



CANADIAN MOTOR SPEEDWAY™

FORT ERIE, ONTARIO, CANADA



Canada's Largest Stadium & First World Class Integrated Oval Racing
Circuit, Entertainment & R&D Complex

WWW.CDNMOTORSPEEDWAY.COM

To provide Town Council with a clear understanding of what CMS is and present current challenges and strategies required to mitigate these remaining road blocks.

To offer Council an open forum with the project principal to address questions or concerns.



The International Investor (TII) a Kuwait based private equity firm, was incorporated in 1992 with a focus on Advisory and Corporate Finance Services. The firm has in the last few years transformed into a private equity focused group, whereby TII manages its own portfolio of assets. TII seeks to expand its portfolio in Canada based on the success of its inaugural transaction in Ontario – Canadian Motor Speedway of which it holds a majority shareholding.



Since 2007, Emirates Consulting (EC) leads the CMS development initiative with its partner TII through co-investment and the management of this high profile venture. EC has delivered the rezoning, formulated major stakeholder relationships from motorsports, education, and government. EC is on the ground in Canada overseeing all development activities. EC is a minority partner in the project.

Some Facts about the Development



- The land use is regulated by Zoning By-Law 129-90 issued by the Municipal Corporation of the Town of Fort Erie's Official Plan: Special Policy Area - 821 acres - situated southwest of the Bowen Rd and North west of the Gilmore Rd exit along the QEW highway.
 - 70 ha speedway oval, road course and supporting facilities
 - 133 ha unpaved parking and camping areas
 - 8.6 ha "Centre of Excellence" devoted to research and development, in association with educational partners
 - 4 ha for manufacturing and assembly
 - 7000 m2 of commercial in the first phase
 - 117 ha of natural environmentally protected areas
- Permitted for a variety of motorsport uses including automobile, motorcycle, motor-cross, karting, snowmobile and drifting... various other motorized and non motorized public events (recreational and entertainment) are allowed.



Some Features of the Core Development



- 3/4 mile oval track with integrated 2.0 mile road course
- 65,000 Grandstand Seats including 5000 enclosed Club Seats
- 40 Corporate Suites
- Seating capacity places CMS as Canada's largest stadium
- 44 Fan access garages and 44 other competitor garages
- Infield Buildings for Media Centre/Driver's Lounge, Emergency Care Centre
- CMS Operations & Race Operations in Grandstand: Control Tower, Ticket Offices, Administrative Offices, Spotter's Stand
- Hospitality venues, 'Speedway Club', Restaurants, Concessions
- Integrated Retail and Merchandise sales areas
- Business conference facility
- 300-500 room hotel
- R&D / Education / Innovation - included in core speedway phase with Educational Partners (McMaster, Niagara College)
- Paved on-site access roads, parking, and manufacturer's midway
- Grass parking and camping for a total of 25,000 vehicles
- Recreational Entertainment Facilities



The Speedway

Approved Site Plan



METLANDS NATURE AREA

- INCORPORATES WETLANDS NATURE PARK
- MULTI-USE PATH SYSTEM AND BOARDWALK CONNECTING TO RACING EVENT AREA, RETAIL CENTER, AND OFFICE PARK
- STAGE AREA FOR INFORMAL GATHERINGS AND EVENTS
- NATURE OBSERVATION AREA AND EDUCATION CENTER



FAMILY RECREATION AREA

- ACTIVATION OF EXISTING WETLANDS
- OPEN HOUSE, OFF-SEASON, RAINY-DAY ACTIVITIES
- COMMUNITY CENTER
- PARKING (2,000 CARS)



PROPOSED INTERCHANGE IMPROVEMENT



RETAIL CENTER

- INDOOR/OUTDOOR SHOPPING & ENTERTAINMENT EXPERIENCE
- STREETSCAPE SCALED FOR PEDESTRIANS
- DEFINED ARCHITECTURAL EXPRESSION
- SURFACE AND STRUCTURE PARKING
- OUTDOOR AMBITIES MAY INCLUDE CIVIC SPACE FOR PASSIVE AND ACTIVE RECREATION
- NATURAL ELEMENTS ARTFULLY INCORPORATED



