



For release to Market

22 March 2022

AAT Group discontinues marketing of Airlie Beach Property Assets

- **Positive re-appraisal of AAT Group's Airlie Beach tourist and commercial property asset values in current market;**
- **AAT Group refocusses on repositioned Unique Accommodation Market;**

Australian Adventure Tourism Group Limited (AAT Group or the Company) (NSX Code AAT) previously named Queensland Resorts Pty Ltd, has owned and continuously operated the Magnums property assets and businesses at Airlie Beach on the Whitsundays mainland since 1988.

During that time, the Company progressively developed and facilitated others to develop much of the original land holding with a major local hotel, a shopping centre, a very successful Woolworths supermarket, and contributed land to facilitate the construction of the Waterson Way loop road, which opened up the hillside overlooking the Airlie Beach township, Coral Sea and Whitsunday Islands for premium residential accommodation.

The remaining Magnums properties, comprising approximately 1.73 Hectares, makes up a significant proportion of the established Town Centre of Airlie Beach and is within 100 metres proximity to the foreshore of Airlie Bay and is uniquely placed between the 2 main marinas serving as the primary mainland access points to the Whitsunday Islands and outer barrier reef.

In September 2021, the Directors decided to assess market interest in the existing property assets for redevelopment and appointed agents Place Projects to undertake a marketing process. There has been significant interest from a range of property developers and tourism operators in the Magnums Properties primarily as development projects, all of which required new applications for development approval.

Obtaining development approval can be a costly and relatively speculative process, which currently takes a period of 9 to 12 months or more depending on the complexity of the intended development. When prospective buyers undertake this task, it invariably requires the property to be secured under conditional contracts during that time. Ultimately, the Directors decided it was not in the Company's best interest to bind the properties for this length of time on nominal deposits, which are refundable if

approvals are either not obtained or are regarded by the prospective buyer / developer as not satisfactory.

The Directors decided that to ensure minimal disruption to the trading activities of the Magnums Properties and to secure the most suitable development approvals for the future development of the assets, the Company would undertake the various development applications in its own right. .At the same time the Magnums Team of experienced tourism focussed staff-members will continue to operate and build the Magnums Unique Accommodation business, taking advantage of the stimulated travel and drive markets expected to prevail in Australia wide regional tourist regions in the post-Covid period.

Released to NSX and market with authority of the Board.

Australian Adventure Tourism Group Limited

Tuesday 22 March 2022: