

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant To Section 13 or 15(d)  
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 7, 2020

LEISURE ACQUISITION CORP.  
(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction  
of incorporation)

001-38306

(Commission  
File Number)

82-2755287

(I.R.S. Employer  
Identification No.)

250 West 57<sup>th</sup> Street, Suite 2223  
New York, New York 10107  
(Address of principal executive offices) (Zip Code)

(646) 565-6940  
(Registrant's telephone number, including area code)

Not Applicable  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencements communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	LACQ	The Nasdaq Stock Market LLC
Warrants to purchase one share of Common Stock	LACQW	The Nasdaq Stock Market LLC
Units, each consisting of one share of Common Stock and one-half of one Warrant	LACQU	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 7.01 Regulation FD Disclosure.**

As previously disclosed, Leisure Acquisition Corp., a Delaware corporation (“**LACQ**”) together with GTWY Holdings Limited (“**GTWY**”), the holding company for Gateway Casinos & Entertainment Limited (together with affiliates, “**Gateway**” or the “**Company**”), will jointly host an investor conference call on January 7, 2020 to discuss their previously announced business combination (the “**Transaction**”). The form of investor presentation that will be made available at [www.leisureacq.com](http://www.leisureacq.com) prior to the call is attached hereto as Exhibit 99.1 and incorporated by reference herein. In addition, LACQ may use such presentation in meetings with certain of its stockholders, as well as other persons who might be interested in purchasing securities in connection with the proposed Transaction.

The information set forth in this Item 7.01, including the exhibit attached hereto, is intended to be furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

**Additional Information**

COMMENCING SHORTLY AFTER THE FILING OF THIS CURRENT REPORT ON FORM 8-K, LACQ AND THE COMPANY INTEND TO HOLD AN INVESTOR CONFERENCE CALL TO DISCUSS THE BUSINESS COMBINATION. THE INVESTOR PRESENTATION ATTACHED AS AN EXHIBIT HERETO WILL BE MADE AVAILABLE AT [WWW.LEISUREACQ.COM](http://WWW.LEISUREACQ.COM) PRIOR TO SUCH CONFERENCE CALL. IN ADDITION, LACQ MAY USE SUCH PRESENTATION IN MEETINGS WITH CERTAIN OF ITS STOCKHOLDERS, AS WELL AS OTHER PERSONS WHO MIGHT BE INTERESTED IN PURCHASING SECURITIES IN CONNECTION WITH THE PROPOSED TRANSACTION.

LACQ AND THE COMPANY AND THEIR RESPECTIVE DIRECTORS AND EXECUTIVE OFFICERS, UNDER SEC RULES, MAY BE DEEMED TO BE PARTICIPANTS IN THE SOLICITATION OF PROXIES OF LACQ’S STOCKHOLDERS IN CONNECTION WITH THE PROPOSED TRANSACTION. INVESTORS AND SECURITY HOLDERS MAY OBTAIN MORE DETAILED INFORMATION REGARDING THE NAMES AND INTERESTS IN THE PROPOSED TRANSACTION OF LACQ’S DIRECTORS AND OFFICERS IN LACQ’S FILINGS WITH THE SEC, INCLUDING LEISURE’S DEFINITIVE PROXY STATEMENT ON SCHEDULE 14A FILED WITH THE SEC ON OCTOBER 28, 2019. INFORMATION REGARDING THE PERSONS WHO MAY, UNDER SEC RULES, BE DEEMED PARTICIPANTS IN THE SOLICITATION OF PROXIES TO LACQ’S STOCKHOLDERS IN CONNECTION WITH THE PROPOSED BUSINESS COMBINATION WILL BE SET FORTH IN THE REGISTRATION STATEMENT FOR THE PROPOSED BUSINESS COMBINATION WHEN AVAILABLE. ADDITIONAL INFORMATION REGARDING THE INTERESTS OF PARTICIPANTS IN THE SOLICITATION OF PROXIES IN CONNECTION WITH THE PROPOSED BUSINESS COMBINATION WILL BE INCLUDED IN THE REGISTRATION STATEMENT THAT THE COMPANY WILL FILE WITH THE SEC.

INVESTORS AND SECURITY HOLDERS OF LACQ AND THE COMPANY ARE URGED TO READ THE PROXY STATEMENT, PROSPECTUS AND OTHER RELEVANT DOCUMENTS THAT WILL BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. INVESTORS AND SECURITY HOLDERS WILL BE ABLE TO OBTAIN FREE COPIES OF THE PROXY STATEMENT, PROSPECTUS AND OTHER DOCUMENTS CONTAINING IMPORTANT INFORMATION ABOUT LACQ AND THE COMPANY ONCE SUCH DOCUMENTS ARE FILED WITH THE SEC, THROUGH THE WEBSITE MAINTAINED BY THE SEC AT WWW.SEC.GOV. COPIES OF THE DOCUMENTS FILED WITH THE SEC BY LACQ AND/OR THE COMPANY WHEN AND IF AVAILABLE, CAN BE OBTAINED FREE OF CHARGE ON LACQ'S WEBSITE AT WWW.LEISUREACQ.COM OR BY DIRECTING A WRITTEN REQUEST TO LEISURE ACQUISITION CORP., 250 WEST 57<sup>TH</sup> STREET, SUITE 2223, NEW YORK, NEW YORK 10107 OR BY EMAILING GEORGE.PENG@HYDRAMGMT.COM; AND/OR ON THE COMPANY'S WEBSITE AT WWW.GATEWAYCASINOS.COM OR BY DIRECTING A WRITTEN REQUEST TO THE COMPANY, 100 – 4400 DOMINION STREET, BURNABY, BRITISH COLUMBIA V5G 4G3 OR BY EMAILING GTWY@JCIR.COM.

SOME OF THE COMPANY'S FINANCIAL INFORMATION AND DATA CONTAINED HEREIN AND IN THE EXHIBIT HERETO DOES NOT CONFORM TO SEC REGULATION S-X IN THAT IT INCLUDES CERTAIN FINANCIAL INFORMATION IDENTIFIED THEREIN THAT IS NOT DERIVED IN ACCORDANCE INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS"). ACCORDINGLY, SUCH INFORMATION AND DATA MAY BE ADJUSTED AND PRESENTED DIFFERENTLY IN LACQ'S PROXY STATEMENT TO SOLICIT STOCKHOLDER APPROVAL OF THE PROPOSED TRANSACTION. LACQ AND THE COMPANY BELIEVE THAT THE PRESENTATION OF SUCH NON-IFRS MEASURES ARE USEFUL MEASURES OF PERFORMANCE AND THE COMPANY USES SUCH MEASURES IN ORDER TO FACILITATE OPERATING PERFORMANCE COMPARISONS ON A CONSISTENT BASIS FROM PERIOD TO PERIOD, TO PROVIDE A MORE COMPLETE UNDERSTANDING OF FACTORS AND TRENDS AFFECTING ITS BUSINESS, TO PREPARE ANNUAL OPERATING BUDGETS AND FORECASTS AND TO DETERMINE COMPONENTS OF MANAGEMENT COMPENSATION.

THE FINANCIAL PROJECTIONS IN THIS REPORT AND THE EXHIBIT HERETO ARE FORWARD-LOOKING STATEMENTS THAT ARE BASED ON ASSUMPTIONS THAT ARE INHERENTLY SUBJECT TO SIGNIFICANT UNCERTAINTIES AND CONTINGENCIES, MANY OF WHICH ARE BEYOND LACQ'S AND THE COMPANY'S CONTROL. WHILE ALL PROJECTIONS ARE NECESSARILY SPECULATIVE, LACQ AND THE COMPANY BELIEVE THAT THE PREPARATION OF PROSPECTIVE FINANCIAL INFORMATION INVOLVES INCREASINGLY HIGHER LEVELS OF UNCERTAINTY THE FURTHER OUT THE PROJECTION EXTENDS FROM THE DATE OF PREPARATION. THE ASSUMPTIONS AND ESTIMATES UNDERLYING THE PROJECTED RESULTS ARE INHERENTLY UNCERTAIN AND ARE SUBJECT TO A WIDE VARIETY OF SIGNIFICANT BUSINESS, ECONOMIC AND COMPETITIVE RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTAINED IN THE PROJECTIONS. THE INCLUSION OF PROJECTIONS IN THIS REPORT AND THE EXHIBIT HERETO SHOULD NOT BE REGARDED AS AN INDICATION THAT LACQ AND THE COMPANY, OR THEIR REPRESENTATIVES, CONSIDERED OR CONSIDER THE PROJECTIONS TO BE A RELIABLE PREDICTION OF FUTURE EVENTS.

ADDITIONAL INFORMATION AND FORWARD-LOOKING STATEMENTS

THIS REPORT AND THE EXHIBIT HERETO ARE NOT A PROXY STATEMENT OR SOLICITATION OF A PROXY, CONSENT OR AUTHORIZATION WITH RESPECT TO ANY SECURITIES OR IN RESPECT OF THE PROPOSED TRANSACTION AND SHALL NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES, NOR SHALL THERE BE ANY SALE OF ANY SECURITIES IN ANY STATE OR JURISDICTION IN WHICH SUCH OFFER, SOLICITATION, OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF SUCH STATE OR JURISDICTION.

THIS REPORT AND THE EXHIBIT HERETO INCLUDE "FORWARD-LOOKING STATEMENTS". THE ACTUAL RESULTS OR EVENTS MAY DIFFER FROM THE EXPECTATIONS AND ESTIMATES CONTAINED HEREIN AND, CONSEQUENTLY, YOU SHOULD NOT RELY ON THESE FORWARD LOOKING STATEMENTS AS PREDICTIONS OF FUTURE EVENTS. WORDS SUCH AS "EXPECT," "ESTIMATE," "PROJECT," "BUDGET," "FORECAST," "ANTICIPATE," "INTEND," "PLAN," "MAY," "WILL," "COULD," "SHOULD," "BELIEVES," "PREDICTS," "POTENTIAL," "CONTINUE," AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY SUCH FORWARD-LOOKING STATEMENTS. NEITHER LACQ NOR THE COMPANY UNDERTAKE ANY OBLIGATION TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE, EXCEPT AS REQUIRED BY LAW. IMPORTANT FACTORS THAT MAY AFFECT CERTAIN ESTIMATES OR EXPECTATIONS EXPRESSED HEREIN INCLUDE, AMONG OTHERS, THE POSSIBILITY THAT THE PROPOSED TRANSACTION DOES NOT CLOSE, INCLUDING DUE TO THE FAILURE TO RECEIVE REQUIRED SECURITY HOLDER APPROVALS, OR THE FAILURE OF OTHER CLOSING CONDITIONS.

THIS REPORT AND THE EXHIBIT HERETO ARE NOT INTENDED TO BE ALL-INCLUSIVE OR TO CONTAIN ALL THE INFORMATION THAT A PERSON MAY DESIRE IN CONSIDERING AN INVESTMENT IN LACQ AND IS NOT INTENDED TO FORM THE BASIS OF ANY INVESTMENT DECISION IN LACQ.

ADDITIONAL INFORMATION CONCERNING THE TRANSACTION, INCLUDING RELEVANT RISK FACTORS, WILL BE CONTAINED IN LACQ'S AND THE COMPANY'S FILINGS WITH THE SEC. ALL SUBSEQUENT WRITTEN AND ORAL FORWARD-LOOKING STATEMENTS CONCERNING LACQ AND THE COMPANY, THE PROPOSED TRANSACTION OR OTHER MATTERS AND ATTRIBUTABLE TO LACQ AND THE COMPANY OR ANY PERSON ACTING ON THEIR BEHALF ARE EXPRESSLY QUALIFIED IN THEIR ENTIRETY BY THE CAUTIONARY STATEMENTS ABOVE. READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE UPON ANY FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE MADE. NEITHER LACQ NOR THE COMPANY UNDERTAKE OR ACCEPT ANY OBLIGATION OR UNDERTAKING TO RELEASE PUBLICLY ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENT TO REFLECT ANY CHANGE IN THEIR EXPECTATIONS OR ANY CHANGE IN EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH ANY SUCH STATEMENT IS BASED, EXCEPT AS REQUIRED BY APPLICABLE LAW.

**Item 9.01 Financial Statements and Exhibits.**

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#">Investor Presentation.</a>

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**LEISURE ACQUISITION CORP.**

Date: January 7, 2020

By: /s/ Daniel B. Silvers  
Name: Daniel B. Silvers  
Title: Chief Executive Officer and Director



**GATEWAY**  
CASINOS & ENTERTAINMENT LIMITED

**LEISURE**  
ACQUISITION CORP.

# Investor Presentation

January 2020





## Disclaimer



### GENERAL

This presentation does not constitute an offer or invitation for the sale or purchase of securities and has been prepared solely for informational purposes.

