1 June 2011

TRAFALGAR CORPORATE GROUP
MARKET UPDATE

Listed property investment and development group Trafalgar Corporate Group (ASX:TGP) provides the following market update:

- Fujitsu Building, Brisbane – The Group has entered into a conditional contract for the sale of the building at a sale price of $22.75 million. The contract is conditional on completion of certain documentation requirements and is scheduled to settle on 31 July 2011.

- Rhodes - The remediation contractor, Thiess Services Pty Limited, has confirmed completion of the remediation process and as a result, has issued Site Audit Statements for the balance of the Rhodes site. The Rhodes joint venture will now commence the settlement process for Stages 3 and 5 which were pre-sold (the majority of sale proceeds amounting to $33.9 million are earmarked by the Rhodes joint venture for payment of the Thiess remediation costs) and also enable the joint venture to complete the conditions precedent for the sale of Stage 6, which is expected to settle late 2011. The Rhodes joint venture continues to negotiate the sale of the two remaining sites with potential buyers.

- Further Distribution – The Trafalgar Corporate Group Board has determined that a further tax deferred distribution of 7 cents per security will be made prior to the end of June 2011. A separate announcement will be made in this regard. Additional distributions will be considered once the Rhodes Stages 3 and 5 and the Fujitsu Building settle.

Trafalgar's CEO, Braith Williams, said "it is pleasing to achieve a sale of the Fujitsu Building in a challenging market and to reach the key milestone of completion of the Rhodes remediation. A further update will be provided as material progress is made in relation to asset sales."

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