



**2009 Annual  
Management Discussion & Analysis  
for the three and twelve months ended December 31, 2009**

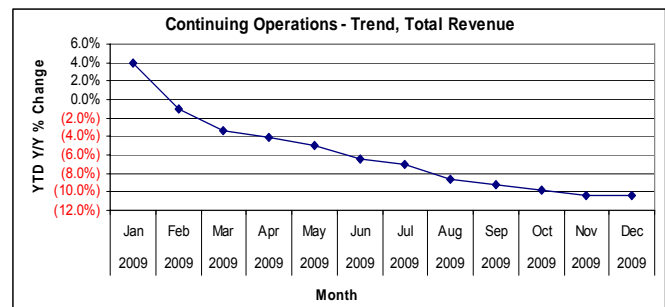
## To Our Unit Holders

Management and Trustees of Gamehost Income Fund (the "Fund") present results for the three months ended December 31, 2009 (the "Quarter") and twelve months ended December 31, 2009 (the "Year").

Readers should note the financial reporting of the Stampede Joint Venture as discontinued operations. Detailed discussion and reporting is focused on our continuing Alberta operations of Boomtown Casino in Fort McMurray, Great Northern Casino, Service Plus Inns & Suites and strip mall all located in Grande Prairie and the Fund's joint venture interest in Deerfoot Inn & Casino in Calgary.

### Landing Gear Down

The rate of descent is slowing as results for the Year indicate. Quarterly revenues for continuing operations totaled \$11.8 million, down 11.50% from \$13.3 million posted in Q4 2008. Q4 being a cyclically stronger quarter than Q3, revenues for the Quarter were up 4.2% from the previous quarter's revenue of \$11.3 million. Annual revenues for continuing operations totaled \$48.1 million down 9.9% from \$53.3 million posted in 2008. We look finally to be leveling out for a smooth landing.



Management has been very successful in reducing costs. Economies of scale, however, are working counter to these efforts which is apparent in reported earnings before interest, taxes, depreciation and amortization ("EBITDA"). EBITDA from continuing operations for the Quarter totaled \$5.4 million down 13% from \$6.1 million for the same quarter in 2008. Annual EBITDA totaled \$17.1 million down 33% from 25.3 million recorded in 2008. EBITDA margins for the Quarter were flat to the previous year at 46% and for the Year lower by 12 percentage points to 36% from 48%. Included in EBITDA for the Year and Quarter are legal expenses related to corporate restructuring options and tax management for the Fund post 2011. Also included in EBITDA for the Year are guarantee payments of \$4.6 million related to the Stampede Joint Venture. Excluding these non-recurring charges, EBITDA for continuing operations for the Year in year over year comparison is down 12.2% more inline with revenue decline. EBITDA margins, with these costs removed, were down 1.2 percentage points to 46.2%.

### Open for Business

Lower operating results were the story for all of the Fund's properties during 2009. Management has trimmed costs where possible without adversely impacting service levels. Many of these costs will be permanent reductions setting the stage for even higher margins then recorded in the past when revenues return.

A number of shelved oil sands projects have recently received the green light from owners and regulators. Fort McMurray will again begin to experience an inflow of workers to support these projects. This should translate to additional foot traffic at our Boomtown Casino.

Interest in conventional oil and gas as well as shale gas recovery has also improved with improved commodity prices and a period of declining production. We are seeing optimism in Grande Prairie rise accordingly.

The Deerfoot Joint Venture is firmly established with Calgary's south east business and residential communities. The area continues to grow at Calgary's fastest pace. The nearby construction of Alberta's newest and largest hospital is poised to add thousands of jobs and spin off development in the area. All of this stages the property for a bright future.

### **Didn't make the Horn**

Management of the Stampede Joint Venture elected for a voluntary receivership and on August 17, 2009 assets of the Stampede Joint Venture were transferred to a court appointed receiver. All transactions to conclude the Fund's investment in the failed Stampede Casino Joint Venture are included in the Fund's Consolidated Financial Statements. During the Quarter, we received formal release from any further liability under a guarantee provided by the Fund to the Stampede Joint Venture's lender. Negotiations to reduce the total payment under the guarantee from \$5.0 million to \$4.6 million were successful and all payments have been made. Combined losses over fourteen months from the Fund's interest in the Stampede Joint Venture total \$10.2 million. In the Fund's financial statements and MD&A the Stampede Joint Venture is identified as discontinued operations and reported separately from the Fund's other operating assets. The Fund's history extends back to 2003 and we intend to have a long and successful future. Years from now we will look back on the failed Stampede Joint Venture as one short and bumpy ride. We've brushed off the dirt and are back in the saddle for the full count.

### **Keep it Coming**

Throughout the Year, the Fund maintained regular cash distributions of \$0.0733 per unit. In previous years, the Fund has had surplus cash and Trustees have declared special cash distributions in December to eliminate the year end taxable position of the Fund. 2009, being what it was, did not produce any surplus cash. The payout ratio for continuing operations on distributable cash from regular monthly distributions was 102% for the Year. With Stampede losses, the payout ratio climbed to 135%. The shortfall on distributable cash was made up by way of a bridge loan from a related party. We are confident the payout ratio will return to more historical levels in 2010. Strategic measures to address the current deficiency in distributable cash are in the works.

### **A New Era**

Management has been busy over the past months working on plans in preparation for the change in the tax status of income trusts effective January 2011. The Fund intends to convert to a corporation (Gamehost Inc.) through a plan of arrangement (the "Arrangement") under the Business Corporations Act of Alberta. Gamehost Inc. will continue to operate the Fund's existing assets with an estimated aggregate tax shield of \$165 million. Canadian taxable shareholders should benefit from lower income taxes paid on dividends from taxes previously paid on distributed income. We expect a continuation of current rates of distribution. Conversion to a corporation should also result in greater access to capital markets and the removal of undue expansion restrictions in current SIFT regulations under which we operate as an income trust. Furthermore, Gamehost Inc. will be able to access certain tax free roll-over provisions under the Canadian Income Tax Act that will assist in the structuring of acquisitions. Greater detail on the Arrangement can be found in the Business Risks, Opportunities and Outlook sections toward the end of this MD&A. The mailing of an information circular to unit holders in the middle of March 2010 will provide further details on the Arrangement. A meeting of the Fund's unit holders is expected to be held in the middle of April 2010. The effective date of the Arrangement is expected to occur shortly following the meeting. Our days as a high yield income trust are winding down. Gamehost Inc. will become a high yield, dividend paying corporation with an eye on growth.

2009 was a difficult year for the Fund as it was for many organizations the world over. We are happy to be putting the year behind us. We are cautiously optimistic for improved operating results in the later part of 2010 and excited about the possibilities under a new corporate structure. Investors have already benefited from a partial recovery of unit trading prices. Management and Trustees are committed to further improvement in investor returns in 2010.

Thank you for your loyalty.

February 25, 2010

On behalf of all management and Trustees, sincerely,



David J. Will  
President and Chief Executive Officer  
Gamehost Management Inc.



Darcy J. Will  
Vice President  
Gamehost Management Inc.

## Management's Discussion and Analysis for the twelve and three months ended December 31, 2009

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This Management's Discussion and Analysis ("MD&A") of the business, operating results, liquidity and capital resources and other financial information of Gamehost Income Fund (the Fund") is dated February 25, 2009.

Consolidated Financial Statements of the Fund for the twelve months ended December 31, 2009 (the "Year") and three months ended December 31, 2009 (the "Quarter") have been prepared by management in accordance with Canadian Generally Accepted Accounting Principles ("GAAP") and include the operating results of the Fund, its subsidiaries and proportionate share of joint ventures.

Certain prior year figures have been reclassified to conform to the current year presentation. All figures are reported in Canadian dollars.

This MD&A focuses on year over year comparative results for the Year. When significant, this MD&A will elaborate on year over year results for the Quarter and results compared to the immediately preceding quarter. Readers are directed to prior MD&A for specific discussion of results of previous quarters. Earlier financial statements and management discussion and other disclosures of the Fund can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

### Caution to the Reader

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#### Use of Non-GAAP Financial Measures

This MD&A makes reference to financial measures that do not have any standardized meaning prescribed by GAAP. Specifically, the MD&A may reference Earnings before interest, taxes, depreciation and amortization ("EBITDA") or "distributable cash from operations" which are both non-GAAP financial measures.

EBITDA is a commonly used measure of financial performance by the broader financial community. Management believes that EBITDA provides information to the reader on the Fund's performance in generating cash from normal operations before any financing costs associated with generating those earnings. The Fund's means of financing can change over time at the discretion of management. As such, EBITDA can assist the reader in assessing not only the Fund's performance in generating cash, but also the Fund's ability to meet current or future financing obligations. There is no standardized meaning prescribed by GAAP for EBITDA. Comparing EBITDA of the Fund to EBITDA reported by other issuers can be misleading. EBITDA should not be relied upon as a sole measure of performance. A reconciliation between EBITDA and net earnings as defined by GAAP can be found on page 21 of this MD&A.

This MD&A is in all material respects in accordance with the recommendations provided in Canadian Institute of Chartered Accountants (CICA) publication *Standardized Distributable Cash in Income Trusts and Other Flow-Through Entities: Guidance on Preparation and Disclosure*. A reconciliation of standardized distributable cash to cash from operating activities as reported on the Consolidated Statements of Cash Flow can be found on page 27 of this MD&A.

Industry specific terms relating to the operations of the Fund are used throughout this MD&A and defined when they first appear and capitalized throughout this MD&A.

## Forward-looking Statements

This MD&A contains forward-looking information. Forward-looking information contained in this MD&A will be limited to statements rather than figures and may contain words such as “anticipates”, “believes”, “could”, “expects”, “indicates”, “plans” or other similar expressions that suggest future outcomes or events. Forward looking information contains risks and uncertainties of varying significance. Management attempts to minimize the use of forward-looking information. Any use of forward-looking information reflect reasonable assumptions made on the basis of management’s current beliefs with information known by management at the time of writing. Factors that may affect results include, but are not limited to, governmental legislation and regulation at the national, provincial or municipal level, general or local business and economic conditions, financial market volatility, the good standing of business, gaming and liquor licenses, competition, consumer preferences and disposable incomes, demographic shifts and weather patterns. Any number of these factors, or others, could cause actual results to differ from forward-looking information. Additional discussion about the inherent risks in forward-looking information and any management assumptions of risk can be found in the Business Risks and Opportunities section at the end of this MD&A.

These factors and other risks and uncertainties are discussed in the Fund’s continuous disclosure documents filed with the Canadian securities regulatory authorities from time to time, including in the “Risk Factors” section of the Fund’s Annual Information Form for fiscal 2008. Continuous disclosure documents are on record through SEDAR at [www.sedar.com](http://www.sedar.com).

Forward-looking information contained in this MD&A or documents incorporated by reference are relevant only at the date of the MD&A or document date. Readers should not place undue reliance on forward-looking information as there can be no assurances that the plans, intentions or expectations upon which they are based will occur. The Fund undertakes no obligation to publically revise forward-looking information to reflect subsequent events or circumstances.

## Internal Control over Financial Reporting (ICFR) and Disclosure Controls & Procedures (DC&P)

Management is responsible for establishing and maintaining adequate ICFR for the Fund including adequate DC&P. ICFR includes policies and procedures that (1) pertain to the maintenance of records that reasonably, accurately and fairly represent transactions of the Fund, (2) provide reasonable assurance that transactions are recorded as required to permit the preparation of Financial Statements in accordance with Canadian GAAP and that receipts and expenditures are made with appropriate authorization of the Fund’s management and directors and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Fund’s assets that could have a material effect on the Financial Statements.

There has been no change in the Fund’s ICFR that occurred during the Quarter that has materially affected, or is reasonably likely to materially affect, the Fund’s ICFR. The effectiveness of ICFR has been evaluated and management has concluded that the Fund’s ICFR is effective. There is no “material weakness” relating to the design of the Fund’s ICFR (a “material weakness” is defined to mean a deficiency or combination of deficiencies in ICFR such that there is a reasonable possibility that a material misstatement of the reporting issuer’s annual or interim financial statements will not be prevented or detected on a timely basis).

The effectiveness of DC&P has been evaluated. Management has concluded that the Fund’s DC&P are operating effectively.

