



30 October 2009

Perpetual Asset Management (PAM) today announced that its wholly-owned subsidiary, Real Estate Credit Limited (RECL), had completed the acquisition of certain MARAC Finance loans from MARAC Financial Services Limited.

RECL has been established to manage the transition of the MARAC loans from MARAC Financial Services Limited either to their ultimate owner, be it Torchlight Credit Fund LP, which was established yesterday, or realisation through other value maximising paths.

The Chief Executive of PAM, John Duncan said "The completion of the acquisition of the MARAC loans by RECL and the establishment of Torchlight Credit Fund are two important milestones in building out PAM's fund management business. RECL provides a pipeline for potential deal flow for Torchlight Credit Fund LP, while allowing flexibility in the ultimate path to value realisation."

Additional Information

PAM is the wholly owned asset management arm of Pyne Gould Corporation Ltd. Funds managed by PAM include Torchlight Credit Fund LP, a limited liability partnership, which yesterday announced it had arranged a \$75 million senior ranking loan to South Canterbury Finance. The \$75 million loan to South Canterbury Finance has been funded through a syndicate of habitual and eligible investors. As part of the funding package PAM has provided a \$15 million line of credit to Torchlight which will be repaid over the next two months, upon receipt of pre-committed funds from external investors. Consistent with its funds management strategy, PAM expects to retain a cornerstone investment in Torchlight. The loan to South Canterbury Finance by Torchlight and other parties was made on arm's length and commercial terms and ranked ahead of all other liabilities of South Canterbury Finance, including liabilities to debenture holders of South Canterbury Finance.

Colin Hair
Company Secretary