



GREAT CANADIAN GAMING CORPORATION

TSX:GCD

GREAT CANADIAN ANNOUNCES FILING OF FINAL SHORT FORM PROSPECTUS

UPDATE ON GEORGIAN DOWNS ACQUISITION

August 31, 2005 - Richmond, BC – Great Canadian Gaming Corporation (the “Company”) [TSX: GCD] announces that it has filed in the Provinces of British Columbia, Alberta, Saskatchewan, Ontario and Quebec a final short form prospectus qualifying the distribution of 3,703,704 common shares of the Company issuable upon the exercise of 3,703,704 previously-issued special warrants (the “Special Warrants”). The Company completed its private placement of the Special Warrants on August 3, 2005. The Special Warrants were issued at a price of \$20.25 per Special Warrant for gross proceeds of approximately \$75 million.

The Company also announces that it is continuing to work towards obtaining all required regulatory approvals necessary to complete its acquisition of Georgian Downs Limited, the operator of Georgian Downs Raceways. As at August 30, 2005, the Alcohol and Gaming Commission of Ontario (the “AGCO”) had not completed its background investigations and review of the Company, its officers and directors. As a result, the AGCO extended the date for registration to September 30, 2005. As part of its approval process, the Ontario Racing Commission (the “ORC”) requested a business plan with respect to horse racing operations proposed to be conducted by the Company at Georgian Downs, which the Company submitted on August 18, 2005. The AGCO and ORC may impose conditions in connection with granting registration. The Company has given certain undertakings that it will dispose of its interest in Georgian Downs if it has not obtained the required regulatory approvals by September 30, 2005.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless the securities are registered in the United States or an exemption from such registration is available.

About Great Canadian Gaming Corporation

Great Canadian, home to approximately 5,000 employees, is a multi-jurisdictional gaming and entertainment operator with facilities 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 Bell"

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