8th October 2009

ASX ANNOUNCEMENT

The listed entertainment, hospitality and leisure operator Amalgamated Holdings Limited ("AHD") today announced it had entered into a contract for the acquisition of the hotel properties known as Rydges Gladstone and Rydges Townsville for a total purchase price of $34.2 million. The vendor for both properties is the Abacus Hospitality Fund.

Rydges Gladstone is a 95 room, 4-star hotel with associated conference facilities. Rydges Townsville is a 98 room, 4-star hotel with extensive conference facilities and additional retail tenancies. The purchase also includes management letting rights to 12 two-bedroom self contained apartments located near Rydges Townsville. Both hotel properties have been managed by Rydges Hotels Limited (a wholly owned subsidiary of AHD) since 2007.

In announcing the acquisition, the Managing Director of AHD, Mr David Seargeant commented: "the acquisition transfers two of the Group's managed properties into the owned portfolio and will ensure that the Group is able to benefit directly from the longer-term future growth prospects for both properties". Mr Seargeant added: "both properties are expected to continue to experience growth in demand from the mining sector".

AHD is the parent of the Rydges Hotel brand. Rydges currently operates 39 hotels throughout Australia and internationally in New Zealand, London and the Middle East.

For further information telephone 02 9373 6600:

Mr David Seargeant   Managing Director
Mr Greg Dean   Company Secretary