

MARINER CORPORATION LIMITED
ABN 54 002 989 782
AND CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT
HALF-YEAR ENDED 31 DECEMBER 2015

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MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES

DIRECTORS' REPORT

Your directors present their report together with the consolidated interim financial report of Mariner Corporation Limited ('the Company'), being the Company and its controlled entities (together referred to as 'the Group'), for the period ended 31 December 2015 and the review report thereon.

DIRECTORS

The following persons were directors of the Company during the whole of the financial half-year end up to the date of this report, unless otherwise stated.

NAME	POSITION
Mr Bill Murfitt	Executive Chairman
Mr Matthew MacDougall	Non-Executive Director
Mr Philip Barclay	Non-Executive Director

CONSOLIDATED RESULTS

The consolidated net loss after tax attributable to members of the Company for the period was \$198,056 (2014: \$519,805). The basic loss per share for the period was 1.44 cents (2014: loss per share of 3.78 cents).

DIVIDENDS

There was no dividend declared for the period to 31 December 2015 (2014: Nil).

REVIEW OF OPERATIONS

The Group continues to invest in diversified investments, primarily in the equipment lease and financial services sectors.

Mariner is continuing to look for opportunities to raise capital and other investments to grow the company.

AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

A copy of the Auditors' independence declaration under Section 307C of the Corporations Act 2001 is set out on page 2 for the half-year ended 31 December 2015.

Dated this 26th day of February 2016.

This report is made in accordance with a resolution of the Board of Directors.



BILL MURFITT
CHAIRMAN

**MARINER CORPORATIO LIMITED
ABN 54 002 989 782
AND CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF MARINER CORPORATION LIMITED AND ITS
CONTROLLED ENTITIES**

SYDNEY

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I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2015 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Hall Chadwick

HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000

G Webb

GRAHAM WEBB
Partner
Date: 26 February 2016

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MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

	NOTE	CONSOLIDATED	
		HALF-YEAR ENDED 31 DECEMBER 2015	HALF-YEAR ENDED 31 DECEMBER 2014
		\$	\$
REVENUE AND INCOME			
Rental income	16	200,000	200,000
Other income		9,991	32,569
TOTAL REVENUE AND INCOME		209,991	232,569
EXPENSES			
Administration and office costs		(11,572)	(15,553)
Finance costs		(195,703)	(311,158)
Professional fees and investment costs		(198,648)	(424,558)
Other expenses		(1,729)	(1,105)
Net change in fair value of financial assets at fair value through profit or loss		(395)	-
TOTAL EXPENSES		(408,047)	(752,374)
LOSS BEFORE INCOME TAX		(198,056)	(519,805)
Income tax expense		-	-
NET LOSS FOR THE PERIOD		(198,056)	(519,805)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(198,056)	(519,805)
EARNINGS PER SHARE			
Basic and diluted earnings per share		(1.44) cents	(3.78) cents

The accompanying notes form part of these financial statements.

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As At 31 DECEMBER 2015**

	Note	Consolidated	
		31 DECEMBER 2015	30 June 2015
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	7	7,505	3,885
Other receivables	8	27,703	11,165
Financial assets	9	3,354	3,749
TOTAL CURRENT ASSETS		38,562	18,799
TOTAL ASSETS		38,562	18,799
CURRENT LIABILITIES			
Trade and other payables	10	47,215	74,944
Borrowings	11	2,729,318	2,483,770
TOTAL CURRENT LIABILITIES		2,776,533	2,558,714
TOTAL LIABILITIES		2,776,533	2,558,714
NET ASSETS		(2,737,971)	(2,539,915)
EQUITY			
Issued capital	12	133,587,098	133,587,098
Accumulated losses		(136,325,069)	(136,127,013)
TOTAL EQUITY		(2,737,971)	(2,539,915)

The accompanying notes form part of these financial statements.

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

31 DECEMBER 2015	CONSOLIDATED			
	SHARE CAPITAL	OTHER RESERVES	RETAINED EARNINGS/ (LOSSES)	TOTAL
	\$	\$	\$	\$
Balance at 1 July 2015	133,587,098	-	(136,127,013)	(2,539,915)
Loss for the period	-	-	(198,056)	(198,056)
Balance at 31 December 2015	133,587,098	-	(136,325,069)	(2,737,971)

31 DECEMBER 2014	CONSOLIDATED			
	SHARE CAPITAL	OTHER RESERVES	RETAINED EARNINGS/ (LOSSES)	TOTAL
	\$	\$	\$	\$
Balance at 1 July 2014	133,587,098	250,547	(135,639,929)	(1,802,284)
Loss for the period	-	-	(519,805)	(519,805)
Balance at 31 December 2014	133,587,098	250,547	(136,159,734)	(2,322,089)

The accompanying notes form part of these financial statements.

