THE CASE FOR NO SALE OF ROSEHILL RACECOURSE

PREPARED BY:

Prepared by Annette English, Director, Australian Turf Club
With contributions from fellow ATC Board Members, Vice Chair Tim Hale and Caroline Searcy, and developed in consultation with engaged ATC Members committed to the future of racing in New South Wales.

1. Introduction

1.1 The Australian Turf Club (ATC) is seeking member approval to remove Rosehill Gardens from its "core property" designation, enabling its sale for government-led redevelopment. The Board contends that the proposed transaction could return up to $5 billion in net proceeds to fund new infrastructure at Warwick Farm and Royal Randwick, including the development of a new Group 1-standard racecourse or training centre.

1.2 While the headline figure is significant, the proposal, on close review, relies on speculative assumptions, lacks enforceable guarantees, and exposes members to considerable uncertainty. There are no binding commitments regarding scope, timing, delivery, or oversight. The protections for member interests, now and into the future, are vague or absent.

1.3 This paper sets out the case for voting NO. It details the significant omissions, unanswered questions, and risks embedded in the proposal – risks that could result in the permanent loss of a historic racecourse Members are being asked to trade a tangible, iconic, and revenue-generating asset for an uncertain promise

2. Background Information

2.1 In March 2024, the Australian Turf Club (ATC) submitted an Unsolicited Proposal (USP) to the NSW Government seeking to sell the entirety of Rosehill Gardens Racecourse. The stated rationale was to enable the Government to construct a new Metro Station at Rosehill and unlock the site for residential development. The ATC contends that this transaction would deliver up to $5 billion net in staged proceeds over 15 years and allow for a reinvestment into other racecourse infrastructure, including Warwick Farm, Royal Randwick, and a proposed new training centre.

[1]

THE CASE FOR NO SALE OF ROSEHILL RACECOURSE

2.2 This proposal, however, departs significantly from the Club's historical position, where past development discussions, such as those under the Camellia-Rosehill Place Strategy, contemplated the partial development of excess land at Rosehill while retaining racing operations at the site. Under that earlier framework, ATC itself estimated potential returns of \$300–\$500 million, **without** requiring the wholesale disposal of one of Sydney's two Group 1 racecourses.

2.3 The decision to pursue an unsolicited proposal for the full sale of Rosehill raises critical questions:

- **Why is it necessary to sell a core, income-generating, irreplaceable asset in its entirety?**
- **What other pathways have been explored – and why were they rejected or not meaningfully developed?**
- **How robust is the analysis that led to the conclusion that this sale is the only viable option for the Club's future?**

2.4 Despite the extraordinary nature of the proposed transaction, the ATC has not provided Members with transparent modelling or options analysis comparing the full sale with less drastic alternatives. These may include:

a. Partial development of surplus land;

b. Long-term leasing structures;

c. Capital partnerships;

d. Asset-backed financing options; or

e. Engagement with private sector developers under joint venture or staged development models.

2.5 Instead, Members are being asked to make an irrevocable decision to reclassify Rosehill as "non-core property" and approve the sale, without final commercial terms, without a clear understanding of whether a more balanced, staged or hybrid approach could meet the Club's future needs with less risk.

2.6 This background raises foundational concerns about the process, governance, and rationale underpinning the proposed sale. It is against this backdrop that this paper outlines the case for voting **NO**.

THE CASE FOR NO SALE OF ROSEHILL RACECOURSE

3. Our Position - Summary

3.1 The proposed sale of Rosehill Gardens, and the reclassification of the land from core to non-core property, presents a high-risk transaction that does not align with the long-term interests of the Club, its Members, or the racing industry in New South Wales. While framed as a transformative opportunity, the proposal reflects short-term problem solving rather than strategic reform. It risks locking the Club into a narrow, irreversible course of action driven by expediency rather than vision.

A. The Resolution is Risk-Laden – And the Risks Are Not Proportionate to the Claimed Benefits

3.2 Despite the significant time and effort invested by the proponents of this Transaction, the process has been rushed. The material relies on assumptions, aspirational forecasts and undeveloped plans rather than binding commitments. There are no finalised terms, no secured site for a replacement racecourse, not independently verified $5 billion valuation, and no infrastructure approvals. Yet the Resolution seeks Member approval to proceed regardless.