The information contained in this presentation (the "Presentation") has been prepared to assist interested parties in making their own evaluation with respect to the proposed transaction (the "Transaction") between Leisure Acquisition Corp. ("LACQ") and GTWY Holdings Limited (together with Gateway Casinos & Entertainment Limited, "Gateway" or the "Company"), and for no other purpose. This Presentation is subject to updating, completion, revision, verification and further amendment. None of LACQ, Gateway, or their respective affiliates has authorized anyone to provide interested parties with additional or different information. No securities regulatory authority has expressed an opinion about the securities discussed in this Presentation and it is an offence to claim otherwise. The information contained herein does not purport to be all-inclusive. Nothing herein shall be deemed to constitute investment, legal, tax, financial, accounting or other advice.

In this Presentation, all amounts are in Canadian dollars, unless otherwise indicated. All references to US\$ are based on the relevant exchange rate as at December 26, 2019. Any graphs, tables or other information in this Presentation demonstrating the historical or pro forma performance of Gateway or any other entity contained in this Presentation are intended only to illustrate past performance of such entities and are not necessarily indicative of future performance of Gateway or such entities.

### ADDITIONAL INFORMATION AND WHERE TO FIND IT

This presentation relates to a proposed transaction between Gateway and LACQ. This presentation does not constitute an offer to sell or exchange, or the solicitation of an offer to buy or exchange, any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, sale or exchange would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Gateway intends to file a registration statement on Form F-4 with the SEC, which will include a document that serves as both a prospectus, and as a proxy statement of LACQ, referred to as a proxy statement/prospectus. A proxy statement/prospectus will be sent to all LACQ shareholders. LACQ also will file other documents regarding the proposed transaction with the SEC. **Before making any voting decision, interested parties and security holders of LACQ are urged to read the registration statement, the proxy statement/prospectus and all other relevant documents filed or that will be filed with the SEC in connection with the proposed transaction as they become available in their entirety because they will contain important information about the proposed transaction.**

Interested investors and security holders of LACQ will be able to obtain free copies of the registration statement, the proxy statement/prospectus and all other relevant documents filed or that will be filed with the SEC by LACQ and the Company through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov).

In addition, copies of the documents filed with the SEC by LACQ and/or the Company, when available, can be obtained free of charge on LACQ's website at [www.leisureacq.com](http://www.leisureacq.com) or by directing a written request to Leisure Acquisition Corp., 250 West 57<sup>th</sup> Street, Suite 2223, New York, New York 10107 or by emailing [George.Peng@hydrangmt.com](mailto:George.Peng@hydrangmt.com); and/or on the Company's website at [www.gatewaycasinos.com](http://www.gatewaycasinos.com) or by directing a written request to GTWY Holdings Limited, 100-4400 Dominion Street, Burnaby, British Columbia V5G or by emailing [gtwy@jcjr.com](mailto:gtwy@jcjr.com).

### PARTICIPANTS IN SOLICITATION

LACQ, Gateway and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from LACQ's shareholders in connection with the proposed transaction. Information about LACQ's directors and executive officers and their ownership of LACQ's securities is set forth in LACQ's definitive proxy statement on Schedule 14A filed with the SEC on October 28, 2019. Additional information regarding the interests of those persons and other persons who may be deemed participants in the proposed transaction may be obtained by reading the proxy statement/prospectus regarding the proposed transaction when it becomes available. You may obtain free copies of these documents as described in the preceding paragraph.

### INDUSTRY AND MARKET DATA

This Presentation has been prepared by Gateway and includes market data and other statistical information from third-party sources, including provincial gaming authorities. Although LACQ and the Company believes these third-party sources are reliable as of their respective dates, none of LACQ, the Company, or any of their respective affiliates has independently verified the accuracy or completeness of this information. Some data are also based on the Company's good faith estimates, which are derived from both internal sources and the third-party sources described above. None of LACQ, Gateway, any third-party source providing market data and statistical information, their respective affiliates, nor their respective directors, officers, employees, members, partners, shareholders or agents make any representation or warranty with respect to the accuracy of such information (including information from third-party sources).

CONFIDENTIAL

### FORWARD-LOOKING INFORMATION

This Presentation contains "forward-looking information" within the meaning of applicable securities laws in Canada and the United States. Forward-looking statements may relate to Gateway's, LACQ's, or the combined company's future financial outlook and anticipated events or results and may include information regarding our financial position, business strategy, growth strategies, growth objectives, budgets, operations, financial results, taxes, dividend policy, regulatory developments, plans and objectives. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "contemplate", "continue", "estimate", "expect", "intend", "propose", "might", "may", "will", "shall", "project", "should", "could", "would", "believe", "predict", "forecast", "pursue", "potential" and "capable" and similar expressions are intended to identify forward looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. In addition, this Presentation may contain forward-looking statements attributed to third party industry sources, the accuracy of which has not been verified by LACQ or Gateway. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Presentation should not be unduly relied upon. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances. Forward-looking information contained in this Presentation and other forward-looking information are based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct.

Additionally, any estimates and projections contained herein have been prepared by the management of the Company and involve significant elements of subjective judgment and analysis, which may or may not be correct. This Presentation includes certain estimates, targets and projections that reflect Gateway management's assumptions concerning anticipated future performance of Gateway as provided to LACQ on December 19, 2019. Such estimates, targets and projections from are based on significant assumptions and subjective judgments concerning anticipated results, which are inherently subject to risks, variability and contingencies, many of which are beyond Gateway's control. These assumptions and judgments may or may not prove to be correct and there can be no assurance that any projected results are attainable or will be realized. LACQ, Gateway, any third-party source providing information and each of their respective representatives disclaims any and all liability for any loss or damage (whether foreseeable or not) suffered or incurred by any person or entity as a result of anything contained or omitted from this Presentation (including information from third-party sources) and such liability is expressly disclaimed.

You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date of this Presentation. The forward-looking information contained in this Presentation represents our expectations as of the date of this Presentation or the date indicated, regardless of the time of delivery of the Presentation and is subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by law.

All of the forward-looking information contained in this Presentation is expressly qualified by the foregoing cautionary statements.

### NON-IFRS MEASURES

This Presentation makes reference to certain financial and other measures commonly used by financial analysts in evaluating the financial performance of companies and by the Company's management in evaluating its operations, including companies in the gaming industry that are not presented in accordance with international financial reporting standards ("IFRS"). These measures are not recognized measures under IFRS and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management's perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS.

We use non-IFRS measures including "Adjusted EBITDA", "Adjusted Corporate EBITDA", "Adjusted EBITDA Margin", "Adjusted Property EBITDA", "Adjusted Property EBITDA Margin", "EBITDA", "Free Cash Flow", "Free Cash Flow Conversion", and "Pro Forma Adjusted EBITDA" and these measures should not be considered as an alternative to net income (loss), earnings per share or any other performance measures derived in accordance with IFRS as measures of operating performance, operating cash flows or as measures of liquidity. For further details on these non-IFRS measures including relevant definitions and reconciliations, see the "Financial Overview" section of this Presentation.

As of September 30, 2019, Starlight Casino Edmonton and Grand Villa Casino Edmonton are considered discontinued operations in Gateway's consolidated financial statements. These properties are referred to in this presentation as "Non-Core Properties." Where indicated in this presentation, financial information of Gateway excludes the Non-Core Properties.

### COMPARABLE COMPANIES

Certain information presented herein compares the Company to other issuers and such data sets are considered to be "comparables". The information is a summary of certain relevant operational attributes of certain gaming issuers and has been included to provide interested parties an overview of the performance of what are expected to be comparable issuers. These issuers are in the same industry, provide similar services and operate in similar regulatory environments and each should be considered an appropriate basis for comparison to the Company. The information regarding the comparables was obtained from public sources, has not been verified by LACQ, the Company, or any of their respective affiliates and if such information contains a misrepresentation, interested parties do not have a remedy under securities legislation in any province or territory of Canada. There are risks associated with comparables, including the integrity of the underlying information and the ability to isolate specific variables which may impact one issuer and not another. There are risks associated with making investment decisions based on comparables including whether data presented provides a complete comparison between issuers. Interested parties are cautioned that past performance is not indicative of future performance and the performance of the Company may be materially different from the comparable issuers. Accordingly, an investment decision should not be made in reliance on the comparables.





**Gateway Casinos & Entertainment**

A Leading Operator of Integrated Gaming and Entertainment Destinations Across Canada



**Gabriel de Alba**  
Executive Chairman of  
Gateway Casinos

- ◆ Managing Director and Partner at Catalyst Capital, the majority owner of Gateway Casinos
- ◆ Currently serves as and will continue to serve as Gateway's Executive Chairman post-transaction
- ◆ Since acquiring Gateway in 2010, Catalyst Capital and Mr. de Alba have been instrumental in the Company's growth strategies, acquisitions, renovations and rebranding initiatives
- ◆ Prior to joining Catalyst Capital at its inception in 2002, worked at AT&T Latin America, was a founding member of Bank of America International Merchant Banking Group and, prior to that, worked in Bankers Trust's Merchant Banking Group
- ◆ Holds a double B.S. in Finance and Economics from NYU Stern School of Business, MBA from Columbia University and has completed graduate courses in Mathematics, Information Technology and Computer Sciences at Harvard



**Lorne Weil**  
Executive Chairman of Leisure  
Incoming Vice Chairman

- ◆ Renowned leader in gaming sector
- ◆ Considerable transactional and operational experience focused on gaming and leisure sectors
- ◆ Executive leader overseeing successful growth of Scientific Games and Inspired Entertainment
- ◆ Led prior SPACs through successful acquisitions and integration
- ◆ Received undergraduate degree in Economics from University of Toronto, MSc from the London School of Economics and MBA from Columbia Business School where he was a member of the Board of Overseers for 10 years



**Daniel Silvers**  
CEO of Leisure  
Incoming Vice Chairman

- ◆ Long-time gaming sector operator and investor
- ◆ Investment banking and direct investing experience focused on gaming and leisure
- ◆ Accomplished Executive and Director with ability to navigate complex and uncertain environments
- ◆ Executive leader and/or director of multiple SPAC successor entities
- ◆ Led prior SPACs through successful acquisitions and integration
- ◆ Holds a B.S. in Economics (concentrations in Finance and Accounting) from The Wharton School at the University of Pennsylvania, MBA from The Wharton School at the University of Pennsylvania and has completed a director's education program at the Anderson School at UCLA



**Tony Santo**  
Current President  
and CEO

- ◆ President and CEO of Gateway Casinos since Oct. 2013
- ◆ Shortly following completion of the transaction, Mr. Santo will retire from the Company; he will serve as an advisor to the Board of Directors and Mr. Falcone for 3 months thereafter to ensure a smooth transition
- ◆ President and CEO of Santo Gaming LLC from 2007-2013
- ◆ Previously served as Senior VP of Operations, Products and Services for Harrah's Entertainment and Senior VP of Western and Mid-South Regions for Caesars
- ◆ Bachelor of Science Degree in Hotel Admin. at the Univ. of Nevada, Las Vegas



**Marc Falcone**  
To Become President and CEO  
Current Director of Leisure

- ◆ To become President and CEO shortly following completion of the transaction
- ◆ Extensive experience in the gaming and leisure sectors in both corporate and financial advisory roles
- ◆ Currently serves as President and CFO of Sightline Payments LLC since Feb. 2019 and as a member of LACQ's Board of Directors since Dec. 1, 2017
- ◆ Previously served as CFO and Treasurer of Red Rock Resorts and Station Casinos (Jun. 2011 – May 2017)
- ◆ Previously served as CFO of Ferlitta Entertainment (Oct. 2010 – May 2016)
- ◆ Prior experience also includes Goldman Sachs & Co., Magnetar Capital, Deutsche Bank and Bear Stearns
- ◆ Holds a B.S. from Cornell University (concentrations in Hospitality Real Estate Finance and Food & Beverage)



