



MARINER

Change creates value.

CORPORATION
LIMITED

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ASX ANNOUNCEMENT

2012 Annual Results

Directors are pleased to release the consolidated financial statements of Mariner Corporation Limited for 2011/12.

These financial statements show that the condition of Mariner has vastly improved over the previous year in line with the extensive changes made to the company:

- A consolidated Net Profit of \$1,140,051 compared to a profit last year of \$408,492;
- Improved the net assets by \$1,335,989 from a negative net asset position last year of (\$1.142M) to \$193,786 this year;
- A substantial improvement in Earnings Per Share from 0.10 cents to 0.34 cents; and
- Declared dividend of 1 cent per share, the company's first dividend in 5 years.

Since new management took control of the company in November 2010, it has bought corporate stability by:

- Disposing of non-performing assets
- Divesting funds management businesses
- Simplifying operations
- Reducing costs
- Reducing debt & creditor obligations

Mariner has been able to successfully prove its revised strategy and invest where change is occurring and where value is identified. Successful investments realised in 2012, include:

- Peanut Company of Australia
- Farm Pride Foods Limited
- Capilano Honey Limited
- Tasmanian Pure Foods Limited
- Viento Group Limited

Going forward, the company stands to benefit from the:

- successful completion of business restructure
- restored financial stability
- a commitment to delivering dividends for shareholders
- operating with a defined new corporate strategy as successfully executed in 2011/12
- continuing its focus on strategic investing

We look forward to pressing on with our plans to generate meaningful results for Mariner shareholders in the next financial year and an improving share price.

Board of Directors

30 August 2012

Appendix 4E

Preliminary final report For the Year Ended 30 June 2012

Company details

MARINER CORPORATION LIMITED

ABN	Financial year ended (‘current year’)	Financial year ended (‘previous year’)
54 002 989 782	30 June 2012	30 June 2011

Results for announcement to the market

Revenue from continuing operations (See explanatory Note 2.6 (a)).	% 1.19 (increased revenue)	to	2,039,026
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Profit from operations after tax Attributable to members.	% 208.37 (reduced loss)	to	1,259,661
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Net profit for the period attributable to members.	% 208.37 (reduced loss)	to	1,259,661
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Dividends	Amount per security	Franked amount per security
Final dividend proposed	\$0.01	Nil
Interim dividend	Nil	Nil

Record date for determining entitlements to the final dividend.	14 September 2012
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The profits have been generated from the sale of strategic investments made during the year.

Sign here:

(Managing Director)

Date:

29/8/12

Print name: Darren Olney-Fraser

Mariner Corporation Limited
ABN 54 002 989 782
and controlled entities

Annual Financial Report
30 June 2012

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CORPORATE GOVERNANCE STATEMENT

Board Composition

The skills, experience and expertise relevant to the position of each Director who is in office at the date of the annual report and their term of office are detailed in the Directors' report.

From 9 November 2011 the company has not had any independent Directors. The size of the company and current business activities does not warrant the expense associated with appointing independent Directors.

Having regard to the size of the corporation the nomination and remuneration committees have not been active during the year under review.

Ethical Standards

The Board acknowledges and emphasises the importance of all Directors and employees maintaining the highest standards of corporate governance practice and ethical conduct.

A code of conduct has been established requiring Directors and employees to:

- act honestly and in good faith;
- exercise due care and diligence in fulfilling the functions of office;
- avoid conflicts and make full disclosure of any possible conflict of interest;
- comply with the law;
- encourage the reporting and investigating of unlawful and unethical behaviour; and
- comply with the share trading policy outlined in the code of conduct.

Directors are obliged to be independent in judgment and ensure all reasonable steps are taken to ensure due care is taken by the Board in making sound decisions.

Diversity Policy

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The company is committed to diversity and recognises the benefits arising from employee and Board diversity and the importance of benefiting from all available talent. Due to the size of the company a diversity policy or plan has not been implemented at this stage.

Trading Policy

The company's policy regarding Directors and employees trading in its securities is set by the Board. The policy restricts Directors and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices.

Audit Committee

As the Board consists of only three members, a separate audit committee has been disbanded and the functions and duties of the audit committee are now dealt with by the main Board.

Performance Evaluation

Performance evaluations of the Board have not been undertaken as the size does not warrant it at this stage.

Board Roles and Responsibilities

The Board is first and foremost accountable to provide value to its shareholders through delivery of timely and balanced disclosures.

The Board is ultimately responsible for ensuring its actions are in accordance with key corporate governance principles.

Shareholder Rights

Shareholders are entitled to vote on significant matters impacting on the business, which include the election and remuneration of Directors, changes to the constitution and receipt of annual and interim financial statements.

CORPORATE GOVERNANCE STATEMENT

Shareholders are strongly encouraged to attend and participate in the Annual General Meetings of Mariner Corporation Limited, to lodge questions to be responded by the Board and/or the CEO, and are able to appoint proxies.

Risk Management

The Board considers identification and management of key risks associated with the business as vital to maximise shareholder wealth. A yearly assessment of the business's risk profile is undertaken and reviewed by the Board, covering all aspects of the business from the operational level through to strategic level risks. The CEO has been delegated the task of implementing internal controls to identify and manage risks for which the Board provides oversight. The effectiveness of these controls is monitored and reviewed regularly. The worsening economic environment has emphasised the importance of managing and reassessing its key business risks.

Remuneration Policies

The Remuneration Committee is governed by its charter, as approved by the Board. The Charter is available in the Corporate Governance section on Mariner's website, at www.marinercorporation.com.au.

The operations of the Remuneration Committee were suspended during the Period for the reasons given below, and there was no review of senior executive performance and remuneration.

Further information on Directors' and executives' remuneration is set out in the Remuneration Report of the Directors' Report and the Related Party note to the financial statements. The Remuneration Committee's terms of reference include responsibility for reviewing any transactions between the organisation and the Directors.

Remuneration Committee

As the Board consists of only three members a separate remuneration committee has been disbanded and the functions and duties of the remuneration committee are now dealt with by the main Board.

There are no schemes for retirement benefits other than statutory superannuation for non-executive Directors.

Other Information

Further information relating to the company's corporate governance practices and policies has been made publicly available on the company's website at www.marinercorporation.com.au.

Directors' report

Your Directors present their report together with the financial statements of the Group, being the Company and its controlled entities, for the financial year ended 30 June 2012.

EXECUTIVE CHAIRMAN AND DIRECTORS

NAME	POSITION
Mr Don Christie	Executive Chairman
Mr Darren Olney Fraser	Managing Director , CEO
Mr Matthew Fletcher	Executive Director

Principal Activities and Significant Changes in Nature of Activities

The principal activities of the consolidated group during the financial year were:

- Management of investment schemes
- Cattle leasing activities
- Investment activities

Mariner makes strategic investments in listed companies and works with management and shareholders to improve the value of its investments.

There were no other significant changes in the nature of the consolidated group's principal activities during the financial year.

Operating Results and Review of Operations for the Year

Operating Results

The consolidated profit of the consolidated group amounted to \$1,140,051 after providing for income tax (2011: profit of \$408,492).

Financial Position

The net assets of the consolidated group have increased from negative \$1,142,203 at 30 June 2011 to positive \$193,826 in 2012. This increase is largely due to the following factors:

The Group's working capital, being current asset less current liabilities, has improved from negative \$1,142,203 in 2011 to positive \$193,826 in 2012.

The company's investments have increased to \$1,800,574.

The Directors believe the Group is in a strong and stable financial position to expand and grow its current operations.

The negotiated settlement with the majority of the outstanding creditors at 30 June 2012 to accept settlement amounts has been instrumental in the reduction of outstanding debt.

Significant Changes in State of Affairs

The following significant changes in the state of affairs of the parent entity occurred during the financial year:

During the financial year, the Company sold its investment in Viento Ltd.

During the financial year the Company bought and sold shares in ASX listed companies as part of its investment trading activities.

On 1 June 2012, the Company acquired a strategic 20% equity interest in Becton Property Group Ltd for \$1m.

On 25 June 2012, the Company announced its intention to acquire all the securities in Austock Group Ltd.

During the financial year the company undertook a share consolidation exercise, on the basis of 1 share for every 100 held.

During the financial year the company issued 518,000 ordinary shares at \$0.25 under its share purchase plan.

Mariner Corporation Limited and Controlled Entities

ABN 54 002 989 782

Dividends Paid or Recommended

No dividends were paid or recommended during the year.

The board resolved to pay a dividend of \$0.01 per share at the meeting held on the 29 August 2012.

Events after the Reporting Period

Since 30 June 2012 there are no matters which significantly affected or may significantly affect:

- 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;

Except as disclosed below or included in this report under the review of operations and significant changes in the state of affairs:

On 3 July 2012, the Company announced its intention to proceed with its offer to acquire all shares in Austock Group Limited.

