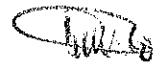


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1 EXECUTIVE SUMMARY

Introduction

Ian Rockman t/a Club Fantasy, the applicant took the decision to apply for a Type-C license in Tsitsikama, after assessment of the feasibility and growth of the business, focusing on the demographics and economics of this part of the Eastern Cape.

The Applicant is Ian Rockman t/a Club Fantasy, "Club Fantasy", is owned by Previously Disadvantage Individual "PDI". These premises offer a range of attractions including bar facilities under a valid liquor license and live Music Entertainment. Upon suitability inspection done by Pioneer Slots (Pty) Ltd, the site was found to be well fitted to accommodate Type C operations.

The applicant with intention of submitting a Type C application has enough space to cater for the LPM machines.

The Executive and Detailed proposal in response to the Request for Proposal (RFP) issued by the Board (the Board) in September 2022 and Pioneer Slots has adhered closely to the prescribed requirements as described within the RFP

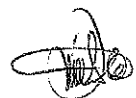
The perfect location of this site allows for easy access to local retail outlets as well as the many local restaurants, in the midst of which it is situated.

In adherence to the requirements of Regulation 60 (2) of the Act, the owner decided to give the name "Club Fantasy" to the business, which does not depict any dominance of gambling over the rest of the primary business.

The company has security of tenure in the form of a 3-year Lease signed by the owner, providing proof of a long-term commitment. The site is an establishment with a liquor license, a licensed bars and entertainment facilities. The financial models, which demonstrate the sustainability of the proposed primary business and secondary LPM operation, are based upon conservative projections.

We request the following key considerations to be considered by the ECGB in considering Club Fantasy application for the Type-C licence in question, as we demonstrate both the value-added benefits inherent in the bid, and the sustainability of the proposed business and LPM operations:

- There is no entertainment facilities which offers LPM machines in town, Club Fantasy will offer a sustainable entertainment facilities in Tsitsikama as a whole, Club Fantasy will cater for entertainment seekers who expect a wider variety in the entertainment arena.



- The introduction of a Type C site will introduce a new form of entertainment and afford patrons with an endless entertainment. According to our Management Team, there is no cause for concern regarding over-saturation of gambling in the town.
- The presence of the LPMs in this particular area would also be an added advantage for the shoppers – saving them time and effort of going out of their shopping route to go and play elsewhere.
- The Applicant and its Management Team have both the capital resources and operational experience required to implement the projects seamlessly and boast the necessary expertise to maximize GGR returns within a socially responsible framework.
- Ian Rockman t/a Club Fantasy Sport Bar will proactively monitor and assist in the closure of illegal gambling activities as this has a negative impact in the economy.

1.2 APPLICANT AND PROJECT TEAM

THE APPLICANT

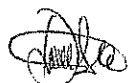
The pertinent details of the applicant are:

Full names:	Ian Grant Rockman
Trading name	Club Fantasy
Identity number	[REDACTED]
Income tax reference no.	[REDACTED]
Vat no.	[REDACTED]
Proposed site	Bluelillies Bush road, Tsitsikama, Storms River
Residential address	213 Highfield Road, Korsten
Telephone no.	[REDACTED]
Lead applicant	Ian Grant Rockman

Refer to the Personal History Disclosure attached to this application as Appendix G for further Information on the Applicant.

Member Interest

With Ian Grant Rockman being a Previously Disadvantaged Individuals, the interest in the Applicant is 100% held by a Black Person, as illustrated in the organogram in *Figure 1.2* below.



OWNERSHIP IN IAN ROCKMAN T/A CLUB FANTASY

Club Fantasy

Ian Grant
Rockman

()

THE PROJECT TEAM

The Applicant's Management Team claims collective experience in Operations and Managing Primary businesses of different types, and highly responsible employment positions, in previous employ. A brief synopsis of the individual credentials of the Management Team is set forth below:

The key member of the project team is Ian Grant Rockman Erasmus the business acumen he has as the Applicant, Route Operator Pioneer Slots, and experienced consultants and financiers.



Key Personnel

Full name(s)	Address	Identity number	Direct interest held
Ian Grant Rockman	[REDACTED]	[REDACTED]	[REDACTED]

Developers

The developers to perform works to the proposed site as summarised in section 1.4 below will be sourced from Tsitsikama. The Applicant commits to seek Black SMME developers who are also willing to create employment opportunities while the development works are in progress. The aim is to assist the unemployed with an opportunity of employment, albeit on a temporary basis as a start.

