ASX MARKET & MEDIA ANNOUNCEMENT

14 October 2014

FINBAR SECURES ~$150 MILLION PROJECT IN EAST PERTH

- **Finbar secures mixed use JV development in East Perth.**
- **Project to comprise ~200 apartments on ~32 levels with city and river views along with ground floor commercial lots.**
- **Marketing launch anticipated to commence in 2015.**
- **Finbar to receive 50% of project profit plus management fee.**
- **Estimated project end value ~$150 million.**

Perth, 14 October 2014: Western Australia's leading apartment development company, Finbar Group Limited (ASX: FRI) (**Finbar** or **the Company**) is pleased to announce details of a joint venture that will result in the acquisition and development of a site located at 63 Adelaide Terrace in East Perth.

The site comprises 3,406 square metres with a 57 metre frontage to Adelaide Terrace and is situated near the corner of Plain Street in East Perth, 1.5km from the Perth Central Business District (**CBD**).

Finbar has negotiated the purchase of the land on behalf of the investment company Perth Upper China Hotel Pty Ltd (**the Future Land Owner**) for the purchase price of $15,000,000, with Finbar to enter into a development agreement with the Future Land Owner to create an exciting residential tower in this idyllic and high density development location.

The Future Land Owner will contribute $20 million in equity to fund the acquisition of the land, unencumbered, and provide additional working capital. Finbar, through a wholly owned subsidiary, will contribute an additional $10 million in cash equity as additional working capital, securing the development finance and carrying out the redevelopment of the site. Finbar and the Future Land Owner will share equally in the development profit with Finbar also earning a management fee.

Finbar's initial design concept has the site being redeveloped into a 32 level apartment building that will comprise approximately 200 residential apartments with ground floor commercial lots.

The proposed project has an estimated end value of approximately $150 million.

Being located just 150 metres from Langley Park and 300 metres from the Perth foreshore, the proposed apartments would enjoy expansive views of the City, the Swan River, Heirisson Island and the Burswood Peninsula.

The property is located directly next to 18 on Plain, a previous Finbar project, and within 500 metres of where Finbar has developed over 2,000 apartments.

Commenting on the mixed use joint venture development, Finbar Managing Director Darren Pateman said, "We have secured another very exciting development opportunity in an area and marketplace in which we are very familiar. With the exception of our Concerto project, where sales are progressing well and construction will commence shortly, we have a shortage of new apartments in our project pipeline coming on stream over the next couple of years in East Perth."

"With this shortage in mind, we believe this is a very opportune time for us to secure our next East Perth project, supplement our overall project pipeline and provide us with the continuity of business in this highly sought after inner city apartment location," he added.

"The eastern end of Adelaide Terrace is a precinct that is currently undergoing an exciting transformation with various new hotels, developments and commercial opportunities being proposed, including the new Riverside precinct where works have already commenced," Mr Pateman said.

Design works for the mixed use joint venture project are currently underway and it is anticipated a marketing launch will commence late in the 2015 calendar year with a view to beginning the construction phase in 2016.

Above: Site location and view to the west towards the CBD.

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

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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 Perth Metropolitan Area and the Pilbara within the State of Western Australia.