On 24 July 2012, the Company announced its withdrawal of the offer to acquire all shares in Austock Group Limited due to a change in circumstances.

Future Developments, Prospects and Business Strategies

To further improve the consolidated group's position and maximise shareholder wealth, the following developments are intended for implementation in the near future:

- i. The group will be embarking on strategies to invest in companies that it considers to be undervalued and utilise its management expertise to increase shareholder value.
- ii. Utilise its management expertise to become involved in investments and grow the investments in the Balance Sheet.

These developments will utilise the expertise available within the group and assist in growing the business. Due to the present uncertainty in world markets, it is not possible at this stage to predict future results of these operations.

Information on the Directors

Donald Christie – Executive Chairman

Mr Christie is a company Director and former corporate lawyer with extensive experience in business and compliance. He currently holds a number of non-executive Directorships in unlisted companies. Previously Mr Christie has worked in compliance and regulatory roles (for ASIC's predecessors, the NCSC and ASC, including a period seconded to the Tricontinental Royal Commission). He was Managing Director of Equity Trustees Ltd from 1999 to 2002 and is a former President of the Australian Trustee Corporations Association. Mr Christie holds the degrees of Bachelor of Laws, Masters degrees in Law and Tax and a Diploma from the Securities Institute of Australia.

Interest in shares: 214,286 shares

Darren Olney-Fraser – Managing Director

Mr Olney-Fraser is a company Director and former corporate lawyer with mergers and acquisitions experience. He was appointed Chief Executive Officer of Mariner in November 2010. He is also an executive Director of responsible entity Australian Public Trustees, and ASX-listed Stanfield Funds Management since 25 September 2009. Over the last 10 years, he has grown business interests of over \$200M in property, equities and equipment finance. Darren previously practiced law for 15 years with Baker & McKenzie and Blake Dawson, and was a partner at Andersen Legal. He holds Bachelors of Science and Laws from Monash University and a Master of Laws from the University of Melbourne.

Interest in shares and options: 1,133,824 shares

Matthew Fletcher – Executive Director

Mr Fletcher is an investment banker with a background in commercial/corporate finance and funds management. His previous roles have included CEO of boutique fund manager, Astrum Funds Management Ltd and senior management positions with Lloyds Banking Group plc, National Australia Bank Ltd (London) and St. George Bank Ltd. Mr Fletcher holds a Bachelor of Business (Banking & Finance), a Post Graduate Diploma in Applied Finance & Investment and Diplomas in Property Development, Property Investment & Finance and Financial Services (Financial Planning). He is a Fellow of Financial Services Institute of Australasia and Member of Australian Institute of Company Directors.

Interest in shares: 179,869 shares

Company Secretary

The following person held the position of company secretary at the end of the financial year:

Adrian Olney – Company Secretary (appointed 10th November 2011)

Adrian Olney is an Executive Director of Mariner's largest shareholder, Stanfield Funds Management Ltd. He has extensive management experience, and is co-founder of Australian Public Trustees with his brother, Darren Olney-Fraser. Adrian holds a Bachelor of Engineering and a Graduate Diploma of Management. He has previously worked for over 10 years in consulting engineering firms at Connell Wagner, Young Consulting Engineers and Arup.

Andrew Georgiou – Company Secretary (appointed 18th February 2011, resigned 10th November 2011)

Mr. Georgiou is an accountant with a wide range of experience. He is a Certified Practicing Accountant and has been a member of the Australian Society of Accountants for over 30 years. Mr Georgiou has been involved in various industries including previous roles with Port Phillip Mills wool processing, Toll Transport and West Coast Railway. He is currently the principal accounting officer for a number of corporate entities, including Stanfield Funds Management Limited, Mariner Corporation Limited and Australian Public Trustees Limited

DIRECTORS' MEETINGS

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2012 and the number of meetings attended by each Director was:

Director	Meetings held	Attended
Mr D Christie	6	6
Mr D Olney-Fraser	6	6
Mr M Fletcher	6	6

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2012 has been received and can be found on page 9 of the financial report.

REMUNERATION REPORT - AUDITED

Introduction

This Remuneration Report ("The Report") has been prepared in accordance with section 300A of the Corporations Act, associated regulations and Australian Accounting Standard AASB 124 Related Party Disclosures. The Remuneration Report has been audited by the Group's Auditor.

The Report provides details of the remuneration arrangements for the following Key Management Personnel* of the Group and the Company for the 2012 financial year:

Executive Chairman and Executive Directors	
Name	Position
Mr D Christie	Executive Chairman
Mr D Olney-Fraser	Chief Executive Officer
Mr M Fletcher	Executive Director

Key Management Personnel are those Directors and executives with authority and responsibility for planning, controlling and directing the affairs of Mariner Corporation Group, and include the highest paid executives of the Company and Group in accordance with section 300A of the Corporations Act.

Remuneration Policy

Compensation levels for key management personnel and secretaries of the Company and key management personnel of the Group are competitively set to attract and retain appropriately qualified and experienced Directors and executives.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account:

- the capability and experience of the key management personnel
- the key management personnel's ability to control the relevant segment's performance
- the Group's performance including:
 - the Group's earnings
 - the growth in share price and delivering constant returns on shareholder wealth
 - the amount of incentives within each key management person's compensation.

Compensation packages include a mix of fixed and variable compensation, and short- and long-term performance-based incentives.

Fixed compensation

Fixed compensation consists of base compensation (which is calculated on a total cost basis), as well as employer contributions to superannuation funds.

Compensation levels are reviewed annually by the Board through a process that considers individual, segment and overall performance of the Group.

Key Management Personnel remuneration

		Short Term Employee Benefits		Total	Post-employment Superannuation benefits	Share based payments	Proportion of remuneration performance related	Value of share based payments as proportion of remuneration
		Salary and fees	Short Term Cash Bonus					
		\$	\$	\$	\$	\$	%	%
Directors								
Mr D Olney-Fraser	2012	-	-	-	-	-	0%	0%
	2011	50,000	-	50,000	-	-	0%	0%
Mr M Fletcher	2012	-	-	-	-	-	0%	0%
	2011	50,000	-	50,000	-	-	0%	0%
Mr. D Christie	2012	50,000	-	50,000	-	-	0%	0%
	2011	50,000	-	50,000	-	-	0%	0%
Mr I Winlaw	2011	39,055	-	39,055	3,863	-	0%	0%
Mr D Pidcock	2011	21,029	-	21,029	2,080	-	0%	0%
Mr W E B Ireland	2011	233,750	-	233,750	-	-	0%	0%
Total all Directors	2012	50,000	-	50,000	-	-		
	2011	443,834	-	443,834	5,943	-		

The size of the company has resulted in the Board assuming the roles of key management personnel for the purposes of executive remuneration reporting.

There are no options that have been granted to key management personnel during the year.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Additional comments on expected results of operations of the Group are included in this report under the review of operations and significant changes in the state of affairs.

DIRECTORS' INTERESTS

Indemnification and Insurance of Directors

During the financial year, Mariner Corporation Limited paid a premium of \$19,150 to insure the Directors and officers of the Company and its wholly owned subsidiaries.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of any entity in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of the duty by the officers or the improper use by the officers of their position or of information to gain an advantage for themselves or someone else to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Shares issued on Exercise of Options

There were no options in place during the course of the year or any outstanding at year end.

NON AUDIT SERVICES

Hall Chadwick is the Company's auditor. During the year they have not performed other services in addition to their statutory duties. Details of the amount paid to the auditors are disclosed in Note 20 to the financial statements.

LEAD AUDITORS' INDEPENDENCE DECLARATION

A copy of the Lead Auditors' Independence Declaration as required under Section 307C of the Corporations Act 2001 is set out on Page 9.

ENVIRONMENTAL REGULATIONS

The Company and Group's operations are not subject to any significant environmental regulations under Commonwealth, State or Territory legislations.

Dated at Melbourne this 29th day of August 2012.

This report is made with a resolution of the Directors:

A handwritten signature in black ink, consisting of a stylized 'D' followed by a loop and a horizontal line extending to the right.

D Olney Fraser
Managing Director

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by a horizontal line extending to the right.

