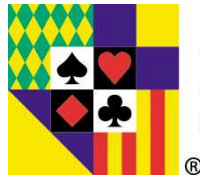


NEWS ANNOUNCEMENT



PENN NATIONAL
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FOR IMMEDIATE RELEASE

PENN NATIONAL GAMING IMPLEMENTS EQUINE HEALTH AND SAFETY INITIATIVES

WYOMISSING, Penn., (July 15, 2008) -- Penn National Gaming, Inc., the second largest owner of pari-mutuel racing facilities in North America, today announced the implementation of several initiatives intended to ensure the continued health and safety of equine participants at its racetracks. These initiatives include limiting the height of toe grabs on front shoes worn by race horses, endorsing rules for new riding crops for Thoroughbred jockeys, and recommending, at a minimum, the adoption of the Association of Racing Commissioners International (ARCI) model rule regarding Androgenic Anabolic Steroids.

The initiatives follow the recently issued recommendations of The Jockey Club's Thoroughbred Safety Committee. Founded in 1894, the Jockey Club is dedicated to the improvement of Thoroughbred breeding and racing and is the breed registry for North American Thoroughbreds.

"Penn National Gaming endorses and embraces The Jockey Club Thoroughbred Safety Committee's recommendations which are sound steps toward ensuring the health and welfare of our equine participants," said Chris McErlean, Vice President of Racing for Penn National Gaming. "We have outlined a plan to introduce several of these recommendations at our horse racing facilities over the next few months. In addition, we will actively promote the adoption of permanent rules and regulations for these items with regulators in every one of the six jurisdictions where we conduct racing. We have identified several other areas where information, uniformity and cooperation are needed to achieve additional results to benefit the industry and expect that other responsible pari-mutuel facility owners and industry leaders will follow our actions."

Penn National Gaming owns and operates gaming and racing facilities with a focus on slot machine entertainment. The Company presently operates nineteen facilities in fifteen jurisdictions, including Colorado, Florida, Illinois, Indiana, Iowa, Louisiana, Maine, Mississippi, Missouri, New Jersey, New Mexico, Ohio, Pennsylvania, West Virginia, and Ontario. Penn National is the second largest owner of pari-mutuel facilities in North America and conducts over 1,000 dates of live racing annually. Total wagering at its pari-mutuel facilities on live and simulcast racing totaled nearly \$850 million in 2007.



PENN NATIONAL GAMING'S RACING DIVISION ANNOUNCES EQUINE HEALTH AND SAFETY INITIATIVES

Over the last 14 years, Penn National Gaming, Inc. has grown from a single racetrack in central Pennsylvania to one of the largest gaming operators in the country with facilities in 15 jurisdictions across North America. The company wholly owns six pari-mutuel racing facilities that host over 1,000 racing dates annually and is one of only two racing organizations that features Thoroughbred, Standardbred, Quarter Horse and Greyhound racing. Among all North American racing companies, Penn National Gaming ranks second in total annual racing dates and in the number of owned racetracks.

Penn National Gaming's gaming and pari-mutuel businesses are subject to stringent regulatory oversight and the Company is committed to adhering to such requirements in each jurisdiction in which it operates. The Company is also acutely aware of the public perception and scrutiny from the racing community, the general public and regulatory bodies regarding the issues of equine health and safety, and actively endorses new regulations to ensure the continued health and safety of equine participants at its racetracks.

Recent industry conferences and congressional hearings have focused on the issue of medication usage, legal and illegal, in race horses; the use and potential impact of certain horse shoe types and jockeys' use of whips in Thoroughbred races. Last month, The Jockey Club Thoroughbred Safety Committee issued recommendations addressing each of these areas. Penn National Gaming applauds that organization's initiative to bring together all segments of the racing industry to put forth reasonable and achievable first steps towards increased health and safety of our equine participants.

