GREAT CANADIAN GAMING CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three Month and Nine Month Periods Ended
September 30, 2020 and 2019

(Expressed in millions of Canadian dollars, except for per share information)

GREAT CANADIAN GAMING CORPORATION
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in millions of Canadian dollars)

		September 30, 2020	December 31, 2019
Assets			
Current			
Cash		**$ 471.9**	$ 329.7
Accounts receivable		**30.3**	79.6
Income taxes receivable		**21.1**	-
Prepaids, deposits and other assets		**28.5**	25.0
		551.8	434.3
Property, plant and equipment	Note 2	**1,433.2**	1,275.3
Right-of-use assets	Note 3(a)	**971.1**	985.7
Intangible assets	Note 2(b)	**84.3**	91.1
Goodwill	Note 2(b)	**13.5**	13.5
Deferred tax assets		**19.4**	12.4
Cash on deposit with Canada Revenue Agency	Note 7	**38.9**	38.9
Other assets		**0.7**	0.7
		$ 3,112.9	$ 2,851.9
Liabilities			
Current			
Accounts payable and accrued liabilities		**$ 159.1**	$ 241.8
Lease liabilities	Note 3(b)	**36.8**	34.4
Income taxes payable		**-**	0.7
Other liabilities		**5.2**	5.1
		201.1	282.0
Long-term debt	Note 4	**1,282.0**	869.8
Lease liabilities	Note 3(b)	**925.2**	925.8
Deferred credits, provisions and other liabilities		**24.0**	30.1
Deferred tax liabilities		**82.2**	83.0
		2,514.5	2,190.7
Equity			
Share capital and reserves		**350.7**	337.0
Retained earnings		**128.9**	190.4
Equity attributable to shareholders of the Company		**479.6**	527.4
Non-controlling interests		**118.8**	133.8
Total equity		**598.4**	661.2
		$ 3,112.9	$ 2,851.9

These Condensed Interim Consolidated Financial Statements were approved and authorized by the Company's Board of Directors for issuance on November 9, 2020.

GREAT CANADIAN GAMING CORPORATION

Condensed Interim Consolidated Statements of (Loss) Earnings and Other Comprehensive (Loss) Income

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

		Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Revenues	Note 6	$ 43.1	$ 341.1	$ 379.7	$ 998.3
Expenses					
Human resources		16.8	107.7	124.6	321.0
Property, marketing and administration		18.3	91.9	113.5	274.0
Share of profit of equity investment		(0.9)	(0.8)	(2.1)	(2.1)
Amortization		38.2	37.6	115.3	111.8
Share-based compensation	Note 5	0.3	3.6	9.9	8.0
Interest and financing costs, net		24.3	19.9	73.8	64.7
Business acquisition, restructuring and other		8.5	(4.7)	15.3	(0.2)
Gain on sale of land		-	-	-	(6.6)
Foreign exchange gain		-	(1.5)	-	(1.9)
		105.5	253.7	450.3	768.7
(Loss) earnings before income taxes from continuing operations		(62.4)	87.4	(70.6)	229.6
Income taxes	Note 7	(13.4)	18.4	(13.7)	47.0
Net (loss) earnings from continuing operations		$ (49.0)	$ 69.0	$ (56.9)	$ 182.6
Net earnings attributable to discontinued operations		-	-	-	50.4
Net (loss) earnings		$ (49.0)	$ 69.0	$ (56.9)	$ 233.0
Net (loss) earnings from continuing operations attributable to:					
Shareholders of the Company		$ (36.5)	$ 49.7	$ (48.7)	$ 128.7
Non-controlling interests		(12.5)	19.3	(8.2)	53.9
		$ (49.0)	$ 69.0	$ (56.9)	$ 182.6
Net (loss) earnings attributable to:					
Shareholders of the Company		$ (36.5)	$ 49.7	$ (48.7)	$ 179.1
Non-controlling interests		(12.5)	19.3	(8.2)	53.9
		$ (49.0)	$ 69.0	$ (56.9)	$ 233.0
Net (loss) earnings		$ (49.0)	$ 69.0	$ (56.9)	$ 233.0
Other comprehensive loss					
Items that are or may be reclassified subsequently to net earnings					
Current period changes in fair values of derivatives designated as cash flow hedges from continuing operations, net of income taxes		-	(0.1)	-	(0.3)
Foreign currency translation of discontinued operations		-	-	-	(0.9)
Reclassification of foreign currency differences on disposal of discontinued operations		-	-	-	(2.9)
		-	(0.1)	-	(4.1)
Total comprehensive (loss) income		$ (49.0)	$ 68.9	$ (56.9)	$ 228.9
Total comprehensive (loss) income attributable to:					
Shareholders of the Company		$ (36.5)	$ 49.6	$ (48.7)	$ 175.0
Non-controlling interests		(12.5)	19.3	(8.2)	53.9
		$ (49.0)	$ 68.9	$ (56.9)	$ 228.9
Net (loss) earnings per common share from continuing operations attributable to shareholders of the Company					
Basic		$ (0.66)	$ 0.85	$ (0.88)	$ 2.19
Diluted		$ (0.66)	$ 0.82	$ (0.88)	$ 2.12
Net earnings per common share from discontinued operations attributable to shareholders of the Company		$ -	$ -	$ -	$ 0.86
Basic		$ -	$ -	$ -	$ 0.83
Diluted					
Net (loss) earnings per common share attributable to shareholders of the Company					
Basic		$ (0.66)	$ 0.85	$ (0.88)	$ 3.05
Diluted		$ (0.66)	$ 0.82	$ (0.88)	$ 2.95
Weighted average number of common shares (in thousands)	Note 8				
Basic		55,065	58,578	55,221	58,813
Diluted		55,065	60,036	55,221	60,585

GREAT CANADIAN GAMING CORPORATION

Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited - Expressed in millions of Canadian dollars, except for share information)