Route Operator

Name: Pioneer Slots
Reg. No: 2011/103218/07, (Route Operator)

Financiers

Name: Ian Grant Rockman
Business address: Blueillies Bush Road, Tsitsikama

1.3 DEVELOPMENT AND OPERATING EXPERIENCE

- *A summary of the qualifications, experience and ability of the Applicant to successfully manage the primary business*

IAN GRANT ROCKMAN

Ian Grant Rockman is a dynamic 41-year-old Businessman with a farming background. He started 2008 an entertainment business in Tsitsikamma offering accommodation, restaurant and bar. Through this establishment he polished his management skills and mastered the multi-faceted business operation in the hospitality industry.

Ian is an enthusiastic and self-motivated person with strong leadership experience, able to demonstrate an excellent ability to learn and work in any environment.



Pioneer Slots (Pty) Ltd

The extensive knowledge and experience of the Applicant's Management Team will, however, also be significantly complemented by that of Pioneer Slots (Pty) Ltd. Reg. 2011/103218/07, 15 Mangold street, Newton Park, Tsitsikama which, has a formidable track record in the gaming industry.

Through Pioneer Slots, the Applicant will have access to:

A dedicated provincial component, in the form of the licensed route operator, focusing on site retention and business development;

- ❖ licensing and operational compliance;
- ❖ technical maintenance, and
- ❖ training of site owners and their staff.

A fully-fledged provincial Head Office, comprising 20 staff members, providing on-going assistance and resources in respect of:-

- ❖ project planning, establishment of infrastructure and operations, and assistance in the roll-out process;
- ❖ national licence and compliance issues;
- ❖ on-going skills transfer to site-based staff;
- ❖ financial administration;
- ❖ information technology, and
- ❖ human resources.

An established and fully functional Technical & Call Centre component, which provides a 24-hour Call Centre, incorporating:-

- ❖ a 24-hour technical helpline;
- ❖ customer relations service;
- ❖ co-ordination of technical assistance to sites;
- ❖ an LPM testing centre;
- ❖ an LPM pre-installation testing centre (for quality control purposes), and
- ❖ a research and development centre.

U Club Fantasy Gaming has entered into a site agreement with Pioneers slots (Kindly refer to Appendix J – Standard Site Agreement).



1.4 SUMMARY OF PROJECT CONCEPT

• ***Proposed location of Club Fantasy Gaming***

A Lease Agreement, in respect of the premises located at Blueillies Bush Roa, Tsitsikama, Storms River lease agreement is attached.

A lease in respect of Blueillies Bush Road, Tsitsikama, Storms River lease agreement is attached. Kareedouw, Sarah Baartma, has been secured.

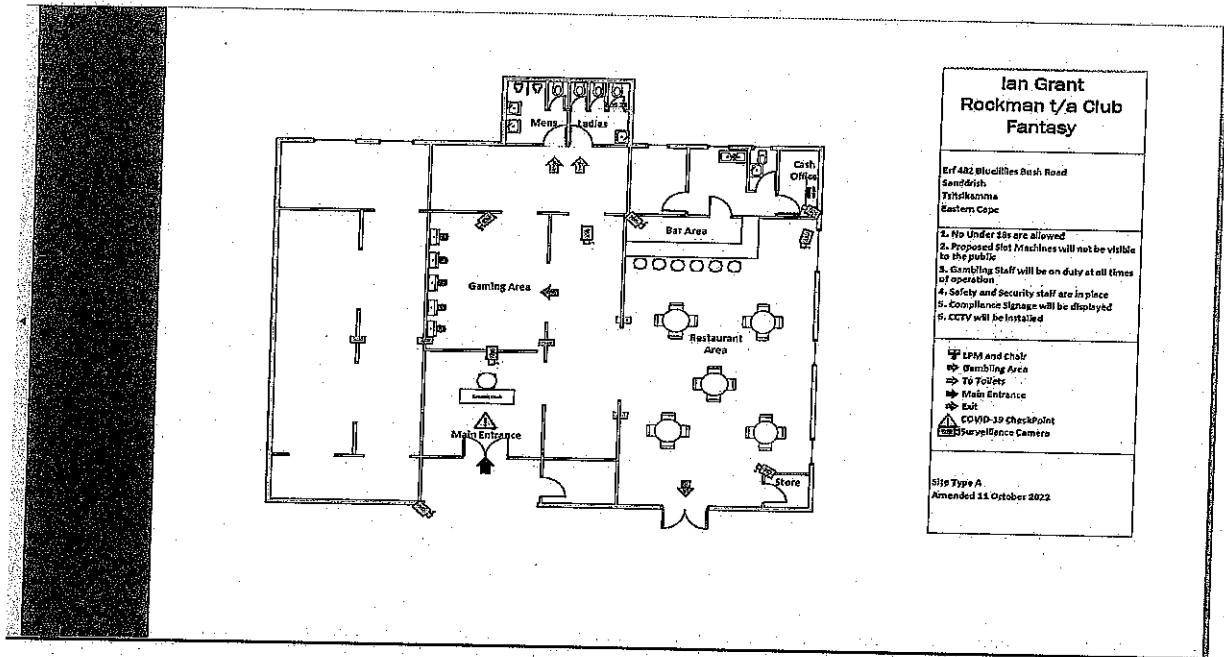
Ian Grant Rockman t/a Club Fantasy Blueillies Bush Roa, Tsitsikama, Eastern Cape, locality map

