

Mariner Announces \$70M Coastal Investment Fund

14 August 2007

- 4 Australian East Coast tourist assets on 39 ha of land
- High yielding tax deferred income up to 9.25%pa
- Mix of rental income and potential capital growth
- Brings Mariner's total assets under management to \$1.2 billion

Mariner Financial Limited (ASX: MFI) announces the launch of a the Mariner Coastal Investment Fund (MCIF) to invest in 4 coastal tourist resorts on the East Coast of Australia with a total vale of \$70 million. MCIF is seeking to raise equity through an offer of 35 million stapled securities at \$1.00 per stapled security. The offer opens on 14 August 2007.

The fund provides high yielding tax deferred income with potential capital growth. It is forecast to generate a cash distribution annualised yield of 9.20% for the period ending 30 June 2008, and 9.25% for the period ending 30 June 2009¹.

MCIF will invest in 4 key coastal resorts covering 39 ha of land in locations that have outperformed tourism growth in their respective states, including: EcoPoint Myall Shores Resort (NSW) and EcoPoint Murramarang Resort (NSW), both 4 star resorts rated by AAA; Nestle Inn Tourist Village (QLD), a 3 star rated resort; and the soon to be completed EcoPoint Resort Port Douglas (QLD). EcoPoint Myall Shores Resort and EcoPoint Murramarang Resort are both located within National Parks on the NSW coast.

'Solid long-term trends are driving demand for these assets including a buoyant Australian retiree travel market, and a decline in the availability of quality tourist park destinations due to rezoning and redevelopment,' says Anthony Moeller, Fund Manager, MCIF. 'Ecotourism is an attractive investment area with growing investor and end-buyer demand.' The two resorts at Myall Shores and Murramarang are operated as eco friendly tourist parks.

MCIF is a stapled security comprising units in the trust (Mariner Coastal Investment Trust) that holds the property, and shares in the management company that operates the assets (Mariner Leisure Management Limited). MCIF will not be listed on the securities exchange.

‘The fund provides value for investors through ongoing rental income, and potential increase in the value of the assets as growth in coastal locations continues,’ says Moeller. ‘The assets are well diversified, located at various latitudes at which the peak holiday season occurs during different times throughout the year.’

Mariner now manages 6 key coastal investment properties totaling over \$105 million in value on 52.8 ha of land through both MCIF and the Mariner Coastal Land Fund which holds investments in two Yamba coastal properties: the Blue Dolphin holiday resort development on 5.744ha; and the Yamba Waters Caravan Park on 8.094 ha; both in NSW.

Contacts

Anthony Moeller, Fund Manager, MCIF, 0405 381 382

Andrew Johnstone, Public Affairs, 0413 77 2454

Mariner Financial

Mariner Financial Limited (ASX: MFI) was founded in 2003 to pioneer new investment opportunities for the Australian market. Mariner now manages over \$1.2 billion. Mariner provides unique investments for the new and evolving financial needs of Australian investors seeking to build and preserve their wealth.

¹Forecast distributions are based on the Investment Amount of \$1.00 and represent a return of accounting capital which is funded out of available operating cash flow. They are uncertain and reliant on assumptions. Investors should carefully consider the discussion of Investment Risks and Forecast Assumptions that underpin these forecast returns set out in the Prospectus and PDS dated 30 July (as supplemented 7 August). Distributions are quoted after deducting all ongoing fees (other than fees payable to EcoPoint Management as the external resort manager, which are deferred until July 2009) and assume no change to the value of the Stapled Securities. The annualised yield to Investors (above) is funded from available net cash flow and capital.