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DRIVE SHACK INC.

Palm Beach County Officials Award Coveted Airport Site to Drive Shack

- Local job creation, economic investment and support from surrounding business community helped secure land for new sports entertainment complex, opening in 2018 –

WEST PALM BEACH, Fla.--(BUSINESS WIRE)-- Today, Drive Shack formally announced plans to open a new golf entertainment complex in Palm Beach, after Palm Beach County officials awarded the organization a site on Palm Beach International Airport property. Drive Shack's approximately 60,000 square foot, three-level facility expected to open in 2018 is projected to create more than 500 permanent positions and construction jobs. Following a competitive process that began in January, Drive Shack worked alongside local civic, education and business leaders to identify local resources that will help them meet and exceed their economic impact and hiring targets.

This Smart News Release features multimedia. View the full release here:

<http://www.businesswire.com/news/home/20170926006755/en/>

Drive Shack Rendering, West Palm Beach Coming Soon. (Photo: Business Wire)

"The addition of Drive Shack to Palm Beach County is exciting for us at PBI as it offers a

fun activity that can be planned around travel," said Bruce Pelly, Airport Director for Palm Beach International Airport. "Our goal is to provide an easy, convenient and stress free experience and we are confident that Drive Shack's close proximity to PBI will be of interest to our travelers. We are excited about our new partnership and welcome Drive Shack to The Palm Beaches."

Alongside internal professional development programs, Drive Shack plans to establish formal partnerships with local colleges, universities and business organizations, ensuring the hires it will make draw from the area's diverse talent pool. Through a mix of internships, part-and full-time positions, the Palm Beach complex will also be home to hands-on educational experiences with industry-leading technology.

"Drive Shack's vision is to be more than a place where everyone in the community comes together to have fun, but a destination the community is proud to have within its confines. To make that a reality for the greater Palm Beach area, we knew we needed to be rooted in the community beyond hiring and partnering locally," said Sarah Watterson, Chief Executive Officer, Drive Shack Inc. "The support Drive Shack has received since January from our neighbors and partners has been inspiring, and in return we hope to be one of the many reasons why Palm Beach County is one of the best places to live, work and visit."

Once completed, Drive Shack's three-level golf entertainment complex will have 96 climate-controlled hitting bays that can each hold up to six people, as well as more than 2,500 square feet of corporate and group event space. Drive Shack is reimagining the traditional

driving range concept with advanced technology and increased ways to play for everyone from scratch golfers to those who do not spend any time on the fairways. Guests will be able to hit golf balls using complimentary TaylorMade clubs into a 220-yard outfield and then track their flight using Drive Shack's gaming and software platform – to practice and play. Guests visiting just to catch a game on TV may also enjoy full-service food and beverage options throughout the venue or on the second-floor sports bar and restaurant. On the third floor, guests will also have access to a family-friendly gaming lounge with table and arcade games, as well as an adjacent, open-air rooftop terrace and lounge.

For any questions, please contact Drive Shack Investor Relations by phone at (212) 479-3195 or email at ir@driveshack.com. For more news and information on Drive Shack, visit <http://www.driveshack.com>. For updates on openings of all Drive Shack locations, including West Palm Beach, visit <http://driveshack.com/careers>.

About Drive Shack

Drive Shack is a subsidiary of Drive Shack Inc., which is a publicly traded owner and operator of golf-related leisure and entertainment businesses. Drive Shack is developing venues across the country that are reimagining the traditional concept of a golf course through blended, industry-leading technology, design and service that creates the golf entertainment experience for every skill-level and interest. Its first venue in Orlando, Florida is expected to open in early 2018, with additional sites expected to open later in 2018 in West Palm Beach, Florida; Richmond, Virginia; Raleigh, North Carolina; and Phoenix, Arizona. Unlike traditional driving ranges, Drive Shack's golf entertainment complexes will feature technologically-enhanced, signature golf-based games using complementary TaylorMade clubs and are designed for players of all skill levels. Each venue will have full-service food and beverage areas as well as private event space that can accommodate groups from 10 up to 1,000 in size. Drive Shack Inc. also owns American Golf, one of the largest owners and operators of golf properties nationwide. Drive Shack Inc. is managed by an affiliate of Fortress Investment Group LLC (NYSE:FIG; "Fortress"), a leading, highly diversified global investment manager. Over the last decade, Fortress has invested in and helped build key businesses in Florida and Palm Beach County, including Flagler, Flagler Global Logistics, Brightline, Florida East Coast Railway, and Raven Transport.

Forward-Looking Statements

Certain items in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the Palm Beach facility's size (including square footage of the facility and event space within the facility, and number of hitting bays), expected opening date and projected job creation, plans to partner with local colleges, universities and business organizations and to have hands-on educational experiences with industry-leading technology, the location and expected opening dates of future sites in Orlando, Florida; Richmond, Virginia; Raleigh, North Carolina; Phoenix, Arizona, and plans to feature at each site technologically-enhanced golf-based games, TaylorMade clubs and full-service food and beverage areas and private event space. These statements are based on management's current expectations and beliefs, and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, many of which are beyond Drive Shack's control. Drive Shack Inc. can give no assurance that its expectations will be attained. Accordingly, you should not place undue reliance on any

forward-looking statements contained in this press release. For a discussion of some of the risks and important factors that could cause actual results to differ from such forward-looking statements, see the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Drive Shack Inc.'s most recent Annual Report on Form 10-K and most recent Quarterly Report on Form 10-Q. Furthermore, new risks and uncertainties emerge from time to time, and it is not possible for Drive Shack Inc. to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this press release. Drive Shack Inc. expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Drive Shack Inc.'s expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

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