**Queenie Wong**  
Chief Accounting Officer

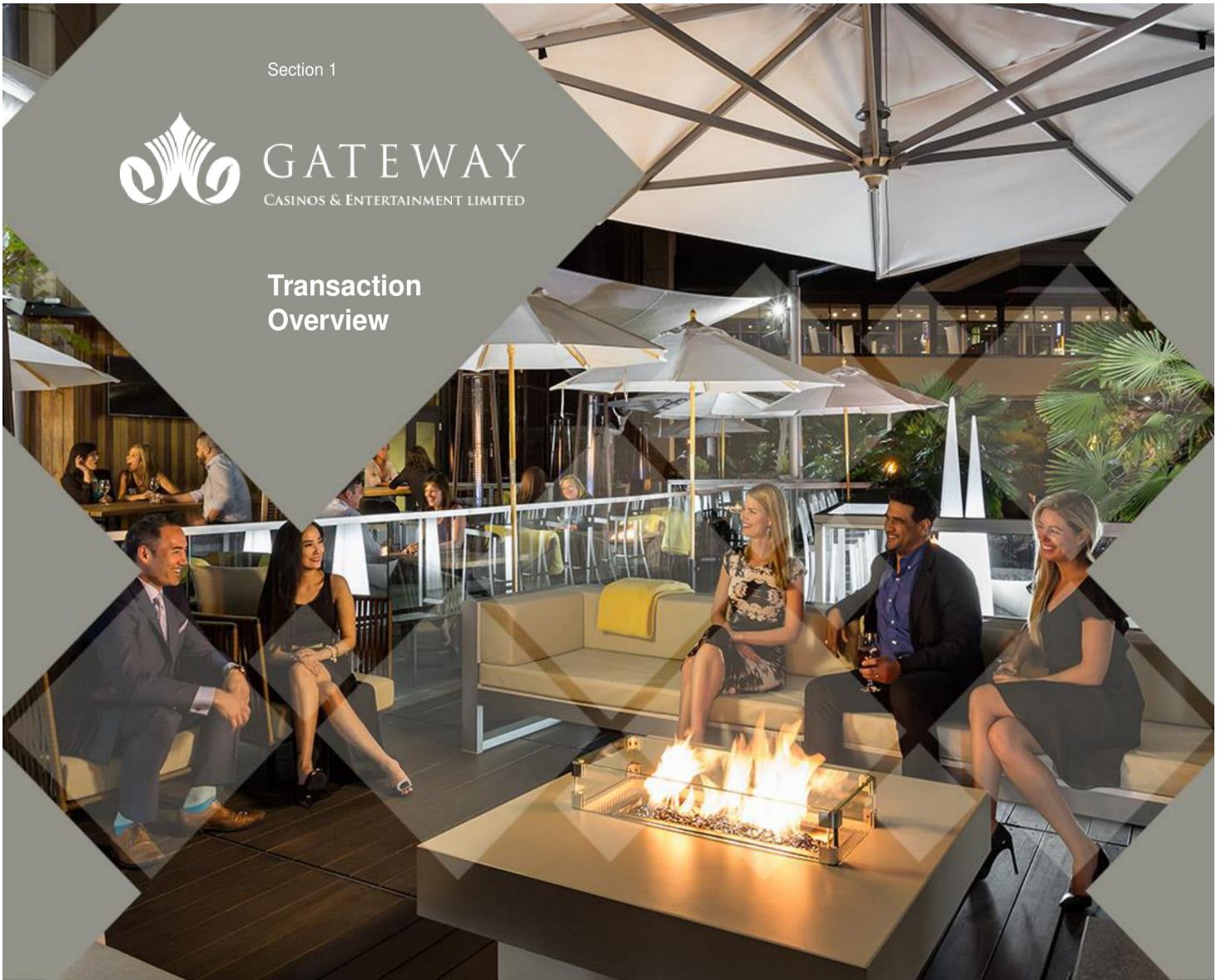
- ◆ Appointed Chief Accounting Officer in Jan. 2020; Served as Senior VP, Finance since Mar. of 2018
- ◆ Prior to her role as Senior VP, served as VP, Finance from Jul. of 2016 to Feb. 2018 and as Director, Finance from Aug. 2011 to Jul. 2016
- ◆ Previously a Senior Manager at Pricewaterhouse Coopers LLP
- ◆ Chartered Professional Accountant (CPA-CA); Bachelor of Commerce from Univ. of British Columbia

Section 1



**GATEWAY**  
CASINOS & ENTERTAINMENT LIMITED

## Transaction Overview



<b>Transaction Structure</b>	<ul style="list-style-type: none"> <li>Leisure Acquisition Corp. (“LACQ”) to merge with a wholly-owned subsidiary of GTWY Holdings Limited (“GTWY”), the parent holding company and sole shareholder of Gateway Casinos, with LACQ shareholders / warrant holders to receive GTWY common shares / warrants upon the merger</li> <li>GTWY common shares expected to be listed on the NYSE upon consummation of the transaction, with GTWY qualifying as a foreign private issuer</li> </ul>
<b>Valuation</b>	<ul style="list-style-type: none"> <li><b>US\$1.1Bn (C\$1.5Bn)</b> pro forma enterprise valuation</li> <li><b>7.5x 2020 Projected Adjusted EBITDA <sup>(2)</sup></b></li> </ul>
<b>Funding Sources</b>	<ul style="list-style-type: none"> <li>US\$30MM equity commitment from HG Vora Capital Management LLC (“HG Vora”); including existing invested capital, HG Vora’s total capital commitment to the Company is in excess of US\$100MM <sup>(3)</sup></li> <li>Up to US\$189MM LACQ Trust rollover proceeds <sup>(4)</sup></li> <li>Gateway shareholders rollover</li> </ul>
<b>Contingent Consideration</b>	<ul style="list-style-type: none"> <li>Existing Gateway shareholders eligible to receive an earn-out of 1.898 million and 2.846 million shares that vest upon GTWY stock trading at greater than \$12.50 and \$15.00 per share over a 2 and 3 year period, respectively</li> <li>18.975 million newly-issued warrants (equal tranches struck at US\$11.50, US\$12.50 and US\$15.00 per share) issued to existing Gateway shareholders, to align incentives. Existing private warrants held by LACQ insiders and HG Vora (and HG Vora private warrants from equity commitment) to be amended to be equal tranches struck at US\$11.50, US\$12.50 and US\$15.00</li> <li>1.281 million options issued to certain members of management in the same proportion and equivalent term and conditions as the earn-out payment and the warrants being issued to existing shareholders of Gateway</li> </ul>
<b>Required Approvals</b>	<ul style="list-style-type: none"> <li>LACQ and GTWY shareholder approval, gaming regulatory approvals and contractual approvals from Crown agencies</li> <li>Registration statement and approval for listing on NYSE</li> </ul>
<b>Management and Independent Board</b>	<ul style="list-style-type: none"> <li>Marc Falcone expected to become President and CEO of Gateway shortly following completion of the transaction</li> <li>Lorne Weil, Daniel Silvers, Marc Falcone, Lyle Hall, Olga Ilich and Dr. Michael Percy are expected to join Gateway’s Board and Gabriel de Alba will continue to serve as Gateway’s Executive Chairman</li> <li>Two additional independent directors will be appointed at or following the completion of the transaction such that Gateway’s Board will be comprised of up to 9 members</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>The two Edmonton properties (Starlight Casino Edmonton and Grand Villa Casino Edmonton) are considered discontinued operations and are contemplated as being carved-out from the transaction (the “<b>Non-Core Properties</b>”)</li> <li>All numbers presented in this presentation exclude the Non-Core Properties unless otherwise noted</li> </ul>

**Notes:**

- Figures converted from USD to CAD at an exchange ratio of 1.3122 as of 12/26/19
- Based on 2020P (pre-IFRS 16) Adjusted Corporate EBITDA of C\$195MM as provided by Gateway management, excluding the impact of the Non-Core Properties. The 7.5x transaction multiple is shown before any LACQ and/or shared fees and expenses. To the extent Gateway’s shareholders pay LACQ’s fees and expenses, shares issued to the existing Gateway shareholders shall increase on a pro rata basis by the amount of LACQ’s fees paid by Gateway’s shareholders
- Includes existing investment in GTWY Holdings loan
- US\$11.2MM redeemed on 11/26/2019; LACQ trust account includes US\$10MM of proceeds from HG Vora

## Sources and Uses <sup>(1) (2)</sup>

(\$MM)		
Sources of Funds	C\$	US\$
SPAC Trust Proceeds <sup>(3)</sup>	248	189
HG Vora Equity Commitment	39	30
<b>Total Sources</b>	<b>287</b>	<b>219</b>
Uses of Funds	C\$	US\$
Gross Cash to Gateway Shareholders <sup>(4)</sup>	56	42
OpCo Debt Paydown	14	11
Cash to Paydown HoldCo Term Loan <sup>(5)</sup>	201	154
Illustrative Transaction Fees <sup>(6)</sup>	16	12
<b>Total Uses</b>	<b>287</b>	<b>219</b>

## Pro Forma Ownership <sup>(7)</sup>

(MM)				
Common Equity	12/31/2019	Adj.	PF	%
Catalyst Shares	--	13.282	13.282	30.2%
Other Current Gateway S/H	--	4.772	4.772	10.9%
LACQ Public Shareholders	17.876	--	17.876	40.7%
LACQ Management and Board <sup>(8)</sup>	2.538	(1.000)	1.538	3.5%
HG Vora	6.463	--	6.463	14.7%
<b>Total Ownership Shares</b>	<b>26.876</b>	<b>17.055</b>	<b>43.931</b>	<b>100.0%</b>

### Notes:

- Assumes no SPAC redemptions beyond US\$11.2MM redeemed on 11/26/2019; excludes shared expenses
- Figures converted from USD to CAD exchange ratio of 1.3122 as of 12/26/19
- Assumes full roll of HG Vora US\$10MM Public Float
- Represents gross cash proceeds to existing Gateway shareholders prior to the payment of any transaction fees or management incentive payments; to the extent Gateway's shareholders pay LACQ's fees, shares issued to Gateway shareholders will be increased on a pro rata basis by the amount of LACQ's fees paid by Gateway's shareholders
- Balance as of 12/31/2019 as projected by Gateway Management
- Transaction fees shown net of illustrative accrued interest available in LACQ Trust
- Pro Forma Ownership represents ownership at close before the exercise of warrants and vesting of earn-outs and options
- Catalyst and other current Gateway shareholders to be allocated 1MM founder shares pro rata from members of LACQ Management
- Adjusted Corporate EBITDA projections as provided by Gateway management (pre-IFRS 16) excluding Adjusted Property EBITDA from the Non-Core Properties
- Leverage stats include C\$82MM letters of credit; based on 2020P and 2021P Adjusted Corporate EBITDA of C\$195MM and C\$215MM, respectively

## Pro Forma Capitalization <sup>(1) (2) (3)</sup>

(\$MM, except share price)		
	C\$	US\$
<b>Sellers' Rollover Equity</b>	<b>237</b>	<b>181</b>
(-) Issue Price of LACQ Shares	\$13.12	\$10.00
<b>Estimated Sellers Rollover Shares (MM)</b>	<b>18.055</b>	<b>18.055</b>
(+) LACQ Public Shareholders	17.876	17.876
(+) LACQ Management and Board Shares	1.538	1.538
(+) HG Vora	6.463	6.463
<b>Fully Diluted Shares Outstanding (MM)</b>	<b>43.931</b>	<b>43.931</b>
(x) Issue Price of LACQ Shares	\$13.12	\$10.00
<b>Implied Total Equity Value</b>	<b>\$576</b>	<b>\$439</b>
(+) Rollover Debt	939	716
(-) Cash	(53)	(40)
<b>Implied Enterprise Value</b>	<b>\$1,463</b>	<b>\$1,115</b>

	EBITDA Projections		Implied Multiple
	C\$	US\$	
<b>FY2020P EBITDA <sup>(9)</sup></b>	<b>\$195</b>	<b>\$149</b>	<b>7.5x</b>
<b>FY2021P EBITDA <sup>(9)</sup></b>	<b>\$215</b>	<b>\$164</b>	<b>6.8x</b>
<b>Total Debt / 2020P EBITDA <sup>(10)</sup></b>			<b>5.2x</b>
<b>Total Debt / 2021P EBITDA <sup>(10)</sup></b>			<b>4.8x</b>

## December 2019

- Transaction Agreement Executed and Announced

## First Quarter 2020

- Preliminary Proxy Materials Filed with the SEC
- Set Record Date for Shareholder Vote
- Expected Mailing of Final Proxy Materials to Shareholders

