

**SUMMARY OF THE GOLF AUSTRALIA BOARD MEETING  
HELD AT FRESHWATER PLACE, MELBOURNE  
FRIDAY 24th MARCH 2006**

Present from the Board:

- Jerry Ellis (Chairman), Vivian Beer, John Buckley, Tom Crothers, Carol Humphreys, David Martin, Judy Onto.

In attendance: Tony Hallam (CEO - Golf Australia), Alex McGillivray, Kathryn Wright.

1. Summary of Legal process

1.1. Australian Taxation Office

The ATO has now issued the ABN for Golf Australia and all legal process have been finalised for the Association.

1.2. Council Formation

Member States have now confirmed their Delegates to the Council and each Member State will be sent a letter of confirmation with their Delegate's personal details.

1.3. Board Committees

The Board committees are in the process formalising their charters and membership and these will be presented to the May board meeting.

2. Commercial Matters

Below is a summary of key commercial matters discussed. Given the commercial sensitivity of certain matters, some items are not included:

2.1. IMG Commercial Arrangement

The new agreement with IMG was approved – see attached press release.

2.2. Australian Opens

2.2.1. Men's MFS Australian Open

The announcement of Royal Sydney as the 2006 venue was noted (see attached press release) as was the acceptance by Robert Allenby and Craig Parry in their honorary roles (see attached press release).

2.2.2. Women's Open

Work is continuing on the financial viability of the Women's Australian Open for 2007 along with a longer term strategic plan. Initial discussions have been held with Royal Sydney Golf Club to hold the event at this club the week of January 29, 2007. If this occurs and as part of the new agreement, IMG will be awarded the role of Event Manager for 2007 event. Following the EOI process for the Event/Commercial Manager, this appointment was considered commercially beneficial for Golf Australia given the synergies of having a common Event Manager at the same course.

2.2.3. Course Consultant

A short list of candidates has been selected and these firms will be interviewed in April with the final appointment announced in May.

- 2.2.4. Host club Expression Of Interest process  
The process and draft EOI document was approved by the Board and will be issued by early May which in essence opens up the process to any club in Australia to put forward their credentials as a host club.
- 2.3. MFS Australian Golf Income Fund  
Golf Australia has completed its due diligence process and the final Product Disclosure Statement will be reviewed by the Audit & Risk committee before it is issued publicly. Media launches in Melbourne, Sydney and Brisbane are expected to be held.
- 2.4. Property review  
The South Melbourne properties are to be put on the market and the resultant funds invested in appropriately sound investments. Independent valuations on the South Melbourne properties were noted and recommended reserves were set on each of the properties. The auctions are scheduled to take place on the 17<sup>th</sup> May 2006.
- 2.5. Legal Advisor tender  
It was noted that Allens Arthur Robinson and Lander & Rogers had been commissioned to provide legal services as required.
- 2.6. Elite Pathways in Australia Golf Review  
This review has commenced and clubs and administrators are encouraged to input their ideas to the Australian Sports Commission.
- 2.7. Finance  
An initial plan was submitted to the Board for discussion and further work will be completed as part of the strategic planning process and presented to the next board meeting.
- 2.8. Strategy development and business planning to 2009  
A strategy and visioning session was held following the board meeting with the attendees including the board, nominated Council members and State Presidents.
- 2.9. Human resource matters  
2.9.1. Appointment of Executive Chairman of Australian Opens  
The Board met Paul McNamee and following this meeting confirmed his appointment as the Executive Chairman for the Australian Opens (see press release attached).

Next Meeting : 2nd June 2006



# **MEDIA KIT**

**28<sup>TH</sup> MARCH 2006**

**Interviews or further information:**  
Barbara Pesel or Christine Bolt  
Pesel & Carr 03 9663 0886



**GOLF AUSTRALIA**

**MEDIA RELEASE**  
**Tuesday 28 March 2006**

## **FROM AUSTRALIAN OPEN TO AUSTRALIAN OPEN**

### **New Executive Chairman for Golf Australia**

Golf Australia announced today that Paul McNamee has accepted the newly created position of Executive Chairman of the MFS Australian Open and the Women's Australian Open for the next three years.

In making the announcement, Jerry Ellis, Chairman of Golf Australia, said, "We are delighted that Paul has agreed to take on this role. He has demonstrated an extraordinary vision and skill over the past 12 years in his role at Tennis Australia and this, combined with his passion for golf, gives us great confidence in his ability to shape the future of the Australian Opens".

