allow the Company to issue equity securities under Listing Rule 7.1A without using the Company's 15% placement capacity under Listing Rule 7.1.

As at the date of this Notice of Meeting, the Company has on issue 116,979,791 Shares and assuming no further issues are made before the AGM, at 30 November 2016, the Company will have capacity to issue:

- (a) 1,384,468 equity securities under Listing Rule 7.1; and
- (b) subject to Shareholder approval being obtained under this Resolution 5, 10,422,979 equity securities under Listing Rule 7.1A.

5.3. Technical information required by Listing Rule 7.3A

(a) Minimum price

The issue price of the equity securities issued under Listing Rule 7.1A will be determined at the time of issue.

As required by Listing Rule 7.1A.3, the minimum price at which the equity securities the subject of this Resolution will be issued is 75% of the volume weighted average market (closing) price (**VWAP**) of the Company's equity securities over the 15 days on which trades in that class were recorded immediately before either:

- the date on which the price at which the equity securities are to be issued is agreed; or
- if the equity securities are not issued within five ASX trading days of the date in the paragraph above, the date on which the securities are issued.

The total amount that may be raised by the issue of equity securities under Listing Rule 7.1A will depend on the issue price of the equity securities which will be determined at the time of issue.

(b) Risk of economic and voting dilution

If Resolution 5 is approved and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' voting power in the Company will be diluted. There is a risk that:

- the market price for the Company's equity securities may be significantly lower on the issue date than on the date of the approval of this Resolution; and
- the equity securities issued under Listing Rule 7.1A may be issued at a price that is at a discount (as described above) to market price for the Company's equity securities on the issue date.

The table below shows the dilution of existing Shareholders on the basis of:

- the current market price of the Company's ordinary shares and the current number of ordinary securities as at the date of this Explanatory Statement;
- two examples where the number of ordinary shares on issue ("A") has increased, by 50% and 100%. The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require Shareholder approval (for example, pro- rata entitlements issues) or as a result of future specific placements under Listing Rule 7.1 that are approved by Shareholders; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable "A" ASX Listing Rule 7.1A.2		Dilution		
		\$0.11 50% decrease in issue price	\$0.22 Issue Price **	\$0.44 100% increase in issue price
"A" is the current number of shares on issue 116,979,791*** shares	10% voting dilution	11,697,979 Shares	11,697,979 Shares	11,697,979 Shares
	Funds raised	\$1,286,778	\$2,573,555	\$5,147,111
"A" is a 50% increase in current shares on issue 175,469,686*** shares	10% voting dilution	17,546,968 Shares	17,546,968 Shares	17,546,968 Shares
	Funds raised	\$1,930,166	\$3,860,333	\$7,720,666
"A" is a 100% increase in current shares on issue 233,959,582*** shares *	10% voting dilution	23,395,958 Shares	23,395,958 Shares	23,395,958 Shares
	Funds raised	\$2,573,555	\$5,147,111	\$10,294,222

Notes:

- (i) The table assumes that the Company issues the maximum number of equity securities available under Listing Rule 7.1A.

- (ii) The table assumes that no Options are exercised before the date of the issue of equity securities under Listing Rule 7.1A.
- (iii) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- (iv) The table shows the effect of an issue of equity securities under Listing Rule 7.1A, not under the Company's 15% placement capacity under Listing Rule 7.1.
- (v) The issue of equity securities under the Listing Rule 7.1A consists only of ordinary shares. If the issue of equity securities includes Options, it is assumed that those Options are exercised into Shares for the purposes of calculating the voting dilution effect on existing Shareholders.
- * Any issue of equity securities is required to be made in accordance with the Listing Rules. Any issue made other than under the Company's 15% capacity (Listing Rule 7.1) or the Company's additional 10% capacity (Listing Rule 7.1A) and not otherwise made under an exception in Listing Rule 7.2 (for example, a pro-rata rights issue) would require Shareholder approval.
- ** Based on the closing price of the Company's Shares on ASX on 25 October 2016.
- *** Based on the Company's Share structure as at 25 October 2016.

If this Resolution is approved, the Company will have the ability to issue up to 10% of its issued capital without further Shareholder approval and therefore allow it to take advantage of opportunities to obtain further funds if required and available in the future.

(c) Issue date

As at the date of this Explanatory Statement, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A to any particular person or at any particular time.

If Resolution 5 is approved the Company may make an issue of equity securities under Listing Rule 7.1A at any time (either on a single date or progressively) up until the earlier of:

- (a) the date which is 12 months after the date of the 2016 Annual General Meeting; or
- (b) the date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by the ASX.

(d) Purposes of issue

In some circumstances the Company may issue equity securities under Listing Rule 7.1A for non-cash consideration (for example, in lieu of cash payments to consultants, suppliers or vendors).

While the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A, some of the purposes for which the Company may issue equity securities under Listing Rule 7.1A include (but are not limited to):

- (i) raising funds to further develop the Company's business;
- (ii) raising funds to be applied to the Company's working capital requirements;
- (iii) acquiring assets (in these circumstances the issue of the Shares may be made in substitution for the Company making a cash payment for the assets. If the Company elects to issue Shares for the purpose of acquiring assets then the Company will release to the market a valuation of the assets prior to issuing the Shares); and

- (iv) paying service providers or consultants of the Company.

Details regarding the purposes for which any particular issue under Listing Rule 7.1A is made will be more fully detailed in an announcement to the ASX made pursuant to Listing Rule 7.1A.4 and Listing Rule 3.10.5A at the time the issue is made.

(e) Allocation

The identity of the allottees of equity securities under Listing Rule 7.1A will be determined at the time the Company decides to make an issue having regard to a number of factors including:

- (i) the capital raising and acquisition opportunities available to the Company and any alternative methods for raising funds or acquiring assets that are available to the Company;
- (ii) the potential effect on the control of the Company;
- (iii) the Company's financial situation and the likely future capital requirements; and
- (iv) advice from the Company's corporate, legal or financial advisors.

Offers made under Listing Rule 7.1A may be made to parties that are not related to the Company, including professional and sophisticated investors, existing Shareholders, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities.

The allocation policy the Company may adopt for a particular issue of equity securities under Listing Rule 7.1A and the terms on which those equity securities may be offered will depend upon the circumstances existing at the time of the proposed capital raising under Listing Rule 7.1A. Subject to the requirements of the Listing Rules and the Corporations Act, the Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

(f) Previous issuances

The total number of Shares on issue 12 months before the date of this Annual General Meeting (that is, since 30 November 2015) was 104,229,791 Shares.

The total number of equity securities issued in the 12 months from that date (that is between 30 November 2015 and 30 November 2016) is 14,250,000 (being 12,750,000 Shares and 1,500,000 unlisted Options).

The total number of equity securities issued in the 12 months before the date of the Annual General Meeting is approximately 13.67% of the total number of equity securities on issue at 30 November 2015, which was 104,229,791. This was under the Company's placement capacity under Listing Rule 7.1 and the Company did not use its 7.1A capacity.

The details for each of the separate parcels of equity securities issued during the 12 months preceding the date of the Meeting are included in the table below.

Number of securities	11,333,333 Shares. 1,500,000 unlisted Options.
Date of issue:	22 January 2016.
Summary of terms	The Shares are fully paid ordinary shares and rank equally with other Shares currently on issue. The Options are unlisted ordinary options over Shares exercisable at an exercise price of \$0.25 per Option at any time within three years of 22 January 2016.