		Share Capital Number [1]	Share Capital Amount	Reserves	Share Capital and Reserves	Accumulated Other Comprehensive Income	Retained Earnings	Equity Attributable To Shareholders	Non-Controlling Interests	Total Equity
At January 1, 2019		58,144	$ 266.5	$ 54.2	$ 320.7	$ 4.2	$ 144.5	$ 469.4	$ 153.3	$ 622.7
Share-based compensation	Note 5	-	-	6.6	6.6	-	-	6.6	-	6.6
Exercise of incentive share options	Note 5	1,328	28.0	(4.7)	23.3	-	-	23.3	-	23.3
Repurchase of common shares	Note 5	(2,523)	(12.8)	-	(12.8)	-	(93.0)	(105.8)	-	(105.8)
Net earnings		-	-	-	-	-	179.1	179.1	53.9	233.0
Other comprehensive loss from continuing operations		-	-	-	-	(0.3)	-	(0.3)	-	(0.3)
Other comprehensive loss from discontinued operations		-	-	-	-	(3.8)	-	(3.8)	-	(3.8)
Distributions		-	-	-	-	-	-	-	(43.2)	(43.2)
At September 30, 2019		56,949	$ 281.7	$ 56.1	$ 337.8	$ 0.1	$ 230.6	$ 568.5	$ 164.0	$ 732.5
At January 1, 2020		55,367	$ 279.5	$ 57.5	$ 337.0	$ -	$ 190.4	$ 527.4	$ 133.8	$ 661.2
Share-based compensation	Note 5	-	-	13.4	13.4	-	-	13.4	-	13.4
Exercise of incentive share options	Note 5	141	3.4	(0.6)	2.8	-	-	2.8	-	2.8
Repurchase of common shares	Note 5	(473)	(2.5)	-	(2.5)	-	(12.8)	(15.3)	-	(15.3)
Net loss		-	-	-	-	-	(48.7)	(48.7)	(8.2)	(56.9)
Distributions		-	-	-	-	-	-	-	(6.8)	(6.8)
At September 30, 2020		**55,035**	**$ 280.4**	**$ 70.3**	**$ 350.7**	**$ -**	**$ 128.9**	**$ 479.6**	**$ 118.8**	**$ 598.4**

[1] Number of shares presented in thousands.

GREAT CANADIAN GAMING CORPORATION
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in millions of Canadian dollars)

		Three months ended September 30, 2020	2019	Nine months ended September 30, 2020	2019
Cash Flows from Operating Activities					
(Loss) Earnings before income taxes from continuing operations		**$ (62.4)**	$ 87.4	**$ (70.6)**	$ 229.6
Adjustments to reconcile earnings before income taxes to cash generated by operating activities:					
Amortization		**38.2**	37.6	**115.3**	111.8
Share-based compensation	Note 5	**0.3**	3.6	**9.9**	8.0
Interest and financing cost, net		**24.3**	19.9	**73.8**	64.7
Gain on sale of land		**-**	-	**-**	(6.6)
Foreign exchange gain		**-**	(1.5)	**-**	(1.9)
Other		**(0.3)**	(0.2)	**(5.0)**	(2.7)
Changes in non-cash operating working capital	Note 9(a)	**29.2**	(15.8)	**(10.7)**	(18.5)
Income taxes paid		**(1.7)**	(31.5)	**(15.9)**	(85.2)
Cash generated by operating activities from continuing operations		**27.6**	99.5	**96.8**	299.2
Cash generated by operating activities from discontinued operations		**-**	-	**-**	4.4
Cash generated by operating activities		**27.6**	99.5	**96.8**	303.6
Cash Flows from Investing Activities					
Capital expenditures, net of related accounts payable	Note 9(b)	**(62.2)**	(98.5)	**(245.5)**	(246.4)
Proceeds from sale of land		**-**	-	**-**	15.9
Interest income received		**1.0**	1.7	**4.1**	4.2
Other		**-**	(0.1)	**0.2**	(0.8)
Cash used in investing activities from continuing operations		**(61.2)**	(96.9)	**(241.2)**	(227.1)
Cash generated by investing activities from discontinued operations		**-**	-	**-**	65.2
Cash used in investing activities		**(61.2)**	(96.9)	**(241.2)**	(161.9)
Cash Flows from Financing Activities					
Payment of lease liabilities	Note 3(b)	**(21.5)**	(20.3)	**(63.8)**	(60.1)
Increase in borrowings under credit facilities	Note 4	**44.2**	64.3	**556.3**	171.0
Proceeds from Senior Unsecured Debentures	Note 4(b)	**-**	-	**189.0**	-
Repayment of debt	Note 4	**-**	(60.0)	**(329.0)**	(135.0)
Debt financing transaction costs	Note 4	**-**	(1.1)	**(9.0)**	(1.1)
Proceeds from exercise of incentive share options, net of issuance costs	Note 5(b)	**0.1**	0.6	**2.8**	23.3
Repurchase of common shares	Note 5(a)	**(8.0)**	(71.9)	**(16.1)**	(98.5)
Amount of distributions to non-controlling interests		**-**	(5.7)	**(6.8)**	(43.2)
Interest paid		**(7.5)**	(7.8)	**(36.8)**	(26.4)
Cash generated by (used in) financing activities		**7.3**	(101.9)	**286.6**	(170.0)
Effect of foreign exchange on cash		**-**	1.5	**-**	1.3
Cash (outflow) inflow		**(26.3)**	(97.8)	**142.2**	(27.0)
Cash, beginning of period		**498.2**	407.6	**329.7**	336.8
Cash, end of period		**$ 471.9**	$ 309.8	**$ 471.9**	$ 309.8

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

1. BASIS OF PRESENTATION

These Condensed Interim Consolidated Financial Statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting. Certain information and note disclosures normally included in the audited annual consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Standards Interpretation Committee ("IFRIC") have been omitted or condensed. As a result, these Condensed Interim Consolidated Financial Statements should be read in conjunction with the audited consolidated financial statements of Great Canadian Gaming Corporation (the "Company" or "GCGC") for the year ended December 31, 2019 ("Annual Financial Statements").

a) *Principal Operating Entities*

As at September 30, 2020, the Company's principal operating entities which the Company consolidates were:

Entity	Abbreviation	Location of operations	Ownership interest at
Flamboro Downs Limited	FDL	Ontario	100%
Georgian Downs Limited	GDL	Ontario	100%
Ontario Gaming East Limited Partnership	OGELP	Ontario	90.5%
Ontario Gaming GTA Limited Partnership *(doing business as One Toronto Gaming)*	OTG	Ontario	50%
Ontario Gaming West GTA Limited Partnership	OGWGLP	Ontario	100%
Chilliwack Gaming Ltd.	CGL	British Columbia	100%
Great Canadian Casinos Inc.	GCCI	British Columbia	100%
Great Canadian Entertainment Centres Ltd.	GCEC	British Columbia	100%
Hastings Entertainment Inc.	HEI	British Columbia	100%
Orangeville Raceway Limited	ORL	British Columbia	100%
Great Canadian Gaming (New Brunswick) Ltd.	GCGNB	New Brunswick	100%
Metropolitan Entertainment Group	MEG	Nova Scotia	100%

b) *Temporary Business Interruption*

The COVID-19 coronavirus pandemic (the "Pandemic") continues to have a significant impact on the Company's business since the temporary suspension of all of its gaming facilities and ancillary amenities on March 16, 2020. The Company has since reopened its gaming properties in Ontario and New Brunswick on September 28, 2020 and in Nova Scotia on October 5, 2020 under restricted operating conditions. Due to localized health authority mandates, Casino Woodbine and Casino New Brunswick were temporarily closed again on October 9, 2020, with Casino New Brunswick reopened again on October 23, 2020. In British Columbia, the Company's properties remain closed as mandated by the provincial government.

