



GREAT CANADIAN GAMING CORPORATION

TSX: GCD

GREAT CANADIAN GAMING CORPORATION ANNOUNCES \$150,000,000 DEBT FINANCING

THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT AUTHORIZED OR INTENDED FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR PUBLICATION OR DISSEMINATION IN THE UNITED STATES.

July 7, 2005, Richmond, British Columbia - Great Canadian Gaming Corporation (“the Company”) (TSX: GCD) is pleased to announce that it has entered into an engagement led by TD Securities Inc. to offer for sale, on a best efforts basis, up to \$150,000,000 of Series B Senior Secured Notes (the “Series B Notes”). The issue and sale of the 10-year Series B Notes is expected to close on or about July 20, 2005 and will rank pari passu with the existing \$150 million Series A Notes and \$200 million revolving credit facility (the “Credit Facility”), bringing the Company’s total fixed term debt to \$300 million and \$200 million advanced under its Credit Facility. The Credit Facility was increased from \$100 million to \$200 million in May 2005. The proceeds from the Series B Notes will be used to reduce the amounts outstanding under the Credit Facility, for general working capital and for acquisitions.

On July 6, 2005, the Company announced that it has entered into an agreement in principle with Magna Entertainment Corp. (“MEC”) under which the Company will acquire all of the outstanding shares of Ontario Racing Inc., a wholly owned subsidiary of MEC. Ontario Racing Inc. owns and operates Flamboro Downs, a standardbred racetrack located in Flamborough, Ontario. The facility is a siteholder for slot machines operated by the Ontario Lottery and Gaming Corporation. The proposed sale is subject to required regulatory approvals, the completion of customary due diligence, and the negotiation of a definitive purchase and sale agreement. Under the terms of the agreement in principle, the Company will pay MEC aggregate consideration of Cdn\$50 million and US\$23.6 million in cash and by the assumption of existing debt.

About Great Canadian Gaming Corporation

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

ON BEHALF OF GREAT CANADIAN GAMING CORPORATION

"Original signed by Thomas N. Bell"

Thomas N. Bell
Vice President, Corporate Development and Investor Relations

For Further Information Contact:

Thomas N. Bell

Vice President, Corporate Development and Investor Relations
Great Canadian Gaming Corp.
350-13775 Commerce Parkway
Richmond, BC V6V2V4
Telephone: (604) 303-1000
Fax: (604) 279-8605
Website: www.gcgaming.com

or

Media Contact:

Howard Blank

Vice President, Media and Entertainment
Telephone: (604) 512-6066