	The Shares and the Options are subject to voluntary escrow for a period of 24 months from the date of issue to John Bannister and Adele Whyte.
Basis on which recipients were determined	The Shares and the Options are being issued as part of the consideration for the acquisition of the Macquarie Medico Legal business and 100% of the issued capital in MML Services Pty Limited ACN 609 165 817 (MML) under a share sale and purchase agreement between the Company, JustKapital Financing Pty Ltd ACN 606 427 294, John Herbert Bannister and Adele Whyte dated 24 November 2015.
Price	8,000,000 Shares were issued at an issue price of \$0.25 per Share. 3,333,333 Shares were issued at an issue price of \$0.30 per Share. The Options were issued for nil consideration.
Discount to market price (at time of issue)	The Shares were issued at \$0.25 and \$0.30 per Share representing a 14% and 36% premium respectively to the closing price of \$0.22 per Share the day prior to the completion of the transaction.
Total cash consideration received	Nil.
Amount of cash consideration spent	Not applicable.
Intended use for remaining amount of cash	Not applicable.
Number of securities	1,250,000 Shares.
Date of issue:	24 October 2016.
Summary of terms	The Shares are fully paid ordinary shares and rank equally with other Shares currently on issue.
Basis on which recipients were determined	The Shares were issued as payment for corporate advisory services provided by Oaktower Partnership in connection with a significant acquisition made by the Company.
Price	Shares were issued at an issue price of \$0.20 per Share.
Discount to market price (at time of issue)	The Shares were issued at \$0.20 per Share representing a 9% discount to the closing price of \$0.22 per Share the day prior to the completion of the issue.
Total cash consideration received	The Company received no cash consideration in respect of the issue. It received the benefit of the corporate advisory services.
Amount of cash consideration spent	Not applicable.
Intended use for remaining amount of cash	Not applicable.

Number of securities	166,667 Shares.
Date of issue:	24 October 2016.
Summary of terms	The Shares are fully paid ordinary shares and rank equally with other Shares currently on issue. The Shares are subject to voluntary escrow for a period of 24 months from the date of issue.
Basis on which recipients were determined	The Shares were issued as a signing bonus to James Walker.
Price	Shares were issued at an issue price of \$0.30 per Share.
Discount to market price (at time of issue)	The Shares were issued at \$0.30 per Share representing a 36% premium to the closing price of \$0.22 per Share the day prior to the completion of the issue.
Total cash consideration received	The Company received no cash consideration in respect of the issue. It received the benefit of the consulting services.
Amount of cash consideration spent	Not applicable.
Intended use for remaining amount of cash	Not applicable.

(g) Voting exclusion statement

The Company will disregard any votes cast on Resolution 5 by:

- (i) a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; and
- (ii) an Associate of those persons.

However, the Company will not disregard a vote if:

- (iii) (it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (iv) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

At the date of this Notice of Meeting, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in a proposed issue of equity securities under the proposed additional placement capacity. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Meeting.

5.4. Special Resolution

Resolution 5 is a special resolution. For a special resolution to be passed, at least 75% of the votes validly cast on Resolution 5 by Shareholders (by number of ordinary Shares) must be in favour of Resolution 5.

5.5. Directors' recommendation

The Directors of the Company believe that Resolution 5 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 5. The Chairman intends to exercise all available proxies in favour of Resolution 5.

RESOLUTIONS 6 AND 7 – SUBSEQUENT APPROVAL OF ISSUES OF SECURITIES TO JOHN BANNISTER AND ADELE WHYTE

6.1. Background

On 22 January 2016, JustKapital Financing Pty Ltd ACN 606 427 294, a wholly owned subsidiary of the Company completed an acquisition of the Macquarie Medico Legal business, a medico-legal disbursement funding business and 100% of the issued capital in MML Services Pty Limited ACN 609 165 817 (**MML**) from John Bannister and Adele Whyte for a purchase price of approximately \$19.3 million.

The purchase price consisted broadly of the following:

- (a) a single cash payment of \$10.9 million and the issue of 11,333,333 Shares and 1,500,000 Options upon completion of the transaction;
- (b) deferred consideration payable on 30 June 2016 of \$1 million and the issue of 2,750,000 Shares or an additional payment of \$1 million if the deferred shares are not issued;
- (c) further deferred consideration payable on 30 June 2017 of \$1 million; and
- (d) share in the profits of the MML business to be satisfied by a combination of cash payments and share issuances which are subject to Shareholder approval (which is sought in Resolution 10 and detailed in the Explanatory Statement at 10.1).

The Company satisfied its obligation to pay the deferred consideration referred to in paragraph (b) above by paying John Bannister and Adele Whyte \$2 million in July 2016.

6.2. Why is the Company seeking Shareholder approval?

The Company now seeks ratification from the Shareholders of the issue and allotment of the securities to John Bannister and Adele Whyte that occurred on completion of the MML acquisition referred to in paragraph 6.1(a). Listing Rule 7.4 permits a listed company to subsequently approve an issue of securities made without approval under Listing Rule 7.1. Resolutions 6 and 7 have been included in the Notice of Meeting to preserve the Company's ability to issue further Shares or Options (if necessary) under Listing Rule 7.1.

Listing Rule 7.1 provides that a listed company may not issue equity securities in any 12 month period where the total number of equity securities to be issued exceeds 15% of the total number of fully paid ordinary securities on issue 12 months before the date of issue, except where an exception applies or with prior approval of members of the Company in an AGM of the terms and conditions of the proposed issue.

Listing Rule 7.4 states that an issue of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 (i.e. was within the 15% placement capacity) and shareholders subsequently approved it.

6.3. Technical information required by Listing Rule 7.5

In accordance with Listing Rule 7.5 and to enable the Shareholders to approve the issue of the Shares and Options to John Bannister and Adele Whyte, the Shareholders are provided with the following information in respect of Resolutions 6 and 7:

(a) Number of securities issued

11,333,333 Shares and 1,500,000 Options.

(b) Issue price

- (i) 8,000,000 Shares at an issue price of \$0.25 each;
- (ii) 3,333,333 Shares at an issue price of \$0.30 each; and
- (iii) 1,500,000 Options issued for nil consideration.

(c) Terms of issue

The securities the subject of Resolutions 6 and 7 are subject to a voluntary escrow for a period of 24 months from the date of their issue.

The Shares rank equally with other Shares currently on issue.

The Options are exercisable at any time within 3 years of completion of the acquisition of MML at an exercise price of \$0.25 each.

(d) Recipients of issue

John Bannister	9,066,666 Shares and 1,200,000 Options.
Adele Whyte	2,266,667 Shares and 300,000 Options.

(e) The intended use of the funds

The securities were issued as consideration for the acquisition of MML and accordingly the Company received no funds from the issuances.

(f) Voting exclusion statement

The Company will disregard any votes cast on Resolution 6 by John Bannister and any of his Associates. The Company will disregard any votes cast on Resolution 7 by Adele Whyte and any of her Associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6.4. Directors' recommendation

The Directors of the Company believe that Resolutions 6 and 7 are in the best interests of the Company and unanimously recommend that Shareholders vote in favour of these Resolutions. The Chairman intends to exercise all available proxies in favour of Resolutions 6 and 7.

RESOLUTION 8 – SUBSEQUENT APPROVAL OF ISSUE OF SECURITIES TO OAKTOWER PARTNERSHIP

8.1. Background

The Oaktower Partnership Pty Ltd ACN 116 376 937 (**Oaktower Partnership**) advised the Company in connection with the acquisition of MML referred to in the Explanatory Statement for Resolutions 6 and 7. The Company issued 1,250,000 Shares to Oaktower Partnership in satisfaction of Oaktower Partnership's fees of \$250,000 for its corporate advisory services.

8.2. Why is the Company seeking Shareholder approval?

Listing Rule 7.4 permits a listed company to subsequently approve an issue of securities made without approval under Listing Rule 7.1. Resolution 8 has been included in the Notice of Meeting

to preserve the Company's ability to issue further Shares or Options (if necessary) under Listing Rule 7.1.

Listing Rule 7.1 provides that a listed company may not issue equity securities in any 12 month period where the total number of equity securities to be issued exceeds 15% of the total number of fully paid ordinary securities on issue 12 months before the date of issue, except where an exception applies or with prior approval of members of the company in an annual general meeting of the terms and conditions of the proposed issue.

Listing Rule 7.4 states that an issue of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 (i.e. was within the 15% placement capacity) and shareholders subsequently approved it.

