

**CHAIRMAN'S ADDRESS TO THE ANNUAL GENERAL MEETING
REEF CASINO TRUST
7 MAY 2004**

Another strong operating result in 2003

On 24 February this year, The Trust announced its results for the financial year ended 31 December 2003. The printed annual report for the 2003 year was sent to all unitholders on 12 March. As this annual report contains the details for the 2003 financial year, I do not intend to go through the same information however I will summarise the major highlights:

- Net profit after tax of \$11.1 million, up 33%
- Trust rental income of \$19.5 million, up 18%
- Strong gaming revenues – up 9%
- Unit distribution of 13 ¼ cents per unit tax deferred basis, up 1 cent
- New lobby refurbishment pays off
- Further enhancement of non-gaming products and services

Operating result so far in 2004

The Reef Casino Trust has performed well in the first three months of 2004, with bottom line net profit up on 2003.

Revenues from table games have shown an improvement compared to 2003.

Revenues from gaming machines have also improved compared to 2003.

These improvements can be partly attributed to the successful promotional activities undertaken by the complex.

The rest of the year

The factors affecting our results for the remainder of the year include the Rainforest Dome, investment in the latest electronic games, improving the facilities in the complex and maintaining cost control.

A brand new wildlife experience has now opened in our hotel casino complex. The Cairns Rainforest Dome, operated by the company that already operates the successful award winning Rainforest Habitat in Port Douglas, is located in the rooftop conservatory and features amongst other things a salt-water crocodile, python, koalas and an array of exotic North Queensland birdlife. Having only opened in December of last year, the Cairns Rainforest Dome is now taking group tours and is already having a positive effect increasing visitors to the complex.

The major refurbishment of the complex's lobby area, including the new "Vertigo" bar in the lobby, Tamarind Restaurant and "Café China" Noodle Bar have added to the appeal of the complex as a whole. We have also commenced planning for the refurbishment of the bar located in the ground floor of the casino which will improve facilities available to our patrons.

With a proven track record, we have continued to invest still further in the latest electronic gaming machines so that we can offer the games our patrons enjoy and expect.

The Board is committed to also controlling the internal environment by keeping costs in line with budget and acting in an anticipatory manner wherever possible.

Conclusion

Let me now make some concluding remarks.

CEO's position

Your board of directors remain committed to filling this vacancy on a permanent basis. Frank McFadden continues as acting CEO until a long-term appointment is announced.

We are continuing our litigation against the builders of the conservatory glass dome to recover costs of renovations and repairs and damages.

Expectation of another unit distribution for first half year

In accordance with the Trust constitution, the Trust will be making an announcement of the expected rate of the next unit distribution mid-June for the six months ended 30 June 2004. Judging by performance so far in 2004, we expect the unit distribution will continue the trend of improvement of recent years.

Special benefits for unitholders attending this AGM

We have again offered a special room rate of \$165 per night for the nights of 6, 7 & 8 May inclusive of a complimentary breakfast for two.

In addition, we invite unitholders to enjoy a buffet lunch in the Pacific Flavours Restaurant today for a special price of \$17.00 per head, a saving of \$8.00.

Free car parking to attend today's annual general meeting is once again offered in our basement car park. If you did not get a voucher at the time of registration, please ask for one at the end of the meeting at the registration desk just outside this room.

This year we are offering (for today only) free entry into the Cairns Rainforest Dome, our new wildlife rainforest experience located in the rooftop conservatory.

Finally, I would like to thank my fellow directors, the partners of the operator, Casinos Austria and Accor, the management team and staff of the Trust and the Reef Hotel Casino, and last but not least our unitholders for their support during this past financial period.

Ladies and gentlemen, that concludes my address to the meeting.

Thank you.