D Christie
Chairman

Mariner Corporation Limited and Controlled Entities
ABN 54 002 989 782

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001
To: the Directors of Mariner Corporation Limited

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

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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012 there have been:

- (a) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit, and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

Hall Chadwick
Level 29, St Martins Tower
31 Market Street, SYDNEY NSW 2001



Drew Townsend
Partner
Date: 29 August 2012

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Mariner Corporation Limited and Controlled Entities
ABN 54 002 989 782

Consolidated Statement of Comprehensive Income
For the year ended 30 June 2012

		Consolidated	
	Notes	2012	2011
		\$	\$
Revenue and income			
Interest income	9	151,731	22,651
Management fees		165,271	311,366
Dividends		9,914	10,472
Other income		3,096	122,497
Debt forgiveness		539,158	1,772,628
Profit from sale of investments		877,807	-
Net changes in fair value of financial assets at fair value through profit or loss	3	172,439	(224,591)
Total revenue and income		1,919,416	2,015,023
Expenses			
Administration and office costs		(244,304)	(128,956)
Impairment of other debtors		-	(384,512)
Employment costs	12	-	(929,214)
Depreciation and amortisation expense		-	(9,560)
Impairment of fixed assets		-	(65,555)
Borrowing costs	9	(151,523)	-
Professional fees		(363,640)	(232,170)
Property trust expenses		(19,898)	(6,530)
Other expenses		-	(52,069)
Realised loss on disposal of financial assets at fair value		-	(5,600)
Total expenses		(779,365)	(1,814,166)
Profit from continuing operations before income tax		1,140,051	200,857
Income tax expense / (credit)	4	-	-
Net profit from continuing operations attributable to equity holders of the company		1,140,051	200,857
Profit for the year from discontinued operations after tax	10	-	207,635
Net profit for the year		1,140,051	408,492
Other comprehensive income			
Net gain on re-measurement of financial assets available for sale		119,610	-
Total comprehensive income		1,259,661	408,492
Earnings per share			
From continuing and discontinued operations:			
Basic and diluted earnings / (loss) per share (cents)		13.8	0.10
From continuing operations:			
Basic and diluted earnings / (loss) per share (cents)		13.8	0.05
From discontinued operations:			
Basic earnings / (loss) per share (cents)		-	0.05

The notes to the accounts on pages 14 to 42 are an integral part of these financial statements.

Mariner Corporation Limited and Controlled Entities
ABN 54 002 989 782

Statements of Financial Position
As at 30 June 2012

		Consolidated	
	Notes	2012	2011
		\$	\$
Current assets			
Cash and cash equivalents	6	10,013	57,748
Loans and other receivables	7	519	165,771
Financial assets	8	1,800,574	889,139
Total current assets		1,811,106	1,112,658
Total assets		1,811,106	1,112,658
Current liabilities			
Payables	14	90,437	1,088,075
Loans and borrowings	15	1,526,883	1,166,786
Total current liabilities		1,617,320	2,254,861
Total liabilities		1,617,320	2,254,861
Net assets		193,786	(1,142,203)
Equity			
Issued Capital	16	132,143,469	132,067,141
Reserves		370,157	250,547
Accumulated losses		(132,319,840)	(133,459,891)
Total equity		193,786	(1,142,203)

The notes to the accounts on pages 14 to 42 are an integral part of these financial statements.

Mariner Corporation Limited and Controlled Entities
ABN 54 002 989 782

Statements of changes in equity
For the year ended 30 June 2012

30 June 2012	Note	Share Capital \$	Share based payment reserve \$	Other Reserves \$	Available- for-sale reserve \$	Retained earnings/ (losses) \$	Total \$
Balance at 1 July 2011		132,067,141	-	250,547	-	(133,459,891)	(1,142,203)
Transfer from reserves to retained earnings		-	-	-	-	-	-
Conversion of convertible notes		-	-	-	-	-	-
Placement of shares		76,328	-	-	-	-	76,328
Valuation increase on available for sale financial assets		-	-	-	119,610	-	119,610
Total comprehensive income for the year		-	-	-	-	1,140,051	1,140,051
Balance at 30 June 2012	16	132,143,469	-	250,547	119,610	(132,319,840)	193,786

30 June 2011	Note	Share Capital \$	Share based payment reserve \$	Other Reserves \$	Retained earnings/ (losses) \$	Total \$
Balance at 1 July 2010		125,591,229	-	(3,361,742)	(130,256,094)	(8,026,607)
Transfer from reserves to retained earnings		-	-	3,612,289	(3,612,289)	-
Conversion of convertible notes		5,686,899	-	-	-	5,686,899
Placement of shares		789,013	-	-	-	789,013
Total comprehensive income for the year		-	-	-	408,492	408,492
Balance at 30 June 2011	16	132,067,141	-	250,547	(133,459,891)	(1,142,203)

The notes to the accounts on pages 14 to 42 are an integral part of these financial statements.

Mariner Corporation Limited and Controlled Entities
ABN 54 002 989 782

Statements of cash flows

For the year ended 30 June 2012

		Consolidated	
	Notes	2012	2011
		\$	\$
Cash flows from operating activities			
Cash receipts in the course of operations		346,216	809,941
Cash payments in the course of operations		(830,585)	(4,673,717)
Interest received		151,731	22,651
Interest Paid		(103,205)	-
Net cash from operating activities	13	(435,843)	(3,841,125)
Cash flows from investing activities			
Dividends received		-	10,472
Proceeds from sale of financial assets		1,773,131	28,150
Purchase of financial assets		(1,504,708)	(852,484)
Net cash from investing activities		268,423	(813,862)
Cash flows from financing activities			
Proceeds from borrowings		720,000	753,447
Repayment of borrowings		(676,643)	-
Proceeds from issue of shares, net		76,328	789,013
Proceeds from issue of convertible notes		-	720,000
Loans from related parties		-	913,786
Net cash from financing activities		119,685	3,176,246
Net decrease in cash and cash equivalents		(47,735)	(1,478,741)
Cash, deposits and cash equivalents at the beginning of the financial year		57,748	1,536,489
Cash and cash equivalents at the end of the financial year	6	10,013	57,748

The notes to the accounts on 14 to 42 are an integral part of these financial statements.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

1. Reporting entity

Mariner Corporation Limited (the 'Company') is a company domiciled in Australia. The consolidated financial statements and notes represent those of the Mariner Corporation Limited and controlled entities (the "consolidated group" or "group").

The separate financial statements of the parent entity, Mariner Corporation Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

2. Statement of Significant accounting policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The accounts have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The ability of the Company and the consolidated entity to continue to pay its debts as and when they fall due is dependent upon the Company successfully raising additional funds via the issue of shares as contemplated in the Directors Report.

The Directors believe it is appropriate to prepare these accounts on a going concern basis. The reasons for this are set out within note 27.

The consolidated financial statements were approved by the Board of Directors on 29th August 2012.

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Mariner Corporation Limited at the end of the reporting period. A controlled entity is any entity over which Mariner Corporation Limited has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 26 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the Equity section of the consolidated Statement of Financial Position and Statement of Comprehensive Income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

2. Basis of preparation (continued)

(a) Principles of Consolidation (continued)

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments in subsidiaries are carried at fair value in the Company's financial statements.

Transactions eliminated on consolidation

Intra-Group balances, and any unrealised gains and losses or income and expenses arising from intra-Group transactions are eliminated in preparing the consolidated financial statements.

(b) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists; the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same

taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

2. Basis of preparation (continued)

(b) Income Tax (continued)

Tax consolidation

Mariner Corporation Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation. Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The Group notified the Australian Taxation Office that it had formed an income tax consolidated group to apply from 1 July 2003. The tax consolidated group has entered a tax funding arrangement whereby each company in the Group contributes to the income tax payable by the Group in proportion to their contribution to the Group's taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity.

(c) Plant and Equipment

Each class of plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition. Acquired in-process research and development is only recognised as a separate asset when future benefits are expected beyond any reasonable doubt to be recoverable.

Expenditure, including that on internally generated assets other than research and development costs, is only recognised as an asset when the entity controls future economic benefits as a result of the costs incurred that are probable and can be measured reliably. Costs attributable to feasibility and alternative approach assessments are expensed as incurred.

Subsequent additional costs

Costs incurred on assets subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the consolidated entity in future years, otherwise, the costs are expensed as incurred.

Depreciation and amortisation of plant and equipment

Depreciation is calculated on a straight line basis to write-off the net cost or revalued amount of each major class of asset over its expected useful life to the consolidated entity. Estimates of remaining useful lives are made on a regular basis for all assets.

The depreciation rates for the current and comparative periods are as follows:

• Leasehold improvements	7.5%
• Furniture & fittings	7.5%
• Office equipment	5% - 50%
• Computer equipment	25%
• Computer software	40%

(d) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to entities in the consolidated group, are classified as finance leases.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

2. Basis of preparation (continued)

(d) Leases (continued)

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any

guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) Financial Instruments

Recognition and Initial measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- a) the amount at which the financial asset or financial liability is measured at initial recognition;
- b) less principal repayments;
- c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- d) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

i. Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

ii. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

2. Basis of preparation (continued)

(e) Financial Instruments (continued)

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

lii. Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets.)

If during the period the Group sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

iv. Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other financial assets are classified as current assets.)

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income. Also, any cumulative decline in fair value previously recognised in other comprehensive income is classified to profit or loss at this point.

Financial guarantees

Where material, financial guarantees issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition.

