

Premium Income Fund

NSX Release: 1 April 2011



Kooralbyn Resort – Clarification

The property known as Kooralbyn is currently controlled by the Premium Income Fund in its capacity as mortgagee in possession. The property itself was taken to market by Jones Lang LaSalle on the Fund's behalf in May 2009 and was passed in.

Since that time a number of commercial discussions and negotiations have occurred in relation to the asset including with the Federal Government.

The property is currently subject to due diligence by a commercial party who would seek to refurbish the assets and realise the development potential of the total resort. There is no current contract with that party, however detailed due diligence has been undertaken and arrangements are in place to see that phase continue until 15 May 2011.

In the event that commercial terms are agreed, they will be announced to the market.

In the event that acceptable arrangements have not been negotiated, as indicated earlier this week, the resort will be taken to the market.

For further information please contact:

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