

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you are recommended to seek immediately your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 (“FSMA”) if you are in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Existing Shares (other than ex-rights) before 14 January 2010 (the “Ex-Rights Date”), please send this document, together with any Provisional Allotment Letter, duly renounced, if and when received, at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee except that such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including but not limited to, subject to certain exceptions, the Excluded Territories. If you have sold or otherwise transferred only part of your holding of Existing Shares (other than ex-rights) before the Ex-Rights Date, you should refer to the instruction regarding split applications in Part III (“*Terms and Conditions of the Rights Issue*”) of the Prospectus published by Newbury Racecourse plc on 18 December 2009 (the “Prospectus”) and in the Provisional Allotment Letter, if received.

This document, which comprises a supplementary prospectus relating to the New Shares prepared in accordance with the Prospectus Rules, has been approved by the Financial Services Authority (the “FSA”) in accordance with Section 87A of FSMA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules. This document is supplemental and must be read in conjunction with the Prospectus. Save as disclosed in this document, since the publication of the Prospectus, there have been no other significant new factors, material mistakes or inaccuracies relating to the information included in the Prospectus.

Unless otherwise defined in this document, capitalised terms used in this document have the meanings given to them in Part XII (“Definitions”) of the Prospectus. To the extent there is any inconsistency between a statement in this document and a statement in the Prospectus, the statement in this document will prevail.

The Existing Shares are admitted to trading on PLUS. Application was made to PLUS Markets for the New Shares to be admitted to trading on PLUS. Admission became effective and dealings on PLUS in the New Shares (nil paid) commenced at 8.00 a.m. (London time) on 14 January 2010.

The Company and the Directors, whose names are set out on page 4 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

NEWBURY RACECOURSE PLC



(Incorporated and registered in England and Wales with registered number 00080774)

advised by Strata Partners

**Supplementary Prospectus issued in connection with a
1 for 2 Rights Issue of 1,592,167 New Shares
at 400 pence per New Share**

This document and the Prospectus should be read in their entirety. Shareholders and any other persons contemplating a purchase of the Nil Paid Rights, the Fully Paid Rights or the New Shares should review the risk factors set out on pages 12 to 20 (inclusive) of the Prospectus for a discussion of certain factors that should be considered when deciding on what action to take in relation to the Rights Issue and deciding whether or not to purchase the Nil Paid Rights, the Fully Paid Rights or the New Shares.

The latest time and date for acceptance and payment in full for the New Shares by holders of the Nil Paid Rights is expected to be 11.00 a.m. on 5 February 2010. The procedures for delivery of the Nil Paid Rights, acceptance and payment are set out in Part III (“*Terms and Conditions of the Rights Issue*”) of the Prospectus and also in the Provisional Allotment Letter which was sent to Qualifying Shareholders on 13 January 2010. If you have questions on the procedure for application and payment, you should contact the Receiving Agent. The Receiving Agent cannot provide advice on the merits of the proposals or give any financial, legal or tax advice. Further information is set out in “*Where to find help*” on page 23 of the Prospectus.

The PLUS-quoted market, which is operated by PLUS Markets plc, a recognised investment exchange, is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. It is not classified as a Regulated Market under EU financial services law and PLUS-quoted securities are not admitted to the Official List of the United Kingdom Listing Authority.

A prospective investor should be aware of the risks of investing in PLUS-quoted securities and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, with another appropriately authorised independent financial adviser who specialises in advising on the acquisition of shares and other securities.

A prospective investor should also be aware that the continuing obligations governing the ongoing operation and management of a company admitted to the PLUS-quoted market are different from those of a company with a listing on the Official List of the United Kingdom Listing Authority. The Company is not required to comply with the Listing Rules published by the United Kingdom Listing Authority and, for example, is not subject to the rules relating to substantial transactions (Chapter 10 of the Listing Rules) or related party transactions (Chapter 11 of the Listing Rules) which require shareholder approval before the relevant transaction can be completed. In addition, the Company is not subject to the continuing obligations contained in Chapter 9 of the Listing Rules.

