



700 West Pender Street, Suite 1201
Vancouver, B.C.
V6C 1G8

Telephone: 604-658-2042
Facsimile: 604-658-2045

FOR IMMEDIATE RELEASE

(CNQ - CSNO)

JUNE 20, 2005

Conversion of Debt to Preference Shares

On April 27, 2005, the Company announced that it had reached an agreement in principle with Great Canadian Gaming Corporation ("Great Canadian") whereby certain debt and capital lease obligations would be converted to preference shares of the Company. That transaction has now closed, and the Company has converted \$7,400,000 in total debt and lease obligations into 74,000 Class A Preference Shares, Series 1 of the Company (the "Preference Shares").

The Preference Shares have a par value of \$100, are non-voting, and carry the right to receive non-cumulative annual dividends of \$3.00 per share commencing after December 31, 2005, for each fiscal year in which the Company realizes positive net income at least equivalent to 3% of the par value of Preference Shares outstanding at the end of such year. The shares contain a provision for mandatory redemption to the extent of 25% of net operating cash flow, and are otherwise redeemable at the discretion of the Company.

"With the debt conversion now complete, we have effectively eliminated approximately 80% of our total liabilities and reduced annual financing costs by as much as \$400,000, and combined with the recent private placement, the Company has increased working capital and shareholders' equity by over \$10,000,000," stated Chief Financial Officer, Patrick Lavin. "With a much stronger balance sheet, we are now in a position to aggressively pursue expansion and acquisition opportunities."

ON BEHALF OF THE BOARD

Original signed by Patrick Lavin

Patrick Lavin
Chief Financial Officer

Creation Casinos Inc.
Lindsay A. MacLeod – Corporate Contact
604-658-2042 – direct
www.creationcasinos.com
www.cnq.ca

The CNQ does not accept responsibility for the adequacy or accuracy of this release.