



Vrancor
GROUP

January 23, 2020

**Public Notice of Vrancor Group Inc. Proposal for City of Hamilton
Entertainment and Convention Properties**

Vrancor Group Inc. (“Vrancor”) would like to confirm that it has provided the City of Hamilton (“City”) with a term sheet (“Term Sheet”), which outlined Vrancor’s intent to redevelop the City’s Entertainment and Convention Properties.

The Term Sheet reflects Vrancor’s continued commitment and confidence in the City. “We are vested in the success of Hamilton and would like to see a vibrant, energetic, sustainable and attractive downtown developed,” said Darko Vranich, President and CEO of Vrancor.

“Our proposal will fully reinvent the FirstOntario Centre (“Arena”) into a state of the art and technologically modern facility; expand and modernize the Hamilton Convention Centre (“HCC”) by doubling its event hosting capacity, while also introducing wide ranging technological capabilities; and aesthetically refreshing the FirstOntario Concert Hall,” said Vranich.

Over the past 15 years, Vrancor has made substantial capital investments into Downtown Hamilton, including, but not limited to, new Hotels, Commercial and Residential buildings. Further commitments for additional investments in Downtown Hamilton that either are currently under construction, or planned for construction, only increase Vrancor’s unwavering commitment to the City. The redevelopment of the Entertainment and Convention Properties is at the heart of Vrancor’s vision for Downtown Hamilton.

Key points included within Vrancor’s Term Sheet:

- Vrancor will not request for operating subsidies for any of the City’s Entertainment and Convention Properties.
- The City will continue to own both the Arena and the FirstOntario Concert Hall, while Vrancor would operate such facilities through a long-term licensing arrangement.
- Vrancor will not request the City to borrow any money or draw upon any reserves to contribute towards the Development.
- The construction of an additional four-star hotel in the Downtown core, to serve the expanded HCC.



Vrancor estimates that the investment value for the redevelopment of these properties is in the magnitude of approximately \$200 million.

For any further enquiries in respect of Vrancor's Term Sheet, please contact Mario Frankovich, Project Advisor, at 905-540-4800.

Thank You

A handwritten signature in black ink, appearing to read 'Darko Vranich', with a long horizontal flourish extending to the right.

Darko Vranich
President and CEO, Vrancor Group Inc.

