11 June 2003

HAMILTON ISLAND
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Companies Announcement Office
Australian Stock Exchange

NEW RECOMMENDED CASH OFFER OF $2.83 PER SHARE FOR HAMILTON ISLAND LIMITED

The Board of Hamilton Island Limited ("Hamilton Island") today announced that it had received a revised offer from General Property Trust ("GPT") and Voyages Hotels & Resorts Pty Limited ("Voyages") for the acquisition of 100% of the issued shares of Hamilton Island.

Transaction details

Under the revised Scheme of Arrangement ("Scheme"), Hamilton Island shareholders will receive $2.83 cash per Hamilton Island share.

The Scheme will be subject to shareholders approval at a meeting expected to be held in August.

Recommended offer

The Directors of Hamilton Island believe the Scheme is in the best interests of shareholders and subject to the findings of the Independent Expert, intend to recommend that shareholders accept the offer in the absence of a superior offer.

Michael Butler, Chairman of Hamilton Island, said "This revised offer of $2.83 per share from Voyages and GPT supersedes the offer of $2.70 per share made by 21st Century Resorts Holdings, and is an excellent result for Hamilton Island shareholders. We welcome this renewed interest in Hamilton Island by Voyages and GPT, and believe it underscores both the good performance of the staff and management of Hamilton Island Resort and the Board's decision to embark on the strategic review process."

Further details as to the Scheme terms and conditions are set out in Attachment I.

Scheme documents, including an independent expert's report to be prepared by Deloitte Corporate Finance Pty Limited and detailed tax advice, are expected to be sent out to Hamilton Island shareholders in late July, with completion anticipated in September 2003.

For further information please contact:

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Phone: 02 9220 1511

ATTACHMENT I

TERMS AND CONDITIONS

Terms

It is a condition of the Voyages / GPT proposal that Hamilton Island pay a further break fee of $600,000 to Voyages / GPT in the following circumstances:

- The Scheme is not approved by the Court or Hamilton Island shareholders;
- A competing proposal is made during the terms of the agreement and is successfully completed;
- The Independent Directors withdraw or modify their recommendation in a manner adverse to Voyages / GPT; and
- Hamilton Island is in breach of their obligations under the terms of the agreement with Voyages / GPT.

Conditions

- Approval of Hamilton Island shareholders;
- Approval by the Supreme Court of Queensland of the Scheme;
- No material adverse change;
- For a period of three consecutive trading days the All Ordinaries Index does not close 15% or more below the level at the close of trading on the date of the Implementation Agreement;
- The Scheme is recommended by a majority of Hamilton Island directors; and
- Various other conditions including consents and approvals by regulatory authorities in relation to assets and activities of Hamilton Island and its subsidiaries.