

ASX Statement & Media Release

2 December 2015

CARDNO SUCCESSFULLY COMPLETES INSTITUTIONAL ENTITLEMENT OFFER

Cardno Limited (**Cardno** or **Company**) today announced the successful completion of the institutional component of its fully underwritten 1 for 2.175 pro-rata accelerated non-renounceable entitlement offer (**Entitlement Offer**). Key highlights:

- > **Institutional component of the Entitlement Offer (Institutional Entitlement Offer) successfully completed raising approximately A\$50 million**
- > **Institutional Entitlement Offer had strong support from Cardno shareholders, with approximately 98% of entitlements available to eligible institutional shareholders taken up**
- > **Institutional Entitlement Offer shortfall bookbuild attracted strong demand from both existing Cardno shareholders and other institutional investors**
- > **Eligible retail shareholders will be invited to participate in the retail component of the Entitlement Offer (Retail Entitlement Offer) at the same offer price and offer ratio as the Institutional Entitlement Offer**
- > **Retail Entitlement Offer will open on Monday, 7 December 2015 and close at 5:00pm (Sydney time) on Wednesday, 16 December 2015**

Closing of the Institutional Entitlement Offer represents completion of the first stage of Cardno's approximately A\$78 million equity raising, announced on Monday, 30 November 2015. The proceeds from the Entitlement Offer will be initially retained as cash on the balance sheet to reduce Cardno's net debt¹ and improve the financial flexibility of the Company.

Cardno's Chairman, Mr John Marlay said: "The offer attracted strong demand from Cardno's institutional shareholders who took up approximately 98% of the new shares available to them under the offer.

"The success of the institutional component of the equity raising demonstrates strong support for the Company and confidence in its ability to deliver on the Strategic Review actions previously identified, including getting the financial house in order, and to restore long term value for shareholders," said Mr Marlay.

Settlement of the Institutional Entitlement Offer is expected to take place on Tuesday, 8 December 2015, with the new Cardno shares to commence trading on the ASX on Wednesday, 9 December 2015.

Retail Entitlement Offer

The Retail Entitlement Offer will open on Monday, 7 December 2015 and close at 5:00pm (Sydney time) on Wednesday, 16 December 2015. The Retail Entitlement Offer is expected to raise an additional approximately A\$28 million.

¹ Net debt means total loans and borrowings less cash and cash equivalents.

Please refer to the ASX announcement released on Monday, 30 November 2015 for other key information and dates regarding the Retail Entitlement Offer. Further information about the Retail Entitlement Offer will be contained in the Retail Offer Booklet, which will be lodged with ASX on Monday, 7 December 2015. The Retail Offer Booklet will also be mailed to eligible retail shareholders, together with the personalised Entitlement and Acceptance Forms, on or around Monday, 7 December 2015.

Shareholder enquiries

Retail shareholders who have any questions about the Retail Entitlement Offer should consult with their broker, legal, financial or other professional adviser. Retail shareholders can also call the Cardno Entitlement Offer Information Line on 1300 782 048 within Australia or +61 3 9415 4100 outside Australia from 8:30am to 5:00pm (Sydney time) Monday to Friday.

– ENDS –

Important Notices

Important information and disclaimer

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action on the basis of the information.

This announcement has been prepared by Cardno Limited (ACN 108 112 303). No other party other than Cardno has authorised or caused the issue, lodgement, submission, despatch or provision of this announcement, or takes responsibility for, or makes or purports to make any statement, representations or undertakings in this announcement.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This announcement nor any other documents relating to the offer of Entitlements or new shares may not be released or distributed in the United States.

This announcement does not constitute an offer to sell, or solicitation of an offer to buy, any securities in the United States. Neither the Entitlements nor the new shares to be offered or sold in the Entitlement Offer have been, or will be, registered under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**) or under the securities law of any state or other jurisdiction of the United States.

Accordingly, the Entitlements and the new shares may not be offered or sold, directly or indirectly, in the United States, unless they have been registered under the U.S. Securities Act, or are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

NOTICE FOR NOMINEES

Due to legal restrictions, you must not send copies of this announcement or any materials relating to the Entitlement Offer to any of your clients (or any other person) in the United States, and on whose behalf you are the registered owners of shares. Failure to comply with these restrictions may result in violations of applicable securities laws.

For all media enquiries please contact:

Ian Brown, FIRST Advisers, M: +61 418 466 129

About Cardno: Cardno is an ASX200 professional infrastructure and environmental services company, with specialist expertise in the development and improvement of physical and social infrastructure for communities around the world. Cardno's team includes leading professionals who plan, design, manage and deliver sustainable projects and community programs. Cardno is an international company, listed on the Australian Securities Exchange [ASX: CDD]. www.cardno.com.