The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

The fair value of financial guarantee contracts has been assessed using a probability weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting in a year period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

2. Basis of preparation (continued)

(e) Financial Instruments (continued)

De-recognition

Financial assets are de-recognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are de-recognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(f) Impairment of Assets

At each the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income unless the asset is carried at a relevant amount in accordance with another standard (e.g in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(g) Investments in Associates

Associate companies are companies in which the Group has significant influence through holding, directly or indirectly, 20% or more of the voting power of the company. Investments in associates are accounted for in the financial statements by applying the equity method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate company. In addition the Group's share of the profit or loss of the associate company is included in the Group's profit or loss.

The carrying amount of the investment includes goodwill relating to the associate. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the investor's share of the associate's profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the relation to the Group's investment in the associate.

When the reporting dates of the Group and the associate are different, the associate prepares, for the Group's use, financial statements as of the same date as the financial statements of the Group with adjustments being made for the effects of significant transactions or events that occur between that date and the date of the investor's financial statements.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Group will resume the recognition of its share of those profits once its share of the profits equals the share of the losses not recognised.

(h) Interests in Joint Ventures

The consolidated group's share of the assets, liabilities, revenue and expenses of jointly controlled assets has been included in the appropriate line items of the consolidated financial statements.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

2. Basis of preparation (continued)

(h) Interests in Joint Ventures (continued)

The consolidated group's interests in joint venture entities are brought to account using the equity method of accounting (refer to Note 2(g) for details) in the consolidated financial statements. The parent entity's interests in joint venture entities are brought to account at cost.

Where the Group contributes assets to the joint venture or if the Group purchases assets from the joint venture, only the portion of the gain or loss that is not attributable to the Group's share of the joint venture

shall be recognised. The Group however will recognise the full amount of any loss when the contribution results in a reduction in the net realisable value of current assets or an impairment loss.

(i) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency and the functional currency of the majority of the Group.

(j) Employee Benefits

Wages, salaries and annual leave

Liabilities for wages and salaries and annual leave are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

Superannuation

Contributions to employee superannuation plans are charged as an expense as the contributions are paid or become payable.

(k) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(l) Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. Cash held on reserve to meet collateral requirements, lease bonds and for regulatory purposes are not included in cash and cash equivalents, but classified as cash deposits not available for use by the Group.

(m) Revenue and Other Income

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST) payable to the taxation authority. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues. Revenue is recognised on an accruals basis in accordance with the timing in which services are rendered.

The gross proceeds of non-current asset sales are recognised as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs).

Interest revenue is recognised using the effective interest rate method.

Management fees are recognised once all conditions have been satisfied to recognise the services provided. Where uncertainty exists as to the recoverability of the management fees that have been earned an impairment of the amount due will be taken to statement of comprehensive income.

(n) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

2 Basis of preparation (continued)

(o) Borrowing Costs

Borrowing costs are recognised in income in the period in which they are incurred.

(p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cashflows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(q) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When the Group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(r) Provision for onerous lease contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

(s) Discontinued operations

A discontinued operation is a component of the group's business that represents a separate major line of business or geographical area of operation that has been disposed of or is held for sale, or is subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative period.

(t) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates

(i) Impairment

Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in Groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

2 Basis of preparation (continued)

(t) Critical Accounting Estimates and Judgments

Non-financial assets

Where non-financial assets exist, the carrying amounts of the Group's non-financial assets, investment property, inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(u) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Group has decided not to early adopt. A discussion of those future requirements and their impact on the Group is as follows

AASB 9: Financial Instruments (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2013).

This Standard is applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The Group has not yet determined any potential impact on the financial statements.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair

- simplifying the requirements for embedded derivatives; value;

- removing the tainting rules associated with held-to-maturity assets;

- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;

- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;

- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on:

- (a) the objective of the entity's business model for managing the financial assets; and

- (b) the characteristics of the contractual cash flows;

and requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

2 Basis of preparation (continued)

(u) New Accounting Standards for Application in Future Periods (continued)

AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies the definition of a "related party" to remove inconsistencies and simplify the structure of the Standard. No changes are expected to materially affect the Group

AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

Tier 1: Australian Accounting Standards; and

Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

The following entities are required to apply Tier 1 reporting requirements (ie full IFRS):

for-profit private sector entities that have public accountability; and

the Australian Government and state, territory and local governments.

Since the Group is a for-profit public entity that has public accountability, it does not qualify for the reduced disclosure requirements for Tier 2 entities.

AASB 2010-2 makes amendments to Australian Accounting Standards and Interpretations to give effect to the reduced disclosure requirements for Tier 2 entities. It achieves this by specifying the disclosure paragraphs that a Tier 2 entity need not comply with as well as adding specific "RDR" disclosures.

AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. The Standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. The amendments are not expected to impact the Group.

AASB 2009-14: Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan.

This Standard is not expected to impact the Group.

AASB 2010-4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13] (applicable for annual reporting periods commencing on or after 1 January 2011).

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

2 Basis of preparation (continued)

(u) New Accounting Standards for Application in Future Periods (continued)

This Standard details numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. Key changes include:

clarifying the application of AASB 108 prior to an entity's first Australian-Accounting-Standards financial statements;

adding an explicit statement to AASB 7 that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments;

amending AASB 101 to the effect that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;

adding a number of examples to the list of events or transactions that require disclosure under AASB 134; and

making sundry editorial amendments to various Standards and Interpretations.

This Standard is not expected to impact the Group.

AASB 2010-5: Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] (applicable for annual reporting periods beginning on or after 1 January 2011).

This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. However, these editorial amendments have no major impact on the requirements of the respective amended pronouncements.

AASB 2010-6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7] (applicable for annual reporting periods beginning on or after 1 July 2011).

This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. Accordingly, this Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards, and AASB 7: Financial Instruments: Disclosures, establishing additional disclosure requirements in relation to transfers of financial assets.

This Standard is not expected to impact the Group.

AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to a range of Australian Accounting Standards and Interpretations as a consequence of the issuance of AASB 9: Financial Instruments in December 2010. Accordingly, these amendments will only apply when the entity adopts AASB 9.

As noted above, the Group has not yet determined any potential impact on the financial statements from adopting AASB 9.

AASB 2010-8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets

These amendments are applicable to annual reporting periods beginning on or after 1 January 2012 and a practical approach for the measurement of deferred tax relating to investment properties is measured at a fair value, property, plant and equipment and intangible assets are measured using the revaluation model. The measurement of deferred tax for these specified assets is based on the presumption that the carrying amount of the underlying asset will be consumed during its economic life. The consolidated entity is yet to qualify the tax effect of adopting these amendments from July 2012.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

2 Basis of preparation (continued)

(u) New Accounting Standards for Application in Future Periods (continued)

The amendments brought in by this Standard introduce a more practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model under AASB 140: Investment Property.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments brought in by this Standard also incorporate Interpretation 121 into AASB 112.

The amendments are not expected to impact the Group.

AASB 2010-9: Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1] (applies to periods beginning on or after 1 July 2011).

This Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards.

The amendments brought in by this Standard provide relief for first-time adopters of Australian Accounting Standards from having to reconstruct transactions that occurred before their date of transition to Australian Accounting Standards.

Furthermore, the amendments brought in by this Standard also provide guidance for entities emerging from severe hyperinflation either to resume presenting Australian-Accounting-Standards financial statements or to present Australian-Accounting-Standards financial statements for the first time.

This Standard is not expected to impact the Group.

AASB 2010-10: Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters [AASB 2009-11 & AASB 2010-7] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9, and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).

The amendments brought in by this Standard ultimately affect AASB 1: First-time Adoption of Australian Accounting Standards and provide relief for first-time adopters from having to reconstruct transactions that occurred before their transition date.

[The amendments to AASB 2009-11 will only affect early adopters of AASB 2009-11 (and AASB 9: Financial Instruments that was issued in December 2009) as it has been superseded by AASB 2010-7.]

This Standard is not expected to impact the Group.

AASB 10 Consolidated Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2013. The standard has a new definition of 'control'. Control exists when the reporting entity is exposed, or has the rights, to variable returns (e.g. dividends, remuneration, returns that are not available to other interest holders including losses) from its involvement with another entity and has the ability to affect those returns through its 'power' over that other entity. A reporting entity has power when it has rights (e.g. voting rights, potential voting rights, rights to appoint key management, decision making rights, kick out rights) that give it the current ability to direct the activities that significantly affect the investee's returns (e.g. operating policies, capital decisions, appointment of key management). The consolidated entity will not only have to consider its holdings and rights but also the holdings and rights of other shareholders in order to determine whether it has the necessary power for consolidation purposes. The adoption of this standard from 1 July 2013 may have an impact where the consolidated entity has a holding of less than 50% in an entity, has de facto control, and is not currently consolidating that entity.

