

August 9, 2012



Full House Resorts Announces Three and Six Months Results for the Period Ended June 30, 2012

LAS VEGAS--(BUSINESS WIRE)-- Full House Resorts (NYSE Amex US: FLL) today announced results for the three- and six-month periods ended June 30, 2012. Net income attributable to the Company for the three months ended June 30, 2012 was \$0.7 million, or \$0.04 per common share, compared to net income of \$1.4 million, or \$0.08 per common share, in the prior-year period. Excluding a \$0.4 million gain on the sale of the Company's interest in Gaming Entertainment (Michigan), LLC ("GEM"), and its FireKeepers management agreement and Silver Slipper related acquisition costs in the second quarter of 2012, the Company would have reported net income attributable to the Company per common share of \$0.03 for the three months ended June 30, 2012.

Second Quarter 2012 Highlights

- Adjusted EBITDA, as defined below, for the second quarter of 2012 was \$2.9 million versus \$6.1 million in the prior-year period. Adjusted EBITDA for the second quarter of 2012 excludes a \$0.4 million gain from the Company's sale of its interest in GEM and the FireKeepers management agreement. Prior-year period adjusted EBITDA results include \$2.9 million from GEM, which was sold at the end of March 2012, and \$0.7 million in equity in net income from the Company's Delaware management agreement, which expired in August 2011; excluding those agreements, adjusted EBITDA in the second quarter of 2011 was \$2.6 million.
- At its Rising Star Casino Resort for the second quarter 2012, the Company recorded revenue of \$22.3 million compared to revenue of \$23.2 million in the prior-year quarter. Rising Star EBITDA for the second quarter 2012 was \$2.8 million versus \$3.2 million in the prior-year quarter partially due to a lower table games hold percentage in the second quarter 2012.
- Nevada casino revenues (Stockman's and Grand Lodge) for the second quarter of 2012 were \$5.2 million compared to \$2.0 million in the prior-year period, primarily due to the addition of the Grand Lodge Casino in September 2011. EBITDA for the second quarter 2012 doubled from \$0.5 million last year to \$1.0 million this year.
- Management fees and success fees from the Pueblo of Pojoaque Buffalo Thunder Casino and Resort in Santa Fe, New Mexico for the second quarter 2012 were \$0.4 million, related to the Company's three-year management agreement with the Pueblo which commenced on September 23, 2011.
- As of June 30, 2012, Full House Resorts had \$27.9 million in cash and no outstanding debt on its balance sheet.

- On May 2, 2012, the Company announced it had obtained financing commitments for a new \$55 million first lien and a \$20 million second lien credit facility to be used to fund the previously announced \$70 million acquisition of all of the outstanding membership interest of the entity operating the Silver Slipper Casino in Hancock County, Mississippi. The agreements are subject to customary documentation and closing conditions, and the Company expects to close on the acquisition early in the fourth quarter.

“Given a stagnating economy and new competition in Ohio, we were satisfied with the results of our Rising Star Casino Resort and very pleased with the strong performance at our Northern Nevada properties,” said Andre Hilliou, Chairman and Chief Executive Officer of Full House. “During the quarter, we obtained financing commitments at an attractive overall blended rate for our impending acquisition of the Silver Slipper Casino and we remain on track to close the acquisition, pending due diligence and customary regulatory approvals, early in the fourth quarter of this year. We are very much looking forward to adding the Silver Slipper to the Full House family and continuing the transition of Full House into an owner-operator of strong locals-oriented casinos.”

Second Quarter 2012 Results

For the quarter ended June 30, 2012, Full House reported casino, food and beverage, hotel and other revenue (other than management fees) of \$27.4 million, up from \$25.2 million in the prior-year period, primarily due to the addition of the Grand Lodge Casino on September 1, 2011 and partially offset by a \$0.9 million decline in revenue from the Rising Star Casino Resort.

Operating expenses for the second quarter 2012 were \$26.9 million compared to \$25.0 million in the prior-year period, primarily due to the addition of the Grand Lodge Casino. The Company also recorded \$0.3 million of stock compensation expense during the second quarter of 2012 compared to \$0.1 million in the prior-year period.

Last year's second quarter included approximately \$5.9 million in management fees from GEM, which the Company sold in March 2012, and \$0.7 million of income related to the Company's Delaware management agreement which expired in August 2011, resulting in no contribution to revenue or income from GEM and Delaware operations in the second quarter of 2012.

Operating income for the second quarter 2012 was \$1.4 million, compared to operating income of \$6.8 million in the prior-year period, due to contributions from GEM and the Delaware management agreement in the prior-year period, partially offset by income from the newly leased Grand Lodge Casino and the Buffalo Thunder management agreement. Adjusted EBITDA, as defined below, was \$2.9 million versus \$6.1 million in the prior-year period; excluding GEM and the Delaware management agreement, adjusted EBITDA in the prior-year period was \$2.6 million.

The Company reported net income attributable to the Company per common share of \$0.04 and \$0.08 for the three months ended June 30, 2012 and 2011, respectively. Excluding a \$0.4 million gain on sale of joint venture of the Company's interest in GEM and acquisition costs in the second quarter of 2012, the Company would have reported net income attributable to the Company per common share of \$0.03 for the three months ended June

30, 2012.