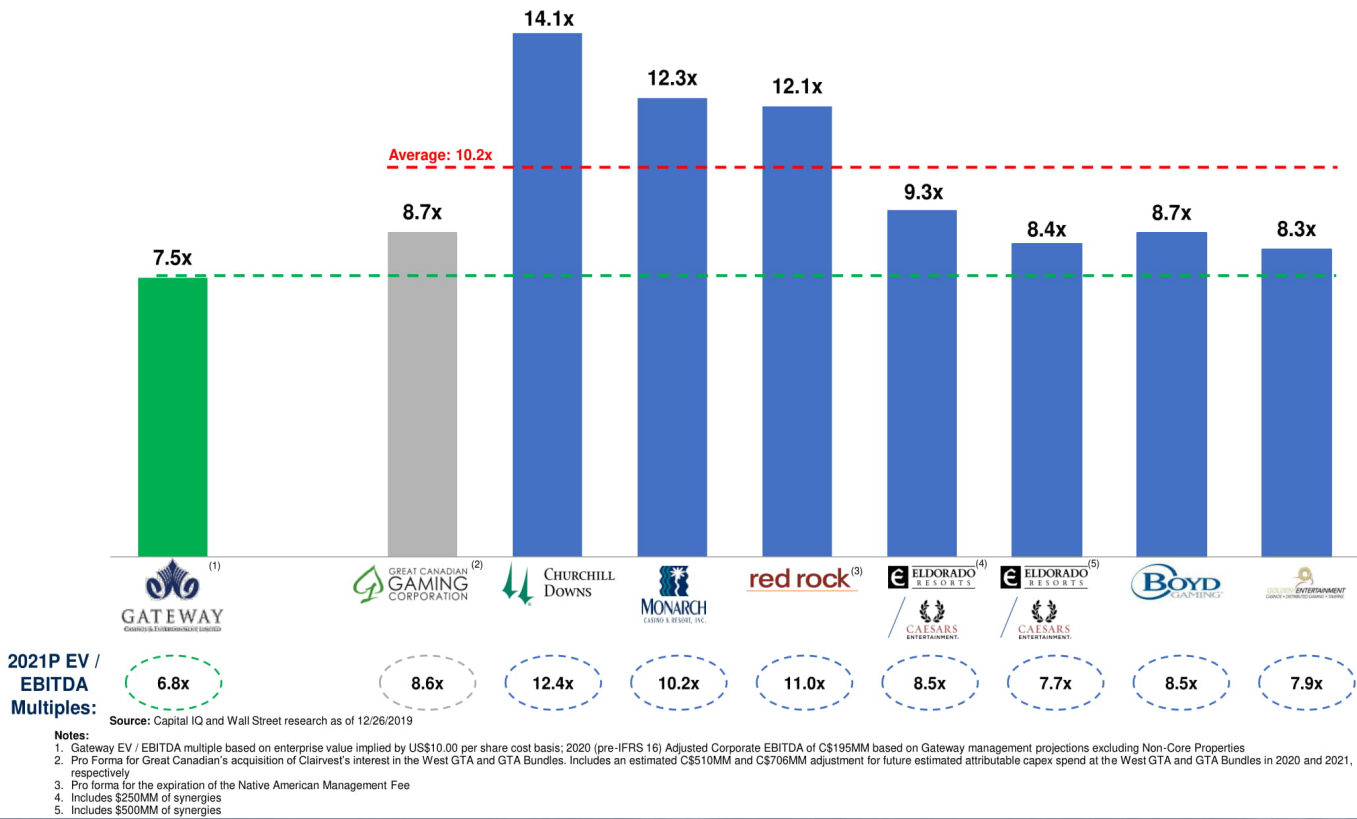
## Second Quarter 2020

- Expected Receipt of Regulatory Approval and Contractual Approval from Crown Agencies
- Hold Shareholder Vote and Anticipated Close of Transaction

**Note:** Estimated timeline based on current information and is subject to change

## Gateway Offers a Compelling Value Proposition when Compared with Gaming Peers

### 2020P Enterprise Value (EV) / EBITDA Multiples



## HG Vora

### Highlights

- US\$5Bn+ event driven and value oriented investment firm founded in 2009
- Invests opportunistically across the capital structure
- Deep expertise in consumer and real estate sectors including gaming, lodging, leisure, retail, travel and specialty finance

### Partnership with Leisure / Gateway

- Post-transaction, HG Vora will have invested in excess of US\$100MM in Gateway, including existing invested capital
- In October 2019, HG Vora invested in the Company through a US\$150MM HoldCo Term Loan
- As part of the SPAC transaction, certain affiliated funds of HG Vora to provide US\$30MM equity commitment
- Pro forma for the transaction, HG Vora will own ~15% of the Company <sup>(1)</sup>

## Select Investments



**Note:**

1. Assumes no SPAC redemptions beyond the US\$11.2MM redeemed on 11/26/2019 and full roll of HG Vora US\$10MM Public Float

## Catalyst Capital

### Highlights

- Founded in 2002, The Catalyst Capital Group is a Toronto based private equity investment management firm with C\$6Bn in assets under management
- The Catalyst team collectively possesses more than 110 years of relevant experience in restructuring, credit markets and merchant and investment banking in both the U.S. and Canada

### Partnership with Gateway
















- Catalyst currently beneficially owns or manages ~74% of the outstanding common shares of the Company
- Since acquiring Gateway's equity in 2010, Catalyst has been committed to long-term sustainable growth and has been instrumental in the Company's acquisition, renovation and rebranding initiatives
- As majority owner, Catalyst has supported implementation of Gateway's strong corporate and property operating teams, diversified growth initiatives, and industry-leading operating model which, over the last six years, led to doubling of locations and Adjusted EBITDA, increasing slot machines by 3x, increasing table games by 2x and adding 56 new F&B outlets across British Columbia and Ontario
- Gabriel de Alba, Managing Director and Partner, currently serves as the Executive Chairman and Director of Gateway

## Select Investments





## Experienced Board

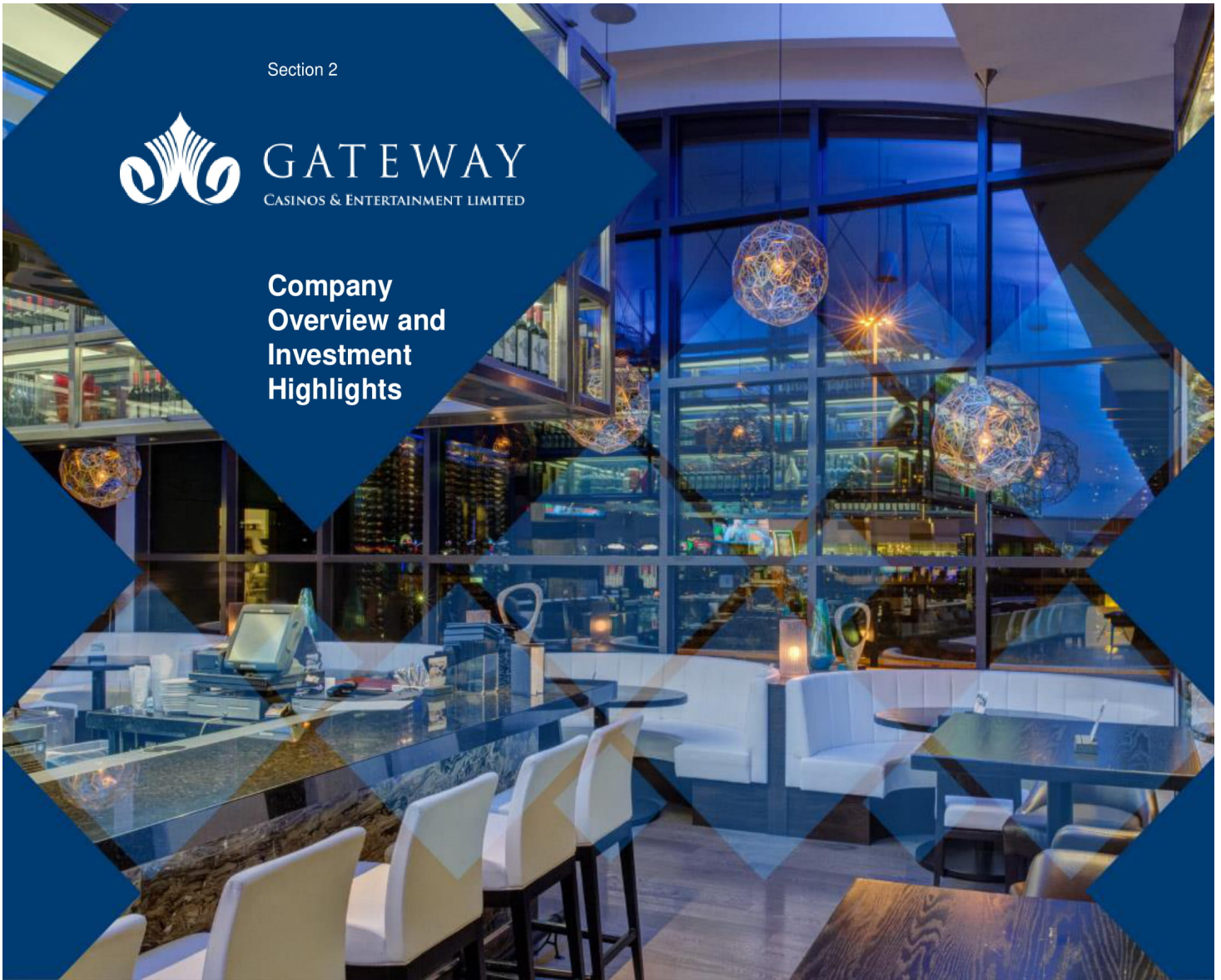
<b>Gabriel de Alba</b> Executive Chairman	<ul style="list-style-type: none"> <li>• Currently serves as Gateway's Executive Chairman and will continue in this role post-Transaction</li> <li>• Joined Catalyst in Oct. 2002 and has served as Director or Senior Officer of various Catalyst portfolio companies, including Frontera Energy Corporation, Geneba Properties and Cabovisão</li> </ul>	 
<b>Daniel Silvers</b> Vice Chairman	<ul style="list-style-type: none"> <li>• Long-time gaming sector operator and investor with extensive experience as an executive leader / director of multiple SPAC successor entities</li> <li>• Currently serves as Founder and Managing Member of Matthew Lane Capital Partners LLC, Chief Strategy Officer of Inspired Entertainment and Independent Director of Avid Technology, Inc.</li> <li>• Led prior SPACs through successful acquisitions and integration</li> </ul>	  
<b>Lorne Weil</b> Vice Chairman	<ul style="list-style-type: none"> <li>• Renowned leader in the gaming sector with extensive experience in leading prior SPACs through successful acquisitions and integration</li> <li>• Currently serves as Founder and Principal of Hydra Management, Executive Chairman of Inspired Entertainment and Non-Executive Chairman of Tecnoglass</li> </ul>	   
<b>Marc Falcone</b>	<ul style="list-style-type: none"> <li>• Will serve as CEO and President of Gateway post-closing</li> <li>• Extensive industry experience in the gaming and leisure sectors in both corporate and financial advisory roles</li> <li>• Previously the Chief Financial Officer and Treasurer of Red Rock Resorts from Oct. 2015 to May 2017 and the Chief Financial Officer of Station Casinos LLC (Jun. 2011 – May 2017)</li> </ul>	 
<b>Lyle Hall</b>	<ul style="list-style-type: none"> <li>• Previously President and Managing Director of HLT Advisory Inc. (Aug. 2005 – May 2017) and National Director of KPMG Canada's Hospitality, Leisure &amp; Tourism practice prior to his time at HLT Advisory Inc.</li> <li>• Intimately involved in the evolution of land-based casino gaming in Canada having advised senior management and the boards of most provincial gaming corporations</li> </ul>	 
<b>Olga Ilich</b>	<ul style="list-style-type: none"> <li>• Has served as President of Suncor Developments Ltd. since Jul. 1997 and was an elected member of the Legislative Assembly of British Columbia from 2005 to 2009, serving as the Minister of Tourism, Sport and the Arts, and the Minister of Labour and Citizens' Services</li> <li>• Extensive Board experience, having served most recently as the Chair of the Board of Destination Canada</li> </ul>	
<b>Dr. Michael Percy</b>	<ul style="list-style-type: none"> <li>• Currently serves as an Independent Director of K-Bro Linen Inc. and previously served as the Chief of Staff to Alberta Premier Jim Prentice from Sep. 2014 to May 2015</li> <li>• Experienced Board member, having served as a director for ATB Financial, Epcor Utilities Inc., Matrikon and Sawridge</li> </ul>	
<b>Additional Directors</b>	<ul style="list-style-type: none"> <li>• Two additional independent directors are expected to be appointed at or following the completion of the Transaction such that Gateway Board of Directors will be comprised of up to 9 members</li> </ul>	

Section 2



**GATEWAY**  
CASINOS & ENTERTAINMENT LIMITED

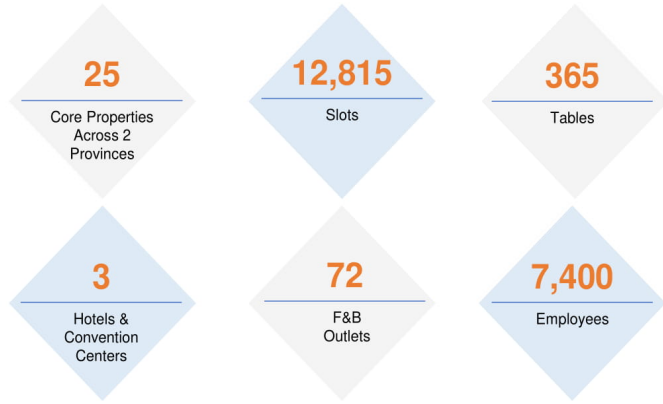
**Company  
Overview and  
Investment  
Highlights**



