



FOR IMMEDIATE RELEASE

August 8, 2017

Red Deer, Alberta, August 8, 2017 – Gamehost Inc. (TSX: GH)

## **GAMEHOST ANNOUNCES SECOND QUARTER 2017 FINANCIAL RESULTS AND AUGUST 2017 DIVIDEND**

Management and Directors of Gamehost Inc. (the "Company") present results for the three and six months ended June 30, 2017 (the "Quarter" and "Period" respectively).

Quarterly comparable results include the prior year closure of our Boomtown Casino in Fort McMurray for most of May and all of June. Readers are cautioned about drawing conclusions from quarterly comparisons of overall results. Prior year results include settlements negotiated with the Company's insurer for business interruption claims stemming from 2016 wild fires that resulted in mass evacuations and business closures in the Fort McMurray area.

Total operating revenues for the Quarter were up \$1.7 million or 11.5% to \$16.5 million compared to \$14.8 million in the same quarter of 2016. Earnings before interest, taxes, depreciation and amortization ("EBITDA") that is attributable to shareholders of the Company ("EBITDA to Shareholders") was down \$0.1 million or 1.5% to \$6.4 million compared to \$6.5 million in the same quarter of 2016. EBITDA to Shareholders margin declined 0.6 percentage points in the Quarter to 40.5% from 41.1% in year over year comparison.

The Company's properties in Grande Prairie each posted solid year over year growth in both top line revenue and earnings before interest taxes depreciation and amortization (EBITDA) for the Quarter. Growth in Grande Prairie was broad based in all major revenue streams.

During the Quarter, following an extensive due diligence review conducted by the Alberta Gaming and Liquor Commission (AGLC), the Company received renewed Casino Facility Licences from the AGLC for the operation of all three of the Company's casinos. The license renewal period was extended to six years from the previous three year period. The renewed licences are valid to June 30, 2023.

The Company reduced debt by \$0.5 million during the Quarter while maintaining the dividend payout ratio at 100%.

Forward visibility for the Alberta economy remains unclear. News items of a positive nature are all too often countered by other less encouraging news days or weeks following. Reports of moderate job growth returning to the energy sector in the province are followed, for example, by news that a planned LNG mega project for the west coast is being shelved by investors. In a period of such uncertainty, we focus on controlling the things we can and remain observant for any opportunities to improve, strengthen or grow the Company.

## Condensed Interim Consolidated Statements of Comprehensive Income

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

	<i>(unaudited)</i>		<i>(unaudited)</i>	
	six months ended June 30		three months ended June 30	
	2017	2016	2017	2016
Operating revenue	\$ 33.2	\$ 32.9	\$ 16.5	\$ 14.8
Cost of sales				
Other	(18.5)	(18.2)	(9.2)	(8.3)
Depreciation	(0.9)	(1.0)	(0.4)	(0.5)
	(19.4)	(19.2)	(9.6)	(8.8)
<b>Gross profit</b>	13.8	13.7	6.9	6.0
Other income	0.1	1.1	-	1.1
Administrative expenses				
Other	(1.5)	(1.6)	(0.7)	(0.7)
Depreciation	(0.7)	(0.7)	(0.3)	(0.4)
	(2.2)	(2.3)	(1.0)	(1.1)
<b>Profit from operating activities</b>	11.7	12.5	5.9	6.0
<b>Net finance costs</b>	(0.5)	(0.5)	(0.2)	(0.3)
<b>Profit before income taxes</b>	11.2	12.0	5.7	5.7
Income tax expense	(2.9)	(3.8)	(1.5)	(2.1)
<b>Profit</b>	8.3	8.2	4.2	3.6
<b>Profit attributable to:</b>				
Shareholders	7.8	7.6	4.0	3.3
Non-controlling interest	0.5	0.6	0.2	0.3
	8.3	8.2	4.2	3.6
<b>Earnings per share</b>				
Basic and fully diluted	\$ 0.32	\$ 0.31	\$ 0.16	\$ 0.13
<b>Weighted average number of common shares outstanding</b>				
Basic	24.7	24.7	24.7	24.7
Fully diluted	24.7	24.7	24.7	24.7
<b>EBITDA to Shareholders</b>	\$ 12.7	\$ 13.6	\$ 6.4	\$ 6.5
<b>EBITDA to Shareholders %</b>	40.1%	41.2%	40.5%	41.1%

Gamehost has also declared a cash dividend for the month of August 2017 of \$0.0575 CDN per common share. The dividend will be paid on September 15, 2017 to shareholders of record on August 31, 2017. The ex-dividend date is August 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 interim financial results include the accounts of Gamehost Inc. and its subsidiaries; however, they do not include all disclosures normally provided in annual 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 six month period ended June 30, 2017. 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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