RESEARCH & TECHNOLOGY PARK

- LOW IMPACT SITE DESIGN
- ENVIRONMENTALLY FOCUSED ENGINEERING
- MULTI-USE PATH SYSTEM PROVIDES CONNECTIVITY
- BUILDINGS CLUSTERED WITH PEDESTRIAN AREAS OF INTEREST IN FRONT
- ARCHITECTURE PROGRESSIVE THEME TO ATTRACT HIGH-TECHNOLOGY USERS
- GREENWAY, WATER FEATURES, AND NATURAL MATERIALS INTEGRATED
- PARKING TO SIDES AND REAR OF BUILDING
- INCORPORATE EMPLOYEE & VISITOR OUTDOOR USE AREAS



PARKING/CAMPING AREA/
POTENTIAL INDUSTRIAL

Development Champion



Jeff Gordon (#24) is a NASCAR racing legend in the popular Sprint Cup series in the U.S. which represents a 70 million strong fan base. Jeff is one of the most popular drivers in North America and acts as our CMS Ambassador to the motorsports and sponsorship industry. Jeff is designing the oval track component and related racing infrastructure and is positioned to create exceptional racing content for the facility.



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JEFF GORDON
DESIGN



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First Phase Miller Creek Re-alignment Completed in 2013
Dec by AECON– Phase 2 in 2015

EA for new Bowen Rd interchange in progress by URS

We are waiting to hear on the Town's application to the Building Canada Fund to cover water / sewerage upgrades in the area.

Provincial application for Highway improvements may not be necessary if CMS proves that a 4 lane interchange is not required.



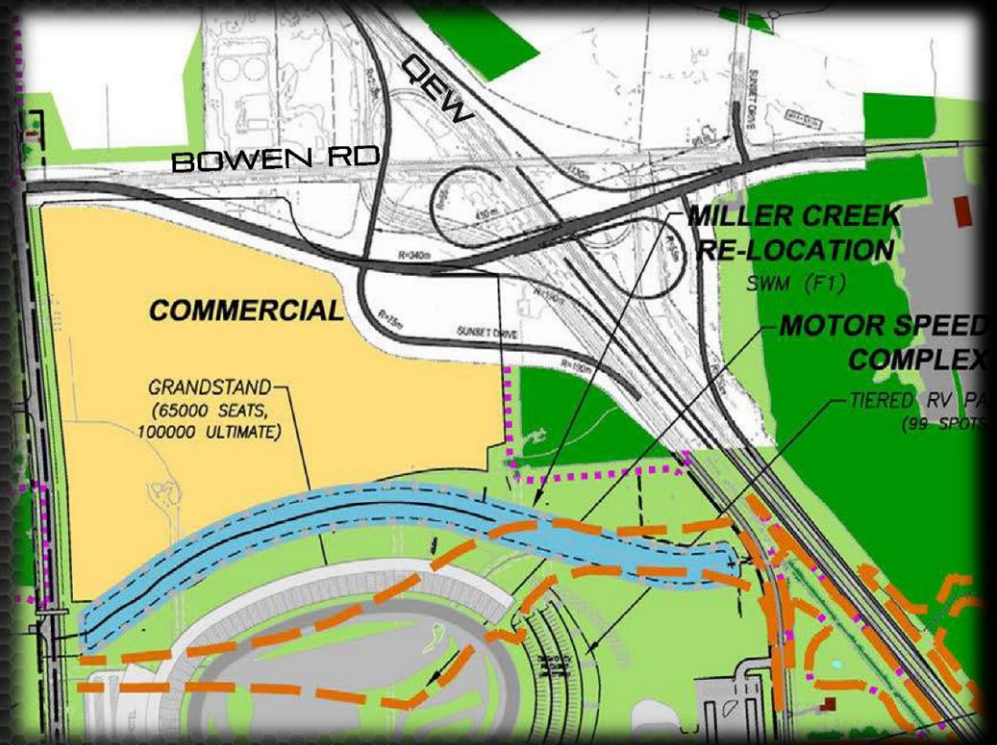
The Current Challenge

CMS has based its entire investment feasibility on the Province and Municipality covering off site infrastructure based on 2010 discussions with the Province in Abu Dhabi, UAE.

THE ISSUE is to address the cost coverage of a potential 4 lane interchange as proposed by the MTO at one of the exits to the site with an estimated cost \$38M.

