



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

## **NEWS RELEASE**

### **GAMEHOST COMPLETES PUBLIC OFFERING OF \$55 MILLION OF 6.25% CONVERTIBLE DEBENTURES**

TORONTO, Ontario, April 16, 2010 – Gamehost Income Fund (TSX: GH:UN and GH.DB) (“Gamehost”) today announced that it has closed its previously announced offering of \$55 million principal amount of extendible convertible unsecured subordinated debentures (the “Debentures”) at a price of \$1,000 per Debenture for gross proceeds of \$55 million. A syndicate led by Scotia Capital Inc. and including Mackie Research Capital Corporation, Cormark Securities Inc., and Wellington West Capital Markets Inc. acted as underwriters for the offering.

Gamehost intends to use the net proceeds of the offering to fund the cash portion of the purchase price for the previously announced proposed acquisition of a further 51% interest in the Deerfoot Inn and Casino (the “Acquisition”), with the balance to be paid out of Gamehost’s working capital. The total consideration payable by Gamehost for the Acquisition is \$57,615,000, subject to certain adjustments. Completion of the Acquisition is subject to the satisfaction of certain conditions, including the receipt of unitholder approval at a meeting of unitholders of Gamehost to be held on April 30, 2010 and the receipt of certain regulatory approvals. Subject to the receipt of all required approvals, the closing of the Acquisition is expected to occur on or before July 31, 2010.

The Debentures have been issued under an indenture (the “Indenture”) dated April 16, 2010 between Gamehost and Computershare Trust Company of Canada (the “Debenture Trustee”). The Debentures bear interest at an annual rate of 6.25% payable semi-annually on July 31 and January 31 in each year commencing July 31, 2010. The Debentures have an initial maturity date of the earlier of the closing date of the Acquisition and 5:00 p.m. (Calgary time) on July 31, 2010 (the “Initial Maturity Date”). If the closing of the Acquisition does not take place by 5:00 p.m. (Calgary time) on July 31, 2010, if either of the purchase agreements for the Acquisition are terminated at any earlier time or if Gamehost has advised the underwriters or announced to the public that it does not intend to proceed with the Acquisition, the Debentures will mature on the Initial Maturity Date. If the closing of the Acquisition is completed on or before 5:00 p.m. (Calgary time) on July 31, 2010, the maturity date will be automatically extended from the Initial Maturity Date to July 31, 2015 (the “Final Maturity Date”).

Each Debenture will be convertible into freely tradeable units of Gamehost (“Gamehost Units”) at the option of the holder of a Debenture (a “Debentureholder”) at any time after the Initial Maturity Date and prior to the close of business on the Final Maturity Date or, if called for redemption, on the business day immediately preceding the date specified by Gamehost for redemption of the Debentures, at a conversion price of \$10.65 per Gamehost Unit, being a conversion rate of approximately 93.8967 Gamehost Units per \$1,000 principal amount of Debentures, subject to adjustment in certain events. Debentureholders converting their Debentures will receive accrued and unpaid interest thereon up to but excluding the date of conversion. Notwithstanding the foregoing, no Debentures may be converted during the five business days preceding July 31 and January 31, in each year, commencing July 31, 2010, as the registers of the Debenture Trustee will be closed during such periods. Gamehost has

announced its intention to convert to a corporation no later than January 2011. On completion of this conversion, the Debentures will be convertible into an equal number of common shares of the corporate entity resulting from the conversion.

### **About Gamehost**

Gamehost is an unincorporated open-ended limited purpose trust established under the laws of the Province of Alberta. Gamehost's activities are currently confined to the Province of Alberta, Canada. Gamehost's operations include the Boomtown Casino in Ft. McMurray and the Great Northern Casino, Service Plus Inns & Suites and a strip mall all located in Grande Prairie. Gamehost is a 40% joint venture partner in Deerfoot Inn & Casino Inc. in Calgary.

### **Forward-Looking Statements**

This news release contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian Securities Laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "expect", "may", "will", "project", "should" or similar words suggesting future outcomes. In particular, this new release contains forward-looking statements relating to Gamehost's use of the net proceeds of the offering, the completion of the Acquisition and Gamehost's intention to convert to a corporation no later than January 2011. Gamehost believes the expectations reflected in such forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. These forward-looking statements are made on the basis of certain assumptions including, but not limited to, the assumption that all required regulatory and third-party approvals will be received in a timely manner. However, there is no guarantee that such assumptions will prove to be accurate. If Gamehost does not receive all required regulatory and third-party approvals in a timely manner it may not be able to proceed with the Acquisition or the conversion to a corporation in the manner or at the times currently anticipated. Any forward-looking statements are made as of the date hereof and, except as required by law, Gamehost assumes no obligation to publicly update or revise such statements to reflect new information, subsequent or otherwise. Further information can be found in the disclosure documents filed by Gamehost Income Fund with the securities regulatory authorities, available at [www.sedar.com](http://www.sedar.com).

### **For further information, please contact:**

Darcy J. Will (Vice President)

P: (403) 346-4545

F: (403) 340-0683

E: [info@gamehost.ca](mailto:info@gamehost.ca)