



Shareholder Update

November 2020

Disclaimer and Forward-Looking Information

This Shareholder Update includes a discussion of the background and reasons for the approval of a transaction between Great Canadian Gaming Corporation ("Great Canadian" or the "Company") and an affiliate of funds managed by affiliates of Apollo Global Management, Inc., and a discussion of the risks being faced by Great Canadian as a result of the COVID-19 pandemic. This Shareholder Update should be read together with, and is qualified in its entirety by, the more detailed information contained in the meeting and management information circular of Great Canadian dated November 25, 2020.

All statements, other than statements of historical fact, contained in this Shareholder Update, including, but not limited to, any information as to the future financial or operating performance of the Company and its affiliates, constitute "forward-looking information" or "forward-looking statements" within the meaning of applicable securities legislation. This forward-looking information includes, but is not limited to, statements and information concerning: the status and prospects of the industries in which the Company operates; the business and future activities of the Company; and the anticipated benefits of the proposed transaction discussed herein. The words "plans", "expects" or "does not expect", "is expected", "budget", "objective", "scheduled", "estimates", "forecasts", "guidance", "targets", "models", "intends", "anticipates", or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might", or "will be taken", "occur", "be achieved" or "continue" and similar expressions often, but not always, identify forward-looking statements.

Forward-looking statements are necessarily based upon a number of factors and assumptions, some of which are beyond the Company's control. Known and unknown risk factors could cause actual results to differ materially from those projected in the forward-looking statements. Such risk factors include, but are not limited to, general global economic, market and business conditions; governmental and regulatory requirements and actions by governmental authorities; relationships with customers, employees, business partners and competitors; and, outbreaks of epidemics or pandemics and the response of governments to actual and potential epidemics or pandemics, including the current outbreak of COVID-19. As a result of the foregoing, readers should not place undue reliance on the forward-looking information contained in this Shareholder Update. A comprehensive discussion of other risks and uncertainties facing the Company can also be found in the Company's public reports and filings which are available under the Company's issuer profile on SEDAR at www.sedar.com.

The Company does not undertake 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 Shareholder Update.

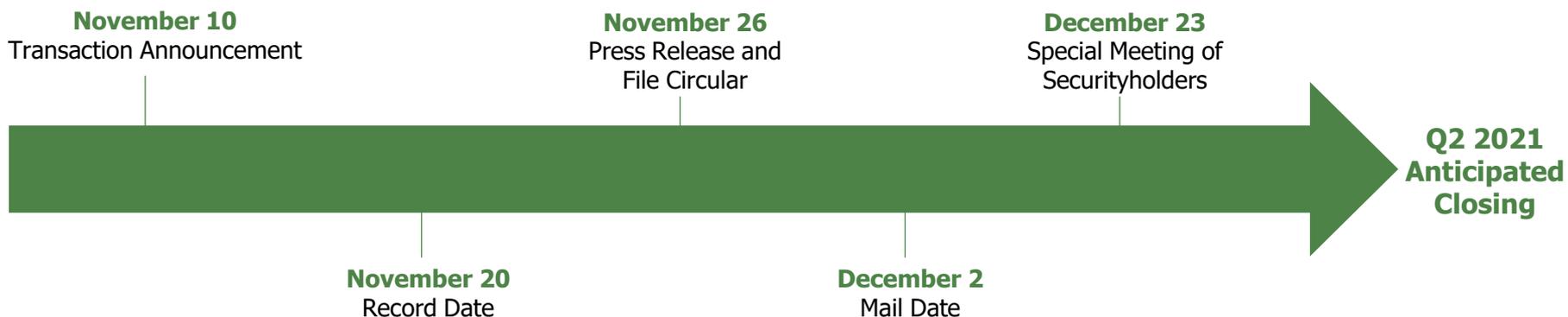
Agenda

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Transaction Overview

- On November 10, 2020 Great Canadian announced that it had entered into a definitive agreement to be acquired by an affiliate of funds managed by affiliates of Apollo Global Management, Inc. Subject to the terms of the agreement, an affiliate of funds managed by affiliates of Apollo Global Management, Inc. will acquire all of the outstanding shares of Great Canadian for C\$39.00 per share in cash
- Transaction reflects a 35% premium to the November 10, 2020 closing share price and a 56% premium to the 20-day VWAP for period ended on November 10, 2020, implying a total enterprise value exceeding C\$3.3 billion
- The transaction has been approved unanimously by the Board of Directors of Great Canadian, which determined that the transaction is fair to shareholders and is in the best interests of Great Canadian
- Transaction will be subject to customary regulatory approvals, shareholder approvals, necessary court approvals and Great Canadian maintaining its credit facilities
- Transaction close Q2 2021

