

PRESS RELEASE
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Judgment on the Pacific First Mortgage Fund trial to be handed down tomorrow

[Brisbane, Queensland 17 December, 2015] Unit holders in the Pacific First Mortgage Fund, previously managed by the former ASX listed City Pacific Limited, will be looking for justice in the Federal Court tomorrow against former directors and executives of the company.

Trilogy Funds Management Limited (the Responsible Entity/RE) and Balmain NB Corporation ("Balmain Trilogy"), became the investment manager for the Pacific First Mortgage Fund (previously known as the City Pacific First Mortgage Fund) after a unit holder vote.

Balmain Trilogy's \$37.1 million (plus interest) claim alleges breaches by the former directors and officers of their statutory duties under the Corporations Act 2001.

At the center of the claim is the defendants' alleged failure to follow the requirements of the Fund's lending criteria when making decisions to lend to former property development company, Atkinson Gore Agricultural Pty Limited, in 2006 and 2007.

Trilogy believes that this led to the Fund incurring significant losses.

Trilogy Funds Management Executive Deputy Chairman, Rodger Bacon said "Registered managed investment schemes must be managed with care and diligence, and in the best interest of scheme members. When they are operated beyond the scope set out in their constitution and Product Disclosure Statement it exposes investors to significant additional financial risk."

"We believe that is what happened in this case and await His Honour's decision tomorrow."

His Honour Justice Wigney is expected to hand his decision down in the Federal Court at Phillip Street, in Sydney at 12pm local time.

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For Further Information please call Balmain Trilogy Investor Relations on 1800 194 500 or email investorrelations@trilogyfunds.com.au

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