

Website Promoting Replacement Responsible Entity Shut Down; Balmain Trilogy Raises New Concerns about Stacks Independence

Balmain Trilogy has today raised new concerns about the December 9 Unitholder meeting to vote on the future management of the Pacific First Mortgage Fund (PFMF), after the proposed new manager's website was shut down.

Ray and Paul Stack are the directors of Stacks Finance, the proposed new responsible entity of PFMF and are also the directors of Pacific First Management Pty Limited, the proposed new manager of PFMF. Ray and Paul Stack closed the site after admitting that information contained on the website had not been authorised by them.

The move came after the current manager of the Fund, Balmain Trilogy, raised concerns about the grossly misleading material on the web site.

Paul Stack said yesterday that the registration of the Domain – www.pacificfirstmanagement.com.au - was done by Bransgrove without the knowledge of them.

The domain was registered in the name of Pacific First Management Pty Ltd.

Paul Stack said that Mr Matthew Bransgrove, Phil Sullivan's lawyer, had placed the information on the website without reference to them.

Ray Stack and Paul Stack further advised that they were the victims of Bransgrove's unauthorized conduct and that it would be proper for Balmain Trilogy to seek redress against Bransgrove and his clients.

Balmain Trilogy said that it welcomed the removal of any website that contained misleading and grossly inaccurate information and which has the effect of misleading and deceiving unit holders.

Andrew Griffin said, "Given their legal training, we would expect Ray and Paul Stack to be fully aware of their responsibilities, and the responsibility of those companies on whose boards they sit, not to engage in misleading and deceptive conduct."

"The facts are that this matter is high profile and that the website was the primary vehicle for the promotion of the Bransgrove/Sullivan proposal, the website has been in existence for some time under their Company's name and some of the material has been sent directly to unitholders. For them now to deny its content, gives us pause for concern."

"However, it almost defies belief that Ray and Paul Stack are prepared to continue their relationship with Bransgrove and Sullivan after the revelation that Bransgrove has, without their authority, been publishing misleading and grossly inaccurate information under their Company's name and thereby exposing them to legal action. It is quite clear that Bransgrove is the puppeteer. Why Stacks would want to be associated with Bransgrove and Sullivan is totally unclear to us."