



MARINER

Change creates value.

CORPORATION
LIMITED

Mariner Corporation Limited ACN 002 989 782
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www.marinercorporation.com.au

20 February 2013

ASX ANNOUNCEMENT

Interim Financial Report for the half-year ended 31 December 2012

Directors are pleased to release the consolidated financial statements of Mariner Corporation Limited for the half-year ended 31 December 2012.

Refer to the attached Appendix 4D and Interim Financial Report for the half-year ended 31 December 2012.

Following the repositioning of the business over the last 24 months, where management simplified the business and revised its strategy, Mariner is well placed to continue its focus on strategic investing.

Following the issue of 3.6 million ordinary shares during the half-year, the balance sheet is now in a healthier position to move forward with net tangible assets of \$0.919 million.

Mariner continues to work on extracting value from its largest investment – Becton Property Group Limited (ASX Code – BEC). The investment is carried in the books at \$1.3 million at 31 December 2012. Mariner's Chairman Don Christie is on the Becton Property Group Limited Board and Mariner's Chief Executive Officer Darren Olney-Fraser is seeking election to the Becton Board at an EGM requisitioned by Mariner.

Since 30 June 2012, Mariner has sought to acquire significant stakes in Austock Group Limited, Wilson HTM Investment Group Ltd and Globe International Limited through off-market offers under the Corporations Act. Mariner will continue to pursue opportunities to get a position in companies such as these which have underperformed.

We look forward to pressing on with our plans in 2013/14 to generate positive results for Mariner shareholders.

Board of Directors

20 February 2013

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20 February 2013

Company Announcements Platform
ASX Limited
Exchange Centre
20 Bridge Street
Sydney, NSW, 2000

MARINER CORPORATION LIMITED
APPENDIX 4D – INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31
DECEMBER 2012

The directors of Mariner Corporation Limited are pleased to announce the results of the Company for the half year ended 31 December 2012 as follows:

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Key Information - extracted from interim financial report	Half-year Ended 31 December 2012 \$	% Change
Revenue from ordinary activities	484,830	Down 46.6%
Net profit/(loss) after tax from ordinary activities attributable to members	(489,303)	n/a
Net profit/(loss) after tax attributable to members	(489,303)	n/a

DIVIDENDS

The directors declared a 2012 final dividend of 1 cent per share amounting to \$82,817 which was paid on 19 October 2012 (2011: nil cents per share).

NET TANGIBLE ASSETS PER SHARE

	31 December 2012	31 December 2011
Net tangible assets per share	7.68 cents	(6.18) cents

REVIEW OF OPERATIONS

The Group continues to invest in listed and unlisted small cap entities.

During the half-year, the Company issued 3,694,041 ordinary shares and 3,694,041 options pursuant to a rights issue. The shares were issued at \$0.35 each with free options issued with each ordinary share. The options provide an entitlement to acquire an additional fully paid ordinary share on or before 30 September 2013 at an exercise price of \$0.35.

The Group continues to work on extracting value from its largest investment – Becton Property Group Limited (ASX Code – BEC). The investment is carried in the books at \$1.3 million at 31 December 2012. The Company's Chairman Don Christie is on the Becton Property Group Limited Board and the Company's Chief Executive Officer Darren Olney-Fraser is seeking election to the Becton Board at an EGM requisitioned by the Company.

The Company had notified shareholders of an intended offer for Austock Group Limited on 25 June 2012. The Company withdrew from Austock on 24 July 2012.

On 25 October 2012, the Company announced an offer for all the ordinary shares in Wilson HTM Investment Group Limited ('Wilson HTM'). The consideration was 2 ordinary shares in the Company for every 3 Wilson HTM ordinary shares. The offer closed on 15 February 2013 without being declared unconditional, therefore no acceptances were processed.

On 16 November 2012, the Company announced an offer for all the ordinary shares in Globe International Limited ('Globe'). The consideration was 5 ordinary shares in the Company for every 4 Globe ordinary shares. The offer closed on 15 February 2013. Acceptances from Globe shareholders holding 27,032 Globe shares were received. Subject to confirmation of final holdings, the Company will issue Mariner shares to these Globe shareholders.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL HALF-YEAR

Since 31 December 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.

