

News Release

Ministry of
Economic Development,
Trade and Tourism

FOR IMMEDIATE RELEASE

February 18, 1998

Falls Management Company Chosen as Preferred Proponent For the Niagara Falls Casino/Gateway Project

NIAGARA FALLS – The Minister of Economic Development, Trade and Tourism announced today that Falls Management Company has been selected by the independent Selection Committee for the Niagara Falls Casino/Gateway Project to begin negotiations with the Ontario Casino Corporation (“OCC”) to finance, design, construct and operate the development.

Falls Management Company (“FMC”) is led by Hyatt, one of the largest and most successful resort and tourism companies with 179 hotels and resorts throughout the world. Currently, Hyatt operated seven casinos and is a partner with Circus Circus on an eighth casino.

FMC has selected the Murray Hill site, overlooking the Falls, and proposes that the casino complex will feature 100,000 square feet of gaming, a 350-room hotel, extensive meeting and exhibition space, a world-class retail mall, and a significant entertainment complex. The casino and related development will offer a unique blend of year-round experiences, including family-oriented entertainment and world-class accommodation.

In addition to the casino complex, the consortium proposes to develop a new 12,000-seat, indoor/outdoor amphitheatre and entertainment venue. It will also develop “River Country”, a major addition to the existing Marineland. The proposal also features a monorail as part of the people-mover system currently being planned by the City of Niagara Falls. The casino and tourist attractors are estimated to cost from \$500-800 million.

“The Niagara Falls Casino/Gateway Project will strengthen Region’s position as one of the most exciting tourist destinations in the world,” said Al Palladini, Minister of Economic Development, Trade and Tourism. “As the single largest tourism investment in the history of this region, this casino and tourist development will be a magnet for attracting new tourists, extending the length of tourist visits to the Niagara Region and stimulating even more investment,” added the Minister.

The casino complex as currently conceived will create more than 5,000 direct jobs. Construction of the casino complex will create approximately 5,000 person years of employment.

In addition to Hyatt, other participants in FMC are Shiplake Gaming Corporation, Highland Gaming L.P., Olympic V Associates L.P. and Falls Entertainment Corporation.

Shiplake Gaming Corporation is owned by Toronto’s Latner family, who own a diverse range of interests including Canada’s largest real estate development and property management firms and health services.

(more)

Highland Gaming L.P. is controlled by Neil Bluhm, co-founder and president of Chicago-based JMB Realty Corporation, one of the largest real estate and development firms in North America. Mr. Bluhm is also co-chairman of the board and principal shareholder of Urban Shopping Centres Inc., a successful shopping center company in the United States.

Olympic V Associates, L.P. is controlled by Paul L. Snyder, whose business experience includes consumer products, the hospitality industry, tourist attractions, Lake Theme Park and Performing Arts Centre, one of the most successful amusement park and entertainment complexes in the United States.

Falls Entertainment Corporation is owned by Mr. Richard Boxer and Mr. Andrzej Kepinski, who have been involved in the development of FMC's project from the outset.

The OCC and FMC will immediately begin negotiations on the relevant business and operating agreements. The deadline for agreement on key issues is 60 days. If the negotiations on the business agreements are unsuccessful, the OCC had the option to consider another proponent. Once business agreements are reached, implementation planning will begin. Both the project concept and estimated costs are considered preliminary and will be extensively reviewed and refined by FMC and the OCC with assistance from the City of Niagara Falls as required.

FOR MORE INFORMATION:

Anne Rappe
Ontario Casino Corporation
(416) 326-0163