8.3. Technical information required by Listing Rule 7.5

In accordance with Listing Rule 7.5 and to enable the Shareholders to approve the issue of the Shares to Oaktower Partnership, the Shareholders are provided with the following information in respect of Resolution 8:

- (a) the Company issued 1,250,000 Shares to Oaktower Partnership at an issue price of \$0.20 each;
- (b) the Shares rank equally with other Shares currently on issue;
- (c) the Shares were issued to Oaktower Partnership as payment for corporate advisory services provided by it in respect of the acquisition of MML and the Company received no funds from the issuance; and
- (d) a voting exclusion statement is set out in the Notice of Meeting.

8.4. Directors' recommendation

The Directors of the Company believe that Resolution 8 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution. The Chairman intends to exercise all available proxies in favour of Resolution 8.

RESOLUTION 9 – SUBSEQUENT APPROVAL OF ISSUE OF SECURITIES TO JAMES WALKER

9.1. Background

The Company has engaged James Walker as a consultant to assist and advise the Company regarding its new insurance division. Under the terms of the consultancy agreement, James Walker has received a sign-on bonus share issuance to link and incentivise his performance against the long term performance of the Company.

9.2. Why is the Company seeking Shareholder approval?

Listing Rule 7.4 permits a listed company to subsequently approve an issue of securities made without approval under Listing Rule 7.1. Resolution 9 has been included in the Notice of Meeting to preserve the Company's ability to issue further Shares or Options (if necessary) under Listing Rule 7.1.

Listing Rule 7.1 provides that a listed company may not issue equity securities in any 12 month period where the total number of equity securities to be issued exceeds 15% of the total number of fully paid ordinary securities on issue 12 months before the date of issue, except where an exception applies or with prior approval of members of the company in an annual general meeting of the terms and conditions of the proposed issue.

Listing Rule 7.4 states that an issue of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 (i.e. was within the 15% placement capacity) and shareholders subsequently approved it.

9.3. Technical information required by Listing Rule 7.5

In accordance with Listing Rule 7.5 and to enable the Shareholders to approve the issue of the Shares to James Walker, the Shareholders are provided with the following information in respect of Resolution 9:

- (a) the Company issued 166,667 Shares to James Walker at an issue price of \$0.30 each;
- (b) the Shares rank equally with other Shares currently on issue;
- (c) the Shares were issued to James Walker as a signing bonus and the Company received no funds from the issuance; and
- (d) a voting exclusion statement is set out in the Notice of Meeting.

9.4. Directors' recommendation

The Directors of the Company believe that Resolution 9 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution. The Chairman intends to exercise all available proxies in favour of Resolution 9.

RESOLUTION 10 – APPROVAL FOR FUTURE ISSUE OF EARN-OUT SHARES TO JOHN BANNISTER AND ADELE WHYTE

10.1. Background

As detailed in the Explanatory Statement for Resolutions 6 and 7, on 22 January 2016, JustKapital Financing Pty Ltd, a wholly owned subsidiary of the Company completed the acquisition of MML from John Bannister and Adele Whyte.

A component of the \$19.3 million purchase price was a profit sharing arrangement in respect of the MML business for:

- (a) 40% of the profit before tax of the 'Agreed Business' in excess of \$4,000,000 in respect of the period from 1 January 2016 and ending on 31 December 2016 (**Year 1**); plus
- (b) if the 'Agreed Business' achieves a profit before tax of not less than \$5,000,000 in respect of the period from 1 January 2017 and ending on 31 December 2017 (**Year 2**); then
 - (iv) 40% of the profit before tax of the Agreed Business in excess of \$5,000,000 in respect of Year 2; plus
 - (v) \$1,000,000 in cash; plus
- (c) 40% of the profits before tax of the Agreed Business in excess of \$6,250,000 in respect of the period from 1 January 2018 and ending on 31 December 2018 up to a total of \$14,000,000 in (**Year 3**),

(Profit Sharing Amounts).

The payments in respect of the Profit Sharing Amounts must be made:

- (a) 50% in cash by JustKapital Financing Pty Ltd; and
- (b) 50% by the issue of Shares by the Company for nil cash, valued at:
 - (i) \$0.40 per Share in respect of Year 1;
 - (ii) \$0.50 per Share in respect of Year 2; and

- (iii) \$0.60 per Share in respect of Year 3,

(Earn-out Shares).

The issue of the Earn-out Shares is subject to Shareholder approval and an ASX waiver from Listing Rule 7.3.2 being obtained. Listing Rule 7.3.2 requires an entity to issue shares no later than 3 months after the date of the meeting approving the relevant issue. If Shareholder approval or an ASX waiver is not obtained, the Company will pay the equivalent consideration for that issue in cash.

10.2. Why is the Company seeking Shareholder approval?

ASX Listing Rule 7.1 provides that a company must not issue equity securities without the approval of its shareholders if the number of equity securities to be issued in any 12 month period exceeds 15% of the issued capital of the company preceding the issue.

Resolution 10 seeks approval under ASX Listing Rule 7.1 in respect of the issue of the Earn-out Shares to John Bannister and Adele Whyte. Accordingly, the issue of the Earn-out Shares will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

10.3. Technical information required by Listing Rule 7.3

In accordance with the disclosure requirements set out in ASX Listing Rule 7.3, the following information is provided in respect of Resolution 10:

(a) Maximum number of securities

The maximum number of Earn-out Shares that the Company may be required to issue cannot be determined at this time given that the number is dependent upon the profit of the business as at 31 December 2016, 2017 and 2018.

The formula for calculating the number of Earn-out Shares the Company is to issue in each year is as follows:

$$\frac{\text{Profit Sharing Amount}}{2} \div \text{Price per Share (0.XX)} = \text{Number of Earn-out Shares}$$

Where:

Profit Sharing Amounts are:

- (a) 40% of the profit before tax of the Agreed Business in excess of \$4,000,000 in respect of **Year 1**;
- (b) if the Agreed Business achieves a profit before tax of not less than \$5,000,000 in respect of **Year 2**; then
 - (i) 40% of the profit before tax of the Agreed Business in excess of \$5,000,00 in respect of Year 2; plus
 - (ii) \$1,000,000 in cash; and
- (c) 40% of the profits before tax of the Agreed Business in excess of \$6,250,000 in respect of **Year 3**.

Price per Share is:

- (a) \$0.40 in Year 1;
- (b) \$0.50 in Year 2; and
- (c) \$0.60 in Year 3.

Example:

$$\frac{\$10,000}{2} \div \$0.50 = \mathbf{10,000 \text{ Earn-out Shares}}$$

(b) Date of issue

The Shares will be issued progressively.

The Company has made an application to the ASX for a waiver from the application of Listing Rule 7.3.2 to permit it to issue of the Earn-out Shares at a date later than 3 months after the passing of this Resolution 10. If that waiver is not granted, the Earn-out Shares would be required to be granted within 3 months of the Annual General Meeting.

Subject to the Company obtaining Shareholder approval and a waiver from Listing Rule 7.3.2 from the ASX, the Earn-out Shares must be issued as soon as reasonably practicable after the end of each year (i.e. 31 December 2016, 31 December 2017 and 31 December 2018).

(c) Issue price of securities

Shares will be issued at:

- (i) \$0.40 per Share in respect of Year 1;
- (ii) \$0.50 per Share in respect of Year 2; and
- (iii) \$0.60 per Share in respect of Year 3.

(d) Recipients of the issued securities

The Earn-out Shares are to be issued to the John Bannister and Adele Whyte in their respective proportions. That is, 80% to John Bannister and 20% to Adele Whyte.

(e) Terms of the issued securities

The Earn-out Shares will be fully paid ordinary shares and rank equally with other Shares currently on issue. The Earn-out Shares are subject to a voluntary escrow for a period of 24 months from the date of issue.

(f) The intended use of the funds

The Earn-out Shares are to be issued as consideration for the acquisition of MML and accordingly the Company will receive no funds from the issuances.