Further information regarding Mariner Corporation Limited and its business activities can be obtained by visiting the Company's website at www.marinercorporation.com.au.

Board of Directors

MARINER CORPORATION LIMITED
ABN 54 002 989 782
AND CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT
HALF-YEAR ENDED 31 DECEMBER 2012

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DIRECTORS' REPORT

Your directors present their report together with the consolidated interim financial report of Mariner Corporation Limited ('the Company'), being the Company and its controlled entities (together referred to as 'the Group'), for the period ended 31 December 2012 and the review report thereon.

DIRECTORS

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

NAME	POSITION
Mr D Christie	Chairman
Mr D Olney Fraser	Chief Executive Officer / Director
Mr M Driscoll	Non-Executive Director (appointed 13 November 2012)
Mr M Fletcher	Executive Director (resigned 30 November 2012)

PRINCIPAL ACTIVITIES OF THE GROUP

The principal activities of the Group during the period were investment in listed and unlisted small cap entities. Mariner makes strategic investments and works with management and shareholders to improve the value of its investments.

CONSOLIDATED RESULTS

The consolidated net loss after tax attributable to members of the Company for the period was \$489,303 (2011: profit of \$535,759). The basic loss per share for the period was 5.25 cents (2011: profit per share of 6.90 cents).

DIVIDENDS

The directors declared a 2012 final dividend of 1 cent per share amounting to \$82,817 which was paid on 19 October 2012 (2011: nil cents per share).

REVIEW OF OPERATIONS

The Group continues to invest in listed and unlisted small cap entities.

During the half-year, the Company issued 3,694,041 ordinary shares and 3,694,041 options pursuant to a rights issue. The shares were issued at \$0.35 each with free options issued with each ordinary share. The options provide an entitlement to acquire an additional fully paid ordinary share on or before 30 September 2013 at an exercise price of \$0.35.

The Group continues to work on extracting value from its largest investment – Becton Property Group Limited (ASX Code – BEC). The investment is carried in the books at \$1.3 million at 31 December 2012. The Company's Chairman Don Christie is on the Becton Property Group Limited Board and the Company's Chief Executive Officer Darren Olney-Fraser is seeking election to the Becton Board at an EGM requisitioned by the Company.

The Company had notified shareholders of an intended offer for Austock Group Limited on 25 June 2012. The Company withdrew from Austock on 24 July 2012.

REVIEW OF OPERATIONS (CONTINUED)

On 25 October 2012, the Company announced an offer for all the ordinary shares in Wilson HTM Investment Group Limited ('Wilson HTM'). The consideration was 2 ordinary shares in the Company for every 3 Wilson HTM ordinary shares. The offer closed on 15 February 2013 without being declared unconditional, therefore no acceptances were processed.

On 16 November 2012, the Company announced an offer for all the ordinary shares in Globe International Limited ('Globe'). The consideration was 5 ordinary shares in the Company for every 4 Globe ordinary shares. The offer closed on 15 February 2013. Acceptances from Globe shareholders holding 27,032 Globe shares were received. Subject to confirmation of final holdings, the Company will issue Mariner shares to these Globe shareholders.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL HALF-YEAR

Since 31 December 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.

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

A copy of the Auditors' independence declaration under Section 307C of the Corporations Act 2001 is set out on page 3 for the half-year ended 31 December 2012.

Dated this 20th day of February 2013.

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



DONALD CHRISTIE
CHAIRMAN

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES
ABN 54 002 989 782

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

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2012 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

Hall Chadwick
Level 29, 31 Market Street
Sydney NSW 2000



DREW TOWNSEND

Partner

Date: 20 February 2013

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MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

