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FOR IMMEDIATE RELEASE

(CNQ - CSNO)

JANUARY 5, 2006

Update on Lithuanian Operations

On Thursday, October 27, 2005, UAB Grand Casino Europa ("GCE"), a wholly owned subsidiary of Creation Casinos Inc. ("Creation" or the "Company"), filed for arbitration in Vilnius Court of Commercial Arbitration against UAB Grand Casino International ("GCI"), our Lithuanian business partner in the Grand Casino World gaming complex.

We are asking the Court for the following relief:

- An order for invalidation or, in the alternative, termination of certain agreements;
- An order for payment of 50% of the recovery of leasehold improvement costs of the Grand Casino World gaming complex (approximately Can. \$2.2 million);
- An order to repay some payments we made under the terms of the agreements we are seeking to terminate or invalidate (approximately Can. \$160,000); and
- Payment of all arbitration expenses and costs.

On January 3, 2006, Creation was served with a reply and a counterclaim from GCI.

In its reply, GCI is asking for the following relief:

- An order for dismissal of our claims; and
- Payment of all arbitration expenses and costs.

In the counterclaim, GCI is asking for the following relief:

- An order for payment of a total of 29,391,547 litas (approximately Can. \$12M);
- An order for termination of the sublease agreement between GCI and GCE;
- An order for transfer to GCI of all GCE gaming equipment as well as the security and surveillance system;
- An order for termination of the Cooperation and Project Development Agreement dated March 15, 2003; and
- Payment of all arbitration expenses and costs.

In addition, GCI made an ex-parte application to the Vilnius City District Court asking to put a lien on certain property of GCE in the amount of 18.4M litas (approximately Can. \$7.5M) as security for a potential arbitral award. On December 19, 2005, instead of the requested 18.4M litas, the court issued an order to put a lien on GCE's property in the amount of 2.8M litas (approximately Can. \$1.1M).

The Company's position is that GCI's claims are frivolous and vexatious. We are preparing our reply to the counterclaim and will be defending vigorously all claims brought by GCI. However, as in most litigation proceedings, there can be no guarantee as to the outcome.

ON BEHALF OF THE BOARD

Original signed by Daniel Sutherland

Daniel Sutherland
President and CEO

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