AASB 11 Joint Arrangements

This standard is applicable to annual reporting periods beginning on or after 1 January 2013. The standard defines which entities qualify as joint ventures and removes the option to account for joint ventures using proportional consolidation. Joint ventures, where the parties to the agreement have the rights to the net assets will use equity accounting. Joint operations, where the parties to the agreements have the rights to the assets and obligations for the liabilities will account for the assets, liabilities, revenues and expenses separately, using proportionate consolidation. The adoption of this standard from 1 July 2013 will not have a material impact on the consolidated entity.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

2 Basis of preparation (continued)

(u) New Accounting Standards for Application in Future Periods (continued)

AASB 12 Disclosure of Interests in Other Entities

This standard is applicable to annual reporting periods beginning on or after 1 January 2013. It contains the entire disclosure requirement associated with other entities, being subsidiaries, associates and joint ventures. The disclosure requirements have been significantly enhanced when compared to the disclosures previously located in AASB127 'CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS', AASB128 'INVESTMENTS IN ASSOCIATES', AASB131 'INTERESTS IN JOINT VENTURES' and Interpretation112 'CONSOLIDATION-SPECIAL PURPOSE ENTITIES'. The adoption of this standard from 1 July 2013 will significantly increase the amount of disclosures required to be given by the consolidated entity such as significant judgements and assumptions made in determining whether it has a controlling or non-controlling interest in another entity and the type of non-controlling interest and the nature and risks involved.

AASB13 Fair Value Measurement and AASB2011-8 Amendments to Australian Accounting Standards arising from AASB13

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and it provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach would be used to measure assets where as liabilities would be based on a transfer value. As the standard does not introduce any new requirements for the use of fair value, its impact on adoption by the consolidated entity from 1 July 2013 should be minimal, although there will be increased disclosures where fair value is used.

AASB127 Separate Financial Statements (revised)

AASB128 Investments in Associates and Joint Ventures (reissued)

This standard is applicable to annual reporting periods beginning on or after 1 January 2013. They have been modified to remove specific guidance that is now contained in AASB10, AASB11 and AASB12. The adoption of these revised standards from 1 July 2013 will not have a material impact on the consolidated entity.

AASB119 Employee Benefits (September 2011)

This revised standard is applicable to annual reporting periods beginning on or after 1 January 2013. The amendments eliminate the corridor approach for the deferral of gains and losses; streamlines the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income; and enhances the disclosure requirements for defined benefit plans. The adoption of the revised standard from 1 July 2013 will require increased disclosures by the consolidated entity.

AASB2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirement

These amendments are applicable to annual reporting periods beginning on or after 1 July 2013, with early adoption not permitted. They amend AASB124'RELATED PARTY DISCLOSURES' by removing the disclosure requirements for individual key management personnel ('KMP'). The adoption of these amendments from 1 July 2013 will remove the duplication of information relating to individual KMP in the notes to the financial statements and the Directors report. As the aggregate disclosures are still required by AASB124 and during the transitional period the requirements may be included in the Corporations Act or other legislation, it is expected that the amendments will not have a material impact on the consolidated entity.

AASB2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards.

These amendments are application to annual reporting periods beginning on or after 1 January 2013. The amendments make numerous consequential changes to a range of Australian Accounting Standards and Interpretations, following the issuance of AASB10, AASB11, AASB12 and revised AASB127 and AASB 128. The adoption of these amendments from 1 July 2013 will not have a material impact on the consolidated entity.

AASB2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income

These amendments are applicable to annual reporting periods beginning on or after 1 July 2012. The amendments requires grouping together of items within other comprehensive income on the basis of whether they will eventually be 'recycled' to the profit or loss (reclassification adjustments). The change provides clarity about the nature of items presented as other comprehensive income and the related tax presentation. The adoption of the revised standard from 1 July 2012 will impact the consolidated entity's presentation of its statement of comprehensive income.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

3. Profit for the year – continuing operations

Net changes in fair value of financial assets at fair value through profit or loss

	Consolidated	
	2012	2011
	\$	\$
Increase/ (Decrease) in		
Fair value on listed and unlisted shares	172,439	(224,591)
	172,439	(224,591)

4. Income tax expense / (credit)

Reconciliation between tax expense and pre-tax net profit/(loss)

	Consolidated	
	2012	2011
	\$	\$
Profit / (loss) from continuing operations before income tax expense	1,140,051	408,491
Prima facie income tax benefit calculated at 30% (2011: 30%)	342,015	122,547
Increase in income tax expense due to:		
Permanent differences	16,153	135
Temporary differences	11,250	(44,938)
Decrease in income tax expense due to:		
Permanent differences	(55,402)	-
Temporary differences	(131,250)	-
Operation loss of discontinued operations	-	(12,610)
Income tax liability / (benefit) attributable to profit / (loss) from ordinary activities	182,766	65,134
Origination and reversal of temporary differences	-	(57,275)
Recoupment of prior year losses not previously recognised	(182,766)	(7,859)
Current tax losses not brought to account	-	-
Income tax expense	-	-

5. Deferred tax assets

The Directors have elected to treat the following deferred tax balances conservatively and not carry forward these amounts as assets but to recognise it at the time against income when realised in future years.

	Consolidated	
	2012	2011
	\$	\$
Recoupment of prior year losses not previously recognised	(182,766)	(7,859)
Current year tax losses not recognised	-	-
Prior Year tax losses not recognised	36,373,601	36,381,460
	36,190,835	36,373,601

6. Cash and cash equivalents

Cash and cash equivalents

	Consolidated	
	2012	2011
	\$	\$
Cash at bank and on hand	10,013	57,748

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

	Consolidated	
	10,013	57,748

7. Loans and other receivables

	Consolidated	
	2012	2011
	\$	\$
Current		
Trade debtors	88	83,953
Other debtors	431	81,818
	519	165,771

8. Financial assets

	Consolidated	
	2012	2011
	\$	\$
Investment in listed shares, available for sale (a)	1,624,318	651,748
Investment in an unlisted property trust - at fair value (b)	176,256	237,391
	1,800,574	889,139

- (a) Investments in listed shares are recorded at their purchase price at acquisition date and at balance date are based on quoted bid prices or the transaction prices of similar investments. These investments are classified as available for sale on the basis that they are not held for short term profit making.
- (b) The valuation of the investment in an unlisted property trust is measured at fair value. Changes in fair value are included in the statement of Profit and Loss.

9. Finance income and expense

	Consolidated	
	2012	2011
	\$	\$
Interest income on bank deposits	-	376
Interest income on loans and receivables (a)	151,731	22,275
	151,731	22,651
Interest on liabilities measured at amortised cost (b)	(151,523)	-
	(151,523)	-
Net finance income and expense	208	22,651

- (a) Interest income represents interest on loans to CAGFA.
- (b) Interest expense represents interest on Convertible Notes issued to Stanfield Fund Management Limited at a coupon rate of 9.5% per annum (RBA rate 4.5% + 5% margin). Loans from Stanfield Funds Management Limited and Australian Public Trustees Limited are at 10% per annum.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

10. Discontinued Operations

Following the investment into the company by Stanfield Funds Management in November 2010 the Directors resolved to stabilise the group and to dispose of or deregister subsidiaries that were no longer required. On 28 March 2011 a detailed plan was announced to the market on the way forward for the group. As a result, all of the subsidiaries apart from Mariner Asset Management Limited and Mariner Debt Investment Trust were either deregistered or disposed of by 30 June 2011. There are no discontinued operations in the year ending 30 June 2012.

The financial performance of the discontinued operations to the date of sale / deregistration which is included in profit / (loss) from discontinued operations per the statement of comprehensive income, is as follows:

	Consolidated	
	2012 \$	2011 \$
Revenue	-	66,621
Expenses	-	(108,655)
Loss before income tax	-	(42,034)
Income tax benefit / (expense)	-	-
Loss attributable to members of the parent entity	-	(42,034)
Profit on sale / deregistration before income tax	-	249,669
Income tax benefit	-	-
Profit on sale / deregistration after income tax benefit	-	249,669
Total profit after tax attributable to the discontinued operations	-	207,635

The net cash flows of the discontinued divisions which have been incorporated into the statement of cash flows are as follows:

	Consolidated	
	2012 \$	2011 \$
Net cash outflow from operating activities	-	(69,689)
Net cash inflow from investing activities	-	-
Net cash decrease in cash generated by the discontinued entities	-	(69,689)

Gain on disposal of the entities included in profit / (loss) from discontinued operations per the statement of comprehensive income.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

11. Plant and equipment

	Consolidated	
	2012	2011
	\$	\$
Plant and equipment		
Cost	-	216,651
Accumulated depreciation	-	(110,227)
Accumulated impairment losses	-	(106,424)
	-	-
Carrying amount at end of year	-	-

Reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below.

