October 13, 2011

Red Lion Hotels Completes Credit Facility

Spokane, WA, October 13, 2011 - Red Lion Hotels Corporation (NYSE: RLH) completed its $40 million credit facility with Wells Fargo Bank making available up to $10 million on a revolving line, in addition to $30 million in term debt obtained in September 2011.

As additional collateral for the facility, the company pledged the Red Lion Colonial Hotel in Helena, MT, as well as the Red Lion Hotel Denver Southeast and the Red Lion Hotel Kalispell and Kalispell Center Mall in Montana. The debt secured by the Red Lion Colonial Hotel in Helena was retired using cash reserves. The $10 million revolving line of credit with Wells Fargo is currently unused.

"We have made significant progress in reducing our debt and restructuring our balance sheet during the past few months," said Julie Shiflett, Executive Vice President and Chief Financial Officer of Red Lion Hotels Corporation. "The revolving line of credit is available for short-term borrowing needs."

The 149-room Red Lion Colonial Hotel in Helena, MT, remains listed for sale. The hotel has 15,500 square feet of meeting space, the largest group space in the market, and underwent a major renovation in 2006.

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 June 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.