

ASX Announcement

6 August 2012

Withdrawal of takeover bid by Mariner / announcement of on-market share buy-back

Austock Group Limited (ASX:ACK) notes the announcement by Mariner Corporation Limited (ASX:MCX) on 24 July 2012 that it has withdrawn its proposed takeover bid for Austock.

Austock will now move ahead with seeking shareholder approval to the sale of its property funds management business to Folkestone Limited. A meeting of shareholders will be held on Wednesday, 12 September 2012 at 10.30 a.m. at Austock's registered office. Austock expects to issue and dispatch the Notice of Meeting to shareholders this week.

Austock is also pleased to announce its intention to undertake an on-market share buy-back of up to 27 million fully paid ordinary shares in the Company, representing approximately 20% of its total shares on issue.

Commenting on the proposal, Austock's Chief Executive Officer, Mr Bill Bessemer, said "Directors are focused on ensuring that the price of the Company's shares reflects the underlying value of its various activities and capabilities. Accordingly, Directors have decided to undertake an on-market share buy-back. This will provide liquidity for those shareholders that may wish to sell down their holding in Austock and will provide Directors with an important instrument for capital management."

The buy-back is subject to completion of the sale of the property funds management business to Folkestone and shareholder approval, which will be sought at the general meeting on 12 September 2012. Further information regarding the proposed buy-back will be provided in the Notice of Meeting.

Austock has appointed BBY Limited to act on its behalf in relation to the buy-back. The Company will cancel all shares that are bought back and reserves the right to suspend or terminate the share buy-back at any time and to buy back less than 27 million shares.

For further information please contact:

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