



March 15th, 2010

Queenco Leisure International Ltd.

Merger

Queenco Leisure International Ltd. (the "Company" or "QLI"), a developer, owner and operator of casinos and resorts, today announced that the Company's board of directors, after examining various aspects associated with the proposed merger of the Company with its parent company, Y.Z. Queenco Ltd. ("Y.Z") (TASE: QNCO) (as reported by the Company on its announcements dated July 9,2009, and September 24,2009), including tax, legal, accounting and economic aspects has resolved not to pursue such merger at this stage.

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