## Gateway at a Glance <sup>(1)</sup>

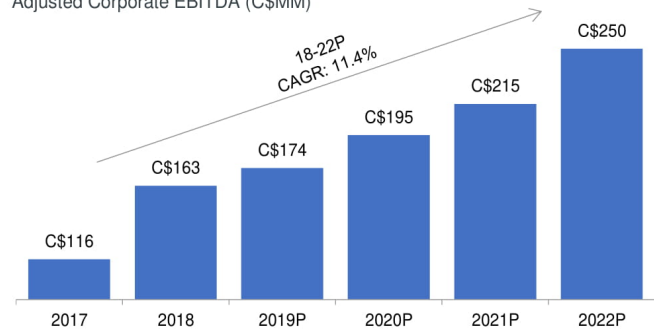
- **One of the largest and most diversified gaming and entertainment companies** in Canada
- Owns and operates **25 leading gaming and entertainment venues** across **British Columbia** and **Ontario**
  - **British Columbia:** Operates **over 40% of all slot machines and table games**
  - **Ontario:** **Contractually exclusive service provider** in the Southwest, North, and Central Bundles (as conducted and managed by Ontario Lottery and Gaming Corporation)
- **Demonstrated track record** of successfully operating, developing and acquiring gaming properties and contributing to the communities in which Gateway operates
- Consistently delivering on its **organic growth initiatives** and is well-positioned for the future with a **strong growth pipeline** of new **development, renovation, and rebranding efforts**
- **Defensible barriers to entry** due to rigorous regulatory requirements, proven branding strategy and deep industry and operational expertise
- High-quality **locals-focused** and resilient customer base
- **Proven and proprietary F&B** and **gaming offerings** branded to market size, market growth potential and local community demographic
- **C\$195MM** 2020P Adjusted Corporate EBITDA

## Company Snapshot <sup>(1)</sup>



## Robust Financial Growth Profile <sup>(1) (2)</sup>

Adjusted Corporate EBITDA (C\$MM)



**Notes:**

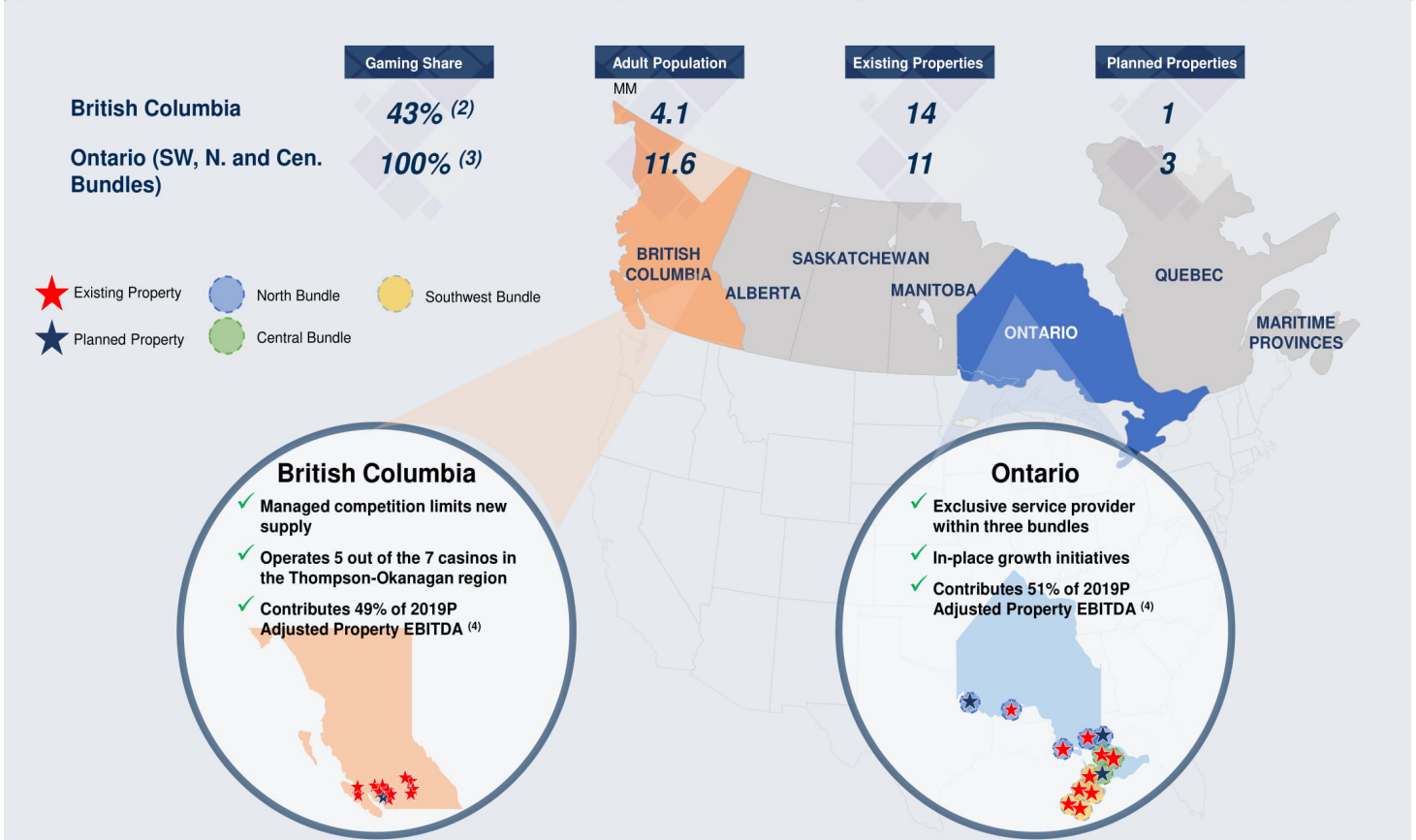
1. Gateway Management Projections; excludes the Non-Core Properties. Projections rounded to the nearest million
2. Financials exclude Adjusted Property EBITDA for Non-Core Properties and are shown pre-IFRS 16. 2017 and 2018 figures include a C\$35MM and C\$6.9MM adjustment, respectively, for the Sale Leaseback transaction ("SLB Transaction") in which Gateway sold the real estate of Grand Villa Casino Burnaby, Starlight Casino New Westminster and Cascades Casino Langley to a third-party on March 12, 2018

**Recently Refreshed Properties with No Deferred Capex Spend**










## Gateway: Platform Positioned for Strong EBITDA Growth and FCF Generation





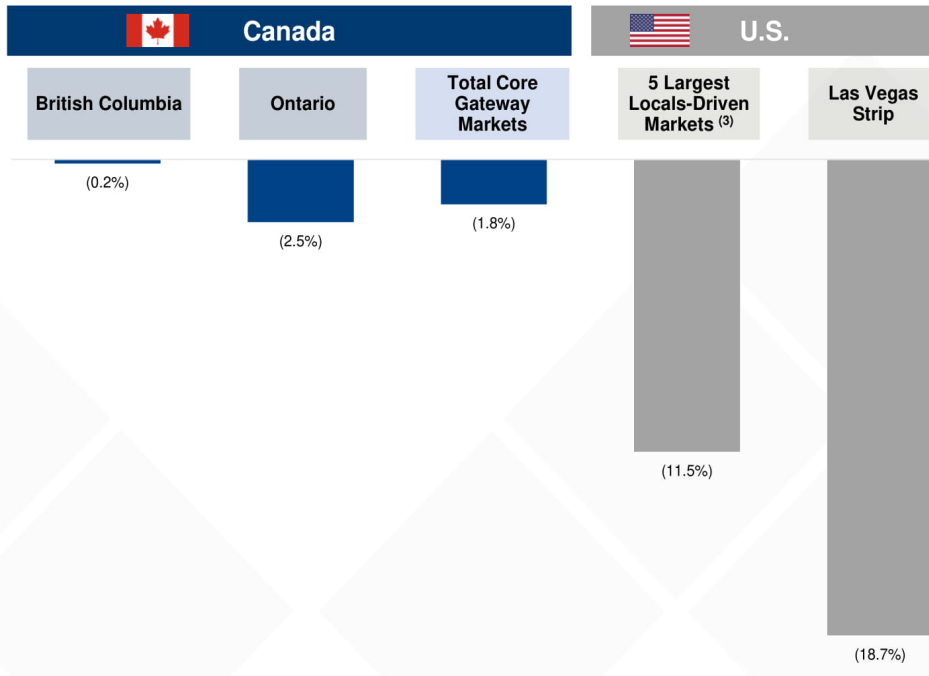
**Notes:**




1. Excludes Non-Core Properties
2. Based on number of gaming positions in markets served. British Columbia gaming share based on the markets (Lower Mainland, Thompson-Okanagan and Vancouver Island) in which Gateway operates
3. Represents gaming share within the applicable bundle; Gateway currently operates 3 out of the 8 total bundles as conducted and managed by the OLG
4. Based on Gateway management projections; excludes the Non-Core Properties

	British Columbia	Ontario	
 <p><b>Long-Dated Operating Agreements / Licenses</b></p>	<p><b>Up to 20 Years</b> <i>No license expiring prior to 2038</i></p>	<p>~20 Years <sup>(1)</sup></p>	 <p><b>Public / Private Partnership</b></p>
 <p><b>High Barriers to Entry</b></p>	<p><b>Policies to manage competition</b> between gaming properties; controlled implementation of new gaming positions</p>	<p>Operator <b>exclusivity</b> within each bundle</p>	 <p><b>Limited Competition</b></p>
 <p><b>Crown Agency Support</b></p>	<p><b>BCLC pays for all slots and maintenance capex</b></p>	<p><b>Modernization process</b> designed to maximize property potential and <b>drive total revenue</b></p>	
 <p><b>% of F&amp;B, Entertainment and Other Revenue Retained by Gateway</b></p>	<p><b>100%</b> <i>Gateway does not pay a gaming tax for F&amp;B, Entertainment and Other Revenue generated at its properties</i></p>		 <p><b>Long-Term Stability and Visibility</b></p>

Note:  
1. Central Bundle operating agreement term of approximately 23 years

**Outperformance During Financial Crisis: Peak-to-Trough Decline <sup>(1)(2)</sup>**

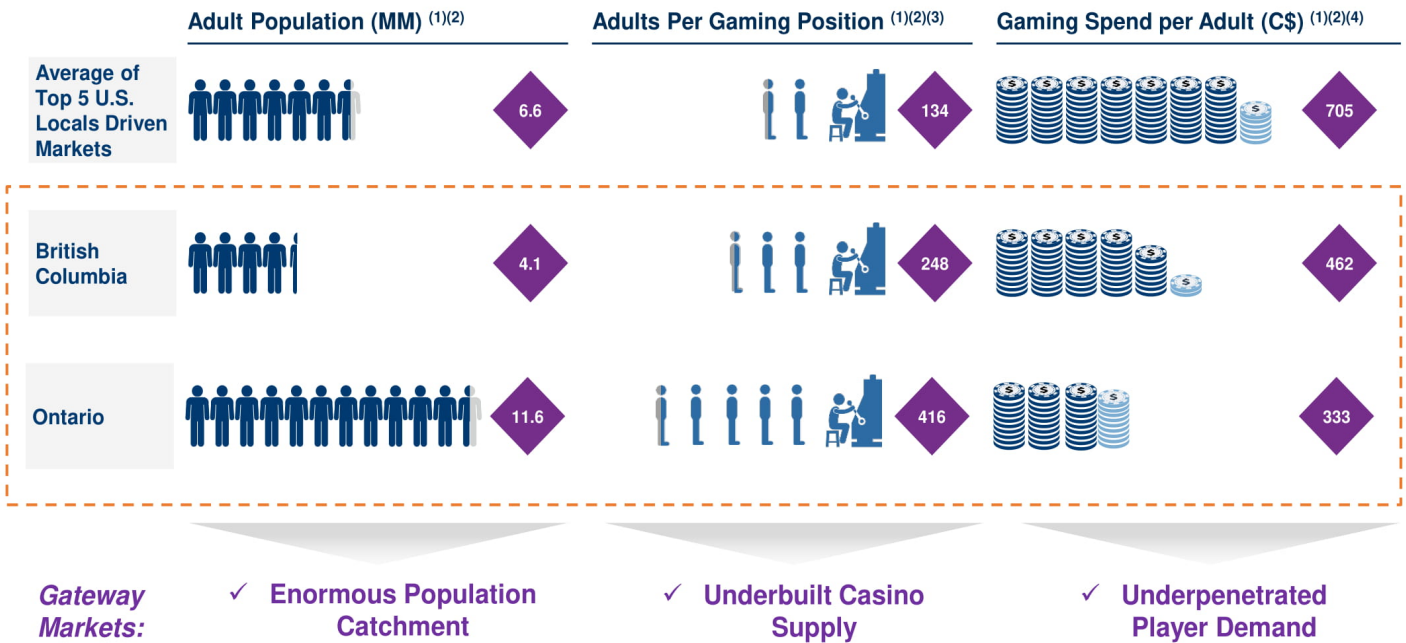


-  **Locals-Focused**
-  **Underpenetrated Markets**
-  **Diversified Across Geographies and Product Offerings**