## Organizational Structure

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### The Fund

Gamehost Income Fund (the "Fund") is an unincorporated open-ended limited purpose trust established under the laws of the Province of Alberta and is governed by a trust agreement dated April 9, 2003 (the "Fund Agreement").

### The Trust

Gamehost Trust (the "Trust") is an unincorporated open-ended limited purpose trust established under the laws of the Province of Alberta and is governed by a trust agreement dated April 10, 2003 (the "Trust Agreement"). All of the issued and outstanding units of the Trust are owned by the Fund. The Trustees of the Trust are the Trustees of the Fund.

### The Limited Partnership

Gamehost Limited Partnership (the "Limited Partnership") is a limited partnership formed under the laws of the Province of Alberta. The Limited Partnership owns the assets and business operations of the Fund. The Limited Partnership began operations of the Fund effective June 1, 2003.

### The Manager

The general partner of the Limited Partnership is Gamehost Management Inc. (the "Manager"). Pursuant to a management agreement (the "Management Agreement") between the Fund and the Manager, the administration and management of the Fund was delegated to the Manager.

### Units

An unlimited number of Fund Units and Special Voting Units may be created and issued pursuant to the Fund Agreement. The Limited Partnership is authorized to issue unlimited numbers of both Class A Limited Partnership Units ("A Units") and Class B Limited Partnership Units ("B Units"). All of the issued and outstanding A Units of the Limited Partnership are owned by the Trust. The Trustees of the Trust are the Trustees of the Fund. There are 11,773,153 Fund Units which trade on the Toronto Stock Exchange ("TSX") under the symbol GH.UN. There are 9,334,400 B Units of the Limited Partnership issued and outstanding. B Units are exchangeable, on a one-for-one basis, for Fund Units. Holders of Fund Units and holders of B Units have equal voting rights. 1,000,000 B Units were exchanged for Fund Units during the Year. There were no other changes in the number of units issued or outstanding during the Year.

## Overview of the Fund

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The Fund's activities are currently confined to the Province of Alberta, Canada. Operations include the Boomtown Casino in Ft. McMurray, the Great Northern Casino in Grande Prairie and Service Plus Inns & Suites ("Service Plus"), a limited service hotel, also located in Grande Prairie. As a complement to the hotel, the Fund owns a retail complex (the "Strip Mall") that leases space to pub and full service restaurant operations. The Fund is a 40% joint venture partner in Deerfoot Inn & Casino Inc., (the "Deerfoot Joint Venture"), in Calgary. The Fund was also a 20% joint venture partner in Calgary West Hospitality Inc., (the "Stampede Joint Venture"). The Stampede Joint Venture opened for business on June 19, 2008 in Calgary and was placed into voluntary receivership on August 17, 2009.

Unless otherwise stated, all figures and results presented in this MD&A include only the Fund's 40% in the assets, liabilities, equity and operating results of the Deerfoot Joint Venture. The Fund's 20% interest in the Stampede Joint Venture is discussed separately as discontinued operations.

Gaming operations of the Fund include Fund owned and operated table games and the operation of government owned slot machines, video lottery terminals and lottery ticket outlets. Hotel operations of the Fund include full and limited service hotels and banquet and convention services. Food, beverages and entertainment are offered at each of the Fund's casino locations.

Management believes in a combined entertainment and hospitality model. Our model targets the entertainment seeker and social occasional gamer. Clean, inviting venues that deliver live entertainment, lounging and dining, rest and relaxation together with gaming are situated in community based locales.

It is the intent and practice of the Fund to distribute taxable income of the Fund to unit holders by way of regular monthly cash distributions.

## Selected Annual Information

Select Annual Information		2009	2008	2007	2006	2005
Before Minority Interest						
	Revenue – Continuing Operations	48,082	53,349	57,620	49,294	31,086
	Expenses- Continuing Operations	33,445	30,908	38,348	29,283	15,746
	Net Income - Continuing Operations	14,637	22,441	19,272	20,010	15,340
	Net Income (Loss) - Discontinued Operations	(4,628)	(830)	-	-	-
	Net Income (Loss)	10,010	21,611	19,272	20,010	15,340
<sup>2</sup>	Net Income/Unit - Continuing Operations	\$ 0.693	\$ 1.063	\$ 0.913	\$ 0.948	\$ 0.727
<sup>2</sup>	Net Income (Loss)/Unit - Discontinued Operations	\$ (0.219)	\$ (0.047)	\$ -	\$ -	\$ -
<sup>2</sup>	Net Income (Loss)/Unit	\$ 0.474	\$ 1.016	\$ 0.913	\$ 0.948	\$ 0.727
<sup>1</sup>	EBITDA - Continuing Operations	17,065	25,314	28,350	23,661	16,429
	EBITDA	35.5%	47.5%	49.2%	48.0%	52.8%
<sup>1</sup>	EBITDA (Loss) - Discontinued Operations	(4,045)	(561)	-	-	-
<sup>1</sup>	EBITDA (Loss)	13,020	24,754	28,350	23,661	16,429
<sup>1,2</sup>	EBITDA/Unit - Continuing Operations	\$ 0.808	\$ 1.199	\$ 1.343	\$ 1.121	\$ 0.778
<sup>1,2</sup>	EBITDA (Loss)/Unit – Discontinued Operations	\$ (0.192)	\$ (0.027)	\$ -	\$ -	\$ -
<sup>1,2</sup>	EBITDA (Loss)/Unit	\$ 0.617	\$ 1.173	\$ 1.343	\$ 1.121	\$ 0.778
	Assets - Continuing Operations	84,937	89,694	92,285	91,682	92,403
	Assets - Discontinued Operations	-	12,518	-	-	-
	Assets	84,939	102,212	92,285	91,682	92,403
	Debt - Continuing Operations	23,250	19,333	13,104	10,397	14,092
	Debt - Discontinued Operations	-	8,250	-	-	-
	Debt	23,250	27,583	13,104	10,397	14,092

(in thousands of dollars unless stated otherwise)

<sup>1</sup> EBITDA is not a defined measure under Canadian GAAP. See Caution to Reader under MD&A

<sup>2</sup> Weighted average and fully diluted

At inception of the Fund in June 2003, the Fund wholly owned and operated two casinos, a hotel and a strip mall. In 2005, the Deerfoot Joint Venture, a casino hotel conference centre opened. The Fund is a 40% joint venture owner of Deerfoot Inn & Casino. In early 2006, the Fund completed an expansion of Boomtown Casino effectively doubling its size. The Fund became a 20% joint venture partner in the Stampede Joint Venture which opened its doors in June of 2008. Together with organic growth, these expansions and joint ventures allowed the Fund's interest in slot machines to increase from 499 machines to 1,214 machines and gaming tables to increase from 32 tables to 53 tables. Hotel rooms increased from 123 to 198 over the same period and food, beverage and entertainment services grew in relation to these expansions. Until recently, the Fund enjoyed great success assisted by a strong Alberta economy, a growing population and higher than average disposable incomes. The timing of the startup Stampede Casino joint Venture in the eye of a massive global recession was unfortunate resulting in operations ceasing in August of 2009.

## Overall Financial Results and Condition of the Fund

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With the voluntary receivership of the Stampede Joint Venture effective August 17, 2009, comparative Year and Quarter financial results of the Fund will report continuing operations separately from the discontinued operations of the Stampede Joint Venture.

At the end of the Year, continuing operations of the Fund had \$84.9 million in total assets down from \$90.7 million at the start of the year. Cash and cash equivalent balances of \$10.0 million were \$2.0 million less than the start of 2009. Capital expenditures and lower earnings combined to push the Fund's payout ratio on Standardized Distributable Cash to 100.8% for the Quarter. For the Year the payout ratio totals 97.6% and since inception of the Fund payouts have totaled 100.4%.

The write off of the Fund's investment in the Stampede Joint Venture resulted in a reduction to overall Fund assets of \$12.5 million. This amount is reported separately as discontinued operations. The additional impact of these discontinued operations on the Fund's payout ratio is significant. For the Year and Quarter, the addition of discontinued operations pushes the funds payout ratio to 134% and 106% respectively.

Each of the Fund's properties recorded year over year declines in gross revenue for the Year and Quarter. Consumer spending appears to be leveling out. Trends certainly suggest we are at or near the bottom of the revenue deterioration. Diligent cost controls have kept erosion of operating margins to a minimum.

During the Year, management of the Stampede Joint Venture placed the operation into voluntary receivership. Despite a significant management effort and regular cash infusions, the startup Stampede Joint Venture could not overcome the forces of economic recession. On August 17, 2009, the assets and operation were turned over to a court appointed receiver. The Fund has no further obligations to the Stampede Joint Venture. The Fund has made payments of \$4.6 million to honour a \$5.0 million guarantee provided to the Stampede Joint Venture's lender. The remaining \$449,000 represents a negotiated reduction to the Fund's obligation under the guarantee. The Fund has received a formal release from the Stampede Joint Venture Lender for any further liability under the guarantee.

The Fund has announced its intentions to convert to a corporation ("Gamehost Inc.") through a plan of arrangement ("Arrangement") with Oncothyreon Inc. and certain of its subsidiaries. The Plan of Arrangement is management's response to the impending Federal government tax on distributions from specified investment flow-through ("SIFT") entities by which income trusts are treated. These new taxes become effective in January 2011. The Arrangement, will result in more favourable tax treatment for Gamehost Inc. and current unit holders of the Fund, improved access to capital markets and the removal of growth restrictions placed on SIFT's.

## Quarterly Performance Summary

Quarterly Performance		2009				2008			
Before minority interest		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	Revenue - Continuing	<b>11,788</b>	11,316	12,105	12,873	13,326	13,309	13,381	13,333
	Expenses- Continuing	<b>7,154</b>	13,532	5,619	7,140	7,623	7,804	7,635	7,845
	Income - Continuing	<b>4,634</b>	(2,216)	6,486	5,734	5,702	5,505	5,746	5,488
	Income (Loss) - Discontinued	-	1,543	(5,863)	(308)	(490)	(163)	(160)	(17)
	Income (Loss)	<b>4,634</b>	(673)	623	5,425	5,212	5,342	5,586	5,471
<sup>2</sup>	Income/Unit - Continuing	<b>\$ 0.220</b>	\$ (0.105)	\$ 0.307	\$ 0.272	\$ 0.270	\$ 0.261	\$ 0.272	\$ 0.260
<sup>2</sup>	Income (Loss)/Unit - Discontinued	<b>\$ -</b>	\$ 0.073	\$ (0.278)	\$(0.015)	\$(0.023)	\$(0.008)	\$(0.008)	\$(0.001)
<sup>2</sup>	Income (Loss)/Unit	<b>\$ 0.220</b>	\$ (0.032)	\$ 0.030	\$ 0.257	\$ 0.247	\$ 0.253	\$ 0.265	\$ 0.259
Before minority interest									
<sup>1</sup>	EBITDA - Continuing	<b>5,371</b>	(77)	5,387	6,383	6,142	6,372	6,484	6,316
	EBITDA % - Continuing	<b>45.6%</b>	(0.7%)	44.5%	49.6%	46.1%	47.9%	48.5%	47.4%
<sup>1</sup>	EBITDA (Loss) - Discontinued	-	1,611	(5,612)	(44)	(241)	(319)	(176)	(17)
<sup>1</sup>	EBITDA (Loss)	<b>5,371</b>	1,534	(225)	6,339	5,901	6,052	6,307	6,300
<sup>1,2</sup>	EBITDA/Unit - Continuing	<b>\$ 0.254</b>	\$ (0.004)	\$ 0.255	\$ 0.302	\$ 0.291	\$ 0.302	\$ 0.307	\$ 0.299
<sup>1,2</sup>	EBITDA (Loss)/Unit - Discontinued	<b>\$ -</b>	\$ 0.076	\$ (0.266)	\$(0.002)	\$(0.011)	\$(0.015)	\$(0.008)	\$(0.001)
<sup>1,2</sup>	EBITDA (Loss)/Unit	<b>\$ 0.254</b>	\$ 0.073	\$ (0.011)	\$ 0.300	\$ 0.280	\$ 0.287	\$ 0.299	\$ 0.298

<sup>1</sup> EBITDA is not a defined measure under Canadian GAAP. See Caution to Reader under MD&A

<sup>2</sup> Weighted average and fully diluted

General operating results for the Quarter reflect continued softening in consumer spending.