3.3 In commercial terms, this is an unacceptable level of risk. The scale of the decision, selling the Club's second Group 1 racecourse, home of the *Golden Slipper*, demands a standard of diligence and precision that has not been met.

B. A Short-Term Fix for Structural Challenges

3.4 The proposal mischaracterises the underlying issue. This is not, at its core, an infrastructure crisis. The need for better facilities is real, but it is a symptom, not the cause.

The fundamental challenge is that the industry's financial model is under strain, and the Club's reliance on wagering revenue has not been strategically addressed. The proposed sale responds to this challenge by liquidating a once-in-a-generation asset to fund physical upgrades and a membership incentive program. **<u>That is a short-term fix to a long-term problem.</u>**

Instead, we argue for a more disciplined, whole-of-industry approach. If the ATC is facing structural headwinds, those issues must be addressed collaboratively with the Regulator and other stakeholders, not papered over with a one-time cash injection.

The proponents say this opportunity will never come again. We say it should not have to. If the Club's strategy is so vulnerable that it must sell Rosehill to "stay above water," then the problem is strategic – not infrastructural.

C. The Transaction Prioritises the Deal, Not the Members

3.5 Throughout the material, it is clear that the Resolution has been designed to facilitate the Transaction. The advice to reclassify Rosehill as non-core property is presented as legally necessary, but it is only necessary if the Transaction proceeds in its current form. That is not a neutral position; it is advice crafted around how best to implement the deal, not whether the deal is in the best interests of Members.

3.6 There is no contest as to whether there are issues that must be addressed. The racing industry is at a turning point. But this proposal reflects a singular, finance-driven view of the Club's future. It does not speak to the values of the ATC, the irreplaceable heritage of Rosehill Gardens, or the broader community and member interests.

4. The Resolutions

4.1 The Resolutions contain a series of interconnected promises that rely on aspirational outcomes, not secured deliverables. Below is our review and response to each of the key clauses in the Resolutions.

Resolution 1: Sale Proceeds

4.2 ATC claims: The sale will deliver $5 billion in net proceeds, received in stages over 15 years, with $1.9 billion frontloaded for infrastructure delivery.

The Resolution proposes that the sale of Rosehill Gardens will deliver net proceeds of at least $5 billion, subject to staged payments over 15 years. Of this, approximately $1.9 billion is earmarked to be received within five years for infrastructure upgrades, with the remaining $3.1 billion to follow over the next decade in annual instalments of no less than $100 million.

The material is silent on:

a. Whether Racing NSW has reviewed or approved the proposed infrastructure allocation.
b. What expectations or demands Racing NSW may have in relation to ATC's capital works, prize money, or funding distribution.

4.3 Whether Racing NSW intends to redirect or withhold any other forms of revenue, such as wagering distributions or infrastructure grants, as a result of the sale. This lack of integration with the Regulator represents a material governance gap. The proposed transaction is described as transformational for the industry, yet it proceeds without any indication of how Racing NSW intends to coordinate its own long-term infrastructure and funding strategy alongside or in response to the sale proceeds.

[4]

4.4 Finally, the Resolution requires Members to approve the sale without:

a. A binding sale contract;

b. A legally secured payment structure;

c. Clarity on what constitutes "net" proceeds;

d. Full visibility on how the Future Fund will be governed; or

e. Independent oversight of expenditure priorities or project delivery.

4.5 In the following sections, we examine each of the proposed infrastructure allocations in detail to test their feasibility, justification, and delivery risk. However, we flag at the outset that this funding model is aspirational, not certain – and insufficiently coordinated with the rest of the industry to give Members confidence in its viability.

Resolution 2: Warwick Farm Rebuild

4.6 **ATC claims: Proceeds will fund a full redevelopment of Warwick Farm and other venue upgrades.**

4.7 **Our response:**

The Resolution proposes a **complete redevelopment of Warwick Farm Racecourse into a Group 1 capable venue**, including significant investment in training, stabling, spectator facilities, and a new Lifestyle Club. The project is now budgeted at **$802 million**, broken down as follows:

Project Element	**Cost (Indicative)**
Track redevelopment	$230.7 million
New training and stabling facilities	$175.2 million
Member and spectator facilities	$378.7 million
Total Capex	**$802 million**

4.8 These costings are supported by concept designs and preliminary engineering reviews. While the updated material represents a notable improvement in detail compared to earlier drafts, major strategic and operational questions remain unanswered.