	CONSOLIDATED	
	HALF-YEAR ENDED 31 DECEMBER 2012 \$	HALF-YEAR ENDED 31 DECEMBER 2011 \$
REVENUE AND INCOME		
Interest income	116,958	128,209
Management fees	30,000	79,166
Dividends	11,567	3,305
Other income	3,244	2,162
Debt forgiveness	-	539,158
Profit from sale of investments	323,061	-
Net change in fair value of financial assets at fair value through profit or loss	-	155,915
TOTAL REVENUE AND INCOME	484,830	907,915
EXPENSES		
Administration and office costs	(141,674)	(92,263)
Borrowing costs	(126,051)	(88,456)
Professional fees and investment costs	(698,408)	(183,759)
Property trust expenses	-	(6,836)
Other expenses	(2,492)	(842)
Net change in fair value of financial assets at fair value through profit or loss	(5,508)	-
TOTAL EXPENSES	(974,133)	(372,156)
(Loss)/Profit from continuing operations before income tax	(489,303)	535,759
Income tax credit/(expense)	-	-
NET (Loss)/Profit for the period	(489,303)	535,759
OTHER COMPREHENSIVE INCOME		
Net gain on measurement of financial assets available for sale	30,128	-
TOTAL COMPREHENSIVE (Loss)/Income for the period	(459,175)	535,759
EARNINGS PER SHARE		
Basic and diluted profit/(loss) per share from continuing operations	(5.25) cents	6.90 cents

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As At 31 DECEMBER 2012**

	Notes	Consolidated	
		31 DECEMBER 2012	30 June 2012
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	7	4,641	10,013
Other receivables	8	21,291	519
Financial assets	9	1,534,361	1,624,318
TOTAL CURRENT ASSETS		1,560,293	1,634,850
NON-CURRENT ASSETS			
Financial assets	9	170,748	176,256
TOTAL NON-CURRENT ASSETS		170,748	176,256
TOTAL ASSETS		1,731,041	1,811,106
CURRENT LIABILITIES			
Payables	10	297,891	90,437
Loans and borrowings	11	513,425	1,526,883
TOTAL CURRENT LIABILITIES		811,316	1,617,320
TOTAL LIABILITIES		811,316	1,617,320
NET ASSETS		919,725	193,786
EQUITY			
Issued Capital	12	133,411,400	132,143,469
Reserves		400,285	370,157
Accumulated losses		(132,891,960)	(132,319,840)
TOTAL EQUITY		919,725	193,786

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

31 DECEMBER 2012	CONSOLIDATED				
	SHARE CAPITAL	OTHER RESERVES	AVAILABLE FOR SALE RESERVE	RETAINED EARNINGS/ (LOSSES)	TOTAL
	\$	\$	\$	\$	\$
Balance at 1 July 2012	132,143,469	250,547	119,610	(132,319,840)	193,786
Valuation increase on available for sale financial assets	-	-	30,128	-	30,128
Shares issued during the period: -rights issue	1,267,729	-	-	-	1,267,729
-exercise options	202	-	-	-	202
Dividends paid (Note 6)	-	-	-	(82,817)	(82,817)
Total loss for the period	-	-	-	(489,303)	(489,303)
Balance at 31 December 2012	133,411,400	250,547	149,738	(132,891,960)	919,725

31 DECEMBER 2011	CONSOLIDATED			
	SHARE CAPITAL	OTHER RESERVES	RETAINED EARNINGS/ (ACCUMULATED LOSSES)	TOTAL
	\$	\$	\$	\$
Balance at 1 July 2011	132,067,141	250,547	(133,459,891)	(1,142,203)
Total other comprehensive income for the period	-	-	-	-
Shares issued during the period	93,829	-	-	93,829
Total profit for the period	-	-	535,759	535,759
Balance at 31 December 2011	132,160,970	250,547	(132,924,132)	(512,615)

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

	NOTES	CONSOLIDATED	
		HALF-YEAR ENDED 31 DECEMBER 2012	HALF-YEAR ENDED 31 DECEMBER 2011
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		161,857	52,180
Cash payments in the course of operations		(512,480)	(472,277)
Interest received		-	128,209
Borrowing costs paid		(25,229)	-
NET CASH FROM OPERATING ACTIVITIES		(375,852)	(291,888)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends received		-	3,305
Proceeds from sale of investments		500,548	62,967
Purchase of financial assets		(57,402)	(6,938)
NET CASH FROM INVESTING ACTIVITIES		443,146	59,334
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	300,000
Repayments of borrowings		-	(161,500)
Proceeds from issue of shares, net		391,544	-
Loans received from/(paid to) related parties		(381,393)	93,828
Dividends paid		(82,817)	-
NET CASH FROM FINANCING ACTIVITIES		(72,666)	232,328
NET (DECREASE) IN CASH AND CASH EQUIVALENTS		(5,372)	(226)
CASH AND CASH EQUIVALENTS AT 1 JULY		10,013	57,748
CASH AND CASH EQUIVALENTS AT 31 DECEMBER		4,641	57,522
LESS: CASH DEPOSITS NOT AVAILABLE FOR USE BY THE GROUP		-	-
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	7	4,641	57,522

