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 TSX: CLK

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**CLUBLINK ENTERPRISES LIMITED ANNOUNCES FIRST QUARTER 2014 RESULTS  
 AND ELIGIBLE DIVIDEND**

**Consolidated Financial Highlights**

(in thousands of dollars except per share amounts)	Three months ended	
	March 31, 2014	March 31, 2013 (restated)
Operating revenue	22,496	22,049
Net operating income <sup>1</sup>	1,548	2,558
Net membership fee income <sup>1</sup>	2,940	3,561
Earnings before other items and income taxes <sup>1</sup>	4,488	6,119
Net loss	(5,702)	(3,729)
Basic and diluted loss per share	(0.22)	(0.14)
Weighted average shares outstanding (000's)	26,104	26,081

**Operating Data**

	Three months ended	
	March 31, 2014	March 31, 2013
<b>ClubLink One Membership More Golf</b>		
Championship rounds – Canada	Nil	Nil
18-hole equivalent championship golf courses – Canada	43.5	41.5
Championship rounds – U.S.	132,000	127,000
18-hole equivalent championship golf courses – U.S.	12.0	11.0
<b>White Pass and Yukon Route</b>		
Rail passengers	Nil	Nil
Port passengers from cruise ships	Nil	Nil
Cruise ship dockings	Nil	Nil

## First Quarter 2014 Consolidated Operating Highlights

Consolidated operating revenue increased 2.0% to \$22,496,000 for the three month period ending March 31, 2014 from \$22,049,000 in 2013, primarily due to the acquisition of TPC Eagle Trace which was announced on December 31, 2013. This was offset by a decline Canadian golf club operating revenue from less Canadian members.

Consolidated operating expenses increased 7.5% to \$20,948,000 for the three month period ending March 31, 2014 from \$19,491,000 in 2013, primarily due to the acquisition of Hidden Lake, TPC Eagle Trace and a 9.5 cent increase in foreign exchange on operating expenses at White Pass.

Net operating income for the Canadian golf club operations segment decreased 28.0% to \$2,948,000 in 2014 from \$4,095,000 in 2013 due to the decline in operating revenue from less Canadian members.

Net operating income for US golf club operations segment increased 12.1% to US \$1,501,000 in 2014 from US \$1,339,000 in 2013 primarily due to the acquisition of TPC Eagle Trace.

Net operating loss for the rail, tourism and port operations decreased slightly to US \$2,220,000 from US \$2,237,000 in 2013.

Net membership fee income decreased 17.4% to \$2,940,000 for the three month period ending March 31, 2014 from \$3,561,000 in 2013 primarily due to the completion of amortization of membership fee revenue for the 1994 to 2001 Canadian member group in 2013.

Earnings before other items and income taxes decreased 26.7% to \$4,488,000 for the three month period ending March 31, 2014 from \$6,119,000 in 2013.

Interest, net decreased slightly to \$4,929,000 for the three month period ending March 31, 2014 from \$4,966,000 in 2013 primarily due to a lower cost of borrowing in 2014 (5.61% compared to 5.98%) offset by higher debt from the TPC Eagle Trace and Hidden Lake acquisitions.

Other expense, net changed to an expense of \$867,000 for the three month period ending March 31, 2014 from income of \$78,000 for 2013 primarily due to a change in the unrealized foreign exchange in the amount of \$290,000, Hidden Lake business combination transaction costs in the amount of \$206,000 expensed in 2014 and a one time insurance gain realized in 2013 in the amount of \$443,000.

Net loss increased to \$5,702,000 for the three month period ending March 31, 2014 from \$3,729,000 in 2013 due to the decrease in Canadian annual dues, the decline in net membership fee income and a \$945,000 increase in other expense.

## Change in Accounting Policy and Comparability

During the first quarter of 2014, ClubLink adopted IFRIC 21-Levies on a retroactive basis. IFRIC 21 clarifies the obligating event for the recording of levies. This is applicable for ClubLink with respect to property taxes. Previously, ClubLink accounted for all property taxes on a pro-rata basis throughout the year. Under IFRIC 21, estimated property taxes for the entire year at each of ClubLink's real estate properties located in the United States are expensed on January 1<sup>st</sup> of each year. No change was required for our Canadian properties. This change resulted in an increase in the net loss previously reported for Q1 2013 in the amount of \$624,000. The incremental loss of \$624,000 will reverse in the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> quarters, resulting in no change to our 2013 previously reported earnings.

