



GOLD REEF

R E S O R T S

Gold Reef Resorts Limited

Incorporated in the Republic of South Africa

(Registration number 1989/002108/06)

Share code: GDF ISIN: ZAE000028338

("Gold Reef")

OPTION TO ACQUIRE AN INTEREST IN THE HOLDER OF THE WESTERN GAUTENG CASINO LICENCE

Gold Reef shareholders are referred to the previous announcements concerning the option agreements of Gold Reef and Akani Leisure Investments (Proprietary) Limited ("Akani") ("the acquirors") to acquire 100% of the issued share capital of Silver Star Development Limited ("Silverstar"), the holder of the casino licence for the West Rand area of Gauteng ("the options").

Shareholders were advised in the announcement dated 18 July 2006 that the acquirors had at that time exercised 92% of the options in respect of the issued share capital of Silverstar, in equal proportions.

In addition, shareholders were advised in Gold Reef's unaudited interim results dated 30 June 2006 that a dispute had arisen between Gold Reef, Novomatic AG and Century Resorts Limited in relation to the options and the termination of the management contract. Shareholders are now advised that the dispute has been resolved by agreement with Novomatic AG, Century Resorts Limited, Century Casinos West Rand (Proprietary) Limited ("CCWR") and other Century companies subject to regulatory approvals being obtained by 30 June 2007.

Shareholders are further advised that the acquirors have, in equal proportions, acquired the remaining 8% of the issued share capital of Silverstar from Novomatic AG. Shareholders are further advised that the 50% of the issued share capital of Silverstar acquired by Akani has been immediately on-sold by Akani to Akani Leisure (Silverstar Holdings) (Proprietary) Limited, a black empowerment entity incorporated for the purpose of holding the said 50%. The aforesaid acquisitions require the approval of the Gauteng Gambling Board and the appropriate applications for the aforesaid approval have accordingly been made.

In addition, Silverstar has made application to the Gauteng Gambling Board to terminate its management contract with CCWR.

Shareholders will be informed of any further significant developments regarding the implementation of this transaction.

The exercise of the options is a transaction which is smaller than a "Category 3" transaction in terms of Section 9 of the Listings Requirements of the JSE Limited and this announcement is made in order to provide information regarding the ongoing activities of Gold Reef.

Johannesburg
29 September 2006

**Financial advisor and
transaction sponsor**



Sponsor



Corporate law adviser

EDWARDNATHAN

CORPORATE LAW ADVISERS

iProxy

INCE

www.ince.co.za/investorportal