



20 October 2014

Market Announcements
Australian Securities Exchange
PO Box H224
AUSTRALIA SQUARE NSW 1215

Dear Sir/Madam

Reef Casino Trust (ASX: RCT) – takeover bid by Aquis Casino Acquisitions Pty Ltd ACN 166 108 701
First Supplementary Target's Statement

We attach, by way of service pursuant to section 647(3)(b) of the *Corporations Act 2001* (Cth), a copy of the first supplementary target's statement of Reef Casino Trust (**RCT**).

This document is lodged by RCT is in response to the supplementary bidder's statement dated 17 October 2014 lodged by Aquis Casino Acquisitions Pty Ltd ACN 166 108 701 with respect to its off-market takeover bid for all the units in RCT.

The first supplementary target's statement has today been lodged with the Australian Securities and Investments Commission and sent to Aquis Casino Acquisitions Pty Ltd.

Yours faithfully

Alison Galligan
Company Secretary
Reef Corporate Services Limited
Responsible Entity, Reef Casino Trust

**This is an important document and requires your immediate attention.
If you are in any doubt about how to deal with this document, you should contact
your broker, financial adviser or legal adviser immediately.**

Reef Casino Trust

**Reef Corporate Services Limited ABN 66 057 599 621
as responsible entity for Reef Casino Trust
ARSN 093 156 293**

First Supplementary Target's Statement

**YOUR DIRECTORS, INDEPENDENT AND NON-INDEPENDENT,
UNANIMOUSLY RECOMMEND THAT YOU ACCEPT THE
TAKEOVER OFFER FROM AQUIS (IN THE ABSENCE OF A
SUPERIOR PROPOSAL).**

**This First Supplementary Target's Statement has
been issued in response to the Supplementary
Bidder's Statement made by Aquis Casino
Acquisitions Pty Ltd ACN 166 108 701.**

**AUSTRALIAN LEGAL ADVISER TO REEF CORPORATE SERVICES LIMITED,
RESPONSIBLE ENTITY FOR REEF CASINO TRUST**



**HERBERT
SMITH
FREEHILLS**

Reef Casino Trust

Reef Corporate Services Limited ABN 66 057 599 621 as responsible entity for Reef Casino Trust ARSN 093 156 293

First Supplementary Target's Statement

1 Introduction

This document is a supplementary target's statement under section 644 of the *Corporations Act 2001* (Cth). It is the first supplementary target's statement (**First Supplementary Target's Statement**) issued by Reef Corporate Services Limited ABN 66 057 599 621 (RCSL) as responsible entity for Reef Casino Trust ARSN 093 156 293 (RCT) in relation to the off-market takeover bid for all the Units in RCT by Aquis Casino Acquisitions Pty Ltd ACN 166 108 701 (**Aquis**). This First Supplementary Target's Statement supplements, and should be read together with, RCT's target's statement dated 25 March 2014 (**Target's Statement**).

This document is dated 20 October 2014 and a copy of this document was lodged with ASIC and given to ASX on that date. Neither ASIC, nor ASX, nor any of their respective officers take any responsibility for the contents of this document.

2 Aquis Offer update

2.1 Extension of Offer Period

Aquis has given notice that the Offer Period has been extended and is now scheduled to close at **7.00pm (Sydney time) 28 November 2014 (unless further extended)**. The date for giving notice to RCT Unitholders of the status of the Conditions to the Offer is now 21 November 2014.

Your Independent and Non-Independent Directors recommendation remains unchanged. Your Independent and Non-Independent Directors unanimously recommend that Unitholders accept the Offer promptly to ensure that their acceptance is received before 7:00pm (Sydney time) on 28 November 2014, in the absence of a Superior Proposal because:

- each Director who has a relevant interest in Units has accepted the Offer in relation to those Units;
- having regard to RCT's circumstances, including the low level of liquidity of Units, the Offer price represents a significant premium to the trading price of Units immediately before the announcement of the Offer;
- the Offer is for 100% certain cash consideration, and provides Unitholders with the opportunity to crystallise cash value and realise their investment upon successful completion of the Offer;

- the price of Units may fall below current levels if the Offer does not proceed and no Superior Proposal emerges; and
- a Superior Proposal is considered to be unlikely to emerge as none has emerged since RCT announced the approach by Aquis and the potential Offer on 13 November 2013.

