



Sydney | London | Singapore

13 November 2018

Dear Shareholder

Removal of Litigation Capital Management Limited from the official list of ASX and admission of shares to trading on AIM

As you may be aware, the shareholders of Litigation Capital Management Limited (**LCM** or the **Company**) are due to consider certain resolutions which will facilitate the removal of the Company from the official list of the Australian Securities Exchange (**ASX**) at the Company's Annual General Meeting, to be held on 30 November 2018 (**AGM**).

Subject to receipt of the requisite shareholder approvals at the AGM, removal will take effect after the admission of the Company's shares to trading on AIM, a market operated by the London Stock Exchange plc (**AIM**).

The Company's notice of meeting dated 31 October 2018 and the ASX announcements issued by the Company on 29 October 2018 contain detailed information about the Company's reasons for delisting from ASX. Copies of the documents are available from www.asx.com.au.

This letter contains important information about the delisting process and what it means for your shareholding.

The information set out in this letter is of a general nature and does not take into account your individual investment objectives, financial situation or needs. Accordingly, you may wish to consult with your financial, legal, tax or other professional adviser before making a decision regarding your shareholding and the delisting process.

1. Delisting from ASX is conditional on admission to AIM

On 30th October 2018, the Company received in-principle advice from ASX that it would be likely to consent to the removal of the Company from the official list of the ASX, subject to compliance with certain conditions, including that the removal take effect no earlier than the date on which the Company is admitted to, and the Company's shares are quoted on, AIM. A further condition of approval was that the Company would provide the nominated date and time at which the Company would be removed from the official list of the ASX.

Subject to receipt of the requisite shareholder approvals at the AGM, the Company intends to formally apply to ASX shortly thereafter for consent to the Company's removal from the official list of the ASX, after the Company's admission to AIM.

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2. Delisting process

a. Suspension of trading and delisting

Trading in LCM shares on ASX is currently expected to be suspended on or about 18 December 2018 (**Suspension Date**). This is the date that the Company is seeking to be admitted to, and its shares quoted on, AIM. While this date, and other dates around the delisting from ASX and admission to AIM, may change, including in order to accommodate the AIM admission process (and LCM's application for admission to AIM remains subject to ongoing engagement with AIM), the Suspension Date will not be any earlier than 18 December 2018. The Company will notify you by announcement to ASX if there are any changes to these dates.

You will not be able to trade your shares on ASX after the Suspension Date. If you wish to sell your shares before the Company delists from ASX, you will need to do so before the Suspension Date (in which case you will, as is customary, be responsible for any associated costs, including brokerage).

The removal of the Company from the official list of ASX is anticipated to occur with effect from close of trading on the date that is 2 business days after the Suspension Date. This is currently expected to be on or about 20 December 2018 (**Delisting Date**).

No new on-market trades will be processed between the Suspension Date and the Delisting Date – the period will only be used to settle on-market and off-market trades entered into before the Suspension Date.

b. After the Delisting Date

As you may be aware, because the Company's shares are currently quoted on ASX, you hold your shares in uncertificated form.

After the Delisting Date, your shareholding in the Company will be automatically converted into an Issuer Sponsored holding on the Company's Australian share register, if your shares are not already held in that manner (i.e. CHES sponsored). An Issuer Sponsored Holding Statement will be posted to your registered address accompanied by a Removal Request Form (Australia to Guernsey).

You are not required to do or pay anything to facilitate this. This is the default option for shareholders who do not sell their shares on ASX before the Suspension Date.

c. Trading on AIM

After the delisting from ASX and once your shares have been converted to Issuer Sponsored, you will not be able to trade your LCM shares on AIM unless you convert them into 'Depositary Interests' (**DIs**). The Company is in the process of establishing a DI facility under which it will appoint Link Market Services Trustees Limited (Link) as the depositary (the **Depositary**).

Securities of Australian issuers cannot be directly registered, transferred or settled through CREST (which is the electronic settlement system in the UK). The DI facility overcomes this by creating entitlements to the Company's shares, which are deemed to be UK securities and therefore admissible to CREST. The DIs are quoted and traded on AIM, and are transferred in CREST to settle those trades. To convert your shares to DIs, you will need to transfer your shares to the Depositary's custodian. The Depositary will hold your shares in certificated form on trust and will issue you uncertificated DIs representing the underlying LCM shares transferred to it. You can then trade your DIs on AIM (which will result in a transfer of the beneficial interest in your underlying LCM shares). As is customary, you will be responsible for any brokerage or other costs, and tax implications, which may be related to the trading of your DIs on AIM.

