



Not intended for distribution to U.S. newswire services or for dissemination in the U.S.

FOLLOWING MARKET CLOSE

August 14, 2018

Red Deer, Alberta, August 14, 2018 – Gamehost Inc. (TSX: GH)

GAMEHOST ANNOUNCES SECOND QUARTER 2018 FINANCIAL RESULTS AND AUGUST DIVIDEND

Management and Directors of Gamehost Inc. (the "Company") present results for the six months and three months ended June 30, 2018 (the "Period" and "Quarter" respectively).

For the third consecutive quarter, the Company posted solid gains in shareholder revenues and earnings. Each of the Company's operating segments of Gaming, Hotel and, Food & Beverage contributed to overall gains. Improving conditions in the Alberta economy on the sustained strength of recovering oil prices continue to boost consumer discretionary spending.

Profit attributable to shareholders for the Quarter was up \$0.5 million or 12.5% to \$4.5 million compared to \$4.0 million in Q2 2017. Earnings per share for the Quarter were \$0.18 versus \$0.16 in Q2 2017.

Total operating revenues for the Quarter were up \$1.3 million or 7.9% to \$17.8 million compared to \$16.5 million in the same quarter of 2017. Earnings before interest, taxes, depreciation, and amortization ("EBITDA") that is attributable to shareholders of the Company ("EBITDA to Shareholders") was up \$0.7 million or 10.9% to \$7.1 million compared to \$6.4 million in the same quarter of 2017. EBITDA to Shareholders margin for the Quarter was 1.5 percentage points higher than the same quarter in 2017 at 42.0% compared to 40.5%.

The Company purchased 5,900 shares on normal course issuer bid during the Quarter. The bid has been extended to May 2019. An additional 10,600 shares were purchased subsequent to the end of the Quarter. The Company will continue to purchase shares at opportunistic price levels.

On a trailing twelve month basis the Company's dividend payout ratio has steadily improved to an average of 90.0%. Directors and management are comfortable at the current level and will continue to manage with sustainability of the dividend as a primary objective strategy.

We are optimistic in a continuation of improved Company results. Efforts by management and cooperation by all staff have helped us survive another Alberta bust cycle and positioned us to reap the rewards from continued strengthening in the Alberta economy.

Gamehost Inc.**Financial Highlights***Unaudited - Canadian dollars (millions except per share figures)*

| | six months ended June 30 | | | three months ended June 30 | | |
|--|--------------------------|---------|--------|----------------------------|---------|-------|
| | 2018 | 2017 | % Chg | 2018 | 2017 | % Chg |
| Operating revenue | \$ 35.5 | \$ 33.2 | 6.9% | \$ 17.8 | \$ 16.5 | 7.9% |
| Cost of sales | | | | | | |
| Other | (18.9) | (18.5) | | (9.6) | (9.2) | |
| Depreciation | (0.9) | (0.9) | | (0.4) | (0.4) | |
| | (19.8) | (19.4) | | (10.0) | (9.6) | |
| Gross profit | 15.7 | 13.8 | 13.8% | 7.8 | 6.9 | 13.0% |
| Administrative expenses | | | | | | |
| Other | (1.7) | (1.5) | | (0.8) | (0.7) | |
| Depreciation | (0.6) | (0.7) | | (0.3) | (0.3) | |
| | (2.3) | (2.2) | | (1.1) | (1.0) | |
| Profit from operating activities | 13.5 | 11.7 | 15.4% | 6.7 | 5.9 | 13.6% |
| Net finance costs | (0.5) | (0.5) | | (0.3) | (0.2) | |
| Income tax expense | (3.3) | (2.9) | | (1.6) | (1.5) | |
| Profit | 9.7 | 8.3 | 16.9% | 4.8 | 4.2 | 14.3% |
| Profit attributable to: | | | | | | |
| Shareholders | 9.1 | 7.8 | 16.7% | 4.5 | 4.0 | 12.5% |
| Non-controlling interest | 0.6 | 0.5 | | 0.3 | 0.2 | |
| | 9.7 | 8.3 | | 4.8 | 4.2 | |
| Earnings per share | | | | | | |
| Basic and fully diluted | \$ 0.37 | \$ 0.32 | 15.6% | \$ 0.18 | \$ 0.16 | 12.5% |
| Weighted average number of common shares outstanding | | | | | | |
| Basic | 24.6 | 24.7 | | 24.5 | 24.7 | |
| Fully diluted | 24.6 | 24.7 | | 24.5 | 24.7 | |
| EBITDA to Shareholders | \$ 14.3 | \$ 12.7 | 12.6% | \$ 7.1 | \$ 6.4 | 10.9% |
| EBITDA to Shareholders % | 42.3% | 40.1% | | 42.0% | 40.5% | |
| Cash | 15.1 | 14.6 | 3.4% | | | |
| Total assets | 163.0 | 164.1 | (0.7%) | | | |
| Total debt | 26.6 | 25.8 | 3.1% | | | |