An Ambitious Rebuild on a Constrained and Challenged Site

THE CASE FOR NO SALE OF ROSEHILL RACECOURSE

4.9 Warwick Farm is flood-prone, access-limited, and constrained by surrounding infrastructure. Even with the inclusion of peer-reviewed flood mitigation measures and track redesigns, these plans are untested at this scale and in this context.

a. The redevelopment includes raising land levels, excavating within high-risk flood zones, and building a new tunnel, access roads, and stewards' towers.

b. No environmental approvals, DA consents, or sequencing plans are included in the proposal.

c. In short, while the vision is grand, the execution pathway is not yet visible to Members.

No Published Relocation Plan for 600+ Horses

4.10 Currently, over 600 horses are trained at Warwick Farm. The proposal does not explain:

a. How these horses will be housed or relocated during the rebuild;

b. What impact this will have on trainers, jockeys, stable staff, and race scheduling;

c. Where temporary stabling will be located or who will bear those costs.

4.11 There is also no reference to business continuity planning or industry consultation around the disruption caused by the rebuild. This lack of transparency in the face of operational upheaval is a material risk.

No Confirmation of Wagering Impact or Calendar Feasibility

4.12 Warwick Farm has limited spectator engagement and a different wagering profile compared to Rosehill. It is unclear:

a. Whether the rebuilt venue will deliver equivalent or improved wagering performance;

b. How ATC and Racing NSW intend to adjust the racing calendar to accommodate lost Rosehill Group 1 events;

c. Whether broadcasters and major event partners have been consulted.

d. The notion that Warwick Farm can simply "replace" Rosehill overlooks decades of brand equity, geographic convenience, and customer loyalty associated with Rosehill Gardens.

THE CASE FOR NO SALE OF ROSEHILL RACECOURSE

No Contingency for Delay, Overrun or Project Failure

4.13 No buffer or escalation contingency is publicly disclosed, though internal commentary suggests 20% overrun contingency has been built in.

4.14 No accountability mechanism is set out if costs exceed projections or approvals are delayed.

There is no confirmation that the NSW Government is committed to delivering these works to time or budget – only that funds will be drawn down progressively over 5+ years.

4.15 In essence, Members are being asked to approve a multi-stage, high-cost, flood-prone infrastructure project without the safeguards usually required for public or member-owned assets of this scale. Warwick Farm is not a turnkey solution – it is a multi-year; high-risk redevelopment being used to justify the permanent sale of Rosehill Gardens. The proposal:

a. Sacrifices operational flexibility by removing Rosehill before Warwick Farm is ready;

b. Introduces significant business continuity risk due to the absence of relocation planning for horses and personnel;

c. Fails to provide confidence in execution, as no secured approvals, staging plans, or accountability measures are in place.

Resolution 3. New Site Acquisition

4.16 **ATC claims: A new training venue (with future Group 1 racing potential) will be acquired using sale proceeds.**

4.17 **Our response:**

a. No viable land has been identified. Previous attempts (e.g. Homebush, Horsley Park) failed due to planning, environmental, or ownership issues.

b. There is no evidence that a suitable, available, and affordable site even exists.. Yet $522 million has been estimated for the acquisition and development costs for this non-identified site.

c. The phrase "future potential" is speculative – it creates an expectation without any current capacity to deliver.

d. This is a placeholder, it is not a secured site, it is not a plan.

THE CASE FOR NO SALE OF ROSEHILL RACECOURSE

Resolution 4. ATC Infrastructure Initiatives

4.18 **ATC Claims: The proposal includes a suite of significant infrastructure upgrades across ATC venues, including:**

a. **Royal Randwick**: 300 new stables, member facility refurbishments, a Lifestyle Club with pool and gym, and a long-anticipated hotel;

b. **Canterbury Park**: $10 million in critical maintenance and additional venue upgrades;

c. **Venue-wide improvements**: Better access and infrastructure for seven-day member and industry use.

