



GENERAL PROPERTY TRUST

General Property Trust ASX Announcement and Media Release

GPT TO ACQUIRE HAMILTON ISLAND RESORT

4 April 2003

GPT Management Limited (GPTML), as Responsible Entity for General Property Trust (GPT), today announced that it, in conjunction with Voyages Hotels & Resorts Pty Limited (Voyages), has entered into an agreement with Hamilton Island Limited (HAM) whereby HAM will propose to shareholders a Scheme of Arrangement under which Voyages will acquire all the shares in HAM. Immediately following this acquisition, GPT will acquire the leasehold of the Resort and lease the Resort to Voyages. This structure is similar to the ownership structure of GPT's Ayers Rock Resort. In addition, a special purpose company (SPC) owned jointly by GPT and Lend Lease will acquire the leasehold over all future residential development land and Dent Island.

The key assets of HAM include Hamilton Island, one of 74 tropical islands located in the Whitsundays between the coast of Queensland and the World Heritage Listed Great Barrier Reef, and Dent Island, an undeveloped island located one kilometre from Hamilton Island. Hamilton Island represents a large scale integrated tourist resort and residential community with four key businesses – resort operations, airport operations, land sales and Hamilton Island Services (which operates the infrastructure situated on the Island).

Under the Scheme, Voyages will offer HAM shareholders a cash price of \$2.30 per share. This price, which is based on HAM's 30 June 2002 balance sheet, will be adjusted for any positive or negative movements in the net tangible assets to the date of completion. The estimated total price range per share is \$2.36 - \$2.41, although the price is subject to variation through the adjustment process and timing of completion. HAM has 45.018 million shares on issue, thereby equating to an estimated payment of between \$106.2 million and \$108.5 million. Voyages will also assume HAM's debt (estimated to be approximately \$60 million at completion). It is intended this debt will be repaid by Voyages on completion. Whilst the split of asset values between Voyages, GPT and the SPC will be determined at completion, it is anticipated that the cost to GPT will be \$163 to \$168 million, subject to the adjustment process and timing of completion.

GPT intends to debt fund its investment in Hamilton Island through existing lines of credit.

GPT's expected initial yield on its investment in the resort is 10 - 11%.

The Board of HAM has informed GPTML that the independent directors intend, subject to the findings of the Independent Expert, to recommend the Scheme in the absence of a superior offer.

Michael O'Brien, Fund Manager of GPT said: "We are delighted that the Board of HAM is to recommend the offer to its shareholders.

"The offer represents an opportunity for HAM shareholders to realise value for their investment in a security which has limited liquidity. At the same time, the offer locks in a price that represents a significant premium to the average weighted market price prior to HAM's announcement of its strategic review.

"The acquisition is positive for GPT's investors, as it provides an opportunity to expand the Trust's Hotel/Tourism Portfolio in line with its strategy of acquiring assets which have a strong competitive advantage in markets where there are barriers to entry and which can provide growth in distributions for investors.

"Importantly, Hamilton Island has a number of similarities and synergies with GPT's Ayers Rock Resort – both are proximate to major tourism destinations – Uluru in the case of Ayers Rock and the Whitsundays and the Great Barrier Reef in the case of Hamilton Island – and both assets feature a wide range of tours/activities, accommodation types, food and beverage and retail facilities. In addition, both assets include an airport, which is a key transport node for visitors to the area.

"The opportunity to be involved in developing the remaining residential land available on Hamilton Island is also attractive to GPT, as it provides the second residential development project to be undertaken in conjunction with Lend Lease," Mr O'Brien said.

Bruce Morris, GPT's Hotel/Tourism Portfolio Manager said that Hamilton Island represented a unique and high quality resort located in one of Australia's prime tourism destinations.

"Acquiring Hamilton Island provides us with an opportunity to leverage the established and successful model we have built with Ayers Rock Resort. Voyages, the lessee of Ayers Rock Resort, will lease and operate the Resort, building on its strong capabilities and utilising its extensive marketing network. The improved purchasing power, the opportunity to remove the costs associated with the current listed structure and the operating synergies available represent an opportunity to reduce operating costs.

"This acquisition increases our exposure to major tourism assets in Australia and gives us the ability to drive stronger visitation to both assets by packaging two great Australian tourism experiences – the Reef and the Rock," Mr Morris said.

Hamilton's market mix is predominantly domestic tourism (68%), although international demand is growing quickly. At Ayers Rock Resort only 30% of guests are domestic travellers so scope exists to expand the inbound guest mix at Hamilton Island. The average length of stay is 4 nights (compared to Ayers Rock Resort at 1.6 nights).

Over time we also have potential to expand the Resort, through expansion of the facilities on Hamilton Island and the SPC has the opportunity to develop Dent Island. An Environmental Impact Study is currently being completed by HAM on Dent Island to develop an integrated golf and residential resort, however no approvals are in place and this will be an opportunity which the SPC will consider over time. Should Dent Island be developed to a defined scale or sold within 5 years after implementation of the Scheme, an additional payment will be payable to HAM shareholders based on its value at the time of development or sale." Mr Morris said.

