

ASX STATEMENT & MEDIA RELEASE

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CARDNO ACQUIRES GEOTECHNICAL ENGINEERING AND TESTING COMPANY

International infrastructure services group, Cardno Limited (ASX: CDD) today announced the acquisition of Roadtest, a 60 person construction materials testing and geotechnical engineering firm based in Central Queensland.

Roadtest services the Central Queensland market with offices in Rockhampton, Emerald, Gladstone, and the Whitsundays and will strengthen the Cardno Bowler Division by expanding the range of services which can be provided to its clients and increasing resources to match rapidly increasing demand for construction materials testing and geotechnical services in Central Queensland.

The acquisition is expected to contribute approximately \$8 million in revenue and \$3.5 million in EBIT in FY12. Cardno will pay \$11.7 million to acquire Roadtest. The acquisition is earnings per share accretive in FY12.

The Managing Director of Cardno, Andrew Buckley said, "Roadtest is a highly strategic partner to help continue the growth of our construction materials testing and geotechnical engineering capabilities across Australia and internationally".

"Acquiring Roadtest increases our exposure to the work flowing from the extensive gas and coal developments under way or proposed in Central Queensland", he added. Roadtest is undertaking work on the Gladstone LNG plant on Curtis Island and is also working on the expansion of the Curragh North Coal mine.

Roadtest has developed a strong client base since commencing operations in 1985 including major civil contractors, councils, state road authorities and resource companies.

Bill Ouston, Managing Director and founder of Roadtest, said the acquisition by Cardno will enable Roadtest to take more advantage of the major opportunities which are emerging as a result of the significant investment in resource development projects in Queensland and elsewhere.

The acquisition will be funded by an approximate mix of 75% cash and 25% shares. Around 519,000 shares will be issued at a price of \$5.66. The cash component will be funded from available cash reserves.

Mr Buckley said that Cardno's balance sheet remains strong following the acquisition and the company continues to focus on its strategy to grow organically and by further acquisitions.

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About Cardno: Cardno is an integrated professional services provider, locally delivering the specialist advice necessary to create or improve the physical and social infrastructure that underpins communities around the world. Cardno's team comprises leading advisers who plan, design, manage and deliver sustainable projects or community programs. Cardno is an international company, listed on the Australian Securities Exchange [ASX: CDD]. www.cardno.com