Blueillies Bush Roa, Tsitsikama, Eastern Cape



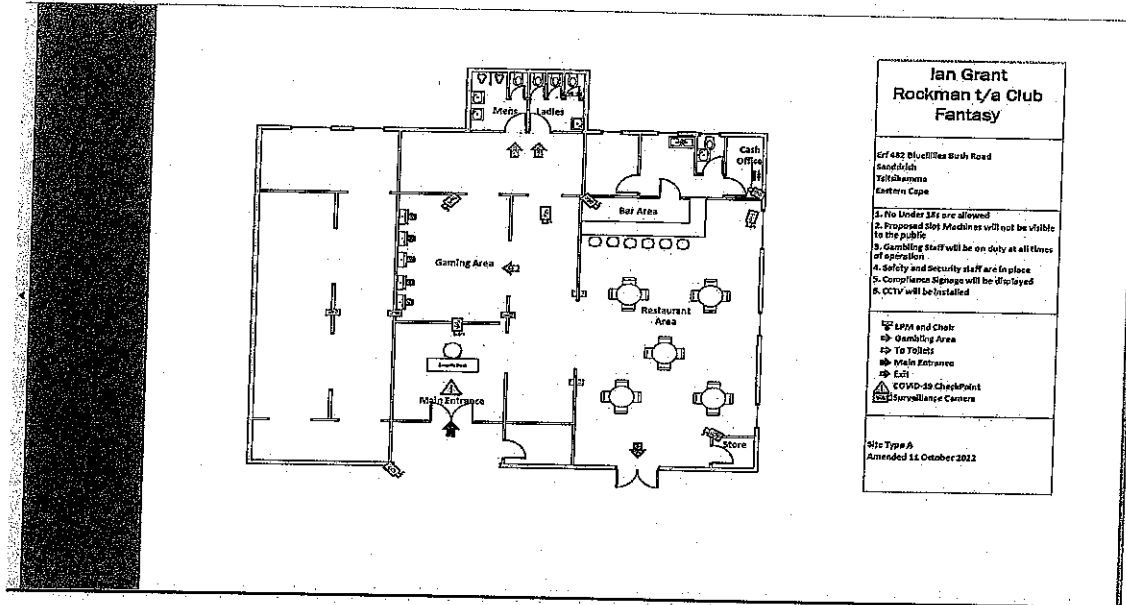
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NEW DEVELOPMENT FLOOR PLAN LAYOUT



Bluelillies Bush Road, Tsitsikama, Eastern Cape

SURVEILLANCE FLOOR PLAN LAYOUT



Site Lease Agreement (See Annexure I)

• **Project concept and the development schedule**

The primary business of the Club Fantasy provides an innovative successful mix of facilities, Licensed Bar Services, and a Live Music Entertainment with satellite television. The mix will only creatively diversify the business offering over time, but also provide patrons with a wide range of gambling, leisure and entertainment facilities, increasing the attractiveness of the venue. The significant contribution of the business toward economic wellbeing of the suburb in particular, and Jeffreys Bay communities, in general, is further evidenced by the fact that **Club Fantasy** will be creating direct, permanent positions for no fewer than 5 persons, mostly if not all, residents of Tzitsikama, with our first preference being the needy unemployed residents from the immediate surroundings of the site.

With the substantial and diverse entertainment offering to be provided by the primary business, the operation of limited payout machines as a secondary form of business on the site can easily be accommodated without any undue delay. The total site area is 800m², of which 60 m² will comprise the area designated for gaming. The allocation of more space for the Primary business is in accordance with the requirements of Regulation 60(2) of the Act.