(g) Voting exclusion

The Company will disregard any votes cast on Resolution 10 by John Bannister, Adele Whyte (or their nominees) and any of their Associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10.4. Directors' Recommendation

The Directors of the Company believe that Resolution 10 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution. The Chairman intends to exercise all available proxies in favour of Resolution 10.

RESOLUTION 11 – APPROVAL FOR FUTURE ISSUE OF SHARES TO PHILIP KAPP

11.1. Background

The Nomination and Remuneration Committee unanimously consider Mr Kapp to be instrumental in building value for the Company including sourcing, negotiating and completing the acquisition of MML referred to in the Explanatory Statement for Resolutions 6 and 7 and procuring a \$20 million debt facility from the Challenger Group for the growth of the Company.

The Nomination and Remuneration Committee and the Board (with Mr Kapp abstaining from voting), resolved that a bonus should be paid to Mr Kapp (or his nominee) in the sum of \$500,000 to recognise these efforts.

The bonus is intended to be paid by way of a \$200,000 cash payment and \$300,000 in Shares issued at \$0.20, subject to Shareholder approval (1,500,000 fully paid Shares). At this time of the Resolution and agreement with Philip Kapp, Shares were trading at \$0.17.

If Shareholders do not approve the issue (rejection date) then an amount equal to the greater of \$300,000 or the share price at the rejection date multiplied by 1,500,000 will be paid out immediately in cash.

11.2. Why is the Company seeking Shareholder approval?

Corporations Act

Under section 208 of the Corporations Act, a public company must obtain shareholder approval to give a financial benefit to a related party of the public company unless the financial benefit falls within an exception set out in the Corporations Act.

One exception, set out in section 211 of the Corporations Act, is where:

- (a) the financial benefit is remuneration to an officer or employee of the public company; and
- (b) the remuneration would be reasonable given:
 - (i) the circumstances of the public company or entity giving the remuneration; and
 - (ii) the related party's circumstances (including the responsibilities involved in the office or employment).

The issue of Shares to Philip Kapp will be the provision of a financial benefit to a related party of the Company, as he is a Director of the Company.

However, it is the view of the Directors (excluding Philip Kapp) that the exemption set out in section 211 of the Corporations Act applies in the current circumstances as the benefits contemplated constitute reasonable remuneration.

Listing Rules

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies.

The Directors (excluding Philip Kapp) are of the view that there is no applicable exception in Listing Rule 10.12 and accordingly, Shareholder approval is sought for the grant of 1,500,000 Shares to Philip Kapp.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Shares to Philip Kapp as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to Philip Kapp will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

11.3. Technical information required under Listing Rule 10.13

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Shares to Philip Kapp:

- (a) 1,500,000 Shares will be issued to Philip Kapp at an issue price of \$0.20;
- (b) the Shares will be granted to Philip Kapp as soon as possible following passing of this Resolution 11 and no later than one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued on one date;
- (c) the Shares will be fully paid ordinary shares and rank equally with other Shares currently on issue;
- (d) the Shares will be granted for nil cash consideration and accordingly no funds will be raised; and
- (e) a voting exclusion statement has been included in the Notice of Meeting.

11.4. Directors' recommendation

The Directors of the Company (except Mr Kapp) believe that Resolution 11 is in the best interests of the Company. Philip Kapp abstains from making a recommendation to Shareholders in relation to Resolution 11 due to his material personal interest in the outcome of the Resolution.

In forming their recommendations, each Director considered the experience of Philip Kapp, the current market price of Shares, the current market practices when determining the number of Shares to be granted.

The Board is not aware of any other information that would be reasonably required by the Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 11. The Chairman intends to exercise all available proxies in favour of Resolution 11.

If the Chairman is appointed as your proxy, and you have not specified the way the Chairman is to vote on Resolution 11, by signing and returning the Proxy Form you are considered to have provided the Chairman with express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though Resolution 11 is connected directly or indirectly with the remuneration of a KMP.

RESOLUTION 12 – APPROVAL FOR FUTURE ISSUE OF SHARES TO LITMAN HOLDINGS PTY. LTD.

12.1. Background

As announced on 20 June 2016, a wholly-owned subsidiary of the Company, JustCapital Litigation Pty Limited ACN 168 872 606 entered into an agreement to acquire Litman No 2 Pty Ltd ACN 612 224 521, a company with assets comprising a portfolio of five investments in litigation funding for Supreme and Federal Court cases and management agreements with a gross claim value of approximately \$230 million which are in various stages of maturity. Part of the consideration for the acquisition is the issue of 7,333,333 Shares to Litman Holdings Pty. Ltd. ACN 133 560 068 (**Litman**), subject to Shareholder approval. If Shareholder approval is not obtained, the equivalent consideration for that issue will be paid by the Company in cash.

12.2. Why is the Company seeking Shareholder approval?

ASX Listing Rule 7.1 provides that a company must not issue equity securities without the approval of its shareholders if the number of equity securities to be issued in any 12 month period exceeds 15% of the issued capital of the company preceding the issue.

Resolution 12 seeks approval under ASX Listing Rule 7.1 in respect of the issue of the 7,333,333 Shares to Litman.

12.3. Technical information required by Listing Rule 7.3

In accordance with Listing Rule 7.3 and to enable the Shareholders to approve the issue of the Shares to Litman, the Shareholders are provided with the following information in respect of Resolution 12:

- (a) 7,333,333 Shares will be issued to Litman at an issue price of \$0.30;
- (b) the Shares will be issued immediately following the passing of Resolution 12 by the Shareholders or in any event within 3 months of the date of the Annual General Meeting;
- (c) the Shares will be fully paid ordinary shares and rank equally with other Shares currently on issue;
- (d) the Shares are subject to a voluntary escrow for a period of 24 months from issue;
- (e) the Shares are to be issued as consideration for the acquisition of Litman No 2 Pty Ltd and accordingly the Company will receive no funds from the issuance;
- (f) the Company will disregard any votes cast on Resolution 12 by Litman Holdings Pty Limited (or its nominee) and any of its Associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides; and
- (g) the Shares will be issued progressively.

12.4. Directors' recommendation

The Directors of the Company believe that Resolution 12 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution. The Chairman intends to exercise all available proxies in favour of Resolution 12.

RESOLUTION 13 – APPROVAL FOR FUTURE ISSUE OF SECURITIES ON CONVERSION OF CONVERTIBLE BONDS

13.1. Background

As announced on 11 July 2016, the Company undertook a capital raise of \$5 million by way of a placement of Convertible Bonds to various sophisticated and professional investors, with Lucerne acting as lead arranger and sole book-runner to the placement.

Resolution 13 seeks approval for Shares and Options that may be issued upon conversion of the Convertible Bonds. Shareholder approval is sought to issue the maximum number of securities that may be issued under the Convertible Bonds should the holders of the Convertible Bonds exercise their conversion rights being 16,666,667 Shares and 10,000,000 unlisted Options (which, upon exercise will result in the issue of up to 10,000,000 Shares).

If Shareholders do not approve the issue of Shares on conversion of the Bonds then a 10% premium will be payable at redemption of the Bonds.

13.2. Why is the Company seeking Shareholder approval?

ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not issue equity securities without the approval of its shareholders if the number of equity securities to be issued in any 12 month period exceeds 15% of the issued capital of the company preceding the issue.

Resolution 13 seeks approval under ASX Listing Rule 7.1 in respect of the issue of up to 10,000,000 Options and 16,666,667 Shares in the capital of the Company on the conversion of Convertible Bonds.

13.3. Technical information required by Listing Rule 7.3

(a) Maximum number of securities

Conversion of the Convertible Bonds will require the issue of up to approximately 16,666,667 Shares, which represents approximately 14% of the total number of Shares currently on issue.

Additionally, if more than 50% of the Convertible Bonds convert, at the request of the lead investor, within 6 months of the 2016 Annual General Meeting, 10,000,000 unlisted Options are to be issued pro-rata to all Convertible Bondholders, with an exercise price of \$0.50 per Share and 3 years to maturity. If 10,000,000 Options are issued and exercised, the Company will issue up to a total of 26,666,667 Shares, which represents approximately 23% of the total number of Shares currently on issue.

