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Dear Sir/Madam

DEXUS Property Group (ASX: DXS) 1 Bligh Street - Sydney's first high rise office tower to incorporate blackwater technology

DEXUS Funds Management Limited, as responsible entity for DEXUS Property Group (DXS), provides up update on the development at 1 Bligh Street, Sydney.

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Yours sincerely



Tanya Cox
Company Secretary

1 Bligh Street - Sydney's first high rise office tower to incorporate blackwater technology

DEXUS and co-owners DWPF and Cbus Property announced that NSW Water Minister, Phil Costa today awarded the first combined private network and retailer's water recycling licence to the 1 Bligh St development, making it Sydney CBD's first high rise commercial office tower to incorporate blackwater recycling technology.

Minister Costa said construction is under way on a recycled treatment plant in the basement of the new development to treat waste water for use in the building's toilets and cooling towers.

"This licence is the first of its kind to be granted to a Sydney high rise and will save 100,000 litres of precious drinking water a day," Minister Costa said.

"This licence, granted under the *Water Industry Competition Act 2006* is part of a NSW Government strategy to secure Sydney's drinking water by attracting private investment in recycled water projects."

Under the project:

- Wastewater is mined from the nearby sewer main and the base building
- Wastewater will then be treated to the highest standards approved by NSW Health at the recycled water plant in the basement
- Water is then distributed around the building for non-drinking purposes, with 75,000 litres used for cooling towers and 25,000 litres will be used for flushing toilets.

"Recycling is an important part of our *Metropolitan Water Plan* to secure Sydney's drinking supplies, along with key initiatives including desalination, water efficiency, and dam upgrades," Minister Costa said.

"It is vital we attract private investment into water recycling to ensure we meet our target of recycling 12 per cent of Sydney's water needs by 2015.

"This project will reduce the volume of wastewater being pumped to Bondi and entering the ocean."

The 1 Bligh Street development is co-owned by DEXUS, DEXUS Wholesale Property Fund and Cbus, and being built by Grocon. Aquacell will build and operate the recycled water infrastructure.

Aquacell CEO Colin Fisher said the granting of the licence is an important part of a sustainable future for NSW. "Recycled water schemes like this will ease pressure on water, energy and land as our population increases - this legislation ensures ongoing management is robust and a level playing field is achieved. Only organisations that meet the highest standards can be issued a licence which streamlines the approval process for future schemes. We are really honoured to be the first company to be granted the licence.

We plan to add other sites in NSW to our licence, which will open the way for developers to access private sewer and recycled water schemes where they are urgently needed."

DEXUS CEO, Victor Hoog Antink said: "Consistent with the co-owners commitment to sustainability. 1 Bligh Street has been designed to be the next generation in high performing sustainable office space, incorporating world leading technology and design innovation. We are delighted to be

Media release

announcing today another key milestone in 1 Bligh Street's development with the awarding of the new blackwater recycling licence; a first for Sydney and the first high rise office building in the CBD to incorporate this leading technology".

Grocon CEO, Daniel Grollo said the company's core value of sustainability was being embraced with the incorporation of blackwater sewer mining on 1 Bligh St. "Water is a precious resource and its preservation is being achieved through the use of this system. This system provides 100% recycled water for toilet flushing, as well as 90% of cooling tower makeup water - thus demand on the water infrastructure is drastically minimised. It has been great to work with DEXUS/Cbus Property and Aquacell on this initiative."

NSW Minister Costa said the 1 Bligh St development will be opened in May 2011.

"We have some of the largest recycled water projects in Australia under construction or online across greater Sydney and we are on track toward the Metropolitan Water Plan target of producing 70 billion litres a year by 2015," Minister Costa said.

"Water efficient devices such as taps, showerheads and washing machines, and Water Wise Rules will help save up to 24 per cent of Sydney's water needs by 2015.

Metropolitan Water Plan key initiatives include:

- \$119 million on deep water storage from Sydney's dams providing up to an extra 10 per cent, providing Sydney with 6 months supply in extreme drought;
- \$30.5 million has been spent on recycled water projects across greater Sydney towards the target of providing 12 per cent savings by 2015;
- \$1.9 billion on the Desalination Plant to provide up to 15 per cent; and
- \$26 million on almost 1 million rebates and offers helping to save up to 24 per cent by 2015 along with educational campaigns and our new Water Wise Rules.

- ENDS -

[High res images available on request](#)

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About 1 Bligh

1 Bligh Street is the next generation in high performing sustainable office space, jointly owned by DEXUS, DEXUS Wholesale Property Fund (DWPF) and Cbus Property. www.dexus.com/1bligh

1 Bligh Street team

DEXUS is one of Australia's leading property groups specialising in world-class office, industrial and retail properties with total assets under management of \$13 billion. In Australia, DEXUS is the number 1 owner/manager of office, number 3 in industrial and, on behalf of third party clients, a leading manager and developer of shopping centres.

DEXUS is committed to being a market leader in Corporate Responsibility and Sustainability and has been recognised for the second year running as one of the Global 100 Most Sustainable Corporations at the World Economic Forum in Davos.

DWPF is an open-ended, unlisted, diversified property trust managed by DEXUS Property Group. DWPF is one of the largest unlisted wholesale property funds in Australia with more than A\$2.8 billion of funds under management as at 31 December 2009. The Fund's objective is to provide wholesale investors with a balanced return of capital growth and income over the medium to long-term.

www.dexus.com

Cbus Property with assets under management exceeding \$1.5 billion is a wholly owned subsidiary of Cbus, the national construction industry superannuation fund. Cbus Property has responsibility for the performance and management of Cbus' direct property investment and has extensive development experience. With a commitment to utilising our considerable experience in investment and delivery we will continue to provide a benchmark for both economical and environmental sustainability in property development. cbusproperty.com.au

Aquacell, based in NSW, is 100% Australian owned with recycled water operations in Australia and USA. For more information on Aquacell, visit aquacell.com.au

Grocon is Australia's largest privately owned development and construction company. The company was originally started as a concreting business by Daniel Grollo's grandfather, Luigi, in the late 1950's building suburban swimming pools and community facilities. Luigi's son, Bruno, turned the company into a development and construction giant in the 1980's and 1990's, building such iconic structures as Melbourne's Rialto Towers and in Sydney Governor Philip Tower for DEXUS Property Group and restoring the heritage GPO building at No.1 Martin Place in Sydney. grocon.com.au

Designed to the performance brief developed by DEXUS in 2006, **Architectus** in Australia and **Ingenhoven Architects** in Germany have teamed to create the design for an entirely new generation of Australian high-rise. architectus.com.au ingenhovenarchitects.com