All reopened sites follow rigorous and detailed health and safety protocol developed by the Company which meet or exceed all requirements from corresponding provincial health authorities. The operational environment at all gaming properties includes reduced guest capacity and availability of slot machines, and the temporary closure of substantially all non-gaming amenities. The Company will continue to follow the direction of provincial governments and local health authorities, which continues to be rapidly fluctuating and will require the Company to adjust the operating environment in the future as conditions evolve.

The Company's capital program has also been impacted by the Pandemic. The Government of Ontario mandated the closure of all non-critical construction projects from April 4, 2020 to May 19, 2020, which temporarily halted the remainder of the Company's Ontario capital projects under development. Although these restrictions were lifted and construction recommenced with appropriate workplace safety measures in place, the Company continues to reassess the timing of its development projects in Ontario. Despite the impact on timing, the Company does not expect a material impact to the total planned capital spend on its development projects.

1. BASIS OF PRESENTATION (Continued)

b) Temporary Business Interruption (Continued)

The Company has undertaken several measures in response to the Pandemic. Management has worked diligently to monitor the potential implications of the Pandemic on the business and at all times prioritized the health and safety of its team members and guests. Prior to the temporary suspension, the Company assessed its working capital requirements and increased its liquidity to better position it to sustain a potential closure. At September 30, 2020, the Company had $471.9 in cash and $1,062.5 of available undrawn credit on its credit facilities. The Company worked closely with the respective Provincial Crown corporations to ensure its Operating Agreements remain in good standing during the suspension period. In response to the closures of its sites, the Company made operational adjustments to reduce its human resources and property, marketing and administration expenses in an effort to reduce its cash outflows during the temporary suspension period.

In addition, the Company has applied for eligible government assistance related to the Pandemic to further reduce its cash outflows. For the three and nine months ended September 30, 2020, the Company recognized $5.6 and $11.6, respectively, of eligible government assistance which was recorded as a reduction against related expenses.

The Company also completed amendments to each of its credit agreements to temporarily waive certain financial and other covenants for a defined period. Certain waivers require maintenance of a liquidity covenant during the waiver period. Upon expiry of the waiver, further waiver amendments may be required to be negotiated with creditors in a scenario of an extended temporary suspension.

The Company believes that its actions taken in response to the temporary business interruption noted above, will allow the Company to effectively maintain its capital structure and minimize its cash outflows. Given the dynamic nature of the Pandemic, the duration and magnitude of the operating restrictions remains unknown, including the impact of any additional health and safety measures introduced on reopening. Accordingly, the long-term impact on the Company's consolidated results of operations, cash flows and financial position cannot be reasonably estimated at this time.

c) Changes in Significant Accounting Policies

Except as described below, the accounting policies applied in the Condensed Interim Consolidated Financial Statements are the same as those disclosed in Note 4 of the Company's Annual Financial Statements.

i) Government Grants

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached to the grant and the grant will be received. Government grants that compensate the Company for expenses incurred are recorded as a reduction against the related expenses.

ii) Equity-settled share-based compensation

If granted share options are cancelled during the vesting period (other than those cancelled by forfeiture when the vesting conditions are not satisfied), the Company recognizes the remaining compensation expense associated with the cancelled share options in the Condensed Interim Consolidated Statements of (Loss) Earnings and Other Comprehensive (Loss) Income immediately upon cancellation.

d) Critical Accounting Estimates and Judgments

These Condensed Interim Consolidated Financial Statements have been prepared on a going concern basis, under the historical cost convention, except for the revaluation of certain financial instruments. The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

In light of the temporary business interruption, estimates and judgments have been made by management when evaluating non-financial assets for impairment (Note 2(b)), and when evaluating the Company's liquidity risk and ability to settle its contractual obligations (Note 11(a)).

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

2. LONG-LIVED ASSETS

a) Property, plant and equipment

	Land	Buildings, Building Improvements and Leasehold Improvements	Equipment	Properties Under Development	Total
Cost					
Balance at January 1, 2019	$ 92.8	$ 1,033.4	$ 299.6	$ 153.2	$ 1,579.0
Additions	0.1	0.7	4.6	435.4	440.8
Disposals(1)	(4.4)	(17.0)	(6.3)	(1.2)	(28.9)
Transferred to right-of-use assets	(5.2)	(52.0)	-	-	(57.2)
Transfers	-	67.5	94.7	(162.2)	-
Translation and other	(0.1)	(0.7)	(0.3)	-	(1.1)
Balance at December 31, 2019	$ 83.2	$ 1,031.9	$ 392.3	$ 425.2	$ 1,932.6
Additions(2)	**-**	**0.5**	**1.6**	**222.7**	**224.8**
Disposals	**(0.2)**	**-**	**-**	**-**	**(0.2)**
Transfers	**-**	**17.9**	**6.7**	**(24.6)**	**-**
Balance at September 30, 2020	**$ 83.0**	**$ 1,050.3**	**$ 400.6**	**$ 623.3**	**$ 2,157.2**
Accumulated amortization and impairment					
Balance at January 1, 2019	$ (11.2)	$ (401.2)	$ (177.5)	$ -	$ (589.9)
Amortization	-	(38.2)	(51.7)	-	(89.9)
Disposals(1)	-	8.7	5.2	-	13.9
Transferred to right-of-use assets	-	7.6	-	-	7.6
Translation and other	-	0.7	0.3	-	1.0
Balance at December 31, 2019	$ (11.2)	$ (422.4)	$ (223.7)	$ -	$ (657.3)
Amortization	**-**	**(27.3)**	**(39.4)**	**-**	**(66.7)**
Balance at September 30, 2020	**$ (11.2)**	**$ (449.7)**	**$ (263.1)**	**$ -**	**$ (724.0)**
Carrying amount					
At December 31, 2019	$ 72.0	$ 609.5	$ 168.6	$ 425.2	$ 1,275.3
At September 30, 2020	**$ 71.8**	**$ 600.6**	**$ 137.5**	**$ 623.3**	**$ 1,433.2**

(1) Disposals primarily related to the sale of the Great American Gaming Corporation's ("GAGC") property, plant, and equipment following the sale of the Company's shares of GAGC on June 27, 2019.

