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FOLLOWING MARKET CLOSE

March 12, 2019

Red Deer, Alberta, March 12, 2019 – Gamehost Inc. (TSX: GH)

## **GAMEHOST ANNOUNCES FOURTH QUARTER 2018 FINANCIAL RESULTS AND MARCH DIVIDEND**

Management and Directors of Gamehost Inc. (the "Company") present results for the twelve and three months ended December 31, 2018 (the "Year" and "Quarter" respectively).

Operating revenue for the Quarter was flat to the prior year at \$17.7 million while profit to shareholders was \$0.8 million lower. Higher wage expenses from increases to Alberta's minimum wage had the most significant impact on costs, while a select number of other expense areas recorded either planned or unexpected short term increases to prior year levels. Earnings per common share for the Quarter were \$0.15 versus \$0.18 in Q4 2017.

Earnings before interest, taxes, depreciation, and amortization ("EBITDA") that is attributable to shareholders of the Company ("EBITDA to Shareholders") was down \$0.7 million or 9.9% to \$6.4 million compared to \$7.1 million in the same quarter of 2017. EBITDA to Shareholders margin for the Quarter was 1.9 percentage points lower than the same quarter in 2017 at 38.1% compared to 42.0%.

Operating results during the Quarter were mixed by property and revenue streams. The local economy in Fort McMurray has faced some contraction. No clear trends are evident in either Grande Prairie or Calgary. Except for an improvement in the discount on Western Canadian Select crude prices, impediments to economic growth persist, from pipeline capacity constraints and provincial and federal regulatory burden to global geo-political tensions.

The Company purchased 83,400 shares on normal course issuer bid during the Quarter at prices averaging \$9.55 per common share plus commissions. The Company will continue to purchase shares at opportunistic price levels.

On December 14, 2018, the Company completed the purchase of the hotel Encore Suites by Service Plus Inns located in Grande Prairie, Alberta from Peace Country Hospitality Inc ("Peace Country") for a price of \$12.5 million. The purchase was completed using available capacity on the Company's revolving credit facility. Peace Country is a company controlled by David Will, Darcy Will and Elston Noren, each of whom are officers and significant shareholders of the Company. The transaction was exempt from the formal valuation and minority shareholder approval requirements under applicable securities law for related party transactions as both the fair market value of the property, the business being acquired, and the fair valuation for the consideration paid were substantially less than 25% of Gamehost's market capitalization. The property was independently appraised in May 2018 for \$13.3 million. Cash flow from the new property is expected to offset the impact of cost inflation on the Company.

**Gamehost Inc.**
**Financial Highlights**

Unaudited - Canadian dollars (millions except per share figures)

	twelve months ended December 31			three months ended December 31		
	2018	2017	% Chg.	2018	2017	% Chg.
Operating revenue	\$ 70.4	\$ 68.2	3.2%	\$ 17.7	\$ 17.7	0.0%
Cost of sales						
Other	(38.7)	(37.2)		(10.3)	(9.6)	
Depreciation	(1.8)	(1.8)		(0.6)	(0.4)	
	(40.5)	(39.0)		(10.9)	(10.0)	
Gross profit	29.9	29.2	2.4%	6.8	7.7	(11.7%)
Other income	0.2	0.2		-	-	
Administrative expenses						
Other	(3.3)	(3.0)		(0.7)	(0.7)	
Depreciation	(1.2)	(1.3)		(0.3)	(0.3)	
	(4.5)	(4.3)		(1.0)	(1.0)	
Profit from operating activities	25.6	25.1	2.0%	5.8	6.7	(13.4%)
Net finance costs	(1.1)	(1.1)		(0.4)	(0.2)	
Income tax expense	(6.3)	(6.2)		(1.4)	(1.7)	
Profit	18.2	17.8	2.2%	4.0	4.8	(16.7%)
Profit attributable to:						
Shareholders	17.0	16.7	1.8%	3.7	4.5	(17.8%)
Non-controlling interest	1.2	1.1		0.3	0.3	
	18.2	17.8		4.0	4.8	
Earnings per share						
Basic and fully diluted	\$ 0.69	\$ 0.68	1.5%	\$ 0.15	\$ 0.18	(16.7%)
Weighted average number of common shares outstanding						
Basic	24.5	24.7		24.4	24.7	
Fully diluted	24.5	24.7		24.4	24.7	
EBITDA to Shareholders	\$ 27.4	\$ 27.0	1.5%	\$ 6.4	\$ 7.1	(9.9%)
EBITDA to Shareholders %	40.8%	41.5%		38.1%	42.0%	
Cash	15.8	14.6	8.2%			
Total assets	174.3	164.1	6.2%			
Total debt	41.0	25.8	58.9%			

Gamehost has also declared a cash dividend for the month of March 2019 of \$0.0575 per common share. The dividend will be paid on April 15, 2019 to shareholders of record on March 31, 2019. The ex-dividend date is March 27, 2019.

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, Encore 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 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 2018 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 annual financial report. The company will file an annual financial report for the twelve and three months ended December 31, 2019. This report will be filed in its entirety, along with historical financial reports on the Company's website at [www.gamehost.ca](http://www.gamehost.ca) and on SEDAR at [www.sedar.com](http://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:

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