



Mariner invests in Moomba-Sydney Ethane Pipeline

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The innovative financial services group Mariner Financial Limited [ASX: MFI] today announced that its subsidiary, Mariner Securities Limited as trustee of the Mariner Moomba to Sydney Ethane Pipeline Trust, has completed its due diligence and has entered into a contract to acquire Gorodok Pty Limited, the owner of the Moomba to Sydney ethane pipeline that transports ethane from the Cooper Basin, South Australia to an ethylene cracker operated by Qenos at Port Botany NSW. The contract is conditioned on obtaining a number of third party consents.

The purchase price is \$97 million and will initially be funded by an acquisition facility from an internationally recognized bank.

Managing Director of Mariner Financial, Bill Ireland said that this opportunity will provide Mariner with a strategic presence in the rapidly growing infrastructure sector. "Mariner has built a strong business model of originating, structuring and distributing investment products. We hope to develop a measurable presence in infrastructure sector over the next couple of years," he added.

"The pipeline will provide high yielding return which will compare favourably to industry averages. There is a long term agreement for the transportation of ethane that can provide the basis for long term reliable cash flows," said Mr Ireland.

"Gorodok's operations are managed by Agility, a leading and credible operator of high pressure pipelines which is part of the AGL Limited group. The Pipeline is a relatively new asset and has been engineered to industry best practice, with no major technical or environmental issues" said Mr Ireland.

Note to the editors

About Gorodok pipeline

ICI Australia (now Orica Limited ("Orica")) had been operating an ethylene cracker at Port Botany, NSW as part of its polyethylene business since 1983. In 1996 it decided to convert the ethylene cracker from a naphtha/LPG feed to accept ethane feedstock because it is cheaper and leads to a higher volume output of polyethylene. To supply the ethylene cracker, Orica arranged for the construction of a dedicated ethane pipeline and associated facilities at a cost of c.\$200m (1996 dollars).

The Pipeline was built by the Commonwealth Pipeline Authority via a contract with East Australia Pipeline Limited ("EAPL"). EAPL sub-contracted most of the

construction to Fletcher Construction and Transfield. The Pipeline was successfully commissioned in 1996.

In 1999 and 2000 Orica demerged its ethane associated assets into two companies, the ethylene cracker was vented into Qenos Holdings Pty Ltd (“Qenos”) (a 50:50 incorporated joint venture between Orica and Exxon Mobil) and the Pipeline into Gorodok. On 31 October 2005 the Beijing headquartered state owned corporation, China National Chemical Corporation, entered into a Heads of Agreement to acquire Qenos. Qenos is the largest plastics and rubber company in Australia and operates facilities in Botany Bay NSW and Altona in Victoria. Qenos is the only manufacturer of polyethylene in Australia.

Gorodok was acquired by SSAU Pipeline Holdings Pty Ltd (49%), National Asset Management (31%), and John Laing Private Investments (20%) in 2000. In 2002 Industry Funds Management (Nominees) Limited acquired John Laing Private Investment’s 20% interest in the Pipeline.

Basic Design Features

Length (km)	1,375
Diameter (cm)	21.9
Design Life (years)	60
Capacity (tones per annum)	350,000 (18PJ/a)
Pressure (kPg)	8,000-15,000
Wall thickness (mm)	5.7 – 11.9
Pump Facilities	Pump station at Bulla Park

About Mariner Financial

Mariner Financial Limited is a diversified financial services company listed on the Australian Stock Exchange [ASX: MFI]. Mariner specialises in delivering products that offer investors real opportunities to build and preserve their wealth, through originating, structuring and distributing truly unique products. It offers a range of investment solutions that cover Retirement Solutions, Superannuation Solutions, Income Products, Equity Funds, Property, Alternative Equity Products and Private Equity.

For further information, please visit the Mariner website at <www.marinerfunds.com.au>.

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