Form 605

Corporations Act 2001 Section 671B

Notice of ceasing to be a substantial holder

| To Company Name/Scheme | Bentham IMF Limited |
|------------------------|---------------------|
| ACN/ARSN | 45 067 298 088 |
| | |

1. Details of substantial holder (1)

Name Hugh McLernon and related parties

ACN/ARSN (if applicable)

The holder ceased to be a substantial holder on

<u>13/12/2013</u>

The previous notice was given to the company on

10/01/2005

The previous notice was dated

10/01/2005

2. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

| Date of change | Person whose relevant interest changed | Nature of change (4) | Consideration given in relation to change (5) | Class (6) and number of securities affected | Person's votes affected |
|-----------------|--|----------------------|---|---|----------------------------|
| See attached | | | | | |
| | | | | | |

3. Changes in association

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

| Name and ACN/ARSN (if applicable) | Nature of association |
|-----------------------------------|-----------------------|
| | |
| | |

4. Addresses

The addresses of persons named in this form are as follows:

| Name | Address |
|--|---|
| Hugh McLernon | c/- Level 6, 37 St Georges Terrace, Perth |
| McLernon Group Superannuation Pty Limited | c/- Level 6, 37 St Georges Terrace, Perth |
| Capital Consulting Pty Limited | c/- Level 6, 37 St Georges Terrace, Perth |
| Toronto Holdings Pty Limited | c/- Level 6, 37 St Georges Terrace, Perth |
| Christine McLernon | c/- Level 6, 37 St Georges Terrace, Perth |
| Nina McLernon | c/- Level 6, 37 St Georges Terrace, Perth |

Signature

sign here Hugh McLernon capacity Self

date 1/5/2014

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 4 of the form.
- (2) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (3) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (4) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (5) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (6) The voting shares of a company constitute one class unless divided into separate classes.
- (7) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

