

V-26.

Nutters Hotels Pty Limited
ABN 17 112 776 520

Wed 26 October 2005

Attention: Stephen Hall
Forsyths
127 Marrius St
TAMWORTH NSW

Dear Stephen,

We confirm your recent telephone conversations with Mark Stead and myself:

1. I am a Director of Nutters Hotels Pty Limited ("Company") the purchasing entity for our hotel interests;
2. I am duly authorised to make an offer to purchase Tattersalls Hotel, Armidale ("Hotel") on behalf of the Company;
3. The Company is prepared to purchase the Hotel and the Hotel's Business for \$2,650,00.00 + SAV, unconditionally;
4. The purchase of the Hotel and the Hotel Business was not introduced by an Agent;
5. The Company has the necessary finance to purchase the Hotel;
6. Should the offer be accepted we are in a position to exchange contracts upon review of the Contract by our solicitor, Ian Gray (Curtis Delancy Gray, Singleton);
7. Upon acceptance of our offer we can deposit the amount of \$265,000.00 into Forsyths' trust account as a show of goodwill, such amount to be subsequently applied to the deposit when exchange occurs.

We understand that you are meeting with the board of Services UNE Pty Ltd tonight and ask that this offer be tabled. I look forward to hearing from you.

Yours sincerely,

Tim Ryan

(Director, Nutters Hotels Pty Limited)
148 John St Singleton 2330 NSW

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02 65712712