Legal expenses related to corporate restructuring options and tax management for the Fund post 2011 adversely impacted overall performance during Q4 and Q3.

## Revenues

### Total Revenue

Total Revenue (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
Total Revenue	<b>48,082.2</b>	53,348.3	(9.9%)	<b>11,788.4</b>	13,325.6	(11.5%)	11,315.6	4.2%

(in thousands of dollars unless stated otherwise)

Revenues declined steadily over the course of the year. The rate of descent being steepest at the outset of the year as businesses and consumers made dramatic changes to their buying patterns. Latter months in the year indicate a definite trend to leveling out and clear signs we are at or near bottom.

### Hotel Rooming Revenue

Hotel Rooming includes both guest and meeting room sales at hotels. Occupancy includes sold and complimentary rooms while Average Daily Rate ("ADR") is calculated on guest room sales only.

Hotel - Rooming (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
Rooming	<b>6,453.6</b>	8,388.1	(23.1%)	<b>1,443.1</b>	2,063.4	(30.1%)	1,531.5	(5.8%)
Occupancy	<b>63.1%</b>	77.2%	(14.1%)	<b>59.3%</b>	78.4%	(19.1%)	60.9%	(1.6%)
ADR	<b>\$146.60</b>	\$149.91	(2.2%)	<b>\$142.96</b>	\$147.46	(3.1%)	\$146.94	(2.7%)

(in thousands of dollars unless stated otherwise)

Following a strong Q1, room sales declined sharply and have remained stubbornly depressed since that point. Year over year occupancies and ADR continued to edge lower over the balance of the year. During the final Quarter, however, deterioration was negligible providing further indication declines are bottoming out.

Service Plus has been especially hard hit by the economic down turn. The region's economy, heavily dependant on the natural gas sector, has been weakened by low commodity prices which fell steadily from the summer of 2008. Only since September of this year has there been any sustained rally in natural gas prices. Occupancy levels declined 17 percentage points from 75% in 2008 to 58% for the Year. Management has resisted competitive pressure to substantially lower room rates instead relying on our reputation for superior service in a superior location. ADR's were lower by 3% from 2008 levels falling to \$133 from \$137. Management has stepped up sales and marketing efforts in particular with existing clientele to ensure relationships are maintained. Informal surveys put the Service Plus consistently in the top three for accommodations in Grande Prairie. Room sales into the new year have picked up considerably with drilling contractors indicating optimism through spring breakup.

The Deerfoot Joint Venture opened the year with improved room sales for Q1 before feeling the impact of the recession. Significant pressure on occupancy over the final three quarters of the year resulted in a year over year reduction in occupancy of 11 percentage points from 78% in 2008 to 67% for the Year. ADR's were 4% lower than 2008 levels falling to \$164 from \$171. Corporate bookings have fallen sharply and leisure travelers are scrutinizing offerings for the best perceived value. Continued development of the surrounding area, however, including the construction of Alberta's largest hospital will add thousand's of jobs to the area and additional foot traffic to the Deerfoot property in the months and years to come.

## Table Game Revenue

Table play and table revenue sharing is regulated in Alberta by the Alberta Gaming and Liquor Commission. In general terms, 'Drop' is the total amount of money bet by players at most table games. 'Hold' is the amount won from the drop at each table. Hold as a percentage of the drop will fluctuate. The hold is shared in varying percentages between charities and the casino operator dependant on the size and location of the casino. The operator's percentage of the hold is the 'Net'. The game of Poker has a 'Pot' rather than a drop. The pot is the total amount anted and bet by players at a poker table. 'Rake' is the total amount of the pot that is retained by the table and is usually a flat fee for each hand played. Rake is shared in varying percentages between the charity and casino operator dependant on agreements with the Alberta Gaming and Liquor Commission. The operator's percentage of the rake is the 'Net'. Financial statements of the Fund report only the net of the hold or rake.

Table Revenue (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
General and High Limit	6,619.6	5,779.7	14.5%	1,453.4	1,197.8	21.3%	1,542.3	(5.8%)
Poker	1,278.1	1,253.3	2.0%	311.1	321.3	(3.2%)	303.4	2.6%
Caribbean Stud	64.3	102.9	(37.5%)	11.2	21.4	(47.5%)	17.3	(35.1%)
	<b>7,962.0</b>	7,135.8	11.6%	<b>1,775.8</b>	1,540.6	15.3%	1,863.0	(4.7%)

(in thousands of dollars unless stated otherwise)

Table Drop and Hold (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
Drop	57,663.2	58,312.0	(1.1%)	14,398.1	15,437.2	(6.7%)	14,691.6	(2.0%)
Hold %	19.7%	17.4%	2.3%	17.1%	13.5%	3.6%	18.1%	(1.0%)

(in thousands of dollars unless stated otherwise)

# of Tables (Continuing Operations)	end of Year			vs. previous quarter	
	2009	2008	+(-)	Q3 2009	+(-)
All Others	34.8	34.8	0.0	34.8	0.0
Poker	9.2	9.2	0.0	9.2	0.0
Caribbean Stud	1.0	1.0	0.0	1.0	0.0
	<b>45.0</b>	45.0	0.0	45.0	0.0

Tables have been the bright spot in otherwise grey financial results. Despite an overall year over year decline, Drops have been steadily improving from the outset of the year. A corresponding year over year improvement in Hold resulted in improved revenues in 2009.

Boomtown table Drop is up 10% in year over year comparisons. Hold percentage remained flat to the previous year at 19.3%. The net results provided a \$240,000 increase in table revenue over 2008. Poker revenues climbed by 38% over 2008 levels contributing an additional \$113,000 over 2008 revenues. Favourable results are largely attributable to improved dealer staffing and a shift in customer demographics.

Great Northern table Drop fell 5% in year over year comparisons. Hold percentage climbed 2.0 percentage points to 19.4% from 17.4% recorded in 2008. The net results provided a \$145,000 increase in table revenue over 2008. Poker revenues climbed by 19% contributing an additional \$63,000 over 2008 levels.

Deerfoot Joint Venture table Drop fell 7% in year over year comparisons. Hold percentage moved higher by 2.7 percentage points to 21% from 18.3% recorded in 2008. The net results provided a \$71,000 increase in table revenue over 2008. Poker revenues fell sharply by 23% causing a reduction of \$151,000 in poker revenue from 2008 levels.

## Slot Machine Revenue

In Alberta, slot machine odds are regulated by the Alberta Gaming and Liquor Commission (the "AGLC"). The revenue sharing arrangement for amounts won by the slot machines is also set by the AGLC. Under the current arrangement casino operators, charities and the provincial government share the machine win on a 15/15/70 split respectively. Slot machine revenue, therefore, is determined by the above arrangements as well as the number of hours each machine operates and how much money is played on a machine ('Cash Play') during hours of operation.

Slot Revenue (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
Revenue	18,779.1	21,178.0	(11.3%)	4,516.2	5,232.0	(13.7%)	4,604.8	(1.9%)

(in thousands of dollars unless stated otherwise)

Slot Statistics (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
Cash Play	1,648.6	1,847.4	(10.8%)	394.8	449.7	(12.2%)	400.2	(1.4%)
Machines <sup>1</sup>	1,096.8	1,088.8	8.0	1,096.8	1,088.8	8.0	1,092.8	4.0

(in millions of dollars unless stated otherwise)

<sup>1</sup> At the end of the Year or Quarter

Cash Play, while lower on a year over year basis, trended toward flat over the final Quarter of the year, another sign that perhaps we are nearing the bottom of the trough in this recession.

Boomtown Cash Play is down 14% in year over year comparisons. Year over year comparisons, by quarter, show a significant narrowing of the Cash Play gap in the final Quarter of the year which is a positive sign. A slightly higher 15% reduction in revenues is the result of some significant jackpot wins during the Year.

Great Northern Cash Play is down 9% in year over year comparisons with a corresponding 9% reduction in revenues. Year over year comparisons by quarter again show a significant narrowing of the gap in the final Quarter of the year indicating we are nearing the bottom of the impact of the recession.

Deerfoot Joint Venture Cash Play is down 5% in year over year comparisons with a corresponding 5% reduction in revenues. Year over year comparisons by quarter also show a narrowing of the Cash Play gap in the final Quarter of the year suggesting economic confidence is improving in Calgary as well.

## Food & Beverage ("F&B") Revenue

Food service operating arrangements differ by property from 100% owner operations to combinations of owner and 3<sup>rd</sup> party operating agreements. Only beverage service is consistently delivered directly by the Fund. Where food operations are run by a 3<sup>rd</sup> party, the Fund earns a commission on those sales.

F&B Revenue (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
Food & mix	3,558.1	3,739.7	(4.9%)	1,052.8	1,133.8	(7.1%)	771.5	36.5%
Liquor	7,164.4	7,984.6	(10.3%)	1,976.7	2,208.0	(10.5%)	1,567.8	26.1%
	10,722.5	11,724.3	(8.5%)	3,029.5	3,341.8	(9.3%)	2,339.2	29.5%

(in thousands of dollars unless stated otherwise)

Year over year comparisons of F&B sales show a steady decline from the outset of the year to September after which results are generally flat to the previous year. This may suggest that F&B is the first area which consumers are willing to begin spending again.

Boomtown earns commissions from on site premises leased to a third party. F&B sales, therefore, are heavily weighted to liquor. Year over year liquor sales report declines of 9% for the Year and 10% for the Quarter. Seasonal Christmas shutdowns at oil sands facilities result in significant population emigration to homes outside the region during the Quarter thereby reducing foot traffic through the casino.

Great Northern earns commissions from on site premises leased to a third party. Food sales at the facility are far more significant than at Boomtown. Still, F&B sales are weighted strongly to liquor. Year over year food sales declined 5% for the Year and only 4% for the Quarter on the strength of the Christmas banquet season. Year over year liquor sales report declines of 12% for the Year and 13% for the Quarter.

Deerfoot Joint Venture owns and operates all F&B operations on premises. Here, the sales mix is strongly shifted to food versus liquor. Year over year food sales report declines of 5% and 8% for the Year and Quarter respectively. Corporate Calgary significantly cut back on Christmas banquet expenses in 2009. Year over year liquor sales were down 12% for the Year and 8% for the Quarter.

## Lease and Rental Revenue

Lease and rental revenue is derived predominantly from two leases in the Strip Mall as well as lease and rental revenues generated within the casinos from 3<sup>rd</sup> party providers of on-premise food services.

Lease & Rental (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
Total	372.9	327.6	13.8%	101.5	84.3	20.4%	96.3	5.5%

(in thousands of dollars unless stated otherwise)

Leases in the Strip Mall have all been renewed with rate increases.

## Other Revenue

Other revenue includes the more significant items of automated teller (ATM) fees, ticket sales, interest on bank balances, cigarette sales, equipment rentals, movie rentals and other room charges to hotel guests.

Other Revenue (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
Total	3,792.3	4,594.4	(17.5%)	922.3	1,063.6	(13.3%)	880.9	4.7%

(in thousands of dollars unless stated otherwise)

Year over year declines in Other Revenue are largely attributable interest revenue and ticket sales. Interest revenue is lower on reductions to interest rates and declining bank balances. Ticket sales are lower on fewer entertainment offerings in line with declining demand.

## Expenses

### Total Expenses

Total Expenses (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
<b>Total</b>	<b>33,445.2</b>	30,907.7	8.2%	<b>7,154.3</b>	7,623.4	(6.2%)	8,531.9	(16.1%)
<b>% of Revenues</b>	<b>69.6%</b>	57.9%	11.6%	<b>60.7%</b>	57.2%	3.5%	75.4%	(14.7%)

(in thousands of dollars unless stated otherwise)

Management has made significant strides in reducing operating expenses. Declining economies of scale, however, work counter to these efforts to minimize their benefits. The Fund also incurred \$0.6 million in one time expenses during the Year and Quarter planning for and researching options to respond to the impending change in tax status for income trusts in January 2011 for the purpose of improving unit holder value. One time guarantee payments of \$4.6 million made during the Year to the lender of the Stampede Joint Venture pushed expenses out of our normal range for the Year.

### Cost of Sales

Cost of sales, will for the most part, follow the performance of F&B revenue. Other cost of sales are made up of mostly room service charges in the hotel for such items as long distance telephone, movie rentals, laundry etc. Their corresponding revenues are included in Other Revenue. Cost of sales as a percentage of corresponding revenues will fluctuate moderately for Food & Mix and Liquor categories depending on the sales mix of individual products. More significant variations in the cost of sales percentage will be experienced for sales falling into the Other category due to the dissimilar nature of the products included.

