

17 May 2011

Dear Shareholder,

UPDATE ON VIENTO GROUP LIMITED FORTHCOMING SHAREHOLDERS' MEETING

1. Background to Upcoming Shareholders Meeting

We write to you to provide an update on Viento Group (Viento) and provide background on the upcoming shareholders' meeting to be held at the Celtic Club in West Perth at 2.30 pm (Perth time) on Thursday, 23 June 2011.

On 2 May 2011, Mariner Corporation Ltd (Mariner) (ASX code: MCX) announced the purchase of a 10% shareholding in Viento at \$0.17 per share.

Shortly following the announcement of the Viento share purchase, Mariner wrote to Viento calling for a shareholders' meeting to vote on the election of three new directors and the removal of the three existing directors.

In calling the meeting, we note the following:

- Mariner did not seek any discussions with Viento before requesting the meeting.
- No profiles or background information has been provided to Viento on any of the three nominated directors.
- No strategy for Viento has been advised should the proposed three directors be elected.
- No information or statement from Mariner has been received to justify the removal of the three existing directors.
- Mariner announced to the ASX that it intended to pay for the Viento shares through a future placement of Mariner shares. No announcement with details of the placement has yet been made. We are uncertain of how Mariner financed the purchase of Viento shares.

2. Information on Mariner

Viento directors have received numerous queries from shareholders as to Mariner and its controlling shareholder, Stanfield Funds Management Ltd (Stanfield) (ASX code: SFN).

Following our research, we can advise:

- Shareholders associated with Darren Olney-Fraser (a proposed new director of Viento) appear to exert significant control over Stanfield. According to Stanfield's website, Stanfield controls Mariner. Darren Olney-Fraser is the CEO of both Stanfield and Mariner.
- Darren Olney-Fraser is a director of Asian Pacific Limited, a company that has been suspended from quotation on the ASX after being placed in administration on 7 July 2008.
- Mariner has no apparent business operations and has sold or otherwise disposed of its previous funds management businesses. It has recently stated that it intends to acquire strategic stakes in listed companies.
- Stanfield similarly has no apparent business. Its main asset was the management of Government Property Trust No 5 – which owned a portfolio of properties. On 21 February 2011, receivers and managers were appointed to Government Property Trust No 5. This effectively ended the management role and Stanfield's main source of fee income.
- Darren Olney-Fraser and Donald Christie are directors of Australian Public Trustees Limited, the Responsible Entity for the Government Property Trust No 5.
- Mariner was suspended from quotation on the ASX on 24 August 2010 for non-payment of annual listing fees and was not reinstated until 12 October 2010.
- The 31 December 2010 accounts for Mariner and its controlling shareholder Stanfield note the ability to continue as a going concern depends on growing the property funds management activities during 2011, obtaining additional equity funding to finance operations and the sale of non-core assets.
- Both Stanfield and Mariner have share prices below 1 cent (\$0.07 and \$0.008 respectively).

3. Conclusions and Recommendation of Viento Directors

3.1 Bank Default

An event of default occurs under the current loan facilities of our managed investment schemes if there is a material change in the control or management of Viento without our Financiers' consent.

3.2 No Offer to Viento Shareholders

The directors believe that the proposed resolutions are an attempt by Mariner, a company with no material businesses to seek to gain board control of a debt free, listed company with significant operating businesses. Control is sought by Mariner/Stanfield without the payment of any control premium and no offer is being made to Viento shareholders.

3.3 Directors' Recommendation

Viento's directors cannot see any benefit that any of the three directors would bring to the Viento board and if shareholders vote in support of the Mariner nominees, they will be handing control of Viento and its management to Mariner/Stanfield.

The directors of Viento strongly recommend that you vote against the election of Messrs Olney-Fraser, Christie and Fletcher and against the removal of the three existing directors and each director who owns shares in Viento will be voting against all of the resolutions in respect of their shares.

4. Performance of Viento Under the Existing Management & Board

Following the agreed resignation of the then Chairman and Chief Executive Officer in late 2008, Viento was in a perilous financial position as evidenced by significant trading losses, an excessive cost base and a share price of circa \$0.04.

Non-executive director Mr Robert Nichevich accepted the appointment as Executive Chairman on 1 December 2008. The new board and management team has achieved the following over the past 30 months:

- ✓ Closure of the Brisbane office and concentration of all management in Melbourne.
- ✓ Reduction in over \$3 million in annual overheads in the business.
- ✓ Focus on two discrete property businesses – commercial property and land subdivisions.
- ✓ A significant turnaround in previous losses such that in the absence of any material adverse developments in the business, asset portfolio or broader market, the Viento board advised in late calendar 2010 that it is currently anticipating a reported profit before tax of between \$950,000 and \$2.3 million, equating to approximately \$0.02 to \$0.049 per share for the 12 months to June 2011.
- ✓ A placement of shares to Hanscon Holdings Pty Ltd at \$0.15 per share to raise \$975,000 to advance various opportunities in Viento's residential subdivision business. This result was achieved after nine months of extensive negotiation.
- ✓ The placement will lead to further opportunities by way of additional capital and property transactions.
- ✓ Viento's share performance since your current Chairman was elected in December 2008 is shown in the graph below.



Viento – The Future Strategy

The current board's strategic plan is to grow the company in three key areas, by:

- rebuilding the Viento Diversified Property Fund,
- developing our Subdivision Business, and
- participating in the resources boom.

The recent share placement has created an enormous opportunity for Viento to participate and grow in these three areas. Hanscon Holdings, together with new Director Mr John Farrell, will be providing capital and underwriting capital to undertake projects and provide a conduit into funds management opportunities in the resource industry and subdivision business.

The types of projects being considered in the resources industry include infrastructure and permanent mine site accommodation. This is an exciting prospect that has been under investigation and negotiation for nine months offering the company the opportunity to participate in the biggest growth area in the Australian Economy.

We encourage you to attend the General Meeting or complete the enclosed Proxy Form and return it to us in the Reply Paid envelope.

Yours sincerely,



Robert Nichevich
Executive Chairman
On behalf of the Board of Viento Group Limited