

1 July 2011

**TRAFALGAR CORPORATE GROUP
MARKET UPDATE**

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

- **Rhodes** - The Rhodes joint venture has completed the sale of Stages 3 and 5, with the majority of the sale proceeds (\$33.9 million) utilised to meet the final remediation payment (\$31.8 million) to Thiess Services Pty Limited.

The final stage of the infrastructure works required to be undertaken will now commence following handover of the sites by Thiess Services Pty Limited as at 30 June 2011. The infrastructure works are scheduled to be completed by May 2012.

The Rhodes joint venture is continuing its negotiations with potential purchasers for the two remaining waterfront development sites.

- **Further Distribution** – The Trafalgar Corporate Group Board has determined that a further tax deferred distribution of 20 cents per security will be made prior to the end of July 2011. A separate announcement will be made in this regard. Additional distributions will be considered following settlement of the Fujitsu Building.

Trafalgar's CEO, Braith Williams, said "finalisation of the remediation payment to Thiess Services Pty Limited and settlement of Stages 3 and 5 are significant milestones in bringing the Rhodes project to finalisation. The Rhodes joint venture will now focus on completion of the infrastructure works and sale of the remaining two waterfront sites. A further update will be provided as material progress is made in relation to asset sales."

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