

**13 October 2008**

**Receivers and Managers appointed to Momentum Mortgages Limited (“MML”)**

Joseph Hayes and Tony McGrath of McGrathNicol were appointed Receivers and Managers of MML by the secured creditor, Permanent Nominees (Aust) Limited (“PNAL”) on Monday, 13 October 2008.

The appointment of Receivers and Managers was made at the request of MML’s Directors who formed the view that the company is insolvent or likely to become insolvent.

The Directors of MML have also appointed David Leigh of PPB Chartered Accountants as Voluntary Administrator of MML.

MML owes approximately \$36.5 million to over 500 investors and advanced these funds to borrowers for business, investment and property development purposes. MML holds first ranking real property mortgages to secure its advances.

Control of the business and the assets of MML rests with the Receivers and Managers who are working closely with PNAL and the Administrator to ensure the interests of debenture holders are being protected.

Interest payments and redemptions have been frozen as at 13 October 2008.

One of the Receivers, Joseph Hayes, said today, “We are in the process of conducting an urgent review of each of the borrowers and underlying property securities. Our primary concern is to ensure the interests of debenture holders are being protected. In this regard, we will seek to devise a realisation strategy that maximises the return to debenture holders”.

Regular updates will be provided to debenture holders as the receivership progresses.