Accordingly, prospective investors should be aware that the obligations and risks attaching to an investment in a company which is admitted to the PLUS-quoted market are different from those attaching to a company with a primary listing on the Official List.

The Nil Paid Rights, the Fully Paid Rights and the New Shares have not been and will not be registered under the US Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, taken up, exercised, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer in the United States. The Nil Paid Rights, the Fully Paid Rights and the New Shares will not be registered under the securities laws of the Excluded Territories and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within such jurisdictions except pursuant to an applicable exemption from and in compliance with any applicable securities laws. There will be no public offer in any Excluded Territory. Subject to certain exceptions, this document and the Provisional Allotment Letter should not be distributed, forwarded to or transmitted in or into the United States or the other Excluded Territories or in or into any other jurisdiction where the extension or availability of the Rights Issue would breach any applicable law.

Qualifying Shareholders were sent a Provisional Allotment Letter on 13 January 2010 following the passing of the Resolutions at the General Meeting.

Neither this document nor the Provisional Allotment Letter constitutes or forms part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the Nil Paid Rights, the Fully Paid Rights or the New Shares offered to any person with a registered address, or who is resident or located, in the United States or any of the other Excluded Territories, subject to certain exceptions, or to any person in any jurisdiction in which such an offer or solicitation is unlawful.

Strata Partners is acting exclusively for Newbury Racecourse and no one else in connection with the Rights Issue and will not regard any other person (whether or not a recipient of this document) as its client in relation to the Rights Issue and will not be responsible to anyone other than Newbury Racecourse for providing the protections afforded to its clients or for providing advice in relation to the Rights Issue or any matters referred to in this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on Strata Partners by FSMA, none of the Underwriters or Strata Partners or their respective directors, officers, employees, advisers, affiliates or agents accepts any responsibility whatsoever and makes no representation or warranty, express or implied, for or in respect of the contents of this document, including its accuracy, completeness, fairness or verification or regarding the legality of an investment in the Nil Paid Rights, the Fully Paid Rights or the New Shares by an offeree or purchaser thereof under the laws applicable to such offeree or purchaser or for any other statement made or purported to be made by them, or on their behalf, in connection with Newbury Racecourse, the Nil Paid Rights, the Fully Paid Rights, the New Shares or the Rights Issue, and nothing in this document is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. The Underwriters and Strata Partners accordingly disclaim to the fullest extent permissible by law any responsibility and liability whether arising in tort, contract or otherwise, which they might otherwise be found to have in respect of this document or any such statement.

The contents of this document are not to be construed as legal, business or tax advice. Each prospective investor should consult his, her or its own appropriately authorised legal adviser, independent financial adviser or tax adviser for legal, financial or tax advice respectively.

Information not contained in this document

No person has been authorised to give any information or make any representation other than those contained in this document and the Prospectus and, if given or made, such information or representation must not be relied upon as having been so authorised. Neither the delivery of this document nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in this document is correct as of any time subsequent to the date hereof.

Dated: 28 January 2010

Part I

NEW INFORMATION

This document updates the Prospectus relating to the Company published on 18 December 2009, in particular all references to outline planning permission being required for the Planned Redevelopment to proceed and as described on page 27 of the Prospectus.

1. Resolution to grant outline planning permission obtained for the Planned Redevelopment

On 28 January 2010 the Company made the following announcement:

“NEWBURY RACECOURSE PLC

(“Newbury Racecourse” or the “Company”)

Resolution to Grant Outline Planning Permission Obtained for Major Redevelopment

The Board of Newbury Racecourse is pleased to announce that on 27 January 2010 the Western Area Planning Committee of West Berkshire Council resolved to grant outline planning permission for the redevelopment of the racecourse (“Planned Redevelopment”).

The Western Area Planning Committee of West Berkshire Council also resolved that separate approval for the Planned Redevelopment from the District Planning Committee of West Berkshire Council will not now be required.

