



## OAKS HOTELS & RESORTS

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11 May 2011

### Oaks settles Dispute with Lonsdale Street Landlord

Oaks Hotels & Resorts Limited (**ASX: OAK**) wholly owned subsidiary Oaks Hotels & Resorts (Vic) Pty Ltd ("Oaks Victoria") had issued three legal proceedings in the Supreme Court of Victoria against MP Investment Nominees Pty Ltd ("MPI") regarding issues arising in relation to the lease of premises at 23-33 Lonsdale Street, Melbourne from MPI to Oaks Victoria. In June 2010, Oaks Victoria restrained MPI from calling on bank guarantees totalling \$4.1m and from terminating the lease and taking possession of the building.

These proceedings were subject to an order for mediation.

Oaks Hotels & Resorts Limited confirms that through the mediation process Oaks Hotels & Resorts Limited, Oaks Victoria and MPI have reached a settlement of the three proceedings.

The settlement of the three proceedings is permitted under the terms of the Retail Food Group Limited Offer announced to the market on 9 May 2011.

Oaks Hotels & Resorts is continuing to conduct its serviced apartment business at 23-33 Lonsdale Street, Melbourne.

- ENDS -

#### **Graeme Johnson**

Company Secretary

Oaks Hotels & Resorts Ltd

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