CMS Traffic Consultants have prepared a Traffic Management Plan to argue that a 4 lane bridge is NOT required for the project.

We need Council & Staff support to endorse this study in the coming weeks before the MTO submission.



MTO has already directed CMS to acquire additional properties estimated at \$600,000 to accommodate their interchange proposal. CMS has also been directed to allocate 26 acres (\$40M) from its prime commercial /retail lands for the interchange and to provide financial commitments for this interchange development. This was not the support suggested by the Province in 2010

Most major speedways do not rely on highway and road network infrastructure changes to accommodate their major events. Management solutions involving a myriad of techniques, systems and technologies are the way of modern facilities who have effectively managed ingress / egress concerns.

In our own backyard, Niagara Falls accommodates 60,000 to over 100,000 fans at a given event with no infrastructure change to the existing network.
(New Years Eve Concert, Nik Wallenda Wire Walk, Red Bull Crashed Ice Event)

CMS has prepared a Traffic Management Plan which will utilize the existing 2 lane Bowen Rd interchange along with tested management techniques that mitigate the inbound and outbound flows of patrons visiting the site.

It is CMS' position that there is no need for additional public resources to upgrade this bridge system to 4 lanes for CMS.

The MTO already has funding and approvals to replace the existing 2 lane bridge as this interchange has reached its allowable life and is one of the oldest bridges in Ontario.

World Class Canadian Project Team



Jeff Gordon provides critical design consultation to the Canadian Motor Speedway covering track design, fan experience and driver requirements. Jeff also leads the global expansion initiatives for the Canadian development consortium for similar speedway initiatives in India and Turkey.



One of the world's leading law firms provides the Canadian Motor Speedway with legal counsel.



IBI, world renowned for designing the world's first retractable roof stadium and working on other iconic projects like Burj Khalifa Dubai, now brings its visionary architectural experience to design CMS.



Leading engineering firm which administers and consolidates all engineering applications, master plans and studies for the Canadian Motor Speedway including geotechnical, environmental, and infrastructure & site servicing work.



Aecon is Canada's largest public construction company and will act as the Construction Manager for CMS.



The Boston Consulting Group provides CMS with business strategy and diligence while advising on key investor objectives throughout the development.



McMaster has earned an enviable reputation as a global leader in materials and manufacturing research. McMaster's Faculty Of Engineering will co-develop the CMS Innovation Park while managing the commercialized research on site.



Niagara College's world class culinary school and motive power programs will coordinate with CMS to establish educational, research, co-ops, post grad and experiential learning opportunities.

