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NRMA and RACT ensuring a bright future for Tasmanian tourism properties

The RACT and NRMA have signed an agreement that will see the NRMA take ownership and increase investment in the RACT's portfolio of tourism properties and experiences.

The deal, between two like-minded sister auto clubs, will see NRMA purchase RACT's award winning Destinations tourism portfolio, comprising Freycinet Lodge, Cradle Mountain Hotel, Strahan Village and Gordon River Cruises and invest tens of millions of dollars in improvements over the next two-to-three years.

RACT Group Chief Executive Officer, Mark Mugnaioni said "RACT is excited to announce the arrangement that includes a significant investment commitment for the properties, highlighting the buoyancy and confidence that exists within the Tasmanian tourism market, particularly in regional areas of the state.

"Our commitment to quality experiences that match the unique Tasmanian landscape in which we operate, is one of the key reasons for the NRMA's interest in these properties. RACT is pleased to be able to hand over the keys of this iconic portfolio to a like-minded organisation that is keen to continue to invest in the Tasmanian tourism industry. We also look forward to partnering with the NRMA to provide unique Tasmanian insights into their operation.

"Importantly, throughout this process our people impacted by this decision have been our priority and we are pleased that NRMA has committed to support our people through a continued operational structure that will see our staff retained as part of the deal.

"We are proud of our role to date in improving and adding value to these businesses since our purchase in 2014. Our investment has significantly lifted the standard of the offering, creating world renowned experiences, such as the internationally recognised Coastal Pavilions at Freycinet Lodge and the quiet cruising technology of the *Spirit of the Wild* on the Gordon River.

"Our decision to sell these properties has been made to allow us to focus and re-invest in value opportunities for our members. We remain committed to providing our members with outstanding services across our

products and we will continue to deliver new and improved member value offerings for our 200,000 Tasmanian members. Current and future member bookings are not affected by this change of ownership.

“As a Tasmanian owned and operated business, we will re-invest to ensure we continue to play a significant role within our community by directly creating member value, generating sufficient financial surplus to allow investment in areas that expand the value which RACT can create, and ensuring RACT’s ongoing sustainability.

“We would like to thank the Tasmanian tourism industry who have welcomed and encouraged our involvement. We believe that the industry is strong and we look forward to working with NRMA to create a seamless transition and watching the evolution of these assets over the coming years.”

Rachel Wiseman, CEO NRMA Expeditions, said the NRMA hoped to carry on the work already done by RACT to further open up the state as a great place to visit.

“Australia’s domestic tourism industry will play a critical role in driving Australia’s recovery out of the pandemic and the NRMA sees Tasmania, with its unique all-year-round holidaying experiences, as being especially important in the coming years,” Ms Wiseman said.

“With the possibility of international travel still way off for Australians the NRMA expects the growth in domestic tourism numbers to continue as we turn to our own backyards to explore and relax.

“The RACT’s excellent tourism assets are situated near some of the state’s most popular destinations. Opening up these to NRMA’s 2.6 million Members and all Australians is a key priority for the NRMA. This means great holidays for Australians and a boost to the Tasmanian economy.”