In his role as Executive Chairman of the Australian Opens, McNamee will have responsibility for raising the profile of golf in this country by turning the Opens into significant events in the Asia Pacific region.

His contract with Golf Australia will also allow him to continue with his other passion, the Hyundai Hopman Cup.

"After leaving Tennis Australia, I hoped that I would be able to help another sport that I love and I feel privileged to be offered this once-in-a-lifetime opportunity with golf, which I have been passionate about since I was young", said McNamee.

"I am tremendously excited about what lies ahead and the opportunity to work with Jerry and Tony as part of the Golf Australia team. Golf is an iconic sport with tremendous strength in its heritage and core values. This, combined with the playing depth of our Australian golfers will enable us to build events of stature and prestige. I believe this is a winning combination and one that will help Golf Australia and the golf industry popularise the events beyond their current status".

Paul McNamee's appointment is effective immediately. In the next two weeks, he will join Golf Australia CEO, Tony Hallam in the USA where they will meet with Australian US PGA Tour players to discuss plans for the MFS Australian Open to be held at Royal Sydney Golf Club in November this year.

This is part of the coordinated work by Golf Australia and the PGA Tour, PGA of Australia and IMG to communicate directly with the Australian players on the USA PGA, LPGA and Nationwide Tours regarding the Australasian summer of golf.

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For further information please contact **Barbara Pesel** at Pesel & Carr on **03 9663 0886**;  
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**GOLF AUSTRALIA**

## **Questions and Answers 28 March 2006**

### **Did you leave Tennis Australia to take up this position?**

No. After 12 years at Tennis Australia, I had achieved what I set out to achieve and I was keen to investigate other horizons.

### **When was the deal done?**

Last week. I was hoping there would be other sporting opportunities I could pursue and I couldn't do this until I left Tennis Australia. The timing has been perfect for both me and Golf Australia.

### **What does the position of Executive Chairman for the Australian opens involve?**

On behalf of Golf Australia I will oversee their development by working closely with our commercial partners to grow both the MFS Australian Open and the Women's Australian Open into significant events in the Asia Pacific region.

### **Is this a full-time position?**

As Executive Chairman the position is part-time. I will have an office at Golf Australia and am committed to adding value wherever I can and as much that is needed. What is achieved will be through a team effort and it will take the time it takes.

### **What are your short and long term goals?**

In the immediate short-term I am meeting Golf Australia's commercial partners and staff and learning as much as I can about what is already in place. Next week I will be travelling to the USA with Tony Hallam, where we will meet with Gus Seebeck and the Australian US PGA Tour players to discuss plans for the MFS Australian Open to be held at Royal Sydney Golf Club in November this year.

Overall, my goal is to further popularise the game by broadening the demographic. This is a tremendously exciting challenge and I am eagerly looking forward to it.

### **To get the atmosphere, do you need to get the top players?**

We already have the top players. Six of our Australian golfers are ranked in the top 35 players in the world; 12 are in the top 100. We need to celebrate the great depth and strength of our Australian players and the game as it is played in Australia and in the neighbouring region.



**What are your thoughts on Golf Australia's recent amalgamation?**

In developing the totality of golf as a sport, bringing together the men's and women's organisations under one roof provides opportunities at a number of levels. It includes significant advantages for engaging the public and corporate community in the Opens.

**What impact does your position have on IMG's role?**

Golf Australia has reached agreement on a new relationship where IMG will be Golf Australia's commercial representative across its entire portfolio of activities and events. My role is in relation to the MFS Australian Open and the Women's Australian Open and will complement IMG's skills and experience.

**Do you hope to turn the Australian opens into something as big as you achieved with Tennis?**

Tennis and golf are completely different and the two sports can't be compared to each other. My aim, with Golf Australia and its partners, is to build the stature of the events to be as big as they can be and to make them regionally significant, *must see* events.

**What is happening with the Australian Women's Open?**

We fully intend to hold an Australian Women's Open early next year and I will part of the process to make that happen.



**MEDIA RELEASE**  
**28<sup>TH</sup> MARCH 2006**

## **GOLF AUSTRALIA AWARDS IMG COMMERCIAL EXCLUSIVITY**

Golf Australia has appointed IMG, the world's largest sports entertainment and media company, as its exclusive authorised commercial agent across the game of golf in Australia.

This re-structuring sees an expanded role for IMG in coordinating sponsorship procurement, event development and commercial representation over the portfolio of activity and events for golf.

