

Media release

[due for release March 2007]

Trilogy first Mortgage Income Trust

Property financial services group Trilogy Funds Management Limited has announced it is launching a new mortgage income trust, the Trilogy **first** Mortgage Income Trust which aims to provide a targeted return of 7.75% p.a. (net of all fees) to investors.

All loans in the Trilogy **first** Mortgage Income Trust have a capital loss insurance policy underwritten by Certain Underwriters at Lloyd's of London and all loans will be registered first mortgages.

Also the trust structure of the new Trilogy fund is unique in the market place as the trust's cash component is corralled from the mortgage component and therefore investors will receive a higher rate of return when invested as compared to a traditional mortgage trust structure.

Another unique feature of the Trilogy trust operation is that no management fees are taken while new investors are only invested in cash prior to being allocated into the mortgage pool. We feel this is far more equitable for all investors. Initial investors will get the cash rate from the Trilogy Short Term Investment Account (currently 5.96% p.a.) which is managed by Westpac and once allocated into mortgages, they will receive the higher yield from the mortgage pool.

Executive Chairman, Rodger Bacon mentioned that in today's competitive market place it is not enough just to release a mortgage income fund and hope for the best. The Trilogy **first** Mortgage Income Fund will have an attractive yield, high investor security by virtue of the capital loss insurance and a unique trust structure which brings innovation to the market place.

This new fund, the **Trilogy first Mortgage Income Trust** is now available for subscription.

Ends

Trilogy first Mortgage Income Trust

Principal features:

- Attractive yield aiming to provide a targeted return of 7.75% p.a. (net of all fees) to investors
- Capital loss insurance
- Registered first mortgages only
- Experienced management
- Unique trust structure
- Equitable fee structure

Media Enquiries:

Rodger Bacon
Executive Chairman
Trilogy Funds Management Limited AFSL: 261 425
Level 13, Royal Exchange, 56 Pitt Street, Sydney NSW 2000.

Ph: (02) 9251 6635 Fax: (02) 9251 6663 FreeCall: 1800 230 099

www.trilogyfunds.com.au