

Folkestone

ASX ANNOUNCEMENT

7 August 2012

FOLKESTONE AND AUSTOCK AGREE TO REDUCE \$500,000 BREAK FEE

The recently announced Share Sale Agreement between Austock Group Limited (ASX:ACK) and Folkestone Limited (ASX:FLK) requires a break fee to be paid by ACK to FLK in certain circumstances. Generally this was capped at \$250,000 but in limited circumstances it increased to \$500,000.

Austock and Folkestone have agreed, and Folkestone has given an undertaking to the Takeovers Panel, to the effect that the maximum break fee under the Share Sale Agreement will be capped at \$250,000 in all circumstances.

For further information regarding this announcement please contact:

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About Folkestone

Folkestone (ASX:FLK) is an ASX listed real estate investment, development and funds management company. Folkestone's on balance sheet activities focus on value-add and opportunistic real estate investments and its funds management platform offers funds to private clients, high net worth individuals and select institutional investors.