The completion of amortization of membership fee revenue for the 1994 to 2001 Canadian member group in 2013 has resulted in a significant decline in earnings, but has minimal cash flow impact.

Other expense includes certain one-time and non-cash items which are not comparable between years.

The impact of these items are as follows:

<b>(thousands of dollars - except per share amounts)</b>	<b>Three Months Ended March 31, 2014</b>	<b>Three Months Ended March 31, 2013</b>
Net loss as originally reported	\$ (5,702)	\$ (3,105)
Retroactive adjustment - IFRIC 21 - Property taxes	-	(1,018)
Retroactive adjustment - Income taxes on above adjustment	-	394
Net loss as currently reported	<u>(5,702)</u>	<u>(3,729)</u>
Members that joined from 1994 to 2001		
Amortization of membership fees	(148)	(1,021)
Membership fees collected	148	180
Differential	-	(841)
Other expense (income)	867	(78)
Income tax provision on above adjustments	(152)	341
Pro Forma net earnings	<u>\$ (4,987)</u>	<u>\$ (4,307)</u>
Loss per share as originally reported	\$ (0.22)	\$ (0.12)
Retroactive adjustment - IFRIC 21 - Property taxes, net of tax	-	(0.02)
Loss per share as currently reported	<u>(0.22)</u>	<u>(0.14)</u>
Less: impact of amortization of membership fees	-	(0.03)
Add: impact of other expense	0.03	-
Add: impact of income tax provision on above adjustments	-	0.01
Pro Forma loss per share	<u>\$ (0.19)</u>	<u>\$ (0.16)</u>

## Eligible Dividend

Today, ClubLink Enterprises Limited (“ClubLink”) announced an eligible dividend of 7.5 cents per share to be paid on June 13, 2014 to shareholders of record as at May 30, 2014.

## Normal Course Issuer Bid

The Company has been approved by the Toronto Stock Exchange for a normal course issuer bid to purchase up to 1,305,000 of its common shares which will expire on September 19, 2014. As at May 8, 2014 the company repurchased for cancellation 4,200 common shares for a total purchase price of \$40,000 or \$9.52 per common share, including commissions under this normal course issuer bid. As at May 8, 2014 ClubLink has 26,104,887 common shares outstanding.

## Corporate Profile

ClubLink is engaged in golf club operations under the trademark, “ClubLink One Membership More Golf.” ClubLink is Canada’s largest owner and operator of golf clubs with 55.5 18-hole equivalent championship and six 18-hole equivalent academy courses at 45 locations in Ontario, Quebec and Florida.

ClubLink is also engaged in rail, tourism and port operations based in Skagway, Alaska, which operate under the trade name “White Pass & Yukon Route.” The railway stretches approximately 177 kilometres (110 miles) from Skagway, Alaska, to Whitehorse, Yukon. Presently, approximately 110 kilometres (67.5 miles) of the railway is in active service from Skagway, Alaska, to Carcross, Yukon. In addition, White Pass operates three docks, primarily for cruise ships.

(1) Net operating income, operating margin, net membership fee income, earnings before other items and income taxes, cash flow from operations and basic and diluted cash flow from operations per share are not recognized performance measures under International Financial Reporting Standards (“IFRS”). Management believes that in addition to net earnings, these measures are useful supplemental information to provide investors with an indication of the Company’s performance. Investors should be cautioned, however, that these measures should not be construed as an alternative to net earnings determined in accordance with IFRS as an indicator of the Company’s performance or to cash flows from operating, investing and financing activities as a measure of liquidity and cash flows. ClubLink’s method of calculating these measures is consistent from year to year, but may be different than those used by other companies (See “Management’s Discussion and Analysis of Financial Condition and Results of Operations” for detailed calculations).

*Management’s discussion and analysis, financial statements and other disclosure information relating to the Company is available through SEDAR and at [www.sedar.com](http://www.sedar.com) and on the Company website at [www.clublinkenterprises.ca](http://www.clublinkenterprises.ca).*

## FOR FURTHER INFORMATION PLEASE CONTACT:

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