



For Immediate Release:

CANLAN REPORTS SECOND QUARTER 2010 FINANCIAL RESULTS

Burnaby, B.C., August 6, 2010 – Canlan Ice Sports Corp., industry-leading providers of on-ice experiences to youth and adults across North America, today announced its financial results for the three- and six-month periods ended June 30, 2010.

Selected Second Quarter Financial Highlights

| <i>In thousands except share and % data</i> | Q2 2010 | Q2 2009 | Change |
|---|-----------|-----------|---------|
| Total revenue | \$15,745 | \$14,606 | +7.8% |
| EBITA ¹ | \$298 | \$430 | -30.7% |
| Earnings before taxes | (\$1,655) | (\$1,352) | -\$303 |
| Net earnings after taxes | (\$1,233) | (\$934) | -\$299 |
| Net earnings per share | (\$0.09) | (\$0.07) | -\$0.02 |
| Total Assets | \$109,488 | \$109,442 | 0% |
| Cash and Cash equivalents | \$5,144 | \$3,821 | +34.6% |
| Total Interest bearing debt | \$47,800 | \$51,400 | -7% |

“Although impacted by the continued ramp-up of new facilities we launched as part of our targeted expansion into select U.S. markets, we are very encouraged by our Q2 results,” said Joey St-Aubin, President and CEO of Canlan Ice Sports. “Excluding the performance of our Fort Wayne facility, which is still in a start-up mode, we experienced improvements across a number of financial and operational metrics, including higher same store revenue, EBITA and internal programming registrations.”

Selected Year-to-date Financial Highlights

| <i>In thousands except share and % data</i> | 2010 | 2009 | Change |
|---|----------|----------|---------|
| Total revenue | \$35,618 | \$34,052 | +4.6% |
| EBITA | \$4,984 | \$5,454 | -8.6% |
| Earnings before taxes | \$1,134 | \$1,694 | -33.1% |
| Net earnings | \$769 | \$1,048 | -26.6% |
| Net earnings per share | \$0.06 | \$0.08 | -\$0.02 |

Q2 2010 Operational and Financial Highlights

- Same store revenue, which excludes the performance of Ice Sports Fort Wayne launched in February 2010, grew by \$822,000 or 5.6% to \$15.4 million.
- Adult Safe Hockey League (ASHL) revenue increased by \$353,000.
- Same store revenue from food and beverage operations was up 4.6% or \$139,000.
- Continued the ramp up of operations at a three-rink facility in Fort Wayne, Indiana as part of the Company’s strategy to expand into select U.S. markets.

¹ Earnings before interest, taxes and amortization (EBITA) is often used as a measure of financial performance. However, EBITA is not a term that has specific meaning in accordance with generally accepted accounting principles, and may be calculated differently by other companies. Canlan reconciles EBITA to its net earnings.

- Purchased \$1.3 million of capital assets, including \$391,000 on leasehold improvements and equipment for Ice Sports Fort Wayne.
- Signed an exclusive marketing agreement with Molson Coors Canada that combines sponsorship, branding and web-based promotional activities related to the Adult Safe Hockey Network.
- Signed an agreement to be the exclusive provider of adult recreational hockey leagues at the Richmond Olympic Oval, the crown jewel venue of the 2010 Olympic Winter Games.

Review of Financial Results

Canlan reported consolidated revenue of \$15.7 million for the three-month period ended June 30, up 7.8% from \$14.6 million for the corresponding period of 2009. Same store revenue in Q2 2010 grew by 5.6% or \$822,000 over Q2 2009. The growth was principally due to increased ice sales and internal program registrations, including registrations for the Adult Safe Hockey League, which grew by \$353,000, as well as to an increase in revenue from food and beverage operations by \$139,000.

On a year-to-date basis, Canlan generated consolidated revenue of \$35.6 million for FY2010, up 4.6% from \$34 million for FY2009. On a same store basis, revenue increased 3.1%

Canlan derives its revenue from the rental of its playing surfaces, registrations for internal programming, food and beverage sales, sports stores sales, tournament registrations, management and consulting fees and other related fees. Given the seasonality of its operations, Canlan's revenue is at its highest in first and fourth quarters, periods when the Company's Adult Safe Hockey League division is operating at peak capacity.

Operating expenses for Q2 2010 were \$14.3 million, up 9.8% from \$13.0 million for Q2 2009. On a same-store basis, operating expenses grew by 6.6% over the corresponding period of 2009.

For the six-month period of FY2010 operating expenses were \$28.3 million, up from \$26.6 million for FY2009. The year-over-year increase was due to the launch of Ice Sports Fort Wayne, plant operations, and supplies to service higher customer volumes.

General and administrative expenses for Q2 2010 totaled \$1.1 million, down \$13,000 when compared to the same period of FY2009. On a six-month basis, general and administrative expenses totaled \$2.3 million for FY2010 and \$2.1 million for FY2009, respectively.

Earnings before interest, taxes and amortization (EBITA) for Q2 2010 was \$298,000, down 30.7% from \$430,000 for Q2 2009. EBITA for the six-month period of FY2010 was \$5.0 million, down from \$5.5 million for FY2009. The decline was primarily due to higher operating costs, including higher wages, related to the launch of Ice Sports Fort Wayne. The decline was also attributable to the recording of a \$249,000 expense related to the Company's Stock Appreciation Rights Plan as a result of the appreciation of Canlan's share price.

Canlan generated a loss before taxes for Q2 2010 of \$1.7 million, up from a net loss before taxes of \$1.4 million for Q2 2009. On a year-to-date basis, Canlan generated net earnings before taxes of \$1.1 million for FY2010 and \$1.7 million for FY2009, respectively.

Net loss for Q2 2010 was \$1.2 million or \$0.09 per fully diluted share, which compares to a net loss of \$934,000 or \$0.07 per fully diluted share for FY2009. For the six-month period of FY2010, Canlan generated net earnings of \$769,000, down from \$1.0 million for the same period of FY2009.

At June 30, 2010, the Company held cash and cash equivalents of \$5.1 million and interest bearing debt totaling \$47.8 million. This compares to \$3.8 million and \$51.4 million respectively, as at June 30, 2009. The Company is compliant with all of its debt covenants.

Outlook

“Given that we are at the early stages of operations with our Vineland and Fort Wayne facilities, we are very encouraged by a number of recent developments that show increasing registrations with our internal programming and higher spending on food and beverages on a same store basis as well as growing interest in our web-based advertising and sponsorship initiatives,” added Mr. St-Aubin. “These trends, coupled with expected performance gains from our U.S. operations, will pave the way for improving results for the balance of 2010, particularly for Q4, which historically is our most profitable period.”

Canlan's financial statements and Management Discussion & Analysis for the period ended June 30, 2010 are available via SEDAR and through the Company's website, www.icesports.com.

About Canlan

Canlan Ice Sports Corp is the North American leader in the development, operations and ownership of multi-purpose recreation and entertainment facilities. We are the largest private sector owner and operator of recreational ice sports facilities in North America and currently own and/or manage 22 facilities in Canada and the United States with 65 surfaces including ice rinks and indoor soccer fields.

Canlan Ice Sports Corp. is listed on the Toronto Stock Exchange under the symbol “ICE.”

Caution concerning forward-looking statements

This document contains forward-looking statements, which may be identified by words like "expects", "anticipates", "plans", "intends", "indicates" or similar expressions. These statements are not a guarantee of future performance and are inherently subject to risks and uncertainties. The Company's actual results could differ materially from those currently anticipated due to a number of factors set forth in reports and other documents filed by the Company with Canadian securities regulatory authorities from time to time.

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