

May 9, 2012



Full House Resorts Announces Three Month Results for the Period Ended March 31, 2012

LAS VEGAS--(BUSINESS WIRE)-- Full House Resorts (NYSE Amex US: FLL) today announced results for the three-month period ended March 31, 2012. Net income attributable to the Company for the three months ended March 31, 2012 was \$25.8 million, or \$1.38 per common share, compared to net income of \$1.6 million, or \$0.09 per common share, in the prior-year period. Excluding a \$40.8 million gain on sale of the Company's interest in Gaming Entertainment (Michigan), LLC ("GEM") and its FireKeepers management agreement, and a \$1.7 million pre-tax loss on debt extinguishment in the first quarter of 2012, and \$0.5 million in acquisition costs in the first quarter of 2011, the Company would have reported net income attributable to the Company per common share of \$0.03 and \$0.11 for the three months ended March 31, 2012 and 2011, respectively.

First Quarter 2012 Highlights and Subsequent Events

- At its Rising Star Casino Resort for the first quarter 2012, the Company recorded revenue of \$22.6 million and EBITDA of \$3.1 million, bringing total adjusted EBITDA, as defined below, for the first year of the Company's ownership to \$11.1 million.
- On March 30, 2012, the Company and its 50% joint venture partner in GEM, RAM Entertainment LLC, closed on the \$97.5 million sale of their interests in GEM and the FireKeepers management agreement to the FireKeepers Development Authority. The Company used a portion of the proceeds to pay off the Company's remaining outstanding debt of \$25.3 million and to extinguish the credit facility and related interest-rate swap agreement.
- Management fees and success fees from the Pueblo of Pojoaque for the first quarter 2012 were \$0.5 million. The Company's three-year management agreement with the Pueblo commenced on September 23, 2011.
- Management fees for GEM, a formerly 50%-owned joint venture that managed FireKeepers Casino, were \$5.3 million in the first quarter of 2012, compared to \$6.4 million in the first quarter 2011.
- Adjusted EBITDA and other items, as defined below, for the first quarter of 2012 was \$4.9 million versus \$4.0 million in the prior-year period. Adjusted EBITDA for the first quarter of 2012 excludes a \$40.8 million gain on sale from the Company's sale of its interest in GEM and the FireKeepers management agreement. Prior-year period results include \$1.5 million in equity in net income from the Company's Delaware management contract, which expired in August 2011.

- As of March 31, 2012, Full House Resorts had \$38.3 million in cash and no outstanding debt on its balance sheet.
- On April 3, 2012, the Company announced that it entered into definitive agreements with Silver Slipper Casino Venture LLC to acquire all of the outstanding membership interest of the entity operating the Silver Slipper Casino in Hancock County, Mississippi. The purchase price is \$70 million, exclusive of estimated cash, net working capital balances, fees and expenses and other adjustments as customary as of the closing date. On May 2, the Company announced it had obtained financing commitments for new credit facilities totaling \$75 million to be used to fund the acquisition. The agreements are subject to customary documentation and closing conditions. In late March 2012, the Company made a \$2.5 million escrow deposit which is non-refundable except for certain customary conditions.

“It was a very newsworthy and positive first quarter for Full House, as our Rising Star Casino Resort continues to exceed expectations and we closed a significant and successful chapter in our history with the sale of our interest in the GEM management agreement,” said Andre Hilliou, Chairman and Chief Executive Officer of Full House. “We also started off the current quarter with the major announcement of our acquisition of the Silver Slipper Casino pending due diligence and customary regulatory approvals. We recently obtained financing commitments for the acquisition at an attractive overall blended rate, commenced the licensing process in Mississippi and expect to close on the acquisition in the third quarter of 2012. Once completed, we will have significantly changed the face of Full House from a casino management company to primarily an owner-operator of strong locals-oriented casinos.”

First Quarter 2012 Results

For the quarter ended March 31, 2012, Full House reported casino, food and beverage, hotel and other revenue of \$27.5 million, up from \$2.0 million in the prior-year period, primarily due to the addition of the Rising Star Casino Resort during the second quarter of 2011 and the Grand Lodge Casino on September 1, 2011.

Operating expenses for the first quarter 2012 were \$27.8 million compared to \$4.0 million in the prior-year period, primarily due to the addition of the Rising Star Casino Resort and the Grand Lodge Casino. The Company also recorded \$0.3 million of stock compensation expense during the first quarter of 2012, while there was no stock compensation expense during the prior-year period.

Last year’s first quarter included approximately \$1.5 million of income related to the Company’s Delaware management agreement which expired in August 2011, resulting in no contribution to income in the first quarter of 2012.

