

**ASX**

AUSTRALIAN SECURITIES EXCHANGE

MARKET RELEASE

17 December 2008

Costarella Design Limited**TRADING HALT**

The securities of Costarella Design Limited (the "Company") will be placed in pre-open at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in pre-open until the earlier of the commencement of normal trading on Friday, 19 December 2008 or when the announcement is released to the market.

Security Code: CLD
 CLDO

Jill Hewitt

Adviser Issuers (Perth)

COSTARELLA DESIGN LIMITED

17 December 2008

Attention Jill Hewitt
ASX Adviser
ASX Announcements Perth

By Fax: 9221 2020

Dear Jill

REQUEST FOR TRADING HALT

Costarella Design Limited ("the Company") hereby requests a trading halt of its securities and in response to Listing Rule 17.1 please note:

- The trading halt is requested because the Company has entered into a Memorandum of Understanding for the acquisition of another company;
- The Company anticipates that the trading halt may be lifted by the morning of the 19th December 2008;
- It is expected that the event that will happen that will lift the trading halt will be the announcement that the Company proposes to make in respect of the Memorandum; and
- The Company is not aware of any reason why the trading halt should not be granted.

Yours faithfully


Peter Caughey
Company Secretary