

ASX/Media Release
19 October 2017

CHAPMANS TO DIVEST INTERESTS IN DIGITAL4GE AND VAMP

The Directors of Chapmans Limited (ASX: CHP) (Chapmans, the Company) are pleased to announce that it has entered into a Binding Share Sale and Purchase Agreement (Agreement) to divest its equity interests in early stage mobile technology development company Digital4ge Pty Ltd (Digital4ge) and social media-driven product placement platform Visual Amplifiers Ltd (VAMP).

Under the Agreement, Chapmans will divest 100% of equity interests in Digital4ge and VAMP to the Ben McGrath Family Trust for a total consideration of \$700,000.

In addition, pursuant to the same Agreement;

- Chapmans will be granted proxy by Digital4ge to assume Digital4ge's voting rights in Reffind Ltd (ASX: RFN). This effectively provides Chapmans with additional voting rights for 48 million shares or 11.08% of Reffind Limited; and
- Digital4ge will sell 100% of its equity interest in Chapmans (5.5 million shares) to Chapmans or its nominee for a total consideration of \$27,500.

Ben McGrath is a founder of Digital4ge Pty Ltd, and is a founder and CEO of VAMP.

The transactions pursuant to this Agreement are expected to be completed by 1 November 2017.

Upon formal completion of the Agreement, all parties to the Agreement will agree to a full, complete and mutual release of all existing court proceedings. All parties will agree to meet their own costs, and all parties will agree to take no further action in respect of existing court proceedings from the date of completion of the Agreement.

Syn Dynamics Receives \$500,000 R&D Refund

Chapmans is also pleased to advise that cleantech business Syn Dynamics Australia Pty Ltd (SDA) has received a refund of \$496,559 from the Federal Government's Research and Development Tax Incentive for the financial year ending 30 June 2017.

Chapmans subsidiary company, Chapmans Opportunities Limited (COL), has a majority, strategic 80% interest in SDA. SDA has developed a breakthrough, next generation plasma gasification technology (Plasma Hydrous Pyrolysis, PHP) which converts a wide range of waste materials into a high value synthetic gas (syngas).

The 2017 R&D tax refund monies will be used to continue to advance SDA's development and commercialisation programs for its market leading waste treatment technology.

The Federal R&D tax incentive encourages companies engaging in beneficial research to Australia by providing a cash rebate of 43.5% for qualifying activities.

Chapmans directors to participate in Non-renounceable Rights Issue

The Directors of Chapmans also reconfirm that they plan to subscribe for their full entitlements under the Company's current Non-renounceable Rights Issue.

The Company is undertaking a Non-renounceable pro-rata Rights Issue offer (Offer) to eligible shareholders to raise approximately \$2,037,500 (before issue costs) via the issue of up to 407,500,028 new shares at an issue price of \$0.005 per new share on the basis of one new share for every two existing shares held.

The Offer document, date 3 October 2017, has been despatched to eligible shareholders and the Offer is expected to close at 5:00pm Sydney time on 27 October 2017.

Further information on the Offer is available via the Company's share registry, Security Transfer Australia Pty Ltd on 1300 992 916 or +61 3 9628 2200 for callers outside of Australia.

ENDS

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About Chapmans

Chapmans (ASX: CHP) is an ASX listed diversified investment company engaged in special situation investments across a diverse range of industries, with a focus and expertise in the mobile and advanced industrial technology sectors. It seeks to be an active strategic investor in high growth areas of the market, and to identify and work with emerging high growth companies. The Company's investment philosophy and approach are based on a unique mix of high conviction and special situation features, characterised by advisory and equity investments structured around specific events and assets for both public and large private corporates.