GREAT CANADIAN GAMING CORPORATION

GREAT CANADIAN GAMING ANNOUNCES FOURTH QUARTER AND ANNUAL 2019 RESULTS

March 3, 2020 – Toronto, ON – Great Canadian Gaming Corporation **[TSX:GC]** ("Great Canadian," or "the Company") today announced its financial results for the three month period ended December 31, 2019 (the "fourth quarter") and the twelve month period ended December 31, 2019 ("2019", or the "full year").

FOURTH QUARTER AND 2019 HIGHLIGHTS

- Revenues(1) of $357.4 million in the fourth quarter and $1,355.6 in the full year, an increase of 8% and 15%, respectively, when compared to the same periods in the prior year.
- Adjusted EBITDA(1)(2)(3) of $152.0 million in the fourth quarter and $557.3 in the full year, which included a $21.1 million and $83.7 million positive impact from IFRS 16 adoption, respectively. Adjusted EBITDA of $117.8 and $466.0 million in the same prior year periods.
- Shareholders' net earnings from continuing operations(1)(3) of $45.8 million or $0.81 per common share in the fourth quarter, and $174.4 million or $3.00 per common share in the full year, which included a negative impact from IFRS 16 adoption of $2.5 million or $0.04 per common share in the fourth quarter and $7.9 million or $0.13 per common share in the full year. Shareholders' net earnings from continuing operations(1) of $26.3 million or $0.44 per common share in the prior fourth quarter and $146.1 million or $2.40 per common share in the prior year.
- On December 13, 2019 Great Canadian announced the appointment of Matthew Anfinson as the Company's Chief Operating Officer ("COO").
- The Company purchased for cancellation 1,886,396 common shares under its current normal course issuer bid, at a weighted average price per share of $42.14 in the fourth quarter. Subsequent to December 31, 2019, the Company purchased 172,724 common shares at a weighted-average price per share of $42.29, which completed the remaining balance available under the current issuer bid.
- On March 2, 2020, the Company closed a senior unsecured debenture offering for proceeds of $180.0, less transaction costs of $7.4. The debenture offering includes an over-allotment option to increase proceeds by an additional $27.0, less applicable transaction costs, and will expire 30 days after the close date. The debentures will bear interest from the date of issuance at 5.25% per annum, payable semi-annually in arrears commencing June 30, 2020 and will mature on December 31, 2026.
- On February 14, 2020, the Company filed an issuer bid circular, pursuant to which it will offer to purchase for cancellation up to $500.0 of its outstanding common shares from shareholders. The offer is expected to expire on March 20, 2020, unless otherwise extended or withdrawn. The Company plans to fund any purchases under the issuer bid with a combination of cash on hand and proceeds drawn on its senior secured revolving facility.

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(1) Excluded results of the U.S. region, which have been presented as discontinued operations.

(2) Adjusted EBITDA is a non-IFRS measure, as described in the disclaimer section of this press release, and excludes discontinued operations.

(3) 2019 financial results reflect the adoption of IFRS 16, *Leases* ("IFRS 16"), as described in the Financial Review section of this press release. Comparative information has not been adjusted for IFRS 16.

“2019 was a productive year with construction activities ramping up on several significant developments that will continue through 2020 and 2021. In December 2019, we also successfully on-boarded our new Chief Operating Officer, Matt Anfinson, who brings the skills and experience required to optimize on operational opportunities at current facilities, as well as develop strategies to successfully launch our new properties under development,” stated Rod Baker, the Company’s Chief Executive Officer.

“We are also pleased with our recent efforts to enhance the Company’s capital structure as we move into a busy 2020, including the previously announced accordion increase to the Company’s senior secured revolving facility, closing the senior unsecured debenture offering, as well as the substantial issuer bid offer to shareholders,” added Mr. Baker.

FINANCIAL REVIEW

Revenues increased during the fourth quarter and 2019, when compared to the same periods in the prior year. The increases were attributable to the expansion of gaming and non-gaming amenities in the Ontario properties. Revenues for the twelve months ended December 31, 2019 included an additional 22 and 120 days of operations from the GTA and West GTA gaming bundles since their acquisitions on January 23, 2018 and May 1, 2018, respectively.