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

	NOTES	CONSOLIDATED	
		HALF-YEAR ENDED 31 DECEMBER 2015	HALF-YEAR ENDED 31 DECEMBER 2014
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash payments in the course of operations		(146,380)	(123,166)
NET CASH FROM OPERATING ACTIVITIES		(146,380)	(123,166)
 CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from convertible notes		150,000	345,717
NET CASH FROM FINANCING ACTIVITIES		150,000	345,717
 NET INCREASE IN CASH AND CASH EQUIVALENTS		3,620	222,551
CASH AND CASH EQUIVALENTS AT 1 JULY		3,885	14,013
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	7	7,505	236,564

The accompanying notes form part of these financial statements.

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES
NOTES TO THE INETRIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

1 REPORTING ENTITY

Mariner Corporation Limited is a company domiciled in Australia. The consolidated interim financial report of the Company for the half-year ended 31 December 2015 comprises the Company and its subsidiaries (together referred to as 'the Group'). The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The consolidated annual financial report of the Group for the year ended 31 December 2015 is available upon request from the Company's registered office at Level 9, 32 Walker Street, North Sydney, NSW, 2060 or at www.marinercorporation.com.au.

2 BASIS OF PREPARATION

These general purpose financial statements for the half-year reporting period ended 31 December 2015 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Mariner Corporation Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2015, together with any public announcements made during the following half-year.

3 ACCOUNTING POLICIES

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 31 December 2015.

During the half-year ended 31 December 2015, management reassessed its estimates in respect of the fair value of financial assets (Note 9).

5 NEW AND REVISED ACCOUNTING REQUIREMENTS APPLICABLE TO THE CURRENT HALF-YEAR REPORTING PERIOD

The group has considered the implications of the new or revised accounting standards issued during the current half-year reporting period and determined none of which to be applicable.

6 DIVIDENDS

No dividends were paid or provided for during the period.

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES
NOTES TO THE INETRIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

7 CASH AND CASH EQUIVALENTS

	CONSOLIDATED	
	31 DECEMBER 2015	30 JUNE 2015
	\$	\$
CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	7,505	3,885
	<u>7,505</u>	<u>3,885</u>

8 OTHER RECEIVABLES

	CONSOLIDATED	
	31 DECEMBER 2015	30 JUNE 2015
	\$	\$
CURRENT		
Other debtors	27,703	11,165
	<u>27,703</u>	<u>11,165</u>

9 FINANCIAL ASSETS

	CONSOLIDATED	
	31 DECEMBER 2015	30 JUNE 2015
	\$	\$
CURRENT		
Investment in listed shares, available for sale	3,354	3,749
	<u>3,354</u>	<u>3,749</u>

10 PAYABLES

	CONSOLIDATED	
	31 DECEMBER 2015	30 JUNE 2015
	\$	\$
CURRENT		
Trade creditors	22,313	21,041
Other creditors and accruals	24,902	53,903
	<u>47,215</u>	<u>74,944</u>

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES
NOTES TO THE INETRIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

11 LOANS AND BORROWINGS

					CONSOLIDATED	
					31 DECEMBER 2015	30 JUNE 2015
				Expiry date	Nominal Interest rate	
						\$
						\$
Current						
<i>Secured</i>						
Loan – Global SPV10 Pty Ltd	(a)	30/06/2016	6%		798,399	774,960
<i>Unsecured</i>						
Convertible Note – Global Clean Energy & Finance Pty Ltd	(b)	06/06/2016	6%		1,539,424	1,328,810
Loan – Global Clean Energy & Finance Pty Ltd	(c)	30/06/2016	6%		391,494	380,000
Total					2,729,318	2,483,770

- a) The interest rate and expiry date of the facility was revised during the period to 6% and is repayable by 30 June 2016.
- b) An additional \$150,000 was drawn down during the period to provide working capital. The interest free period of the facility also expired on 1 July 2015 with interest now being accrued at 6% per annum.
- c) The interest free period of the facility expired on 1 July 2015 with interest now being accrued at 6% per annum.