Operating income for the first quarter 2012 was \$46.3 million, compared to operating income of \$5.8 million in the prior-year period, due to a \$40.8 million gain on sale of joint venture, related to the sale of the Company’s interest in GEM and the FireKeepers management agreement. Excluding the gain on sale, operating income for the first quarter 2012 was \$5.6 million. Adjusted EBITDA, as defined below, was \$4.9 million versus \$4.0 million in the prior-year period.

The Company reported net income attributable to the Company per common share of \$1.38 and \$0.09 for the three months ended March 31, 2012 and 2011, respectively. Excluding the aforementioned gain on sale, and a \$1.7 million pre-tax loss on debt extinguishment in the first quarter of 2012, and \$0.5 million in acquisition costs in the first quarter of 2011, the Company would have reported net income attributable to the Company per common share of \$0.03 and \$0.11 for the three months ended March 31, 2012 and 2011, respectively.

Liquidity and Capital Resources

As of March 31, 2012, Full House had \$38.3 million in cash and no outstanding debt on its balance sheet.

Conference Call Information

The Company will host a conference call and webcast today at 11:00 AM EDT. Both the call and webcast are open to the general public.

The conference call number is 888-747-4664; international callers can access the call by dialing 1-913-312-0849. Please call five minutes in advance to ensure that you are connected prior to the presentation. Interested parties may also access the live call on the Internet at www.fullhouseressorts.com (select Investors and then Upcoming Events). Please log on fifteen minutes in advance to ensure that you are connected prior to the call's initiation. Questions and answers will be reserved for call-in analysts and institutional investors. Following its completion, a replay of the call can be accessed for one week on the Internet at the above link or by calling either 877-870-5176 or 1-858-384-5517 and providing passcode 1757548.

Selected unaudited Statements of Operations data for the three months ended March 31,

2012	Casino Operations - Nevada	Casino Operations - Midwest	Development/ Management	Corporate	Consolidated
Revenues	\$ 4,886,253	\$22,630,217	\$ 5,809,870	\$ -	\$ 33,326,340
Selling, general & administrative expense	1,567,543	5,017,010	136,386	1,839,689	8,560,628
Depreciation & amortization	241,691	1,028,166	593,052	2,386	1,865,295
Operating gains	-	-	40,762,005	-	40,762,005
Operating income	357,886	2,062,303	45,811,271	(1,907,959)	46,323,501
Net income (loss) attributable to the Company	233,636	(1,037,974)	30,108,806	(3,456,135)	25,848,333

2011	Casino Operations - Nevada	Casino Operations - Midwest	Development/ Management	Corporate	Consolidated
Revenues	\$ 1,979,985	\$ -	\$ 6,364,242	\$ -	\$ 8,344,227
Selling, general & administrative expense	461,963	-	152,240	1,039,505	1,653,708
Depreciation & amortization	238,815	-	593,196	19,733	851,744
Operating gains	-	-	1,519,897	-	1,519,897
Operating income (loss)	283,978	-	7,138,702	(1,591,046)	5,831,634
Net income (loss) attributable to the Company	187,507	-	2,608,873	(1,188,936)	1,607,444

Reconciliation of EBITDA before unrealized gains/losses on notes receivable from tribal governments, and other for the three months ended March 31,

	Casino Operations Nevada	Casino Operations Midwest	Development / Management	Corporate	Consolidated	GEM	50%	Net of Non-Controlling Development / Management	Consolidated
2012									
Operating income (loss)	\$ 357,886	\$ 2,062,303	\$ (1,933,046)	\$ 45,836,358	\$ 46,323,501	\$4,773,279	\$2,386,640	\$ (4,319,686)	\$ 43,183,638
Add Back:									
Silver Slipper acquisition costs expensed	-	-	-	31,166	31,166	-	-	-	-
Depreciation and amortization	241,691	1,028,166	593,052	2,386	1,865,296	431,025	215,513	377,539	1,108,579
Deduct:									
Gain (Loss) on sale of joint venture	-	-	6,544,007	(47,306,012)	(40,762,005)	-	-	6,544,007	(40,762,005)
	<u>\$ 599,577</u>	<u>\$ 3,090,469</u>	<u>\$ 5,204,013</u>	<u>\$ (1,436,102)</u>	<u>\$ 7,457,957</u>	<u>\$5,204,304</u>	<u>\$2,602,153</u>	<u>\$ 2,601,860</u>	<u>\$ 4,457,611</u>