Adjusted EBITDA increased during the fourth quarter and 2019, when compared to the same periods in the prior year, mainly due to the accounting impact of IFRS 16, the new lease accounting standard adopted on January 1, 2019. Readers are cautioned that the financial results for the comparative period in 2018 have not been adjusted for IFRS 16. The increase in Adjusted EBITDA was also attributable to the above mentioned increased revenues in the Ontario region, partially offset by increased operating costs related to expanded operations in Ontario.

Shareholders’ net earnings from continuing operations of $45.8 million in the fourth quarter increased by $19.5 million, when compared to the same period in the prior year, primarily due to increased Adjusted EBITDA in Ontario, and lower interest and financing costs on the Company’s Senior Secured Credit Facilities after the redemption of the 6.625% $450.0 million Senior Unsecured Notes and the associated early redemption premium of $9.9 million incurred in the fourth quarter of 2018, partially offset by increased amortization related to capital investments for the Ontario developments, increased income taxes, and the net effect of adopting IFRS 16.

Shareholders’ net earnings from continuing operations of $174.4 million in the full year increased by $28.3 million, when compared to the same period in the prior year, primarily due to increased Adjusted EBITDA in Ontario, the gain on sale of a parcel of vacant land in B.C., partially offset by increased amortization related to capital investments for the Ontario developments, increased income taxes, and the net effect of adopting IFRS 16.

Implementation of IFRS 16:
IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all material leases.

The following are the key changes in the fourth quarter and the full year, when compared to the same periods in 2018, due to adoption of IFRS 16:

- As at December 31, 2019, the Company had right-of-use assets of $985.7 million and lease liabilities, including current portion, of $960.2 million, which primarily consist of the Company’s property leases.
- Adjusted EBITDA was increased by $21.1 million in the fourth quarter and $83.7 million in the full year due to certain lease payments, previously recognized as “property, marketing and administration” expense, being recorded against lease liabilities.
- Amortization expense was increased by $13.5 million in the fourth quarter and $53.3 million in the full year due to amortization of right-of-use assets, and interest and financing costs, net, was increased by $13.1 million in the fourth quarter and $50.9 million in the full year due to interest accretion on lease liabilities.
- Net earnings was decreased by $4.6 million in the fourth quarter and $17.5 million in the full year.
- Shareholders’ net earnings was decreased by $2.5 million in the fourth quarter and $7.9 million in the full year.

See Great Canadian's Consolidated Financial Statements and Management's Discussion & Analysis for the year ended December 31, 2019 for further information.

OUTLOOK

"The casino building portion at the Pickering Casino Resort with the various dining amenities is near completion and is expected to open by the end of the first quarter of 2020. In Ontario, we are on track for the hotel and entertainment venue at the Pickering Casino Resort to open by the end of 2020, and continue to make progress on Casino Woodbine expansion, Great Blue Heron Casino hotel, and West GTA development programs. As we make progress on the development of our Ontario properties, we continue to explore opportunities to reinvest in our properties in B.C. and Atlantic. In particular, we plan to make capital investments to enhance our B.C. properties in the upcoming years. We remain committed to finding opportunities to enhance guest experiences at all our properties."

"Great Canadian continues to enhance its capital structure as demonstrated by the extension of the Company's Senior Secured Credit Facilities for another year, the increase in the revolving facility subsequent to year-end, and the amendments made to the revolving credit facility of OGWGLP during the fourth quarter of 2019. The amendments to our credit facilities provide improved financial stability that will enhance the Company's ability to achieve its strategic objectives. Furthermore, the senior unsecured debentures closed in 2020 will provide the Company a diversified financing structure by rebalancing interest rate exposure and varying loan maturity profile."

"We continued to increase shareholder interest as demonstrated by the recent completion of the current normal course issuer bid where the maximum available 3,971,976 common shares were repurchased. Furthermore on February 14, 2020, we filed a substantial issuer bid offer to repurchase additional common shares."