Cost of Sales (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
<b>Food &amp; Mix</b>	<b>1,697.0</b>	1,810.4	(6.3%)	<b>499.4</b>	527.0	(5.2%)	374.9	33.2%
<b>Liquor</b>	<b>1,517.3</b>	1,753.9	(13.5%)	<b>407.8</b>	482.0	(15.4%)	332.5	22.7%
<b>Other</b>	<b>117.9</b>	150.6	(21.7%)	<b>26.1</b>	36.6	(28.6%)	27.6	(5.4%)
<b>Total</b>	<b>3,332.3</b>	3,714.9	(10.3%)	<b>933.4</b>	1,045.5	(10.7%)	735.0	27.0%

(in thousands of dollars unless stated otherwise)

Cost of Sales % (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
<b>Food &amp; Mix</b>	<b>47.7%</b>	48.4%	(0.7%)	<b>47.4%</b>	46.5%	1.0%	48.6%	(0.9%)
<b>Liquor</b>	<b>21.2%</b>	22.0%	(0.8%)	<b>20.6%</b>	21.8%	(1.2%)	21.2%	(0.0%)
<b>Other</b>	<b>53.0%</b>	52.3%	0.6%	<b>47.3%</b>	49.9%	(2.6%)	65.9%	(13.0%)

(in thousands of dollars unless stated otherwise)

Costs of sales are lower on lower sales. Improved cost of sales percentages for food and beverages are the result of tighter controls. Liquor tax increases imposed in the Alberta Government April 2009 Budget were rescinded in July which has also assisted lowering cost of sales percentages for all alcoholic beverages.

## Human Resources

General administrative salaries and bonuses, Trustee and management fees, benefit costs, payroll taxes and other miscellaneous human resource costs are all combined under this heading.

Human Resources (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
<b>Operations</b>	<b>11,101.1</b>	11,851.4	(6.3%)	<b>2,725.2</b>	2,963.6	(8.0%)	2,729.3	(0.1%)
<i>% of Revenues</i>	23.1%	22.2%	0.9%	23.1%	22.2%	0.9%	24.1%	(1.0%)
<b>General admin</b>	<b>468.8</b>	479.8	(2.3%)	<b>116.0</b>	141.2	(17.8%)	117.2	(1.0%)
<b>Trustee fees</b>	<b>162.0</b>	161.4	0.4%	<b>45.0</b>	38.5	16.9%	45.5	(1.1%)
<b>General &amp; admin</b>	<b>630.8</b>	641.2	(1.6%)	<b>161.0</b>	179.7	(10.4%)	162.7	(1.0%)
<i>% of Revenues</i>	1.3%	1.2%	0.1%	1.4%	1.3%	0.0%	1.4%	(0.1%)
<b>Management fees</b>	<b>1,008.3</b>	1,109.3	(9.1%)	<b>217.6</b>	271.0	(19.7%)	260.1	(16.3%)
<i>% of Revenues</i>	2.1%	2.1%	0.0%	1.8%	2.0%	(0.2%)	2.3%	(0.5%)
<b>Total</b>	<b>12,740.2</b>	13,601.9	(6.3%)	<b>3,103.8</b>	3,414.3	(9.1%)	3,152.1	(1.5%)
<b>% of Revenues</b>	<b>26.5%</b>	25.5%	1.0%	<b>26.3%</b>	25.6%	0.7%	27.9%	(1.5%)

(in thousands of dollars unless stated otherwise)

Human resource costs are the single largest expense category for the Fund. Efforts to reduce labour costs instep with falling revenue have been successful to the extent possible. Again, economies of scale are working counter to these efforts resulting in a Year over year increase in total human resource expenses as a percentage of total revenue.

Operational wages are being tightly managed to fit business volumes without compromising service. Salary based managers often fill in on otherwise hourly shifts to reduce costs.

Management fees are based on a percentage of revenue and/or EBITDA and are correspondingly lower.

## Marketing and Promotions

Marketing and promotions include all donations, sponsorships and complimentary services offered at properties in addition to sales and advertising expenses. Staff promotions including discounted meal vouchers are also included under this heading.

Marketing (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
<b>Total</b>	<b>2,119.7</b>	2,361.2	(10.2%)	<b>577.0</b>	595.7	(3.1%)	541.6	6.5%
<b>% of Revenues</b>	<b>4.4%</b>	4.4%	0.0%	<b>4.9%</b>	4.5%	0.4%	4.8%	0.5%

(in thousands of dollars unless stated otherwise)

Radio and general promotions have been slashed in favour of news print advertising. Printed media is currently offering more attractive rates. Otherwise, promotions have been limited to loyalty customers with a focus on maintaining our core customer base with promotions that encourage visits and extended stays.

## Operating Costs

Some of the more significant expenditures in this classification include entertainment, premises leases, repairs & maintenance, utilities and operating supplies.

Operating Costs (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
<b>Total</b>	<b>5,972.3</b>	6,362.3	(6.1%)	<b>1,599.6</b>	1,613.7	(0.9%)	1,416.6	12.9%
<b>% of Revenues</b>	<b>12.4%</b>	11.9%	0.5%	<b>13.6%</b>	12.1%	1.5%	12.5%	1.0%

(in thousands of dollars unless stated otherwise)

Variable rate expenses have fallen in step with lower revenues. In addition, the frequency of entertainment offerings has been reduced to meet reduced demand and the Fund has benefited from reduced commodity prices for utilities.

## General and Administrative

General and administrative expenditures include professional fees, insurance, property and business taxes, corporate travel and other less significant expenses.

General & Administration (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
<b>Total</b>	<b>2,302.0</b>	1,993.6	15.5%	<b>652.2</b>	514.0	26.9%	547.3	19.2%
<b>% of Revenues</b>	<b>4.8%</b>	3.7%	1.1%	<b>5.5%</b>	3.9%	1.7%	4.8%	0.7%

(in thousands of dollars unless stated otherwise)

Strategic initiatives related to the impending change in tax status for income trusts including legal and professional expenses explain the rise in general and administrative spending for the Year and Quarter.

## Interest

Interest is incurred on term debt held by Gamehost Limited Partnership and joint ventures of the Fund.

Interest (Continuing Operations)	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
<b>Total</b>	<b>813.9</b>	1,231.6	(33.9%)	<b>229.2</b>	264.3	(13.3%)	204.3	12.2%
<b>% of Revenues</b>	<b>1.7%</b>	2.3%	(0.6%)	<b>1.9%</b>	2.0%	(0.0%)	1.8%	0.1%

(in thousands of dollars unless stated otherwise)

Reduced loan balances by scheduled and extra payments on the Fund's debt facilities together with falling prime rates have resulted in lower interest expenses. All of the debt facilities of the Fund are tied to prime rate fluctuations.

## Future Tax

Bill C-52, which passed into Law in June 2007, will effectively tax the distributions of certain income trusts including the Fund effective January 1, 2011. As a result of the new tax legislation, any future tax assets or liabilities that are not expected to reverse themselves by the time the tax comes into effect are recorded during the Year. Future tax expenses are a non-cash charge.

Future Tax	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
Total	<b>(276.8)</b>	(434.1)	(36.2%)	<b>39.9</b>	(380.0)	(110.5%)	1,459.2	(97.3%)
% of Revenues	<b>(0.6%)</b>	(0.8%)	0.2%	<b>0.3%</b>	(2.9%)	3.2%	12.9%	(12.6%)

(in thousands of dollars unless stated otherwise)

Future taxes were recalculated as a result of the disposal of the Stampede Joint Venture assets and a revision to the estimated combined federal and provincial tax rate on income trusts from 31.5% to 25% when the tax comes into effect. Future taxes are estimates only. Estimates will be impacted by the outcome of the Arrangement to convert to a corporation.

## Guarantee Payments

Guarantee Payments	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
Total	<b>4,551.0</b>	0.0	100.0%	<b>(449.0)</b>	0.0	100.0%	5,000.0	(109.0%)
% of Revenues	<b>9.5%</b>	0.0%	9.5%	<b>(3.8%)</b>	0.0%	(3.8%)	44.2%	(48.0%)

(in thousands of dollars unless stated otherwise)

The Fund had also provided a guarantee to the Stampede Joint Venture lender of \$5.0 million. Following the receivership, management was able to negotiate a discount to the guarantee in exchange for expeditious payment. The Fund paid a total of \$4.6 million on the guarantee during the Year. The Stampede Joint Venture's lender has given formal release from any further liability under the guarantee.

## Discontinued Operations

The Fund's investment in the Stampede Joint Venture was made through 1363840 Alberta Ltd (the "Subsidiary"). The Subsidiary was created for the sole purpose of investing in the Stampede Joint Venture. The Subsidiary pledged its participating interest, being 20%, in the Stampede Joint Venture as collateral. The Fund's invested capital was made under the Subsidiary's Contributing Interest Responsibility.

The Fund's 20% participating interest in the Stampede Joint Venture resulted in normal course operating losses since opening of \$1.4 million including \$0.7 million in the Year.

Management of the Stampede Joint Venture elected for a voluntary receivership and on August 17, 2009, assets of the Stampede Joint Venture were transferred to the receiver. Losses resulting from the receivership totaled \$4.2 million and were charged against net income.

All tolled, including guarantee payments made from continuing operations, the Fund recorded losses and charges related to the Stampede Joint Venture of \$10.2 million during the fourteen months it was operated. The Fund has no further responsibilities in connection with the Joint Venture. All applicable obligations have been recorded to the financial statements at the end of the Year. In the Fund's interim financial statements and MD&A the Stampede Joint Venture is identified as discontinued operations and reported separately from the Fund's other operating assets.

## Discontinued Operations Statements of Operations

	twelve months ended December 31		three months ended December 31	
	2009	2008	2009	2008
Revenue	\$ 2,422,418	\$ 2,216,665	\$ -	\$ 983,441
Operating expenses	2,893,899	2,811,494	-	1,158,247
	(471,481)	(594,829)	-	(174,806)
Other income and (expenses):				
Loss due to receivership	(3,965,696)	-	-	-
Interest charges	(190,397)	(201,195)	-	(126,124)
Unrealized loss on fair valuation of financial assets and liabilities	-	(189,495)	-	(189,495)
Income allocation to minority interest	2,046,454	482,516	-	240,115
Net income	\$ (2,581,120)	\$ (503,003)	\$ -	\$ (250,310)

## Reconciliation of EBITA to Net Earnings

EBITDA to Net Earnings	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
<sup>1</sup> EBITDA	17,064.7	25,314.4	(32.6%)	5,371.4	6,142.4	(12.6%)	(76.9)	(7,080%)
Less:								
Amortization on property, plant and equipment	1,890.6	2,076.4	(9.0%)	468.3	555.9	(15.8%)	475.9	(1.6%)
Interest charges	813.9	1,231.6	(33.9%)	229.2	264.3	(13.3%)	204.3	12.2%
Future income tax expense	(276.8)	(434.1)	(36.2%)	39.9	(380.0)	(110.5%)	1,459.2	(97.3%)
Allocation to minority interest	6,472.9	10,987.1	(41.1%)	2,049.3	2,791.8	(26.6%)	652.1	214.2%
Net Income (Loss) - Continuing	8,164.1	11,453.5	(28.7%)	2,584.8	2,910.4	(11.2%)	(2,868.4)	(190.1%)
Net Income (Loss) - Discontinued	(2,581.1)	(503.0)	413.1%	-	(250.3)	(100.0%)	(2,779.6)	(100.0%)
Net Income (Loss)	5,583.0	10,950.5	(49.0%)	2,584.8	2,660.1	(2.8%)	(88.8)	3,000.9%
<sup>2</sup> Net Income (Loss)/Unit - Continuing	\$ 0.693	\$ 1.063	\$(0.370)	\$ 0.220	\$ 0.270	\$(0.051)	\$ 0.244	\$ 0.463
<sup>2</sup> Net Income (Loss)/Unit - Discontinued	\$(0.219)	\$(0.047)	\$(0.173)	\$ -	\$(0.023)	\$ 0.023	\$(0.236)	\$ 0.236
<sup>2</sup> Net Income (Loss)/Unit	\$ 0.474	\$ 1.016	\$(0.542)	\$ 0.220	\$ 0.247	\$(0.027)	\$(0.008)	\$ 0.227

<sup>1</sup> EBITDA is not a defined measure under Canadian GAAP. See Caution to Reader under MD&A

<sup>2</sup> Basic and fully diluted

## Facilities

Capital Expenditures	Q4 (twelve months)			Q4 (three months)			vs. previous quarter	
	2009	2008	+(-)	2009	2008	+(-)	Q3 2009	+(-)
Maintenance	400.0	360.1	11.1%	86.6	153.5	(43.6%)	55.8	55.1%
Dispositions	(11.9)	0.0	(100.0%)	0.0	0.0	(100.0%)	(11.9)	(100.0%)
	388.1	360.1	11.1%	86.6	153.5	(43.6%)	43.9	70.0%
Discontinued operations	(12,388.9)	12,284.6	(200.8%)	0.0	1.5	(100.0%)	(7,528.2)	(100.0%)
	(12,000.8)	12,644.8	0.2%	86.6	155.0	(43.2%)	(7,484.3)	(0.6%)

(in thousands of dollars unless stated otherwise)

Capital maintenance spending is in line with expectations. Maintenance and Dispositions represent cash transactions. Discontinued operations report the deemed sale of the assets of the Stampede Joint Venture following the transfer of the assets and operation to the receiver in bankruptcy which are non-cash transactions

## Financial Condition

### Liquidity

The Fund has expensed \$4.6 million related to guarantee given to the Stampede Joint Venture's lender. The Fund has no further liabilities or obligations to the Stampede Joint Venture other than those recorded in the Financial Statements.

