



MARINER

Change creates value.

CORPORATION
LIMITED

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ASX ANNOUNCEMENT

5 JULY 2012

AUSTOCK – TRADING HALT

The Board of Mariner Corporation Limited (“**Mariner**”) notes that Austock Group Limited [ASX:ACK] (“**Austock**”) has been placed in a trading halt pending an announcement in connection with the potential sale of its property funds management business.

It is further noted that Austock has also placed its Australian Education Trust and Australian Social Infrastructure Fund in trading halt.

The trading halts follow the Australian Financial Review reporting this morning that Austock chief executive Mr Bill Bessemer was in talks with Folkestone Limited [ASX:FLK] (“**Folkestone**”) about a joint venture to run its \$555 million property funds platform. The Board of Mariner notes that Folkestone has also requested a trading halt this morning.

The Board of Mariner hereby advises shareholders that the trading halt and any potential sale or joint venture relating to any part of the Austock business may impact upon our intention to make an offer to purchase all of the shares in Austock, as first announced to market on 25 June 2012.

Austock advise that they expect the trading halt to be ended upon release of a subsequent announcement. Mariner is concerned about the circumstances of the trading halt and impending announcement because:

- There is a clear contradiction in representations made by the Austock chief executive and recent ASX announcements regarding whether Austock proposes to sell or enter into a joint venture arrangement in respect to its Property Funds Management business.
- There is no clarification or previous disclosure about whether Austock has already entered into a Heads of Agreement, due diligence or other arrangement with Folkestone.
- The Austock chief executive has been quoted as saying “We’ve been talking to everyone”. This would imply that Austock management has been facilitating an ongoing auction of parts or all of Austock’s existing business interests. Why has this intention never been made public or disclosed to Austock shareholders? Has Austock management received any other offers in respect to any part of their business which have been rejected?
- If Austock is entering into any specific dealings in respect to the Property Funds Management business, then when will that be put to shareholders given it forms a substantial part of the overall Austock business?
- Given our outstanding intention to make a takeover offer, should Austock not allow the terms of the offer (ie. bidders statement) to be put to shareholders before the company negotiates sale or agrees to enter into any arrangement in respect to any part of its existing business?

- The Austock chief executive has also been quoted as saying “We’re as frustrated as anyone else with the way Austock’s performed over the last two years”. In continuing to reject the terms of MCX’s intended take-over proposal, the Austock Board therein proposes to deny shareholders the opportunity for at least some relief.

Mariner will seek specific answers to these concerns and queries directly from the company.

Board of Directors
Mariner Corporation Limited