| Date of change Consideration Convertible Notes Convertible Not | | | | |)) } | | \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ | |
|--|-----------|---|----------------------|---------------------|-------------|-------------|--|-------------|
| given in relation to Change change securities affected affected shares held Shares on issue ewl Last 604 Notice Lodged 10 January 2005 change change securities affected affected shares held Shares on issue ew Option conversion change \$666,016 3,330,081 Ordinary 3,330,081 1,0443,592 113,052,150 113,052,130 113,052,130 | | | Consideration | | | | D | % of shares |
| Last 604 Notice Lodged 10 January 2005 change cchange securities affected shares held Shares on issue ew Last 604 Notice Lodged 10 January 2005 \$666,016 3,330,081 Ordinary 7,241,611 91,183,484 91,183,484 Option conversion \$1,667,467 1,217,129 Ordinary 1,217,129 1,243,592 113,052,150 113,052,150 Share issue - Employee Options exercised \$1,667,467 1,217,129 Ordinary 1,217,129 1,217,129 1,217,129 1,233,04,136 123,201,716 1,233,04,136 141,690,78 141,690,78 141,690,78 141,690,78 141,690,78 141,690,78 141,690,78 141,690,78 141,690,78 141,690,78 152,665,930 152,665,930 152,665,930 152,665,930 152,665,930 152,665,930 152,665,930 152,665,930 152,665,930 152,665,930 152,665,930 152,665,930 152,665,930 152,044,976 155,044,976 155,044,976 155,044,976 155,044,976 155,044,976 155,044,976 156,044,976 156,044,976 156,044,976 155,091 156,044,976 156,044,976 156,044, | Date of | | given in relation to | Class and number of | | Balance of | | held after |
| Lost 604 Notice Lodged 10 January 2005 \$666,016 3,330,081 Ordinary 7,241,611 91,183,484 Option conversion Share issue - Employee Options exercised \$1,667,467 1,217,129 Ordinary 1,217,129 10,443,592 113,052,150 Share issue - Employee Options exercised \$1,667,467 \$1,217,129 Ordinary 1,217,129 1,217,129 1,217,129 Share issue - Share Placement \$1,667,467 \$1,217,129 Ordinary 1,217,129 1,217,129 1,217,129 Share issue - Share Placement \$1,667,467 \$1,217,129 Ordinary 1,217,129 1,217,129 1,217,129 1,217,129 Share issue - Conversion of Convertible Notes \$29,997 17,645 Ordinary 1,758,346 1,555,991 155,559,91 154,731,941 Share issue - Conversion of Convertible Notes \$1,645 Ordinary 17,645 Ordinary 17,55,991 154,731,941 155,044,976 Share issue - Conversion of Convertible Notes \$1,755,991 155,044,976 156,044,976 17,755,991 156,113,331 Share issue - Conversion of Convertible Notes \$1,755,991 156,113,331 156,113,331 | change | Nature of change | change | securities affected | affected | shares held | Shares on issue | event |
| Option conversion \$666,016 3,330,081 Ordinary 3,330,081 10,443,592 113,052,150 Share issue - Employee Options exercised \$1,667,467 \$1,217,129 Ordinary 1,217,129 120,386,819 Sale \$1,667,467 \$1,217,129 Ordinary 1,217,129 1,217,129 Share issue - Share Placement \$301,846 123,201,716 Share issue - Conversion of Convertible Notes \$17,645 Ordinary 1,217,129 Share issue - Share Purchase Plan allotment \$29,997 17,645 Ordinary 17,55,991 Share issue - Conversion of Convertible Notes \$29,997 17,645 Ordinary 17,55,991 154,531,941 Share issue - Conversion of Convertible Notes \$29,997 17,645 Ordinary 17,55,991 154,531,941 Share issue - Conversion of Convertible Notes \$29,997 17,645 Ordinary 17,55,991 154,831,941 Share issue - Conversion of Convertible Notes \$1,755,991 155,065,991 155,044,976 Share issue - Conversion of Convertible Notes \$1,755,991 155,113,331 Share issue - Conversion of Convertible Notes \$1,755,991 155,113,331 | 10-Jan-05 | Last 604 Notice Lodged 10 January 2005 | | | | 7,241,611 | 91,183,484 | 7.94% |
| Share issue - Employee Options exercised \$1,667,467 1,217,129 Ordinary 1,217,129 9,888,592 120,386,819 Sale Share issue - Share Placement 7,738,346 144,690,778 144,690,778 Share issue - Conversion of Convertible Notes \$29,997 17,645 Ordinary 17,645 17,55,991 150,529,631 Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes 17,645 Ordinary 17,645 7,755,991 154,787,785 Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes 17,645 Ordinary 17,645 Ordinary 17,645 Ordinary 17,55,991 154,787,785 Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes 7,755,991 154,787,785 Share issue - Conversion of Convertible Notes 7,755,991 155,044,976 Share issue - Conversion of Convertible Notes 7,755,991 155,147,048 Share issue - Conversion of Convertible Notes 7,755,991 155,147,048 Share issue - Conversion of Convertible Notes 7,755,991 155,147,048 | 31-Jul-06 | Option conversion | \$666,016 | 3,330,081 Ordinary | 3,330,081 | 10,443,592 | 113,052,150 | 9.24% |
| Sale \$1,667,467 1,217,129 Ordinary 1,217,129 8,301,846 123,201,716 Share issue - Share Placement Share issue - Conversion of Convertible Notes \$29,997 17,645 Ordinary 17,645 17,738,346 144,290,964 Share issue - Conversion of Convertible Notes \$29,997 17,645 Ordinary 17,645 7,755,991 150,529,631 Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes 17,645 Ordinary 17,645 Ordinary 17,645 Ordinary 17,755,991 154,280,964 Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes 7,755,991 154,895,968 156,044,976 Share issue - Conversion of Convertible Notes 1,755,991 155,044,976 155,147,048 155,113,331 Share issue - Conversion of Convertible Notes 1,755,991 155,113,331 155,113,331 | 21-May-09 | Share issue - Employee Options exercised | | | • | 9,888,592 | 120,386,819 | 8.21% |
