



1 October 2007

QUEENCO LEISURE INTERNATIONAL LIMITED ("the Company")

Acquisition of Minority Shareholding in Club Hotel Loutraki S.A.

Queenco Leisure International Limited ("QLI") is pleased to announce that it has agreed to acquire all of the shareholding and all economic rights in Club Hotel Loutraki S.A. ("CHL") owned by minority shareholder, Mr. Yair Karni. As a consequence, QLI's economic interest in CHL has increased from 35.7% to 40.3%. The total consideration is €12.5 million, of which €3.5 million has been paid, and the remaining €9 million will be paid in four equal annual installments, commencing in September 2008.

As part of this transaction, Mr. Yair Karni has agreed to waive all claims previously filed by him against the Company, as detailed in QLI's July 2007 prospectus. In addition, under the agreement the Company intends to offer affiliated shareholders to QLI in CHL the opportunity to participate in the purchase (up to 50%).

Commenting on the announcement, Dror Mizeretz, CEO of QLI, said: "We are pleased to be able to announce our increased stake in CHL. As we said at the time of our IPO in July, the buying in of minority shareholdings is a key part of our strategy, as it will enable us to take a greater share of the growth of CHL going forward."

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

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About Queenco Leisure

- QLI is an emerging markets casino developer and operator. QLI operates and manages two of Greece's nine licensed casinos, Casino Palace in the centre of Bucharest and Casino Beograd in Belgrade.
 - Club Hotel Casino Loutraki ('Casino Loutraki'), is believed by the Company to be Greece's leading casino by drop and win with almost one million visits each year, and is located approximately 80 kilometers from Athens.
 - Casino Rodos, the only casino on the island of Rhodes, which was recently ranked one of the top ten casinos in Europe¹.

¹ ISA Casinos Guide

- Casino Palace is located in the centre of Bucharest in one of the City's most historic buildings.
- Casino Beograd is located in the Hotel Jugoslavia in Belgrade and has an exclusivity licence within city limits for the next ten years.
- As at 18 June 2007, the Company operates approximately 1,400 slot machines and 130 gaming tables, and employs 2,470 people.
- The Company seeks to use the established highly cash generative market leading operations in Greece and Romania as a base from which to expand its casino portfolio in emerging markets.

QLI has an attractive pipeline of investment prospects, primarily in Central and Eastern Europe. These include the development of a nightclub and slot machine hall (with approximately 60 slot machines) in Prague. This is planned to open for business in late 2007, with the expectation of developing it into a full casino once the regulatory environment has become more developed.

- Currently the Company is at various stages of planning in a number of development projects in other strategically advantageous markets, including Romania, Bulgaria and Cambodia.
- The Company's business model is based on operating land-based casinos and associated leisure industries. It has no presence in, or intention of entering, the online gaming market.