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Two Red Lion Hotels Open for Business in Farmington and Gallup, New Mexico

Spokane, WA, November 17, 2011 - Red Lion Hotels Corporation (NYSE: RLH) announced today that two New Mexico hotels, the Red Lion Hotel Farmington and the Red Lion Hotel Gallup, have successfully transferred to the brand.

"We are very excited to be open for business in New Mexico," said Rich Carlson, Senior Vice President of Lodging Development for Red Lion Hotels Corporation. "These hotels represent the reemergence of the Red Lion brand in the Southwest. The owners of these properties now have three franchise hotels under the Red Lion brand and we expect to add another by the end of the year."

The Red Lion Hotel Farmington, the Red Lion Hotel Gallup and the Red Lion Hotel Oakland International Airport in California are among a group of hotels beneficially owned by Positive Investments, Inc. Red Lion announced a few weeks ago that it has signed a franchise agreement with the owners of Positive Investments for an additional hotel in Grants, NM.

The Red Lion Hotel Farmington is well located in the Four Corners region of New Mexico. The 192 room full service hotel, at 700 Scott Avenue, was formerly the Best Western Inn & Suites of Farmington.

The Red Lion Hotel Gallup is located on the historic Route 66, about 130 miles west of Albuquerque. The 126 room full service hotel, located at 3009 West Highway 66, was formerly the Best Western Inn & Suites of Gallup.

The RLH franchising team is targeting full service hotels and limited service Red Lion Hotels in 11 Western States and British Columbia for conversion to the Red Lion brand.

About Red Lion Hotels Corporation:
Red Lion Hotels Corporation is a hospitality and leisure Company primarily engaged in the ownership, operation and franchising of midscale hotels under its Red Lion® brand. As of September 30, 2011, the RLH hotel network was comprised of 44 hotels located in eight states and one Canadian province, with 8,457 rooms and 424,387 square feet of meeting space. The Company also owns and operates an entertainment and event ticket distribution business. For more information, please visit the Company's website at www.redlion.com.

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