"As at December 31, 2019, the Company remains in a stable financial position with cash of $329.7 million, available capacity of $347.6 million on the Senior Secured Credit Facilities, $703.0 million on OTG's revolving and capital expenditures credit facilities, $87.4 million on the revolving credit facility of OGWGLP, and $18.1 million on the revolving credit facility of OGELP, each subject to compliance with any applicable financial covenants. Subsequent to December 31, 2019, capacity of the revolving facility under the Company's Senior Secured Credit Facilities increased by $150.0 million, subject to covenants," concluded Mr. Baker.

CONFERENCE CALL

Great Canadian will host a conference call for investors and analysts today, March 3, 2020, at 5:00 PM Eastern Time in order to review the financial results for the quarter and year ended December 31, 2019. To participate in the conference call, please dial 416-764-8688, 778-383-7413, or toll free at 1-888-390-0546. Questions will be reserved for analysts and institutional investors. Interested parties may also access the call via the Investor Relations section of the Company's website, www.gcgaming.com. Investors using the website should allow 15 minutes for the registration and installation of any necessary software. A replay of the call will also be available at www.gcgaming.com.

ABOUT GREAT CANADIAN GAMING CORPORATION

Founded in 1982, Great Canadian Gaming Corporation is an Ontario based company that operates 25 gaming, entertainment and hospitality facilities in Ontario, British Columbia, New Brunswick, and Nova Scotia. Fundamental to the Company's culture is its commitment to social responsibility. "PROUD of our people, our business, our community" is Great Canadian's brand that unifies the Company's community, volunteering and social responsibility efforts. Under the PROUD program, Great Canadian annually supports over 1,400 charitable and non-profit organizations across Canada. In each Canadian gaming jurisdiction, a significant portion of gross gaming revenue from gaming facilities is retained by our Crown partners on behalf of their provincial government for the purpose of supporting programs like healthcare, education and social services.

Please refer to the Consolidated Financial Statements and Management's Discussion and Analysis at www.gcgaming.com or www.sedar.com (available on March 3, 2020) for detailed financial information and analysis.

GREAT CANADIAN GAMING CORPORATION
Financial Highlights
(Expressed in millions of Canadian dollars, except for per share information)

The financial results below are unaudited and prepared by management. Expressed in millions of Canadian dollars, except for per share information.

	Three months ended December 31,			Twelve months ended December 31,		
	2019[1]	2018[2]	% Chg	**2019[1]**	2018[2]	% Chg
Revenues	**$ 357.4**	$ 331.4	8%	**$ 1,355.6**	$ 1,179.8	15%
Human resources	**109.8**	106.7	3%	**430.8**	357.0	21%
Property, marketing and administration	**96.3**	107.6	(11%)	**370.2**	359.5	3%
Share of profit of equity investment[3]	**(0.7)**	(0.7)	0%	**(2.7)**	(2.7)	0%
	205.4	213.6	(4%)	**798.3**	713.8	12%
Adjusted EBITDA	**$ 152.0**	$ 117.8	29%	**$ 557.3**	$ 466.0	20%
Adjusted EBITDA as a % of Revenues	**42.5%**	35.5%		**41.1%**	39.5%	
Less:						
Amortization	**41.0**	23.8		**152.8**	83.0	
Share-based compensation	**4.2**	3.1		**12.2**	13.0	
Interest and financing costs, net	**22.6**	28.6		**87.3**	62.7	
Business acquisition, restructuring and other[3]	**3.8**	3.5		**3.6**	17.8	
Gain on sale of land	**-**	-		**(6.6)**	-	
Foreign exchange gain	**(0.4)**	0.3		**(2.3)**	(1.0)	
Income taxes	**18.4**	10.4		**65.4**	55.8	
Net earnings from continuing operations	**$ 62.4**	$ 48.1	30%	**$ 244.9**	$ 234.7	4%
Net earnings attributable to discontinued operations[2]	**$ -**	$ 1.1		**$ 52.1**	$ 5.1	
Net earnings	**$ 62.4**	$ 49.2	27%	**$ 297.0**	$ 239.8	24%
Net earnings from continuing operations attributable to:						
Shareholders of the company	**$ 45.8**	$ 26.3		**$ 174.4**	$ 146.1	
Non-controlling interests	**16.6**	21.8		**70.5**	88.6	
	$ 62.4	$ 48.1	30%	**$ 244.9**	$ 234.7	4%
Net earnings attributable to:						
Shareholders of the company	**$ 45.8**	$ 27.4		**$ 226.5**	$ 151.2	
Non-controlling interests	**16.6**	21.8		**70.5**	88.6	
	$ 62.4	$ 49.2	27%	**$ 297.0**	$ 239.8	24%
Shareholders' net earnings per common share from continuing operations						
Basic	**$ 0.81**	$ 0.44		**$ 3.00**	$ 2.40	
Diluted	**$ 0.79**	$ 0.42		**$ 2.91**	$ 2.31	
Shareholders' net earnings per common share						
Basic	**$ 0.81**	$ 0.46		**$ 3.89**	$ 2.49	
Diluted	**$ 0.79**	$ 0.44		**$ 3.78**	$ 2.39	
Weighted average number of common shares (in thousands)						
Basic	**56,267**	59,858		**58,171**	60,805	
Diluted	**57,615**	62,450		**59,836**	63,217	

