

PRESS RELEASE**31 OCTOBER 2005****SERVICES UNE LTD ANNOUNCES SALE BY TENDER OF TATTERSALLS HOTEL**

Services UNE Ltd today announced the intention to sell the Tattersalls Hotel in central Armidale by tender, following the Directors acceptance of the recommendations of the UNE Union Receiver & Manager, Stephen Hall of Forsyths, Tamworth.

In announcing the sale, Services UNE Ltd Chief Executive Officer Sue Paini advised that proceeds of the sale would be used to retire bank debt and to provide cash reserves and capital for improvements to campus operations in preparation for voluntary student unionism (VSU) in 2006 or 2007.

'While recent indications in regard to VSU being potentially deferred until 2007 are encouraging, they are by no means certain; and the Directors have a responsibility to ensure the continuation of on campus services so essential to students and staff'; said Mrs Paini. 'The Tattersalls Hotel was acquired by UNE Union in 1996 as a hedge against the possible introduction of VSU in 1999 and it is now appropriate that the asset be realised to best position the organisation against the latest VSU threat'.

At the end of September, assets of the Unincorporated Association UNE Union were transferred to Services UNE Ltd, a Company Limited by Guarantee and controlled entity of the University of New England, under a Deed of Company Arrangement approved by the Receiver, all UNE Union Directors and the University Council.

'During October almost 3,000 students, staff and UNE Union Life Members have voluntarily chosen to become members of Services UNE Ltd, indicative of a broad level of support for the change'; said Mrs Paini. 'In addition, over 800 members have taken the time to complete and return the member survey, which will provide valuable assistance to the Board and Management in setting priorities and managing essential changes to the organisation'.

The sale by tender, which will be managed by Forsyths of Tamworth and advertised in local and Sydney newspapers, will close at 4pm on 25th November, with the transaction expected to be completed by the end of the year.

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