4.19 These projects are not controversial – they are essential. In fact, many should already be underway. They reflect the Club's responsibility to invest in its physical assets and meet the evolving needs of trainers, owners, and members.

4.20 **The real concern is not the works themselves – but the misplaced funding model.**

4.21 These critical upgrades are only possible if Members approve the sale of Rosehill Gardens. That is a structural flaw in the strategy. It assumes that the ATC must liquidate one of its most valuable core assets just to fund the maintenance and modernisation of its remaining venues.

4.22 Meanwhile, the ATC continues to generate wagering and operational revenue from these very venues – revenue that is increasingly controlled, redistributed, or influenced by Racing NSW, the industry regulator.

4.23 This raises an important question:

Why are these infrastructure works not already prioritised in Racing NSW's funding allocations, when the regulator directly benefits from the revenue they generate?

4.24 Members are being told that the only way to fund these upgrades is to sell Rosehill. But that's not a strategic plan – that's a symptom of a outdated funding relationship. The industry makes money from ATC racing, ATC venues, and ATC-led innovation. The investment should flow accordingly.

Resolution 5. " Loyalty" Program

4.25 **ATC claims: The Loyalty Program will encourage race day attendance and reward Member loyalty.**

4.26 **Our response:**

a. This is a reactive gesture, not a strategy. It's designed to make the Transaction more palatable, not to rebuild Member engagement in a sustainable way.

b. There is no modelling or financial transparency as to the program's cost, scale, uptake, or impact on ATC's bottom line.

c. It may well create ongoing liabilities while undermining long-term membership value.

d. Loyalty Program – A Short-Term Giveaway, Not a Long-Term Strategy

e. This proposal is undeniably attractive to Members. But it is also an extraordinary short-term inducement with long-term financial and strategic consequences.

4.27 **Short-Term Thinking Without Strategic Alignment**

The Loyalty Program appears to have been developed not by the ATC's Membership Committee, but by external consultants engaged to deliver the Transaction. It is not integrated with the ATC's longer-term membership strategy, growth plan, or brand objectives.

a. The benefits are skewed heavily toward existing long-term members rather than future growth.

b. There is no data or business case linking the Program to sustainable engagement, retention, or community building.

c. It provides no forward-looking solution to ATC's well-documented challenges with membership size and engagement.

This is not a growth strategy, it's a short-term concession offered to influence a vote, not build the Club's future.

4.28 **No Financial Modelling, No Transparency, No Accountability**

The Loyalty Program has not been accompanied by any published financial modelling, operational planning, or impact assessment. Based on preliminary estimates, the cost to ATC will exceed $57 million over five years, even before factoring in inflation or the flow-on effects on operational budgets and sponsorship value.

a. There is no indication of how this is funded within the $5 billion transaction model.

b. There are no proportions asserted that this cost was scrutinised by the Board, Membership Committee, or Finance Committee.

c. No opportunity cost analysis has been provided – i.e., what else could this money fund? Infrastructure? Programming? Member acquisition?

This is a major spending commitment being introduced without governance rigour, financial due diligence, or a transparent rationale.

4.29 **Conclusion**

The Loyalty Program is seductive but also strategically misplaced, financially opaque, and potentially questionable in governance terms.

Members are being offered a short-term benefit in exchange for a permanent loss.

Before trading away Rosehill Gardens, an irreplaceable strategic asset – **Members deserve more than a food and beverage voucher**. They deserve a clear, credible, and costed plan that aligns with the long-term interests of the Club.

Resolution 6. Racing Advisory Board

4.30 **ATC claims: A new Racing Advisory Board will be established to guide infrastructure initiatives.**

4.31 **Our response:**

a. The Board's role is advisory only. It will have no formal power or binding influence over ATC decisions or funds.

b. It adds complexity without clarifying accountability or governance roles.

c. The Board seems designed to reassure external stakeholders – not Members – and risks diluting transparency and creating administrative inefficiency.

d. It reflects an intention to appear consultative without shifting decision-making power.