	December 31, 2019	December 31, 2018	% Chg
Cash	**$ 329.7**	$ 336.8	(2%)
Total assets	**$ 2,851.9**	$ 1,601.8	78%
Long-term debt	**$ 869.8**	$ 631.6	38%

(1) 2019 financial results reflect the adoption of IFRS 16, as described in the Financial Review section of this press release. Comparative information has not been adjusted for IFRS 16.

(2) The results of the U.S. region, including proceeds from the disposition of Great American, have been presented as discontinued operations. Comparative information has been re-presented to show the discontinued operations separately from continuing operations.

(3) In calculating Adjusted EBITDA for the twelve months ended December 31, 2018, "share of profit of equity investment" does not include the loss of $1.1 relating to the Company's share of Ontario Gaming West GTA Limited Partnership's ("OGWGLP") transition costs incurred for the West GTA Gaming Bundle prior to the acquisition on May 1, 2018, in which OGWGLP was accounted for as an equity method investee. The loss of $1.1 has been classified under "business acquisition, restructuring and other".

DISCLAIMER

This press release contains certain "forward-looking information" or statements within the meaning of applicable securities legislation. Forward-looking information is based on the Company's current expectations, estimates, projections and assumptions that were made by the Company in light of historical trends and other factors. Forward-looking statements are frequently but not always identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "targeted", "planned", "possible" or similar expressions or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. All information or statements, other than statements of historical fact, are forward-looking information, including statements that address expectations, estimates or projections about the future, the Company's strategy for growth and objectives, expected future expenditures, costs, operating and financial results, expected impact of future commitments, the impact of conditions imposed on certain high limit players, the impact of unionization activities and labour organization, the Company's beliefs about the outcome of its notices of objection and subsequent appeals challenging the Canada Revenue Agency's reassessments and its tax position on its facility development commission prevailing, the determination and calculation of the Company's expected facility investment commission amounts in respect of its British Columbia facilities and the Company's projected future investments to obtain facility investment commission, the terms and expected benefits of the normal course issuer bid, the Company's expected share of BC horse racing industry revenue in future years, the Company and its affiliates meeting threshold revenue growth amounts in the Ontario gaming industry in future years, the Company's projected timeline for future development, and expectations and implications of changes in legislation and government policies, volatile gaming holds, the effects of competition in the market and potential difficulties in employee retention and recruitment. Such forward-looking information is not a guarantee of future performance and may involve a number of risks and uncertainties.

