



Proposed Issue of New Ordinary Shares

20 February 2007

Mariner Financial Limited (ASX: MFI) announces that it proposes to issue 30,000,000 new ordinary shares via a placement to institutional and sophisticated investors. The issue price will be \$1.80 per share, raising total proceeds of \$54 million.

The placement will consist of:

- 10,500,000 new ordinary shares which Mariner Financial expects will commence ASX trading on 1 March 2007; and
- an additional 19,500,000 new ordinary shares to institutional and sophisticated investors. This portion of the issue is subject to approval by shareholders of Mariner Financial at an Extraordinary General Meeting of the Company which will take place on 26 March 2007. These new shares which are subject to shareholder vote will commence trading on or around 30 March 2007.

The additional 19,500,000 new ordinary shares will require shareholders approval before issue and a Notice of the Extraordinary General Meeting will be separately lodged with the ASX and will also be available on the Mariner Financial website at <www.marinerfunds.com.au>.

Macquarie Equities Limited has been appointed the lead manager and Bridges Financial Services Pty Limited has been appointed as co-manager of the issue.

Use of Proceeds

Mariner Financial is seeking to raise new equity capital to grow its core funds management activities. Specifically, Mariner has identified several opportunities to grow its funds under management through the creation of new specialist funds. These new managed funds are in the areas of domestic real estate, off-shore real estate, and infrastructure. In order to capitalise on these opportunities, Mariner wishes to utilise additional equity capital to acquire the seed assets for the new funds.

Mariner Financial has also identified several opportunities to create new managed funds based around the fixed income and alternative investment asset classes. The creation of these funds will typically require an amount of seed investment from

Mariner Financial, which is to be funded from the company's expanded equity capital base.

In addition, a relatively small amount of the proceeds of the share issue will be used to fund the ongoing working capital requirements of Mariner's business.

Interim Dividend

On 6 February 2007, Mariner Financial announced that Net Profit after Tax for the half year period to 31 December 2006 would be not less than \$17 million. The Company is pleased to announce that it will pay an interim dividend of 5 cents per share. The ex-dividend date for entitlement to the interim dividend will be 28 February 2007, with payment to occur on 23 April 2007. This dividend will be unfranked.

The 30 million new shares issued via the placement will not be eligible for the payment of the interim dividend. However, the new shares will rank equally with the Company's existing shares in all other respects, including entitlement to all future dividends.

Bonus Issue

Mariner Financial has grown significantly since listing on the ASX in 2003 and now has a market capitalisation in excess of \$175 million. Having successfully achieved various milestones, the Company is pleased to announce a one-for-one Bonus Issue. This is aimed at enhancing the trading liquidity of the Company's ordinary shares given that shareholders will now hold twice the number of shares as previously. In the longer term the bonus issue is also designed to facilitate an index rating in the S&P / ASX Top 300 in the event that the Company's market capitalisation continues to rise in line with anticipated growth in earnings.

The Bonus Issue will take place shortly after the commencement of trading of the 30,000,000 new shares issued via the placement.

About Mariner Financial

Mariner Financial is a diversified financial services company listed on the Australian Stock Exchange. Mariner specialises in delivering products that offer investors real opportunities to build and preserve their wealth, through originating, structuring and distributing unique financial products. It offers a range of investment solutions that cover Retirement Solutions, Superannuation Solutions, Income Products, Equity Funds, Property and Alternative Equity Products. Mariner typically earns establishment fees for sourcing and packaging new funds as well as ongoing management fees from its funds.

The Company has aggregate assets of \$800 million currently under management.

For further information, please contact the undersigned.

Alex Sundich

Chief Operating Officer
Mariner Financial Limited
Ph: +61 2 8001 5714