

**UNITHOLDERS OF GATEWAY CASINOS INCOME FUND  
APPROVE \$106 MILLION ACQUISITION  
OF CASCADES CASINO**

***Annualized Distributions To Clairvest To Rise 83% to \$3.7 million***

**Toronto, Ontario (May 18, 2006)** – Clairvest Group Inc. (TSX:CVG) today announced a majority of the non-interested unitholders of investee company Gateway Casinos Income Fund (the “Fund”) (TSX: GCI.UN) approved the acquisition of the Cascades Langley Casino and Hotel (“Cascades”) in the Vancouver suburb of Langley, B.C. from a subsidiary of Gateway Casinos Inc. (“GCI”), another Clairvest investee company.

The transaction is valued at approximately \$106.3 million and is expected to close on May 19, 2006.

“We are very pleased with the sale of the Cascades Casino from Gateway Casinos to the Fund,” said Clairvest Co-CEO Jeff Parr. “This transaction allows the Fund to diversify its revenue base and acquire an asset that we expect will grow its earnings as Cascades matures. For Clairvest, we recognize an unrealized gain on Gateway’s sale of Cascades and obtain the opportunity to participate in the future growth of Cascades through increased ownership in the Fund.”

As announced on April 3, 2006, on closing of the transaction the Fund is to increase its monthly distribution to unitholders by \$0.0045 per unit, for a monthly distribution of \$0.1195 per unit per month or \$1.4340 per unit on an annualized basis.

Mr. Parr noted that Clairvest holdings in the Fund increase from 1.5 million units to 2.6 million units, excluding approximately 0.2 million units that will be held in escrow pending the finalization of the purchase price. As a result, annualized distributions to Clairvest at the new rate of \$1.4340 per unit increase by 83% to \$3.7 million annually.

Following the transaction, Clairvest’s interest in the Fund rises to approximately 9.1% from 5.7%. Clairvest will continue to hold 28.4% of GCI.

**About Clairvest**

Clairvest is a Canadian merchant bank that invests its own capital, and that of third parties through Clairvest Equity Partners Limited Partnership (“CEP”), in companies that have the potential to generate superior returns. In addition to providing financing, Clairvest contributes strategic expertise and execution ability to support the growth and

development of its investee partners. Clairvest realizes value through investment returns and the eventual disposition of its investments.

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*This news release contains forward-looking statements with respect to Clairvest Group Inc., its subsidiaries and their investments. These statements are based on current expectations and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Clairvest, its subsidiaries and their investments to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.*

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