Based on the recommendations of The Jockey Club, and after substantial internal discussions among all of its pari-mutuel racing properties, Penn National Gaming is proud to announce the following initiatives at each of its racing facilities:

- Effective October 1, 2008, all Thoroughbreds competing or training at Penn National Gaming owned racetracks will not be permitted to use toe grabs in excess of two (2) millimeters in height. The use of bends, jar caulks, stickers or any other traction device on front shoes for racing or training will also be prohibited.
 - Recent research on toe grabs shows their usage, especially in shoes with grabs in excess of two (2) millimeters, renders horses far more susceptible to catastrophic injuries. Many horses competing at our tracks already comply with this mandate, and we believe this reasonable timetable provides an appropriate schedule for horsemen to adapt to this new policy.

- Second, Penn National Gaming shares the public's concern related to the use of whips in horse races.
 - While the use of whips may assist in the control of these animals traveling at high speeds, we believe that safer, yet effective alternatives must be actively pursued. We strongly urge the Association of Racing Commissioners International (ARCI) and Jockey's Guild to quickly adopt the recommendations of The Jockey Club Thoroughbred Safety Committee and amend the ARCI model rules regarding whips and their use. To move such efforts forward Penn National would welcome its racetracks to act as training grounds for the use of such new riding crops.
- Finally, Penn National Gaming feels strongly that the adoption of uniform medication rules across all jurisdictions should be a priority focus in the near term. Penn National endorses, at a minimum, The Jockey Club's suggested adoption of the ARCI Model Rule on Androgenic Anabolic Steroids. In addition, we endorse a practical and thoughtful approach to the limited use of all medications on equines for racing and training purposes. We understand the immense complexities and various constituents affected by such policies, but we also feel that the adoption of consistent rules and regulations related to medication, withdrawal times, testing thresholds, combined with enhanced testing procedures and facilities should be the overriding goal of all participants in our industry.

Racing Commissions and regulatory officials entrusted with promulgating the rules of racing must not only strictly enforce the current rules, but also work with racetracks and other industry participants in developing new and innovative approaches to the challenges we face. Accordingly, Penn National Gaming will immediately petition the Racing Commissions in every jurisdiction where we conduct pari-mutuel racing to adopt policies consistent with the Company's aforementioned positions.

All three recommendations from The Jockey Club Thoroughbred Safety Committee are well reasoned goals and objectives for Penn National Gaming and the entire racing industry to adopt. We encourage other racing participants to come forward in a similar fashion to endorse these changes with equal swiftness and vigor. In addition to the Jockey Club recommendations, Penn National Gaming feels additional opportunities exist to pursue initiatives related to equine welfare and safety, including:

- Supporting and participating in a national injury database to provide consistent, reliable and fact-based statistics on equine breakdowns and injuries;
- Recording all equine fatalities, during racing or training, to increase the knowledge base and provide accountability for such incidents;
- Continued due diligence on alternative racing surfaces. We have fully reviewed the many successes, and disappointments associated with the first generation of alternative racing surfaces and will continue to evaluate their long term potential for our multiple racing facilities. As that process evolves we will continue to employ the highest possible track maintenance procedures at our facilities;

- Review of current claiming rules and recommendations on revised procedures to act in the best interest of horses;
- Greater coordination and examination of racing dates, including cooperation on regional racing schedules, stakes events and overall racing dates; and,
- Stricter policies on dealing with individuals who assist the practice of selling race horses for the ultimate destination of equine slaughter.

The Penn National family of pari-mutuel racing facilities – Charles Town Races and Slots in Charles Town, WV, Hollywood Slots, Hotel and Raceway, Bangor, ME, Hollywood Casino at Penn National Race Course, Grantville, PA, Raceway Park, Toledo, OH, Sanford Orlando Kennel Club, Longwood, FL and Black Gold Casino at Zia Park, Hobbs, NM – are firmly committed to the above recommendations and look forward to working with all racing industry constituents to increase awareness of these items.