



FOR IMMEDIATE RELEASE

March 14, 2017

Red Deer, Alberta, March 14, 2017 – Gamehost Inc. (TSX: GH)

## **GAMEHOST ANNOUNCES FOURTH QUARTER 2016 FINANCIAL RESULTS AND MARCH 2017 DIVIDEND**

Management and Directors of Gamehost Inc. ("Gamehost" or the "Company") present results for the three and twelve months ended December 31, 2016 (the "Quarter" and "Year" respectively).

Total operating revenues for the Quarter were down \$2.0 million or 10.3% to \$17.4 million compared to \$19.4 million in the same quarter of 2015. Earnings before interest, taxes, depreciation and amortization ("EBITDA") that is attributable to shareholders of the Company ("EBITDA to Shareholders") was down \$1.1 million or 14.1% to \$6.7 million compared to \$7.8 million in the same quarter of 2015. EBITDA to Shareholders margin declined 1.8 percentage points in the Quarter to 40.4% from 42.2% in year over year comparison.

Since the start of 2015, and due to the commodity price collapse that began as early as June 2014, Gamehost has experienced a prolonged period of declining results. Our Service Plus hotel in Grande Prairie, however, managed a year over year increase in revenue this Quarter. We are encouraged by this result which reflects improved confidence and energy sector investment in this region of the province. Remaining Gamehost properties and revenue streams including hotel revenues were lower comparatively for the Quarter. Table revenues, which can be volatile, were off abnormally by 21.4% in year over year comparison for the Quarter. Rarely do all of our table revenue generating properties turn in similar results in any one quarter. However, table drop and hold percentages for all three Company casinos were uncharacteristically poor.

There are encouraging signs in Fort McMurray as well. Slot play and hold have shown some uptick in each of the last two quarters. Since reopening in mid-July 2016, following the wildfire that devastated the region, the property has performed above our pre-fire expectations.

Despite a tougher than expected Quarter, the Company's dividend payout ratio remained below the 100% mark at 91.5%. Management and the Board will continue to monitor this closely. Debt levels, at less than \$30 million are low and at an enviable ratio of one times EBITDA.

While there are still substantial hurdles to clear before the proposed Trans Mountain Pipeline project comes to fruition, recent approvals by both the federal and British Columbia governments provide good reason for optimism. Moreover, the recently elected administration in Washington, DC, has revived hopes for the halted Keystone XL Pipeline. Both projects could provide substantial benefits to Alberta's economy. These recent announcements follow on the heels of smaller Enbridge Pipeline projects (Line 7 Expansion and Line 9 Reversal), both of which also increase the capacity of getting Alberta oil to market. Relieving pipeline capacity constraints removes one factor in securing additional investment capital in the Fort McMurray and key to Alberta's, and indeed Canada's, economic security.

We continue to manage for the long term stability and security of the Company for the benefit of all shareholders.

## Consolidated Statements of Comprehensive Income

*In Canadian dollars (millions  
except  
per share figures)*

	<i>(audited)</i>		<i>(unaudited)</i>	
	twelve months ended December 31		three months ended December 31	
	2016	2015	2016	2015
Operating revenue	\$ 67.3	\$ 77.4	\$ 17.4	\$ 19.4
Cost of sales				
Other	(37.3)	(41.2)	(9.7)	(10.6)
Depreciation	(2.0)	(2.1)	(0.5)	(0.5)
	(39.3)	(43.3)	(10.2)	(11.1)
<b>Gross profit</b>	28.0	34.1	7.2	8.3
Other income	1.8	0.1	-	-
Administrative expenses				
Other	(3.1)	(3.2)	(0.7)	(0.7)
Depreciation	(1.4)	(1.6)	(0.4)	(0.4)
	(4.5)	(4.8)	(1.1)	(1.1)
<b>Profit from operating activities</b>	25.3	29.4	6.1	7.2
<b>Net finance costs</b>	(1.0)	(1.3)	(0.3)	(0.3)
<b>Profit before income taxes</b>	24.3	28.1	5.8	6.9
Income tax expense	(7.0)	(7.0)	(1.2)	(1.7)
<b>Profit</b>	17.3	21.1	4.6	5.2
<b>Profit attributable to:</b>				
Shareholders	16.2	19.8	4.4	4.9
Non-controlling interest	1.1	1.3	0.2	0.3
	17.3	21.1	4.6	5.2
<b>Earnings per share</b>				
Basic and fully diluted	\$ 0.66	\$ 0.82	\$ 0.18	\$ 0.20
<b>Weighted average number of common shares outstanding</b>				
Basic	24.7	24.2	24.7	24.7
Fully diluted	24.7	24.2	24.7	24.7
<b>EBITDA to Shareholders</b>	\$ 27.6	\$ 31.8	\$ 6.7	\$ 7.8
<b>EBITDA to Shareholders %</b>	41.4%	43.1%	40.4%	42.2%

Gamehost has also declared a cash dividend for the month of March 2017 of \$0.0575 per common share. The dividend will be paid on April 14, 2017 to shareholders of record on March 31, 2017. The ex-dividend date is March 29, 2017.

This dividend is considered an "Eligible Dividend" and therefore, eligible for the enhanced gross-up and dividend tax credit available to shareholders.

This press release may contain certain "forward-looking information" or statements within the meaning of applicable securities legislation and may contain words such as "anticipates", "believes", "could", "expects", "indicates", "plans", "withstand", "further" or other similar expressions that suggest future outcomes or events. Forward-looking information is based on the Company's current expectations, estimates, projections and assumptions that were made by the Company in light of its historical trends and other factors. All information or statements, other than statements of historical fact, are forward-looking information including any statements that address expectations related to future economic outcomes or the Company's dividend. Forward-looking statements reflect reasonable assumptions made on the basis of management's current beliefs with information known by management at the time of writing. Many factors could cause actual results to differ from the results discussed in forward-looking statements. Actual results may not be consistent with these forward-looking statements.

Gamehost is a corporation established under the laws of the Province of Alberta. The Company's operations are all located in the Province of Alberta, Canada. Operations of the Company include the Boomtown Casino in Ft. McMurray, the Great Northern Casino, Service Plus Inns & Suites hotel and a strip mall all located in Grande Prairie. The Company also holds a 91% ownership position in Deerfoot Inn & Casino Inc. in Calgary.

These financial results include the accounts of Gamehost Inc. and its subsidiaries; however, they do not include all disclosures normally provided in annual or interim consolidated financial statements and should be read in conjunction with the 2016 annual consolidated financial statements. Further, while the financial figures included in this announcement have been computed in accordance with IFRS applicable to annual periods, this announcement does not contain sufficient information to constitute an annual or interim financial report. The company will file an annual consolidated financial report for the three and twelve month period ended December 31, 2016. This report will be filed in its entirety, along with historical financial reports on the Company's website at [www.gamehost.ca](http://www.gamehost.ca) and on SEDAR at [www.sedar.com](http://www.sedar.com) along with the Company's other continuous disclosure documents, when they are available.

Gamehost common shares trade on the Toronto Stock Exchange (TSX) under the symbol GH.

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