Mr O'Brien added, "Our existing Hotel/Tourism Portfolio is already positioned to provide long term income growth and we, through Voyages' operating capabilities and the strength of GPT's balance sheet, anticipate growth from Hamilton Island, both in regard to the performance of the existing asset and in relation to expansion opportunities represented by the additional land holdings."

On successful completion, GPT's Hotel/Tourism Portfolio will have a value in excess of \$650 million and will represent approximately 10% of GPT's total property assets.

Implementation of the Scheme is dependent on a number of conditions precedent, court approvals and approval by HAM shareholders. Completion is anticipated to be in early July 2003.

For more information on HAM visit www.hamiltonisland.com.au

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Attachments: Hamilton Island Resort Summary Sheet

Hamilton Island Resort Summary Sheet

<p>Rooms</p> <p>Resort Owned Beach Club (5 star) 55 Reef View (4 star) 386 Palm Bungalows & Terraces (3-4 star) 109 Total <u>550</u></p> <p>Managed (non owned) Whitsunday Holiday Apartments 167 Letting Pool Apartments 40 Total <u>207</u></p> <p>Total Rooms <u>757</u></p>	
<p>Food & Beverage</p> <p>Resort Operated</p> <p>Concessionaire Licensed</p>	<p>10 restaurants and takeaway outlets, ranging from casual to fine dining, and 6 bars.</p> <p>3 restaurants and takeaway outlets and 2 bars.</p>
<p>Retail</p> <p>Resort Operated</p> <p>Concessionaire Licensed</p>	<p>Resort shop and art gallery.</p> <p>Majority of retail facilities including a florist, pharmacy, general store, hairdresser, newsagency, ice cream parlour and a large range of clothing boutiques.</p>
<p>Conference</p>	<p>Convention centre – 1,675sqm and capacity to hold 1,200 delegates theatre style. Also includes 4 smaller meeting rooms.</p> <p>4 small function rooms situated around the Resort.</p>
<p>Marina</p>	<p>168 berths – comprising both permanent and casual. Can accommodate vessels of up to 40 metres, providing deep water access.</p>
<p>Recreational</p>	<p>Facilities include bushwalking trails, a fauna park, go-karts, golf driving range, sports club, massage and relaxation centre, mini golf, pools and spas, wire flyer and target sports.</p> <p>In addition, there are a wide range of watersports, cruises and other tours.</p>
<p>Other Facilities</p>	<p>Other facilities on the Island include a chapel for weddings and a child care facility.</p>
<p>Staff Accommodation</p>	<p>Various facilities are situated around the Island, comprising around 614 rooms, of which approximately 246 rooms are owned by third parties and leased back to the Resort.</p>
<p>Airport</p>	<p>Regional hub to the other islands and the mainland serviced by Qantas.</p> <p>Can accommodate jets including B767's and A320's.</p> <p>Facilities include a terminal building, air traffic control tower, aviation fuel facilities and navigational aids.</p>

Hamilton Island Resort Summary Sheet (continued)

Occupancy <i>(financial year)</i> <i>Source: HAM Annual Report 30 June 02 (actual)</i>	1997: 54% 1998: 60% 1999: 62%	2000: 67% 2001: 74% 2002: 62% ⁽¹⁾
Average Daily Rate⁽²⁾ <i>(financial year)</i> <i>Source: HAM Annual Report 30 June 02 (actual)</i>	1997: \$142.95 1998: \$144.30 1999: \$157.07	2000: \$172.17 2001: \$188.20 2002: \$186.50
Total Revenue <i>(financial year)</i> <i>Source: HAM Annual Report 30 June 02</i>	1997: \$53.4m 1998: \$62.4m 1999: \$72.5m	2000: \$90.5m 2001: \$100.4m 2002: \$88.6m ⁽¹⁾
EBITDA before Signif. Items & excl Land Dev Profit <i>(financial year)</i> <i>Source: HAM Information Memorandum Sept 02 (actual)</i>	1998: \$10.4m 1999: \$12.6m	2000: \$18.9m 2001: \$20.4m 2002: \$17.6m ⁽¹⁾
Airport Passengers <i>(financial year)</i> <i>Source: HAM Annual Reports 30 June 01 & 02 (actual)</i>	2000: 164,165 2001: 157,840 2002: 125,261 ⁽¹⁾	
Residential <i>(excl. Dent Island)</i> Potential Development	Approximately 620 dwellings (the majority of which are medium density units).	

(1) Impacted by S11 and Ansett collapse.

(2) Average Daily Room Rates include an allocation for concession income. Excluding this allocation, a net rate of \$180 was achieved over 2001/2002.