March 16, 1999

Cavanaughs Hospitality Corporation will not Pursue Interest in Lasergate Systems, Inc.

SPOKANE, WA -- Cavanaughs Hospitality Corporation (NYSE:CVH) today announced that Cavanaughs will not offer to purchase any shares of Lasergate Systems, Inc. (OTC BB:LSGT). The Company's interest in such an offer was conditioned upon a minimum of 80% of outstanding Lasergate shares being available. Communication from existing Lasergate majority ownership has established that minimum is not available.

G&B Select-A-Seat, the ticketing branch of the Entertainment Division of Cavanaughs Hospitality Corporation, currently processes approximately 2 million tickets per year though outlets in Washington, Idaho, and Montana including but not limited to venues such as the Spokane Opera House, the Spokane Arena, Washington State University and the University of Idaho.

Cavanaughs Hospitality Corporation serves the Northwest with 3,933 full service hotel rooms in 19 hotels, 47 restaurants and lounges and 196,900 square feet of meeting space. In addition to G&B Select-a-Seat, Cavanaughs provides entertainment events through Cavanaughs Entertainment, formerly G&B Presents, a Broadway and special events presenting company which has presented Broadway shows and other special events including sporting competitions and concerts throughout the Northwest during its 12 year's of existence. Cavanaughs also manages 3.1 million square feet of third party property management, 2,200 residential units, and owns 590,000 square feet of office and retail space.

Statements in this release may be construed to be forward looking and are made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that all forward looking statements involve risks and uncertainties, including without limitation, risks relating to operations and acquisitions, the availability of capital to finance growth, as well as the other matters disclosed in the documents filed by the Company with the Securities & Exchange Commission. SOURCE Cavanaughs Hospitality Corporation.