



THE STAR

ASX Announcement

13 September 2022

REVIEW OF THE STAR SYDNEY – FINAL REPORT

The Star Entertainment Group Limited (ASX code: SGR) (**The Star**) notes that the final report (**Report**) in connection with the review of The Star Sydney undertaken by Mr Adam Bell SC in accordance with the *Casino Control Act 1992* (NSW) has today been made public by the New South Wales Independent Casino Commission (**NICC**).

The Report can be accessed here: <https://www.nsw.gov.au/nicc/casino-regulation>.

The NICC has also served a “show cause” notice (**Notice**) on The Star this morning, a copy of which is attached. The Star intends to respond to the Notice within 14 days.

The Star is currently considering the Report and the matters raised in the Notice.

Authorised by:

Ben Heap
Interim Chairman

For more information contact:

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NSW Independent Casino Commission

NOTICE UNDER SECTION 23(2) OF THE CASINO CONTROL ACT 1992 (ACT)

FROM: NEW SOUTH WALES INDEPENDENT CASINO COMMISSION (NICC)

TO: THE STAR PTY LIMITED (ACN 060 510 410) (THE STAR)

DATE: 13 SEPTEMBER 2022

BACKGROUND:

1. On 13 September 2021, the Independent Liquor and Gaming Authority appointed Mr Adam Bell SC to preside over an inquiry under sections 143 and 143A of the Act into certain matters (**Inquiry**).
2. On 31 August 2022, Mr Adam Bell SC delivered the report and recommendations of the Inquiry.
3. The Inquiry made various findings as to the management and operation of The Star, including that there had been breaches of provisions of the Act and the conditions of The Star's licence and that The Star was presently unsuitable to be concerned in or associated with the management and operation of a casino in New South Wales.

NICC CONSIDERATION:

4. Having regard to the findings of the Inquiry, the NICC is considering under section 23 of the Act taking *disciplinary action* against The Star on the basis of certain *grounds for disciplinary action* specified in that section.
5. Under section 23 of the Act, *disciplinary action* means any one or more of the following actions in relation to The Star's casino licence:
 - (a) *the cancellation or suspension of the licence,*
 - (b) *the imposition on the casino operator of a pecuniary penalty of up to \$100 million,*
 - (c) *the amendment of the terms or conditions of the licence (other than under section 22),*
 - (c1) *a requirement that a casino operator, or a close associate of a casino operator, give an undertaking (an enforceable undertaking) to do or refrain from doing something,*
 - (d) *the issue of a letter of censure to the casino operator.*
6. The NICC is considering taking *disciplinary action* on one or more of the following *grounds for disciplinary action* (as defined in section 23 of the Act):
 - (b) *that the casino operator, a person in charge of the casino, an agent of the casino operator or a casino employee has contravened a provision of this Act or a condition of the licence, being those contraventions found by the Inquiry.*
 - (d) *that the casino operator is, for specified reasons, considered to be no longer a suitable person to give effect to the licence and the Act, being:*

(i) the findings of the Inquiry;
(ii) the absence of effective action, resources, systems and capability to remedy and rectify the matters identified by the Inquiry, in particular as to its current suitability to give effect to the licence and the Act.

(e) that for specified reasons, it is considered to be no longer in the public interest that the licence should remain in force, being:

(i) the findings and recommendations of the Inquiry;
(ii) the absence of effective action, resources, systems and capability to remedy and rectify the matters identified by the Inquiry, in particular as to its current suitability to give effect to the licence and the Act.

7. The NICC also draws your attention to section 4B of the Act, which provides:

Obligations in relation to assessment of suitability

(1) This section applies if, under this Act, the NICC is required to be satisfied of, or form an opinion about, the suitability of an applicant for a licence, a casino operator, a close associate, a special employee or another person (all relevant persons)—

(a) to be concerned in or associated with the management or operation of a casino,
or

(b) to give effect to a casino licence and this Act.

(2) The onus is on the relevant person to—

(a) give the NICC clear and convincing evidence of the relevant person's suitability in relation to the assessment to be made by the NICC, and

(b) make a full and frank disclosure of any information relevant to the assessment, including any information requested by the NICC in relation to the assessment.

8. The NICC also puts you on notice that in the event that the NICC decides to cancel or suspend The Star's casino licence, it may consider appointing a manager pursuant to section 28 of the Act. The NICC invites your submissions on that possibility.

PURSUANT TO SECTION 23 OF THE ACT, BY THIS NOTICE THE NICC AFFORDS THE STAR AN OPPORTUNITY TO SHOW CAUSE WITHIN 14 DAYS WHY DISCIPLINARY ACTION SHOULD NOT BE TAKEN AGAINST THE STAR ON THE GROUNDS FOR DISCIPLINARY ACTION SPECIFIED IN THIS NOTICE.



PHILIP CRAWFORD, CHIEF COMMISSIONER, NEW SOUTH WALES INDEPENDENT CASINO COMMISSION.