

PLAN OF MANAGEMENT (POM)

OPERATION OF THE IMAX Cinema AT DARLING HARBOUR

Introduction:

The World's Biggest Screens Pty Limited ABN 18 093 736 308 (WBS or IMAX) operates the IMAX Cinema. (Cinema Operations). WBS has prepared this Plan of Management (POM) for Grocon (Darling Harbour) Developments Pty Ltd relative to the Cinema Operations and its ancillary operations of food and beverage supply located at 31 Wheat Road Sydney NSW 2000. This POM is written specifically to:

1. Identify the IMAX Cinema
2. Describe the operation
3. Describe how the cinema fits within the total building

Description of IMAX Cinema:

The IMAX Cinema at Darling Harbour opened in 1996 and temporarily ceased operations in September 2016 to allow for the construction of a new building which will house the new IMAX Theatre.

The World's Biggest Screens Pty Limited ABN 18 093 736 308 (WBS) operates the IMAX which it has done since 2001. WBS has entered into an Agreement to Lease the new IMAX 440 seat cinema under a 15-year lease with 10-year option.

The IMAX Cinema in its previous configuration and its future theatre will operate the world's largest screen with the most advanced screen projection and sound equipment available in the world. IMAX projection equipment is laser driven and consists of two projectors aimed at providing optimal image clarity coupled with 12 channel sound to provide the most immersive cinema going experience. The Cinema has arranged seating with stepped platforms and set out to optimise sightlines.

The IMAX screen has a width to height ratio of 1.43: 1.00. This means that for every 14.3 metres of width there will be 10 metres of height. The conventional cinema screens have a ratio of 1.85 to 2.39 metres of width to 1 metre of height with only 1 projector. The effect is that IMAX screen is higher providing a totally immersive feel brought about by the overall area of the screen, clarity and the brightness of projection. The IMAX screen at Darling Harbour will measure 29.5 metres by 21 metres (620 square metres). The largest known conventional cinema in Australia is 21 by 12 metres (252 square metres).

“IMAX is simply the epitome of cinema-going experience.”

Hours of operation:

IMAX will operate from 0900 to 2359 hours daily. Generally, the cinema will have 4 shows of 1 hour each of documentary films in the mornings followed by 3 commercial film exhibitions of approximately 2 hours each. On weekends and public holidays, the number of morning documentaries shown will reduce and commercial films replace them.

Special Events:

On certain occasions, as with conventional cinemas, it will exhibit movies and hold events which commence at midnight. This will usually occur on the release of a major blockbuster and be subject to patron demands for such events. WBS will also from time to time broadcast live showings of sports matches which may occur outside the above hours when the match takes place overseas. It is anticipated that such occasions will occur no less than 6 times a year conditional with on-going sporting success and movie block buster appeal.

As required staffing levels will be adjusted to reflect increased capacity to maintain patron comfort and easy of access. In particular the number of ushers will increase in proportion to cinema attendance.

Access by Patrons:

Patrons arrive at the western side of the Ribbon Development to the IMAX Main Lobby on the ground floor to acquire cinema tickets if not already bought online, and food and beverage. Patrons may acquire tickets on-line or at the box office at the theatre, via various social groups, or their on-line web sites. They will then enter through an area marked by security, whose intensity will vary from time to time, and journey to the second floor for the IMAX Theatre via stairs, escalators or lift. There is a pre-show area on the Southside offering gathering prior to entry to the IMAX theatre space itself.

Ushers inside and outside the theatre doors will assist patrons to their seat when required. As tabled perviously the number of ushers will increase in proportion to cinema attendance.

Patrons exit via a dedicated departure corridor system under the cinema itself accessible from either side of the space. Patron s return to the ground floor lobby enabling departure to outside. A dedicated lift also provides patron departure back to the IMAX Main Lobby. Ushers will guide patrons to the correct location as required.

Each floor is serviced with toilet facilities convenient to entry and exit from the cinema.

Staffing:

The CEO together with Duty Managers set the weekly staffing rosters depending on forecast admissions for the week. Forecast admissions depend on recent releases of film product and whether it is school vacation time, public holidays and weekends.

