

Tuesday 3<sup>rd</sup> September 2024

Att: The Board of Directors  
Australian Turf Club  
Alison Road  
Randwick. NSW

delivered by hand

Dear Directors,

**RE: YOUR CHAIRMAN MR. McGAURAN**

I refer to the recent letter to members from Mr. McGauran dated 26<sup>th</sup> August 2024 sent after evidence was recently given by a range of interested parties at the Parliamentary Inquiry.

A number of serious concerns have emerged from that evidence and Mr. McGauran's letter including the following:-

**1. The Process**

It is clear that Mr. McGauran and a staff member at the ATC secretly approached Racing NSW and the New South Wales government without informing other members of the Board or ATC members. The reason advanced at the inquiry was to see whether there was any interest or support from RNSW/State Government as if there was not, they would not proceed.

We are constantly assured, as members, that if the members do not support this concept, then the matter will not proceed.

Despite it being clear from meetings etc. that the members do not support the sale of Rosehill, the Chairman continues to go down the track of incurring costs and promoting this proposal. Why?

Surely, it is possible for the Board, and Mr. McGauran in particular, to liaise with members, review the evidence from the Parliamentary Inquiry and learn from all current indications that there will not be any support by the members for any sale, so why are we continuing?

The duty of the Board was to submit the proposal, in principle, to a meeting of members for consideration. There is no alternate duty let alone a misunderstood fiduciary duty as alleged by Mr McGauran.

**2. The Funding Model**

A number of Parliamentarians and members of the ATC Board indicated that it is appropriate for the ATC to pursue a different funding model whereby it is not necessary to go cap in hand to Racing NSW to seek necessary funding for maintenance and development of facilities and general operation of the club

Yet Mr. McGauran in his letter of 26 August says simply that he will not do so. Again, why is this legitimate avenue of alternative funding not being pursued? Surely, a different funding model and the development of surrounding parts of various racecourses can achieve a sustainable model but it appears there is no stomach to investigate it whatsoever.

**3. The Valuation**

The letter from Mr. McGauran to members speaks of valuations of \$5 billion to \$23 billion. These numbers are not supported by any formal valuation. Indeed, the evidence suggests the only formal valuation that exists at the present time is a valuation of Rosehill of between \$1.3 billion to \$1.6 billion. Why is this figure not mentioned in the letter? Are members being misled?

**4. A Replacement Racecourse**

Of all the questionable information that members are being fed this is the icing on the cake. The suggestion that world-class Group racing is going to be conducted around the brick pit at Homebush is patently inconceivable. Dangling the carrot of a world-class racecourse in front of members when there is no realistic possibility of doing so (and no costings being discussed to be deducted from the receipts) is misleading.

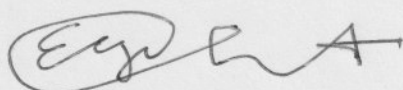
**5. What the Members Want**

The members want a Board, and in particular a Chairman of the Board who is going to fight hard for the interests of the members of the Australian Turf Club which is the culmination of the merger of two proud and historic Race Clubs in Sydney. It is clear that this is not happening and we seek the resignation of Mr. McGauran and the installation of a Chairman who will fiercely stand up for the rights of members with all parties including Racing NSW.

Please be assured that there are members taking careful notice of all of the contradictory and fanciful comments being made by various parties to the Parliamentary Inquiry and we call on the Board to stop wasting valuable funds pursuing this ill-considered proposal.

6. Please promptly circulate this letter to all ATC members to whom Mr. McGauran's 26<sup>th</sup> August, 2024 letter was sent.

Yours sincerely



4 . 6 . 2024

Errol Chant  
Member No: 04001057  
Member since 1974