12 CONTRIBUTED EQUITY

(A) ISSUED CAPITAL

	31 DECEMBER 2015	30 JUNE 2015
	\$	\$
13,738,082 ordinary shares, fully paid (June 2015: 13,738,082)	133,587,098	133,587,098

During the half-year the Company has not issued any shares

(B) OPTIONS

During the half-year the Company has not issued any options.

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES
NOTES TO THE INETRIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

13 INTEREST IN SUBSIDIARIES

Set out below are the Group's subsidiaries at 31 December 2015

Name of entity	Country of Incorporation	Ownership Interest	
		2015 %	2014 %
Controlled entities			
Mariner Asset Management Limited	Australia	100	100

The subsidiary Mariner Asset Management Limited is not an operating entity and is in process of deregistration, the only asset being cash at bank (\$2,402) has been transferred to the parent in preparation for deregistration.

14 EVENTS SUBSEQUENT TO REPORTING DATE

Since 31 December 2015, there were no matters which significantly affected:

- a) the Group's operations in future financial years; or
- b) the results of those operations in future financial years; or
- c) the Group's state of affairs in future financial years.

15 GOING CONCERN

The consolidated net loss after tax attributable to members of the Company for the period was \$198,056, with a negative cash flow from operating activities of \$146,380 and a working capital deficit of \$2,737,971.

The Company has continued to review new investment opportunities since 30 June 2015 with the view to bringing cash-flow and value to the Balance Sheet.

The Directors have reached the conclusion that based on all available facts and information currently available, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable and is a going concern. In reaching this conclusion the Directors have had regard to, amongst other things, the following:

- The support from related parties regarding the terms and repayment options for borrowings.
- A guarantee of financial support from related parties to the value of \$1 million should debts be unable to be paid as and when they fall due.
- Future cash required to meet ongoing commitments will be derived from equity raising as and when required and rental income from the Global joint venture.

16 CONTINGENCIES

Other than the following, there are no other contingent assets or contingent liabilities as at 31 December 2015.

Rental Assets and Vendor Finance

On the 1st of July 2014, Mariner Corporation acquired a participating interest in a series of rental contracts. Given the uncertainty as to the forecast cash flows, vendor finance was utilised such that \$2,000,000 would be brought to account as income over the loan term as a reduction of the liability. The amount brought to account as at 31 December 2014 is \$200,000.

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES
NOTES TO THE INETRIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

16 CONTINGENCIES (CONTINUED)

The expiry date of the vendor finance is December 2016 and therefore a contingent liability may arise at this date depending on the forecast cash flows from the rental contracts.

17 OPERATING SEGMENTS

The Group presently operates in one segment being investment products in Australia.

18 CONTROL GAINED OR LOST OVER ENTITIES HAVING A MATERIAL EFFECT

The Group has not gained or lost control over any entity during the financial period.

DIRECTORS' DECLARATION

The directors of Mariner Corporation Limited ('the Company') declare that:

1. the financial statements and notes set out on pages 3 to 11 are in accordance with the Corporations Act 2001, including:
 - a) complying with Accounting Standards AASB 134 Interim Financial Reporting, and
 - b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors:



BILL MURFITT
CHAIRMAN

Dated this 26th day of February 2016

**MARINER CORPORATION LIMITED
ABN 54 002 989 782
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
OF MARINER CORPORATION LIMITED**

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Report on the Interim Financial Report

We have reviewed the accompanying interim financial report of Mariner Corporation Limited, which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Interim Financial Report

The directors of Mariner Corporation Limited are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Mariner Corporation Limited's financial position as at 31 December 2015 and its performance for the period ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Mariner Corporation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

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MARINER CORPORATION LIMITED
ABN 54 002 989 782
AND CONTROLLED ENTITIES

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
MARINER CORPORATION LIMITED**

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Mariner Corporation Limited is not in accordance with the Corporations Act 2001 including:

- (i) giving a true and fair view of Mariner Corporation Limited's financial position as at 31 December 2015 and of its performance for the period ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Emphasis of matter

Without modifying our conclusion, we draw attention to Note 15 "Going Concern" in the financial report which indicates that the entity incurred a net loss of \$198,056 for the half-year ended 31 December 2015 and, as of that date, the entity's current liabilities exceeded its current assets by \$2,737,971. These conditions, along with other matters set forth in Note 15 indicate the existence of a material uncertainty which may cast significant doubt about the entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

Hall Chadwick

HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000

Graham Webb

GRAHAM WEBB

Partner

Dated: 26 February 2016