Weekly admissions range from 4,100 to 17,000 with an average of 7,200. WBS will have 25 casual staff and 4 permanent staff in its employ. Casual staffing numbers on duty will range from 9 to 15 depending on expected admissions.

Permanent staff will be the CEO, schools and marketing co-ordinator, accountant and operations officer/head duty manager. Casual staff include the Duty Manager, box office ticket/food and beverage sales personnel, operations persons including ushers one of which will be a trained projectionist.

Acoustics and Sound Insulation

An important part of the patron experience is the high quality of sound delivered by the IMAX system. The building developer has the obligation to deliver a building with the acoustic integrity to enable the building to deliver this sound from the IMAX equipment to the patron as well as to ensure that the sound from the theatre does not bleed through to adjoining tenants.

The base building design will also ensure that the adjoining tenants' sound is not heard in the theatre. WBS and the building developer have each employed acoustic consultants to monitor this development.

Security:

IMAX Theatre is a ticketed experience where patron numbers and access are controlled. WBS will employ both electronic and physical security measures including. The security operations strategy will included awareness training and as-hoc security screening of patrons (visual inspections only)

Electronic

- A security Management System: combining operational and administration of all security systems under a single graphical interface.
- Electronic access control to regulate access to restricted areas also offering audit trails.
- Intrusion alarms to monitor site perimeter and nominated areas.
- IP based CCTV, reed switches and motion sensors.

Physical Security

- Ticketed control points and security personnel from time to time.
- Security signage.
- Removal-able bollards to the external front entry of IMAX to assist with patron movements pre and post show and to provide visual demarcation between IMAX and the wider Darling Harbour Precinct.

Parking:

WBS will encourage patrons to use public transport. Patrons have choices of public transport by which to reach the IMAX Cinema. These include rail as Town Hall Station is approximately 500 metres from IMAX, bus stops even nearer by, taxis and light rail.

Patrons have a choice of places to park their private vehicles within 100 to 400 metres radius of the theatre. WBS will ensure that discounted parking offers are available.

Food and Beverage Provision:

Food and beverages will be available to all patrons on the ground floor and second floors. In addition a VIP section on the first floor is available to patrons paying the higher, VIP price. Food will include conventional cinema food offerings of popcorn, small candies and sweetened, sparkling drinks. There will also be a limited menu which will include pizza, hamburgers and hot dogs.

WBS has a liquor license whereby it may serve alcohol to patrons over 18 years who have a cinema admission ticket. WBS will have adequate numbers of staff who are certified under the Responsible Serving of Alcohol (RSA) code.

WBS will serve drinks in paper cups or hard plastic cups. Patrons will be prohibited from taking glass into the auditorium.

Deliveries and Loading:

A common goods delivery facility is provided by the base building as a service zone. Delivery of all goods to the tenancy will be via the main building loading docks accessible to vehicular access from the eastern side of the Ribbon Development. Unloaded goods will then be transferred to the tenancy via a network of dedicated service corridors to the IMAX ground floor back of house.

Certain IMAX specialist equipment such as projection equipment and screens are very large and heavy therefore dedicated access hatches and removable panels are incorporated into the building infrastructure to facilitate access. Equipment upgrade and its replacement in time to come will be in the order of between 5 to 10 years.

Waste Management:

IMAX produces waste at the rate of 34 grams per patron which equates to about 13,000 kgs per year. The majority of this is paper cups for drinking or popcorn and where possible shall be segregated for recycling. To best assist patrons the public spaces will be provided with segregated waste receptacles located strategically for maximum convenience.

At the end of each session rubbish is collected by staff from the cinema. IMAX bags its waste and for ease of operation will utilise a waste shoot providing connection of all level to an interim collection point within the ground floor Back of House. Rubbish will then be transferred via mobile bins to the common waste disposal in the base building for final compacting and removal.

Summary:

With the benefit of long term operational experience in running the previous IMAX in Darling Harbour and with a co-ordinated team, and tailored facilities, IMAX will once again offer Sydney a premium cinema experience of International recognition and standing.