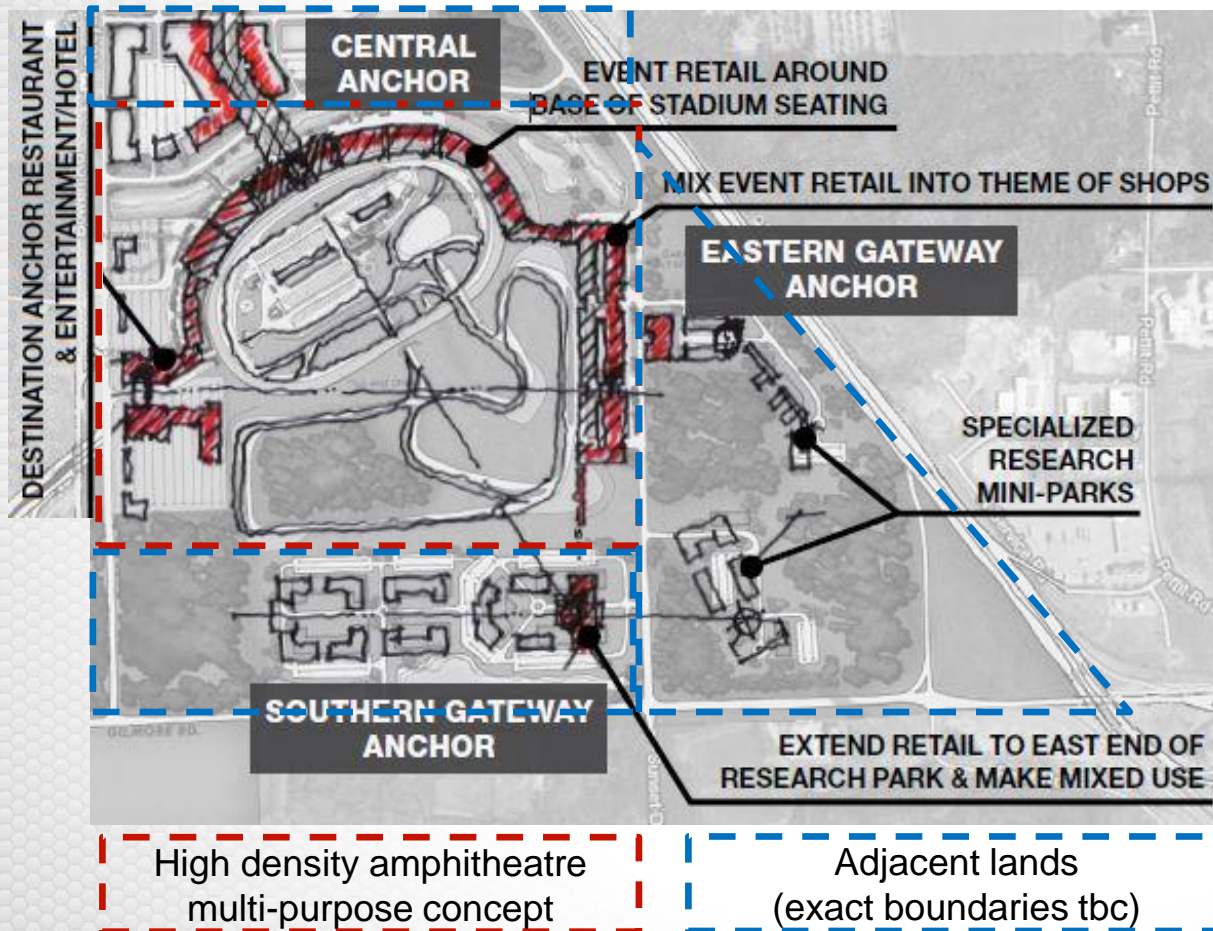


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Investment & Business Case Analysis Conducted By

THE BOSTON CONSULTING GROUP

CMS concept brings many unique, innovative aspects...



Premiere fan experience

- Jeff Gordon Signature Speedway designed to optimize driver and fan experience
- Amphitheatre design creating intimate atmosphere and improving acoustics
- Attractive race and non race calendar

Innovative concept

- Canada's first and only professional class oval racing circuit and integrated road course : Largest Stadium In Canada
- Combines racing entertainment, retail, hospitality, and R&D cluster

Dense design benefits

- Increases foot traffic
- Development cost efficiencies
- Preserves optionality for additional land & investment