Key Transaction Dates



Timeline of Key Events

Date	Event
August 28, 2020	<ul style="list-style-type: none"> • An affiliate of funds managed by affiliates of Apollo Global Management, Inc. ("Apollo Funds") submitted an unsolicited non-binding indication of interest to acquire Great Canadian for between C\$38.00 to C\$41.00 per share <ul style="list-style-type: none"> • Represented a premium of 34% to 44% to the August 27, 2020 closing share price
September 22, 2020	<ul style="list-style-type: none"> • Non-Disclosure Agreement signed which granted exclusive negotiations until November 10, 2020 <ul style="list-style-type: none"> • Reconfirmation of indicative value range required within first 30 days
October 23, 2020	<ul style="list-style-type: none"> • Apollo Funds reconfirmed their C\$38.00 to C\$41.00 range
September 22, 2020 – November 10, 2020	<ul style="list-style-type: none"> • Due diligence and negotiations
November 10, 2020	<ul style="list-style-type: none"> • Transaction price was agreed to be C\$39.00 per share • Fairness Opinion received from Scotiabank and a fixed-fee Fairness Opinion received from CIBC • Special Committee and Board of Directors approved the transaction on November 10, 2020 and signed the Arrangement Agreement

Background to Transaction – Prior Processes

Recent Event	Commentary
<p>Summer / Fall 2018 Sale Process</p>	<ul style="list-style-type: none"> • The Board and management continuously assess strategic options that may be in the best interests of Great Canadian and its stakeholders • A Special Committee of independent directors was first formed in July 2018 to provide oversight to an evaluation of strategic alternatives that culminated in a strategic sale process • From July 2018 to September 2018, Great Canadian undertook a process to solicit offers to acquire the company <ul style="list-style-type: none"> • Assisted by financial advisors, Macquarie Capital and Scotiabank • 27 potential bidders contacted, including both strategic and financial purchasers <ul style="list-style-type: none"> • Nine potential bidders, including Apollo Funds, executed non-disclosure agreements and received a confidential information memorandum • Certain bidders submitted supplemental data requests as well as key questions to help them assess the opportunity but ultimately no proposals were received • Certain parties provided feedback that after completion of the planned development projects in Ontario, Great Canadian ran the risk of having a cost structure that was too high relative to the expected revenue growth, and as a result future profitability could be adversely affected
<p>Initial Potential Acquiror</p>	<ul style="list-style-type: none"> • First approached Great Canadian regarding a potential acquisition in Q4 2019 • Non-disclosure agreement executed and due diligence information exchanged • Periodic discussions continued until the potential acquiror terminated negotiations in June 2020 without submitting a formal proposal • The Special Committee instructed Great Canadian management to continue with its evaluation of strategic alternatives

COVID-19 Related Risks

Risk	Commentary
COVID-19 Pandemic	<ul style="list-style-type: none"> • Surveys indicate large-scale vaccination required before customers in a key demographic feel safe returning to Great Canadian's facilities • Great Canadian believes that it will take significant time and capital expenditures for revenues to return to pre-pandemic levels and there is no certainty those levels of revenue will be achieved
Employee Matters	<ul style="list-style-type: none"> • Unprecedented need to reintegrate employees back into the workplace, with approximately 8,000 out of 9,700 employees still furloughed, not including recent closures • Increased costs expected for employee training under enhanced safety protocols adopted during the pandemic, in particular if they become permanent • Wages will increase under terms of current collective bargaining agreements • Reduced / lost productivity from employees taking paid sick leave due to COVID-19 symptoms, as recommended by public health authorities
Reversion to Terms of Pre-COVID-19 Operating Agreements	<ul style="list-style-type: none"> • Subsequent to current interim amendments of its Operating Agreements that provided temporary relief during the COVID-19 pandemic, Great Canadian will again be obligated to make its contractual threshold payments in Ontario which increase annually at predetermined levels (subject to adjustment for potential delays in property development plans) materially in excess of pre-pandemic thresholds • While interim amendments provided relief from COVID-19 related pressures, the share of revenue retained by Great Canadian remained broadly the same as under the prior arrangements. Given the significant fixed cost structure, overall profitability may be adversely affected
Cost Increases	<ul style="list-style-type: none"> • Great Canadian's costs, including items such as thresholds and property leases, will increase significantly, and it is anticipated those costs will increase disproportionately to, and faster than revenues due to a reversion to pre-pandemic obligations
Threshold Payment Levels Established Pre-COVID-19	<ul style="list-style-type: none"> • Due to the effects of COVID-19, there will be a misalignment of the timing of threshold payments under contractual commitments to provincial lottery crown corporations and concurrent increases in costs versus targeted revenue growth, creating the prospect of reduced future earnings