| Share issue - Share placement 7,738,346 141,690,778 Share issue - Conversion of Convertible Notes \$29,997 17,645 Ordinary 17,645 17,55,991 150,529,631 Share issue - Conversion of Convertible Notes \$29,997 17,645 Ordinary 17,645 17,55,991 150,529,631 Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes 17,55,991 154,281,941 Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes 154,895,963 154,895,963 Share issue - Conversion of Convertible Notes 154,895,963 155,044,976 Share issue - Conversion of Convertible Notes 155,147,048 Share issue - Conversion of Convertible Notes 155,147,048 | 11-Nov-11 | Sale | \$1,667,467 | 1,217,129 Ordinary | 1,217,129 | 8,301,846 | 123,201,716 | 6.74% |
| Share issue - Conversion of Convertible Notes \$29,997 17,645 Ordinary 17,645 7,738,346 144,290,964 Share issue - Share Purchase Plan \$29,997 17,645 Ordinary 17,645 7,755,991 150,529,631 Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes 17,645 Ordinary 17,645 Ordinary 17,55,991 150,529,631 Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes 154,895,968 154,895,968 Share issue - Conversion of Convertible Notes 155,044,976 155,044,976 Share issue - Conversion of Convertible Notes 155,044,976 155,044,976 Share issue - Conversion of Convertible Notes 155,147,048 Share issue - Conversion of Convertible Notes 155,147,048 | 14-Oct-13 | Share issue - Share Placement | | | | 7,738,346 | 141,690,778 | 5,46% |
| Share issue - Share Purchase Plan \$7,38,346 \$15,529,631 Share issue - Share Purchase Plan allotment \$29,997 \$17,645 Ordinary \$17,645 \$15,529,631 Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes \$15,531,941 \$154,531,941 Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes \$15,044,976 \$15,044,976 Share issue - Conversion of Convertible Notes \$15,044,976 \$155,044,976 \$155,044,976 Share issue - Conversion of Convertible Notes \$155,044,976 \$155,147,048 Share issue - Conversion of Convertible Notes \$155,13,331 \$156,113,331 | 25-Oct-13 | Share issue - Conversion of Convertible Notes | | | | 7,738,346 | 144,290,964 | 5.36% |
| Share issue - Conversion of Convertible Notes \$29,997 17,645 Ordinary 17,645 Ordinary 17,645 Ordinary 17,645 Ordinary 17,645 Ordinary 15,529,631 150,529,631 152,665,930 Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes 154,531,941 154,531,941 Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes 154,895,968 155,044,976 Share issue - Conversion of Convertible Notes 155,147,048 155,147,048 Share issue - Conversion of Convertible Notes 156,113,331 156,113,331 | 01-Nov-13 | Share issue - Share Purchase Plan | | | | 7,738,346 | 150,529,631 | 5.14% |
| Share issue - Conversion of Convertible Notes 7,755,991 152,665,930 Share issue - Share Purchase Plan and Convertible Notes 7,755,991 154,531,941 Share issue - Conversion of Convertible Notes 7,755,991 154,895,968 Share issue - Conversion of Convertible Notes 7,755,991 155,044,976 Share issue - Conversion of Convertible Notes 7,755,991 155,147,048 Share issue - Conversion of Convertible Notes 7,755,991 155,113,331 | 01-Nov-13 | Share Purchase Plan allotment | \$29,997 | 17,645 Ordinary | 17,645 | 7,755,991 | 150,529,631 | 5.15% |
| Share issue - Share Purchase Plan and Convertible Notes 7,755,991 154,531,941 Share issue - Conversion of Convertible Notes 7,755,991 154,787,785 Share issue - Conversion of Convertible Notes 7,755,991 155,044,976 Share issue - Conversion of Convertible Notes 7,755,991 155,147,048 Share issue - Conversion of Convertible Notes 7,755,991 155,113,331 | 04-Nov-13 | Share issue - Conversion of Convertible Notes | | | | 7,755,991 | 152,665,930 | 2.08% |
| Share issue - Conversion of Convertible Notes 7,755,991 154,787,785 Share issue - Conversion of Convertible Notes 7,755,991 154,895,968 Share issue - Conversion of Convertible Notes 155,044,976 Share issue - Conversion of Convertible Notes 155,147,048 Share issue - Conversion of Convertible Notes 156,113,331 | 08-Nov-13 | | | | | 7,755,991 | 154,531,941 | 5.02% |
| Share issue - Conversion of Convertible Notes 7,755,991 154,895,968 Share issue - Conversion of Convertible Notes 155,044,976 155,044,976 Share issue - Conversion of Convertible Notes 7,755,991 155,147,048 Share issue - Conversion of Convertible Notes 156,113,331 156,113,331 | 15-Nov-13 | Share issue - Conversion of Convertible Notes | | | | 7,755,991 | 154,787,785 | 5.01% |
| Share issue - Conversion of Convertible Notes 7,755,991 155,044,976 Share issue - Conversion of Convertible Notes 155,147,048 Share issue - Conversion of Convertible Notes 156,113,331 | 22-Nov-13 | Share issue - Conversion of Convertible Notes | | | | 7,755,991 | 154,895,968 | 5.01% |
| Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes Share issue - Conversion of Convertible Notes | 29-Nov-13 | Share issue - Conversion of Convertible Notes | | | | 7,755,991 | 155,044,976 | 2.00% |
| Share issue - Conversion of Convertible Notes | 06-Dec-13 | Share issue - Conversion of Convertible Notes | | | | 7,755,991 | 155,147,048 | 2.00% |
| | 13-Dec-13 | Share issue - Conversion of Convertible Notes | | | | 7,755,991 | 156,113,331 | 4.97% |