Cash provided by operating activities of continuing operations for the Year totaled \$20.7 million compared to \$24.2 million in 2008. At the end of the Year cash and cash equivalent balances totaled \$10.0 million. Factors affecting the Fund's ability to generate cash in the near and longer terms were listed in the section 'Forward Looking Statements'. These factors are discussed in more specific terms in the section 'Business Risks and Outlook'. Management is closely monitoring the Fund's ability to sustain current cash distributions with cash flow from operations for the foreseeable future.

The change in tax status for income trusts brought on by the passing of Bill C-52 will reduce the amount of cash available for distribution to unit holders effective January 1, 2011. Dependant on the outcome of the Fund's Arrangement to convert to a corporation, the impact on distributions from future taxes could be minimized.

The Fund's cash and cash equivalent balances are made up of cash and traditional bank balances only. The Fund has no exposure to asset backed commercial paper ("ABCP").

Working capital, by definition, is current assets minus current liabilities. The Fund's term debt held by Gamehost Limited Partnership and the Deerfoot Joint Venture includes a demand clause in the event certain performance covenants are not met. Term loans are presented as current liabilities for financial reporting purposes to recognize demand clauses in the loans. The Fund's lender does not consider the loans to be repayable within 12 months.

Internal working capital requirements for the Fund consists of cash floats for the operation of gaming tables, slot machines, ATM machines, POS terminals, progressive jackpots and petty cash as well as one months operating expenses, one month's debt service and one month's regular distribution to the holders of Fund Units less amounts due to related parties. Float amounts are set by management and will fluctuate based on activity levels in the casinos. Alberta Gaming and Liquor Commission require all casinos to maintain a Minimum Continuing Net Working Capital Position ("MCNWCP").

The Fund has a 40% Participating Interest in the operating activities of the Deerfoot Joint Venture. During the Year the Fund received \$5.48 million in cash distributions from the Deerfoot Joint Venture.

Commitments

The Fund has a 47.75% Contributing Interest Responsibility to the Deerfoot Joint Venture for any capital funding requirements. All current capital requirements of the Deerfoot Joint Venture have been satisfied. There were no requests for capital made by the Deerfoot Joint Venture during the Quarter. No capital was contributed during the Quarter.

On June 1, 2003 the Fund entered into a management services agreement with Gamehost Management Inc. The management agreement stipulates that Gamehost Management Inc. is entitled to 2.0% of operational earnings before interest, taxes, depreciation and amortization of the Fund.

On January 1, 2007 the Fund entered into a management services agreement with 1068802 Alberta Ltd. The management agreement stipulates that 1068802 Alberta Ltd. is entitled to a fixed monthly fee of \$17,700 for overseeing site operations of the Fund.

On April 26, 2005 the Deerfoot Joint Venture entered into a management services agreement with 1016312 Alberta Ltd. The management agreement stipulates that 1016312 Alberta Ltd is entitled to 1.5% of the gross revenues plus 2.0% of any operational earnings before interest, taxes, depreciation and amortization of the Deerfoot Joint Venture.

The Fund has certain other commitments for equipment, services and premises rent including the Funds Participating Interest Responsibility in commitments of the Deerfoot Joint Venture. At the end of the Year these commitments were;

<u>Operating Leases and service contracts</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>Thereafter</u>
	1,691,051	1,541,768	979,348	803,358	813,736	4,800,365

Contingent liability

The interpretation of Contributing Interest Responsibility in the Deerfoot Joint Venture agreement is in some dispute. There is question as to further contributing interest responsibility for debt principal reductions since inception of the agreement. The maximum exposure for additional contributions from the Fund arising from this dispute total \$2.2 million. No amounts for further contributions have been accrued to these Financial Statements.

## Distributable Cash from Operations

Distributable cash from operations is not a defined term under Canadian GAAP, and its application and interpretation vary widely from issuer to issuer. The Fund originally defined a calculation of distributable cash in its information circular dated April 22, 2003. In this document, distributable cash is calculated as net income determined in accordance with Canadian GAAP, subject to certain adjustments as set out in the Declaration of Trust, including:

- a) Adding the following items: amortization on property, plant & equipment, future income tax expense and losses on dispositions of assets; and
- b) Deducting the following items: future income tax credits, gains on dispositions of assets and capital maintenance expenditures.

Other adjustments may be made to distributable cash as determined by a majority of the Trustees at their discretion.

The Canadian Standards Association (the "CSA") proposed amendments to National Policy 41-201 regarding the disclosure of distributable cash. Similarly, the Canadian Institute of Chartered Accountants (the "CICA") in July 2007 issued an interpretive release titled Standardized Distributable Cash in Income Trusts and Other Flow-Through Entities. For both of these governing bodies, the intent is to improve on current and varied industry reporting practices. The Fund has adopted the reporting methodology outlined in the CICA's July 2007 interpretive release for reporting distributable cash from operations.

### Distribution policy and practice

It is the intention of the Fund Trustees to distribute sufficient income from the Fund so that the Fund will not have any liability for tax under Part I of the Income Tax Act. The Fund's mandate is to make consistent monthly cash payments to unit holders based on management's projections of the year's distributable cash.

The intention of the Fund is to be conservative in the monthly payout ratio of cash distributions to distributable cash from operations throughout the year. This allows the Fund to absorb smaller capital expenditures during the year without additional financing, provides for a reserve in the event funds are required for other purposes during the year and allows for the reduction of revolving loan balances and their associated interest costs. These practices may result in the build up of surplus cash for distribution. In mid December each year management makes earning projections to determine the taxable position of the Fund at December 31. Based on this projection, management will calculate a special distribution recommendation for the approval of Trustees to eliminate any potential for taxes in the Fund. Trustees evaluate the special distribution recommendation with special consideration of other factors such as strategic plans of the Fund and Fund unit trading performance.

The outcome of the Fund's Arrangement to convert to a corporation from income trust status will result in a change to the Fund's distribution policy. The effect of any change in policy can not be fully determined at the present time.

### Productive capacity

The Fund's assets are in land, land improvements, buildings, leasehold improvements, and furniture fixtures and equipment. Current productive capacity of the Fund consists of 123 guest rooms and 1 meeting room at Service Plus, the Fund's 40% Participating Interest in 188 guest rooms, 10 meeting/banquet rooms, 1 showroom, 3 restaurants and a lounge at the Deerfoot Joint Venture and ancillary amenities for all facilities. Also included in productive capacity are the Fund's interests in three gaming licenses, one each for Boomtown Casino, Great Northern Casino and the Deerfoot Joint Venture. Together these licenses provide a revenue stream for the Fund from an equivalent 1,097 slot machines and 45 table games. The table below summarizes changes in productive capacity since inception of the Fund.

Year	Event	Gaming/ Entertainment Sq ft	Banquet/ Convention Sq ft	Guest Rooms	F&B Seating	Electronic Gaming Devices	Tables	Lease Retail Sq ft
2003	Inception of Fund	31,864	-	123	165	420	32	10,530
2003	Great Northern Casino Expansion	9,800	1,200		45	59		
	AGLC adds slot machines					20		
2004	AGLC adds slot machines					83		
2005	Deerfoot Joint Venture opening	24,000	8,000	75	140	252	13	
2006	Boomtown Casino Expansion	11,000			40	193		
	AGLC adds slot machines					20		
2007	Deerfoot Joint Venture renovation	480			(20)	23		
2008	AGLC adds slot machines					16		
	Stampede Joint Venture	19,200	480		60	120	8	
	AGLC adds slot machines					3		
2009	AGLC adds slot machines					8		
	Stampede Joint Venture Receivership	(19,200)	(480)		(60)	(120)	(8)	
	Current	77,144	9,200	198	370	1,097	45	10,530

#### Productive capacity maintenance

Productive capacity maintenance costs for rooming and food and beverage facilities of the Fund are minimal. Maintaining the shine on our properties so that they continue to attract guests is largely one of regular refurbishment such as paint or new carpets and beds. For the most part, maintenance costs are treated as operational expenses at the time they are incurred and as such are already included in the periodic cash provided by (used for) operating activities as reported in financial statements. Management may, however, undertake smaller capital projects to be paid from cash generated from operating activities. Examples of these costs include, but are not limited to such things as converting to keyless entry on guest room access doors or the installation of digital security. These capital costs, when funded from operating cash flow, would fall into the category of productive capacity maintenance for the purpose of determining distributable cash from operations.

Liquor sales require the Fund to hold a valid liquor license issued by the Alberta Gaming and Liquor Commission. Productive capacity maintenance of liquor sales is most significantly related to keeping this license in good standing, and requires the Fund to provide letters of guarantee in favour of Alberta Gaming and Liquor Commission in the event of default of payment for the supply of liquor.

Gaming operations of the Fund require minimal capital outlay by the Fund. Slot machines are owned and maintained by the Alberta Gaming and Liquor Commission. Tables are owned and maintained by the by the Fund. Productive capacity maintenance of both tables and slot machines is more significantly measured in terms of maintenance of the Fund's charitable gaming operator licenses issued by the Alberta Gaming and Liquor Commission. Holders of these licenses must adhere to a strict set of terms and conditions. Furthermore, the three year licenses are subject to annual due diligence audits by the Alberta Liquor and Gaming Commission. Maintaining these licenses requires a nominal fee to cover the cost of Alberta Gaming and Liquor Commission's due diligence investigation which is expensed. The Fund's charitable gaming operator licenses have consistently received favourable results from these audits.

Annual capitalized costs for productive capacity maintenance should approximate \$400,000 per year for the Fund based on a historical review of these costs and vintage of facilities.

### Discretionary and other items

From time to time, at their discretion, management or Trustees may elect to use or reserve cash for other purposes. Capital expansions that were paid out of operating cash flow and increased floats necessitated by the implementation of TITO are two recent discretionary uses for cash. Discretionary uses of cash reduce the availability of cash for distribution to unit holders.

### Long-term unfunded contractual obligations

The Fund has no long-term unfunded contractual obligations. The Fund does not have a pension plan or stock based compensation plan. The benign nature of the Fund's operations does not require that reserves be set up for environmental cleanup, asset retirement or other real or potential liabilities.

### Debt Strategy

The current strategy of the Fund is to minimize debt. Current debt instruments will be maintained or eliminated to the extent they allow for repayment. All of the Fund's present debt instruments allow for additional payments without penalty. Debt maintenance includes regular amortized monthly principal payments, extra payments when surplus cash is available and intermittent payments/advances on revolving debt instruments. Surplus cash is routinely used to reduce revolving balances for the purpose of minimizing interest expenses throughout the year. Amounts are re-advanced to meet special distribution obligations if and when they are declared by Trustees of the Fund.

Larger scale expansions or acquisitions would be funded by debt or equity to the extent that the mix of debt to equity would be accretive to distributions of the Fund.