(2) The Company capitalized borrowing costs of $4.6 to properties under development during the three months ended September 30, 2020 (2019 - $2.7) and $10.1 during the nine months ended September 30, 2020 (2019 - $3.6) related to the development of gaming properties in Ontario.

b) Impairment analysis

The temporary business interruption, as discussed in Note 1(b), has had a significant impact on the Company's business and therefore management has undertaken an assessment for indicators of impairment of the carrying values of its long-lived assets, including property, plant and equipment, intangible assets, and goodwill. As a result, management performed an impairment test to assess whether the recoverable amount of each cash generating unit ("CGU") exceeded their carrying values. The recoverable amounts of each CGU was based on fair value less costs to sell determined by discounting the future cash flows expected to be generated by the CGU. The determination of the recoverable amount required use of significant estimates and judgments regarding forecasted cash flows used, including the extent of operating restrictions on the Company's business, and the discount rates used. Based on procedures performed, no impairment was required as at September 30, 2020.

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

3. LEASES

The Company's right-of-use assets and corresponding lease liabilities primarily consist of property, vehicle and office equipment leases. Remeasurements to the lease liability relate to changes in future lease payments arising from changes in the inflation rate, with the corresponding adjustment made to the carrying amount of the right-of-use asset.

Lease payments recognized in net (loss) earnings primarily consisted of short-term leases related to gaming equipment and variable lease payments on property leases which are calculated based on performance or usage.

a) Right-of-use assets

		Land		Building and Building Improvements		Equipment		Total
Cost								
Balance at January 1, 2019	$	19.8	$	976.0	$	0.2	**$**	**996.0**
Additions		-		9.3		-		**9.3**
Modifications and remeasurements		-		35.5		-		**35.5**
Balance at December 31, 2019	$	19.8	$	1,020.8	$	0.2	$	1,040.8
Modifications and remeasurements		**-**		**27.2**		**-**		**27.2**
Balance at September 30, 2020	**$**	**19.8**	**$**	**1,048.0**	**$**	**0.2**	**$**	**1,068.0**
Accumulated Amortization								
Balance at January 1, 2019	$	-	$	-	$	-	**$**	**-**
Amortization		(1.0)		(54.0)		(0.1)		**(55.1)**
Balance at December 31, 2019	$	(1.0)	$	(54.0)	$	(0.1)	$	(55.1)
Amortization		**(0.8)**		**(41.0)**		**-**		**(41.8)**
Balance at September 30, 2020	**$**	**(1.8)**	**$**	**(95.0)**	**$**	**(0.1)**	**$**	**(96.9)**
Carrying amount								
At December 31, 2019	$	18.8	$	966.8	$	0.1	$	985.7
At September 30, 2020	**$**	**18.0**	**$**	**953.0**	**$**	**0.1**	**$**	**971.1**

b) Lease liabilities

The following table reconciles the opening and ending balances of the lease liabilities:

Lease liabilities recognized at January 1, 2019	$	947.3
Lease payments		(82.8)
Interest accretion		50.9
Additions		9.3
Lease modification and other remeasurements		35.5
Current portion of lease liabilities		(34.4)
Non-current portion of lease liabilities at December 31 2019	**$**	**925.8**

Current and non-current lease liabilities at January 1, 2020	$	960.2
Lease payments		(63.8)
Interest accretion		38.4
Lease modification and other remeasurements		27.2
Current portion of lease liabilities		(36.8)
Non-current portion of lease liabilities at September 30, 2020	**$**	**925.2**

The Company expects the following maturities of its undiscounted lease liabilities:

Contractual undiscounted cash flows:		
Less than one year	$	86.4
Two to three years		168.2
Four to five years		165.4
More than five years		1,068.6
Total undiscounted lease liabilities as at September 30, 2020	**$**	**1,488.6**

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

4. LONG-TERM DEBT

			September 30, 2020		December 31 2019
Senior Secured Credit Facilities of GCGC, net of unamortized transaction costs of $4.1 (December 31, 2019 - $4.2)	Note 4(a)	**$**	**345.9**		345.8
Senior Unsecured Debentures of GCGC, net of unamortized transaction costs of $7.4 (December 31, 2019 - $nil)	Note 4(b)		**181.6**		-
Non-recourse Revolving and Capital Expenditure Credit Facilities of OTG, net of unamortized transaction costs of $8.5 (December 31, 2019 - $11.1)	Note 4(c)		**520.0**		319.5
Non-recourse Revolving Credit Facility of OGWGLP, net of unamortized transaction costs of $2.5 (December 31, 2019 - $3.0)	Note 4(d)		**138.4**		109.6
Non-recourse Revolving Credit Facility of OGELP, net of unamortized transaction costs of $0.9 (December 31, 2019 - $1.1)	Note 4(e)		**96.1**		94.9
		$	**1,282.0**	$	869.8

a) Senior Secured Credit Facilities of GCGC

The Company has a Senior Secured Credit Facilities agreement, comprising a revolving facility and a term loan facility, which matures on November 6, 2023. On March 2, 2020, the Company amended its Senior Secured Credit Facilities agreement by increasing the capacity of its revolving facility by $150.0. The Senior Secured Credit Facilities now provides an aggregate capacity of $900.0, comprising a $550.0 revolving facility and a fully drawn $350.0 term loan facility. The Senior Secured Credit Facilities are guaranteed and secured by the assets of the Company and its wholly owned subsidiaries, except for OGWGLP, which has its own credit facility as described in Note 4(d).

Transaction costs associated with the March 2, 2020 amendment of the Senior Secured Credit Facilities agreement of $0.9 are amortized through the “interest and financing costs, net” line of the Condensed Interim Consolidated Statements of (Loss) Earnings and Other Comprehensive (Loss) Income over the remaining term of the Senior Secured Credit Facilities.

As at September 30, 2020, the Company had $497.7 of available undrawn credit on its Senior Secured Credit Facilities (December 31, 2019 – $347.6) after deducting outstanding letters of credit of $52.3 (December 31, 2019 - $52.4). The availability of undrawn credit is subject to certain conditions, including compliance with related financial covenants.

As a result of the temporary suspension of operations (as described in Note 1(b)), the Company entered into an agreement with its lenders on April 27, 2020 to temporarily waive compliance with its financial covenants under the Senior Secured Credit Facilities, subject to maintaining a minimum liquidity balance of $250.0 comprised of cash on deposit with banks and available undrawn credit on the facility at all times during the waiver period. The waiver period will be in effect until January 1, 2021.

b) Senior Unsecured Debentures of GCGC

On March 2, 2020, the Company closed a senior unsecured debenture offering for gross proceeds of $180.0. On April 30, 2020, the over-allotment option was completed for additional gross proceeds of $9.0, bringing the aggregate total received for the debenture offering to $189.0, less applicable transaction costs. The debentures bear interest from the date of issuance at 5.25% per annum, payable semi-annually and will mature on December 31, 2026. The debentures are listed on the Toronto Stock Exchange (“TSX”) under the symbol GC.DB.

The debentures will not be redeemable before December 31, 2022, except upon the occurrence of a change of control of the Company in accordance with the terms of the Indenture governing the debentures. There are customary provisions for early redemptions of the Senior Unsecured Debentures during defined periods prior to maturity with payment of defined premiums.

