



JULY 2015

PROJECT UPDATE.

As previously advised, there has currently been an unexpected delay in demolishing the existing building to allow construction of Tower Melbourne.

Understandably, this delay has caused frustration for many of our purchasers. As the developers, CEL Australia shares the same frustration and only wishes to be able to carry on with the construction and delivery of what will be a great building.

To instil confidence in Tower Melbourne, this update will endeavour to provide a further clarification and insight on the current status of the project.

The delay we are experiencing, is the result of the owner of a neighbouring building, who, has raised objections in regard to the proposed protection works for their building.

Since the start of the delay, the adjoining owner has appealed against our demolition protection work, they have also applied to have our planning permit cancelled or varied and have brought several actions against our project and the responsible building surveyor in the Supreme Court.

However, while we are not at an end to this process, we have seen some recent progress that will result in the removal of some of the actions taken by the adjoining owner. This progress includes dismissal of their application to cancel our planning permit.

While we are not yet able to provide a confirmed date, we hope that we are close to achieving the required authority approvals and permits to allow the next stage of demolition works to recommence.

If there is a positive note arising from this delay, it is that while the project has been delayed, the residential apartment market has continued its buoyant strength. Since the initial sale of our Tower Melbourne apartments, sale prices of new apartments in Melbourne have continued to rise. With anticipation this upward trend will sustain, Tower Melbourne will no doubt be an iconic contribution to the property market, as well as the city skyline.

With an optimistic outlook, we reiterate our continued commitment to Tower Melbourne, and again thank you for your continued patience and understanding in this matter.