4.32 **Racing Advisory Board – A Good Idea in the Wrong Place.**

The Resolution proposes a new Racing Advisory Board to include ATC Members, trainers, owners, breeders, and jockeys, tasked with making recommendations on how sale proceeds should be spent. While this may appear inclusive, it raises serious governance concerns.

4.33 **Why Now? Why Here?**

A body like this could be established at any time under existing governance frameworks. The Racing Industry Consultation Group (RICG), established by Racing NSW, already exists to bring together representatives from race clubs, industry participants, and stakeholders to provide strategic input on racing infrastructure and development priorities. However, it has been underutilised, with limited visibility, consultation, or published outcomes in recent years. There has been no clear explanation as to why this existing forum has not been activated or strengthened to serve the purpose now attributed to the proposed Advisory Board. Tying the Advisory Board to the Rosehill sale is disingenuous and is more of a sweetener than a meaningful reform.

4.34 **Redundant and Toothless**

The ATC Board already has a fiduciary duty to consider stakeholder interests. Racing NSW also holds industry-wide governance obligations. If another advisory layer is needed, what does that say about the effectiveness of current structures? Worse, the proposed Board has no binding power, only the ability to make non-binding recommendations, offering optics, not accountability.

4.35 **No Clarity, No Costing**

There are no details on how the Board would be funded, who appoints members, how it reports, or what transparency measures apply. Without this, it risks becoming just another layer of cost and confusion removing members even further from the decision making process.

4.36 **Wrong Solution to the Real Problem**

The proposal tries to address systemic industry governance issues through a one-off property transaction. Reform should come from the Regulator, not as a bolt-on to a $5 billion sale.

4.37 **Conclusion**

Stakeholder governance is essential – but this is not the right structure, nor the right context. If the aim is genuine reform, it should be pursued transparently and not tied to the irreversible loss of a core racing asset.

Resolution 7. Future Fund

4.38 **ATC claims: The Future Fund will provide financial stability and future income for the ATC.**

4.39 **Our response:**

a. This proposal fundamentally changes the Club's identity – transforming it into a capital management vehicle rather than a racing and events institution.

b. The Future Fund is a response to declining wagering income, but wagering remains viable if the ATC modernises its strategy and partnerships.

c. Low membership engagement is not a resource problem; it is a leadership and positioning problem. Selling Rosehill to create a war chest is not a substitute for strategic reform.

d. There is a risk that the Club's focus may shift from racing to financial management, without clear, long-term transparency around how investment returns will be allocated, prioritised, or governed.

4.40 Investment management introduces new risks, regulatory obligations, and potential conflicts. The "Future Fund" – A Band-Aid Over a Broken Model

4.41 The ATC proposes to establish a "Future Fund" to manage the remaining proceeds from the proposed sale of Rosehill Gardens. The Fund, they say, will provide long-term financial security and independence from declining wagering revenue.

4.42 But Members must ask:

Why is the Club proposing to sell a prized core asset to create a Future Fund, instead of fixing the very funding model that made the sale necessary in the first place?

This proposal treats the symptom, not the cause. And it risks locking the Club into a future where it has fewer assets, less control – and remains subject to the same flawed industry dynamics.

4.43 **Wagering Volatility – The Real Story**

The ATC claims a Future Fund is needed to shield against declining wagering revenue. But the data tells a different story. Total wagering turnover has surged since 2015, with only a modest retreat following the unsustainable spike during COVID.

Wagering revenue has increased significantly since 2015, as reflected in Racing NSW's own reports. Our current 1990's funding model predates the corporate bookmakers and online wagering, and the ATC's wagering distributions principally come from the TAB. The difficulty for the ATC is the TAB's share of this market is in decline. While corporate bookmakers now account for the majority of turnover, revenue from race fields is centrally collected and distributed by Racing NSW. Under the current model, a large portion of this income has been directed toward prizemoney, with less emphasis on long-term infrastructure investment or venue sustainability for Clubs like the ATC.

The real issue is not volatility, it's the disconnect between what the ATC generates and what it receives. Selling Rosehill will not fix this. It weakens the ATC's leverage to push for change.

4.44 **Membership Is a Strategic Problem, Not a Financial One**

[12]

With fewer than 12,000 members, the ATC lags significantly behind its peers despite its superior market.

