



ASX ANNOUNCEMENT

Pitcher the Opportunity

Compass Hotel Group Limited (Receivers and Managers Appointed) (Administrator Appointed)

ACN 127 909 835

22 July 2011

ASX code: CXH

What was the outcome of the second creditors' meeting?

The second meeting of creditors of the Company was held on Tuesday, 19 July 2011. At the meeting, creditors resolved the Company execute a holding Deed of Company Arrangement ("DOCA") on the terms substantially outlined in the Administrator's report to creditors issued pursuant to 439A of the Corporations Act (Commonwealth) 2001 dated 11 July 2011.

The holding DOCA will provide the Deed Administrator with sufficient time to explore the possibility of a recapitalisation of the Company, which could provide a better outcome to the Company's creditors and shareholders than the alternatives.

What is the current status of operations?

The Receivers and Managers are continuing to operate the hotel venues owned by the Compass Group whilst they undertake the process of realising the Compass Group's assets that are subject to the secured lender's charge. At this stage it is too early to determine as to when the realisation process may be finalised.

Who can I contact for further information?

The Administrator will provide further updates by way of announcements to the ASX. Shareholders are requested to refrain from contacting the Administrator's office at this time. Any urgent queries should be directed to Pitcher Partners' Perth firm.

BRYAN HUGHES
Administrator