(b) Date of issue

The date the Shares must be issued under the Convertible Bonds is not known, but subject to the Company obtaining Shareholder approval under this Resolution 13 and a waiver from Listing Rule 7.3.2 from the ASX, the Shares would be issued no later than 24 months from the date of issue of the Convertible Bonds, being 14 July 2018.

The trigger for the issue of Options under the Convertible Bonds is if more than 50% of the Convertible Bonds convert, at the request of the lead investor, within 6 months of the 2016 Annual General Meeting referred to in this Notice of Meeting. Accordingly, subject to the Company obtaining Shareholder approval under this Resolution 13 and a waiver from Listing Rule 7.3.2 from the ASX, the Options will be issued on or around 25 May 2017.

Shares to be issued on the exercise of any Options issued under the Convertible Bonds may be exercised within the three year period from date of issue of the Option.

The Company has made an application to the ASX for a waiver from the application of Listing Rule 7.3.2 to permit it to issue securities upon conversion of the Convertible Bonds at a date later than 3 months after the passing of this Resolution 13. If that waiver is not granted, the Shares would be required to be granted within 3 months of the Annual General Meeting.

(c) Issue price of securities

Each Convertible Bond has a face value of \$100.

The issue price upon conversion is as follows:

- (a) \$0.30 per Share, or 80% of any future equity issue priced below \$0.30 per Share, convertible at any time after the 2016 Annual General Meeting referred to in this Notice of Meeting; and
- (b) if more than 50% of Convertible Bonds convert, at the request of the lead investor, within 6 months of the Meeting referred to in this Notice of Meeting, 10,000,000 unlisted Options will be issued pro-rata to all Convertible Bondholders for nil consideration, with an exercise price of \$0.50 per Share and 3 years to maturity.

If Shareholders do not approve the issue of securities on conversion of the Convertible Bonds then a 10% premium will be payable to the Convertible Bondholders at redemption.

(d) Recipients of the issued securities

The Convertible Bonds were issued to a range of existing Shareholders and sophisticated and professional investors. The recipients were determined by the board based on amounts that they applied for and the final allocation included Philip Kapp, approval for which is sought under Resolution 14.

(e) Terms of the issued securities

Shares issued on conversion of the Convertible Bonds will rank equally with the existing Shares currently on issue.

Any Options issued under the Convertible Bonds will be rank equally with the existing Shares currently on issue upon the payment of \$0.50 per Share.

(f) The intended use of the funds

The funds raised from the issue of the Convertible Bonds were applied towards the purchase price for a new portfolio of cases from Litman described in the Explanatory Statement for Resolution 13, for deferred consideration payable to the sellers of MML described in the Explanatory Statement for Resolutions 6, 7 and 10 and for general working capital purposes.

The Company will receive no funds from the issuance of the Shares and will receive \$0.50 per Option.

(g) Voting exclusion statement

The Company will disregard any votes cast on Resolution 13 by:

- (i) a person who may participate in the in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; and
- (ii) an Associate of those persons.

However, the Company will not disregard a vote if:

- (iii) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (iv) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Accordingly, the Company will disregard any votes by Philip Kapp and his Associates and any other investors who hold Convertible Bonds.

13.3. Directors' recommendation

The Directors of the Company (except Philip Kapp who has a material person interest) believe that Resolution 13 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution. The Chairman intends to exercise all available proxies in favour of Resolution 13.

RESOLUTION 14 – APPROVAL FOR FUTURE ISSUE OF SECURITIES ON CONVERSION OF CONVERTIBLE BONDS TO RELATED PARTY

14.1. Background

As detailed in the Explanatory Statement to Resolution 13, the Company undertook a capital raise of \$5 million by way of a placement of Convertible Bonds to various sophisticated and professional investors, which included Mr Philip Kapp. Resolution 14 seeks approval for the issue of securities on conversion of the Convertible Bonds to Philip Kapp.

14.2. Why is the Company seeking Shareholder approval?

ASX Listing Rules

Listing Rule 10.11.1 provides that an entity must not issue or agree to issue equity securities to a related party without the approval of holders of ordinary securities unless an exception in Listing Rule 10.12 applies.

Philip Kapp is a related party of the Company by reason of being a Director.

Corporations Act

Under section 208 of the Corporations Act, a public company must obtain Shareholder approval to give a financial benefit to a related party of the public company unless the financial benefit falls within an exception set out in the Corporations Act.

It is the view of the Directors (excluding Philip Kapp) that the exemption set out in section 210 of the Corporations Act applies to the issue of the securities to Philip Kapp on conversion of the Convertible Bonds because the Convertible Bonds were offered to Philip Kapp on the same terms as offered to non-related party participants and as such, the giving of the financial benefit is on arm's length terms.

14.3. Technical information required by Listing Rule 10.13

(a) Name of the person

Philip Kapp.

(b) Number of securities issued

Philip Kapp was issued with 500 Convertible Bonds and subject to Shareholder approval, may be issued with up to 166,667 Shares and 100,000 Options under the terms of the Convertible Bonds.

(c) Date of issue

The Company has made an application to the ASX for a waiver from Listing Rule 10.13.3 to permit it to issue securities upon conversion of the Convertible Bonds at a date later than 1 month after the passing of this Resolution 13. If the waiver is not approved, the Shares must be issued under no later than 1 month after the date of the Annual General Meeting.

The date the Shares will be issued under the Convertible Bonds is not known, but subject to the Company obtaining Shareholder approval under Resolution 13 and Resolution 14 and a waiver from the ASX, the Shares would be issued to Philip Kapp no later than 24 months from the date of issue of the Convertible Bonds, being 14 July 2018.

The trigger for the issue of Options under the Convertible Bonds is if more than 50% of Bonds convert, at the request of the lead investor, within 6 months of the 2016 Annual General Meeting referred to in this Notice of Meeting. Accordingly, subject to the Company obtaining Shareholder approval under Resolution 13 and Resolution 14 and a waiver from the ASX, the Options will be issued on or around 25 May 2017.

Shares to be issued on the exercise of any Options issued under the Convertible Bonds may be exercised within the three year period from date of issue of the Option.

(d) Issue price of securities

Each Convertible Bond has a face value of \$100.

The issue price upon conversion is as follows:

- (i) \$0.30 per Share, or 80% of any future equity issue priced below \$0.30 per Share, convertible at any time after the 2016 Annual General Meeting referred to in this Notice of Meeting.
- (ii) if more than 50% of Convertible Bonds convert, at the request of the lead investor, within 6 months of the 2016 Annual General Meeting referred to in this Notice of Meeting, 10,000,000 unlisted Options will be issued pro-rata to all Convertible Bondholders for nil consideration, with an exercise price of \$0.50 per Share and 3 years to maturity.

If Shareholders do not approve the issue of Shares on conversion of the Convertible Bonds under Resolution 13 or this Resolution 14 then a 10% premium will be payable to Convertible Bondholders, including Philip Kapp at redemption.

(e) Terms of the issued securities

Shares issued on conversion of the Convertible Bonds will rank equally with the existing Shares currently on issue.

Any Options issued under the Convertible Bonds will be rank equally with the existing Shares currently on issue upon the payment of the exercise price of \$0.50 per Share.

(f) The intended use of the funds

The funds raised from the issue of the Convertible Bonds were applied towards the purchase price for a new portfolio of cases from Litman described in the Explanatory Statement for Resolution 13, for deferred consideration payable to the sellers of MML described in the Explanatory Statement for Resolutions 6, 7 and 10 and for general working capital purposes.

The Company will receive no funds from the issuance of the Shares and will receive \$0.50 per Option exercised.

(g) Voting exclusion statement

A voting exclusion statement has been included in the Notice of Meeting.

