



25 August 2014

ASX: RGX

ASX Market Announcements

Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

ASIA ESCAPE HOLIDAYS SHARE SALE AGREEMENT SIGNED.

The Directors of Red Gum Resources Limited (ASX : RGX; “**Red Gum**” or “the **Company**”) are pleased to announce that it has now signed the Share Sale Agreement to acquire 100% of the issued capital of Keygate Holdings Pty Ltd (ABN 46 088 941 682), trading as Asia Escape Holidays, as part of a travel business aggregation strategy, as it shifts focus away from the resources sector. This Share Sale Agreement follows that announced with Holiday Planet on 9 July 2014 and Motive Travel on 4 August 2014.

HIGHLIGHTS

- This acquisition, together with the acquisition of Holiday Planet and Motive Travel, once approved by shareholders and completion has occurred, will create the largest independent internet travel and leisure company based in Western Australia (the **Australian Travel Group**).
- Combined annual turnover of the Australian Travel Group – based on 2013 figures of Motive Travel, Holiday Planet and Asia Escape exceeds \$85 million.
- Formation of the Australian Travel Group will create significant operating synergies that are anticipated to provide additional short to medium term profit drivers.

As previously disclosed to the market on 17 June 2014, settlement of the Asia Escape Share Sale Agreement is subject to a number of conditions precedent, including shareholder approval, which will be sought as part of the Company’s intentions to move into the internet platform tourism and leisure sector. Red Gum is currently preparing a Notice of Meeting for an Extraordinary General Shareholders Meeting, a Prospectus and capital raising as part of relisting as the “Australian Travel Group”.

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Dr Shaw, Chairman of Red Gum, in welcoming the execution of the Asia Escape Share Sale Agreement, noted that preparation of the necessary documentation is well advanced for putting these transaction matters to shareholders at an Extraordinary General Meeting, at the earliest possible opportunity.

For further information please contact:

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