4. LONG-TERM DEBT (CONTINUED)

b) Senior Unsecured Debentures of GCGC (Continued)

The debentures are classified as a financial liability and initially recorded at fair value of $189.0, net of transaction costs of $8.1 and are measured subsequently at amortized cost. Transaction costs incurred to date associated with the debenture offering are amortized through the “interest and financing costs, net” line of the Condensed Interim Consolidated Statements of (Loss) Earnings and Other Comprehensive (Loss) Income over the term of the debentures.

Subject to required regulatory approval and provided no event of default has occurred under the terms of the governing indenture agreement, the Company has the option to satisfy its obligation to pay the principal amount of the debentures due on or before maturity (plus any applicable premium) by cash or by issuing common shares. The Senior Unsecured Debentures are not subject to any financial covenants. As at September 30, 2020, GCGC was in compliance with its operational and other covenants under the terms of the Indenture.

On June 2, 2020, the Company received approval from the TSX to commence a normal course issuer bid to purchase up to $18.9 of its debentures, representing approximately 10% of the $189.0 aggregate principal. The bid commenced on June 5, 2020 and will expire on June 4, 2021. All debentures purchased by the Company will be subsequently cancelled. The Company has not purchased any debentures for cancellation under this issuer bid.

c) Non-recourse Revolving and Capital Expenditures Credit Facilities of OTG

OTG has non-recourse credit facilities that provide an aggregate capacity of up to $1,100.0, comprising a $900.0 capital expenditures facility and a $200.0 revolving facility, for the acquisition, operation, construction, and development of its gaming facilities in the GTA Gaming Bundle. OTG’s assets are pledged as collateral on the credit facilities. The credit facilities agreement matures on March 6, 2023.

As at September 30, 2020, OTG had $488.6 of available undrawn credit on its Non-recourse Revolving and Capital Expenditures credit facilities (December 31, 2019 - $703.0), after deducting outstanding letters of credit of $82.9 (December 31, 2019 – $66.4). The availability of undrawn credit is subject to certain conditions. OTG’s credit facilities are not subject to any financial covenants. As at September 30, 2020, OTG was in compliance with its operational and other covenants under the terms of its credit facilities agreement.

4. LONG-TERM DEBT (CONTINUED)

d) Non-recourse Revolving Credit Facility of OGWGLP

OGWGLP has a non-recourse revolving credit facility that provides a capacity of $200.0 for the acquisition, operation, construction, and development of its gaming facilities in the West GTA Gaming Bundle. OGWGLP's assets are pledged as collateral on the credit facility. The non-recourse revolving credit facility agreement matures on November 1, 2024.

As at September 30, 2020, OGWGLP had $59.1 (December 31, 2019 – $87.4) of available credit on its non-recourse revolving credit facility. The availability of undrawn credit is subject to certain conditions, including compliance with related financial covenants.

As a result of the temporary suspension of operations (as described in Note 1(b)), OGWGLP entered into an agreement with its lenders on April 27, 2020 to temporarily waive compliance with its financial and certain other covenants under the non-recourse revolving credit facility, subject to maintaining a minimum liquidity balance of $50.0 comprised of cash on deposit with banks and available undrawn credit on the facility at all times during the waiver period. The waiver period will be in effect until January 1, 2021.

e) Non-recourse Revolving Credit Facility of OGELP

OGELP has a non-recourse revolving credit facility that provides a capacity of up to $130.0 and matures on September 6, 2023. OGELP's assets are pledged as collateral on the credit facility.

As at September 30, 2020, OGELP had $17.1 (December 31, 2019 - $18.1) of available undrawn credit on its credit facility after deducting outstanding letters of credit of $15.9 (December 31, 2019 - $15.9). The availability of undrawn credit is subject to certain conditions, including compliance with related financial covenants.

As a result of the temporary suspension of operations (as described in Note 1(b)), OGELP entered into an agreement with its lenders on April 27, 2020 to temporarily waive compliance with its financial covenants and certain other covenants under the non-recourse revolving credit facility, subject to maintaining a minimum liquidity balance of $20.0 comprised of cash on deposit with banks and available undrawn credit on the facility at all times during the waiver period. The waiver period will be in effect until January 1, 2021.

5. SHARE CAPITAL AND RESERVES

The Company is authorized to issue an unlimited number of common shares with no par value.

a) *Share repurchases*

On June 27, 2019, the Company received approval from the TSX to renew a normal course issuer bid for up to 3,971,976 of its common shares. The bid commenced on July 3, 2019 and expired July 2, 2020. All purchases under this issuer bid ended in January 2020 when the Company purchased for cancellation the remaining 172,724 common shares available under the bid at a weighted-average price per share of $42.29.

On June 29, 2020, the Company announced receiving approval from the TSX to renew a normal course issuer bid for up to 3,674,077 of its common shares, representing approximately 10% of the Company's common shares in the public float. The bid commenced on July 3, 2020 and will end on July 2, 2021, or earlier if the number of shares sought in the issuer has been obtained. The Company will not purchase shares during its self-imposed blackout periods and reserves the right to terminate the bid earlier. Purchases will be made by way of open market purchases through the facilities of the TSX, and other Canadian market places, and payment for the shares will be in accordance with the TSX's rules. No purchases will be made other than by means of open market transactions during the term of the normal course issuer bid and conducted at the market price at the time of acquisition. All shares purchased by the Company will be subsequently cancelled. Under the current issuer bid, the Company purchased for cancellation 300,471 common shares during the three month period ended September 30, 2020 at a weighted-average price per share of $26.55. The Company did not repurchase any common shares subsequent to September 30, 2020.

b) *Share option plan*

The changes in the number of share options and their weighted-average exercise price during the nine months ended September 30, 2020 and 2019 were as follows:

	September 30, 2020		September 30, 2019	
	Options [(1)]	**Weighted-Average Exercise Price**	Options [(1)]	Weighted-Average Exercise Price
Outstanding, beginning of period	**4,707**	**$ 30.20**	5,188	$ 22.93
Granted	**-**	**-**	590	50.31
Cancelled[(2)]	**(1,180)**	**44.63**	-	-
Forfeited	**(36)**	**42.40**	(29)	22.69
Exercised	**(141)**	**19.89**	(1,328)	17.58
Outstanding, end of period	**3,350**	**$ 25.44**	4,421	$ 28.16

(1) Option information is presented in thousands.

(2) These share options were voluntarily cancelled on June 22, 2020, resulting in the immediate recognition of the remaining share-based compensation costs of $6.9.

Related to these share options, the Company recorded equity-settled share-based compensation expense of $1.1 for the three months ended September 30, 2020 (2019 - $2.8) and $13.4 for the nine months ended September 30, 2020 (2019 - $6.6).

