



ANNOUNCEMENT TO THE SOUTH PACIFIC STOCK EXCHANGE

Date: 13th March 2007

**DEVELOPER WITH IVANA TRUMP TO SECURE INTEREST IN YAQARA GROUP AND DEVELOP TWO HOTELS
IN YAQARA CITY.**

It is announced by Yaqara Group Limited (YGL or "the Company") that that it has entered into contractual arrangements with Resorts & Property International Limited (RPI), an Australian development company with international celebrity and businesswoman Ivana Trump as a shareholder and promoter, for RPI to secure a twenty five percent (25%) interest in Yaqara Group Limited and the sub lease to RPI of two waterfront sites for development of two 200 room Hotels at the Yaqara Studio City site.

Resorts and Properties International Limited is a special purpose hotel development and management company, founded by Australian businessman and developer Mr John Stavrou, to be listed on the Australian Stock Exchange (ASX) via an Initial Public Offering (IPO) in June 2007. The Board and Management of RPI provide a high level of international experience and expertise across property, technology, hotel and resort development, management and marketing.

With international celebrity and businesswoman Ivana Trump as a shareholder and promoter, RPI will be the flagship developer of five star luxury IVANA Hotels in Australia and the Asia Pacific region as well as a three or four star related Ivana brand. RPI also intends to manage a portfolio of hotels in the Asia Pacific region.

RPI intends to erect two hotels on the Yaqara site, a five star IVANA South Pacific resort and a 3 or 4 star related Ivana brand.

"We are very pleased about the agreement reached with Yaqara Group Limited" said RPI Director and CEO Mr John Stavrou. We believe that the Yaqara City development is the most exciting development in the South Pacific, and is very important for Fiji. We see it as a strong, strategic investment opportunity', he said.

Under the agreement reached with RPI, 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 also acquire two 17 ha waterfront hotel sites at Yaqara. In consideration of RPI's commitment to erect the hotels as a first developer and its contribution to infrastructure costs, YGL has granted RPI a reduction in the lease premium from an agreed value of F\$3,825,000 + VAT for each site to F\$765,000 + VAT for each site, plus ongoing rental of 6% of the lease premium p.a. being F\$45,900 + VAT per annum per site.

Under the agreement, YGL will supply sealed road access and services to the hotel sites and 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.

It is intended that YGL will provide a seat on the Board to RPI and a provision for an alternate.

Subject to arrangements with RPI and Ivana, YGL will be able to use the name 'Ivana' in its promotion and marketing.



The Company believes the agreement with RPI adds real value to shareholders, the Yaqara City development and to Fiji. The effective provision of over F\$10.5 million working capital for the Company as well as the commitment to develop two hotels, together with the involvement of Ivana Trump is a powerful combination which can only bring benefits to all.

The arrangements also give the Company a platform on which to build and to accelerate the other diverse elements of the overall Yaqara Studio City development.

The Company further expresses its appreciation to Government for its continued support of the Yaqara Studio City development and for its assistance in facilitating and encouraging investments of this nature.

Conditions for finalisation of the arrangements include the removal of current obligations of YGL requiring payment to various persons of percentages of capital raised and turnover of YGL; approval of shareholders of YGL to the share placement in accordance with the rules of the South Pacific Stock Exchange; any required statutory approvals including Capital Market Development Authority, Native Lands Trust Board, Department of Lands; completion of due diligence by RPI.

Whilst planning work for the two hotels at Yaqara will commence immediately following the IPO, it is intended that construction will commence in 2009. YGL intends to commence works on site for provision of infrastructure in 2008.

The total cost for the two 'Ivana' hotels to be built at Yaqara will be in excess of F\$100 million.

"We will be funding the equity in YGL and the hotel developments at Yaqara entirely by cash being brought into Fiji and with no borrowings in Fiji" said Mr Stavrou.

"We have made a commitment to both YGL as a company through our equity and management position and to activating the Yaqara development and to Fiji through the commitment to build two hotels. We commend the Government of Fiji for its ongoing support of the Yaqara development and look forward to playing our part in promoting Fiji internationally and in bringing the Vision of Yaqara to reality", said Mr Stavrou.

The Company further announces that the proposed convertible note rights issue as previously announced to market on 25th October 2006 will now not proceed.

A handwritten signature in blue ink, appearing to read "Lyndon Driscoll", is written over a faint, larger version of the signature.

Lyndon Driscoll
Managing Director
YAQARA GROUP LIMITED