



15 December 2010

**Queenco Leisure International Ltd**  
(“QLI” or the “Company”)

**Casino Constanta**

Queenco Leisure International Ltd. (LSE: QLI), the emerging markets entertainment centre and casino developer and operator, announced today that the negotiation between Queen Investments Inc S.R.L ( hereafter "Queen Investments"), a subsidiary of the Company (83.33%), and Constanta municipality, Romania, regarding changes to Queen Investments obligations under the lease agreement has been unsuccessful.

On October 4, 2007 Queen Investments reached an agreement with the municipality of Constanta which according to, Queen Investments was entitled to leasing rights of an historic building in the city of Constanta for a period of 49 years. In accordance with the lease agreement Queen Investments was obliged to invest in the modification of the property a sum of ten million Euros; as well as a yearly payment to Constanta municipality of one hundred and forty thousand Euros. For further details regarding the lease agreement and the Casino Constanta project please see announcement dated October 8, 2007.

In a letter received from Constanta municipality, the municipality has informed Queen Investment unilaterally, that the Lease agreement is coming to an end due to the fact that . Queen Investments' offer regarding the lease agreement is unacceptable and since the municipality claims that Queen Investments is in violation of its obligations under the lease agreement,

At this stage the Company cannot predict the impact, on the company's financial results, of the agreement being terminated or the future actions of either the municipality or Queen Investments.

**For further information please visit [www.queenco.com](http://www.queenco.com) or contact:**

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