



July 30, 2020

To Ontario Horsepeople,

It's been approximately two months since live horse racing returned throughout Ontario. Our collective efforts to resume live racing safely without spectators and following COVID-19 prevention protocols has been a success. Thank you to all racing participants for your commitment and diligence in following the protocols that have been implemented to protect horsepeople, racetrack employees and our live racing programs.

As the Ontario Government continues to reopen the provincial economy and racetracks welcome back owners and limited spectators, let's continue to be diligent in following all safety measures that are put in place to prevent the spread of COVID-19. More on the reopening of our facilities is set out below.

In addition to managing the COVID-19 pandemic and running live racing in Ontario since it resumed in early June, it's been an extremely busy time for our industry and therefore I would like to provide you with updates on various topics.

The Province's Stage 3 Plan: As of tomorrow, Toronto and Peel Region will enter the Ontario Government's Stage 3 of its plan to reopen the provincial economy. Woodbine Entertainment's approach to Stage 3 will be a cautious and gradual reopening of our facilities, as we continue to put the safety of our employees, horsepeople and guests above all else. Our primary reason for this is to ensure our live racing programs continue and are not unnecessarily put at risk by opening our facilities too quickly. We have shared our reopening plans with the Province's Ministry of Health as an important step that further demonstrates our commitment to doing this in the safest way possible. As we confirm when we will reopen our facilities, including Woodbine Mohawk Park, Woodbine Racetrack, Greenwood and WEGZ, we will let you know. In the meantime, with the Halton

Region having entered Stage 3 last Friday, we were pleased to welcome back Standardbred owners to Mohawk Park to watch their horse(s) race.

As Toronto enters Stage 3 of the Ontario Government's plan to reopen the provincial economy tomorrow, we are pleased to inform you that one owner and one guest per horse will be permitted to access the apron at Woodbine Racetrack to watch their horse(s) during live racing starting on Saturday, August 1. The race office will distribute the protocols owners are required to follow and the sign-up link tomorrow. Please be advised that the backstretch will remain restricted to essential personnel only.

Wagering Performance: Since resuming live racing in the province, the majority of Ontario Racing tracks are up approximately 20% in handle per race. The few OR tracks that are showing declines in handle are the tracks that have traditionally been more dependent on on-track wagering, which hasn't been available due to restrictions caused by the COVID-19 pandemic. We have also seen substantial money now being wagered on OR tracks from foreign markets which is very encouraging for our future.

Capsaicin Positive Tests: Over the past several weeks, several horses in Ontario, and other jurisdictions in Canada, have received positive tests for capsaicin. This is a concerning development for many trainers and racetrack operators, including Woodbine Entertainment. While the AGCO has been investigating to determine the root cause of these positive tests, we continue to work with them to ensure owners and trainers are informed of the latest developments and information. Most recently, the AGCO Equine Drug Unit's preliminary investigation revealed a potential source: a product known as ZEV which is an oral product used for the treatment of respiratory conditions. We encourage all owners and trainers to be aware of the risk of using ZEV while we continue to work with the HBPA and the AGCO on a resolution to this ongoing issue.

Racing Night Live on TSN: Tonight will be the eighth broadcast of Racing Night Live. On average, we are reaching approximately 100,000 viewers per week across Canada. During the Racing Night Live broadcast, we are also seeing a spike in traffic to [PlayDarkHorse.com](https://www.playdarkhorse.com), downloads of the Dark Horse app, and engagement within the app. This continues to be an important opportunity for the entire horse racing industry to promote our sport to new fans. Thank you to everyone who has helped

promote Racing Night Live on social media. Let's keep it up through the rest of the summer.

Update on the Pepsi North America Cup and The Queen's Plate: Our two signature events are fast approaching and while they most likely will look different this year, we are really excited about how our plans are shaping up and are grateful that we are able to run these races at all. As much as we have been hoping to welcome spectators to these events, it's looking more and more likely that we will not be able to achieve that goal. That said, we are busy planning how we can execute these events under these circumstances. This includes consideration about what we do for our owners and horsepeople racing on those days. We expect to announce our plans for both events in the coming weeks.

Foreign Participants Racing at Woodbine and Mohawk Park: We have learned that certain connections may not be prepared to ship their star horses to Canada to compete in our major races without regular accompaniment, which is understandable. To address this, we are working with the Federal Government on a resolution to allow jockeys, drivers, trainers and other racing participants to travel across the border for our major events. Please be assured that we would not be approaching the Government if we did not have full confidence in the protocols we have developed to protect both horsepeople and our live racing program. Furthermore, this does not suggest that we don't believe we have some of the best drivers, jockeys, trainers and horses right here in Canada and at Woodbine and Mohawk Park. However, as part of our commitment to being leaders in horse racing in North America, having the best of the best compete in our major events is critically important. Please also understand that we are supporting our local horsepeople by driving wagering for our big events. It's proven that we maximize our handle when the best horses in North America are running in our major races. If there are any further developments on this issue we will be sure to share those with you at the appropriate time.

Thoroughbred Racing Silks Registration: Recently, Ontario Racing announced that effective April 1, 2021, the AGCO will no longer administer the registration of Thoroughbred racing colours in Ontario. Please note that the effective date of this change should have been January 1, 2021. After careful consideration, in consultation with Ontario Racing, Ontario's Thoroughbred tracks have made the determination that registration of Thoroughbred racing silks in the province will no

longer be required after January 1, 2021. Use of racing silks will be managed after that date by each Thoroughbred track individually, including the development of policies that will be used by the track to determine whether specific silks designs will be permitted to be used at that racetrack. Commencing January 1, 2021, it will be the responsibility of each horse owner to ensure that any new designs are acceptable to the track(s) at which they are intended to be used. Woodbine will release its policy regarding silks before the commencement of the 2021 season.

The decision was made, in large part, to reflect the similar approach of the majority of other Thoroughbred racing jurisdictions throughout North America.

Stronger Together: With how busy everyone has been, we have not had a chance to host the next Stronger Together video conference, but we certainly look forward to doing so soon. We are planning to host the next Stronger Together in August. Once we have confirmed a date, we will let you know. Thank you for your ongoing cooperation over the past several months.

Thank you,

Jim Lawson