The Fund intends to repay existing non-revolving debt obligations over a period of time which will allow it to continue to pay distributions in the manner described in our Distribution policy and practice. Current interest rates allow for scheduled amortization periods of between 10 and 15 years in meeting distribution objectives.

### Financing restrictions on distributions caused by debt covenants

The Limited Partnership has a term loan secured by assets owned by the Fund. The loan has two segments, the first requires blended principal and interest payments and is scheduled to term out over 10 years and the second is advanced on a revolving basis. This loan has no financial ratio debt covenants.

Debt facilities of the Deerfoot Joint Venture require the maintenance of certain financial covenants:

1. Debt to equity ratio not greater than 3.00:1.00
2. Debt service coverage of not less than 1.25:1.00

The Deerfoot Joint Venture is in compliance with all covenants

Alberta Gaming and Liquor Commission requires all casinos to maintain a Minimum Continuing Net Working Capital Position ("MCNWCP"). The MCNWCP is a requirement for casino operations only. Additional working capital from non-casino operations and available debt facilities can be used to satisfy the requirement. The calculation of MCNWCP includes cash floats, restricted cash, one month's operating expenses and one month's interest costs on debt facilities. The Funds internal working capital requirements typically exceed that of MCNWCP.

## Working Capital

Working capital, by definition, is current assets minus current liabilities. The Fund's term debt held by Gamehost Limited Partnership and the Deerfoot Joint Venture includes a demand clause in the event certain performance covenants are not met. Term loans are presented as current liabilities for financial reporting purposes to recognize demand clauses in the loans. The Fund's lender does not consider the loans to be repayable within 12 months.

Internal working capital requirements for the Fund consists of cash floats for the operation of gaming tables, slot machines, ATM machines, TITO Kiosks, POS terminals, progressive jackpots and petty cash. Float amounts are set by management and will fluctuate based on activity levels in the casinos. Management works to minimize float balances on premises to a maximum 4% of combined slot cash play and table drop activity levels with cash surplus to this held in bank accounts.

In addition to cash floats on premises, the Fund maintains one month's operating expenses, one month's debt service and one month's regular distribution to the holders of Fund Units less amounts due to related parties. Unused portions of revolving debt are considered working capital in the Funds determination of internal working capital. Working capital will typically be at its lowest level immediately following payment of any special year end distribution in January of each year.

Inventory levels and receivable targets vary by operation. Minimum targets include turning combined liquor and food inventories three times per month. Receivables are limited to hotel and banquet operations. Operations are expected to maintain a days sales outstanding (DSO) of not greater than 45 days. The Funds objective is to maintain the highest relationship with suppliers and remits all payables within stated terms, typically 30 days, but will take advantage of all early payment discounts offered.

Alberta Gaming and Liquor Commission require all casinos to maintain a Minimum Continuing Net Working Capital Position ("MCNWCP"). The MCNWCP is a requirement for casino operations only. Additional working capital from non-casino operations and available debt facilities can be used to satisfy the requirement. The calculation of MCNWCP includes cash floats, restricted cash, one months operating expenses and one month's interest costs on debt facilities. The Funds internal working capital requirements typically exceed that of MCNWCP.

## Standardized Distributable Cash

Standardized Distributable Cash is defined as periodic cash flows from operating activities as reported in the GAAP financial statements, including the effect of changes in non-cash working capital and any operating cash flows provided from or used in discontinued operations, less adjustments for: total GAAP reported capital expenditures; and restrictions on distributions arising from compliance with financial covenants restrictive at the date of calculation of Standardized Distributable Cash and limitation arising from the existence of a minority interest in a subsidiary.

Standardized Distributable Cash	Q4 (twelve months)		Q4 (three months)		Since Inception
	2009	2008	2009	2008	
Cash provided by (used by) operations					
Continuing operations	16,705	24,237	4,954	6,488	134,478
Discontinued operations	(232)	(474)	-	33	(5,093)
	16,473	23,763	4,954	6,521	129,385
Adjustment for capital expenditures from operating cash flow:					
Continuing operations	(389)	(268)	(87)	(62)	(4,397)
Discontinued operations	(11)	-	-	-	(11)
	(400)	(268)	(87)	(62)	(4,408)
Financing (restrictions) caused by debt covenants:					
Continuing operations	(2,084)	(1,471)	(494)	(499)	(4,551)
Discontinued operations	(181)	(117)	-	(117)	(298)
	(2,265)	(1,587)	(494)	(616)	(4,849)
Standardized Distributable Cash					
Continuing operations	18,233	22,498	4,372	5,927	125,530
Discontinued operations	(4,425)	(591)	-	(84)	(5,402)
	13,808	21,908	4,372	5,844	120,128
Standardized Distributable Cash/unit <sup>1</sup>					
Continuing operations	\$ 0.8638	\$ 1.0659	\$ 0.2071	\$ 0.2808	\$ 5.9472
Discontinued operations	\$ (0.2097)	\$ (0.0280)	\$ -	\$ (0.0040)	\$ (0.2559)
	\$ 0.6542	\$ 1.0379	\$ 0.2071	\$ 0.2769	\$ 5.6912
Cash distributions paid	\$ 18,566	\$ 21,960	\$ 4,642	\$ 8,175	\$ 116,268
Cash distributions paid/unit <sup>1</sup>	\$ 0.8796	\$ 1.0404	\$ 0.2199	\$ 0.3873	\$ 5.5084
Payout ratio					
Continuing operations	101.8%	97.6%	106.2%	137.9%	92.6%
Total operations	134.5%	100.2%	106.2%	139.9%	96.8%

<sup>1</sup> Weighted average and fully diluted

(in thousands of dollars unless stated otherwise)

The Fund adjusts Standardized Distributable Cash for entity specific needs when and if required.

Adjusted Distribution Base (formerly Distributable Cash from Operations)	Q4 (twelve months)		Q4 (three months)		Since Inception
	2009	2008	2009	2008	
Standardized Distributable Cash	13,808	21,908	4,372	5,844	120,128
Adjustments for:					
Change in floats	150	(546)	150	-	(2,676)
Adjusted Distribution Base	13,958	21,362	4,522	5,844	117,452
Adjusted Distribution Base/unit <sup>1</sup>	\$ 0.6613	\$ 1.0120	\$ 0.2142	\$ 0.2769	\$ 5.5645
Cash distributions paid	18,566	21,960	4,642	8,175	116,268
Cash distributions paid/unit <sup>1</sup>	\$ 0.8796	\$ 1.0404	\$ 0.2199	\$ 0.3873	\$ 5.5084
Payout ratio	133.0%	102.8%	102.6%	139.9%	99.0%

<sup>1</sup> Weighted average and fully diluted  
(in thousands of dollars unless stated otherwise)

Distributions

2009 Distribution Summary				
Month	Date Declared	Record Date	Payment Date	Distribution per Unit
January	15-Jan-09	31-Jan-09	13-Feb-09	\$0.0733
February	10-Feb-09	28-Feb-09	13-Mar-09	\$0.0733
March	12-Mar-09	31-Mar-09	15-Apr-09	\$0.0733
April	8-Apr-09	30-Apr-09	15-May-09	\$0.0733
May	14-May-09	31-May-09	15-Jun-09	\$0.0733
June	11-Jun-09	30-Jun-09	15-Jul-09	\$0.0733
July	16-Jul-09	31-Jul-09	14-Aug-09	\$0.0733
August	14-Aug-09	31-Aug-09	15-Sep-09	\$0.0733
September	25-Sep-09	2-Oct-09	15-Oct-09	\$0.0733
October	21-Oct-09	31-Oct-09	16-Nov-09	\$0.0733
November	25-Nov-09	30-Nov-09	4-Dec-09	\$0.0733
December	18-Dec-09	31-Dec-09	21-Jan-10	\$0.0733
Total				\$0.8796

2008 Distribution Summary				
Month	Date Declared	Record Date	Payment Date	Distribution per Unit
January	17-Jan-08	31-Jan-08	15-Feb-08	\$0.0667
February	12-Feb-08	29-Feb-08	14-Mar-08	\$0.0667
March	24-Mar-08	2-Apr-08	15-Apr-08	\$0.0667
April	17-Apr-08	30-Apr-08	15-May-08	\$0.0733
May	16-May-08	31-May-08	13-Jun-08	\$0.0733
June	13-Jun-08	30-Jun-08	15-Jul-08	\$0.0733
July	7-Jul-08	31-Jul-08	15-Aug-08	\$0.0733
August	11-Aug-08	31-Aug-08	15-Sep-08	\$0.0733
September	10-Sep-08	30-Sep-08	15-Oct-08	\$0.0733
October	15-Oct-08	31-Oct-08	14-Nov-08	\$0.0733
November	13-Nov-08	30-Nov-08	15-Dec-08	\$0.0733
December	17-Dec-08	31-Dec-08	15-Jan-09	\$0.2407
Total				\$1.0271

### Tax attributes of cash distributions to unit holders

Unit holders can expect their distributions to be mostly taxable as income. A small percentage of the unit holder's distributions may be return of capital for tax purposes. Any return of capital reported represents the excess of distributions from the Fund over that required to eliminate the taxable position of the Fund. Return of capital is considered a partial return of the unit holder's original investment and reduces the cost base of their investment. Tax implications manifest on the return of capital portion when a unit holder sells their investment in the Fund and capital gains or losses are realized on the sale of the investment.

<b>Tax Attributes</b>	<b>Income</b>	<b>Return of Capital</b>	<b>Total</b>
<b>2009</b>			<b>100.00%</b>
<b>2008</b>	93.17%	6.83%	100.00%
<b>2007</b>	98.04%	1.96%	100.00%
<b>2006</b>	97.25%	2.75%	100.00%
<b>2005</b>	89.61%	10.39%	100.00%
<b>2004</b>	95.25%	4.75%	100.00%
<b>2003</b>	73.12%	26.88%	100.00%

### Tax on Income Trusts

Beginning January 1, 2011, distributions of income trusts will not be deductible in calculating taxable income of the trust; thereby requiring the trust to pay income taxes. Future income tax assets and liabilities are based on temporary differences between the tax treatment of assets and liabilities of the Fund and the accounting treatment of assets and liabilities reported on the Fund's financial statements to the extent that these differences will exist at 2011. Future tax is estimated based on assets and liabilities at the end of the Year and the expected combined Federal and Alberta tax rate of 25.0% for 2011.

The Fund's income tax expense is as follows:

	\$ of Taxes December 31, 2009	Taxes Rates December 31, 2009	\$ of Taxes December 31, 2008	Tax Rates December 31, 2008
Income taxes at statutory rates	\$4,931,281	25.0%	\$5,809,502	25.0%
Income distributed to unit holders	(4,660,606)	(23.6%)	(5,306,505)	(22.8%)
Deduction of CEC and other additions	6,141	0.0%	(68,857)	(0.3%)
	\$276,816	1.40%	\$434,140	1.9%

Temporary differences and carry-forwards which give rise to future income tax assets and liabilities at December 31 are as follows:

	December 31, 2009	December 31, 2008
Future income tax asset (liability) arising from:		
Property, plant and equipment	<u>\$(1,523,866)</u>	<u>\$(1,800,682)</u>

## Capital Resources

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### Limited Partnership

The Limited Partnership has a \$15.0 million demand term loan secured by its land and buildings with the Canadian Western Bank ("CWB"). Interest on this loan is 1.0% above the CWB Prime Lending Rate. In June 2009 a floor rate of 4.0% was fixed to the loan as a result of an annual bank review. The Fund is making blended monthly principal and interest payments on a \$9.0 million segment of the loan amortized over 10 years. \$6.0 million of this loan is available on a revolving basis and is fully extended at the end of the Year.

The Limited Partnership has issued a demand promissory note in the amount of \$4.1 million to a related party. The note is unsecured and was obtained as bridge financing to honour guarantee obligations to the Stampede Joint Venture's lender. The note carries interest at 3.25% per annum, paid monthly. During the Year the Fund repaid \$99,000 on the note.

### Deerfoot Joint Venture

The Deerfoot Joint Venture has a demand term loan secured by its land and buildings. Interest on the loan floats at 1.0% above the CWB Prime Lending Rate. In June 2009 a floor rate of 4.0% was fixed to the loan as a result of an annual bank review. The Fund's portion of the combined total authorized facility is \$9.6 million amortized over 15 years. The loan includes a \$0.8 million revolver which has a zero outstanding balance at the end of the Year. The Fund's portion of scheduled monthly principal payments is \$78,800, but has been accelerated to \$100,000.

