



12 December 2018

Company Update

Casino Canberra Redevelopment Proposal

Aquis Entertainment Limited (**Aquis**) (ASX Code: AQS) refers to public statements during the course of the year in relation to the proposed redevelopment of Casino Canberra including at the AGM of the Company on 29 May 2018 and ASX announcements on 14 May 2018 and 16 April 2018.

Aquis lodged its detailed business case for the redevelopment with the ACT Government in June 2016. While the Government had progressed Aquis to phase 2 of its unsolicited bid process, overall progress has been slow. Certain decisions taken by the ACT including the form of changes to legislation relating to electronic gaming machines and a decision to not make available certain land to Casino Canberra meant it was difficult to progress Aquis' original proposal. In addition, Aquis could not provide detailed information in relation to the financing of the proposal requested by the ACT Government without the ACT Government providing the certainty sought by Aquis in respect of various key aspects of its proposal including tax rates, licence fees and the legislative framework.

In such context, the ACT Government has advised Aquis that it is not in a position to progress Aquis' current proposal and has ceased this unsolicited bid process. At the same time, the ACT Government has confirmed there are potential future benefits for Canberra through a casino development. In this respect, it has invited Aquis to work with the Economic Development Division of the Chief Minister, Treasury and Economic Development in the company's pursuit of the redevelopment of Casino Canberra.

Aquis continues to believe that the development of an integrated entertainment precinct in Canberra's CBD offers Canberra and the ACT a once in a lifetime tourism infrastructure opportunity. Therefore, Aquis will continue to engage with the ACT Government on development opportunities.

Change of control proposals

In recent months, Aquis and its controlling shareholder, Aquis Canberra Holdings (Aus) Pty Ltd have received a number of non-binding indicative, preliminary and confidential proposals to acquire Casino Canberra or to acquire some or all of the controlling shareholding in Aquis. Aquis has sought to advance these discussions on a confidential basis with a view to reaching a binding proposal. These discussions remain ongoing. There is no certainty that any of these proposals will result in a binding proposal or agreement with Aquis. The proposals do not involve an offer to all shareholders but would be subject to independent shareholder approval and ACT Government gaming regulatory approvals.

Aquis will provide a further update as required by its continuous disclosure obligations.

Enquiries please contact:

Jessica Mellor
CEO & Executive Director
02 6257 7074
jessica@aquisentertainment.com