



Taverner Hotel Group

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MEDIA RELEASE

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SALE OF TAVERNER HOTEL GROUP TO BRUANDWO

A syndicate of investors, led by Catalyst Investment Managers ('Catalyst') and Advent Management Group ('Advent'), today announced the sale of Taverner Hotel Group ('Taverner') to Bruandwo Pty Limited ('Bruandwo') for A\$380 million.

Founded in 1999, Taverner operates 33 leasehold gaming hotels and 2,000 electronic gaming machines in Victoria, South Australia and New South Wales.

Bruandwo, a company jointly owned by Woolworths Limited and The Bruce Mathieson Group is Australia's largest gaming hotel operator.

Under the ownership of Catalyst and co-investor, Advent Management Group, Taverner has grown from a portfolio of four hotels to 33 hotels. In the year to June 2005, Taverner generated revenues in excess of A\$200m.

Commenting on the transaction, Taverner CEO, Bob Taylor, said Catalyst and Advent had been outstanding supporters of the growth and development of Taverner.

"I would like to take this opportunity to thank all the Taverner staff, suppliers and shareholders for their contribution to building a high quality hotel business that offers significant further potential.

"Woolworths and The Mathieson Group are highly regarded across the industry. The shared experience and expertise of both parties means that the Taverner assets and people are in excellent hands, providing outstanding growth and career opportunities going forward."

Trent Peterson, Investment Director at Catalyst and Brian Ball, joint Managing Director of Advent, both Taverner Directors, commented: "The expansion of Taverner over the last four years is a terrific example of how strong management teams can create shareholder value through disciplined 'buy and build' strategies.

"Bob Taylor and his management team are to be congratulated for successfully integrating a diverse portfolio of hotels under a single brand, across multiple states, creating a leading, national pub operator. Both Catalyst and Advent are very pleased with the outcome."

The transaction is subject to normal commercial conditions.

Citigroup and UBS acted as joint financial advisers, and Freehills acted as legal adviser to the transaction.

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Further information:

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