REEF

CASINO TRUST

4th May 2007

ASX Company Announcements

Reef Casino Trust

Forecast for the first half year 2007

Whilst premium table games activity at the Reef Hotel Casino remained healthy in the first quarter of this year, it was impacted by a weaker than expected (or theoretical) win rate. This means that our players have been lucky. Consequently, Trust rentals were lower than the same quarter last year.

We expect that the Trust result for the second quarter of this year to be better than the first quarter as Cairns enters into its high season.

The major factors in determining the actual Trust profit for the first half of this year will be the continuing impact of the smoking ban, the high Australian dollar, and the win rate for premium table games at the Reef Hotel Casino. It is not unreasonable to expect that the win rate could improve in the second quarter as short term fluctuations in the win rate are a function of the nature of premium play.

Given the aforementioned regarding the nature of premium play, it is too early to provide a definitive forecast for the first half of this year. However, we expect a Trust profit in the vicinity of $5 million.

In accordance with our current distribution policy, we will continue to pay 100% of all distributable profits for the period plus a portion of the undistributed income account.

We will make a distribution announcement in the middle of June and report on our audited half year results in mid August.

Yours sincerely,

Alison Galligan
Company Secretary
Reef Corporate Services Limited
Responsible entity for Reef Casino Trust

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