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES
NOTES TO THE INETRIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

1 REPORTING ENTITY

Mariner Corporation Limited is a company domiciled in Australia. The consolidated interim financial report of the Company for the half-year ended 31 December 2012 comprises the Company and its subsidiaries (together referred to as 'the Group').

The consolidated annual financial report of the Group for the year ended 30 June 2012 is available upon request from the Company's registered office at Level 4 Podium, 120 Collins Street, Melbourne, VIC, 3000 or at www.marinercorporation.com.au.

2 BASIS OF PREPARATION

These general purpose financial statements for the half-year reporting period ended 31 December 2012 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Mariner Corporation Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2012, together with any public announcements made during the half-year.

3 ACCOUNTING POLICIES

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

In preparing this consolidated interim financial report, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 30 June 2012.

During the half-year ended 31 December 2012, management reassessed its estimates in respect of the fair value of financial assets (Note 9).

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

Presentation of Items of Other Comprehensive Income

The Group adopted AASB 2011-9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income on 1 July 2012. AASB 2011-9 is mandatorily applicable from 1 July 2012 and amends AASB 101: Presentation of Financial Statements.

AASB 2011-9 amends the presentation requirements of other comprehensive income. It requires items of other comprehensive income to be grouped between:

- items that will not be reclassified subsequently to profit or loss; and
- those that will be reclassified subsequently to profit or loss when specific circumstances occur.

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES
NOTES TO THE INETRIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

It also requires, when items of other comprehensive income are presented before the related tax effects with a single amount shown for the aggregate amount of income tax relating to those items, the amount of tax effect to be allocated between:

- items that will not be reclassified subsequently to profit or loss; and
- those that might be reclassified subsequently to profit or loss.

AASB 2011-9 also amends AASB 101 to change the title "income statement" to "statement of profit or loss" under the two-statement approach. Although other titles are also permitted, the Group has decided to use the title "statement of profit or loss and other comprehensive income".

The adoption of AASB 2011-9 only changed the presentation of the Group's financial statements and did not have any impact on the amounts reported for the current period or for any prior period in the Group's financial statements.

6 DIVIDENDS

	CONSOLIDATED	
	31 DECEMBER 2012 \$	31 DECEMBER 2011 \$
DIVIDENDS PAID/PROVIDED FOR		
Ordinary unfranked dividend paid on 19 October 2012 of 1 cent per share (2011: nil cents per share)	82,817	-
	<u>82,817</u>	<u>-</u>

7 CASH AND CASH EQUIVALENTS

	CONSOLIDATED	
	31 DECEMBER 2012 \$	30 JUNE 2012 \$
CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	4,641	10,013
	<u>4,641</u>	<u>10,013</u>

8 OTHER RECEIVABLES

	CONSOLIDATED	
	31 DECEMBER 2012 \$	30 JUNE 2012 \$
CURRENT		
Trade debtors	-	88
Other debtors	21,291	431
	<u>21,291</u>	<u>519</u>

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES
NOTES TO THE INETRIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

9 FINANCIAL ASSETS

	CONSOLIDATED	
	31 DECEMBER 2012	30 JUNE 2012
	\$	\$
CURRENT		
Investment in listed shares, available for sale (a)	1,534,361	1,624,318
NON-CURRENT		
Investment in an unlisted property trust	170,748	176,256
– at fair value (b)		
	1,705,109	1,800,574

- (a) Investments 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 immediate 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 comprehensive income.

