

**ACQUISITION EXPANDS CARDNO'S REPRESENTATION IN VICTORIA
AND QUEENSLAND**

Cardno Limited (ASX: CDD) has today announced the acquisition of Grogan Richards Consulting Engineers. Grogan Richards is a 110 person Melbourne headquartered civil, structural, hydraulic, traffic and transportation consulting engineering business. The acquisition further strengthens Cardno's growing national presence and in particular, focuses on growing Cardno's capabilities in Victoria. Grogan Richards also brings to the Group additional Brisbane based staff within their Queensland office.

The Grogan Richards addition increases Cardno's staff numbers to around 1600 consolidating Cardno's position as one of the largest professional services infrastructure consultancies in Australia.

The new Victorian firm, to be known as Cardno Grogan Richards, is expected to contribute around \$16 million per year in turnover and be EPS positive.

Founded in 1979, Grogan Richards has been involved in many signature engineering projects in Australia, including the Queen Victoria Centre for the Grollo Group, Waterfront City within Melbourne's Docklands for ING, several shopping centre projects for The Westfield Group, the Queensland Investment Corporation, Colonial First State and Spotlight, and Sydney Airport Traffic Infrastructure Study, as well as large master planned developments such as the 2,300 lot development Lakeside Pakenham for Delfin Lend Lease.

Grogan Richards' client base includes builders, developers, shopping centre owners and managers, local government, government departments, architects, manufacturers, retailers, town planners and the legal profession.

Cardno Limited Managing Director Andrew Buckley said the acquisition will significantly increase Cardno's presence in the Victorian market and allow the Company to continue to grow its business.

"With the addition of Grogan Richards, Cardno will have much stronger representation in the Victorian marketplace – boosting engineering staff numbers and providing increased capability to serve Victorian clients needs. This will allow Cardno to offer more services to our existing client base. Likewise Grogan Richards' clients will be able to benefit from accessing the resources of a global business," said Mr. Buckley.

"To acknowledge the importance of the union and the Victorian marketplace, Cardno will establish a separate Victorian Division," said Mr. Buckley.

"We are glad to be partnering with a business like Cardno," said Steve Richards, Managing Director of Grogan Richards and Division Manager of Cardno's new Victorian Division.

Mr. Richards said that Cardno had a sound reputation for technical excellence and developed long term partnering relationships with clients.

“That’s also our business philosophy, so the Cardno Grogan Richards union brings two businesses with similar philosophies together,” he said.

The acquisition will be funded by a mix of cash and shares and key Grogan Richards staff will become shareholders in Cardno Limited and remain active in the company.

ENDS

For further information:
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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. Our team comprises leading advisers who plan, design, manage and deliver sustainable projects or community programs. We are an international company, listed on the Australian Stock Exchange [ASX: CDD].
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