ASX Release

11 October 2011

Finbar "Tops Up" Pelago West & Fairlanes

Western Australian property development company, **Finbar Group Limited ("Finbar" or "the Company") (ASX:FRI)**, is pleased to provide an update on the Pelago West and Fairlanes property developments following completion of two significant milestones.

Pelago West – Sharpe Avenue, Karratha

On 1 March 2011, Finbar Group Limited's wholly owned subsidiary received Development Approval for the Company's Pelago West and East projects in Karratha, which are being constructed on Sharpe Avenue and comprise 292 residential apartments and an additional 22 commercial lots.

Construction at Pelago West commenced in March 2011 with all nine levels of the structure now completed and on schedule. To date, a total of 72 contracts have been successfully sold and leased, securing the financial viability of the Company's first Pilbara project. Finbar is expecting completion of the Pelago West project in March / April 2012.

Pelago East has already secured approvals for 178 apartments as well as a number of commercial lots. With a similar product, location, and price point to Pelago West, Pelago East will be launched to the market when more sales in Pelago West have occurred.

Chris Adams, General Manager Pilbara Cities said, "Pelago West is the first project of its kind to be built as part of the Pilbara Cities revitalisation plan for the Karratha town centre. The apartments are due for completion in March / April 2012, which will be a historic milestone for the region. The quality of this project illustrates how it is possible for us to achieve our long term vision of creating modern vibrant cities and regional centres that can support and deliver a skilled workforce for major economic projects in the Pilbara."

Fairlanes – Adelaide Terrace, East Perth

Finbar's wholly owned Fairlanes Apartment and Office project has now reached a significant "topping up" milestone following construction completion of the 28 storey building. It is one of the tallest apartment towers in Perth and is scheduled for completion before 30 June 2012.

To date, the Company has recorded 115 unconditional sales in the 128 unit residential building, which will generate sufficient proceeds when settled to retire the project specific debt.

Darren Pateman, Managing Director, said, “Construction completion of the Fairlanes project is an important milestone for us and an excellent example of how Finbar can deliver value on a project. Given the financial success of the residential component of this project, we have been able to offer 6,700 sq metres of office space in the commercial component of the building for lease without offering lease incentives which will assist in maximising our future income potential and value of this retained investment.”

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For further information, please visit www.finbar.com.au or contact:

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ABOUT FINBAR

Finbar Group Limited, 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.

BELOW: Pelago West – Corner Warambie Road & Sharpe Avenue, Karratha

BELOW: Fairlanes Apartments & Offices – 181 Adelaide Terrace, East Perth