



GREAT CANADIAN GAMING CORPORATION

TSX: GCD

AMENDMENT OF OPERATING CONTRACT

July 4, Halifax, Nova Scotia - Great Canadian Gaming Corporation (the “Company”) is pleased to announce that Metropolitan Entertainment Group (“MEG”), the Company’s Nova Scotia registered partnership, has, effective July 1, 2005, entered into an Amended and Restated Operating Contract (the “AROC”) with the Nova Scotia Gaming Corporation (the “NSGC”). The AROC will modify and amend the existing operating agreement between MEG and the NSGC.

Under the AROC, the fee payable to MEG for services provided in connection with the operation of the Sydney and Halifax casinos will be 55.5% of the total facility revenue, after a deduction of 5% retained for the purpose of making capital improvements to the casino properties (the “Operator’s Fee”). Expenditures incurred by MEG in improving the casino facilities will be reimbursed from this 5%. The Operator’s Fee may be reviewed if certain changes to operations prescribed or directed by the NSGC adversely affect expenses or revenues of MEG.

Additionally, MEG is entitled to a repayment of approximately CAD \$24,000,000 (the “Operator’s Capital Investment”) which is the balance of the amounts owed to the Operator under the original MEG Operating Agreement in respect of unpaid approved development costs incurred by MEG, together with interest on the declining balance at 12% per annum. MEG is further entitled to a repayment of approximately CAD \$24,000,000 (the “Mandatory Deferral”) which is an amount equal to the balance owed to the operator under the old MEG Operating Agreement. Both the Operator’s Capital Investment and the Mandatory Deferral are payable in monthly installments which are anticipated to be repaid in full by May, 2009.

The term of the AROC is ten years commencing July 1, 2005. MEG has an option to renew the agreement for a further ten years. MEG has also been granted a right of first opportunity to negotiate with the NSGC with respect to any proposal by the NSGC to pursue the development and operation of any new racetrack/casino facility.

The Company believes that the AROC represents a significant milestone for both the Nova Scotia Gaming Corporation and GCGC. The agreement not only helps to clarify the relationship between the NSGC and MEG, but is also consistent with Nova Scotia’s gaming strategy. As a result of the positive relationship that the AROC will foster, the Company is confident that revenues can be maximized, operations strengthened and efficiencies established, all in a manner that prioritizes social responsibility.

Great Canadian Gaming Corporation, home to more than 5,100 employees, is a multi jurisdictional gaming and entertainment operator with operations in British Columbia, Nova Scotia and Washington State. The Corporation operates casinos, thoroughbred and standardbred racecourses, a community gaming centre and various associated food and beverage and entertainment facilities.

ON BEHALF OF GREAT CANADIAN GAMING CORPORATION

“Original signed by Howard Blank”

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