**Notes:**

1. Peak to trough decline is calculated as the percentage change between fiscal year 2010 and fiscal year 2008 for the Canadian markets and the percent change between calendar year 2009 and calendar year 2007 for the U.S. markets.  
Canadian fiscal year end is March 31
2. From 2008 to 2010, all Ontario properties were still operated by the OLG
3. Five largest locals driven markets include Nevada (excluding contribution from Las Vegas strip), Pennsylvania, Louisiana, Illinois and New Jersey. Illinois data includes Video Gaming Terminals





**With the Recent Modernization Process, We Believe Ontario Represents the Greatest Growth Opportunity**

**Notes:**  
 1. Adult population includes individuals ages 18 years and older; population statistics as of July 1, 2019 for Canada, December 2018 for United States  
 2. Top 5 U.S. locals driven markets include Nevada (excluding contribution from Las Vegas strip), Pennsylvania, Louisiana, Illinois and New Jersey; Illinois data includes VGTs (video gaming terminals) and Alberta data includes VLTs (video lottery terminals)  
 3. Gaming positions as of 3/31/2019 for Top 5 U.S. Locals Driven Markets, Ontario and British Columbia; table games includes poker tables and assumes six gaming positions per table  
 4. Gaming spend is presented for the last twelve months as of March 31, 2019. U.S. gaming spend assumes an exchange rate of \$1.31 per US\$1, representing the average exchange rate from April 1, 2018 to March 31, 2019

## Low Capital Expenditures and Existing NOL Balance Drive Strong Free Cash Flow Conversion <sup>(1)</sup>; Free Cash Flow Used to Fund Growth Strategies and De-Lever

### Characteristics Driving High Free Cash Flow Conversion



#### Lower Maintenance Capex

- ~C\$20-30MM per year saved on slot machines
- Lower maintenance due primarily to BCLC purchase and maintenance of slots <sup>(2)</sup>



#### Large Existing NOL Balance

- Current NOL balance of C\$375MM as of 9/30/19

### 2019P Adjusted Free Cash Flow <sup>(3)</sup> <sup>(4)</sup>

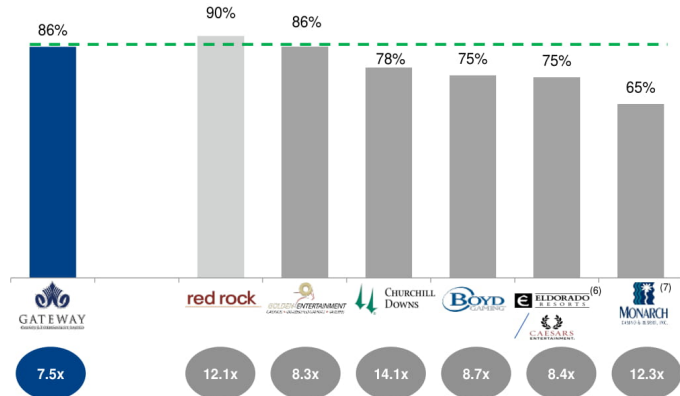
C\$MM



**Notes:**

1. Free Cash Flow Conversion defined as Adjusted Free Cash Flow divided by Adjusted EBITDA (excl. Adjusted Property EBITDA for Non-Core Properties)
2. Gateway Management estimate of equipment and maintenance savings based on a six year refresh cycle
3. Adjusted free cash flow calculated as Adjusted Corporate EBITDA less maintenance capex and cash taxes
4. Gateway Management projections rounded to the nearest million
5. Great Canadian excluded from peer set due to lack of maintenance capex publication
6. Assumes \$500MM in synergies
7. Cash taxes for MCRI uses LTM 6/30/18 as proxy for 2019P

### 2019P Free Cash Flow Conversion vs. Peers <sup>(3)</sup> <sup>(4)</sup> <sup>(5)</sup>



**Integration of Proprietary F&B Offerings within Existing Casinos Has Driven Consistent Increases in Annual Revenue, Including Strong Growth in Gaming Revenue**

**GAMING BRANDS**



**THE RIGHT FIT FOR THE RIGHT MARKET**

**Assigning Brands to Markets**

- Market size and growth
- Brand proximity
- Local character

**Competitive Advantages**

- Tailored customer experience
- Speed to market
- Loyalty builder

**FOOD & BEVERAGE BRANDS**



## Marc Falcone to Lead Gateway as President and CEO to Further Accelerate its Growth Strategy



**Marc Falcone**  
Chief Executive Officer and President

**Professional Experience**



- Will replace retiring CEO, Tony Santo, as Chief Executive Officer and President of Gateway Casinos
- Highly respected executive with extensive experience in the gaming and leisure sectors in both corporate and financial advisory roles
- Currently serves as President and Chief Financial Officer of Sightline Payments LLC, a digital commerce platform for the gaming industry, and as a member of LACQ's Board of Directors since Dec. 1, 2017
- Previously served as CFO and Treasurer of Red Rock Resorts and Station Casinos (Jun. 2011 – May 2017). Oversaw a ~600% increase in the equity value of Red Rock Resorts during his tenure at the Company (\$2.8Bn in May 2017 vs estimated \$400MM in Jun. 2011)
- Served as the Chief Financial Officer of Fertitta Entertainment from Oct. 2010 through May 2016
- Prior experience also includes Goldman Sachs & Co., where he focused on restructuring transactions in the hospitality and gaming sectors, Magnetar Capital, Deutsche Bank and Bear Stearns

**Notes:**

1. Ms. Kormos previously was a consultant of the Company for 2 years assisting with the development of Gateway's bids under the Ontario modernization process
2. Mr. McNally previously was a consultant of the Company for 2 years assisting with the development of Gateway's bids under the Ontario modernization process

## Supported by an Existing Management Team with Industry Expertise, Deep Relationships and 125+ Years of Experience



**Tolek Strukoff, Chief Legal and Administrative Officer**  
3+ Years at Gateway | 10+ Years of Experience (Lawson Lundell LLP, UrtheCast, Westport Fuel Systems)



**Carrie Kormos, Chief Marketing and Communications Officer**  
3+ Years at Gateway<sup>(1)</sup> | 18+ Years of Experience (Caesars Windsor, Fallsview Casino Resort & Casino Niagara – consultant advisor, Magna Entertainment)



**Terry McNally, Chief Compliance and Risk Officer & Chief Information Officer**  
2+ Years at Gateway<sup>(2)</sup> | 20+ Years of Experience (Richter Advisory, PwC, AGCO)



**Robert Ward, Chief Operations Officer**  
6+ Years at Gateway | 20+ Years of Experience (Points West Hospitality, Sequoia Enterprises, Keg Restaurants)



**Queenie Wong, Chief Accounting Officer**  
8+ Years at Gateway | 14+ Years of Experience (PwC)



**Jagtar Nijjar, EVP, Development and Construction**  
23+ Years at Gateway | 25+ Years of Experience



**Scott Phillips, SVP, Human Resources**  
6+ Years at Gateway | 20+ Years of Experience (JD Sweid Foods, Sodexo Canada, Abitibi-Consolidated, TimberWest)



**Hargo Roopra, SVP, Operations and Marketing Analytics**  
11+ Years at Gateway | 11+ Years of Experience



**Michael Snider, SVP, Legal Affairs**  
3+ Years at Gateway | 13+ Years of Experience (Westport Fuel Systems, Lawson Lundell LLP)



**Jamie Papp, SVP, Casino Operations**  
2+ Years at Gateway | 22+ Years of Experience (Mirage Resorts, Wynn Resorts, American Gaming Systems, Caesars Entertainment)

Section 3



**GATEWAY**  
CASINOS & ENTERTAINMENT LIMITED

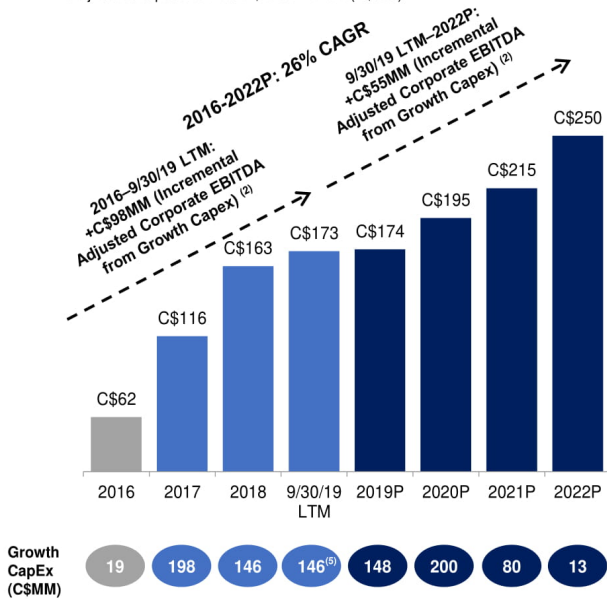
**Proven Growth  
Platform**



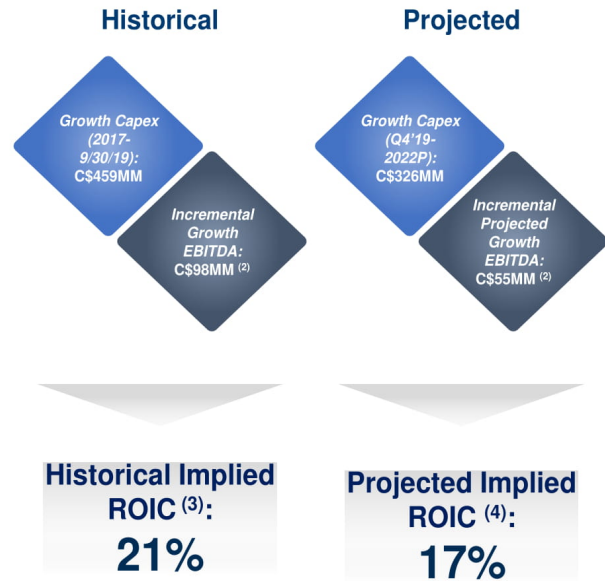
## Series of Expansions, Acquisitions, Relocations and New Builds Have Generated Attractive Historical Implied ROICs

### Capex is Driving Strong EBITDA Growth... (1)

Adjusted Corporate EBITDA; 2016 – 2022 (C\$MM)




### ...and Attractive Returns



**Notes:**

- Adjusted Corporate EBITDA is shown pre-IFRS 16 and excludes Adjusted Property EBITDA for Non-Core Properties. Adjusted Corporate EBITDA includes a C\$35MM, C\$35MM and C\$6.9MM pro forma adjustment for the SLB Transaction in 2016, 2017 and 2018, respectively. Projections rounded to the nearest million
- Accounts for illustrative compounded annual organic Adjusted Corporate EBITDA growth of 3% from (i) 2016 – 9/30/19 for the historical implied ROIC calculation and (ii) 9/30/19 – 2022 for the projected implied ROIC calculation
- Historical ROIC is defined as Incremental Adjusted Corporate EBITDA from growth capital expenditures generated between 9/30/19 LTM and 2016 divided by cumulative growth capital expenditures spent between 2017 - 9/30/19 LTM
- Projected ROIC is defined as projected Incremental Adjusted Corporate EBITDA from growth capital expenditures generated between 2022 and 9/30/19 LTM divided by cumulative growth capital expenditures spent between Q4'19 - 2022
- 2019 YTD (through 9/30) growth capex is C\$115MM

## 2018 and 2019 Completed Projects




**GRAND VILLA CASINO**


**Burnaby**

**Completed:**  
**September 2019**

**Project Cost:**  
**C\$22MM**

- ✓ Expansion of gaming space
- ✓ Opened Atlas Steak + Fish and Chow Lucky Noodle Bar
- ✓ Added an incremental 130 machines in Sep. 2019 to bring the total to 1,330 at the site
- ✓ Added a Pulse gaming arena with 35 units
- ✓ Delta Hotel renovation
- ✓ Refresh and relocation of the poker room, hotel lobby and high limit room






**CASCADES CASINO**

**Langley**

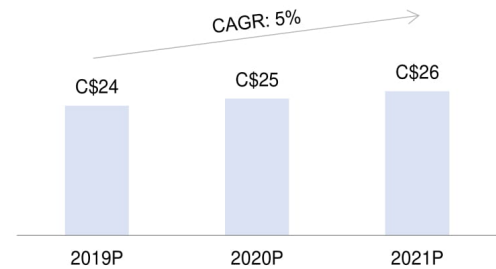
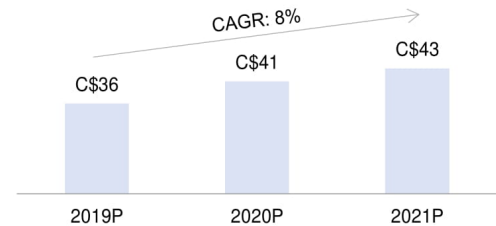
**Completed:**  
**July 2019**

