

ASX MARKET & MEDIA ANNOUNCEMENT

12 August 2014

FINBAR SECURES ICONIC CIVIC TRIANGLE PROJECT IN SOUTH PERTH

- **Finbar secures mixed use JV development of Civic Triangle site in South Perth.**
- **Formal documentation complete for unconditional 30 day settlement.**
- **Project to comprise ~295 apartments, commercial space and local amenities.**
- **Finbar to receive 50% of project profit plus management fee.**
- **Development application anticipated to be lodged by end of 2014.**
- **Project completion expected before mid 2018 with end value >\$300 million.**

Perth, 12 August 2014: Western Australia's leading apartment development company, Finbar Group Limited (ASX: FRI) (**Finbar or the Company**) is pleased to announce further details of a joint venture which was originally announced on 23 July 2014 and will incorporate the acquisition and development of the iconic Civic Triangle site in South Perth.

The Civic Triangle site is a 7,206 square metre site currently owned by the City of South Perth (**City**) comprising nine separate lots bounded by Mends Street, Labouchere Road, and Mill Point Road, excluding the Post Office land.

The City has been acquiring the nine lots since 1986 with the strategic objective and vision of consolidating the lots to facilitate a vibrant mixed-use 'civic heart' development that incorporates retail, residential, commercial, and local public amenities at this prominent location.

The Civic Triangle site is within close proximity to public transport, the freeway network, riverfront pedestrian and cycle paths as well as the Mends Street jetty offering direct ferry services to the Perth Central Business District (**CBD**).

A Finbar led consortium comprising a select group of established Finbar joint venture partners has been selected by the City in a public tender process and has now concluded formal documentation to unconditionally acquire the site with settlement in 30 days.

Finbar's joint venture partners will acquire the site for \$27,310,000 from the City, with Finbar entering a land-owner development agreement with the partners to create an iconic development on the land.

The land owner partners will contribute \$40 million in equity to fund the acquisition of the land, unencumbered, and provide for additional working capital. Finbar, through a wholly owned subsidiary, will contribute an additional \$20 million in cash equity for additional working capital, securing development finance and carrying out the redevelopment of the site. Finbar and the land owners will share equally in the development profit with Finbar also earning a management fee.

Finbar's initial design concept and project vision begins with a substantial retail precinct comprising a national chain supermarket anchoring specialty stores and food tenancies boarded by a high amenity public forecourt plaza fronting Mends Street which will create a new South Perth civic heart. It is proposed the former police station heritage building will be refurbished into a café tapas venue providing further activation of the precinct.

Contained within the structure will be the opportunity to develop a commercial office as well as a proposed child care centre, commercial gym and fitness facility, assisting in the provision of a much needed South Perth office facility and additional amenities to South Perth residents.

Nestled above the civic heart will be South Perth's most impressive residential location, where it is proposed a 30 level elliptical apartment structure will be created, providing an iconic entry statement and reference point to South Perth with truly panoramic views including Perth City to the north for the occupants of approximately 295 residential apartments.

Finbar has already commenced detailed design on the project in order to submit the proposed project for approval by calendar year end with the view to complete construction of the project before mid 2018 and in line with its contracted commitments with the City. It is expected that the end project value will exceed \$300 million which will be Finbar's largest individual single stage project to date.

Finbar Managing Director Darren Pateman said today, "We have acquired what will become Finbar's most exciting individual single stage project to date and our partners and entire Finbar team are very enthusiastic about creating South Perth's new civic heart. I attended kindergarten on this land, so I will personally be very excited to 'turn the sod' once again when we start construction work on this iconic development, albeit with a full scale excavator this time."

"Given that Finbar commenced its development life in South Perth and has conducted many projects there, we recognise the need for our proposed project and acknowledge and respect the responsibility that the City of South Perth and the local community are placing on Finbar and our partners to deliver an outstanding mixed use opportunity. With a much needed retail, food, and supermarket precinct nestled below, we believe residents will have one of the most attractive apartment locations and spectacular views in WA."

The Civic Triangle project has been concluded following a very successful year for Finbar with the Company recently upgrading its guidance to announce it is forecasting to achieve a record net profit after tax of approximately \$36 million with \$61 million in cash on the balance sheet for the financial year ended 30 June 2014.



Above: Mends Street Frontage Conceptual View



Above: Site Location



Above: Residential Tower Concept

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To register your interest in this project, please visit www.civictriangle.com.au

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.