COVID-19 Related Risks (Cont'd)

Risk	Commentary
Provincial Crown Corporation Commitments	<ul style="list-style-type: none"> • Great Canadian is committed to significant operating and capital expenditures for its BC properties • Great Canadian is required to make fixed capital contributions in Nova Scotia
Risks at Woodbine and Pickering	<ul style="list-style-type: none"> • The projects at Woodbine and Pickering have been delayed; total GTA construction budget, including Great Blue Heron, of approximately C\$1.5 billion, approximately 54% of which must still be spent through 2022 • Expansions at the Woodbine, Ajax, Great Blue Heron and Mohawk facilities have alleviated existing capacity constraints and provided opportunity to attract new customers who are expected to be primarily focused on gaming experience • As the larger full service offering and amenities begin to come online, it is anticipated that the majority of incremental guests will be new, casual gaming customers • Attracting and maintaining these new, casual customers typically takes considerable time and investment to achieve material incremental revenues • Operating these facilities will also significantly increase operating costs given the size of the facilities and their staffing requirements • COVID-19 has delayed the ability to execute on the expansion growth strategy and anticipated to materially negatively impact Great Canadian's ability to grow revenues inline with the increased costs and threshold obligations • No certainty that a sufficient return on the remaining capital expenditures will be achieved if revenues post-construction do not meet pre-pandemic estimates
Increased Leverage	<ul style="list-style-type: none"> • At the beginning of 2020, Great Canadian had C\$1.8 billion of debt and a Net Debt / LTM Adjusted EBITDA ratio of 2.7x • As at September 30, 2020, leverage has increased by C\$414 million to C\$2.2 billion and Net Debt / LTM Adjusted EBITDA has increased to a ratio of 6.0x • Great Canadian anticipates that leverage levels will increase materially during a prolonged COVID-19 pandemic
Alternative Gaming Options	<ul style="list-style-type: none"> • Smaller, charitable (non-profit) gaming facilities in Ontario pose an increasing threat with video lottery terminals ("VLTs") of comparable operability and look as Great Canadian's slot machines • Approximately 2,000 VLTs deployed to date and a further 1,500 still to be deployed • Smaller charitable gaming facilities may be more attractive due to long-term impact on larger, more crowded facilities • Emergence of online gaming as an alternative to casino gaming

Note: Consolidated debt includes lease liabilities and senior unsecured debentures; LTM Adjusted EBITDA is before the payment of lease liabilities of \$86.5 million

Reasons for Approving the Transaction

Reason	Commentary
Significant Premium to Market Price	<ul style="list-style-type: none"> • Consideration represents a 35% premium to the November 10, 2020 closing share price and a 56% premium to the 20-day VWAP for period ended on November 10, 2020 • Represents a 62% premium to the November 6, 2020 price, the trading day prior to Pfizer's announcement of preliminary results from its COVID-19 vaccine study
Attractive Transaction Relative to Alternatives	<ul style="list-style-type: none"> • Result of an ongoing process by Great Canadian of considering strategic alternatives and engaging with potential acquirors • Great Canadian explored an alternative transaction and considered many other strategic alternatives, including a global sale process in 2018
Business and Industry Risks	<ul style="list-style-type: none"> • The future business, operations, financial performance and condition, operating results and prospects, including the near-term expectations of the performance of the gaming industry in light of COVID-19
Fairness Opinions	<ul style="list-style-type: none"> • The conclusions of the Fairness Opinions from Scotiabank and CIBC that the Consideration is fair, from a financial point of view, to Great Canadian shareholders
Acceptance by Directors and Officers	<ul style="list-style-type: none"> • Directors and officers of Great Canadian have agreed to vote all of their shares (including any shares issuable upon exercise of their options), in favour of the transaction
Form of Consideration	<ul style="list-style-type: none"> • The cash consideration provides value certainty and immediate liquidity
Transaction Financing	<ul style="list-style-type: none"> • The Purchaser has secured an Equity Commitment Letter and the Debt Commitment Letter to finance the cash consideration
Ability to Respond to Superior Proposals	<ul style="list-style-type: none"> • The Board is able to terminate the Arrangement Agreement to enter into a definitive agreement for a Superior Proposal, subject to certain covenants and payment of the C\$75 million Company Termination Fee
Negotiated Transaction	<ul style="list-style-type: none"> • The agreement is the result of a robust and comprehensive arm's length negotiation process, under the supervision of the Special Committee
Experience of Apollo Funds	<ul style="list-style-type: none"> • Apollo Funds are experienced investors in the gaming industry and are well placed to continue to successfully support management in operating the business of Great Canadian

Recommend that Shareholders Vote FOR the Arrangement Resolution on December 23, 2020