

18 March 2016

The Manager
ASX Markets Announcements
Australian Securities Exchange
Exchange Centre
Level 4, 20 Bridge Street
Sydney NSW 2000

Via Electronic Lodgement

Keybridge Capital Executive Share Plan

During the process of preparing and finalising the financial statements for the half-year ended 31 December 2015, it has regrettably become apparent that:

1. the historical accounting treatment of the Executive Share Plan (**ESP**) was incorrect; and
2. the Company has issued securities to you in breach of the terms of the ESP.

In relation to item 1, the notes to the interim financial statements provide a summary of the accounting restatements that have been made to rectify the historical errors that were contained in the accounts of the Company. In relation to item 2, we have obtained external legal advice to review the treatment of your Executive Loan Shares and set out below the summary of that advice.

As per the Invitation to participate (**Invitation**), the executives should not have received any Convertible Redeemable Promissory Notes (**CRPN**) or any shares issued under the Company's dividend reinvestment plan (**DRP**), in respect of the Executive Loan Shares held. The Company has been advised to now take steps to rectify the records in relation to any CRPN's, or shares that have been issued to you under the **DRP**, in error.

The following quoted securities will be cancelled:

- 531,004 CRPN's (ASX Code: KBCPA); and
- 196,231 ordinary fully paid shares (ASX Code: KBCAI) included in the **DRP**. An Appendix 3B was lodged regarding the issue of the **DRP** shares on 10 August 2015.

For further information, please contact:

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