Although forward-looking information is based on information and assumptions that the Company believes are current, reasonable and complete, they are subject to unknown risks, uncertainties, and a number of factors that could cause actual results to vary materially from those expressed or implied by such forward-looking information. Such factors may include, but are not limited to: compliance with the terms of operational services agreements with lottery corporations; changes to gaming laws and regulations that may impact the operational services agreements; pending, proposed or unanticipated regulatory or policy changes (including those related to anti-money laundering legislation or policy that may impact high limit play), volatile gaming holds, the effects of competition in the market; the development of properties in Ontario; the Company's ability to obtain and renew required business licenses, leases, and operational services agreements; unanticipated fines, sanctions and suspensions imposed on the Company by its regulators; impact of global liquidity and credit availability; actual and possible reassessments of the Company's prior tax filings by tax authorities; the results of the Company's notices of objection and subsequent appeals challenging reassessments received by the Canada Revenue Agency; the Company's tax position on its facility development commission prevailing; adverse tourism trends and further decreases in levels of travel, leisure and consumer spending; adverse changes in public opinion and acceptance of gambling; competition from established competitors and new entrants in the gaming business; dependence on key personnel; the Company's ability to successfully integrate new key personnel; the timing and results of collective bargaining negotiations and potential labour disruption; adverse changes in the Company's labour relations; the Company's ability to manage its capital projects and its expanding operations in jurisdictions where it operates; the risk that systems, procedures and controls may not be adequate to meet regulatory requirements or to support current and expanding operations; potential undisclosed liabilities and capital expenditures associated with acquisitions; negative connotations linked to the gaming industry; the risk associated with partnership relationships; First Nations rights with respect to some land on which the Company conducts operations; future or current legal proceedings; construction disruptions; financial covenants associated with credit facilities and long-term debt; credit, liquidity and market risks associated with our financial instruments; interest and exchange rate fluctuations; demand for new products and services; fluctuations in operating results; economic uncertainty and financial market volatility; technology dependence; privacy breaches or data theft; integration of acquired properties in Ontario; changes to anti-money laundering procedures and protocols including additional requirements for determining source of funds; unusual weather or natural disasters could adversely affect the Company's operations and financial results; and disease outbreaks. The Company cautions that this list of factors is not exhaustive. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. These factors and other risks and uncertainties are discussed in the Company's continuous disclosure documents filed with the Canadian securities regulatory authorities from time to time, including in the "Risk Factors" section of the Company's Annual Information Form for fiscal 2019, and as identified in the Company's disclosure record on SEDAR at www.sedar.com.

The forward-looking information in documents incorporated by reference speaks only as of the date of those documents. The Company believes that the expectations reflected in forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct. Readers are cautioned not to place undue reliance on the forward-looking information. The Company undertakes no obligation to revise forward-looking information to reflect subsequent events or circumstances except as required by law. The forward-looking information contained herein is made as of the date hereof, is subject to change after such date, and is expressly qualified in its entirety by cautionary statements in this press release.

The Company has included non-International Financial Reporting Standards ("non-IFRS") measures in this press release. Adjusted EBITDA, as defined by the Company, means earnings before interest and financing costs (net of interest income), income taxes, depreciation and amortization, share-based compensation, business acquisition, restructuring and other, gain on sale of land, and foreign exchange gain. Adjusted EBITDA is derived from the Consolidated Statements of Earnings and Other Comprehensive Income, and can be computed as revenues less human resources expenses and property, marketing and administration expenses plus the share of profit of equity investments relating to principal operating entities. Unless otherwise noted, Adjusted EBITDA for the current and comparative periods exclude the results of discontinued operations. The Company believes Adjusted EBITDA is a useful measure because it provides information to management about the operating and financial performance of the Company and its ability to generate operating cash flow to fund future working capital needs, service outstanding debt, and fund future capital expenditures. Adjusted EBITDA is also used by investors and analysts for the purpose of valuing the Company. Items of note may vary from time to time and in this press release include pre-opening costs, restructuring severance costs, impairment reversal of long-lived assets, facility development commission revenues previously deferred at Casino Nanaimo, other and the related income taxes thereon.

Readers are cautioned that these non-IFRS definitions are not recognized measures under International Financial Reporting Standards ("IFRS"), do not have standardized meanings prescribed by IFRS, and should not be construed to be alternatives to net earnings determined in accordance with IFRS or as indicators of performance or liquidity or cash flows. The Company's method of calculating these measures may differ from methods used by other entities and accordingly our measures may not be comparable to similarly titled measures used by other entities or in other jurisdictions. The Company uses these measures because it believes they provide useful information to both management and investors with respect to the operating and financial performance of the Company.

ON BEHALF OF

GREAT CANADIAN GAMING CORPORATION

"Original Signed By Rod N. Baker"

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Rod N. Baker
Chief Executive Officer

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