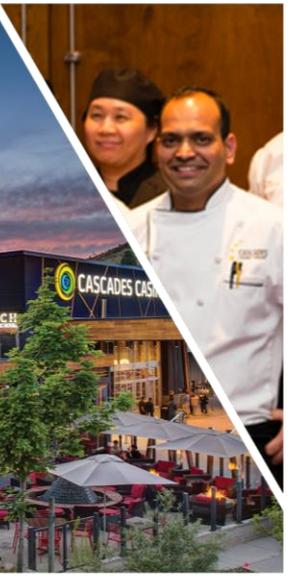




GATEWAY
CASINOS & ENTERTAINMENT LIMITED

**Playtime Langley Bingo Relocation to
Cascades Casino Langley:
Impact to Parking and Theatre Conversion**



Playtime Langley Bingo Relocation to Cascades Casino Langley: Impact to Parking and Theatre Conversion

Impact to Parking

Currently, Cascades Casino has 1,125 parking spaces for the facility; 634 surface spaces and 491 in the parkade. At the previous Playtime Bingo location, an average of 40-50 vehicles were present during peak times.

With the addition of Bingo, the site’s parking requirements do not change, as the physical space will not be changed. A previous parking assessment took into consideration the peak weekend capacity with a fully occupied hotel, casino, food and beverage establishment, theatre, and convention space. The site’s current plans for Bingo and the use of the convention centre for live entertainment, simply moves patrons from one area to another, it does not add to the patron count and/or parking space need. The table below outlines the parking spaces required for the site (at full capacity) and shows that the current number of spaces provides more parking than is required:

Amenity	Number of Seats	Number of Required Parking Spots
Slots*	1,000	333
Tables* (26 tables with 6 seats)	156	52
MATCH Eatery & Public House	378	189
Convention Centre	400	200
Bingo	200	100
Hotel Rooms (assuming double occupancy)	154	77
Total Required Parking Spots		951

*BCLC requires 1 parking stall for every 3 gaming seats

With respect to parking for senior patrons, Gateway’s experience is that, in inclement weather, drivers tend to drop senior passengers off at the closest casino entrance in the parkade, prior to finding a parking spot. In good weather, seniors are dropped off at the closest parkade or surface entrance prior to the driver finding a parking spot. It is assumed that senior patrons would use this same model at Cascades.

Bingo guests will be informed of the parking options through the site’s marketing communications and social media platforms; as well, detailed mapping will be available on the casino’s website and on social media. All employees will also be educated and will be available to inform guests of all parking options.

Addition of Live Entertainment to Convention Space

For the past several years, Gateway has been using local promoters to source, market and produce the live entertainment offerings in its Summit Theatre and sees an average of 2.5 events per month, including: promoter driven entertainment events, Encore Birthday Parties, VIP Slot Parties, and sports events such as UFC presentations. While moderately successful the Summit Theatre has, unfortunately, been limited for two reasons:

1. The room capacity of 420 restricts the economies of scale for popular available acts
2. The 19+ venue, limits the community engagement and the types of acts that can be shown

Gateway intends to renovate the current convention space so as to allow the ability to host live performances in the space. No additions to the footprint of the convention centre will be made. The renovations required would include the addition of a larger, removable, stage riser and modification of the ceiling structure to allow for retractable sound and lighting; and the new configuration will allow for up to 600 guests, including those under the age of 19. Also included in the renovation will be new carpeting, wall coverings and banquet chairs for the conventions centre.

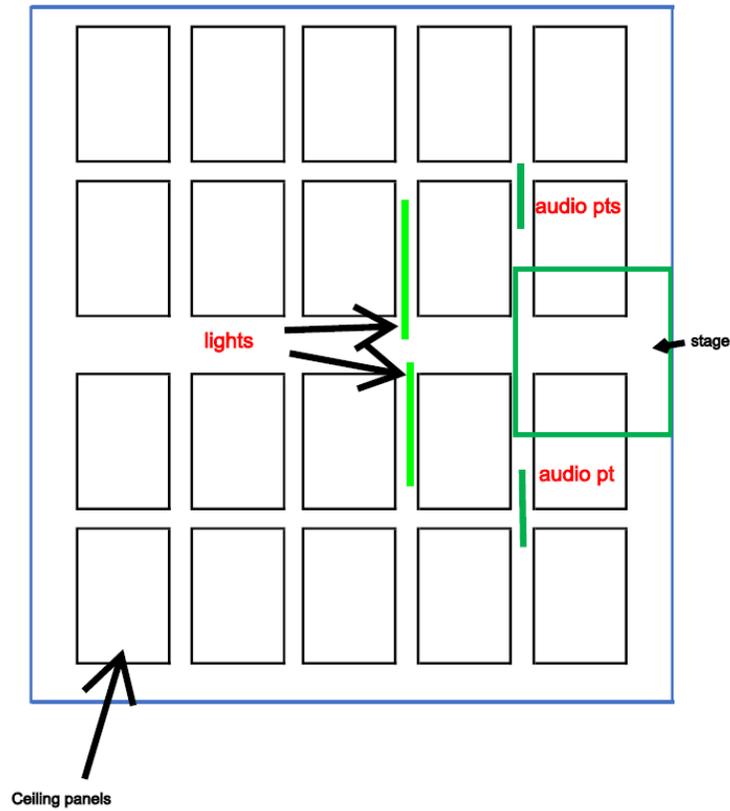
The relocation of live entertainment will create a dynamic atmosphere with a feeling of community and allowing for family-friendly events.

As was the case in the in the former Summit Theatre, Cascades will use local promoters to furnish shows for the convention space. Cascades will house travelling entertainers in the hotel and supply them with meals as required. The promoters will be responsible for the entertainer fees and will be recompensed through the ticket sales. Cascades will provide no-host bars and will keep all beverage revenues. Entertainers will continue to use the existing green rooms that are located in the back of the house area. The green room (shown below) is located next to the convention centre offices and, with this new configuration, will be more easily accessible by performers than it previously was.



The convention centre currently brings in \$2.3 Million in revenue per year. The site estimates that it would book at least five live entertainment shows, through a promoter, in the convention centre, per year (this number is subject to change, based on promoter arrangements). In addition to the promoted shows and regular convention bookings, other live shows, dinner and dancing events and/or under 19 entertainment events would be booked in order to fill convention centre vacancies. These shows are projected to bring in an incremental \$20,000 in revenue, with expenditures coming in at approximately \$14,000.

The endpoints of theatrical lighting from the existing Summit Theatre will be relocated to the convention center and will be located in the ceiling per the diagram below. The lighting system will be controlled by repurposing the existing 96 channel dimmer system and the current convention centre PA system will be reprogrammed to accommodate the new audio inputs and outputs.



The following rendering provides an example of the convention centre set up theatre style with a stage:



The following rendering provides an example of the convention centre set up banquet style with a stage:

