

ASX Announcement

ASX Code: AEF

Date: 29 February 2008

Resignation of Investment Manager

Australian Ethical advises that Mr David Ferris has today indicated his intention to resign as the company's Investment Manager. David's resignation will take effect from 27 March 2008.

David's resignation follows his decision to take a break from full-time employment and to subsequently actively pursue interests in the NGO sector.

David has been with the company for seven years. During that time David has made an extremely valuable contribution to the performance of the company's investment trusts, to the development of the company's investment processes and to the growth of the company overall. The company expresses its deep and sincere thanks to David for his service and commitment, and wishes him all the best for the future.

One of David's legacies is the strength of the investment team that he has brought together. While the company examines future leadership arrangements for its investment area, existing staff will undertake investment management functions. In particular, long-serving employees Alistair Clark (the company's former Investment Manager) and Noel Hyland, together with James Jordan, will guide the investment team while the company transitions to new investment leadership.

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Company Background

Australian Ethical is a funds manager that specialises exclusively in ethical funds management. It offers managed investment schemes and corresponding superannuation strategies (for accumulation and pension accounts). The Australian Ethical Charter is the foundation of the investment process. It aims to avoid harmful investments and actively seeks investments that benefit society and the environment. Uniquely, the company's constitution requires that 10% of profit is donated to charitable and conservation initiatives.