Gamehost has also declared a cash dividend for the month of August 2018 of \$0.0575 per common share. The dividend will be paid on September 14, 2018 to shareholders of record on August 31, 2018. The ex-dividend date is August 29, 2018.

This dividend is considered an "Eligible Dividend", qualifying for the enhanced gross-up and dividend tax credit available to shareholders.

This press release may contain certain "forward-looking information" or statements within the meaning of applicable securities legislation and may contain words such as "anticipates", "believes", "could", "expects", "indicates", "plans", "withstand", "further" or other similar expressions that suggest future outcomes or events. Forward-looking information is based on the Company's current expectations, estimates, projections and assumptions that were made by the Company in light of its historical trends and other factors. All information or statements, other than statements of historical fact, are forward-looking information including any statements that address expectations related to future economic outcomes or the Company's dividend. Forward-looking statements reflect reasonable assumptions made on the basis of management's current beliefs with information known by management at the time of writing. Many factors could cause actual results to differ from the results discussed in forward-looking statements. Actual results may not be consistent with these forward-looking statements.

The Company has included non-International Financial Reporting Standards ("non-IFRS") measures in this press release. EBITDA to Shareholders, as defined by the Company, means earnings before interest and financing costs, income taxes, depreciation and amortization, and foreign exchange gain. The Company believes EBITDA is a useful measure because it provides information to management and investors about the Company's performance in generating operating cash flow to fund working capital needs, service debt obligations, fund future capital expenditures and support dividend policy. Readers are cautioned that non-IFRS measures do not have any standardized meaning prescribed by IFRS and should not be taken as alternatives to net earnings measured in accordance with IFRS. The Company's method of calculating non-IFRS measures may not be comparable to similarly titled measures used by other reporting entities. Dividend pay-out ratio, means EBITDA less all scheduled principal payments on debt, interest expense, and income tax expense. The Company believes this measure to be useful to management and investors because it provides insight into the sustainability of the Company's dividend.

Gamehost is a corporation established under the laws of the Province of Alberta. The Company's operations are all located in the Province of Alberta, Canada. Operations of the Company include the Boomtown Casino in Ft. McMurray, the Great Northern Casino, Service Plus Inns & Suites hotel and a strip mall all located in Grande Prairie. The Company also holds a 91% ownership position in Deerfoot Inn & Casino Inc. in Calgary.

These condensed interim consolidated financial results include the accounts of Gamehost Inc. and its subsidiaries; however, they do not include all disclosures normally provided in annual consolidated financial statements and should be read in conjunction with the 2017 annual consolidated financial statements. Further, while the financial figures included in this announcement have been computed in accordance with IFRS applicable to annual periods, this announcement does not contain sufficient information to constitute an interim or annual financial report. The company will file an interim financial report for the six and three months ended June 30, 2018. This report will be filed in its entirety, along with historical financial reports on the Company's website at www.gamehost.ca and on SEDAR at www.sedar.com along with the Company's other continuous disclosure documents, when they are available.

Gamehost common shares trade on the Toronto Stock Exchange (TSX) under the symbol GH. For more information, contact:

Craig M. Thomas or Darcy J. Will
P (877) 703-4545
F (403) 340-0683
E info@gamehost.ca