



Corrections Corporation of Australia Contracts With Western Australia

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NASHVILLE, Tenn., Jan. 14 /PRNewswire/ -- Prison Realty Trust, Inc. (NYSE: PZN) announced today that Corrections Corporation of Australia has signed a contract with the State of Western Australia to house 750 male inmates in a medium security facility it is building in Woorloo, Western Australia. Opening is expected in the fourth quarter of 2000.

The contract provides for a take-or-pay guarantee in the first year of approximately \$11.2 million. The guarantee escalates to \$14 million in the second year. The term of the contract is for five years and provides for five three-year renewal options.

"We are pleased to expand our presence in Australia by signing our third prison management contract there," said Prison Realty Trust's Interim Chairman Tom Beasley. "The continued trend toward privatization both domestically and internationally remains robust for CCA."

Corrections Corporation of Australia is an affiliate of one of the privately-held service companies, which does business as Corrections Corporation of America (CCA), of which Prison Realty Trust Inc. has a 95% equity ownership interest. CCA provides detention and corrections services for governmental agencies. The company is the industry leader in private sector corrections with more than 73,000 beds in 79 facilities under contract in the United States, Puerto Rico, Australia and the United Kingdom. CCA's full range of services includes finance, design, construction, renovation and management of new or existing jails and prisons, as well as long-distance inmate transportation services. Prison Realty's business is the ownership of correctional and detention facilities. The Company provides financing, design, construction and renovation of new and existing jails and prisons that it leases to both private and governmental managers. Prison Realty currently owns or is in the process of developing 51 correctional and detention facilities in 17 states, the District of Columbia and the United Kingdom. Prison Realty, which is based in Nashville, Tennessee, has announced a restructuring which will, pending shareholder approval, result in the combination of the Company with the companies operating under the name Corrections Corporation of America ("CCA"). The combined company, which would operate under the Corrections Corporation of America name, is expected to be a taxable subchapter C corporation, as Prison Realty would terminate its status as a REIT in connection with the restructuring. Pending shareholder approval, Prison Realty expects that upon the completion of the restructuring, it will issue up to \$350 million in convertible securities to a group of investors.

This news release contains statements that are forward looking, including statements relating to the amount and timing of the proposed offering transactions. These statements are not projections or assured results. Actual results may differ materially from the results anticipated in the forward looking statements due to a variety of factors, including but not limited to, changing market conditions. Additional factors will be described in the company's filings with the SEC. The company does not undertake an obligation to update its forward-looking statements to reflect future events or circumstances. Accordingly, individuals should not place undue reliance on such statements.