

CARDNO'S ACQUISITION STRENGTHENS WEST AUSTRALIAN POSITION

Cardno Limited (ASX: CDD) has today announced the acquisition of Perth based land development firm, Gilbert Rose Consulting, to further strengthen its presence in Western Australia. The acquisition will enhance Cardno's capability in Western Australia's burgeoning land development market.

The new firm, to be known as Cardno Gilbert Rose, is expected to contribute around \$2 million per year in turnover and be EPS positive.

Gilbert Rose has provided land development engineering services to a number of major land developers including Urban Pacific and Stockland. Since starting operations in 1996, Gilbert Rose has developed an enviable reputation in the industry. Gilbert Rose is best known for its work on large developments such as Somerly (1200 lots), Landsdale Gardens (1800 lots), Settlers Hill (2300 lots) and in Perth's emerging suburb of Byford.

Cardno Limited Managing Director Andrew Buckley said the resources boom in Western Australia is continuing to fuel population growth and demand for new housing.

"In WA the land development market is extremely buoyant. It's an opportune time to expand Cardno's presence. Additionally the overall demand for engineering services in Western Australia is very high so the Gilbert Rose acquisition will only strengthen our presence and capacity to satisfy demand," said Mr Buckley.

Gilbert Rose will team with Cardno's existing West Australian business, Cardno BSD. The combined resources of Gilbert Rose and Cardno BSD will form one of the largest and most experienced land development teams in the state.

"The Cardno and Gilbert Rose union will be a winner for clients," said Mr John King, Manager of Cardno's West Australian Division.

"Clients will be able to tap into the resources and experience of both businesses. Additionally many of the key staff have worked on projects together. So we already have an existing relationship," said Mr King.

Cardno BSD and Cardno Gilbert Rose will offer clients expanded land development engineering services as well as town planning, environmental services, traffic and transport planning and civil engineering. Both firms will be backed by the worldwide resources of the Cardno group.

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

ENDS

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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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