ASX MARKET & MEDIA ANNOUNCEMENT

13 JANUARY 2011

JOINT VENTURE DEVELOPMENT OF 262 LORD STREET PERTH

Perth, 13 JANUARY 2011: Western Australia's leading apartment developer, Finbar Group Limited (ASX: FRI), has today announced details of a joint venture which will result in the development of a 4,682 square metre site located on Lord Street, Summers Street, and Coolgardie Terrace in Perth.

The property is a prime site on the doorstep of the city that will yield approximately 90 new residential apartments plus an additional 10 commercial lots and produce a development with an end value of approximately $50 million.

Subject to development approval, the joint venture will see a wholly owned subsidiary of Finbar develop the land owned by a subsidiary of investment and development company Swanline Group.

Finbar will contribute $2.53 million as working capital for the project, and Swanline will contribute the land.

Finbar will develop the project, earn a management fee, and share equally in development profit with Swanline.

Work will commence immediately for design and submission to seek development approval for the proposed project with the view to commence marketing this calendar year and commence construction immediately following the expiry of existing leases late in 2011.

Swanline Managing Director, Paul Trettel said today that "Swanline was immediately attracted to the location of the Lord Street land due to its proximity to the CBD, Mt Lawley café strip, and access to the public transport system. The company is delighted to have entered into a business relationship with Finbar, a highly reputable and successful property developer. We believe the timing is perfect to commence this exciting apartment development and have no doubt that Finbar will deliver an attractive project that is competitively priced, and in a desirable location to a market in demand."

Finbar Managing Director, Darren Pateman said "We look forward to producing a project that will provide the result desired by our joint venture partners, and further enhance the returns Finbar generates for our shareholders."

BELOW: Aerial location of the 4,582sqm site at 262 Lord Street Perth.

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For further information:

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ABOUT FINBAR: *Finbar Group Limited (ASX: FRI), its controlled entities and its jointly controlled entities is a property development company whose core business lies in the development of medium to high density residential apartments and commercial property within the State of Western Australia. Please Visit: www.finbar.com.au*