**Project Cost:**  
**C\$19MM**

- ✓ ~12k sq. ft. added
- ✓ Increased slots by 75 (50 were installed in 2018) and tables by 3
- ✓ Expanded Match Eatery & Public House by adding a patio in 2018, and added Atlas Steak + Fish in 2019
- ✓ Refresh of Coast Hotel, convention center and ballroom



## Projected Adjusted Property EBITDA (C\$MM) <sup>(1)</sup>



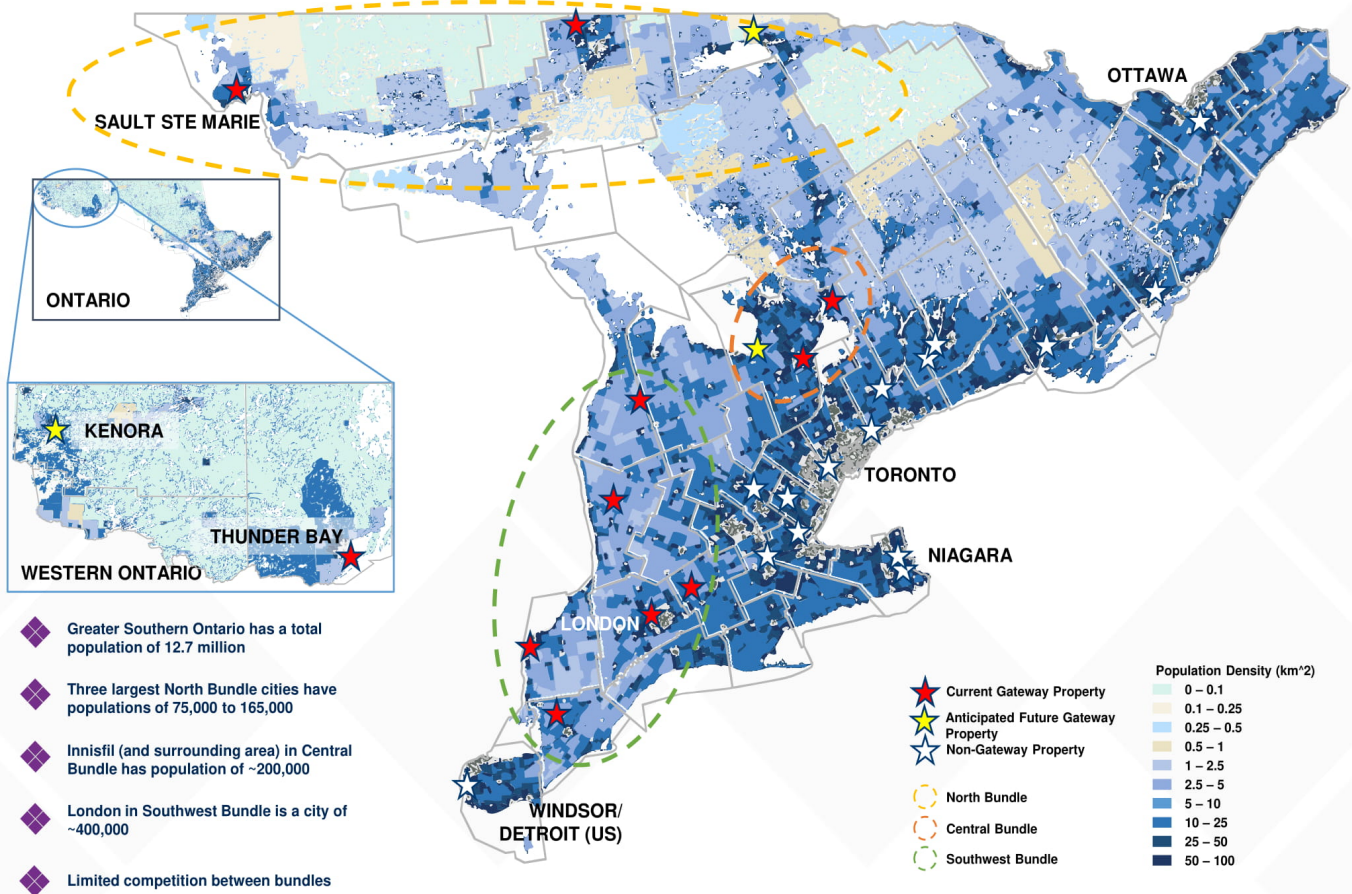
**Note:**  
1. Adjusted Property EBITDA figures shown pre-IFRS 16

In March 2012, the OLG announced its modernization process with the aim of attracting private partners to invest in and operate facilities across the province

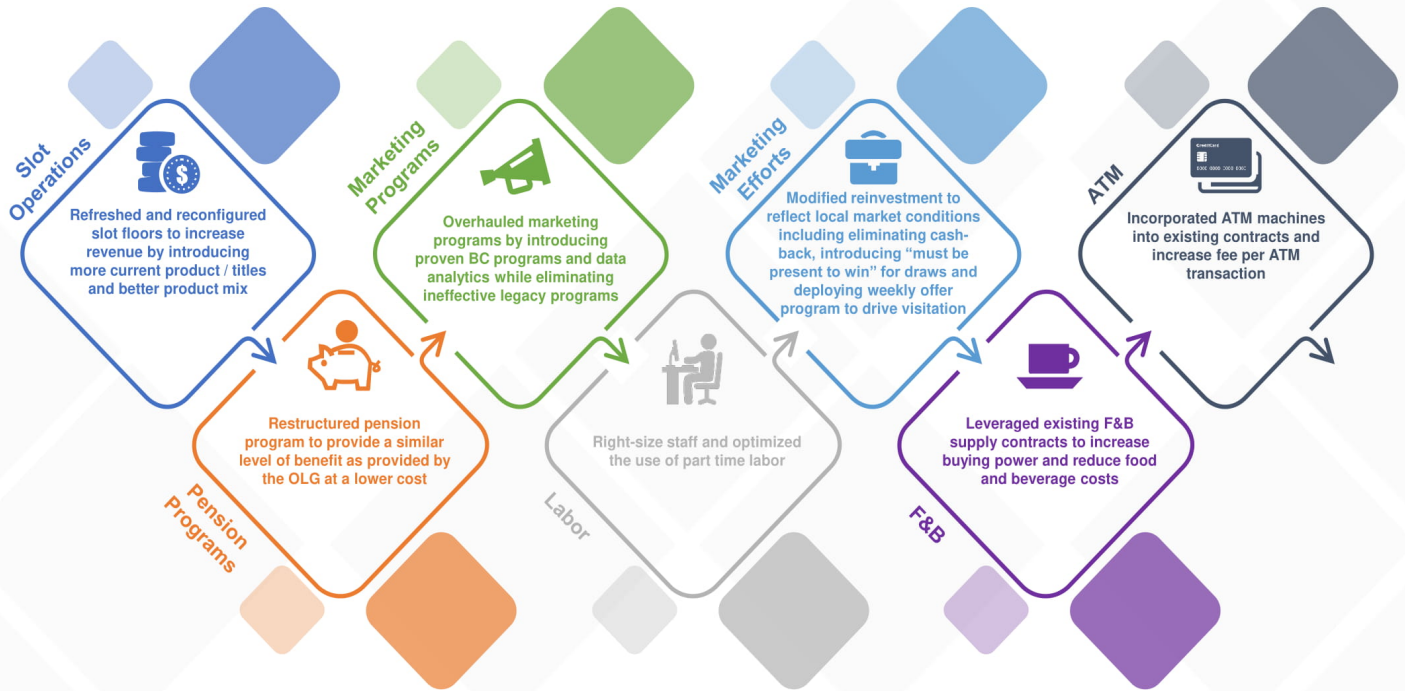


**Note:**  
1. Subject to contractual approvals from Crown agencies and other required approvals





Since acquiring the Ontario Bundles, management has continued to implement a number of operational initiatives to increase revenue and reduce costs



Section 4



**GATEWAY**  
CASINOS & ENTERTAINMENT LIMITED

**Executing on  
Multiple Growth  
Initiatives**



*Future Planned Capex Expected to be Funded from Cash on Hand and Free Cash Flow Generated*

**Growth Capital for Renovation, Rebranding and Redevelopment from 2016 – Q3'19: C\$479MM**

**Q4'19 – 2022 Planned Future Growth Capex: C\$326MM**

**1**

Ongoing Deployment of Proven Strategies at Ontario Properties

**Renovations <sup>(1)</sup>**

Slots	+716
Tables	+111
F&B-Branded Outlets	+12







**2**

Drive Multi-Year Growth Pipeline in New Ontario Markets and Relocations in BC

**New Builds / Relocations <sup>(1)</sup>**

Slots	+1,450
Tables	+38
F&B Branded Outlets	+9

Note:  
1. Gaming expansion figures as of November 9, 2019

<b>Point Edward (SW)</b>		<p><i>Starlight</i> casino</p> <p><b>Completed: November 2018</b> <b>C\$28MM Spent</b></p>	<ul style="list-style-type: none"> <li>Renovation of existing gaming facility and rebranding as a Starlight Casino</li> <li>Added 48 slot machines</li> <li>Added a MATCH Eatery &amp; Public House and The Buffet</li> </ul>
<b>Gateway Innisfil (Central)</b>		<p><b>Completed: February 2019</b> <b>C\$5MM Spent</b></p>	<ul style="list-style-type: none"> <li>Added 3,600 gaming sq. ft. and 123 slot machines</li> <li>Added live gaming with the addition of 26 tables (previously none)</li> </ul>
<b>Hanover (SW)</b>		<p><i>playtime</i> casino</p> <p><b>Completed: April 2019</b> <b>C\$22MM Spent</b></p>	<ul style="list-style-type: none"> <li>Relocated existing gaming facility to adjacent building and rebranded as Playtime</li> <li>Added 8,225 gaming sq. ft., including 111 slot machines and 8 tables (previously none)</li> <li>Added a MATCH Eatery &amp; Public House and The Buffet</li> </ul>
<b>Chatham (SW)</b>		<p><b>CASCADES CASINO</b></p> <p><b>Completed: August 2019</b> <b>C\$36MM Spent</b></p>	<ul style="list-style-type: none"> <li>Relocated from Dresden (population of ~2.8k) to Chatham (population of ~40k)</li> <li>Branded as a Cascades Casino</li> <li>Constructed ~45,284 sq. ft. new facility with ~28,642 sq. ft. gaming floor (incl. back of house area) including 176 slot machines, 10 tables (previously none), a MATCH Eatery &amp; Public House and The Buffet</li> </ul>
<b>London (SW)</b>		<p><i>Starlight</i> casino</p> <p><b>Q3'21</b> <b>C\$3MM Spent</b> <b>C\$72MM Future Spend</b></p>	<ul style="list-style-type: none"> <li>New, Starlight-branded facility relocated to London</li> <li>Constructing ~102,967 sq. ft. facility with ~55,961 sq. ft. gaming floor (incl. back of house area), including 133 slot machines and 38 tables (8 added in 2019)</li> <li>Adding 4 F&amp;B outlets (Atlas Steak + Fish, MATCH Eatery &amp; Public House, The Buffet and CHOW Noodle Bar)</li> </ul>
<b>Sudbury (North)</b>		<p><i>Starlight</i> casino</p> <p><b>Q1'22</b> <b>C\$4MM Spent</b> <b>C\$56MM Future Spend</b></p>	<ul style="list-style-type: none"> <li>New, Starlight-branded facility expected to be located near to downtown Sudbury</li> <li>Constructing ~64,153 sq. ft. facility with ~21,598 sq. ft. gaming floor (excl. back of house area) including 173 slot machines, 21 tables (previously none) and 2 F&amp;B outlets (MATCH Eatery &amp; Public House and The Buffet)</li> </ul>

**Aggregate Expansion <sup>(1)</sup>**

Completed  
Future <sup>(2)</sup>

**SLOT MACHINES**

**+410**

**+306**

**ADDITIONAL TABLES**

**+52**

**+59**

**F&B BRANDED OUTLETS**

**+6**

**+6**

**Notes:**

- Gaming expansion figures as of November 9, 2019
- Future expansion is subject to contractual approval from Crown agencies and other required approvals

## Expected New Developments and Relocations

### New Markets



North Bay, Ontario



Wasaga Beach, Ontario



Kenora, Ontario

### Relocations



Delta, British Columbia



Mission, British Columbia

- ◆ To be branded as a Cascades Casino
- ◆ New ~38,524 sq. ft. facility with ~27,103 sq. ft. gaming floor (incl. back of house area) including 300 slot machines and 8 table games <sup>(2)</sup>
- ◆ Adding 2 F&B outlets, including a MATCH Eatery & Public House and The Buffet
- ◆ 125 km from the proposed Sudbury facility