While your LCM shares are held on trust by the Depositary, you will retain the full beneficial interest in the shares you hold via DIs, including voting rights and dividends.

The Company is currently seeking to establish an arrangement with a broker to assist you to trade your DIs on AIM if you wish to do so. Further details will be released to ASX when available. Alternatively, you can contact and establish an account with a stockbroker who offers accounts that allow trading on AIM.

The steps for converting your shares into DIs are set out below.

3. Depositary Interests

3.1 Steps for converting your shares into DIs to allow trading on AIM

Step 1 - Engage a suitable Australian broker who has an agreement with a UK broker that is able to trade on AIM and can accept the DIs into the CREST system for settlement purposes. Alternatively, you may wish to appoint a broker based in the UK. A list of UK brokers can be found via the London Stock Exchange website www.londonstockexchange.com.

Step 2 - Once your account with the broker has been established, you are required to submit your completed Removal Request Form (Australia to Guernsey) to Link. It is important that you enter your Security Holder Reference Number (SRN) found on

your Issuer Sponsored Holding Statement and complete the CREST participant details (CREST Participant ID and Member Account ID) in full where requested. Your broker can assist you with providing this information.

Step 3 - Your completed and signed Removal Request Form (Australia to Guernsey) should be sent to:

Link Market Services
Locked Bag A14
Sydney South NSW 1235

3.2 Confirmation of DI issuance

Once your completed and signed Removal Request Form (Australia to Guernsey) is delivered to Link, the DI creation process will typically be completed within 72 hours. During the DI issuance process, your shareholding will be reduced and DIs will be issued. Your broker should then provide you with confirmation that you are now the holder of an equivalent amount of DIs. From this point you will now be able to instruct your broker to deal or transact in your DIs on AIM.

3.3 How DI holders will be kept informed of what's happening with LCM

The Depositary will rely on LCM to supply information to it relating to matters that have a bearing on the rights of the ordinary shares. These Company matters may include but are not limited to cash distributions, corporate actions and company meetings. The Depositary is then responsible for making this information available to the registered DI holders, being the broker or custodian who holds the DIs on your behalf in CREST. You will need to discuss with your broker how they will in turn keep you updated.

If you have any questions about these steps, please contact Link on:

Enquiries: 1300 554 474 (**within Australia**)
+61 1300 554 474 (**outside Australia**)
Email: registrars@linkmarketservices.com.au
Facsimile: +61 2 9287 0303

3.4 Cancellation of DIs and becoming a shareholder again on the Australian share register or Guernsey branch share register

The Company will maintain both an Australian and Guernsey branch register. To cancel DIs and become a shareholder again, you should contact your broker and they will initiate the process, by withdrawing your DIs from CREST and instructing the Depositary to issue the shares in your name on the Company's Australian share register or Guernsey branch share register. Once your shares are issued on the

Company's Australian share register or Guernsey branch share register, you will be issued an Issuer Sponsored Holding Statement or share certificate as evidence of ownership.

3.5 Do nothing and continue to hold your shares on the Australian share register

You may also elect to do nothing and retain shares in the Company as Issuer Sponsored on the Company's Australian share register. If you do this, in order to sell your shares you would either need to transfer your shares to a willing buyer in an off-market transfer, or convert your shares to DIs and trade them on AIM.

4. Indicative timetable

The timetable below sets out the indicative dates for delisting from ASX and admission to AIM.

30 November 2018

LCM Annual General Meeting

LCM to formally apply to ASX for delisting (following receipt of requisite shareholder approvals at the Annual General Meeting)

18 December 2018

Earliest date for Suspension Date – Suspension of the Company's shares from quotation on ASX. You will not be able to trade your LCM shares on ASX after close of trading on this date.

Date on which admission of Company to, and quotation of the Company's shares on, AIM is sought.

20 December 2018

Delisting Date – Effective date of removal of LCM from the official list of ASX.

4 January 2019

All LCM shares converted into Issuer Sponsored, held on the Company's Australian share register once the CHESS subregister is closed.

By 9 January 2019

Your Issuer Sponsored Holding Statement and Removal Request Form (Australia to Guernsey) will be posted to your registered address, and when received you can commence the process of converting your shares into DIs if you wish to trade on AIM.

You should be aware that this timetable is indicative only and subject to change. The Company will notify you by announcement to ASX if there are any changes to this timetable. However, the Suspension Date will be no earlier than 18 December 2018.

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If you have any questions or would like further information about the delisting process, please contact the Company on +61 (0) 2 8098 1390 or the Shareholder Information Line on 1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia).

Yours faithfully
Litigation Capital Management Limited

Anna Sandham
Company Secretary