(c) Highlights of the key features of the project and the impact of the proposed operation on the surrounding environment and society.

We envisage the features of the project to be:

The center of a well-managed facility that operates to the highest levels of accepted gaming practices. As a result of these new facilities, qualifying individuals from the communities (i.e those over 18 and in possession of disposable income for gaming leisure) will be able to enjoy amusement and entertainment facilities in a conveniently located venue.

The final aspect of the project is skills development and training of key management and site employees. With the majority of job creation being derived from previously disadvantaged background, the individuals will be exposed to a well-regulated environment and lucrative industry, and it is the objective of the site owner, together with Pioneer Slots, to empower these individuals throughout the period of the proposed license.

Club Fantasy is to develop a preferential procurement plan, which will materially advance the development of the local SMME's and their participation in the local economy. Subject only to the on-going availability of the relevant goods and services, the applicant will procure the majority of goods and services from the SMME's with preference being given to locally-based SMME's with BEE credentials.

1.5 PROJECT VIABILITY AND FINANCIAL RETURNS

• **Summary of sourcing, level and nature of financing and the ability to meet financial obligations inclusive**



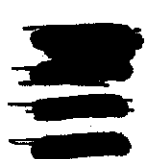
The applicant with intention of submitting a Type C application has already embarked on Site development to cater for Minimum Investment requirements as stipulated in the RFP. It is estimated that **Club Fantasy** will require funding relating to the project as follows:

	R
Non-refundable application fee	[REDACTED]
Investigation deposit	[REDACTED]
Licencing of key employees	[REDACTED]
TOTAL	[REDACTED]

Minimal Site development costs will be needed, as most of the features are already exist. The outstanding costs will be funded by shareholders.

• **Summary of the estimated financial returns from the project over the licence period**

GROSS GAMING REVENUE [REDACTED]

BAR FOOD	
REVENUE TO GOVERNMENT	
GAMING TAX INCOME TAX VALUE – ADDED TAX PAYROLL TAXES	

Project viability is forecast by the market demand assumptions that have been used to determine revenue scenarios. The basis for the market demand study is an analysis of the tendency to gamble among South Africans, expressed as a percentage of the collective disposable income. Various research studies have indicated that the prevailing propensity to gamble is 0.5% of disposable income.

The attached Financial Projections clearly illustrate the financial viability and sustainability of various aspects of the project. **(See Appendix C & D)**

1.6 BENEFITS TO THE ECONOMY

Summary of the key benefits

Participation in the ownership by PDIs – The beneficial interest in the Applicant depicts true, local empowerment of the previously disadvantaged, in that Ian Grant Rockman owns 100 % and residing in the Eastern Cape.

Promotion of Tourism and the provision of entertainment facilities to members of the public

The Applicant will provide a much-needed gaming and entertainment facility to Tsitsikama and the surrounding areas. It will create an entertainment hub in a town that does not have much to offer visitors or residents.

Creation of sustainable employment – The Applicant plans to employ a minimum of 5 employees throughout the term of the Site Licence. The company will seek to employ individuals primarily of a previously disadvantaged background and from within the Local community.

Provision of training and skills – The Applicant has estimated spending toward the training and development of its employees. Empowerment is key to the Applicant's and Route Operator's management and philosophy, and with employment geared for young PDIs from within the community, transfer of skills will be aimed at those who currently require them most.

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Stimulation of the Local economy – Preference for all works will be given to companies within the Eastern Cape, particularly to any SMME's in Tsitsikama. Once in operation, SMME's from



Tsitsikama will be used for the following services, to name a few:

- general site maintenance – plumbing, electrical, painters;
- security; and
- cleaning

Social Economic Development (“SED”) -The Applicant, together with the Route Operator, is passionate about community projects and will continue to do so in this community. As such, the Applicant has committed to contribute a minimum of 1.15% of the Gross Gaming Revenue to social economic development.

Prevention of incidents of illegal gambling – The Applicant will at all times ensure compliance to the Licence Conditions if issued a Site Licence. It also believes that this type of establishment would discourage illegal gambling as it raises awareness of responsible gambling and the benefits thereof, most importantly, the contributions made towards SED and the community.

The meaningful economic empowerment of local, black-owned small, medium and micro enterprises (“SMME’s”), through the consistent application of a well-developed preferential procurement plan designed to promote the accessibility to SMME’s of goods and services to be procured by the Applicant in the operation of its business, and Locally-based enterprise development initiatives, as contemplated in Section 14.2.1.3 of the RFP.

