

RECAPITALISATION PROPOSAL

- **Share reconstruction and capital injection from experienced investor**
- **Company to change activities to unique NSX listed investment company using leverage, short selling and exposure to overseas and domestic companies**
- **Change of name to East 72 Holdings Limited**

The Directors of Australian Premier Finance Holdings Limited (**AHP** or **the Company**) are pleased to announce that they have reached agreement with Andrew Brown to recapitalise the Company, subject to shareholder approval (**Proposal**).

Andrew is a highly experienced professional investor with over 35 years' experience of equity and related markets including significant roles in stockbroking, funds management and corporate investment. Since August 2010, Andrew has successfully operated private investment companies and strategies using significant leverage, together with long and short exposures to overseas markets and individual securities as well as domestic Australian equities.

Andrew now seeks to bring this type of management to the public arena, since it requires non-withdrawable capital and believes the agreement with AHP is an appropriate starting point to further prove the concepts and gradually develop the company.

Andrew Brown commented that AHP, through its NSX listing was an appropriate vehicle to commence this new venture. He noted that whilst involving seemingly modest sums, the low cost nature of operation, internal management, use of gearing and the nature of investments would hopefully enable the Company to enlarge its scale in a manner unique to NSX. In addition, he observed that the flexible nature of NSX listing rules and regulations would enable AHP to issue different forms of capital in due course.

Under the Proposal, detailed in the Notice of Meeting and Explanatory Memorandum, released today, and which is subject to shareholder approval at a meeting to be held on 22 April 2016 (**EGM**), AHP will:

- Consolidate its shares on a 350-1 basis to reduce the existing capital from 58,256,207 shares to approximately 166,446 shares;
- Change the nature and scale of its activities to that of an investment company;
- Make a placement of 1,000,000 post-consolidation shares to interests associated with Andrew Brown at a price of \$0.35;
- Make a placement to sophisticated and professional investors of up to 283,554 post-consolidation shares at \$0.35;
- Arrange for Messrs Ellis and Allen to retire from the Board of Directors at the conclusion of the EGM;

- Appoint Andrew Brown and Richard Ochojski to the board of Directors alongside Wayne Adsett;
- Issue options to the ongoing Directors in lieu of Directors fees; and
- Change the name of the Company to **East 72 Holdings Limited**.

The Proposal requires that all resolutions are passed at the EGM to become effective. The existing Directors of AHP, who hold 54% of outstanding shares, are supportive of the Proposal.

If all resolutions are passed, AHP's capital will be 1,450,000 post-consolidation shares of which 69% will be controlled by interests associated with Andrew Brown (prior to option dilution). Given that Andrew Brown will control over 20% of the Company, the Directors have commissioned Stantons International Securities to opine on the fairness and reasonableness of this position, as required under item 7 of section 611 of Corporations Act 2001.

AHP and Andrew Brown have agreed to cap the level of creditors within the Company at completion of the transaction such that AHP will have initial investable assets of \$350,000 prior to the application of gearing.

Chairman of AHP, Wayne Adsett, said the Company was extremely pleased to have attracted an innovative proposal to provide an exciting future after the sale of the finance business in 2014.

For further enquiries:

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Brief biography of Andrew Brown:

Andrew has 35 years experience in equity markets in Australia, London and New York as an investment analyst in stockbroking, funds management and corporate investment. He has successfully managed a number of investment portfolios, notably as the Director of Equities for Rothschild Australia Asset Management between 1997-2003 and as a Senior Fund manager at AMP Investments between 1994-1997. Andrew has also been a Director of 13 ASX listed companies. He is currently an executive Director and Company Secretary of Australian Rural Capital Limited, listed on ASX.

Brief biography of Richard Ochojski:

Richard is an experienced finance executive having been employed within the banking and finance industry for over 30 years. Until the end of 2005, he had a 20 year career at Macquarie Bank as a Director of the Banking Division within the Banking and Property Group. In this position, he had a pivotal role in the public listing of realestate.com.au and is a former director of that company.

Since leaving Macquarie, Richard has consulted to a number of companies across a broad range of industries and served on a number of ASX listed company boards.
