

ASX ANNOUNCEMENT



4 December 2014

ASX: RGX

VARIATION TO THE TERMS OF THE ACQUISITION AGREEMENTS FINALISED

Further to the announcement made on 1 December 2014, and by way of update, Red Gum Resources Limited (proposed to be renamed "**Australian Travel Group Limited**") (**ASX:RGX**) (the **Company**) wishes to advise that the terms for the acquisition of Holiday Planet, Asia Escape and Motive Travel have now been varied by agreement between the parties, to allow for a change in the proposed consolidation ratio of the Company's issued capital from 1:25 to 1:44 (subject to shareholder approval at the Company's adjourned Extraordinary General Meeting (**EGM**)).

This will now reflect the Company's last trading price of its Shares, being \$0.005, and bring the consolidation in line with the price of Shares offered under the Company's prospectus for the proposed backdoor listing, being \$0.20 (**Prospectus**). The proposed change to the consolidation ratio is based on the Company's review of share price trends since the previously agreed consolidation ratio was announced on 22 September 2014, together with industry response to the recent roadshow and advice provided by the Company's corporate advisers, and is considered necessary to enable the Company to successfully complete the capital raising and relist.

The Company and the Vendors of the travel businesses remain committed to the capital raising and the Company's plan to relist as Australian Travel Group Ltd, as previously announced.

The Company expects to circulate an addendum to the Notice of Meeting to shareholders in the coming days which will seek approval for these changes to the consolidation ratio, and will set out details for the time, date and place for holding the adjourned EGM.

The Company also expects to lodge a supplementary prospectus with the Australian Securities and Investments Commission and the ASX today which will outline the revised terms and timetable for the capital raising (**Supplementary Prospectus**). A link to access the Supplementary Prospectus will also be available on the Company's website following lodgement.

Dr Ray Shaw, Executive Chairman
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