	Consolidated	
	2012	2011
	\$	\$
Plant and equipment		
Carrying amount at beginning of year	-	75,115
Additions	-	-
Depreciation	-	(9,560)
Accumulated impairment losses	-	(65,555)
	-	-
Carrying amount at end of year	-	-

12. Employment costs

	Consolidated	
Note	2012	2011
	\$	\$
Wages and salaries	-	888,244
Other personnel expenses	-	29,485
Superannuation expense	-	10,538
Increase in / (utilisation of) liability for annual leave	-	947
	-	929,214

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

13. Cash flow Information

	Consolidated	
	2012	2011
	\$	\$
Reconciliation of cash flows from operations with profit / (loss) after income tax		
Operating profit / (loss) after income tax	1,140,051	408,492
Non-cash flows in profit/(loss)		
Depreciation and amortisation	-	9,560
Impairment of fixed assets	-	65,555
Dividend income	-	(10,472)
Interest expense	48,318	-
Impairment of other debtors	-	384,512
Unrealised gain/loss on investments	(172,439)	224,591
Loss on sale of listed shares	-	5,600
Debt forgiveness	(539,158)	(1,772,628)
Gain on discontinued operations	-	(249,669)
Operating loss before changes in working capital	476,772	(934,459)
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
Decrease in trade and other debtors	165,252	1,251,258
(Increase) in investments	(619,386)	-
(Decrease) / increase in payables	(458,481)	(3,496,796)
Decrease in provisions	-	(661,130)
Cash flow from operations	(435,843)	(3,841,127)
Disposal / deregistration of Entities		
During the prior financial year all the controlled entities apart from Mariner Asset Management Limited and Mariner Debt Investment Trust was sold / deregistered. Aggregate details of these transactions are		
Disposal price	-	-
Cash consideration	-	-
Assets and liabilities held at disposal date		
Cash and cash equivalents	-	32,167
Cash on deposit	-	20,000
Payables	-	(301,836)
	-	(249,669)
Net gain on disposal	-	249,669
Net cash received	-	-

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

14. Payables

	Consolidated	
	2012	2011
	\$	\$
Trade creditors	41,354	259,844
Other creditors and accruals	49,083	828,231
	90,437	1,088,075

15. Borrowings

				Consolidated	
				2012	2011
				\$	\$
Current					
Secured					
Convertible notes at amortised cost	(a)	31/12/2012	9.51%	633,000	253,000
Loan – Optima Funding Pty Ltd	(b)	7/6/2013	50%	412,603	-
Loan – Australian Public Trustees Ltd	(c)	31/12/2012	10%	352,249	-
Loan – Stanfield Funds Management Ltd	(c)	31/12/2012	10%	156,031	913,786
				1,526,883	1,166,786

- a) The convertible notes are issued to Stanfield Funds Management Limited. During the financial year, Mariner drew down an additional \$380,000 from Stanfield for convertible note interests at \$0.30 under the convertible note arrangements approved by Mariner shareholders in January 2011. The convertible notes can be converted into 2,110,000 shares in Mariner at \$0.30 per share. The interest on the convertible notes was of \$79,651 of which \$49,831 was paid during the year. The remaining balance of \$29,820 has been accrued.
- b) The \$400,000 facility from Optima Funding Pty Ltd is repayable in 12 months, with nil interest but having a facility fee of \$200,000 calculated over the 12 month period. The loan facility was made to Mariner to assist the company to acquire the shares and options in Becton Property Group Limited and is secured against the shares (listed stapled securities) and options and any future shares issued by Becton Property Group Limited held by Mariner.
- c) The loans from shareholders (Stanfield Funds Management Limited and Australian Public Trustees Limited) bear interest at a rate of 10% per annum and repayment is subject to the company having sufficient funds to meet its current liabilities. The interest on the loans from Stanfield Funds Management Limited was \$54,585 of which \$53,374 was paid during the year. The remaining balance of \$1,211 has been accrued.
- d) Interest on the Australian Public Trustees Limited loan amounting to \$5,249 has been accrued during the year.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

16. Contributed equity and other reserves

Issued capital

	Consolidated	
	2012	2011
	\$	\$
8,281,725 ordinary shares, fully paid (2011: 776,326,237)	132,143,469	132,067,141

Ordinary Shares

	Consolidated	
	2012	2011
	No.	No.
At the beginning of the reporting period	776,326,237	246,948,316
Shares issued during the year:		
5 December 2011 - Share consolidation 1:100	(768,562,512)	
16 December 2011 – Share Purchase Plan	518,000	
		33,333,333
		294,328,309
		25,000,000
		176,716,279
At the end of the reporting period	8,281,725	776,326,237

All the issued shares rank equally and have equal voting rights once issued.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

17. Financial risk management

Introduction and overview

Mariner Corporation Limited maintains positions in a variety of derivative and non-derivative financial instruments as dictated by its investment management strategy. Its investment portfolio comprises non-quoted equity investments and fixed and variable interest loans, and investments in other schemes.

The Group activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risk to which the Group is exposed are market risk, credit risk and liquidity risk.

This note presents information about the Group's exposure to each of the above risks, and the Group's objectives, policies and processes for measuring and managing risk.

Risk management framework

The Mariner Corporation Limited Board sets the overall strategy and policies for managing these risks and delegates the monitoring and management of these risks to the various committees including the Audit and Risk Committee and the Compliance Committee. The monitoring and management of the risks at the local level is further delegated to the Group's Board of Directors and senior management.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

17 Financial Risk Management (continued)

(a) Market risk

Market risk is analysed as market price risk, interest rate risk and currency risk.

(i) Market price risk

Market price risk is the risk that changes in market prices (other than changes due to currency or interest rate risk) will affect the Group's income or value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures.

Management of market price risk

The investments are carried at fair value with changes in fair value recognised in the statement of comprehensive income; all changes in market conditions will directly affect net investment.

The following table details the breakdown of the investment assets held by the Group and Company:

% of net assets	Consolidated	
	2012	2011
Investments in - listed shares	838%	0%
Investments in - unlisted property trust	91%	(78%)

As at 30 June 2012, the Group has a surplus of net assets amounting to \$193,786 (2011: deficit of \$1,142,203).

Sensitivity analysis – market price risk

The price risk is measured when there are significant changes in underlying share prices.

The table below shows the risk in the Group and Company profit or loss after tax and equity position as at 30 June, for hypothetical changes in underlying prices.

	Consolidated	
	2012 \$	2011 \$
+10% change in equity price	180,057	62,240
-10% change in equity price	180,057	(62,240)

(ii) Interest rate risk

Interest rate risk consists of cash flow interest rate risk (the risk that future cash flows of a financial instrument will vary due to changes in market interest rates) and fair value interest rate risk (the risk that the value of a financial instrument will vary due to changes in market interest rates).

Management of interest rate risk

Interest rate risk is the risk of financial loss and / or increased costs due to adverse movements in the values of the financial assets and liabilities as a result of changes in interest rates.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

17. Financial risk management (continued)

Exposure to interest rate risk

As at the reporting date the interest rate profile of the Group's and Company's interest bearing instruments was:

	Consolidated	
	2012 \$	2011 \$
Fixed interest rate		
Financial assets	-	-
Financial liabilities	(893,883)	(1,166,786)
	(893,883)	(1,166,786)
Variable interest rate		
Financial assets	10,532	223,519
Financial liabilities	(633,000)	(1,088,075)
	(622,468)	(864,556)

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates for fixed rate instruments would not affect profit and loss.

Cash flow sensitivity analysis for variable rate instruments

The variable interest rate bearing financial instruments are:

- Cash and cash equivalents
- Loans and receivables
- Loans and borrowings

The Group seeks to maximize interest rates on cash balances and monitor rates available on a regular basis.

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit or loss after tax by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Effect in \$	Consolidated	
	+100bp	-100bp
2012		
Financial assets *	100	(100)
Financial liabilities *	(11,143)	11,143
2011		
Financial assets *	1,565	(1,565)
Financial liabilities *	(7,617)	7,617
	(6,052)	6,052

* Excluding derivatives

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

17. Financial risk management (continued)

(iii) Currency risk

Currency risk is the risk that the value of assets and liabilities denominated in a foreign currency will fluctuate due to adverse movements in exchange rates.

As at 30 June 2012, the Group has no exposure to currency risk (2011: nil).

(b) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. We are of the opinion the debtor amounts shown in note 7 will be recovered in full.

Management of credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

Consolidated			
Carrying amount	Credit Rating*	2012 \$	2011 \$
Cash and cash equivalents	AA	10,013	57,748
Cash on deposits	AA	-	-
Loans and other receivables	n/a	519	165,771
Financial assets	n/a	1,800,574	889,139
		1,811,106	1,112,658

(Rating: Standard & Poor's)

Loans which are overdue are fully impaired as at 30 June 2012. Of the net carrying amount for loans and other receivables, there are no loans or other receivables overdue as at 30 June 2012.