10 PAYABLES

	CONSOLIDATED	
	31 DECEMBER 2012	30 JUNE 2012
	\$	\$
Trade creditors	240,248	41,354
Other creditors and accruals	57,643	49,083
	297,891	90,437

11 LOANS AND BORROWINGS

				CONSOLIDATED		
				Nominal	31 DECEMBER 2012	30 JUNE 2012
				Interest		
				rate	\$	\$
Expiry date						
Current						
<i>Secured</i>						
Convertible notes at amortised cost	(a)	31/12/2012	9.51%	-	633,000	
Loan – Optima Funding Pty Ltd	(b)	7/6/2013	50%	513,425	412,603	
Loan – Australian Public Trustees Ltd	(c)	31/12/2012	10%	-	325,249	
Loan – Stanfield Funds Management Ltd	(c)	31/12/2012	10%	-	156,031	
				513,425	1,526,883	

- a) The convertible notes were issued to Stanfield Funds Management Limited. The interest expense on the convertible notes for the half-year ended 31 December 2012 amounted to \$20,924. The convertible note was redeemed during the period.
- b) The \$400,000 facility from Optima Funding Pty Ltd is repayable in June 2013, with nil interest but having a facility fee of \$200,000 calculated over the 12 month period. The loan facility was made to assist the Group 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 the Group.

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES
NOTES TO THE INETRIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

- c) The loans from shareholders (Stanfield Funds Management Limited and Australian Public Trustees Limited) accrued interest at a rate of 10% per annum. Repayment was subject to the Company having sufficient funds to meet its current liabilities.

The interest expense on the loan from Stanfield Funds Management Limited for the half-year ended 31 December 2012 amounted to \$4,010.

The interest expense on the loan from Australian Public Trustees Limited for the half-year ended 31 December 2012 amounted to \$Nil.

These loans were repaid during the period.

These loans are from related parties which have common directors (refer to Note 22 in the consolidated annual report of the Group for the year ended 30 June 2012).

12 CONTRIBUTED EQUITY

(A) ISSUED CAPITAL

	31 DECEMBER 2011	30 JUNE 2012
	\$	\$
11,976,342 ordinary shares, fully paid (June 2012: 8,281,725)	133,411,400	132,143,469

During the half-year the Company issued 3,694,041 ordinary shares at \$0.35 pursuant to a rights issue. In addition, the Company also issued 576 ordinary shares at \$0.35 pursuant to 576 options being exercised.

(B) OPTIONS

During the half-year the Company issued 3,694,041 options. These options were issued free with each ordinary share pursuant to the rights issue. The options provide an entitlement to acquire a fully paid ordinary share on or before 30 September 2013 at an exercise price of \$0.35. At 31 December 2012, there are 3,693,485 options remaining on issue.

13 EVENTS SUBSEQUENT TO REPORTING DATE

Since 31 December 2012, there are no matters which significantly affected or may significantly affect:

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

MARINER CORPORATION LIMITED AND CONTROLLED ENTITIES
NOTES TO THE INETRIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

14 GOING CONCERN

The consolidated net loss after tax attributable to members of the Company for the period was \$489,303. As at 31 December 2012, the Group's current assets exceeded its current liabilities by \$748,977.

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 indicate that the Group can meet its known funding requirements;
- Future cash required to meet ongoing commitments; and
- The Group's ability to sell shares in their investment assets.

15 CONTINGENCIES

Other than the following, there are no contingent assets or contingent liabilities as at 31 December 2012.

- The Group has a premises lease maturing in December 2016. The landlord has 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.

16 OPERATING SEGMENTS

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

17 CONTROL GAINED OR LOST OVER ENTITIES HAVING A MATERIAL EFFECT

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

DIRECTORS' DECLARATION

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

1. the financial statements and notes set out on pages 4 to 12 are in accordance with the Corporations Act 2001, including:
 - a) complying with Accounting Standards AASB 134 Interim Financial Reporting, and
 - b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



DONALD CHRISTIE
CHAIRMAN

Dated this 20th day of February 2013.

MARINER CORPORATION LIMITED
ABN 54 002 989 782
AND CONTROLLED ENTITIES

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

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Mariner Corporation Limited, which comprises the consolidated statement of financial position as at 31 December 2012, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Mariner Corporation Limited's financial position as at 31 December 2012 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Mariner Corporation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

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

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Conclusion

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

- (i) giving a true and fair view of Mariner Corporation Limited's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Hall Chadwick
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DREW TOWNSEND
Partner

Date: 20 February 2013