5. SHARE CAPITAL AND RESERVES (Continued)

b) Share option plan (Continued)

The average fair values of share options granted to employees at the time of the grants and the weighted-average assumptions used in applying the Black-Scholes option pricing model are shown below. The Company did not grant any share options during the nine months ended September 30, 2020.

	Nine months ended September 30,	
	2020	2019
Option award fair value	**$ -**	$ 13.65
Risk-free interest rate	**-**	1.8%
Expected lives (1)	**-**	3.5 years
Expected volatility (2)	**-**	33.7%

(1) Estimated based on the Company's vesting policy and historical exercise pattern.
(2) Based on the historical volatility of the Company's share price over the most recent period consistent with the expected lives of the options.

c) Deferred Share Units ("DSUs")

The changes in DSUs provided to non-employee directors of the Company were as follows:

	Nine months ended September 30,	
Number of Units (in thousands)	**2020**	2019
Outstanding, beginning of period	**166**	184
Issued	**19**	14
Outstanding, end of period	**185**	198

Related to these DSUs, the Company recorded a liability of $4.4 in "deferred credits, provisions and other liabilities" at September 30, 2020 (December 31, 2019 - $7.4), cash-settled share-based compensation recovery of $0.8 for the three months ended September 30, 2020 (2019 – recovery of $0.2) and recovery of $3.0 for the nine months ended September 30, 2020 (2019 – recovery of $0.5).

d) Restricted Share Units ("RSUs")

The changes in RSUs provided to employees of the Company were as follows:

	Nine months ended September 30,	
Number of Units (in thousands)	**2020**	2019
Outstanding, beginning of period	**245**	119
Issued	**-**	178
Forfeited	**(31)**	(5)
Settled in cash	**(84)**	(45)
Outstanding, end of period	**130**	247

Assuming both a constant market price for the Company's common shares and no award forfeitures, the RSUs would result in cash settlement payments of $0.3 to employees after they vest in 2020, $2.0 in 2021 and $0.9 in 2022.

Related to these RSUs, the Company recorded a liability of $1.6 in "accounts payable and accrued liabilities" at September 30, 2020 (December 31, 2019 - $3.0), $0.3 in "deferred credits, provisions and other liabilities" at September 30, 2020 (December 31, 2019 - $1.8), cash-settled share-based compensation of $nil for the three months ended September 30, 2020 (2019 – expense of $1.0) and recovery of $0.5 for the nine months ended September 30, 2020 (2019 – expense of $1.9).

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

6. REVENUES

	Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Gaming revenues	**$ 38.9**	$ 295.5	**$ 340.7**	$ 871.1
Hospitality revenues	**-**	29.9	**19.2**	81.5
Racetrack, lease and other revenues	**4.2**	15.7	**19.8**	45.7
	$ 43.1	$ 341.1	**$ 379.7**	$ 998.3

7. INCOME TAXES

The Company's income tax expense is as follows:

	Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Current tax (recovery) expense	**$ (10.2)**	$ 15.1	**$ (5.8)**	$ 50.4
Deferred tax (recovery) expense	**(3.2)**	3.3	**(7.9)**	(3.4)
Total income tax	**$ (13.4)**	$ 18.4	**$ (13.7)**	$ 47.0

The Company's income tax for the three and nine months ended September 30, 2020 can be reconciled to (loss) earnings before income taxes from continuing operations as follows:

	Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Applicable federal and provincial statutory income tax rate(1)	**26.92%**	26.66%	**27.35%**	26.66%
(Loss) earnings before income taxes from continuing operations(2)	**$ (62.4)**	$ 87.4	**$ (70.6)**	$ 229.6
Expected income tax for the period	**(16.8)**	23.3	**(19.3)**	61.2
Effect of:				
Non-deductible share-based compensation	**0.3**	0.8	**3.6**	1.8
Non-taxable portion of gain from sale of land	**-**	-	**-**	(0.9)
Non-controlling interest(2)	**3.3**	(5.3)	**2.2**	(14.4)
Other items	**(0.2)**	(0.4)	**(0.2)**	(0.7)
Total income tax	**$ (13.4)**	$ 18.4	**$ (13.7)**	$ 47.0

(1) The income tax rate used for the reconciliation is the weighted average applicable statutory rates used by the entities in Ontario, B.C., New Brunswick and Nova Scotia.

(2) (Loss) earnings before income taxes from continuing operations includes 100% of OTG's, OGWGLP's and OGELP's earnings, however, the Company is only required to pay corporate income tax on its share of OTG's, OGWGLP's and OGELP's taxable income, respectively, with the remaining taxable income picked up by the non-controlling interest partners of the partnerships. Accordingly, there is a reconciling item relating to the partnerships' earnings allocated to the non-controlling interest.

7. INCOME TAXES (Continued)

The Canada Revenue Agency ("CRA") has conducted audits of the Company's and its subsidiaries' Facility Development Commission ("FDC") filing positions of its B.C. operations for the 2009 to 2014 years. CRA has taken the position that FDC was received by the Company and its subsidiaries during 2009 and subsequent years as service fee income and should be included in taxable income when received. For income tax purposes, the Company and its subsidiaries treat the reimbursement by BCLC of the approved gaming related property, plant and equipment costs as a reduction in the capital cost of the asset. CRA's current position is inconsistent with the results of CRA's findings in their previous audits of the Company's Great Canadian Casinos Inc. subsidiary for the 2000 and 2001 taxation years.

If CRA's current position prevails, it would accelerate the timing of the Company's and its subsidiaries' recognition of taxable income, but would also increase the tax depreciation deduction (capital cost allowance) that they could recognize in prior and future years.

Based on the FDC received from BCLC between January 1, 2009 and June 2, 2018, if CRA's current position on FDC prevails, preliminary estimates indicate the Company's consolidated current tax expense would increase $57.2, deferred tax expense would decrease $56.1, and interest and financing costs would increase $16.7, resulting in a one-time $17.8 decrease in net earnings and a corresponding decrease to basic net earnings attributable to the shareholders of the Company per share of approximately $0.32 per share, based on the number of shares outstanding as at September 30, 2020.

During 2015, the Company received notices of reassessment from CRA for itself and three of its subsidiaries related to the income tax treatment of FDC received from BCLC in 2009 and 2010. During 2016, the Company and five of its subsidiaries received notices of reassessment related to the income tax treatment of FDC received from BCLC in 2011, and 2012, and in some cases 2013. As a part of the notices of reassessment received during 2016, the CRA waived $1.1 of interest relating to the 2011 and 2012 taxation years. During 2017, the Company and five of its subsidiaries received notices of reassessment related to the income tax treatment of FDC received from BCLC in 2013 and 2014.

