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**DRIVE SHACK INC.**

## **Drive Shack Inc. Provides Business Update Amidst Coronavirus Situation**

NEW YORK--(BUSINESS WIRE)-- As part of Drive Shack Inc.'s (NYSE: DS) ongoing efforts to protect guests and employees in light of the COVID-19 health crisis, the company has temporarily closed all Drive Shack venues and the majority of its American Golf courses.

"Over the past several weeks, we have been navigating the rapidly evolving situation related to the COVID-19 outbreak, keeping the health and safety of our associates, managers and guests top-of-mind. Like other venue operators across the country, we have been forced to take immediate action in the most difficult of ways," said Hana Khouri, Chief Executive Officer and President of Drive Shack.

Alongside the venue and course closures, Drive Shack made the difficult decision to furlough nearly all venue level hourly associates and managers, along with a significant number of the corporate team, with the expectation that each will be able to return to their existing positions when operations resume. Similar actions were taken by American Golf.

The majority of the company's traditional golf courses are located across California and New York, where state and local health authorities have issued "shelter at home" orders and similar mandates requiring the closure of food and beverage operations. The company employs more than 4,500 people in the United States, the vast majority of which earn an hourly wage.

"While we cannot predict today how long this will last, we believe that the impacts to our business are temporary. We cannot wait to bring all our people, guests and employees, back together again at our Drive Shack stores and the American Golf courses," Khouri continued. "In the meantime, the remaining team is committed to working tirelessly every day to ensure our company is positioned for nothing but success when we reopen our doors. We are confident that we have the expertise and the resources to weather this unprecedented time."

To help offset lower revenues associated with the closures, Drive Shack has also taken steps to substantially reduce and defer costs related to marketing, game development and new site selection. Additionally, the company has reviewed its capital expenditure and development program and plans to defer spending until there is more visibility into when the venues and golf courses will reopen.

### **About Drive Shack Inc.**

Drive Shack Inc. is a leading owner and operator of golf-related leisure and entertainment venues.

**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. These statements are based on management's current expectations and beliefs and

are subject to a number of risks, trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, many of which are beyond our control. We cannot give any assurances that management's current expectations will be attained. For a discussion of some of the risks and important factors that could cause actual results to differ materially 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 the Company's periodic reports filed with the Securities and Exchange Commission ("SEC"), which are available on the Company's website (<http://ir.driveshack.com>). In addition, new risks and uncertainties emerge from time to time, and it is not possible to predict or assess the impact of every factor that may cause actual results to differ from those contained in any forward-looking statements. Accordingly, you should not place undue reliance on any forward-looking statements contained in this Press Release. Forward-looking statements speak only as of the date of this Press Release. We expressly disclaim any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

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