

BREAKFREE LIMITED ASX RELEASE 1 JULY 2003

BREAKFREE TO EXPAND RESORT CHAIN

HOLIDAY and management rights group BreakFree Limited has announced it will be expanding its presence on the Gold Coast and Tropical North Queensland with the acquisition of two new resorts.

BreakFree Limited said today it has completed the purchase of the Management Letting Rights for Amphora Resort in Palm Cove north of Cairns and Wings Resort & Spa in Surfers Paradise both due for completion by 2004.

The acquisitions bring the total number of properties under management by the Gold Coast-based resort chain to 31 with 26 currently in operation in key holiday locations from Coffs Harbour to Port Douglas.

BreakFree managing director Tony Smith said Amphora Resort and Wings Resort & Spa will become "flagship" resorts for the group. He said the new acquisitions are part of BreakFree's ongoing growth strategy of expanding its reach Australia-wide.

"With the coming-on-line of these brand new properties, BreakFree will have a diversified portfolio of 31 resorts, further strengthening our position as the largest management letting rights group in Australia," Mr Smith said.

Amphora will be BreakFree's first venture into the international tourism hub of Palm Cove, 20 minutes north of Cairns. It will be BreakFree's fifth property in the Tropical North, joining the Portsea and Reef Club resorts in Port Douglas, the Royal Harbour Resort in Cairns and Trilogy Resort which is also under construction.

The Wings Resort & Spa acquisition will bring BreakFree's total number of resorts under management in the Gold Coast region to 14.

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