2.2 Status of Conditions

As previously announced, the ACCC has confirmed that it will not oppose the acquisition of RCT by Aquis and Aquis has received the required foreign investment approvals.

Aquis has confirmed also that, so far as it is aware, the other Conditions to the Offer have not been fulfilled and the Offer remains subject to these Conditions. RCT is not aware of any act, omission, event or fact that would result in any of these Conditions to the Offer being incapable of being satisfied.

In its supplementary bidder's statement dated 17 October 2014 (**Supplementary Bidder's Statement**), Aquis has stated that:

- if the Queensland gaming regulatory approval conditions are not satisfied by 21 November 2014, it is currently not minded to further extend the Offer beyond 28 November 2014 although it reserves its right to do so; and
- if the Queensland gaming regulatory approval conditions and the 90% minimum acceptance condition are satisfied by 21 November 2014, and the other Conditions have not been breached, it intends to waive all outstanding Conditions.

The Offer will lapse if the Conditions are not freed or fulfilled by the end of the Offer Period.

2.3 Transitional matters update

RCT noted in section 10.7 of its Target's Statement that, under the terms of the Operator Share Purchase Agreement, Aquis Reef Operator Holdings Pty Ltd may make an offer of employment to Allan Tan (Chief Executive Officer and also a Director of RC SL), Alison Galligan (Executive Manager Finance) and Wayne Reynolds (Hotel General Manager).

Consistent with this, as announced by RCT on 21 August 2014, Aquis has entered into employment agreements with Allan Tan, Alison Galligan and Wayne Reynolds. Aquis has also agreed with Paul McHenry (General Manager, Casino) to vary his employment contract to ensure his ongoing employment following completion of the Offer.

Each employment agreement is conditional on the completion of the sale of shares in CAIC and will be effective from completion of that sale.

2.4 Update on funding arrangements

The Target's Statement detailed in section 4.2 the sources of the funds required to satisfy Aquis' obligations under the Offer. Aquis confirmed in its Supplementary Bidder's Statement that the commitments and intercompany agreements referred to in the Target's Statement remain in place as at the date of the Supplementary Bidder's Statement and will remain in place for the duration of the Offer and as required to satisfy the obligations under the Offer.

In addition, and in order to mitigate the impact of potential exchange rate risks, Aquis has entered into financing commitments in respect of Australian currency denominated facilities totalling \$110 million, being a combination of senior and mezzanine debt facilities provided by Nomura Special Investments Singapore Pte. Ltd. and a syndicate of large

Australian financial institutions (together, the **Facilities**). Further information in relation to these funding arrangements (and the terms and conditions of the Facilities) is set out in section 5 of Aquis' Supplementary Bidder's Statement.

3 What should you do now?

If you have already accepted the Offer, you need not take any further action. If you have not accepted the Offer, your Independent and Non-Independent Directors encourage you to ACCEPT the Offer promptly to ensure that your acceptance is received before 7:00pm (Sydney time) on 28 November 2014, in the absence of a Superior Proposal.

Full details on how you can accept the Offer are contained in Aquis' bidder's statement (**Bidder's Statement**) (see section 9.3 of the Bidder's Statement and section 6 of the Supplementary Bidder's Statement).

RCT Unitholders who have any questions in relation to the takeover bid can call the RCT Unitholder information line on 1300 559 817 (for callers within Australia) or +61 3 9415 4613 (for callers outside Australia).

4 Other notices

Unless the context otherwise requires, terms defined in the Target's Statement have the same meaning in this First Supplementary Target's Statement.

This First Supplementary Target's Statement prevails to the extent of any inconsistency with the Target's Statement.

Before making a decision whether to accept or reject the Offer, you should carefully read the First Supplementary Target's Statement and the Target's Statement in their entirety. This First Supplementary Target's Statement does not take into account the individual investment objectives, financial situation or particular needs of each RCT Unitholder. You may wish to seek independent financial and taxation advice before making a decision as to whether or not to accept the Offer.

Signed for and on behalf of Reef Corporate Services Limited as responsible entity for Reef Casino Trust following a resolution of the directors of Reef Corporate Services Limited as responsible entity for Reef Casino Trust.

sign here ► K. P. Lacy
Director

print name KEITH PELACY

date ► 20-10-2014