

ASX MARKET & MEDIA ANNOUNCEMENT

13 April 2018

\$31 MILLION PLACEMENT

Perth, 13 April 2018: Western Australia's leading apartment developer Finbar Group Limited (ASX: FRI) (**Finbar** or **the Company**) is pleased to announce that it has successfully completed a capital raising of \$31 million by way of a placement to professional and sophisticated investors, and is inviting existing shareholders to participate in a Share Purchase Plan (SPP) to raise up to an additional \$5 million.

Share Placement

The Company has successfully received binding commitments in relation to the placement of 33,333,334 new shares to professional and sophisticated investors at \$0.93 per share to raise \$31 million before costs (Placement).

The oversubscribed Placement was not underwritten and has been strongly supported by both existing and new investors.

The Placement was conducted within the discretionary capacity of the Board in accordance with ASX Listing Rule 7.1 and will be settled in one tranche, with settlement expected to occur on Friday 20 April 2018.

Share Purchase Plan (SPP)

The Company is also pleased to provide an opportunity to its existing shareholders to participate in the equity raising by undertaking a SPP at \$0.93 per share, being the same issue price as the Placement, up to a maximum of \$5 million in total.

The SPP will provide eligible shareholders with the opportunity to subscribe for up to \$15,000 of ordinary shares without incurring brokerage commission or other transaction costs.

Eligible shareholders will include those shareholders who were registered holders of Finbar shares at 5:00pm (WST) on Thursday 12 April 2018 (the SPP Record Date) with a registered business address in Australia or New Zealand who are not acting for the account or benefit of U.S. persons.

Full details of the SPP and timetable will be set out in the SPP Offer Document to be forwarded to members in due course.

The Board reserves the right to close the offer early. The timetable below is indicative only and Finbar may, at its discretion, vary the dates by lodging a revised timetable with the ASX.

Share Purchase Plan indicative timetable:

Event	Date
SPP Eligibility Record Date	12 April 2018
Dispatch of SPP Offer Document	26 April 2018
Opening Date	26 April 2018
Closing Date	15 May 2018
Allotment of SPP Shares	21 May 2018
Commencement of Trading of SPP Shares (subject to ASX confirmation)	22 May 2018

Use of Funds

The net proceeds from the raising will bring forward the start of construction of the three-stage \$350 million Canning Bridge project in Applecross and will enable construction of the two-stage \$108 million Palmyra Apartments Estate project to commence immediately.

The Company is currently negotiating the acquisition of a new inner-city project opportunity which, if successfully secured, will provide a further boost to the core area of activity and refresh the \$1.85 billion development pipeline.

Importantly, the capital raising bolsters an already strong balance sheet placing the Company in a position of strength at the commencement of the next market cycle where shareholders will benefit from the opportunities resulting from an established business operating in markets in which the Company has extensive experience and comprehensive understanding.

Other

As a result of this announcement, Finbar will resume trading on the ASX today.

Euroz Securities acted as the Lead Manager and Bookrunner to the offer and Bell Potter Securities in Melbourne acted as a co-broker for the offer.

Finbar's Managing Director, Darren Pateman commented, "We are very appreciative of the support from existing long-term shareholders, some of which have held shares in Finbar for more than a decade which displays a continued confidence in our business. We also welcome new shareholders who have joined Finbar as partners at a very exciting stage in the market cycle."

"We are delighted with the result of the capital raising which will improve our register and overall share liquidity with increased institutional support. We are also pleased to be able to provide existing shareholders with an opportunity to further participate in the growth of the Company through the Share Purchase Plan," Mr Pateman said.

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For further information, please visit www.finbar.com.au or contact:

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Finbar Group Limited, its controlled entities and its jointly controlled entities, is a property development company whose core business lies in the development of medium to high density residential apartments and commercial property within the Perth Metropolitan Area and the Pilbara within the State of Western Australia.