



OAKS HOTELS & RESORTS

May 29, 2009

OAKS ACCEPTS NEW OFFER FOR FOUR PROPERTIES

On the 15 May 2009, Oaks Hotels & Resorts Limited (Oaks) announced that it had signed conditional contracts with Collections Enterprise Pty Ltd for the sale of four of the group's properties. This announcement unexpectedly generated additional interest in the portfolio listed for sale and as a result prompted a higher offer of \$18.5 million, on more beneficial terms from Tidal Swell Pty Ltd.

The independent directors of the Board decided to pursue this offer, and after negotiations with both parties, Collections Enterprises Pty Ltd agreed to rescind the original sale contract, thereby removing the requirement for shareholder approval. As part of the negotiations, Oaks has been engaged in a management contract and will continue to manage these properties, under the Oaks brand, on behalf of the purchaser.

The four properties included in the sale are Oaks Seaforth Resort, Alexandra Headland, Oaks Calypso Plaza Resort, Coolangatta, and Oaks Lexicon Apartments and Oaks 212 on Margaret Street, both in the Brisbane CBD.

ENDS

Further information:
Brett Pointon
Chief Executive Officer
Oaks Hotels & Resorts
Ph: (07) 5479 6922
www.theoaksgroup.com.au