Concept includes fully utilized event calendar, diversified offering

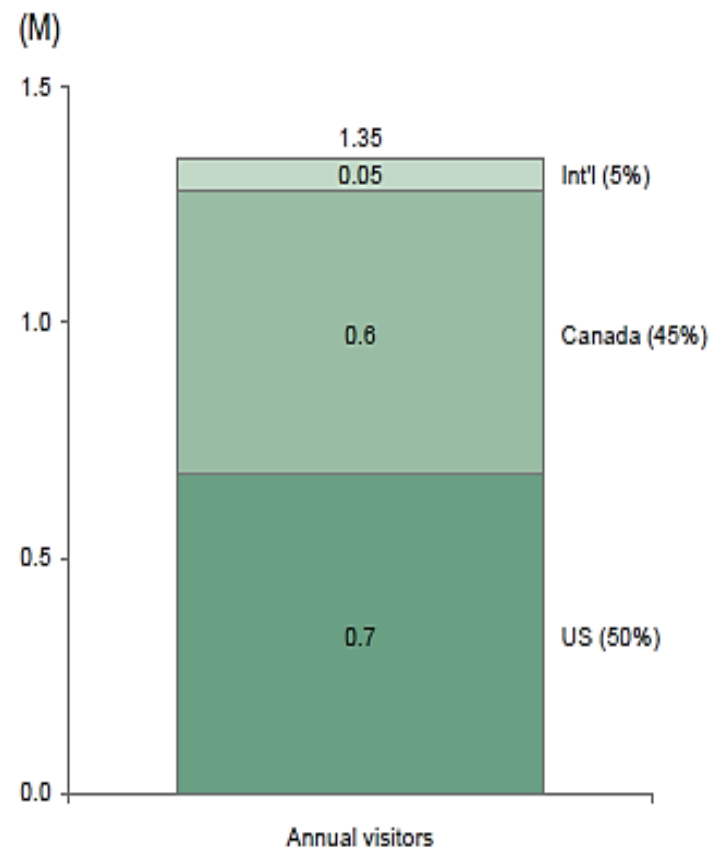
Event related

- Marquee racing events
- Local racing events
- Driving schools & auto clubs
- Dealer/manufacturer demo days
- Monster trucks
- Concerts
- Festivals / exhibitions
- Trade shows
- Other sports (eg, NHL Winter Classic)

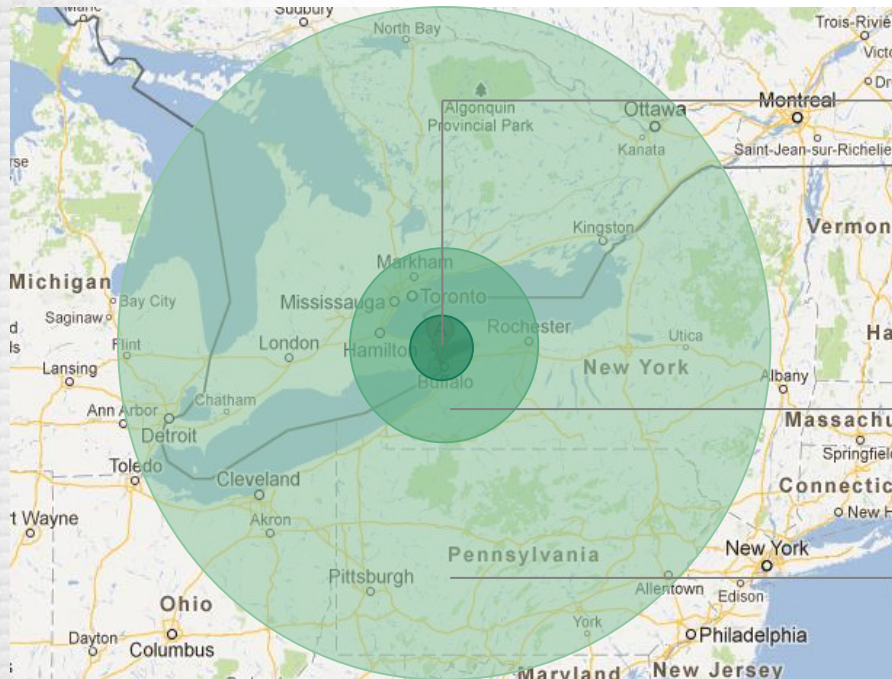
Non-event

- Diversified retail
- Dining / nightlife
- Hotel & conference centre
- Spa
- R&D activities
- Packages with complementary Niagara attractions

CMS site expected to draw more than ~1.3M visitors annually



CMS site located in a densely populated catchment...



Distance (km)

Drive time

Pop. (M)

50

>1 hr

0.75

150

2 hrs

8

500

~6 hrs

25

1,200

~1 day

150

~1/2 of combined US and Canadian population within 1 day drive

Population in the Niagara Region is expected to grow ~15% by 2030

What CMS is NOT.....



1. This is **not** oil money. It is an investment by private investors who conduct intense investment diligence before engaging in any opportunity globally. Fort Erie is no exception. We believe this is a sound investment once red tape is cleared and the government delivers on its commitment to support this project.
2. CMS is **not** asking the Province or Federal government to build the speedway. Any funding applied for is done by the Town or Region to support OFF-SITE infrastructure which is required to attract more investment in future. Both Town and Region are the recipients of this funding and nothing comes to CMS. We pay for all of the ON-SITE infrastructure required on our land.
3. CMS is **not** a NASCAR track. It is being designed to facilitate this type of racing as well as many other forms of motorsports. There is a process to follow to apply for races and this is done once the track is in advanced construction or near completion. We intend to respect and pursue this process with all race sanctioning bodies in order to build our racing and event content. More delays on development will lose our ability to secure the best types of content available.



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Driving the future...