- VRC: 34,240
- MRC: 14,592 (with 11% growth)
- ATC: 11,909

Sydney's size, the Everest, and four premier venues should have made ATC the national leader in engagement. The shortfall points to a failure in strategy, not finances, and certainly not a rationale for asset disposal.

4.45 **Selling Rosehill Surrenders to a Broken Model**

At its heart, this sale is a concession to a flawed industry funding structure. Race field fees are centralised by Racing NSW, with no earmarked funds for capital investment.

Clubs are expected to fund their own infrastructure, often by liquidating assets. There is no revenue sharing based on venue output, and no transparent capital investment pathway. Instead of accepting this imbalance, the ATC should lead reform – using its standing and history to reshape funding principles in NSW racing.

4.46 **Conclusion**

The Future Fund is a band-aid over a systemic flaw. Wagering revenue can sustain the industry, if distributed fairly. Membership can grow, if strategically invested in. Long-term stability is possible if ATC reclaims its voice and leads reform. The Cabinet Office Minute from November 2023 shows Racing NSW intends to manage revenue from the Rosehill redevelopment. This seems at odds with the idea of an independently governed Future Fund and raises questions about how the fund will be managed and overseen.

We should not trade Rosehill Gardens to patch over a outdated system. We should fix the system and protect the strength, flexibility, and legacy Rosehill represents.

General Resolution. Reclassification of Rosehill Gardens as Non-Core Property

4.47 **ATC claims: This reclassification of the Rosehill asset is required to facilitate the Transaction.**

4.48 **Our response:**

a. It permanently removes your right to vote on the future of Rosehill Gardens – even if this deal falls through.

b. It is not legally required – the sale can proceed under existing exemptions for government buyers.

c. It puts the Board in full control without safeguards – the legal advice obtained serves the deal, not the members.

d. It sets a dangerous precedent by weakening member protections for short-term transactional convenience.

4.49 **What are you being asked to Vote on?**

You are being asked to approve a change that would reclassify Rosehill Gardens from "core property" to "non-core property" under the *Registered Clubs Act 1976 (NSW).* At first glance, this may appear to be a technical or administrative change. But in fact, it would permanently strip members of key rights over the property – even if the current sale never goes ahead.

4.50 **What Is "Core Property"?**

Under the law, "core property" includes land and facilities essential to the Club's identity, such as racetracks and members' areas.

4.51 **When is land classified as "core property"?**

a. It **cannot be sold without a member vote** at a general meeting.

b. It **must be valued** by a qualified valuer.

c. It **must be sold through public auction** or open tender, unless an exception applies.

4.52 These rules exist to protect member interests and prevent decisions being made behind closed doors.

4.53 **What Happens if Rosehill Is Reclassified as "Non-Core"?**

If this resolution passes:

- The Board can sell Rosehill Gardens without asking members again – ever.
- Members permanently lose their voting rights over the property.
- Even if the current deal collapses, Rosehill remains non-core unless there is another vote to change it back, which the Board is not required to initiate.

In effect, this vote hands over full control of Rosehill's future to the Board, indefinitely.

Is the Reclassification Legally Necessary? No.

4.54 The Memorandum claims this change is needed because the deal, as a USP does not involve a public tender or independent valuation, which would normally be required for the sale of core property. But this overlooks a clear legal exception in the *Registered Clubs Regulation 2015* (NSW):

Clause 29B(g) *allows core property to be sold without tender or valuation if it is being sold to a government department or statutory body representing the Crown.*

4.55 Since the buyer is the NSW Government or its nominee (e.g., Sydney Metro), the transaction already qualifies for this exemption. There is no legal need to reclassify Rosehill to non-core property to make this sale happen.

4.56 **Why Is the Board Pushing for the Reclassification?**

The Memorandum suggests the reclassification is being included "just in case" the final buyer is **not** a government body.

This is a legal workaround – not a safeguard for members.

4.57 But it creates permanent consequences for a temporary uncertainty: If the buyer turns out to be eligible under the exemption (which is highly likely), the change was unnecessary. If the deal falls through, Rosehill stays non-core – and members have lost their rights for nothing.

4.58 **But Isn't the Change Only for This One Transaction?**

The Memorandum implies the reclassification only applies to this deal and will "revert" if the sale doesn't proceed.