The movement of allowance for impairment in respect of loans and receivables not past due is as follows:

Consolidated		
	2012 \$	2011 \$
Balance at 1 July 2011	-	27,107,259
Amounts written off / (Impairment loss recognised)	-	(27,107,259)
Balance at 30 June 2012	-	-

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

Management of liquidity risk

The Group's policy is to ensure that, as far as possible, it will always have sufficient liquidity to meet its financial liabilities when due, under both normal and stressed conditions.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

17. Financial risk management (continued)

Exposure to liquidity risk

The table below presents cash flows payable by the Group by remaining contractual maturities at the balance sheet date. The amounts disclosed are the contractual, undiscounted cash flows:

2012	Carrying amount	Contractual cash flows	Maturity			
			6 months or less	6-12 months	1-2 years	More than 2 years
	\$	\$	\$	\$	\$	\$
Consolidated						
Financial Liabilities						
Payables	90,437	90,437	90,437	-	-	-
Loans and borrowings	1,526,883	1,526,883	-	1,526,883	-	-
	1,617,320	1,617,320	90,437	1,526,883	-	-

	Carrying amount	Contractual cash flows	Maturity			
			6 months or less	6-12 months	1-2 years	More than 2 years
2011	\$	\$	\$	\$	\$	\$
Consolidated						
Financial Liabilities						
Payables	1,088,075	1,088,075	1,088,075	-	-	-
Loans and borrowings	1,166,786	1,166,786	1,166,786	-	-	-
	2,254,861	2,254,861	2,254,861	-	-	-

The Group maintains cash flow forecasts for the next 12 months on a rolling basis. This takes into consideration all projected debt payments.

(d) Fair value of financial assets and liabilities

The fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Group approximates their carrying amounts.

The fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles. Non-interest bearing related party receivables are repayable on demand, thus face value equates to fair value.

Equity investments traded on organised markets have been valued by reference to market prices prevailing at balance date. For non-traded equity investments, the fair value is an assessment by the Directors based on the underlying net assets, future maintainable earnings and any special circumstances pertaining to a particular investment.

The carrying amounts of financial assets and liabilities equates to their fair values at balance date.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

18. Statement of Capital Management

Management controls the capital of the Company to ensure the Company can fund its operations and continue as a going concern. Over the past twelve months the Board has managed the Company's capital by assessing the Company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include management of debt levels, distribution to shareholders and share issues or buybacks.

The Company has a number of short term liabilities that must be met. The Board has explored various sources of capital to meet these commitments which are explained in the going concern note.

19. Parent Entity Disclosures

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Accounting Standards.

A. STATEMENT OF COMPREHENSIVE INCOME

	Parent Entity	
	2012	2011
Notes	\$	\$
Net profit/(loss) attributable to equity holders of the company	1,140,315	(707,979)
Total comprehensive profit/(loss) for the year	1,140,315	(707,979)

B. STATEMENT OF FINANCIAL POSITION

	The Company	
	2012	2011
	\$	\$
ASSETS		
Total current assets	1,808,704	1,112,659
Total non-current assets	-	-
Total assets	1,808,704	1,112,659
LIABILITIES		
Total current liabilities	1,614,653	2,254,861
Total non-current liabilities	-	-
Total liabilities	1,614,653	2,254,861
Net assets	194,051	(1,142,202)
EQUITY		
Share Capital	132,143,469	132,067,141
Other Reserves	370,157	250,547
Accumulated losses	(132,319,576)	(133,459,890)
Total equity	194,051	(1,142,202)

C. CONTINGENT LIABILITIES

Bank guarantees	-	-
-----------------	---	---

Detailed contingent liabilities are disclosed in Note 26.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

20. Auditors remuneration

	Consolidated	
	2012 \$	2011 \$
Auditors of the Company		
<i>Hall Chadwick:</i>		
Audit and review - subsidiaries and Group reports	57,500	89,500
- trust reports	-	22,400
	57,500	111,900

21. Share based payments

Employee Share Plan

A share plan was cancelled effective 28 August 2009. There is no current employee share plan in place.

22. Related parties

Key management personnel compensation

The key management personnel compensation included in 'employment costs' in the statement of comprehensive income is as follows:

	Consolidated	
	2012 \$	2011 \$
Short-term employee benefits	50,000	443,834
Post-employment benefits	-	5,943
	50,000	449,777

(a) Individual Directors and executives compensation disclosures

Information regarding individual Directors and executives' compensation and some equity instruments disclosures as required by Corporations Regulations 2M.3.03 are provided in the Remuneration Report section of the Directors' Report.

Apart from the details disclosed in the Remuneration Report, no Director has entered into a material contract with the Company or the Group since the end of the previous financial year and there were no material contracts involving Directors' interests existing at year-end.

Equity holdings and transactions

The movement during the reporting period in the number of ordinary shares of Mariner Corporation Limited held directly, indirectly or beneficially, by each specified Director and key management personnel, including their related entities, is as follows:

	Held at 30 June 2010	Purchases	Sales	Held at 30 June 2011	Purchases	Sales	Held at 30 June 2012
Directors							
Mr D Christie	N/A	21,428,571	-	21,428,571	-	(21,214,285)	214,286
Mr D Olney-Fraser	N/A	99,105,857	-	99,105,857	-	(97,972,033)	1,133,824
Mr M Fletcher	N/A	7,342,856	-	7,342,856	-	(7,162,987)	179,869

All sales are related to a consolidation of shares on the basis of 1 for every 100 held.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

22 Related parties (continued)

Other transactions with the Company or its controlled entities

A number of Directors and key management personnel, or their personally-related entities, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

During the year the company paid fees of \$300,000 (2011: \$478,261) to Stanfield Funds Management for providing administrative and consulting services to the group. Stanfield Funds Management has also provided a loan of \$593,866 (2011: \$913,786) to the group for working capital purposes. The outstanding convertible notes balance of \$633,000 (2011: \$253,000) is all in the name of Stanfield Funds Management.

The following interest was paid/payable to related entities:

	2012 \$
Interest paid/payable	
Convertible notes	79,651
Loan – Optima Funding Pty Ltd	12,603
Loan – Australian Public Trustees Ltd	5,249
Loan – Stanfield Funds Management Ltd	54,585

Non-director related parties

Ownership interests in related parties

Details of equity interests held in classes of related parties are set out as follows:

Transactions

All transactions with non-director related parties are on normal terms and conditions.

	Consolidated	
	2012 \$	2011 \$
Management fee income from Mariner Property Trust 2	-	43,116
Performance fees received from Mariner Property Trust 2	-	268,250
Management fees paid to Stanfield Funds Management Limited	300,000	478,261
Reimbursements received from Mariner Property Trust 2 and Mariner Capital Markets	-	88,256
Interest income from:		
Other related parties	-	-
Aggregate amounts receivable from / (payable to) other related parties:		
Loan from Stanfield Funds Management	156,031	913,786
Loan from APT Limited	325,249	-
Convertible Notes issued to Stanfield Funds Management Limited	633,000	253,000
Other related parties	-	-

Loans to controlled entities are interest free and repayable on demand. Loans to other related parties are at normal commercial rates and repayable on demand.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

23. Group entities

Ultimate parent entity

The ultimate parent entity in the wholly-owned group is Mariner Corporation Limited.

Name of entity	Country of Incorporation	Ownership Interest	
		2012 %	2011 %
The parent company			
Mariner Corporation Limited			
Controlled entities			
Mariner Debt Investment Trust	Australia	-	100
Mariner Asset Management Limited	Australia	100	100

24. Segment information

The Group has now been consolidated down into one segment being investment products in Australia.

25. Earnings per share

Basic earnings per share

The calculation of basic earnings per share at 30 June 2012 was based on the profit from continuing operations of \$1,140,051 (2011: profit of \$200,857) as well as the profit from discontinued operations of \$NIL (2011: profit of \$207,635) and a weighted average number of ordinary shares outstanding of 8,279,198 (2011: 420,898,716 shares), calculated as follows:

	Consolidated	
	2012 \$	2011 \$
Net profit from continuing operations for the year	1,140,051	200,857
Net profit from discontinued operations	-	207,635
<i>Weighted average number of ordinary shares (basic)</i>		
<i>In shares</i>		
Issued ordinary shares at 1 July	776,326,234	246,948,316
Weighted effect of shares issued	(768,047,037)	173,950,400
Weighted average number of ordinary shares at 30 June	8,279,198	420,898,716

There are no adjustments to the accounts required to reflect the impact of any non controlling equity interests or other types of shares that could impact the calculations for ordinary shareholders.

Mariner Corporation Limited and Controlled Entities

Notes to the Financial Statements for the year ended 30 June 2012

26. Contingencies

Other than the following, there are no other contingent assets or contingent liabilities as at 30 June.