	Casino Operations Nevada	Casino Operations Midwest	Development / Management	Corporate	Consolidated	GEM	50%	Net of Non-Controlling Development / Management	Consolidated
2011									
Operating income (loss)	\$ 283,831	\$ -	\$ 7,138,703	\$ (1,590,900)	\$ 5,831,634	\$5,782,152	2,891,076	\$ 4,247,627	\$ 2,974,213
Add Back:									
Rising Star acquisition costs expensed	-	-	-	469,654	469,654	-	-	-	-
Depreciation and amortization	238,815	-	593,196	19,733	851,744	431,169	215,585	377,612	1,476,116
Deduct:									
Unrealized gain on notes receivable, tribal governments	-	-	24,575	-	24,575	-	-	24,575	-
	<u>\$ 522,646</u>	<u>\$ -</u>	<u>\$ 7,707,324</u>	<u>\$ (1,101,513)</u>	<u>\$ 7,128,457</u>	<u>\$6,213,321</u>	<u>\$3,106,661</u>	<u>\$ 4,600,664</u>	<u>\$ 4,474,829</u>

FULL HOUSE RESORTS, INC. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three months ended March 31,	
	2012	2011
Revenues		
Casino	\$ 25,715,472	\$ 1,541,052
Food and beverage	1,326,828	412,583
Hotel	115,509	--
Management fees	5,809,869	6,364,242
Other operations	358,662	26,350
	<u>33,326,340</u>	<u>8,344,227</u>
Operating costs and expenses		
Casino	14,770,727	522,456
Food and beverage	1,175,023	472,773
Hotel	144,434	--
Other operations	1,151,688	--
Project development and acquisition costs	97,049	531,809
Selling, general and administrative	8,560,628	1,653,708
Depreciation and amortization	1,865,295	851,744
	<u>27,764,844</u>	<u>4,032,490</u>
Operating gains		
Gain on sale of joint venture	40,762,005	--
Equity in net income of unconsolidated joint venture, and related guaranteed payments	--	1,495,322
Unrealized gains on notes receivable, tribal governments	--	24,575
	<u>40,762,005</u>	<u>1,519,897</u>
Operating income	<u>46,323,501</u>	<u>5,831,634</u>
Other income (expense)		
Interest expense	(734,210)	(210,635)
Gain on derivative instrument	8,472	--
Other income	4,825	387
Loss on extinguishment of debt	(1,719,269)	--
Other income (expense), net	<u>(2,440,182)</u>	<u>(210,248)</u>
Income before income taxes	43,883,319	5,621,386
Income tax expense	<u>(15,853,814)</u>	<u>(1,406,863)</u>
Net income	28,029,505	4,214,523
Income attributable to non-controlling interest in consolidated joint venture	<u>(2,181,172)</u>	<u>(2,607,079)</u>
Net income attributable to the Company	<u>\$ 25,848,333</u>	<u>\$ 1,607,444</u>
Net income attributable to the Company per common share	<u>\$ 1.38</u>	<u>\$ 0.09</u>
Weighted-average number of common shares outstanding	<u>18,673,681</u>	<u>18,007,681</u>

About Full House Resorts, Inc.

Full House owns, develops and manages gaming facilities. The Company owns the Rising Star Casino Resort in Rising Sun, Indiana. The Rising Star Riverboat Casino has 40,000 square feet of gaming space with almost 1,300 slot and video poker machines and 37 table games. The property includes a 190-room hotel, a pavilion with five food and beverage outlets, an 18-hole Scottish links golf course and a large, multi-purpose Grand Theater for concerts and performance events as well as meetings and conventions. In addition, Full House owns Stockman's Casino in Fallon, Nevada which has 8,400 square feet of gaming space with approximately 260 gaming machines, four table games and a keno game. The Company also operates the Grand Lodge Casino at the Hyatt Regency Lake Tahoe Resort, Spa and Casino in Incline Village, Nevada on the north shore of Lake Tahoe under a five-

year lease agreement with the Hyatt organization.

The Company also has a management agreement with the Pueblo of Pojoaque for the operations of the Buffalo Thunder Casino and Resort in Santa Fe, New Mexico along with the Pueblo's Cities of Gold and Sports Bar casino facilities.

Further information about Full House Resorts and its operations can be viewed on its website at www.fullhouseresorsts.com.

Forward-looking Statements

Some of the statements made in this release are forward-looking statements. These forward-looking statements are based upon Full House's current expectations and projections about future events and generally relate to Full House's plans, objectives and expectations for Full House's business. Although Full House's management believes that the plans and objectives expressed in these forward-looking statements are reasonable, the outcome of such plans, objectives and expectations involve risks and uncertainties including without limitation, regulatory approvals, including the ability to maintain a gaming license in Indiana and Nevada, financing sources and terms, integration of acquisitions, competition and business conditions in the gaming industry, including competition from Ohio casinos and any possible authorization of gaming in Kentucky. Additional information concerning potential factors that could affect Full House's financial condition and results of operations is included in the reports Full House files with the Securities and Exchange Commission, including, but not limited to, its Form 10-K for the most recently ended fiscal year.

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