## Credit Facilities

	December 31, 2009	December 31, 2008
<b>Authorized Maximum Loan amounts</b>		
Demand loan	9,000,000	9,000,000
Revolving credit lines	6,000,000	6,000,000
Deerfoot Joint Venture - demand loan	8,800,000	8,800,000
Deerfoot Joint Venture - demand loan, revolving	800,000	800,000
Demand promissory note	4,100,000	-
Continuing Operations	28,700,000	24,600,000
Discontinued Operations <sup>1</sup>	-	9,000,000
	<u>28,700,000</u>	<u>33,600,000</u>
<b>Outstanding balance</b>		
Demand loan	7,500,793	8,384,641
Revolving credit lines	6,000,000	4,000,000
Deerfoot Joint Venture - demand loan	5,748,283	6,948,283
Deerfoot Joint Venture - demand loan, revolving	-	-
Demand promissory note	4,001,000	-
Continuing Operations	23,250,076	19,332,924
Discontinued Operations <sup>1</sup>	-	8,250,404
	<u>23,250,076</u>	<u>27,583,328</u>
<b>Advances (payments) during the calendar year</b>		
Demand loan	(883,848)	3,084,641
Revolving credit lines	2,000,000	4,000,000
Deerfoot Joint Venture - demand loan	(1,200,000)	(855,243)
Demand promissory note	4,001,000	-
Continuing Operations	3,917,152	6,229,398
Discontinued Operations <sup>1</sup>	(8,250,404)	8,250,404
	<u>(4,333,252)</u>	<u>14,479,802</u>
<b>Interest rate</b>		
Demand loan	4.00% floor (P +1.00%)	4.00% (P +1.00%)
Revolving credit lines	4.00% floor (P +1.00%)	4.00% (P +1.00%)
Deerfoot Joint Venture - demand loan	4.00% floor (P +1.00%)	4.00% (P +1.00%)
Deerfoot Joint Venture - demand loan, revolving	4.00% floor (P +1.00%)	4.00% (P +1.00%)
Demand promissory note	3.25%	-

<sup>1</sup> The Stampede Joint Venture was placed into voluntary receivership during the Year. As a result, the Fund has no further responsibility for the debt facilities of the Stampede Joint Venture.

The Fund provided an \$11.46 million unsecured limited liability guarantee to the lender of the Deerfoot Joint Venture to indemnify it in the event the Deerfoot Joint Venture does not perform its contractual obligations. The maximum potential liability under this guarantee is \$6.3 million. The Fund has not recorded a liability with respect to this guarantee, as the Fund does not expect to make any payments in excess of what is recorded on the Financial Statements for the aforementioned items. The Fund has not charged a fee to the Deerfoot Joint Venture in regards to this guarantee. No specific assets have been provided as security.

The Fund provided a \$5.0 million unsecured limited liability guarantee to the lender of the Stampede Joint Venture to indemnify it in the event the Stampede Joint Venture did not perform its contractual obligations. The Stampede defaulted on their contractual obligations under loan agreements. Stampede Joint Venture management successfully negotiated a reduction to the settlement amount under the guarantee to \$4.6 million which has been paid and charged to income during the Year. The Fund did not charge a fee to the Stampede Joint Venture in regards to this guarantee.

The Limited Partnership may cause to be issued unlimited numbers of units or other securities provided they do not rank ahead of minority Class B Units or Fund Units as to cash distributions, voting rights and other rights protected by the Limited Partnership Agreement.

The Fund is evaluating options and developing strategic plans in response to the government's Bill C-52. The bill effectively provides for the taxation of income trusts beginning January 2011. The new tax has not had any impact on the Funds access to financing.

## **Financial Instruments**

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### Fair value

The fair value of cash and cash equivalents, restricted cash, accounts receivable, revolving credit lines, accounts payable and accrued liabilities, capital leases, demand loan, due to/from related parties and unit holders distributions payable approximate their carrying value due to the short-term maturities of these instruments.

The fair value of the Class B Partnership units has not been determined as it is not practical to estimate the fair value of these financial instruments with sufficient reliability.

### Foreign Exchange Risk

The Fund has no material foreign currency risk.

### Interest Rate Risk

The Fund's interest rate risk arises primarily from its variable rate debt in the aggregate amount of \$19.2 million. This debt has a floor rate of 4.0% which has been reached. A 1% increase in interest rates would have an unfavourable impact on earnings of \$48,000 or \$0.002/unit.

### Credit Risk

Credit risk arises from cash and cash equivalents held with banks and credit exposure to customers. The Fund's day to day commercial banking is primarily with a AAA rated Canadian financial institution. Day to day commercial banking is not concentrated with a single financial institution. The Fund, in the normal course of operations, monitors the financial condition of its customers. The Fund does not have significant exposure to any individual customer or counterparty.

Carrying amounts of accounts receivable are reduced on an account specific basis when appropriate. The Fund does not currently carry an allowance for doubtful accounts. Carrying amounts of accounts receivable are reduced by direct write-off to earnings in the period of loss recognition. At the end of the Year, past due accounts are minimal and those customers are making regular payments.

## Liquidity Risk

Liquidity risk arises from excess financial obligations over available financial assets due at any point in time. The Fund's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet ongoing liquidity requirements. The Fund achieves this by maintaining a conservative distribution policy. The Funds payout ratio on Standardized Distributable Cash since inception is 97%. Losses from discontinued operations including the payment of a guarantee to the lender of the Stampede Joint Venture pushed the payout ratio for the Year to in excess of 134%. The shortfall was covered by a related party loan to be replaced by longer term financing currently being negotiated. Excluding discontinued operations, the Fund's payout ratio for the Year was 101.8%. This shortfall is expected to be short lived and covered by additional working capital financing currently being negotiated. Current availability on committed credit facilities is \$0.8 million.

Accounts payable, excluding accrued liabilities, are due in 90 days or less.

The maturity date on the Fund's term debt held by the Limited Partnership is the earlier of the date the loan is paid out and February, 2017. The maturity date on the Deerfoot Joint Venture term debt is the earlier of the date the loan is paid out and January, 2021.

Alberta Gaming and Liquor Commission require all casinos to maintain a Minimum Continuing Net Working Capital Position ("MCNWCP"). The MCNWCP is a requirement for casino operations only. Additional working capital from non-casino operations and available debt facilities can be used to satisfy the requirement. The calculation of MCNWCP includes cash floats, restricted cash, one months operating expenses and one month's interest costs on debt facilities. The Funds internal working capital requirements typically exceed that of MCNWCP.

During the Year, the Stampede Joint Venture, elected to place itself into voluntary receivership. Unable to negotiate the necessary concessions from its lender and landlord, Management of the Joint Venture determined that continuing to subsidize the operation was not in the best interest of joint venturers. The Fund provided a guarantee to the lender of the Stampede Joint Venture. During the Quarter, management of the Stampede Joint Venture reached a settlement with the lender to the Stampede Joint Venture reducing the amounts payable under the guarantee to \$4.6 million which at the end of the Year had been paid by the Fund. The Stampede Joint Venture's lender has issued a formal release from any remaining amounts payable under the guarantee. Financing from a related party was secured to honour payments made under the guarantee (Related Party Transactions).

## Industry risk

Service Plus in Grande Prairie derives 80% of its business from the energy sector. As a result, the Fund is exposed to industry risk at this operation.

It is management's opinion that the Fund is not exposed to significant other industry risk at the present time.

## Related Party Transactions

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Related party transactions are measured at the exchange amount which is the amount agreed to by related parties. Related party balances are unsecured and non-interest bearing with no specific terms of repayment with one exception noted below.

The Fund had related party transactions with the persons of David Will and Darcy Will and/or companies owned or controlled by David Will and/or Darcy Will collectively (the "Wills"). Both David Will and Darcy Will are Trustees of the Fund. Together, the Wills control 43.9% of the outstanding units of all unit classes of the Fund. Transactions with the Wills include the following:

- The Fund recorded \$910,434 (\$922,582 - 2008) of management services expenses during the Year which are included in Human resources expenses. Management fees stipulated in management services agreements are based on a percentage of revenues and/or earnings before interest, taxes depreciation and amortization. At the end of the Year \$87,956 (\$nil - 2008) remained in Accounts payable and \$nil (\$16,469 - 2008) remained in Due to related party accounts. As Chief Executive Officer and Vice President, David Will and Darcy Will, respectively do not take any salary for their management of the Fund, but are compensated through management services agreements.
- The Fund recorded \$30,678 (\$54,533 - 2008) of charter aircraft rental expenses during the Year which are included in Operating expenses. At the end of the Year \$11,548 (\$nil - 2008) remained in accounts payable. Travel to the Fund's operational centers of Grande Prairie and Ft. McMurray is made more efficient via charter air services than can be accomplished through commercial carriers.
- The Fund recorded \$47,500 (\$49,000 - 2008) in Trustee fees during the Year which are included in Human resources expenses. At the end of the Year \$5,000 (\$1,525 - 2008) remained in accounts payable.
- The Fund recorded \$43,089 (\$nil - 2008) in interest charges during the Year which are included in Interest expense. At the end of the Year \$11,044 (\$nil - 2008) remained in accounts payable. Interest charges arose from receipt of \$4,100,000 in loans during the Year. At the end of the Year \$4,001,000 (\$nil - 2008) remained in Demand loans. The loan is unsecured and has a fixed interest rate of 3.25%. Loan proceeds were used to honour obligations under a guarantee the Fund provided to the lender to the Stampede Joint Venture.

The Fund recorded \$114,500 (\$112,373 - 2008) in Trustee fees during the Year paid to other Trustees or companies controlled by other Trustees of the Fund which are included under Human resources expenses. At the end of the Year \$29,000 (\$8,972 - 2008) remained in accounts payable.

The Fund recorded \$21,825 (\$30,230 - 2008) in professional and administrative fees during the Year paid to companies controlled by other Trustees of the Fund. At the end of the Year \$nil (\$2,625 - 2008) remained in accounts payable.

The Fund recorded \$210,400 (\$210,138 - 2008) of management services expenses during the Year to other officers which are included under Human resources expenses. Management fees stipulated in management services agreements are based on a flat monthly amount.

## Outstanding Share Data

### Fund Units

The Fund is authorized to issue an unlimited number of Fund Units. 1,000,000 B Units of the Fund were exchanged into Fund Units during the Year. Otherwise, there were no changes in the number of issued or outstanding Fund Units during the Year. The weighted average of equivalent units outstanding for the Year is equal to the units issued. The Fund did not have any options, warrants, rights or convertible instruments that would be potentially dilutive during the Year.

Fund Unit holder Equity	December 31, 2009		December 31, 2008	
	Units	\$'s	Units	\$'s
	Balance at beginning of Year	10,773,153	\$ 32,018,886	10,773,153
Unit class conversions	1,000,000	3,193,434	-	-
Net earnings		8,164,099		11,453,511
Net loss - discontinued operations		(2,581,120)		(503,003)
Distributions to Fund Unit holders		(10,355,664)		(11,065,104)
Balance at end of Year	11,773,153	\$ 30,439,635	10,773,153	\$ 32,018,886

### Minority Interest Class B Partnership Units

The Limited Partnership is authorized to issue an unlimited number of Class B Limited Partnership Units. 1,000,000 B Units of the Fund were exchanged into Fund Units during the Year. Otherwise, there were no changes in the number of Class B Limited Partnership Units issued or outstanding during the Year.

Minority interest	December 31, 2009		December 31, 2008	
	Units	\$'s	Units	\$'s
	Balance at beginning of Year	10,334,400	\$ 32,955,463	10,334,400
Unit class conversions	(1,000,000)	(3,193,434)	-	-
Minority interest earnings allocation		6,472,945		10,987,050
Net loss - discontinued operations		(2,046,454)		(482,516)
Distributions to minority interest		(8,210,540)		(10,614,461)
Balance at end of Year	9,334,400	\$ 25,977,980	10,334,400	32,955,463

## **Business Risks, Opportunities and Outlook**

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### **Economic Outlook**

Over the final Quarter of the Year clear signs of the end of the current recession surfaced. Shrinking national and international GDP figures are being replaced by moderately improving GDP figures and general improvement in economic sentiment is taking hold. The Canadian job market has shifted from job loss to job creation. House prices are on the rise again and demand is growing. It will take some time for these positive economic indicators to filter down and into our own operating results. A bottom to the revenue trough is beginning to form, however, and a return to growth should begin to manifest in later 2010.