14.4. Directors' recommendation

The Directors of the Company (except Philip Kapp who has a material person interest) believe that Resolution 14 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution. The Chairman intends to exercise all available proxies in favour of Resolution 14.

RESOLUTION 15 – ADOPTION OF JKL INCENTIVE PLAN AND ASSOCIATED NON-RECOURSE LOAN AGREEMENT

15.1. Background

This Resolution seeks approval for the Company to adopt the JKL Incentive Plan (**New Plan**) and associated Non-Recourse Loan Agreement (**Loan Agreement**) for Directors, officers, employees and consultants (**Participants**), to be implemented from 1 July 2016. It is proposed that the New Plan will replace the Company's existing:

- (a) Incentive Option Plan approved by Shareholders on 23 October 2013; and
- (b) Executive Incentive Plan (which provided for the grant of units in a cash bonus pool) approved by Shareholders on 11 February 2015.

The Company has engaged remuneration and governance consultants, Egan Associates, to review, consider and provide advice to the Company in relation to the design of the Company's remuneration and retention structure. The New Plan has been prepared based on this advice.

Egan Associates and the Board are satisfied that consideration of the proposed remuneration and incentive arrangements was free from undue influence from any Participants of the New Plan.

The objectives of the New Plan are to:

- (a) supplement Participant remuneration;
- (b) ensure that the Company's remuneration policy is competitive in retaining and motivating the Participants;

- (c) provide a mechanism for achieving the Company's overarching remuneration objective of aligning the interests of Participants and Shareholders; and
- (d) reward Participants based upon the Company's overall performance including achieving successful judgements or settlements of individual cases, growth of the disbursement funding business and other businesses and high performance.

The New Plan comprises a Short Term Incentive Plan component (**STIP**) and a Long Term Incentive Plan component (**LTIP**). Each of the STIP and LTIP is detailed below.

STIP

The STIP will be a discretionary annual "bonus" payment available only to Participants who are executives of the Company (**Executive Participants**). The amount of the STIP will be based on a percentage (up to 40%) of the Executive Participant's total fixed remuneration (**TFR**) and can be paid in cash or Shares to be approved at the discretion of the Nomination and Remuneration Committee.

The purpose of the STIP component is to provide an annual 'at-risk' incentive to Executive Participants that is linked to the achievement of specific financial and non-financial objectives.

Key features of the STIP include:

- Executive Participants are eligible to participate in the STIP;
- at the beginning of each financial year, financial and non-financial performance objectives will be set with respect to each Executive Participant; and
- the financial objectives will be assessed and set out in the Annual Financial Report. These might include stretch targets where the Board thinks this is consistent with enhancing Total Shareholder Returns.

LTIP

The LTIP will comprise any one, or a combination, of:

- Options;
- rights to Shares (or, in certain circumstances, to a cash payment in lieu of Shares) (**Rights**); and
- Plan Loan under the Loan Agreement (for the purpose of funding the issue price of the Shares offered under the New Plan).

This LTIP will be a discretionary bonus available to executives and Board members and will complement the STIP as a form of 'at-risk' remuneration tied to the Company's long term performance. The LTIP will encourage equity ownership and give Participants the opportunity to be rewarded for Shareholder value creation.

Key features of the LTIP include 2 parts:

Part 1 - EBITDA hurdle

- this LTIP opportunity will be expressed as a percentage (up to 70%) of Participant's TFR;
- awards will vest over a two-year period subject to performance against the Group's EBITDA Target (the EBITDA target will exclude the litigation funding business); and
- the EBITDA Target will be set by the board on 1 July every year in respect of that financial year.

Part 2 – Internal rate of return hurdle

- The Group's litigation funding business will be measured based on the internal rate of return (**IRR**) generated to the Group from the individual case completed. All case completions will be included in the IRR calculation in each year (including any lost cases);
- a LTIP pool will be created based upon the following table:

Case Internal Rate of Return	Contribution to LTIP pool as a % of net profit from case
25%	15%
30%	18.5%
35%	20%

- each Participant's allocation of the LTIP pool will be measured determined by the Board on the basis of a recommendation from the Nomination and Remuneration Committee.

Grants

There were no grants for the 2016 financial year.

Grants relating to Part 1 of the LTIP for the financial year ending 30 June 2017 in Resolutions 16 to 18 are expected to occur no later than one month after the date of the Meeting.

Vesting conditions for the STIP and LTIP awards will be assessed following the lodgement of the audited accounts for each financial year, occurring approximately at the end of August.

The metrics relating to Part 1 of the LTIP set for the financial year ending 30 June 2017 is an EBITDA Target of \$5.6 million.

The Board is confident that the variable remuneration framework on which the New Plan is based will support the execution of the Company's business plan and build Shareholder wealth, as well as attract, motivate and retain key talent.

15.2. Why is the Company seeking Shareholder approval?

Listing Rules

Shareholder approval of the New Plan is sought under Listing Rule 7.2 Exception 9 so the issue of Rights, Options and/or Shares under the New Plan are not counted in the Company's 15% placement capacity under Listing Rule 7.1 for three years.

Approval under Listing Rule 7.2 Exception will provide the Company with additional flexibility to issue additional equity securities without Shareholder approval. After the expiry of the three year period, the Company will obtain further Shareholder approval to retain the benefit of this exception.

No Rights, Options or Shares have been granted under the New Plan as at the date of this Notice of Meeting.

As mentioned above, Egan Associates and the Board are satisfied that the advice received concerning the new arrangements was free from undue influence from the Participants to whom the new arrangements will apply.

If Shareholder approval is not obtained under this Resolution 15, the Board will need to reconsider the New Plan. Any securities issued to senior managers (excluding executive Directors) under the New Plan would then need to be counted in the Company's 15% limit.

Any Rights to be issued to Directors requires a separate Shareholder approval (see the discussion in Explanatory Statement for Resolutions 16 to 18 below), which, if obtained, would allow those Rights to be excluded from the Company's 15% placement capacity.

Corporations Act

Shareholder approval by ordinary resolution is sought for the implementation of the New Plan and the Loan Agreement, including for compliance with the following laws.

Exemption for financial assistance

Section 260C(4) of the Corporations Act requires shareholder approval by ordinary resolution in order to access the exemption from the prohibition on a company financially assisting the acquisition of shares in itself under section 260A of the Corporations Act. Any proposed loan to Participants to fund the acquisition of Shares constitutes financial assistance. The exemption is available where the assistance is given under an employee share scheme that has been approved at a general meeting of the Company.

Exemption for security over own shares

Section 259B(2) of the Corporations Act requires shareholder approval by ordinary resolution in order to access the exemption from the prohibition on a company taking security over shares in itself under section 259B(1) of the Corporations Act. Any proposed mortgage over Shares issued to Participants in connection with any Plan Loan to fund the acquisition of Shares constitutes such a security. The exemption is available where the security is taken under an employee share scheme that has been approved at a general meeting of the company.

15.3. Technical information required by Listing Rule 7.2 Exception 9

(a) Summary of the terms of the New Plan

The New Plan will be operated by the Board, subject to all applicable laws, which includes the Corporations Act, Corporations Regulations and the ASX Listing Rules.

The Board will select eligible people to participate in the New Plan and in its discretion make them offers of Rights, Options and/or a Plan Loan to acquire Shares.

Options will generally be issued under the New Plan subject to satisfaction of certain conditions (including any vesting conditions) and compliance with the applicable exercise procedure. An Option, once vested, is unlisted and exercisable into a Share, at the exercise price offered to the Participant. The vesting conditions and exercise price for each offer of Options will be determined by the Board prior to the offer.

A Right issued under the New Plan is an entitlement to a Share (or, in certain circumstances, to a cash payment in lieu of a Share) in accordance with the terms of the New Plan. The Rights are unlisted, exercisable at no cost on satisfaction of relevant performance hurdles / vesting conditions, into a Share. The vesting conditions for each Right will be determined by the Board prior to the offer.

A person may not deal with, transfer or hedge with their Rights and Options without the written consent of the Board.

