

METROLAND AUSTRALIA LIMITED

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ASX Announcement:

16/9/2009

The Australian Stock Exchange Office

Subject: **Joint Venture & Acquisition of Property**

Metroland Australia Limited ("Metroland") wishes to advise that its wholly owned subsidiary Metroland Funds Management Pty Ltd ("MFM") acting as Trustee for Metroland Development Fund ("MDF") has entered into Heads of Agreement with Ausbao (NSW) Pty Ltd ("Ausbao") and Heng Ji Australia Investment Pty Ltd ("HJI") to acquire the Land at 61-79 Quay Street, Haymarket for a consideration of \$38.38 million for development due for settlement in November 2009.

61-79 Quay Street is of:

- Land size of 3,180 sq.m;
- Located in Sydney CBD South;
- With street frontages of Ultimo Road, Quay Street and Thomas Street;
- Achievable development floor space of 27,000 sq.m

Heads of Agreement provides for the following:

- the establishing of a unit trust called Metro Plaza Central Unit Trust with Ausbao having 51% interest, MFM 25% and HJI 24%.
- a joint management company with Ausbao will be set up to act as the development manager for the development.

Ausbao (NSW) Pty Ltd is a wholly owned subsidiary of Beijing Capital Development Holding (Group) Co.Ltd ("BCDH") which is the largest developer in Beijing and the fourth largest in China. One of their subsidiary companies, Beijing Capital Development Co.Ltd, is listed on the Shanghai Stock Exchange with a market capitalization of AU\$4 billion as of September 2009.

Yours faithfully



Frank Shien
Chairman
Metroland Australia Limited

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