The Company strongly disagrees with the CRA's current position on FDC and CRA's adjustments to the taxable income of it and its subsidiaries in respect of FDC. Management believes that it is probable that the Company's and its subsidiaries' tax filing positions with respect to FDC will prevail and consequently the Company and its subsidiaries have not accrued for additional income tax liabilities, income tax expenses, and interest as a result of the reassessments received from CRA.

The Company and its subsidiaries intend to vigorously defend their tax filing positions and the five subsidiaries that have received notices of reassessment from CRA for 2009 to 2014 have filed notices of objection with CRA's Appeals Division. In order to file a notice of objection, the Company and its subsidiaries are required to pay at least 50% of the amounts reassessed and will record a corresponding income tax receivable from CRA until the dispute is resolved. As at September 30, 2020, the Company and its subsidiaries have deposited a net amount of $38.9 (2019 - $38.9) to CRA and is reflected in "cash on deposit with Canada Revenue Agency" on the Condensed Interim Consolidated Statements of Financial Position.

During 2018, five of the Company's subsidiaries received notices of confirmation for the taxation years under audit. The five subsidiaries filed notices of appeal to the Tax Court of Canada to each notice of confirmation received. During the first quarter of 2019, the Company and its subsidiaries received the Respondent's Replies to the notices of appeal. In response to the Pandemic, the Company and the Respondent agreed to delay the process with revised timelines still to be determined.

The Company and its subsidiaries plan to file notices of objection to CRA's Appeals Division to each notice of reassessment that may be received for any subsequent years.

8. SHARE INFORMATION

Share information below is presented in thousands.

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	**2020**	2019
Weighted-average number of common shares outstanding	**55,065**	58,578	**55,221**	58,813
Dilutive adjustment for share options	**-**	1,458	**-**	1,772
Diluted weighted-average number of common shares	**55,065**	60,036	**55,221**	60,585

The number of outstanding share options (in thousands) that are anti-dilutive and therefore are not included in the above calculation were 3,350 at September 30, 2020 (2019 – 590). During a loss period, the assumed exercise of in-the-money share options has an anti-dilutive effect and therefore are excluded from the computation of dilutive earnings per share.

9. SUPPLEMENTAL CASH FLOW INFORMATION

a) *Changes in non-cash operating working capital*

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	**2020**	2019
Accounts receivable	**$ 36.2**	$ 1.5	**$ 49.4**	$ (15.8)
Prepaids, deposits and other assets	**(0.3)**	(0.2)	**1.9**	(3.5)
Accounts payable and accrued liabilities	**(6.7)**	(17.1)	**(62.0)**	0.8
	$ 29.2	$ (15.8)	**$ (10.7)**	$ (18.5)

b) *Capital expenditures, net of related accounts payable*

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	**2020**	2019
Purchases of property, plant and equipment	**$ (73.9)**	$ (118.1)	**$ (224.8)**	$ (286.8)
Change in related accounts payable	**11.7**	19.6	**(20.7)**	40.4
	$ (62.2)	$ (98.5)	**$ (245.5)**	$ (246.4)

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

10. SEGMENT INFORMATION

As a result of the temporary business interruption, as discussed in Note 1(b), the Chief Operating Decision Maker ("CODM") now evaluates Free Cash Flow as an additional measure during the Pandemic period in assessing each region's performance and allocating resources to each region. Segment information for each operating segment are as follows:

	Ontario	B.C.	Atlantic	Corporate	Total
Three months ended September 30, 2020					
Gaming revenues	**$ 37.8**	**$ 1.0**	**$ 0.1**	**$ -**	**$ 38.9**
Hospitality revenues	**-**	**-**	**-**	**-**	**-**
Racetrack, lease and other revenues	**3.6**	**0.6**	**-**	**-**	**4.2**
Revenues	**$ 41.4**	**$ 1.6**	**$ 0.1**	**$ -**	**$ 43.1**
Adjusted EBITDA	**$ 22.5**	**$ (5.6)**	**$ (3.4)**	**$ (4.6)**	**$ 8.9**
Free Cash Flow	**$ (29.2)**	**$ (14.1)**	**$ (5.1)**	**$ (6.4)**	**$ (54.8)**
Three months ended September 30, 2019					
Gaming revenues	$ 208.6	$ 66.7	$ 20.2	$ -	$ 295.5
Hospitality revenues	7.2	18.1	4.6	-	29.9
Racetrack, lease and other revenues	9.4	5.4	0.9	-	15.7
Revenues	$ 225.2	$ 90.2	$ 25.7	$ -	$ 341.1
Adjusted EBITDA	$ 99.0	$ 40.7	$ 9.4	$ (6.8)	$ 142.3
Free Cash Flow	$ (49.0)	$ 23.3	$ 9.8	$ (15.7)	$ (31.6)
Nine months ended September 30, 2020					
Gaming revenues	**$ 273.1**	**$ 53.5**	**$ 14.1**	**$ -**	**$ 340.7**
Hospitality revenues	**6.0**	**9.8**	**3.4**	**-**	**19.2**
Racetrack, lease and other revenues	**14.0**	**5.1**	**0.7**	**-**	**19.8**
Revenues	**$ 293.1**	**$ 68.4**	**$ 18.2**	**$ -**	**$ 379.7**
Adjusted EBITDA	**$ 147.1**	**$ 17.5**	**$ (2.2)**	**$ (18.7)**	**$ 143.7**
Free Cash Flow	**$ (179.5)**	**$ (2.6)**	**$ (7.2)**	**$ (39.7)**	**$ (229.0)**
Nine months ended September 30, 2019					
Gaming revenues	$ 616.1	$ 199.2	$ 55.8	$ -	$ 871.1
Hospitality revenues	19.3	49.2	13.0	-	81.5
Racetrack, lease and other revenues	26.7	16.3	2.7	-	45.7
Revenues	$ 662.1	$ 264.7	$ 71.5	$ -	$ 998.3
Adjusted EBITDA	$ 293.6	$ 111.8	$ 23.6	$ (23.6)	$ 405.4
Free Cash Flow	$ (74.7)	$ 78.5	$ 18.9	$ (53.9)	$ (31.2)

Segment Assets	**Ontario**	**B.C.**	**Atlantic**	**Corporate**	**Total**
As at September 30, 2020					
Cash	**$ 227.5**	**$ 64.6**	**$ 7.0**	**$ 172.8**	**$ 471.9**
Total assets	**$ 2,205.8**	**$ 627.9**	**$ 96.0**	**$ 183.2**	**$ 3,112.9**
As at December 31, 2019					
Cash	$ 221.2	$ 82.5	$ 16.6	$ 9.4	$ 329.7
Total assets	$ 2,079.3	$ 653.6	$ 103.3	$ 15.7	$ 2,851.9

