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Dear Kim-Ly

For Announcement to the market

MACQUARIE FORTRESS NOTES – IMPORTANT INVESTMENT UPDATE

Macquarie Fortress Investments Limited (MFIL) as trustee of the Macquarie Fortress Australia Notes Trust wishes to announce that a refinancing of the borrowings for the underlying portfolio of US Senior Loans (the Portfolio) was successfully completed on 4 April 2008 US time.

The new financing differs from the previous financing in a number of important ways including:

- the new financing is committed for 8 years (although it may be repaid earlier at MFIL's discretion);
- the new financing will not have to be repaid early if the market value of the Portfolio declines; and
- all cash flows generated by the Portfolio (including all interest and principal repayments from the underlying Senior Loans) must be used to meet interest and ongoing Portfolio expenses with any excess cash flow being applied to reduce the principal outstanding on the new finance. There will therefore be no payments on Macquarie Fortress Notes ("Notes") until the new financing has been fully repaid (interest paid to investors to date totals 25.4 cents per Note).

The final return to investors is uncertain and depends on a range of factors affecting the Portfolio including default and recovery rates, prepayment rates on the Senior Loans in the Portfolio, underlying interest rates as well as the AUD:USD foreign exchange rate. If the Portfolio has no defaults, which should not be assumed to be the case, the Net Asset Value (NAV) could recover to 83 cents per Note in due course (see table below).

The date by which the new financing will be fully repaid, and hence when payments on Notes can recommence, depends on the range of factors affecting the Portfolio including those that are listed above. Although it is not possible to state with certainty when payments will recommence, currently it is not expected to be within 4 years.

Because the new financing allows the Portfolio to be stabilised and protected from further sales if Senior Loan prices decline, MFIL has reinstated the foreign exchange hedging arrangements to reduce the exposure of the Notes to foreign exchange rate movements.

As an example of possible outcomes, MFIL has calculated the following table (NAV in cents per Note), based on various annual default and recovery rates, and assuming:

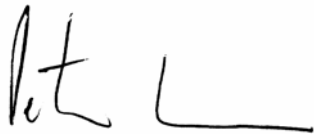
- all financing costs and expenses are taken into account;
- the Portfolio repays evenly over 5 years; and
- all interest paid on the Notes to date has been excluded.

Annual Default Rate	Recovery Rate			
	90%	80%	70%	60%
0.00%	0.83	0.83	0.83	0.83
2.00%	0.81	0.80	0.78	0.77
4.00%	0.79	0.77	0.74	0.71
6.00%	0.78	0.74	0.70	0.66

There is no guarantee or assurance of any particular outcome or that the actual outcome will be within the range of outcomes listed in the table above.

Yours sincerely

Macquarie Fortress Investments Limited



Peter Lucas
Director

Further Information Concerning Macquarie Fortress

Macquarie Fortress is an investment product which represents less than 0.5% of assets under management by the Macquarie Group.

In the various Fortress investment products the proceeds subscribed by investors were leveraged to acquire a portfolio of Senior Loans with an objective to pay distributions to investors on a quarterly basis equal to the bank bill rate plus 4.5% per annum. Senior Loans are syndicated loans made to corporate borrowers primarily used to finance capital acquisition programmes, mergers and acquisitions, stock repurchases and internal growth. There is an active secondary market in Senior Loans. These loans generally hold the most senior position in a borrower's capital structure and are typically secured by a first-ranking security interest in the borrower's assets which may include assets such as cash, accounts receivable, inventory, property, plant and equipment, shares in subsidiaries, and intangible assets including trademarks, copyrights, patent rights and franchise value.

Macquarie Fortress Notes were issued and quoted on the Australian Securities Exchange on three occasions between May 2005 and April 2006. Macquarie New Zealand Fortress Notes were issued and quoted on the New Zealand Debt Exchange in May 2005. Units were first issued in the unlisted Macquarie Fortress Fund in June 2004. Total interest payments on Fortress Notes or income distributions on Fortress Fund, expressed as cents per note/unit since inception are as follows:

Macquarie Fortress Fund (AUD)	37.4 cents per unit
Macquarie Fortress Notes (AUD)	25.4 cents per note
Macquarie New Zealand Fortress Notes (NZD)	29.5 cents per note

As at the current date there are 141.5 million notes quoted on the ASX with a face value of A\$1 each, 28.7 million notes quoted on the NZDX with a face value of NZ\$1 each, and 68 million units in the unlisted fund.

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