Existing Lease Commitment: The Company has a premises lease maturing in December 2016. The landlord had agreed that the premises be vacated at the end of February 2010. At this stage the potential liability for the early termination is unknown. The Group previously paid an amount of \$655,568 to the landlord in relation to the termination of the lease. However, the Group is unable to reliably measure if there is any further liability arising from early termination. The premises have been relet which will limit the potential liability.

27. Going Concern

The Group incurred a net profit of \$1,140,051 for the year ended 30 June 2012 and, as of that date, the Group's current assets exceeded its current liabilities by \$193,786.

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:

- Short and medium term cash flow forecasts, combined with the Group's equity raising program indicate that the Group can meet its known funding requirements. The cash flow forecasts contain limited contingencies to allow for delays or shortfalls in the equity raising program.
- Future cash required to meet ongoing commitments: The administration requirements of the group are managed by staff and contractors who are contracted to Stanfield Funds Management. Stanfield Funds Management has not indicated that these services will be withdrawn if the group is unable to pay the administration fee that is charged for this service.
- Stanfield Funds Management Ltd will not demand repayment of its loan or convertible notes balance until the group is in a position to meet its existing liabilities and commitments.
- Australian Public Trustee Ltd will not demand repayment of its loan until the group is in a position to meet its existing liabilities and commitments.
- The Group has the ability to sell shares in their investment assets.
- The Group has the ability to raise capital via the issue of ordinary shares.

28. Events subsequent to reporting date

Except as set out below, there have been no subsequent events or transactions that have arisen since the end of the financial year, which in the opinion of the Directors, would affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group.

- On 3 July 2012, the Company announced its intention to proceed with its offer to acquire all shares in Austock Group Limited.
- On 24 July 2012, the Company announced its withdrawal of the offer to acquire all shares in Austock Group Limited due to a change in circumstances.

29. Other Reserve

Other reserve records valuation of fair value of option – convertible notes.

30. Company details

The registered office and principle place of business of the company is:

Mariner Corporation Limited

Level 4 Podium

120 Collins Street

Melbourne VIC 3000

Mariner Corporation Limited and Controlled Entities


Notes to the Financial Statements for the year ended 30 June 2012

Directors' Declaration

In accordance with a resolution of the directors of Mariner Corporations Limited, the directors of the company declare that:

- 1 the financial statements and notes, as set out on pages 10 to 42 are in accordance with the *Corporations Act 2001* and:
 - a) comply with Australian Accounting Standards, which as stated in accounting policy Note 2 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
 - b) give a true and fair view of the financial position as at 30 June 2012 and of the performance for the year ended on that date of the company and consolidated group;
- 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 as disclosed in note 27 to the financial statements.
- 3 the Chief Executive Officer and Chief Finance Officer have each declared that:
 - a) the financial records of the company for the financial year have been properly maintained in accordance with s 286 of the *Corporations Act 2001*;
 - b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - c) the financial statements and notes for the financial year give a true and fair view;

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



Director
D Olney-Fraser

Dated this 29th day of August 2012

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

**INDEPENDENT AUDIT REPORT TO
THE MEMBERS OF MARINER CORPORATION LIMITED**

Report on the Financial Report

We have audited the accompanying financial report of Mariner Corporation Limited which comprises the consolidated statement of financial position as at 30 June 2012, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, 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 ENTITY

INDEPENDENT AUDIT REPORT TO
THE MEMBERS OF MARINER CORPORATION LIMITED

Auditor's Opinion

In our opinion:

- a. the financial report of Mariner Corporation Limited is in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the consolidated entities financial position as at 30 June 2012 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

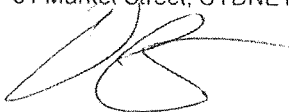
Report on the Remuneration Report

We have audited the Remuneration Report included in pages 6 to 7 of the directors' report for the year ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the remuneration report of Mariner Corporation Limited for the year ended 30 June 2012 complies with section 300A of the Corporations Act 2001.

Hall Chadwick
Level 29, St Martins Tower
31 Market Street, SYDNEY NSW 2001



Drew Townsend
Partner

Date: 29 August 2012

Shareholder information**A. Substantial Shareholders**

The following have advised that they have a relevant interest in the capital of Mariner Corporation Limited as at 31 July 2012. The holding of a relevant interest does not infer beneficial ownership. Where two or more parties have a relevant interest in the same shares, those shares have been included for each party.

Substantial ordinary shareholders	No. of ordinary shares held	Percentage held of Issued Ordinary Capital
NOTTINGHAM FUNDS MANAGEMENT LIMITED	1,125,059	13.58
AUSTRALIAN EXECUTOR TRUSTEES LIMITED <NO 2 ACCOUNT>	962,606	11.62
AUSTRALIAN EXECUTOR TRUSTEES LIMITED <NO 1 ACCOUNT>	700,927	8.46

B. Distribution of Equity Securities

- (i) Analysis of numbers of equity security holders by size of holding as at 31 July 2012.

Category (Size of Holdings)			Ordinary Shares	
			Number of Holders	Options
1	-	1,000	1,477	
1,001	-	5,000	178	
5,001	-	10,000	41	
10,001	-	100,000	72	
100,001	-	and over	17	

- (ii) There were 1,535 holders of less than a marketable parcel of ordinary shares.

B. Equity Security Holders

Twenty largest quoted equity security holders (31 July 2012)

	Ordinary shares	
	Number held	Percentage of issued shares
NOTTINGHAM FUNDS MANAGEMENT LIMITED	1,125,059	13.58
AUSTRALIAN EXECUTOR TRUSTEES LIMITED <NO 2 ACCOUNT>	962,606	11.62
AUSTRALIAN EXECUTOR TRUSTEES LIMITED <NO 1 ACCOUNT>	700,927	8.46
MRS JACQUELINE CHIU-YUEH HSU + MR STEPHEN CHIA-KUEI HSU <KINGBIRD SUPERANNUATION A/C>	369,771	4.46
SILA PTY LTD	315,000	3.80
STANFIELD FUNDS MANAGEMENT LIMITED	247,609	2.99
MRS KATRINA FRANCES BANKS-SMITH	201,200	2.43
MR JAMES FLORIAN PEARSON & MRS KIM PATRICIA PEARSON <JF PEARSON S/FUND A/C>	195,500	2.36
M&M CAPITAL PTY LTD <M&M CAPITAL A/C>	179,869	2.17
STANFIELD FUNDS MANAGEMENT LIMITED	158,850	1.92
RHEAD INVESTMENTS PTY LTD <RHEAD SUPER FUND A/C>	146,000	1.76
MLC GLOBAL PTY LTD <MLC GLOBAL A/C>	145,000	1.75
MR FRED WU	121,815	1.47
SEGOVIA 424 PTY LTD <SEGOVIA 424 SUPER FUND A/C>	112,500	1.36
STANFIELD FUNDS MANAGEMENT PTY LTD	108,834	1.31
TRITESSE PTY LTD <THE BANKS-SMITH FAMILY A/C>	105,000	1.27
ERCILDOUNE 424 PTY LTD <THE ERCILDOUNE FMAILY A/C>	101,786	1.23
ESSELMONT PTY LTD <THE ESSELMONT SUPER FUND A/C>	100,000	1.21
UNIVERSAL CAPITAL CORPORATION LIMITED	99,090	1.20
MRS KYLIE MERZ	92,074	1.11
	5,588,490	67.46

C. Voting Rights

The voting rights, upon a poll, are one vote for each share held.

Corporate Directory

Directors

Donald Christie
Non-executive Chairman

Darren Olney-Fraser
Managing Director

Matthew Fletcher
Executive Director

Secretary
Adrian Olney

Corporate Details

Mariner Corporation Limited
ACN: 002 989 782
ABN: 54 002 989 782

Registered Office

Level 4 Podium
120 Collins Street
Melbourne VIC 3000
Telephone: +61 3 8643 4955
Facsimile: +61 3 8643 4911

Auditor

Hall Chadwick
Chartered Accountants and Business
Advisers
Level 29, St Martins Tower
31 Market Street
Sydney NSW 2000

Bankers

National Australia Bank Ltd
Level 4 (UB4440)
800 Bourke St
Docklands VIC 3008

Share Registry

Computershare Investor Services Pty Ltd
Yarra Falls, 452 Johnston Street
Abbotsford VIC 3067
GPO Box 2975EE, Melbourne VIC 3000
T: 1300 787 272
T: +61 3 9415 4000 (outside Australia)
F: +61 3 9473 2500

Stock Exchange Listings

The ordinary shares of Mariner
Corporation Limited are listed on the
Australian Stock Exchange
(Code: MCX)

Notice of Annual General Meeting

The Annual General Meeting for Mariner
Corporation Limited will be held in:

Share Registry Boardroom
Computershare Investor Services Pty Ltd
Yarra Falls, 452 Johnston Street
Abbotsford VIC 3067

Time: 10:00am
Date: 8 November 2012