



Penn National Gaming Appoints John Jagunich President and C.E.O. of Casino Magic, Bay St. Louis

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BAY ST. LOUIS, Miss. and WYOMISSING, Pa.--(BUSINESS WIRE)--Oct. 22, 2001--

- Fortifies Property Management with Appointment of Hotel/Casino Management Industry Veteran -

Penn National Gaming, Inc. (Nasdaq:PENN) announced today that effective immediately, John E. Jagunich, has been named President and Chief Executive Officer of Penn National's Casino Magic property in Bay St. Louis, Mississippi, subject to the satisfaction of regulatory approvals.

The newly created position follows Penn National's purchase of Casino Magic, Bay St. Louis in August 2000.

John brings nearly 30 years of gaming and hotel industry experience as well as eight years of experience managing the facilities, hotels, and food and beverage operations of prominent casinos in the Bahamas, Las Vegas, and Atlantic City. In his new role John will be responsible for all facets of the operation of Casino Magic and will report directly to Penn National President and Chief Operating Officer, Kevin DeSanctis.

Prior to joining Penn National, John served as Senior Vice President, Food and Beverage at the Atlantis, Paradise Island property in the Bahamas owned by Sun International Resorts, Inc., an indirect subsidiary of Sun International Hotels Limited (NYSE:SIH). John's responsibilities at Atlantis, the world's largest island resort with 2,400 rooms, included the management and oversight of all food and beverage operations which represent over \$130 million in annual revenues for Atlantis. John began his career in 1971 at Radisson Hotels in Bloomington, Minnesota. After two years at Radisson, he steadily ascended through the management ranks at Trust House Forte, Holiday Corporations, and Promus Companies through 1993 before assuming a gaming industry management position with Harrah's Entertainment. At Harrah's, John held key management positions in Atlantic City, New Jersey and Las Vegas, Nevada until 1998 when he joined Sun International.

Commenting on the appointment, Peter M. Carlino, Chief Executive Officer of Penn National said, "Following our executive management and senior operations appointments in June, John's appointment extends our initiative to bring the expertise of those managing our newly acquired properties in line with the Company's growing asset base. The appointments this year of John, Bill Clifford as Vice President, Finance and Chief Financial Officer; Jack Rauen as Vice President, Operations; Kevin DeSanctis as President and Chief Operating Officer, and Richard Orbann as President of the Company's racing division, as well as the management resources from the CRC acquisition, underscore our goal of positioning Penn National with one of the strongest management teams -- in terms of the depth of our operational and financial experience -- in the gaming industry."

Kevin DeSanctis added, "Having worked with John in the past, I am confident that his expertise, knowledge and track record of success in the areas of hotel/casino management, food and beverage, and hospitality make him a valuable asset for Casino Magic Bay St. Louis and Penn National Gaming."

Commenting on his appointment, John Jagunich stated, "Witnessing the expansion of the hospitality and gaming industries for 30 years, the growth and emergence of Penn National as a diversified regional leader over the last five years is truly impressive. The ability to manage a promising property like Casino Magic, Bay St. Louis and to be at Penn National at such a dynamic time in the Company's growth, is a wonderful opportunity. I look forward to leading this property to its fullest potential following the completion of our well-planned expansion and modernization."

Penn National Gaming owns and operates Charles Town Races in Charles Town, West Virginia, which presently features 2,000 gaming machines; two Mississippi casinos, the Casino Magic hotel, casino, golf resort and marina in Bay St. Louis and the Boomtown Biloxi casino in Biloxi; and the Casino Rouge, a riverboat gaming facility in Baton Rouge, Louisiana. Penn National also owns two racetracks and eleven off-track wagering facilities in Pennsylvania and the racetrack at Charles Town Races in West Virginia, and operates the Casino Rama, a gaming facility located approximately 90 miles north of Toronto, Canada, pursuant to a management contract. In August, Penn National agreed to acquire the assets of Colorado Gaming and Entertainment Co., a subsidiary of Hilton Group plc. These assets include the Bullwhackers Casino, the adjoining Bullpen Sports Casino, and Silver Hawk Saloon and Casino in Black Hawk, Colorado.

In addition to historical facts or statements of current condition, this press release may contain forward-looking statements that involve risks and uncertainties including, but not limited to, statements regarding the potential benefits and risks related to completing the planned acquisition of the Colorado Gaming and Entertainment Co. assets. You may identify some of these forward-looking statements by the use of words in the statements such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe" or words and terms of similar meaning. The Company describes certain of these risks and uncertainties in its filings with the Securities and Exchange Commission, including its Annual Reports on Form 10-K, its most recent quarterly reports on Form 10-Q and its Current Reports on Form 8-K. These risks and uncertainties could cause the Company's actual results and experience to differ materially from anticipated results and expectations expressed in any forward-looking statements. Given these risks and uncertainties, any or all forward-looking statements in this press release may prove to be incorrect. Therefore, you should not rely on any such factors or forward-looking statements. Furthermore, the Company does not intend (and is not obligated) to update publicly any forward-looking statements. The cautionary advice in this paragraph is permitted by the Private Securities Litigation Reform Act of 1995.

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