Shares offered under the New Plan are fully paid ordinary shares and rank equally with other Shares currently on issue. The Shares acquired pursuant to a Plan Loan will be subject to a Holding Lock for a period determined by the Board but may be voted by the member.

If a Participant ceases to be an employee or otherwise engaged by the Company or a member of the Group because of resignation, termination for poor performance or termination for cause, any Right or Option held by that person will lapse. If a Participant ceases to be an employee for any other reason (including death, total and permanent disablement, redundancy, retirement or termination by agreement) all of his or her Options or Rights will continue to be held by, or on

behalf of, him or her (or by his or her estate as a representative) subject to the terms of the New Plan).

The Board has powers under the New Plan to determine that any Rights, Options or Shares allocated will lapse if the Board believes in certain circumstances the Participant has acted fraudulently or dishonestly, brought the Company into disrepute and in breach of the Participant's obligations.

The New Plan may be suspended, amended or terminated at any time by a resolution of the Board.

A copy of the New Plan will be made available to any Shareholder on request at the registered office of the Company until the date of the Meeting. Shareholders are invited to contact the Company if they have any queries or concerns.

(b) Summary of the terms of a Plan Loan

A Plan Loan is a non-recourse loan from the Company for the sole purpose of the Participant acquiring Shares in the Company, which have been offered under the New Plan. On acceptance of a Plan Loan, the Company will apply the amount of the Plan Loan towards Shares.

Shares acquired under the New Plan will be subject to a Holding Lock for a period determined by the Board in the offer. The Shares will be entitled to dividends and the dividends will be applied in payment of the balance of the Plan Loan. The Board may determine that a portion of a dividend can be retained by the Participant to meet taxation liability incurred in relation to the dividend.

The Company will also have a first ranking security interest over Shares which are acquired by way of a Plan Loan, during which restrictions on disposal apply. The Company has no personal recourse to the Participant or their assets other than the Shares for any amount outstanding under the Plan Loan.

A Plan Loan becomes payable on the repayment date specified by the Board in the offer, if the Participant ceases to be an employee or a consultant, if the Participant disposes or attempts to dispose of Shares in breach of the New Plan or Loan Agreement, if the Board determines the Holding Lock should be removed or approves an application for early repayment by the Participant.

A Participant may apply to the Board for approval to repay a Plan Loan less any repayment by way of dividends before the date on which the Plan Loan would otherwise be repayable. No interest is payable on a Plan Loan.

The Company may sell all of the Shares issued to a Participant under the New Plan in certain circumstances including if the Participant defaults in repayment, ceases to be an employee or disposes of the Shares prior to repayment of the Plan Loan.

A copy of the Loan Agreement will be made available to any Shareholder on request at the registered office of the Company until the date of the Meeting. Shareholders are invited to contact the Company if they have any queries or concerns.

(c) Previous issuances

No securities have been issued under the New Plan.

(d) A voting exclusion statement

A voting exclusion statement has been included in the Notice of Meeting.

15.4. Directors' recommendation

Each of the Directors are eligible to participate in the New Plan and are therefore ineligible to vote on Resolution 15 and abstain from making a recommendation in respect of this Resolution. The Chairman intends to exercise all available proxies in favour of Resolution 15.

If the Chairman is appointed as your proxy, and you have not specified the way the Chairman is to vote on Resolution 15, by signing and returning the Proxy Form you are considered to have provided the Chairman with express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though Resolution 15 is connected directly or indirectly with the remuneration of a KMP.

RESOLUTIONS 16 to 18 – APPROVAL OF FUTURE ISSUE OF SECURITIES TO RELATED PARTIES UNDER THE NEW PLAN

16.1. Background

Resolutions 16, 17 and 18 seek approval for the issue of Rights under the LTIP component of the New Plan to Philip Kapp, Tim Storey and Mike Hill (or their nominees). The Rights are unlisted and will vest over a two-year period subject to performance against the Company's EBITDA Target.

The proposed issue of Rights is in recognition of their contribution to the ongoing success of the Company and will further align their interests with those of Shareholders by linking their remuneration with the long term performance of the Company.

The Company has engaged remuneration and governance consultants, Egan Associates, to review, consider and provide advice to the Company in relation to the design of the Company's remuneration and retention structure. The New Plan has been prepared based on this advice.

Egan Associates and the Board are satisfied that consideration of the proposed remuneration and incentive arrangements was free from undue influence from any participants of the New Plan.

16.2. Why is the Company seeking Shareholder approval?

Corporations Act

Under section 208 of the Corporations Act, a public company must obtain Shareholder approval to give a financial benefit to a related party of the public company unless the financial benefit falls within an exception set out in the Corporations Act.

One such exception, set out in section 211 of the Corporations Act, is where:

- (a) the financial benefit is remuneration to an officer or employee of the public company; and
- (b) the remuneration would be reasonable given:
 - (i) the circumstances of the public company or entity giving the remuneration; and
 - (ii) the related party's circumstances (including the responsibilities involved in the office or employment).

The issue of Rights to Philip Kapp, Tim Storey and Mike Hill will be the provision of a financial benefit to related parties of the Company, as each of them are Directors of the Company.

However, it is the view of the Directors (excluding in each case, the Director in question) that the exemption set out in section 211 of the Corporations Act applies to the issue of the Rights as the benefits contemplated are reasonable remuneration.

The Directors (excluding in each case, the Director in question) consider that the issue of Rights to each of Philip Kapp, Tim Storey and Mike Hill are appropriate, particularly given the significant role that each of them have played in the successful development of the litigation and disbursement funding sides of the business and the overall growth of the Company.

Listing Rules

Listing Rule 10.14 requires shareholder approval to be obtained for the acquisition of securities by a director under an employee incentive scheme.

Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies. However, Listing Rule 10.12 Exception 4 provides that an issue to a related party is permitted without shareholder approval under Listing Rule 10.11 if approval is obtained under Listing Rule 10.14.

Accordingly, Shareholder approval is sought for the grant of the Rights to Philip Kapp, Tim Storey and Mike Hill in Resolutions 16 to 18.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Rights as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of Rights and Shares to each of the Directors will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

16.3. Technical information required under Listing Rule 10.15

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.15, the following information is provided in relation to the proposed grant of Rights and issue of Shares to each of the Directors.

- (a) The maximum numbers of Rights proposed to be issued to directors under Part 1 of the LTIP under Resolutions 16 to 18 are set out below.

Resolution	Related Party	Rights	Shares to be issued if all Rights vest
16	Philip Kapp	1,817,345	1,817,345
17	Tim Storey	333,180	333,180
18	Mike Hill	333,180	333,180

- (b) It is proposed that each of Philip Kapp, Tim Storey and Mike Hill will receive Rights equal to 70% of their TFR, at an issue price that is equal to the VWAP for the 20 day period up to and including 30 June 2016. Accordingly, the issue price will be \$0.23 but the Rights will be granted for nil consideration.
- (c) No securities have been issued under the New Plan. Philip Kapp, Tim Storey and Mike Hill will be the first recipients under the LTIP component of the New Plan.
- (d) All directors, officers, employees and consultants of the Company are entitled to participate in the New Plan.
- (e) Rights will be granted to each Director no later than one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules). Shares issued on conversion of the Rights will be issued two years after the date of the issue of the Rights, subject to compliance with the terms of the New Plan and any conditions imposed by the Board.
- (f) The Director's may be issued further Rights under Part 2 of the LTIP for the year ended 30 June 2017, however, any such Rights are not able to be calculated until there is a case completion. Shareholder approval for any proposed issue of Rights to the Directors will be sought at that time.
- (g) A voting exclusion statement has been included in the Notice of Meeting.

16.4. Directors' recommendations

The primary purpose of the grants of the Rights is to provide a performance linked incentive component in the remuneration package for each of the Directors to motivate and reward their performance as Directors.

