



Completion of sale of Aquis Canberra to Iris Capital and change of directors

3 January 2023

Completion of sale of Aquis Canberra to Iris Capital

Aquis Entertainment Limited (**Aquis**) (ASX:AQS) is pleased to advise that completion of the sale of Aquis' wholly owned subsidiary, Aquis Canberra Pty Ltd (**Aquis Canberra**) to Iris CC Holdings Pty Ltd (**Iris**) occurred earlier today with an effective date of 1 January 2023.

On completion, Aquis received \$60,500,000 as a completion payment (which includes the deposit paid by Iris at signing). The purchase price under the sale is subject to completion adjustments (to be calculated and agreed by the parties in the coming weeks). An additional \$2.5 million of cash is being held in escrow and will be released to Aquis in 9 months from completion, subject to there being no warranty claims.

On completion, the loan owing by Aquis to its majority shareholder, Aquis Canberra Holdings (Aus) Pty Ltd (**ACH**), became repayable on request by ACH. As part of the completion arrangements, ACH has agreed, in exchange for Aquis repaying the principal amount of \$20,378,683 outstanding under the loan, to forgive all accrued interest owing by Aquis on the loan (the interest component amounting to \$7,812,679) and the loan has now been repaid on that basis.

As announced to the ASX on 21 December 2022, the board of Aquis has been considering the use of funds from the sale (after repayment of the ACH loan) and the future of Aquis as a listed entity. It expects to make a decision, and advise shareholders, in respect of these matters by the end of January 2023.

Commenting on the sale, Aquis' outgoing director & CEO Allison Gallagher said *"as a Board, we are very pleased to have been able to negotiate and complete this transaction, which provides significant benefits to all stakeholders. We thank Tony Fung for his support since purchasing Casino Canberra, without which we would not have been able to achieve the growth in the business which has enabled Aquis to deliver the increase in value for all shareholders culminating in the transaction with Iris. As a CEO and employee, I am very excited to lead the Casino Canberra under Iris ownership and we look forward to continuing to grow the strong results we have built over the past few years and for the opportunities available for us all with Iris moving forward."*

Change of directors

Aquis is also pleased to announce the appointment of Mr Simon Chan and Mr Tom Pickett as non-executive directors of the Company.

Following the completion of the sale of Aquis Canberra, casino regulatory approval for appointment of directors to the board of Aquis is no longer required, as such, the appointments are effective immediately.

Aquis' majority shareholder ACH requested, and Aquis' board approved the appointment of Mr Chan and Mr Pickett.

Mr Chan is a Gold Coast based lawyer, specialising in property law, covering all aspects of property law from negotiating contracts through to advising on financing and structure. Mr Chan is also a director of ACH.

Mr Pickett is a lawyer with experience in multiple industries including mining exploration, law, tourism and hotels, having held executive and board positions in both listed and unlisted companies. Mr Pickett is currently the executive chairman of Cannindah Resources Limited (ASX:CAE).

Given Mr Chan and Mr Pickett were nominated by ACH and have other relationships with ACH, they are not considered to be independent directors. Mr Chan and Mr Pickett will stand for election at Aquis' next annual general meeting in May 2023.

Together with the appointment of Mr Chan and Mr Pickett, Ms Allison Gallagher has resigned as director and CEO of Aquis with effect from today. Ms Gallagher will continue as CEO of Casino Canberra. Under the terms of the sale contract for the sale of Aquis Canberra, Iris will provide administration assistance to Aquis for a transitional period (and it is expected that Ms Gallagher will continue to assist Aquis on such matters for a limited period, including undertaking responsibilities of the CEO as required, via such transitional assistance).

Chairman Russell Shields said *"I would like to thank the CEO of Casino Canberra and our outgoing director, Allison Gallagher and her entire executive and operational team, for a remarkable effort over the last few years in building a very successful business during very difficult times, through the Covid-19 pandemic and challenging times for the casino industry. The business is in very good shape and I am sure will remain so under Allison's, and Iris's stewardship in the future. My best wishes to all.*

I welcome Simon and Tom to the AQS board and to resolving the future of the Company over the next little while."

Grant Samuel is acting as financial advisor and Gilbert + Tobin is acting as legal advisor to Aquis.

Authorised for release to the ASX by the board of directors

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