



ANNOUNCEMENT TO THE SOUTH PACIFIC STOCK EXCHANGE

Date: 19th October 2007

YAQARA GROUP LIMITED AGREEMENT WITH RESORTS & PROPERTY INTERNATIONAL LIMITED FOR RESIDENTIAL LAND DEVELOPMENT AT YAQARA CITY

Yaqara Group Limited (YGL or "the Company") announces that it has on the 18th October 2007, entered into a further agreement with Resorts & Properties International Limited (RPI) for residential land development at the Yaqara City site. This is in addition to the previous announced existing agreement of 9th March 2007 for RPI to secure a twenty five percent (25%) interest in YGL and the sub lease to RPI of two waterfront sites for development of two 200 room Hotels at the Yaqara Studio City site including the 5 Star deluxe brand "IVANA" which has been formed in association with Ivana Trump who is to be a shareholder in RPI.

Under the existing agreement, subject to shareholder and regulatory approval, RPI will purchase a 25% equity interest in YGL via a share placement for a total of F \$ 6.76 million (A \$ 5 million) made up of F \$ 4.05 million (A \$ 3 million) in cash and F \$ 2.71 million (A \$ 2 million) in shares in RPI at initial offer price of A\$1 per share. RPI will contribute F\$2.5 million to YGL infrastructure funding under agreed financing arrangements and will contribute to rates for internal road usage and its proportion of maintenance, replacement and operation of certain infrastructure equipment.

In addition to the above, and in order to attract further international investment and interest to Yaqara Studio City and to Fiji and to accelerate activity and community building on site, RPI and YGL have agreed to allocate a minimum of 325 acres (less than 10% of total land holdings) to be subdivided into one thousand (1,000) one quarter (1/4) acre lots, or other configuration as agreed between YGL and PRI.

Whilst the development will be undertaken in appropriate stages, the Company believes that the scale of the Yaqara Studio City demands significant initial development impetus through a large scale offering such as this.

Under the agreement with RPI, A\$2 million from the investment funds being provided by RPI to YGL will be allocated for the initial planning, development and international promotion and financing of land for the development. This will include business and market feasibility plans, master and subdivision planning and design, architecture, hydraulics, infrastructure planning and design, studies and surveys, securing contracts for civil works, legal's, marketing and promotion.

It is intended that the land will be developed by YGL in conjunction with RPI through a Special Purpose Vehicle (SPV) or other structure as agreed between YGL and RPI and under terms to be agreed upon between the respective Boards of YGL and RPI to facilitate the participation of other development parties.

RPI has agreed to provide certain Development Services to YGL and the SVP for the development of the land including securing possible development participants and partners; assistance with the structuring, raising and securing of development finance; assistance with the planning and design and development; international marketing and sales promotion and international marketing and promotion of Yaqara generally



through the promotion of the IVANA Hotel by Ivana Trump. For the Development Services or arrangements in relation to the SVP, YGL will pay to RPI certain agreed amounts conditional upon receipt of adequate funds for the development of the land and the payment to RPI. The agreement is subject to finance approval in principle for the development of the land.

It is anticipated that planning and financing approvals and commencement of initial site works will occur during 2008, and be integrated with the planning and infrastructure works for the two Hotels.

It is intended to market the land heavily internationally through agents to be appointed and in conjunction with the overall plans for the Yaqara Studio City including the IVANA Hotels.

As advised by Mr John Stavrou, CEO of RPI, the appointed Chairman of RPI is Hong Kong based Mr David Turnbull. Mr Turnbull is a director of Allco Finance Group and the Executive Chair of Allco Asian Operations, based in Hong Kong. He is also the current director of Pacific Basin Shipping Limited. He is also the immediate past Chair of Swire Pacific Ltd, Cathay Pacific Airways Ltd and John Swire & Sons (HK) Ltd. Mr Turnbull has also served as a Non-Executive Director of the Hong Kong and Shanghai Banking Corporation, Hysan Development Co Ltd and Air China.

RPI has significant access to international financial market networks, sales and marketing groups and development organisations.

RPI as previously announced is continuing with its efforts to conclude its capital raising for the implementation of its business plans including the investment in YGL, subject to the terms of agreement, prior to the end of 2007. The Company will keep the market informed of any material developments in this regard.

The Company believes this agreement will greatly assist in advancing the commencement of works on site and welcomes the further involvement by RPI in the promotion and development of Yaqara and their continuing commitment to Fiji.

A handwritten signature in blue ink, appearing to read "Lyndon Driscoll", is written over a light blue horizontal line.

Lyndon Driscoll
Managing Director
YAQARA GROUP LIMITED