

10<sup>th</sup> June 2020

## BETMAKERS SECURES RIGHTS FOR ON-COURSE FIXED ODDS IN NEW JERSEY U.S.

### Highlights

- **BetMakers signs 5-year agreement to manage Fixed Odds terminals and kiosks**
- **BetMakers to provide its Managed Trading Services to Monmouth Park racetrack**
- **Agreement includes all-year trading on race days and non-race days**
- **New deal follows previous announcement of exclusive Fixed Odds rights in New Jersey**

The Board of BetMakers Technology Group Limited (“BetMakers” or “the Company”) (ASX:BET) is pleased to announce that it has now secured the rights to manage on-course Fixed Odds betting at New Jersey race track Monmouth Park using Fixed Odds terminals and kiosks for cash betting.

BetMakers, through the Company’s wholly owned subsidiary, BetMakers DNA Pty Ltd (“BDNA”), has signed an Agreement with Darby Development LLC, the operator of Monmouth Park, and New Jersey Thoroughbred Horsemen Association for a 5-year deal that is subject to BDNA obtaining regulatory approvals from the New Jersey Division of Gaming Enforcement and the New Jersey Racing Commission (“Agreement”).

Under terms of the Agreement, which are confidential and commercially sensitive, BetMakers has the rights to manage on-course Fixed Odds betting on Monmouth Park’s race days as well as all other non-race days that the venue is open year-round. The material terms of the Agreement are annexed to this announcement.

Whilst revenues for FY21 are unknown due to current market factors and the launch date of Fixed Odds betting, the Company expects to generate revenues in excess of \$US1 million per year from FY22 under the Agreement.<sup>1</sup> Accordingly, the Board of BetMakers believes that the Agreement will have a material impact on the Company’s revenues.

The Agreement for on-course Fixed Odds rights follows the Company’s previous announcement, on 5th February 2020, that BetMakers had secured an exclusive 10-year agreement with New Jersey Thoroughbred Horsemen Association and Darby Development LLC to deliver and manage Fixed Odds horse racing into New Jersey via online bookmakers licenced in that state.

**BetMakers CEO Todd Buckingham said:** “This new deal gives BetMakers the rights to offer Fixed Odds betting using on-course terminals and manage wagering through our Managed Trading Services division. We believe this will be the first time in the U.S. that on-course patrons will be able to bet Fixed Odds on horse racing via betting terminals and at kiosk windows. We believe this will provide Monmouth Park patrons with a truly

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<sup>1</sup> Assuming that racing and foot traffic at Monmouth Park return to levels experienced prior to COVID-19.



unique betting experience, and one that will be the future of betting on horse racing in the U.S. market. This new Agreement shows the full breadth of BetMakers' services that we can offer to operators both online and in a retail environment. It is a solution that can be replicated to allow expansion of these services to other tracks and betting venues, including casinos throughout the U.S."

**Dennis Drazin, CEO Monmouth Park, commented:** "We have always been forward thinking in the way we approach our business in terms of commercial outcomes and customer experiences, and bringing Fixed Odds betting to Monmouth Park for our patrons is another exciting concept to fulfil both of these aims. We believe that under this deal with BetMakers we will bring more people into our venues, which we can benefit from not only by adding an extra revenue stream via Fixed Odds, but also create more engagement to bring new customers to racing."

As part of the Agreement, BetMakers must supply and maintain (at BetMakers' cost) Fixed Odds betting terminals and kiosks for cash betting that will be managed from a central risk management system developed by BetMakers. The Company expects the initial fit out infrastructure cost to be approximately \$250,000 for the Monmouth Park venue.

Following a recent announcement by the State of New Jersey Governor to re-open horse racing, Monmouth Park is scheduled to begin racing again July 3. Its biggest race, the \$US1 million Haskell Stakes, is set for July 18.

New Jersey has been one of the pioneers for Fixed Odds sports betting in the U.S., with latest sports betting annual turnover reported at more than \$US4.5bn.<sup>2</sup> The Company believes this will be the first time Fixed Odds betting on horse racing will be offered legally anywhere in the U.S.

**Mr Buckingham added:** "There are two key factors behind our optimism on Fixed Odds betting on horse racing in the U.S. Firstly, we know that U.S. punters have shown an appetite for Fixed Odds on other sports through their \$US4.5billion annual turnover on sports in New Jersey alone, and secondly we have seen the strong trend in Australia that has seen Fixed Odds betting become the dominant type of betting option preferred by punters."

"This new deal gives us the opportunity to build the perfect model at Monmouth Park to modernise the offering on horse racing through Fixed Odds betting, which we believe will be adopted throughout other racetracks in the U.S. market."

Todd Buckingham, Managing Director of BetMakers, authorised the release of this announcement to ASX.

For more information on Monmouth Park please see: [www.monmouthpark.com](http://www.monmouthpark.com).

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<sup>2</sup> <https://www.nj.gov/oag/ge/financialandstatisticalinfo.html>



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#### Disclaimer

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- assumptions regarding the Company’s financial position, business strategies, plans and objectives of management for future operations and development and the environment in which the Company will operate; and
- current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties.

Actual results, performance or achievements of the Company could be materially different from those expressed in, or implied by, these forward-looking statements. The forward-looking statements contained within the presentations are not guarantees or assurances of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which may cause the actual results, performance or achievements of the Company to differ materially from those expressed or implied by forward-looking statements. For example, the factors that are likely to affect the results of the Company include general economic conditions in Australia and globally; exchange rates; competition in the markets in which the Company does and will operate; weather and climate conditions; and the inherent regulatory risks in the businesses of the Company. The forward-looking statements contained in this announcement should not be taken as implying that the assumptions on which the projections have been prepared are correct or exhaustive. The Company disclaims any responsibility for the accuracy or completeness of any forward-looking statement. The Company disclaims any responsibility to update or revise any forward-looking statements to reflect any change in the Company’s financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by law. The projections or forecasts included in this presentation have not been audited, examined or otherwise reviewed by the independent auditors of the Company.

You must not place undue reliance on these forward-looking statements.

#### Annexure: Material Terms

The material terms of the Agreement are as follows:

- in consideration for a percentage of profits generated by the Fixed Odds betting, BDNA will manage on-course Fixed Odds betting placed on course at Monmouth Park using Fixed Odds terminals and kiosks;
- the initial term of the Agreement is 5 years from the date of the Agreement. The Agreement will be extended for a further term of 5 years unless:
  - BDNA gives Darby Development LLC no less than 6 months’ notice; or
  - the Agreement is otherwise terminated for cause or insolvency; and
- the Agreement is conditional upon BDNA obtaining the approval of New Jersey Division of Gaming Enforcement and the New Jersey Racing Commission in respect of the provision of the services and equipment on or before 3 July 2021. In the event BetMakers is not able to obtain these approvals on or before 21 May 2021, any party may terminate this Agreement by written notice to the others; and
- BetMakers will hold the risk on each race day conducted at Monmouth Park Racetrack for Fixed Odds betting on horse racing and provide relevant guarantees including required cash reserves in the form required by the regulators.