



September 20, 2010

**Queenco Leisure International Ltd.
Execution of LOI for Joint Venture in Cambodia**

Queenco Leisure International Ltd. (the "**Company**" or "**QLI**"), a developer, owner and operator of casinos and resorts, today announced that it has signed an MOU with Paradise Investment Co., Ltd, a Cambodian company ("**PARADISE**"), for the formation of a joint venture company ("**JV**") to carry out hotel, casino, restaurant and karaoke operations as well as other associated businesses at the Holiday Palace Hotel in Sihanoukville, Cambodia ("**the PROPERTY**").

According to the MOU:

1. The **JV** shall be held 70% by **QLI** and 30% by **PARADISE**.
2. A long term Lease Agreement relating to **THE PROPERTY**, for an initial term of 25 years (with an option granted to **QLI** to extend the term of the lease by 25 years) shall be entered into between **PARADISE** and the **JV**, starting at April 1ST, 2011.
3. A monthly rental fee of \$30,000 shall be paid quarterly by the **JV** to **PARADISE**. The first two years of the term of the lease will be rent free, to allow for renovations for which **QLI** shall be responsible.
4. **QLI** may enter into a casino and/or hotel management agreement with the **JV**.
5. **PARADISE** will procure all governmental approvals, licenses and permits required for the **JV** to operate the Property, including the casino license.
6. **QLI** will renovate the existing Property and develop a new wing for the hotel.
7. An advanced payment of \$180,000 was paid by **QLI** upon execution of the MOU. An additional amount of \$180,000 shall be paid after the execution of a shareholder agreement and the foregoing lease agreement, the issuance of the casino license and the grant of a registration certificate to the **JV**.

8. An additional amount of \$360,000 shall be paid by **QLI** upon commencement of the first lease term and takeover of the Property.

Consummation of the transaction is subject to the preparation of definitive agreements, including a shareholders agreement and a lease agreement, all of which shall be subject to approval by the Board of Directors of the Company; as well as any other approvals required from any third party.

For further information please visit www.queencoleisure.com or contact:

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