

FINANCIAL REVIEW

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HD **Stiff competition for Qld casino permits**
BY Jessica Gardner
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Crown Resorts and Echo Entertainment Group could face stiff competition to build a second casino on the banks of the Brisbane river, after Queensland Deputy Premier Jeff Seeney announced that 12 companies had registered their interest in the development opportunity.

A further seven parties have flagged their interest in one of the new regional casino licences that the state government is putting up for grabs.

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Mr Seeney made the announcement in state Parliament on Wednesday, after the deadline for registrations of interest passed last Friday. He said the potential participants in the competitive tender included "construction groups, financiers, legal advisers and gaming operators".

Registered companies now have until March 31 to submit their expressions of interest.

Mr Seeney said he expected the final numbers to fall as bidders formed syndicates to deliver their proposals. "The government has always said that this would be an intensely competitive process and that the integrated resort developments must deliver economic and community benefits," he said. "These resorts will not be stand-alone casinos like those built in the past in Queensland."

Companies that move to the next stage have to pay a non-refundable fee of \$100,00 to cover the assessment. Echo expansion hampered

Echo operates Treasury Casino, Brisbane's only casino. It has a gaming licence in perpetuity and a 99-year lease on the Treasury building. Echo has argued that Treasury's heritage-listed status has hampered its efforts to develop high-end facilities to attract big-spending international gamblers. The **company**, which also operates casinos in Sydney and the **Gold** Coast, has said it will spend over \$1 **billion** on a new Brisbane casino if given the chance.

Echo's gaming **company** rivals Crown and SkyCity Entertainment, have both indicated they would register their interest in the Brisbane casino.

Media reports have linked property developers Lend Lease and **Chinese** outfit Greenland Holdings with the bid. If Echo is outbid in Brisbane it would be financially disastrous for the **company**.

Hong Kong property outfit Aquis, which has lobbed a \$217 **million** bid for the listed trust that controls the Cairns and Canberra casinos, is one of the players vying for a regional casino licence.

Aquis chief executive Justin Fung has said the **company** and its associates will apply to the Queensland gaming regulator to takeover the Reef Casino Trust's Cairns licence, but will also apply through the government's tender process as a "Plan **B**" alternative.

Mr Fung, with his father Tony, plans to develop a \$4.2 **billion** casino and entertainment complex in Cairns on Yorkeys Knob. The complex will include multiple hotels and apartments, a casino, sports stadium, theatres and an aquarium.

On Monday Aquis received approval from the Foreign Investment Review Board to **purchase** farmland for the resort. Accountancy **firm** KPMG has been enlisted to conduct an economic cost-benefit analysis of the Aquis development for the region and state before a development permit is granted.

Key points Twelve companies have registered interest in the development opportunity. Companies that move to the next stage have to pay a non-refundable fee of \$100,00 to cover the assessment.

CO ekoe : Echo Entertainment Group Ltd.

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RE austr : Australia | brisbn : Brisbane | queensl : Queensland | apacz : Asia Pacific | ausnz : Australia/Oceania

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