



For Immediate Release: Thursday, November 10, 2005.

## CANLAN REPORTS Q3 RESULTS

Burnaby, B.C. November 10, 2005– Canlan Ice Sports Corp. today reported results for the nine months ended September 30, 2005

### Third Quarter Results (in thousands of dollars)

	Three months ended September 30		Nine months ended September 30	
	2005	2004	2005	2004
<b>Revenue:</b>				
Ice rinks	\$9,248	\$8,767	\$34,147	\$32,766
<b>Expenses:</b>				
Ice rinks	8,659	7,956	27,675	26,310
Earnings from operations	589	811	6,472	6,456
General and administration expenses	629	612	2,132	1,949
<b>Earnings (loss) before the undernoted</b>	<b>(40)</b>	199	<b>4,340</b>	4,507
<b>Other expenses:</b>				
Interest on debt on ice rinks	718	692	2,075	2,160
Other interest	176	233	400	593
Loss on foreign exchange	(31)	(42)	(17)	(27)
Amortization	889	879	2,684	2,682
Gain on sale of capital assets	-	(3)	-	(39)
Non-controlling interest	-	(25)	-	420
	1,752	1,734	5,142	5,789
Loss before taxes	(1,792)	(1,535)	(802)	(1,282)
Income tax	(57)	(54)	(171)	(189)
Future tax recovery	528	-	313	-
	471	(54)	142	(189)
<b>Net loss</b>	<b>\$(1,321)</b>	<b>\$(1,589)</b>	<b>\$(660)</b>	<b>\$(1,471)</b>
Loss per share	\$ 0.00	\$ 0.02	\$ 0.00	\$ 0.02
Basic and diluted weighted average number of shares outstanding (in thousands)	266,747	93,326	266,747	93,326

**Third quarter results** (three months ended September 30, 2005 compared with three months ended September 30, 2004):

- Total revenue of \$9.2 million increased by \$481,000 or 5.5%.
- Same store revenue of \$8.8 million was unchanged from the prior year.
- Third quarter sales increases in our 3 on 3 leagues were offset by lower same store food and beverage revenue.
- Total ice rink operating expenses of \$8.7 million increased by \$700,000 from the prior year mainly due to the addition of two rinks leased from third party owners. The lease cost of the rinks paid to the owners is included in rink operating expenses.
- Same store ice rink operating costs of \$8.0 million is unchanged from the prior year.
- Earnings before interest, taxes and amortization (EBITA) was negative \$40,000 compared to positive \$199,000 a year ago due principally to lease costs that are new in 2005.
- After interest and amortization of \$1.8 million, a loss before taxes of \$1.8 million resulted, compared to a loss of \$1.5 million in 2004.
- Net future income tax assets of \$471,000 were recognized resulting in a net loss \$1.3 million, compared to a net loss of \$1.6 million in the prior year.
- Basic and fully diluted loss per share was less than \$0.01 per share in 2005 compared to a loss of \$0.02 in the prior year. The positive change reflects the increased number of outstanding shares that resulted from the rights offering completed in November of 2004 (September 30, 2005 – 266,747,000 shares; September 30, 2004 – 93,326,000 shares).

**Year to date results** (nine months ended September 30, 2005 compared with nine months ended September 30, 2004):

- Total revenue from ice rink operations increased by \$1.4 million or 4.2%, from \$32.8 million to \$34.1 million during the first nine months of 2005.
- Same store revenue decreased slightly by \$100,000 from \$32.3 million in 2004 to \$32.2 million in 2005.
- The two new facilities being leased from third party owners contributed \$1.9 million in revenues year-to-date.
- Same store ice rink operating costs were \$25.6 million compared to \$26.0 million in 2004, which represents a 1.5% decrease. The main reason for the decrease was that most of the operating costs incurred for the Kansas facility during the first 4 months of 2004 were not necessary in 2005 because this arena was leased out to third party operators.
- Overall, \$4.3 million of EBITA was earned compared to \$4.5 million in 2004, which represents a 3.7% decrease.
- Interest expense decreased by \$278,000 due to lower debt levels, and no minority interest expense was recorded since the minority interest of two subsidiaries were purchased by the Company in September 2004.
- After recognizing \$142,000 of net future income tax recoveries, net loss was \$660,000 for the period compared to \$1.5 million in the prior year same period in 2004.

Grant Ballantyne, President & CEO said although same store revenue was unchanged from the prior year he was pleased that declines in third party ice contracts due to declining enrolments were offset by growth in same store Canlan programs, leagues and tournaments. This further reinforces the Company's commitment to focusing its growth through a proactive approach to expanding the portfolio of branded, in-house programs and leagues.

Canlan Ice Sports Corp. is the largest private sector operator of recreational ice facilities in North America with 55 ice surfaces at 20 facilities in Canada. Through the Adult Safe Hockey League, Canlan operates the largest adult recreational hockey league in North America with more than 37,000 players and offers a variety of other programs including youth leagues, hockey and figure skating schools and tournaments.

The Company will be filing its September 30, 2005 unaudited consolidated financial statements and Management Discussion & Analysis with SEDAR on or before November 14, 2005.

Canlan Ice Sports Corp. is listed on the Toronto Stock Exchange under the symbol "ISE".

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**FOR FURTHER INFORMATION PLEASE CONTACT:**

**Michael Gellard, Senior Vice President, Finance & CFO**  
*Canlan Ice Sports Corp.*

**(604) 736-9152**  
**(ext. 108)**