Q3'20  
C\$7MM Spent  
C\$26MM Future Spend

- ◆ To be branded as a Playtime Casino
- ◆ New ~24,830 sq. ft. facility, with ~16,303 sq. ft. gaming floor (incl. back of house area) <sup>(2)</sup>
- ◆ Expected to have 200 to 250 slots
- ◆ Adding a MATCH Eatery & Public House

Q3'21  
C\$2MM Spent  
C\$27MM Future Spend

- ◆ To be branded as a Playtime Casino
- ◆ New 23,300 sq. ft. facility with ~6,200 sq. ft. gaming floor (excl. back of house area), including 200 slot machines <sup>(2)</sup>
- ◆ Adding a MATCH Eatery & Public House

Q1'22  
C\$2MM Spent  
C\$19MM Future Spend

- ◆ To be branded a Cascades Casino
- ◆ ~40,000 gaming sq. ft. including 500-600 slots and 30 table games <sup>(2)</sup>
- ◆ Adding 3 F&B outlets, including a MATCH Eatery & Public House, The Buffet and Atlas Steak + Fish
- ◆ To engage a third-party to build and operate a hotel at the property (in process)

Q4'21  
C\$6MM Spent  
C\$81MM Future Spend <sup>(3)</sup>

- ◆ Relocate to a new ~32,000 sq. ft. facility with ~16,900 sq. ft. gaming floor (incl. back of house area) <sup>(2)</sup>
- ◆ Planned increase of 100 slots
- ◆ Adding MATCH Eatery & Public House and The Buffet

Q3'21  
C\$1MM Spent  
C\$9MM Future Spend

### Aggregate Expansion <sup>(1)</sup>

SLOT MACHINES  
+1,450

TABLES  
+38

NEW F&B - BRANDED OUTLETS  
+9

Notes:

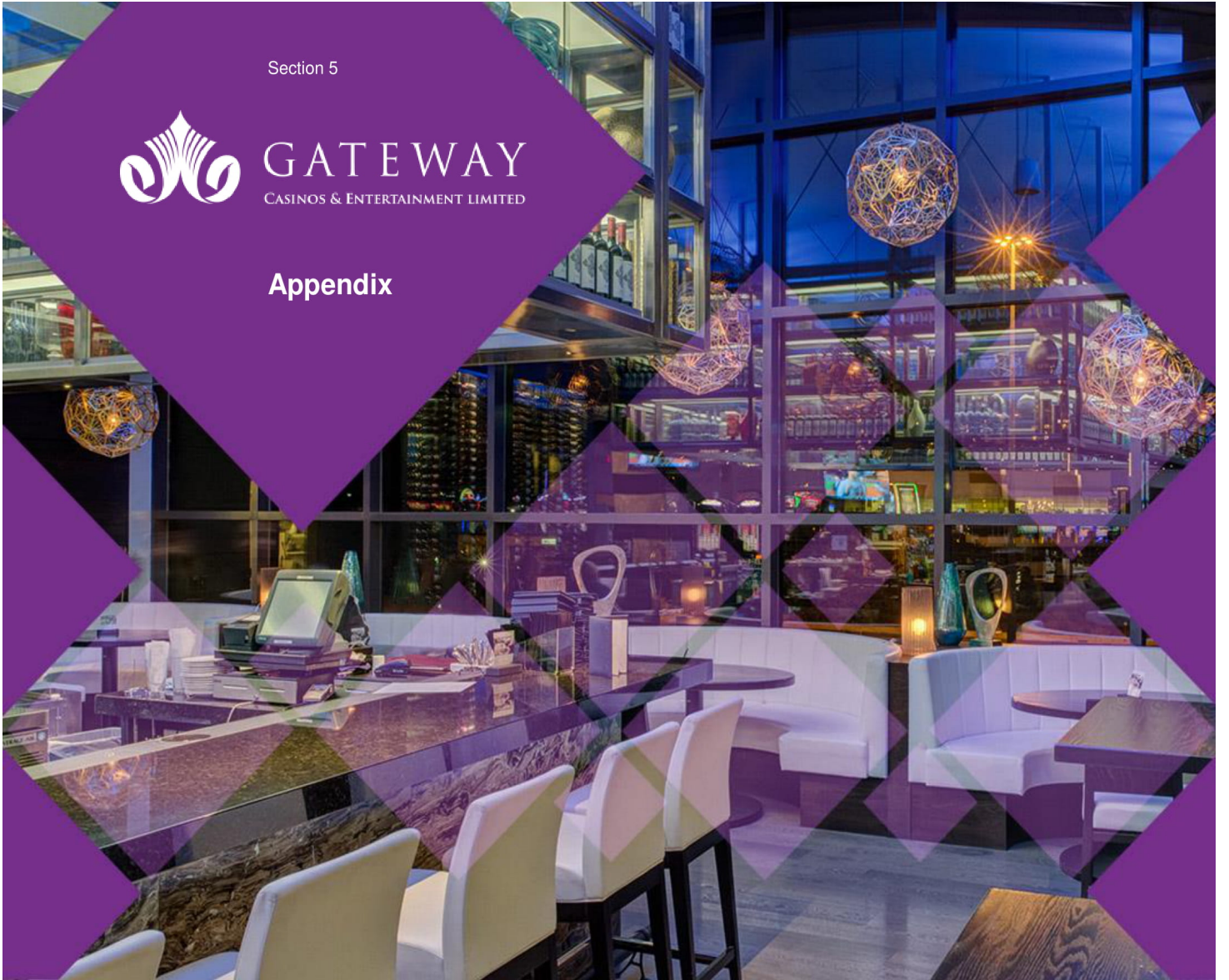
1. Gaming expansion figures as of November 9, 2019
2. Based on preliminary project plan; actual gaming square footage may differ
3. Projected budget includes C\$15MM in cost savings through value engineering and provided BCLC and municipal authorities consent to any changes to the design, to the extent such consents are necessary. An additional C\$5MM in savings is targeted which could further lower the total remaining spend to a projected C\$76MM

Section 5



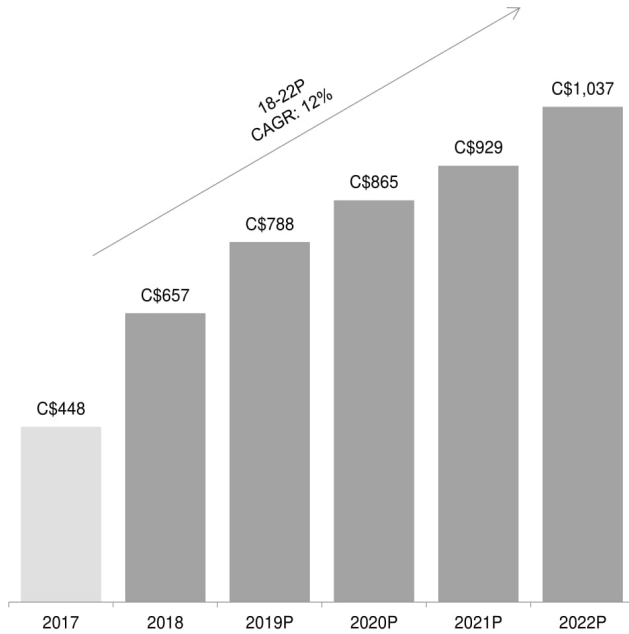
**GATEWAY**  
CASINOS & ENTERTAINMENT LIMITED

**Appendix**



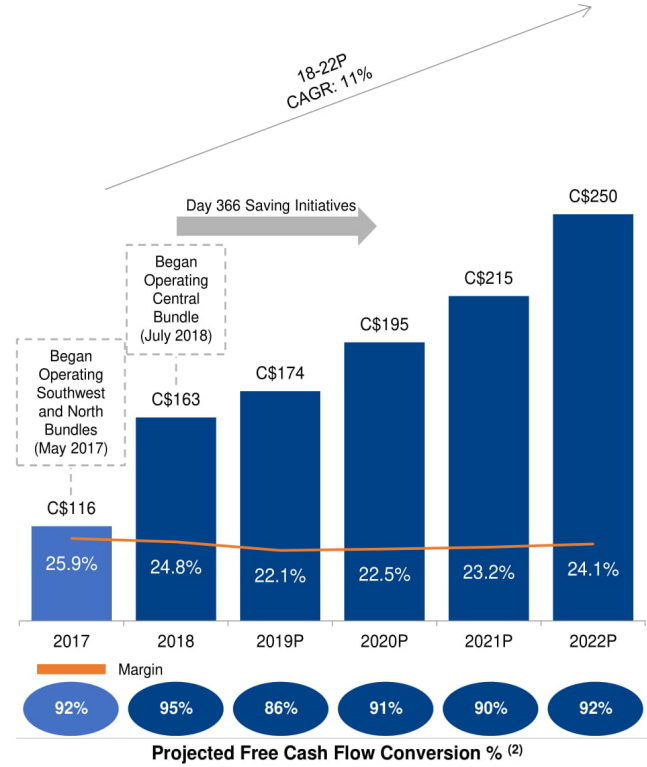
## Total Revenue <sup>(1)</sup>

(C\$MM)



## Adjusted Corporate EBITDA <sup>(1)</sup>

(C\$MM)



Source: Gateway Management Projections

**Notes:**

- Adjusted Corporate EBITDA figures are shown pre-IFRS 16; financials exclude revenue and Adjusted Property EBITDA for Non-Core Properties. 2017 and 2018 figures include a C\$35MM and C\$6.9MM pro forma adjustment for the SLB Transaction, respectively. Projections rounded to the nearest million.
- Free Cash Flow Conversion calculated as Adjusted Corporate EBITDA less maintenance capex and cash taxes all divided by Adjusted Corporate EBITDA.



## 12/31/2019P Pro Forma Capitalization (C\$MM) <sup>(1) (2)</sup>

Long-Term Debt	12/31/2019	Adj.	Pro Forma
Revolver	34	--	34
Vernon Mortgage	4	--	4
Term Loan	579	(14)	565
Sr. Sec Notes <sup>(3)</sup>	338	--	338
HoldCo Term Loan	201	(201)	--
<b>Total Debt</b>	<b>1,155</b>	<b>(216)</b>	<b>939</b>
Excess Cash <sup>(4)</sup>	53	--	53
<b>Net Debt</b>	<b>1,102</b>	<b>(216)</b>	<b>886</b>

***Growth Strategies  
Expected to be Funded  
from Cash on Hand and  
Free Cash Flow  
Generated***

***Future Free Cash Flow to  
be Used to De-Lever the  
Business***

**Notes:**

- 12/31/19 figures shown are as projected by management and are unaudited
- Pro forma capitalization assumes no redemptions beyond \$11.6MM redeemed on 11/26/2019
- Senior Secured Notes are callable in March 2020
- Excludes cage cash of C\$62MM

## Adjusted EBITDA Reconciliation

C\$MM

	2018	LTM 9/30/19
<b>Net Income</b>	<b>119.1</b>	<b>(125.9)</b>
Amortization of Intangible Assets	26.1	16.0
Depreciation of Property and Equipment	46.4	99.6
Interest Expense	57.2	102.8
Interest Income	(0.4)	(1.2)
Current Income Taxes	1.9	3.2
Deferred Income Tax Expense (Recovery)	(2.4)	(2.5)
<b>Corporate EBITDA</b>	<b>247.9</b>	<b>92.0</b>
Share-Based Compensation	9.0	11.9
Change in Fair Value of Embedded Derivatives	5.3	5.6
(Gain) / Loss on Sale of Property and Equipment	(192.5)	0.3
Business Acquisition, Transaction, Site Pre-Opening, Restructuring and Other	37.1	29.9
Write-Down of Non-Financial Assets	4.5	68.1
Change in Fair Value of Cross Currency Interest Rate Swaps	(58.5)	(14.3)
Loss on Debt Extinguishment	15.1	-
Loss on Debt Modification	6.3	-
Foreign Exchange Loss	74.4	20.9
Non-Cash Deferred Rent	9.1	2.8
Sale Lease Back Adjustment <sup>(1)</sup>	(6.9)	-
<b>Adj. Corporate EBITDA</b>	<b>150.8</b>	<b>217.2</b>
(+) Non-Core Properties	11.9	9.3
<b>Adj. Corporate EBITDA (excl. Edmonton)</b>	<b>162.7</b>	<b>226.5</b>
<u>IFRS 16 Rent</u>		
Rent Expense	-	(53.8)
<b>Core Adj. Corporate EBITDA (pre-IFRS 16 Impact)</b>	<b>162.7</b>	<b>172.7</b>

**Note:**

1. SLB Transaction adjustment not included in financial statements