The Planned Redevelopment includes the construction of up to 1,500 residential units, upgrading of the racecourse with enhanced leisure, racing, conference and events facilities, construction of a hotel, a new bridge and access to the racecourse, new visitor parking, extensive landscaping, a hostel for stable staff, a new children’s nursery, remodelling of the golf course, a new golf clubhouse and floodlit driving range.

Sir David Sieff, Chairman of Newbury Racecourse, commented *“This is a positive and important step forward in pursuit of our strategy to develop and transform Newbury Racecourse into a leisure, entertainment and events business with the racecourse as its core asset. The Planned Redevelopment is expected to support and enhance the long term trading operations of Newbury Racecourse and is expected to have a positive effect on Newbury’s local community and economy”*.

Paul Crispin, Managing Director of David Wilson Homes, said: *“We are absolutely delighted with the Western Area Planning Committee’s decision. The racecourse and the associated infrastructure work is a ten-year project which we look forward to progressing subject to confirmation of planning permission”*.

2. Update on the Planned Redevelopment

On 21 January 2010, West Berkshire Council unanimously approved the submission version of the report entitled “West Berkshire Preferred Options Core Strategy” (the “Core Strategy Report”) for further public consultation. When adopted, the Core Strategy Report will form the central part of the Local Development Framework (the “LDF”) containing West Berkshire Council’s policies for the long term planning and development of West Berkshire through to 2026.

Additional information relating to the Planned Redevelopment is set out in Part I (*“Letter from the Chairman of Newbury Racecourse plc”*) of the Prospectus.

Part II

ADDITIONAL INFORMATION

1. Withdrawal Rights

Qualifying Shareholders are reminded of their statutory withdrawal rights in respect of the Rights Issue pursuant to section 87Q(4) of FSMA, which arise upon the publication of this document.

As also set out in paragraph 2.2.2 of Part III (“*Terms and Conditions of the Rights Issue*”) of the Prospectus, persons wishing to exercise such right of withdrawal must lodge a written notice of withdrawal (which shall not include a notice sent by facsimile or any other form of electronic communication), which must include the full name and address of the person wishing to exercise such statutory withdrawal rights, with Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom, so as to be sent no later than two business days after the date on which this supplementary prospectus was published, withdrawal being effective as at posting of the written notice of withdrawal. Notice of withdrawal given by any other means or which is deposited with or sent to Capita Registrars after the expiry of such period will not constitute a valid withdrawal. Furthermore, the Company will not permit the exercise of withdrawal rights after payment by the relevant Shareholder of its acquisition in full and the allotment of the New Shares to such Shareholder becoming unconditional. In such circumstances, Shareholders are advised to consult their professional advisers.

Provisional allotments of entitlements to New Shares which are the subject of a valid withdrawal notice will be deemed to be declined. Such entitlements to New Shares will be subject to the provisions of paragraph 2.2.1 of Part III of the Prospectus as if the entitlement had not been validly taken up.

2. Persons responsible

The Company and the Directors, whose names are set out below, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Sir David Sieff	<i>(Non-Executive Chairman)</i>
Stephen Higgins	<i>(Joint Managing Director)</i>
Sarah Hordern	<i>(Joint Managing Director)</i>
The Honourable Harry Herbert	<i>(Non-Executive Director)</i>
Nicholas Jones	<i>(Non-Executive Director)</i>
Lady Madeleine Lloyd Webber	<i>(Non-Executive Director)</i>
Erik Penser	<i>(Non-Executive Director)</i>
Christopher Spence	<i>(Non-Executive Director)</i>
Brian Stewart-Brown	<i>(Non-Executive Director)</i>
Laurie Todd	<i>(Non-Executive Director)</i>

3. Documents available for inspection

In addition to those documents set out in paragraph 24 of Part XI (“*Additional Information*”) of the Prospectus, copies of this document may be inspected at the offices of Strata Partners, 32 Grosvenor Gardens, London SW1W 0DH during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of publication of this document until Admission.

Dated: 28 January 2010