

ALLCO EQUITY PARTNERS

Allco Equity Partners Limited
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18 March 2009

The Manager
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

AEP reconfirms that it has no borrowings from the Allco Group

Allco Equity Partners Limited (ASX: AEP) notes that the Administrator of Allco Finance Group (Receivers and Managers appointed)(Voluntary Administrators appointed) (the Allco Group), McGrathNicol, stated in their Circular to Creditors dated 6 March 2009 that it had identified a loan or debt style equity investment of \$61 million between the Allco Group and an entity it identifies as AEPL.

AEP reconfirms that neither it nor any of its investee entities has any borrowings from member entities of the Allco Group and that neither it nor any of its investee entities has ever borrowed money from, or lent money to, any member of the Allco Group. AEP has paid fees and reimbursed costs in accordance with the terms of the Management Agreement.

The only financial connection between AEP and the Allco Group is:

1. The Management Agreement between AEP and Allco Equity Partners Management Pty Limited (Receivers and Managers appointed)(Administrators appointed). AEP has sought to terminate this agreement.
2. Members of the Allco Group are registered holders of 12,185,185 shares in AEP, of which, for so long as the Management Agreement remains on foot, 10,185,185 shares cannot be disposed of before December 2014.

The Company has written to McGrathNicol requesting them to correct any actual or implied references to purported loans to AEP made in their Circular to Creditors dated 6 March 2009. McGrathNicol has confirmed that there is no recorded \$61 million loan to or from AEP in the records of the Allco Group.

Yours faithfully



David Neufeld
Company Secretary

ASX RELEASE