



November 18, 2022

Dear Stakeholders:

Re: Closure of Bar None Ranches Breeding Operation

As you know, the horse racing community lost an important member in October of this year when Bar None Ranches announced they would no longer be running their breeding division. They cited inflation, higher costs, higher interest rates and the lasting effects of the pandemic as the key factors in the decision.

Horse Racing Alberta (HRA) understands the gravity of this decision as it affects the breeding industry in the short term, but this is an opportunity for us to take steps to move forward and respond in a positive way. Breeding is the lifeblood of horse racing, and we will be aggressively championing the Breed Improvement Program with incentives to enable all breeders to thrive in this province.

HRA is committed to the stability and growth of horse racing and a healthy breeding industry is an integral part of that commitment. The Breed Improvement Program will be finalized soon for 2023, and we are making very significant increases to the BIP funding over the next two years. By being resourceful and innovative, we will see results and the growth of the industry as a result.

We will communicate with you as soon as the Breed Improvement Program has been approved for 2023.

If you have any questions, please call (780) 415-5475 or email (kverlik@thehorses.com) at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "D. McQueen", with a long horizontal flourish extending to the right.

Diana McQueen
Board Chair

A handwritten signature in black ink, appearing to read "Kent Verlik", with a stylized, cursive style.

Kent Verlik
Chief Executive Officer

CORPORATE OFFICE

#720, 9707 110 Street

Edmonton, Alberta T5K L9

Phone: (780) 415-5432 Fax: (780) 488-5105 Toll Free: 1-888-553-7223