Egan Associates has recommended the incentive based approach to the remuneration package for the Directors, and the Directors of the Company:

- (except Philip Kapp who has a material personal interest in the outcome of the Resolution) believe that Resolution 16 is in the best interests of the Company;
- (except Tim Storey who has a material personal interest in the outcome of the Resolution) believe that Resolution 17 is in the best interests of the Company; and
- (except Mike Hill who has a material personal interest in the outcome of the Resolution) believe that Resolution 18 is in the best interests of the Company.

In forming their recommendations, each Director considered the experience of the other Directors, the current market price of Shares, the current market practices when determining the number of Rights to be granted as well as the vesting conditions of the Rights.

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 16 to 18.

RESOLUTION 19 – SPILL RESOLUTION

19.1. Background

The Corporations Act requires that a Spill Resolution be included in the Notice of Meeting where:

- (a) the Remuneration Report at the Company's previous AGM (which was held in 2015) received at least 25% of the "no" votes; and
- (b) at the following AGM (this AGM in 2016), the Remuneration Report receives at least 25% of the "no" votes.

The Spill Resolution will be carried by ordinary majority (more than 50%). If the Spill Resolution is valid and carried, a Spill Meeting must be held within 90 days of the passing of the Spill Resolution.

19.2. Spill Meeting

The Spill Meeting, if required, will be called by a separate Notice of Meeting in accordance with the Constitution of the Company and the Corporations Act. Nominations for Director appointments at the Spill Meeting may be made in accordance with the Constitution of the Company and may include the Directors listed above.

If a Spill Meeting is held, pursuant to s250V(1)(b)(i) of the Corporations Act, the Directors who will cease to hold office immediately before the end of the Spill Meeting (unless they resign before the Spill Meeting) will be:

- (a) Tim Storey; and
- (b) Mike Hill.

This assumes they are re-elected at this 2016 AGM.

Each of these Directors is eligible to stand for re-election at the Spill Meeting and intend to seek re-election.

19.3. Directors' recommendations

The Directors recommend you vote against this Resolution.

ENQUIRIES

Shareholders are asked to contact Diane Jones, the Company Secretary, Chief Financial Officer and Chief Operating Officer on (+61 2) 9696 0222 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

AEDT	means Australian Eastern Daylight Time as observed in Sydney, New South Wales.
Annual Financial Report	means the 2016 Annual Report to Shareholders for the period ended 30 June 2016 as lodged by the Company with ASX on 30 August 2016.
Annual General Meeting or AGM or Meeting	means an Annual General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.
ASIC	means Australian Securities and Investment Commission.
Associate	has the meaning given to it by the ASX Listing Rules.
ASX	means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.
ASX Listing Rules or Listing Rules	means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.
Auditor's Report	means the auditor's report of Stantons International Audit and Consulting Pty Ltd dated 3 August 2016 as included in the Annual Financial Report.
Board	means the current board of Directors of the Company.
Business Day	means a day on which trading takes place on the stock market of ASX.
Chair	means the person chairing the Annual General Meeting.
Closely Related Parties	Means: <ul style="list-style-type: none">(a) a spouse or child of a KMP;(b) a child of a KMP's spouse;(c) a dependant of the KMP or of a KMP's spouse;(d) anyone else who is one of a KMP's family and may be expected to influence the KMP, or be influenced by the KMP, in the KMP's dealings with the entity;(e) a company the KMP controls; or(f) a person prescribed by the Corporations Regulations.
Company	means JustKapital Litigation Partners Limited (ACN 088 749 008).
Constitution	means the Company's constitution.
Convertible Bonds	means unsecured convertible bonds, a debt security with a face value of \$100 issued to sophisticated and professional investors in a capital raise of \$5 million announced by the Company on 11 July 2016.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth) as amended or replaced from time to time.
Corporations Regulations	<i>Corporations Regulations 2001</i> (Cth) as amended or replaced from time to time.
Director	means a current director of the Company.
Directors' Report	means the report of Directors as included in the Annual Financial Report.

Dollar or “\$”	means Australian dollars.
Earn-out Shares	Means the Shares defined in the Explanatory Statement to Resolution 10.
Ebitda	Earnings before interest, tax, depreciation and amortisation.
Executive Participant	A Participant under the New Plan who is an executive of the Company.
Explanatory Statement	means the explanatory statement accompanying this Notice of Meeting.
Group	The Company and its subsidiaries.
Holding Lock	means a facility that prevents the securities from being deducted from, or entered into, a holding pursuant to a transfer or conversion.
IRR	Internal rate of return.
KMP	a member of the Company’s key management personnel (including the Directors), whose details are included in the Remuneration Report including Philip Kapp, Tim Storey, Mike Hill, Diane Jones and Anthony Hersch.
Litman	Litman Holdings Pty. Ltd. (ACN 133 560 068).
MML	means the Macquarie Medico Legal business, a medico-legal disbursement funding business and 100% of the issued capital in MML Services Pty Limited ACN 609 165 817.
New Plan or JKL Incentive Plan	JKL Incentive Plan approved by the Board, the subject of Resolution 15.
Notice of Meeting or Notice of Annual General Meeting	means this notice of annual general meeting dated 26 October 2016 including the Explanatory Statement and Proxy Form.
Oaktower Partnership	The Oaktower Partnership Pty Ltd (ACN 116 376 937).
Option	means an option to acquire a Share.
Participants	Directors, officers, employees and consultants entitled to participate in the New Plan.
Plan Loan	Non-recourse loan agreement for Shares granted under the New Plan approved by the Board.
Proxy Form	means the proxy form attached to this Notice of Meeting.
Remuneration Report	means the remuneration report as set out in the Annual Financial Report which is also available on the Company’s website at www.justkapital.com.au .
Resolutions	means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.
Restricted Voter	has the relevant meaning given in the voting exclusions statements in the Notice of Meeting.
Rights	Rights to acquire Shares (or in certain circumstances a cash payment in lieu of a Share) in accordance with the New Plan.
Securities	mean Shares and/or Options (as the context requires).
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of a Share.
Spill Meeting	means the meeting that will be convened within 90 days of the 2016 AGM if a threshold of votes are cast against the adoption of the Remuneration

Report at the Meeting and the 2016 AGM.

Spill Resolution means the resolution required to be put to Shareholders at the Meeting if a threshold of votes are cast against the adoption of the Remuneration Report at the Meeting.

VWAP means the volume weighted average price, with respect to the price of Shares.



JUSTKAPITAL

Litigation Partners Limited

ABN 72 088 749 008

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

JustKapital Litigation Partners Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138



ALL ENQUIRIES TO

Telephone: +61 1300 554 474

LODGE A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **10:30am (AEDT) on Monday, 28 November 2016**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the reverse of this Proxy Form).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

PROXY FORM

I/We being a member(s) of JustKapital Litigation Partners Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:30am (AEDT) on Wednesday, 30 November 2016 at the Auditorium, DEXUS Place, Level 15, Governor Macquarie tower, 1 Farrer Place, Sydney NSW 2000** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 11, 14–19: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 11, 14–19, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business except Resolution 19 where undirected proxies will be voted against the resolution (if it is put).

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Approval of Future Issue of Shares to Philip Kapp	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Philip Kapp as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Approval of Future Issue of Shares to Litman Holdings Pty. Ltd.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Mr Tim Storey as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13 Approval of Future Issue of Securities on the Conversion of Convertible Bonds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Change Company Name to "JustKapital Limited"	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14 Approval of Future Issue of Securities on the Conversion of Convertible Bonds to Philip Kapp	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval for Additional Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15 Adoption of JKL Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Subsequent Approval of Issues of Securities to John Bannister	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16 Approval of Future Issue of Rights to Philip Kapp	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Subsequent Approval of Issues of Securities to Adele Whyte	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17 Approval of Future Issue of Rights to Tim Storey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Subsequent Approval of Issue of Securities to Oaktower Partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	18 Approval of Future Issue of Rights to Mike Hill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Subsequent Approval of Issue of Securities to James Walker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	19 Conditional Spill Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 Approval of Future Issue of Earn-Out Shares to John Bannister and Adele Whyte	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).