

FOR IMMEDIATE RELEASE

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KEYBRIDGE'S TARGET'S STATEMENT SAYS REJECT OCEANIA CAPITAL'S INADEQUATE OFFER

Today, Keybridge Capital Limited ("**Keybridge**")(ASX: KBC) released its Target's Statement in response to Oceania Capital Partners Limited's ("**Oceania Capital**")(ASX:OCP) off-market offer for Keybridge at 16 cents per Keybridge share ("**Offer**"). The Target's Statement recommends that shareholders **REJECT** Oceania Capital's inadequate Offer.

As Oceania Capital and Keybridge have a common director, the Target's Statement is required to include an independent expert's report. In the independent expert's report, Pitcher Partners concluded that Oceania Capital's offer was **NOT FAIR** and **NOT REASONABLE** and valued Keybridge at between 25 cents and 28 cents per share.

The reasons provided in the Target Statement for the recommendation that shareholders **REJECT** the inadequate Oceania Capital Offer are as follows:

- The Offer is at a substantial discount to reported net tangible assets per share of 22.3 cents and therefore does not reflect the underlying value of a Keybridge share.
- The independent expert has concluded that the Offer is **NOT FAIR** and **NOT REASONABLE**.
- The Offer largely ignores the potential upside contained in Keybridge's investment portfolio.
- Since the announcement of the Offer Keybridge shares have traded above the offer price.
- The Offer is opportunistic.

Following the release of the Target's Statement, the Chairman of Keybridge, Peter Wood said, "Oceania Capital's Offer is inadequate and opportunistic and does not reflect fair value for Keybridge shares. We encourage shareholders to read the Target's Statement carefully, including the non-associated directors' reasons for recommending that shareholders reject the Oceania Capital offer."

Executive Director of Keybridge, Nicholas Bolton said, "Consistent with the conclusion of the independent expert, shareholders should reject Oceania Capital's inadequate offer. Each non-associated director of Keybridge who holds Keybridge shares intends to reject the offer."

"The Company has made substantial progress in the last 12 months, resulting in a transformation of Keybridge's balance sheet. Following the realisation of the Company's aircraft investments and the restructure of its PRFG investment, Keybridge is now debt free and holds approximately \$20.5 million in cash."

"The Independent Expert has concluded that the Oceania Capital offer is **NOT FAIR** and **NOT REASONABLE**. The Oceania Capital Offer is at a 28% discount to Keybridge's reported net tangible assets per share of 22.3 cents per share and at a 43% discount to the high end of the independent expert's valuation range of 28 cents per share."

"Keybridge's focus remains on generating value for shareholders. We are looking at ways to maximise shareholder value and the Board is currently considering investing the Company's considerable cash resources in classes of assets where the Company has specific expertise, including assets in the financial services and IT sectors and typically focused on ASX listed entities" Mr Bolton said.

FOR FURTHER INFORMATION

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