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

10. SEGMENT INFORMATION (CONTINUED)

The following table is a reconciliation of Adjusted EBITDA, as presented above, to net (loss) earnings as presented in the Company's Condensed Interim Consolidated Statements of (Loss) Earnings and Other Comprehensive (Loss) Income:

	Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Adjusted EBITDA	**$ 8.9**	$ 142.3	**$ 143.7**	$ 405.4
Less:				
Amortization	**38.2**	37.6	**115.3**	111.8
Share-based compensation	**0.3**	3.6	**9.9**	8.0
Interest and financing costs, net	**24.3**	19.9	**73.8**	64.7
Business acquisition, restructuring and other	**8.5**	(4.7)	**15.3**	(0.2)
Gain on sale of land	**-**	-	**-**	(6.6)
Foreign exchange gain	**-**	(1.5)	**-**	(1.9)
Income taxes	**(13.4)**	18.4	**(13.7)**	47.0
Net (loss) earnings from continuing operations	**$ (49.0)**	$ 69.0	**$ (56.9)**	$ 182.6

The following table is a reconciliation of Free Cash Flow, as presented above, to cash generated by operating activities as presented in the Company's Condensed Interim Consolidated Statements of Cash Flows:

	Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Free cash flow	**$ (54.8)**	$ (31.6)	**$ (229.0)**	$ (31.2)
Add (less):				
Capital expenditures, net of related accounts payable	**62.2**	98.5	**245.5**	246.4
Payment of lease liabilities	**21.5**	20.3	**63.8**	60.1
Interest paid	**7.5**	7.8	**36.8**	26.4
Other[1]	**(8.8)**	4.5	**(20.3)**	(2.5)
Cash generated by operating activities from discontinued operations	**-**	-	**-**	4.4
Cash generated by operating activities	**$ 27.6**	$ 99.5	**$ 96.8**	$ 303.6

[1] Consists of (i) "business acquisition, restructuring and other" from the Condensed Interim Consolidated Statements of (Loss) Earnings and Other Comprehensive (Loss) Income and (ii) "other" adjustments to reconcile earnings before income taxes to cash generated by operating activities from the Condensed Interim Consolidated Statements of Cash Flows.

11. FINANCIAL INSTRUMENTS

a) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by monitoring its capital structure, regularly monitoring forecast and actual cash flows, managing the maturity profiles of financial assets and financial liabilities and maintaining credit capacity within its revolving credit facilities.

As discussed in Note 1(b), some of the Company's operations have resumed under restricted operating conditions. Depending on the extent of operating restrictions on the Company's business, the Company may generate negative net operating cash flows. The Company's ability to settle its contractual obligations is subject to the temporary waivers on its credit agreements (see Note 4) remaining in place, including any future extensions, as required, and/or the timing of when operating restrictions are lifted.

For the three months and nine months ended September 30, 2020, there were no material changes to the Company's contractual obligations, except for the issuance of the Senior Unsecured Debentures and amendments to the Company's credit agreements to temporarily waive compliance with financial and other covenants, as discussed in Note 4.

The Company has commitments for capital expenditures related to the developments of its Ontario gaming facilities, which will be settled over the duration of the related developments. In response to the Pandemic, as discussed in Note 1(b), the Government of Ontario mandated the closure of all non-critical construction projects from April 4, 2020 to May 19, 2020, which temporarily halted the remainder of the Company's Ontario capital projects under development. Although these restrictions were lifted and construction recommenced with appropriate workplace safety measures in place, the Company continues to reassess the timing of its development projects in Ontario. The estimated timing in settling these commitments will also be reassessed accordingly.

b) Interest rate risk

The financial instruments that give rise or may give rise to the most significant exposure to floating interest rate risk are the Senior Secured Credit Facilities, OTG's Non-recourse Revolving and Capital Expenditures Credit Facilities, OGWGLP's Non-recourse Revolving Credit Facility, and OGELP's Non-recourse Revolving Credit Facility (see Note 4).

A sensitivity analysis has been determined based on the exposure to interest rates for floating rate liabilities at the reporting date. The analysis is prepared assuming the amount of liability outstanding at reporting date was outstanding for the whole year. A 1% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 1% higher or lower and all other variables were held constant, the Company's net (loss) earnings would decrease or increase by $11.2.

11. FINANCIAL INSTRUMENTS (CONTINUED)

c) Fair values

The fair values of cash, accounts receivable, accounts payable and accrued liabilities approximate their carrying values due to their short term nature.

The disclosure of the three-level fair value hierarchy reflects the significance of the inputs used in measuring fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than quoted prices in active markets for identical assets and liabilities, either directly or indirectly.

Level 3 – Inputs that are not based on observable market data.

The Company's Senior Unsecured Debentures (Note 4(b)) are Level 1 financial instruments that are based on unadjusted quoted prices trading in active markets. As at September 30, 2020, the Senior Unsecured Debentures had a fair value of $172.0 (December 31, 2019 – N/A) and a carrying value of $181.6 (December 31, 2019 – N/A).

The Company's long-term debt instruments, except for the Senior Unsecured Debentures, are Level 2 financial instruments as they are estimated based on quoted prices that are observable for similar instruments or on the current rates offered to the Company for debt of the same maturity. As at September 30, 2020, the Company's long-term debt instruments, excluding the Senior Unsecured Debentures, had a fair value of $1,116.4 (December 31, 2019 - $889.1) and a carrying value of $1,100.4 (December 31, 2019 - $869.8).

The Company's contingent future trailing payments related to the acquisition of Elements Casino Chilliwack are recurring Level 3 financial instruments as they require management to make assumptions regarding the measurement of fair value using significant inputs that are not based on observable market data. As at September 30, 2020, the fair value and carrying value of the Company's contingent future trailing payments was $4.6 (December 31, 2019 - $6.2), of which $0.1 (December 31, 2019 - $0.7) was recorded in "other liabilities" and $4.5 (December 31, 2019 – $5.4) was recorded in "deferred credits, provisions and other liabilities" on the Condensed Interim Consolidated Statements of Financial Position.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 2 and Level 3 financial instruments during the periods.

12. SUBSEQUENT EVENT

On November 10, 2020, the Company entered into a definitive agreement to be acquired by funds (the "Apollo Funds") managed by affiliates of Apollo Global Management, Inc. (together with its consolidated subsidiaries, "Apollo"). Under the terms of the agreement, Apollo Funds will acquire all the outstanding common shares of the Company for $39.00 per share. The transaction has been approved unanimously by the Board of Directors of Great Canadian and is anticipated to close in the second quarter of 2021. The transaction is not subject to a financing condition, but will be subject to a number of closing conditions, including customary provincial and federal regulatory approvals, the receipt of necessary shareholder approvals, the receipt of the necessary approvals from the Supreme Court of British Columbia, and the Company maintaining its credit facilities.