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HD **ACCC probes Aquis \$269m casino bid**
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Takeovers: The Australian Competition & Consumer Commission is examining the pending \$269 million takeover of the Reef **Hotel** Casino in Cairns by the Aquis **Group**.

The ACCC is considering whether the proposal will reduce competition in the marketplace.

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Aquis is behind the proposed \$8.15 billion mega-resort at Yorkeys Knob in the north of the city that includes two casinos and eight hotels.

As part of his strategy, **Hong Kong** billionaire Tony Fung has bid for the Cairns casino and its licence and is negotiating with the Queensland government to split the licence to cover both the CBD **site** and the Northern Beaches **property**.

As well, he has applied for one of two regional integrated resort developments and their gaming licences, which the state government is offering.

The Reef **Hotel** Casino has 38 gaming tables, 519 gaming machines, a VIP gaming room, a TAB and Keno.

The Aquis **Group** is seeking approval for 750 gaming tables and 1500 electronic gaming machines.

An ACCC spokeswoman said the review was not unusual, but she would not be drawn on whether it had been requested by parties involved.

An Aquis spokesman said it was a standard investigation of the **transaction**. "Aquis does not anticipate any issues that will affect the acquisition of Reef Casino Trust," he said.

The ACCC's merger investigations branch acting general manager, Tom Leuner, said the authority was considering the proposed acquisition under section 50 of the Competition & Consumer Act 2010. "Section 50 of the act prohibits mergers and acquisitions that substantially lessen competition in a market," he said.

Notice of the review is on the ACCC website, and in a letter Mr Leuner said: "The ACCC is seeking comments from market participants and interested parties to assist with its review of the proposed acquisition and would welcome any comments you have in relation to the competitive effects of the proposed acquisition." The ACCC is asking for submissions and answers to 10 questions, including the likelihood of the Aquis Resort being developed and whether "your view might change depending on whether or not Aquis acquired the Reef Casino", and competition between the Reef Casino and other forms of gambling in Cairns and other casinos.

Other questions include: "If the proposed acquisition does not proceed, to what extent is the Aquis Resort likely to compete with the Reef Casino and other casinos in Queensland, Australia and overseas? ...

“Please comment on the extent to which the opening of the Aquis Resort would affect the ongoing viability of the Reef Casino (assuming that Aquis **Group** did not **buy** the Reef Casino).” Submissions close on May 1.

CO auccc : Australian Competition and Consumer Commission

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