



10 August 2021

ASX Announcement (ASX:BBT)

BlueBet and BlueWater Resort & Casino partner to pursue online sports betting licence in Arizona

Mobile-first online wagering provider, BlueBet Holdings Ltd (BlueBet) (ASX:BBT), is pleased to announce it is continuing to progress its activities in the US online wagering sector. BlueBet's wholly owned subsidiary BlueBet Arizona LLC has entered into an exclusive agreement with the Colorado River Indian Tribes (**CRIT**) and BlueWater Resort & Casino, a wholly owned instrumentality of the CRIT to pursue online sports betting market access in Arizona. The licence application has been submitted and notification is expected if we are successful within four weeks.

Online sports betting in Arizona was legalised in April 2021 by Governor, Doug Ducey with an expected launch date of September 9, 2021, to coincide with the start of the NFL season. The Sports Wagering Act allows up to 20 Sportsbooks to operate in Arizona, with these licences being split between professional sports teams/sites and the state's tribal casinos.

Key features of the exclusive agreement, assuming BlueBet Arizona LLC is successful in its licence application include:

- BlueBet to be the designee for CRIT and BlueWater Resort & Casino so that BlueBet could obtain licensure to operate online sports betting in Arizona;
- the new online sportsbook would be offered through BlueBet's mobile app and website platform technology (pending completion of regulatory approval and licensing), with branding expected to be announced shortly;
- a term of 10 years;
- BlueBet will pay CRIT a market access fee and a portion of Net Gaming Revenues derived from online sportsbook operations;
- BlueBet agrees to make an annual community fund donation to a community-based organisation associated with CRIT; and
- BlueBet will be responsible for licencing and regulatory costs associated with the operation of the online sportsbook.

BlueBet is entering FY22 with strong momentum. The Australian business delivered Unaudited Net Revenue for FY21 of \$32.0 million relative to the prospectus forecast of \$31.4 million and we are delivering on our US entry strategy with a skin agreement already secured with Dubuque Racing Association in Iowa. Arizona represents another exciting growth opportunity for our US business in addition to the priority US states detailed in our Prospectus.

As well as Iowa, BlueBet identified a further four priority states in the US: Virginia, Colorado, Tennessee and Maryland, with a combined population of over 27 million people. Should a licence be secured in Arizona where the population is 7.2 million, this would represent a material incremental opportunity.

In May 2021, BlueBet applied for an online wagering licence with the Virginia Lottery. BlueBet continues to expect a decision on this licence application in the current quarter.

BlueBet's Chief Executive Officer, Bill Richmond, commented:

"We're very excited to be announcing this agreement within two months of BlueBet's IPO. We see Arizona as a fantastic next step for BlueBet in the US. The opportunity is particularly advantageous because Arizona is such an unpenetrated market, with no existing operators despite it being a state of sports fanatics.

"Arizona's population is twice that of Iowa, where we have our first US skin and where the sports betting market is estimated to have gaming revenue worth more than a billion US dollars¹ per year, so this agreement represents a significant escalation in our push into the US.

"We hadn't originally considered Arizona as a first mover state in our US expansion but our strategy in the US is to be continuously proactively seeking out new opportunities like this to grow our footprint swiftly to take full advantage of this unique green field prospect.

"We will look to continue to build on this momentum as we seek market access in more US states and move to our B2B Sportsbook-as-a-Solution model long term."

¹ Frost & Sullivan, BlueBet Prospectus, 2021

AUTHORISATION

This announcement has been authorised for lodgement to ASX by the BlueBet Board of Directors

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About BlueBet

BlueBet is a mobile-first, online bookmaker with a vision to provide more innovative wagering products to customers of Australian and international racing and sports.

BlueBet offers wagering products on 31 sports in Australia and internationally, plus entertainment and politics wagering markets. BlueBet provides customers a wide range of traditional wagering products as well as more innovative products, such as Exotics, Same Game Multis and Same Race Multis.

BlueBet is powered by a scalable, cloud-based technology platform, which has been materially customised and enhanced by the Company to focus on providing customers with the best experience possible. BlueBet has developed its customer-facing technology platform, website and native apps with a mobile-first strategy, to deliver a premium mobile experience to the customer.

About BlueWater Resort & Casino

BlueWater Resort & Casino is located in Parker, Arizona on the banks of the Colorado River. It is owned and operated by the Colorado River Indian Tribes. Opened in June 1999, the casino features a 30,000 square foot gaming floor, more than 450 slots and video keno games, and 9 gaming tables. There is a 200-room hotel, 3 restaurants, more than 17,000 square feet of flexible meeting space, 3 bars, an indoor swimming pool and expansive water park, and outdoor river activities. For more information about BlueWater Resort & Casino, visit www.bluewaterfun.com