

ASX Announcement

ASX Code: AEF

Date: 31 August 2007

Employee options and employee share scheme buyback

On 23 September 2007, 34,506 options issued to employees under the company's employee share ownership plan will become exercisable (code AEFAl). The options are exercisable from 23 September 2007 through to 22 December 2007. The exercise price of the options is \$16.28.

Similar to last year, the company advises that it intends to implement an employee share scheme buy back to buy back a number of shares issued upon the exercise of the employee options. The company will announce details of the buy back in October 2007.

/end.

Company Background

Australian Ethical Investment Ltd 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.