

Date: 6 March 2008  
On behalf of: Travelzest plc (“Travelzest” or the “Company”)  
For immediate release

## Travelzest plc Issue of exchangeable shares

Travelzest, the online travel group offering specialist travel programmes, announces that, pursuant to the terms of the acquisition of iTravel2000.com announced on 12 September 2006, Additional Consideration of 2,507,287 Exchangeable Shares and a cash payment of CAD\$ 4,750,000 has become payable to the Vendors as a result of iTravel2000.com achieving its profit target for the year ended 31 October 2007. No further consideration is payable to the Vendors.

The Company now has 10,572,614 Exchangeable Shares in issue. The Exchangeable Shares are required to be exchanged on a one for one basis for Ordinary Shares in Travelzest before 16 October 2011.

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### Definitions:

“Acquisition” the acquisition of iTravel2000.com by Travelzest announced on 12 September 2006

“Additional Consideration” the contingent consideration to be paid by the Company to the Vendors following the audit of itravel2000.com for the year ending 31 October 2007

“CanCo” 6615716 Canada Inc., a company incorporated under the federal laws of the Province of British Columbia, Canada on 22 August 2006

“Company” or “Travelzest” Travelzest plc

“ExchangeCo” 0763756 B.C. Ltd, a company incorporated under the laws of the Province of British Columbia, Canada in respect of which CanCo will own Exchangeable Shares

"Exchangeable Shares"	class A non-voting exchangeable shares issued by ExchangeCo to CanCo, which shares may, pursuant to the Exchangeable Share Provisions and the terms of the Exchange Agreement be exchanged for Ordinary Shares
"iTravel2000.com"	1360944 Ontario Inc. (operating as itravel2000.com), a company incorporated under the laws of the Province of Ontario with Ontario registration number 01360944
"Ordinary Shares"	Ordinary shares of 2 pence each in the Company
"Vendors"	the shareholders of itravel2000.com prior to the Acquisition being Shane G. Carroll, Jonathan G. Carroll, Jeffrey D. Mackenzie, J. Brian Hewlitt and CanCo

## Notes to Editors

### The Group currently comprises:

#### ***itravel2000.com***

itravel2000.com was founded in 1994 and is an online travel agent specialising in the sale of travel and travel related products. Sales are made through various internet web sites and a customer call centre located in Mississauga, Ontario. The greater proportion of itravel2000.com's business is winter-based, thus providing counter-seasonal revenue to the predominantly summer-based revenues of Travelzest's businesses in Europe.

[www.itravel2000.com](http://www.itravel2000.com)

#### ***Holiday Express***

Holiday Express is one of the UK's leading on-line travel businesses. It specialises in both on-line travel fulfillment services and online travel sales. Holiday Express' retail business (acting as travel agent), provides package holidays, charter flights and ski booking services, accounts for the vast majority of its revenue and the remainder of its revenue is generated through acting as a tour operator. Holiday Express owns a number of travel website domain names, including:

- [www.holiday.co.uk](http://www.holiday.co.uk)

- [www.flight.co.uk](http://www.flight.co.uk)

#### ***Fair's Fare***

Fair's Fare was established in 1995 and is the UK's leading firm of airfare analysts, offering a unique travel planning service to both private and business clients. The company seeks out the very best financial options, on all major airlines, but primarily for long-haul travellers in the first and business class cabins of the world's leading airlines.

#### ***VFB Holidays***

VFB Holidays is a long established, award winning tour operator, which provided holidays for approximately 24,000 passengers in its last financial year. VFB is currently contracted with the owners of approximately 350 holiday cottages throughout France for the summer season, and has booking arrangements with over 150 hotels, most of which are privately owned and are located in rural or semi-rural locations. VFB specialises in cottage holidays in France, but also has a number of other holiday programmes including: France à la Carte (hotel accommodation), Corsica, Short Breaks, Escorted Tours and River Cruises.

[www.vfbholidays.com](http://www.vfbholidays.com)

#### ***Best of Morocco***

Best of Morocco is a tour operator specialising in high quality, tailor-made holidays to Morocco for individuals or small groups. It provides a personalised service and it's highly experienced and knowledgeable staff help each customer select the hotels / resorts from their large range which are

appropriate for the customer's desired style of holiday. Best of Morocco is the premier agent for the Marathon des Sables, a foot race that takes place in Morocco in April each year, covering some 230km. Best of Morocco provides the largest contingent of runners for the race each year.

[www.bestofmorocco.co.uk](http://www.bestofmorocco.co.uk)

### ***Peng Travel***

Peng Travel was formed in 1971 to arrange naturist holidays for the UK market. Since then, it has grown to become Britain's biggest naturist tour operator. It has unrivalled experience of naturist areas worldwide and has selected only the best. The range of naturist holidays offered is unmatched by any other British tour operator.

[www.pengtravel.co.uk](http://www.pengtravel.co.uk)

### ***Faraway Holidays***

Faraway Holidays was launched by Travelzest in August 2006. It offers luxury tailor-made holidays and tours to top exotic destinations, including Vietnam, Cambodia, Bali and Thailand. Every destination offered by Faraway Holidays will have been visited by at least one member of the sales team, ensuring that customers receive informed and knowledgeable advice when planning their holiday.

[www.farawayholidays.co.uk](http://www.farawayholidays.co.uk)

### ***The Malaysia Experience***

The Malaysia Experience, operated by Faraway Holidays, was acquired by Travelzest in February 2008. This extends Faraway Holidays expertise and local knowledge to be able to offer individually tailored holidays to destinations across Malaysia.

[www.malaysiaexperience.co.uk](http://www.malaysiaexperience.co.uk)

### ***Tapestry Collection***

Travelzest acquired the assets of Tapestry Holidays and has launched a revitalised brand consisting of the very best of the Tapestry range. The Tapestry Collection will initially showcase the very best of Turkey and Crete featuring many of the most popular hotels, apartments and villas, together with some exciting new properties.

[www.thetapestrycollection.com](http://www.thetapestrycollection.com)

### ***The Wow House Company***

Wow House Limited, trading as The Wow House Company, is a specialist UK accommodation provider offering an exclusive portfolio of large, prestigious houses to rent for short breaks in the UK. The company also offers a comprehensive event planning service.

[www.thewowhousecompany.co.uk](http://www.thewowhousecompany.co.uk)

### ***Captivating Cuba***

Captivating Cuba is a tour operator specialising in quality tailor made holidays to Cuba. It's highly experienced team provide customers with the very best advice regarding how to get the most from their visit to the largest Caribbean island.

[www.captivatingcuba.com](http://www.captivatingcuba.com)

### ***JMB Travel***

JMB Travel Consultants Limited is a leading UK specialist in opera holidays offering an extensive range of destinations noted for their operas and music festivals. It has unrivalled experience in catering for the particular needs of the opera and music lover and has connections with every major opera house and music festival in Europe and a small section of North America.

[www.jmb-travel.co.uk](http://www.jmb-travel.co.uk)