However:

a. There is **no legal mechanism** that automatically changes Rosehill back to core.

b. Any reclassification back to core would require another full member vote.

c. Legal advice on this point is **unclear and contested**, meaning the risk falls squarely on members.

5. Further considerations responding to the Memorandum

5.1 **The Real Questions That Haven't Been Answered**

The Memorandum suggests Members may vote "No" for reasons like sentiment, nostalgia, or location preferences. These are all valid – but they miss the core issue.

THE CASE FOR NO SALE OF ROSEHILL RACECOURSE

This vote is about **governance, funding accountability, and long-term control of racing in NSW.** Below are the real questions that deserve answers before such an irreversible decision is made.

5.2 **Why Sell Rosehill Instead of Strengthening the Funding Model?**

Racing NSW collects wagering revenue generated by ATC race meetings and redistributes it across the industry – largely to support prizemoney. However, there is currently **no structured model** for capital infrastructure funding for Clubs like the ATC.

This raises important questions:

a. Can there be a more sustainable way forward that doesn't require the sale of irreplaceable racing infrastructure?

b. Should infrastructure delivery be tied to one transaction, or built into a longer-term, collaborative industry plan?

5.3 **Why Must Infrastructure Be Contingent on This Sale?**

The $1.9 billion infrastructure proposal is ambitious and broadly supported – but why is its delivery conditional on selling Rosehill Gardens?

These types of upgrades should ideally form part of an **industry-wide capital strategy** developed in partnership with Racing NSW and other stakeholders.

If the sale does not proceed, Members have no guarantee the upgrades will occur – nor any clear plan for how critical venue improvements will be delivered.

5.4 **Where is the Full Options Analysis?**

The proposal has been presented as a binary choice – sell Rosehill or miss out. But Members have not been shown a detailed analysis of other alternatives.

These may include:

a. Strategic development of surplus land under the Camellia-Rosehill Place Strategy;

b. Capital raising or debt structures;

c. Joint ventures or leasing models;

d. Long-term funding reform discussions across the industry.

Members are entitled to see what options were considered, costed, and evaluated – before being asked to make an irreversible decision.

5.5 What Role Has Racing NSW Played?

As the strategic leader of the NSW racing industry, Racing NSW has a central role in shaping its future direction. However, the proposal does not outline any formal position, long-term plan, or funding commitment from Racing NSW in relation to this transaction.

This raises a reasonable question: **How does this sale fit into broader industry strategy?** Engagement from all industry stakeholders – including Racing NSW – is essential for developing a unified approach to infrastructure investment and sustainability.

5.6 What Are the Risks During the Transition?

The proposal outlines a six-year transition period before Rosehill Gardens would close. But:

a. No interim racing or stabling solution has been identified;

b. No guarantees are provided about race calendar continuity or venue access;

c. No operational plan has been published to manage the significant logistical disruption.

This is not a short-term pause – it is a long, complex process with operational and financial risks that need far more transparency.

6. Conclusion

6.1 The Sale memorandum has narrowed the "No" case to emotional or convenience-based objections. That misrepresents the seriousness of what is at stake. This is not about nostalgia. It is about industry control, strategic planning, and the responsible governance of a generational asset.

6.2 Members are being asked to vote without a clear funding plan, without industry alignment, and without transparency from the regulator. Until those questions are answered, the only responsible vote is No.

6.3 This process has divided the industry, but it has also brought to light some of the most pressing and complex challenges facing racing in NSW. That is a timely opportunity.

6.4 Is this proposal simply about selling a racecourse because the price is attractive? If that's the case – then we say no. Because this industry is bigger than that. And this decision should be too.

THE CASE FOR NO SALE OF ROSEHILL RACECOURSE

6.5 **The Transaction is purely Financial. We believe that the future of Rosehill should should be Strategic. The plan is conspicuously silent on the overall strategic benefits for the future of racing.**

6.6 What's on the table is a purely financial proposal, an asset sale to fund a short-to-medium-term plan. But the ATC is not just a financial entity, it is a values-driven institution. It exists to promote racing, preserve heritage, and invest in the future of the industry.

This proposal does not align with those values.