

3 March 2008

Dear Noteholder,

Cardno Limited released its December 2007 half-year results to the Australian Securities Exchange on 19 February 2008, and subsequently announced the acquisition of Bowler Geotechnical.

Revenues for the half-year were \$195.8 million compared with revenues of \$111.1 million (up 76.2%) for the December 2006 half-year. Net profit after tax for the half-year was \$11.9 million compared with \$8.3 million (up 43.8%) for the December 2006 half-year.

The Board has resolved to pay an interim fully franked dividend of 13.0 cents per share, 30% higher than for the same period last year. The dividend will be paid on 28 March 2008 to all shareholders registered on 14 March 2008.

On 22 February 2008, Cardno announced that it had signed an agreement to acquire Bowler Geotechnical, a geotechnical engineering and materials testing business. The addition of Bowler Geotechnical will enhance Cardno's existing Australian-based engineering and physical infrastructure services.

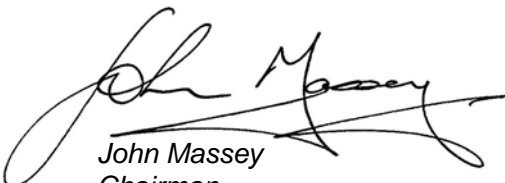
Established in 1990, Bowler Geotechnical has a strong reputation for work in the construction and urban development sector providing services for more than 10,000 projects.

To comply with ASX Listing Rule 7.1, an Extraordinary General Meeting (EGM) will be held on Wednesday, 2 April, 2008 to approve the issue of shares in relation to the acquisition of Bowler Geotechnical.

The outlook for Cardno remains bright as we continue to have good prospects for expanding the business through both organic growth and acquisitions.

We have enclosed for your interest copies of the media releases in relation to the December 2007 financial results and the acquisition of Bowler Geotechnical. Full details of the results can be obtained from the ASX website or www.cardno.com.

Yours faithfully



John Massey
Chairman
Cardno Limited

Cardno Limited

ACN 108 112 303

5 Gardner Close
Milton Queensland 4064
PO Box 388 Toowong
Queensland 4066 Australia
Telephone: 07 3369 9822
Facsimile: 07 3369 9722
International: +61 7 3369 9822
cardno@cardno.com.au
www.cardno.com.au

Offices - Australia

Queensland

Brisbane
Cairns
Townsville
Mackay
Rockhampton
Bundaberg
Hervey Bay
Sunshine Coast
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