

# ASX Announcement



## LANTERN HOTEL GROUP (ASX: LTN)

11 March 2014

### Buy-back Offer Update

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Further to our announcement yesterday Lantern advise that the Company has been in good faith negotiations with Millinium Asset Services Pty Ltd as trustee for the Borg Fund (Borg Fund) in respect of the option agreements they entered into with Totem Holdings Pty Ltd (Totem) and CVC Limited (CVC).

Following last week's Form 603 Filings by Totem and CVC, Lantern advised the Borg Fund that it considered the entry into the option agreements with Totem and CVC by the Borg Fund to be an attempt to repudiate the irrevocable buy-back offer currently open for acceptance to Lantern.

Negotiations had been continuing on the basis that the Borg Fund would procure termination of the existing agreements, or amend them to make it clear that they were subject to and conditional on Lantern not accepting the buy-back offer made to it.

The Borg Fund has to date not achieved either of these outcomes.

As a result, Lantern has served proceedings commenced in the Supreme Court of New South Wales to protect Lantern's rights to accept the buy-back offer, but remains open to a commercial resolution of the matter.

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