Announcements that a number of significant oil sands projects will go ahead is good news for Alberta and indeed for the Fort McMurray area. Construction startup for these projects will increase the number of camp workers in the area and foot traffic to our Boomtown Casino.

Oil and gas activity has improved in the Grande Prairie region resulting in significant increases in occupancy levels at Service Plus early in the New Year. Drilling and other contractors are optimistic in the near term through spring break up which should provide a better start to the year in comparison to 2009. Current occupancy is running above the same point in 2009 on the strength of corporate spending. Consumer spending will follow with the improving job market. Better results at Service Plus should translate into better results at Great Northern Casino later in the year.

Calgary will remain a highly competitive market place in 2010 even with two failed casino ventures in the city during 2009. The first of those failures found a buyer and continues to operate. The second continues to operate under receivership. Management does not believe the second casino can continue to operate as a year round casino. All other operating casinos in the city will benefit to various extents if and when it closes or moves to seasonal operations.

Management has had success in reducing spending to the lowest levels possible. The Fund stands to see long term benefits from these cost cutting measures as significant portions of top line growth will add directly to the fund's bottom line. Any return to pre-recession level revenues should translate into even higher profit margins than were produced previously. We will continue to be the margin producing gaming operator in the industry.

The Alberta and Canadian gaming industry continues to present very high barriers to entry. Very few growth opportunities at attractive investment levels existed during the pre-recessionary period. Given the fall out from the recent recession, acquisition opportunities may exist where there were none previously.

### **Government Regulation**

The Federal Government has jurisdiction over provincial governments regarding First Nations lands. The Federal Government defers governmental authority to either provincial governments or First Nations Bands at their discretion. The Federal Government, to date, has chosen not to become involved in the smoking-in-public-places debate on First Nations lands. Presently, all First Nations casinos in Alberta permit smoking and enjoy a competitive edge over traditional casino operators.

The Alberta and Canadian gaming industries are highly regulated by provincial governments. Revenue sharing agreements between governments and operators are subject to change by unilateral government action. Revenue sharing and operator agreements are not the same from province to province. Neither are they the same for traditional casino operators and First Nations casino operators. Traditional casino operators in Alberta receive less favourable compensation when compared to both their provincial counterparts and the competing Alberta First Nations operators.

### **Public Interest**

Special interest groups routinely lobby government on a host of matters. Gaming is a subject of high public interest both for and against. Lobbying efforts can be effective in influencing government action. Next to the Alberta Government Department of Treasury, provincial charitable groups are the main benefactor to the gaming industry. An uneven playing field between traditional casino operators and First Nations casino operators also creates compensation issues for charitable groups supported by traditional casino operators.

### **Alberta Charitable Casino Operators Association**

The Fund continues to support the efforts of the Alberta Charitable Casino Operators Association (ACCOA). ACCOA is lobbying the Alberta government to consider eliminating the uneven playing field between traditional casino operators and First Nations casino operators. The Government has heard the concerns of ACCOA as well as those of charitable groups supported by traditional casino operators.

### **Competition**

Informal surveys suggest that the Fund's Service Plus hotel in Grande Prairie continues to maintain a "Top 3" ranking in the market region of 16 competing properties. At current demand levels the market is over supplied. The Service Plus property, however, boasts a long serving management team delivering consistently superior service from a superior location.

The continued operation of one of Calgary's traditional casinos remains in doubt. It is currently being operated by court appointed receivers. Efforts to find new ownership continue. We believe there is a strong possibility this property will cease to operate as a year round casino. Calgary nevertheless will continue to be a highly competitive market place exacerbated by the near proximity of First Nations gaming that can offer smoking to an otherwise smoke free gaming environment.

Management is not aware of any further gaming applications that could have a material effect on the Fund's operations.

In April 2009 a limited service hotel opened one block to the north of the Fund's Deerfoot Joint Venture. The limited service hotel is owned and operated by related parties the Wills. The limited service property augments the services provided by the Deerfoot joint Venture by offering more budget conscious patrons with guest room options in the underserved area. Over the long term the limited service hotel is expected to be a net benefit to the Deerfoot Joint Venture by allowing the Deerfoot Joint Venture to attract larger conventions and by increasing foot traffic through the facilities casino and eating establishments. During the current challenging rooming market its presence may be having a somewhat detrimental impact.

Located approximately 8 kilometres or 10 minutes north on Deerfoot Trail, construction of a new full service hotel at Deerfoot Meadows shopping Centre is expected to be completed in the spring of 2010. This property's impact is expected to be minimal.

## Legislated Change to Tax Status of Income Trusts and Corporate Restructuring

On June 12, 2007 Bill C-52 formalizing the Government of Canada's proposal to tax the distributions of certain specified investment flow through entities (SIFT). The Fund meets the definition of a SIFT for the application of the new tax. Distributions, under SIFT rules, would first be taxed at the Fund level with amounts net of tax paid as dividends in the hands of the unit holders. Furthermore, the bill set certain limitations on the growth of existing trusts. Draft legislation to simplify conversion of a SIFT to a corporation was recently issued by the Federal Government. The draft legislation generally comes without consequence to a unit holder on a conversion transaction. Unit holders are encouraged to consult professional resources regarding potential implications for their own account.

In response to the new SIFT taxation rules, the Fund has entered into an arrangement agreement (the "Arrangement Agreement") with Oncothyreon Inc. and certain of its subsidiaries (collectively, "Oncothyreon") pursuant to which the Fund will convert from an income trust structure to a corporate structure pursuant to a Plan of Arrangement (the "Arrangement") under the *Business Corporations Act* (Alberta).

The Arrangement is subject to various commercial conditions including, but not limited to, the consent to the Arrangement of Gamehost's lenders and the receipt of regulatory approvals including, but not limited to, the approval of the Toronto Stock Exchange. The Arrangement is also subject to the approval of the Court of Queen's Bench of Alberta and the approval of 66 $\frac{2}{3}$ % of the votes cast by the holders of units of Gamehost (the "Gamehost Unit holders") and the holders of class B limited partnership units of Gamehost Limited Partnership (the "Gamehost LP Unit holders" and collectively with the Gamehost Unit holders the "Gamehost Security holders") voting together as a single class in person or by proxy at the security holder meeting called to approve the transaction (the "Gamehost Meeting"). The mailing of an information circular to the Gamehost Security holders providing further details on the Arrangement is expected to occur in the middle of March 2010 with the Gamehost Meeting expected to be held in the middle of April 2010. The effective date of the Arrangement is expected to occur shortly following the Gamehost Meeting.

The key benefits of the Arrangement include:

- The Arrangement provides for an effective and efficient method of converting from a SIFT to a corporation consistent with the SIFT Rules.
- Upon completion of the Arrangement, Gamehost expects that the resulting corporation ("Gamehost Inc. ") will make monthly dividend payments to holders ("Gamehost Inc. Shareholders") of shares of Gamehost Inc. ("Gamehost Inc. Shares") of \$0.0733 per Gamehost Inc. Share (i.e. \$0.8796 per Gamehost Inc. Share on an annualized basis) which is equal to the current monthly cash distribution per unit of Gamehost paid by Gamehost.
- On the payment of monthly dividends by Gamehost Inc., Canadian taxable Gamehost Inc. Shareholders will receive a dividend tax credit compared to the tax treatment of Gamehost's current monthly cash distributions to Canadian taxable Gamehost Unit holders as other income.
- The exchange of units of Gamehost ("Gamehost Units") and class B limited partnership units of Gamehost Limited Partnership ("Gamehost LP Units") for Gamehost Inc. Shares pursuant to the Arrangement is tax free for such holders based on the current rules for SIFT conversions.
- Gamehost's conversion to a corporation may result in greater access to capital and the removal of the "normal growth" and "undue expansion restrictions" in the SIFT Rules that limited Gamehost's ability to consider certain strategic acquisitions.
- Remaining as a public income trust would have diminished Gamehost's ability to raise capital in the future
- Gamehost Inc. is expected to have improved liquidity resulting in higher trading volumes.
- Gamehost Inc. will be able to access certain tax free roll-over provisions under the *Income Tax Act* (Canada) that will assist in the structuring of acquisitions.

After completion of the conversion to a corporation pursuant to the Arrangement:

- Gamehost Inc. will become a high-yield, dividend paying corporation.
- Canadian taxable shareholders should benefit from lower income taxes paid on dividends of Gamehost Inc. compared to taxes previously paid on Gamehost's distributions.
- Gamehost Inc. will continue to operate Gamehost's existing businesses and will have an estimated aggregate tax basis of approximately \$165 million.
- The existing businesses of Oncothyreon will be carried on by Oncothyreon Inc. and its other current subsidiaries and Gamehost Security holders will not have any interest in those businesses.

The estimated costs to be incurred by Gamehost with respect to the Arrangement and related matters including, without limitation, accounting, legal fees and costs for the preparation, printing and mailing of the required information circular and other related documents and agreements, are expected to aggregate approximately \$9.0 million, including \$600,000 via the issuance of Gamehost Units to Oncothyreon Inc.

Complete details of the terms and conditions of the Arrangement are set out in the Arrangement Agreement that will be filed by Gamehost on SEDAR ([www.sedar.com](http://www.sedar.com)).

## International Financial Reporting Standards (IFRS)

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All publically accountable enterprises will be required to report under IFRS for fiscal periods beginning on or after January 1, 2011. IFRS will replace guidance provided by Canadian generally accepted accounting principles ("GAAP") for financial reporting. A detailed IFRS conversion plan is being developed to achieve full compliance with the new reporting standards effective January 1, 2011.

The Fund's IFRS transition plan had been deferred during 2009 pending certain strategic initiatives that would have had a material impact on the transition plan. Management has now set certain corporate directions such that a detailed plan can now be designed. Management will endeavor to prepare readers of the Fund's disclosures for what may be in certain cases be significant changes in the reporting of the Funds financial results. Throughout interim reporting periods in 2010, MD&A will provide high level status reports outlining progress towards full conversion in the form outlined below. Furthermore, as decisions regarding policy change are made and their impact quantified, specifics will be disclosed in the body of the MD&A at those points in the MD&A where it is relevant. Effort will be made to provide the IFRS relevance to the presented Canadian GAAP beginning in Q1 2010 as is becomes known. The Fund will endeavor to provide comparative IFRS qualitative and quantitative information to the reported Canadian GAAP information as it is developed throughout 2010.

Any communications about the Funds' conversion plan for IFRS reflects the expectations of changeover decisions based on consideration and understanding of available information. Notwithstanding, circumstances may occur that require the Fund to change accounting policies between the time of communicating these expectations and the changeover date.

### International Financial Reporting Standards (IFRS) - Conversion Plan

Plan Component	Status
Project Management	A project management team has been formed including members of management and the audit committee to ensure progress towards successful implementation is on track.
Training and development	IFRS training for the project management team, key accounting staff and Audit Committee members is ongoing.
Communication	Communication of project status will begin in earnest during Q1 2010. Plans include regular progress meetings by the project management team and approved relevant communication of the impact to financial reporting to external users via the MD&A.
Business impacts	An early assessment includes: project resourcing; ICFR; dual reporting obligations in 2010 when comparative IFRS and Canadian GAAP is required and debt facility financial covenants.
Accounting policy changes	Research is ongoing to determine and document the expected changes to accounting policies that are required to comply with the new standards. Our current understanding indicates that reporting for: property, plant and equipment; intangible assets; long lived asset impairment, business combinations and income taxes will be impacted most by implementation of the new standards.
Financial statement presentation	Audit Committee has been advised of the potential impacts to financial statement presentation. Reporting options and exemptions available are to be researched with recommendations presented as they are researched during 2010.
Information technology compliance	Initial assessments indicate that conversion can be accomplished through general ledger modification requiring no significant system changes.

## Additional Information

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All required public disclosures including material documents, press releases, annual information form and financial statements of the Fund can be found on SEDAR at [www.sedar.com](http://www.sedar.com). Additional information about the Fund can be found at [www.gamehost.ca](http://www.gamehost.ca).