As part of the arrangement Golf Australia assumes full ownership of all its activities and events including the MFS Australian Open.

IMG along with Golf Australia have had a successful partnership spanning 18 years in relation to the MFS Australian Open.

Jonathan Field, IMG's Vice President Golf stated, "The new relationship will enable IMG and Golf Australia to provide to sponsors and partners of golf a comprehensive platform of assets ranging from grass roots to elite tournaments. It will provide the means to deliver a year round strategy around golf to corporate Australia.

"The golf market is a valuable one and now marketers will have a cost effective means of engaging this audience, be it direct to Golf Clubs, their members, junior and elite programs or via association with premium golf events", Field added.

Tony Hallam, CEO, Golf Australia stated, "IMG has the runs on board, they have a long term association with golf in this country and they know the business of golf. Golf Australia believes that delivering commercial value to current and potential sponsors across the game of golf in Australia is a key to the success of the overall industry.

"This new development is another building block in our strategy as we build our amalgamated body. The relationship will provide us with increased capacity to develop our commercial offerings which will provide further resources for development of the game in Australia".

The re-structuring is effective immediately and is in place till 2010, with renewal at the option of Golf Australia.

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For further information, please contact: **Jonathan Field** (IMG) - **0417 317 886**  
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## ***Biography March 06***

### **Executive Chairman Australian Opens Paul McNamee**

For 12 years, Paul McNamee has been a leader in attracting, retaining and developing key relationships with major stakeholders, for the Australian Open Tennis Championships.

With strong sporting and media relationships Paul McNamee was pivotal in seeing the tennis venue move from number four to arguably the number one tennis facility in the world.

From being ranked number one in the world in doubles to running successful tournaments in a highly competitive market place, Paul has gained an understanding of the principles needed for repositioning dynamic interactive commercial partnerships.

Paul McNamee is the Tournament Director for the Hopman Cup which he has been involved with for 18 years. It has become one of the best attended tournaments in the world with 80,000 spectators in a city of one million.

Additionally Paul is the Managing Director of PME (Paul McNamee Enterprises) and the founder and chairman of Kids Tennis Foundation (formerly OZ Tennis). Established in 1993, the Foundation has more than 200 programs Australia-wide, introducing tennis to children who live below the poverty line.



## Comments from our partners... March 2006

"Peter will bring a fresh set of eyes to these two championships and his knowledge and experience at the highest levels of sport will enhance these titles and provide many benefits to Golf Australia. The PGA welcomes the move and we'll help out wherever we can."

***Max Garske, Chief Executive of the PGA.***

"The PGA Tour is delighted with the appointment of Paul McNamee to the position of Executive Chairman of the Men's and Women's Australian Opens.

"We officially welcome Paul into the golf industry and very much look forward to working with him. We have no doubt that Paul's vast wealth of knowledge and experience will bode well for the future of both Open's. I'm sure all PGA Tour players will also welcome Paul and wish him well in his new role."

***Gus Seebeck, Chief Executive of the PGA Tour.***

"We applaud the appointment of Paul McNamee. We believe it will add the necessary commercial spark to the Women's Open campaign.

"This announcement further underlines Golf Australia's commitment to resurrecting the Women's Australian Open, and having a well respected and switched on personality such as Paul McNamee is another step in the right direction.

"Paul has a proven track record when it comes to delivering major events. He has the knack of creating a unique atmosphere which delivers quality to all sponsors, participants and stakeholders. We look forward to working with Paul and Golf Australia to rebuild the Women's Australian Open into a "must play" event on the international schedule. Historically the tournament has attracted the best players in the world, and I can assure you they are desperately keen to see the Open back on track."

***Australian Ladies Professional Golf General Manager, Warren Sevil.***



## **Royal Sydney is the venue for the 2006 MFS Men's Australian Open November 13<sup>th</sup> – 19<sup>th</sup> 2006**

The Royal Sydney Golf Club (RSGC) has been selected as the venue for the 2006 MFS Men's Australian Open.

The Premier of New South Wales, the Hon Morris Iemma MP, welcomed the return of the Australian Open to Sydney for the first time since 2004 and to Royal Sydney for the first time since 1999.

"The Australian Open is synonymous with Sydney" Mr Iemma said.

"The first Open was held at The Australian Golf Club's old Botany course in 1904 with the centenary Open staged at the Club's Kensington home in 2004.

