

ASX STATEMENT & MEDIA RELEASE

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CARDNO ACQUIRES PERTH BASED MINING SERVICES COMPANY

International infrastructure services group, Cardno Limited (ASX: CDD), which recently forecast another record profit for the 2011 financial year, today announced the acquisition of BEC Engineering (BEC), a 100 person electrical engineering firm based in Perth with additional offices in Brisbane and Tanzania.

BEC provides electrical engineering services primarily to the resources sector ranging from feasibility studies through project design, to construction, commissioning and operations.

BEC has a proven capability across all aspects of electrical design, instrumentation, power systems, power generation/transmission and distribution, control and communications systems with an expert team of engineers, technicians, programmers, draftspersons and site support staff.

The acquisition is expected to contribute approximately \$35 million in revenue and \$9 million in EBIT in FY12. Cardno will pay \$45 million to acquire BEC including an earn-out of up to \$1 million. The acquisition is earnings per share accretive in FY12.

The Managing Director of Cardno, Andrew Buckley said, "BEC brings to Cardno specialised electrical engineering expertise in the mining and resources sector, an area into which we have been planning to expand for some time. BEC specialist services will also provide opportunities for further growth through cross selling with our other businesses".

"BEC's focus on the resources sector gives Cardno greater exposure to a market that has significant growth potential over the next few years", he added.

In its 15 year history, BEC has developed a solid client base, working with major clients who include BHP Billiton, Rio Tinto, Mineral Deposits, Newcrest, Fortescue Metals Group, Barrick Gold, Outotec, and Regis. BEC has carried out project work throughout Australia, Asia, Africa, Europe and North & South America primarily in mineral processing plants including gold, copper, and iron ore.

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

The acquisition will be funded by an approximate mix of 75% cash and 25% shares. Around 2,038,000 shares will be issued at a price of \$5.52. The cash component will be funded from available cash and existing debt facilities with HSBC Australia.

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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For further information please contact:

Mr Andrew Buckley
Managing Director
Ph: +61 (0)7 3369 9822
Mobile: +61 (0)412 059 526

Mr Jeff Forbes
Chief Financial Officer
Ph: +61 (0)7 3369 9822
Mobile: +61 (0)408 756 790

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