



ASX ANNOUNCEMENT

6 September 2004

The Manager
Corporate Announcement Office
Australian Stock Exchange Limited

Announcement No: 19/05

Communication to Shareholders re Bruandwo's Takeover Offer

Please find attached a communication to shareholders regarding the Bruandwo Pty Limited (Bruandwo) takeover offer.

- ends -

Australian Leisure and Hospitality Group Limited
Noel Phillips
Company Secretary
6 September 2004

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BRUANDWO'S CLAIMS ARE WRONG AND SELF-INTERESTED
ITS OFFER IS TOO LOW

YOUR DIRECTORS CONTINUE TO RECOMMEND YOU **REJECT**
BRUANDWO'S GROSSLY INADEQUATE OFFER FOR YOUR ALH SHARES



AUSTRALIAN LEISURE
& HOSPITALITY GROUP

6 September 2004

Dear Fellow ALH Shareholder,

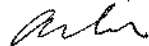
You would have received another letter from Bruandwo dated 20 August 2004 regarding its grossly inadequate offer for your ALH shares. Your Directors responded to this letter on 25 August 2004 in a statement to the Australian Stock Exchange. Your Directors disagree with Bruandwo on all points raised in its letter and believe that they are without foundation.

Your Directors' detailed response to Bruandwo's letter is contained in a document entitled "ALH response to Bruandwo letter of 20 August" which you can access on the ALH website at www.alhgroup.com.au or request a copy by contacting the ALH shareholder information line on **1800 554 525** [within Australia] or **+ 61 2 9207 3630** [outside Australia].

You should note that if you accept Bruandwo's offer, ALH's 6.5 cent dividend will be deducted from Bruandwo's \$2.75 offer price. You will only receive \$2.685 for your shares.

We continue to recommend that you **REJECT** Bruandwo's offer which significantly undervalues your ALH shares.

Yours sincerely



Allan McDonald
Chairman

Australian Leisure & Hospitality Group Limited (ABN 37 067 391 511) - Level 6, 464 St Kilda Road Melbourne, VIC 3004

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