



September 4, 2018

**TO WHOM IT MAY CONCERN**

It gives me great pleasure to announce the development of our new property, 18 Fremont Las Vegas Resort and Casino. The land has been acquired and demolition of the site has been completed by project ownership for approximately \$148m. Final approvals are being concluded and we are excited to commence and complete the construction phase of this project which is estimated at \$1.065b. It will truly be a unique property.

Ownership have traditionally been a debt averse group with our three main operating businesses, Golden Gate, The D Las Vegas and our automotive components business in Detroit being debt free. Consequently, on our new property we are injecting a large equity percentage of \$528m, ie 43.5%, which includes land costs, site demolition and further equity for the construction phase. Projects of this nature typically inject equity of around 20%. Senior secured debt is in the process of being negotiated and closed and will be guaranteed by the 18 Fremont, Golden Gate and The D Las Vegas. Consideration is also being given to putting all three businesses into a holding company group structure.

Given the large injection of equity capital and for other reasons, we are fully committed to completing the project. We could fund it entirely from our retained earnings and borrowing capacity of our three main operating businesses but have chosen to raise debt directly into the new project to create a prudent and optimal funding structure. For all intends and purposes, the project is fully funded.

Should there be any queries, please feel free to contact Susan Hitch, our Chief Financial Officer.

Yours sincerely,

Derek J Stevens  
Chief Executive Officer