



Marbletrend Group Limited
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7 August 2012

The Manager
Company Announcements Office
Australian Securities Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

COMPLETION OF ACQUISITION

Dear Sir/Madam

The Board of Marbletrend Group Limited (**ASX:MBD**) (**Marbletrend**) is pleased to advise that it has, today, completed the acquisition referred to in its previous ASX Announcement of 21 May 2012.

The acquisition comprises cash consideration of \$2.0 million to acquire a 50% shareholding in Citywide Holdings Pty Ltd (**Citywide Holdings**) which controls the operations of the Citywide Cement and Citywide Garden Supplies. These businesses operate from Lorimer Street, Port Melbourne, located very close to the Melbourne CBD.

Consistent with Marbletrend's strategic focus, this investment further develops Marbletrend's building products focus and enhances the access to commercial construction for the full range of Marbletrend products.

The acquisition is funded with bank debt and Marbletrend expects that this investment will be earnings accretive in FY13 and that the Concrete Plant will be operative by December 2012.

The acquisition by Marbletrend is a joint venture with the existing proprietors of Roxburgh Park Garden Supplies (**Vendors**) - currently one of Melbourne's largest suppliers of bagged cement and who also operate a concrete plant in Roxburgh Park (north of Melbourne).

The Vendors shall manage and contribute the following to the operational requirements of Citywide Cement and Citywide Garden Supplies:

- building supplies and concrete manufacture and supply, industry knowhow and operational capability;
- day-to-day management, oversight and project management in relation to the construction, acceptance testing and commissioning of the Concrete Plant; and
- management of the day-to-day operations of the businesses including occupational health and safety, operational risk mitigation, marketing and sales.

The acquisition comprises:

- \$1,750,000 being subscribed for shares to be allotted by Citywide Holdings;

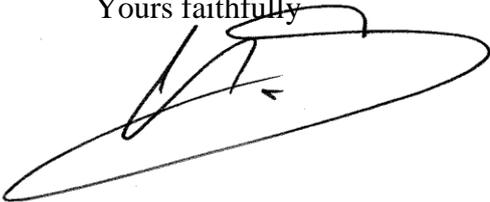
- \$250,000 being paid to the Vendors of shares in Citywide Holdings; and
- An earn out of \$500,000 is payable to the Vendors in the event that the combined EBIT of Citywide Cement and Citywide Garden Supplies **exceeds \$200,000 per month** for a continuous 3 month period in the 27 months post settlement.

The funds subscribed into Citywide Holdings will be utilised to construct a Warehouse and Concrete Plant on the Lorimer Street Site pursuant to the existing Permit attaching to the premises, further develop the existing Garden Supplies business and provide additional working capital.

In accordance with the Permit, work has already begun in relation to the required footings and ground works and as a consequence the Permit has been formally activated.

Should you have any queries in relation to the above, please contact Hamish Giles at your earliest convenience.

Yours faithfully

A handwritten signature in black ink, appearing to be 'H. Giles', written over a large, light-colored oval shape that serves as a background or placeholder for the signature.

Hamish Giles
Chairman
Marbletrent Group Limited