"The Open is our national golfing title with a tradition and history unrivalled in Australian golf.

"The Open is also one of the world's great golf tournaments with its honour roll including Jack Nicklaus, Gary Player, Greg Norman, Peter Thomson, Tom Watson, Arnold Palmer, Norman Von Nida, Gene Sarazen and Ivo Whitton, Australia's greatest ever amateur.

"This year's Open at Royal Sydney will add another name to this honour roll as the players battle for Australian golf's most prized piece of silverware, the Stonehaven Cup", Mr Iemma added.

The Premier said the Government was providing \$250,000 sponsorship support for the Open through the NSW Major Events Board.

The Championship Course at (RSGC) is rich in tournament history and has hosted 11 previous Opens as well as other events such as the Australian PGA Championship and the Australian Men's and Ladies Amateur Championships.

In making the announcement today, Golf Australia CEO, Tony Hallam, said, "The opportunity to hold the 2006 MFS Australian Open in such a magnificent location, on a tremendous course and in the heart of one of Australia's most beautiful cities is a fantastic combination for both the game, the players and the supporters.

"The generous support and enthusiasm of the NSW Government to this event is very much appreciated. We welcome the relationship and working together will assist in delivering an outstanding event.

The NSW Minister for Tourism, Sport and Recreation, the Hon Sandra Nori MP, said the Australian Open provided an opportunity to promote Sydney as an international tourism destination.

“The images of Royal Sydney and its beautiful harbourside setting will be a feature of the national and international coverage of the tournament”, the Minister said.

“In addition to the four days of live domestic coverage through Network Seven, the coverage will also be telecast in key tourism markets such as the USA, UK, Japan, New Zealand and Asia.

“The Department of State and Regional Development has also estimated the Open will provide a net economic impact around \$7 million for the state’s economy”.

Representatives of Golf Australia worked closely with IMG, the PGA Tour and the PGA in the decision-making process regarding scheduling and the decision to hold the event at RSGC is one that is fully supported by these bodies and our Australian players.

The 2006 MFS Australian Open promises to be a ‘must attend’ event. Significant course changes have been made to create a greater challenge for players and make it more interesting for spectators.

The timing for the event has been changed this year so that it complements global golf tours and does not clash with other national sporting events being held in Australia at that time.

“We are looking forward to releasing further exciting news on the MFS Australian Open as the year progresses and as we build towards a great event.

“Golf Australia’s aim is to make golf accessible to everyone and in 2006 we are well on the way to achieving that goal”, said Tony Hallam.

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**MEDIA RELEASE**  
**23 March 2006**

### **Allenby and Parry accept Honorary roles for the MFS Australian Open**

Golf Australia continues its commitment to establish the MFS Australian Open as one of Australia's leading sporting events, with the appointment of Robert Allenby and Craig Parry in honorary roles for the Open.

The reigning Open champion, Robert Allenby has accepted the role as the first honorary ambassador for the MFS Australian Open and with his acceptance he also starts a new tradition for the event where the reigning champion will be offered this role each year as the national champion.

With a mandate to profile the tournament Robert Allenby stated, "I am delighted to accept the honorary position in the organisation of the 2006 MFS Australian Open. Hopefully my experiences can be of value and I am appreciative of this opportunity as the defending champion...I am sure we will have a terrific championship at Royal Sydney and I look forward to assisting in any small way I can."

Golf legend and Sydneysider Craig Parry has accepted an honorary role on the organising committee for the 2006 Open. As he resides in the host city, Craig will focus on providing insights to the committee from a current players' perspective as well as helping promote and market the tournament.

Parry, stated, "I am delighted to have been given this opportunity to join the committee and to share my experiences as a player and passion for the game. As a golfing professional it is important to continue giving back to the sport and I am looking forward to a great event in my home town."

Golf Australia, CEO, Tony Hallam, said, "We appreciate the support of all Australian players in coming home to play in the MFS Australia Open championship and believe it is important to have their views represented.

"We are thrilled that Craig and Robert have accepted our invitation to contribute beyond their playing role. Being part of the organising committee and along with Gus Seebeck ensures we will have player input both directly and through the PGA Tour.

"Craig and Robert will be great assets in assisting to both develop the MFS Australian Open's profile and the quality of its organisation. This is another example of the stakeholders in the golf industry working together for a better outcome."

The MFS Australian open will be held at the prestigious Royal Sydney Golf Course (RSGC) from November 13 – 19, 2006.

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