Six Month 2012 Results

For the six months ended June 30, 2012, Full House reported casino, food and beverage, hotel and other revenue (other than management fees) of \$55.0 million, compared to revenue of \$27.2 million in the prior-year period, primarily as a result of the addition of the Rising Star Casino Resort on April 1, 2011, and the Grand Lodge Casino and Buffalo Thunder management agreement in September 2011. In addition, during the six months ended June 30, 2012, Full House recorded GEM management fees of \$5.3 million for FireKeepers Casino, compared to management fees of \$12.3 million for the prior-year period. The Company also recorded equity in net income from the Delaware operation in the prior-year period of \$2.2 million.

Operating expenses for the six months ended June 30, 2012 were \$54.6 million compared to \$29.0 million in the prior-year period, primarily due to the addition of the Rising Star Casino Resort and Grand Lodge Casino. The Company also recorded \$0.6 million of stock compensation expense for the six-month period ended June 30, 2012, compared to \$0.1 million in the six months ended June 30, 2011.

Operating income for the six months ended June 30, 2012 was \$47.7 million, compared to operating income of \$12.7 million in the prior-year period, due to a \$41.2 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 six months ended June 30, 2012 was \$6.5 million. Adjusted EBITDA, as defined below, was \$8.1 million versus \$10.2 million in the prior-year period.

The Company reported net income attributable to the Company per common share of \$1.42 and \$0.17 for the six months ended June 30, 2012 and 2011, respectively. Excluding the \$41.2 million gain on sale of joint venture, a \$1.7 million pre-tax loss on debt extinguishment and \$0.4 million of transaction costs for the six months ended June 30, 2012, and \$0.8 million in acquisition costs and a non-cash loss on financing swap derivatives for the six months ended June 30, 2011, net income attributable to the Company per common share would have been \$0.06 and \$0.20 for the six months ended June 30, 2012 and 2011, respectively.

Liquidity and Capital Resources

As of June 30, 2012, Full House had \$27.9 million in cash and no outstanding debt on its balance sheet. In addition, the Company has funded a \$2.5 million deposit on the impending \$70 million purchase of the Silver Slipper Casino.

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 888-677-8816; international callers can access the call by dialing 1-913-312-1466. 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.fullhouserestorts.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 6949213.

Selected unaudited Statements of Operations data for the three months ended June 30,

2012	Casino Operations - Nevada	Casino Operations - Midwest	Development/ Management	Corporate	Consolidated
Revenues	\$ 5,179,224	\$22,261,377	\$ 399,898	\$ -	\$ 27,840,499
Selling, general & administrative expense	1,569,599	4,644,795	-	1,497,985	7,712,379
Depreciation & amortization	246,693	1,273,862	-	2,015	1,522,570
Operating gains	-	-	438,084	-	438,084
Operating income (loss)	722,701	1,536,388	748,564	(1,584,474)	1,423,179
Net income (loss) attributable to the Company	475,649	1,450,433	(150,200)	(1,043,403)	732,479

2011	Casino Operations - Nevada	Casino Operations - Midwest	Development/ Management	Corporate	Consolidated
Revenues	\$ 2,021,239	\$23,190,637	\$ 5,912,294	\$ -	\$ 31,124,170
Selling, general & administrative expense	484,098	5,203,444	130,958	1,170,950	6,989,450
Depreciation & amortization	236,135	1,220,183	593,147	2,676	2,052,141
Operating gains	-	-	661,270	-	661,270
Operating income (loss)	255,590	1,984,787	5,849,459	(1,259,685)	6,830,151
Net income (loss) attributable to the Company	168,773	470,033	2,426,110	(1,668,396)	1,396,520

Selected unaudited Statements of Operations data for the six months ended June 30,

2012	Casino Operations - Nevada	Casino Operations - Midwest	Development/ Management	Corporate	Consolidated
Revenues	\$10,065,477	\$44,891,594	\$ 6,209,768	\$ -	\$ 61,166,839
Selling, general & administrative expense	3,137,142	9,661,805	136,386	3,337,674	16,273,007
Depreciation & amortization	488,384	2,302,028	593,052	4,401	3,387,865
Operating gains	-	-	41,200,089	-	41,200,089
Operating income	1,080,587	3,598,691	46,559,835	(3,492,433)	47,746,680
Net income (loss) attributable to the Company	709,285	412,459	29,958,606	(4,499,538)	26,580,812

2011	Casino Operations - Nevada	Casino Operations - Midwest	Development/ Management	Corporate	Consolidated
Revenues	\$ 4,001,078	\$23,190,637	\$ 12,276,681	\$ -	\$ 39,468,396
Selling, general & administrative expense	946,062	5,203,444	283,197	2,210,455	8,643,158
Depreciation & amortization	474,950	1,220,183	1,186,343	22,409	2,903,885
Operating gains	-	-	2,181,167	-	2,181,167
Operating income (loss)	539,421	1,984,787	12,988,307	(2,850,731)	12,661,784
Net income (loss) attributable to the Company	356,184	470,033	5,035,078	(2,857,331)	3,003,964

Reconciliation of adjusted EBITDA before unrealized gains/losses on notes receivable from tribal governments, and other items three months ended June 30,

2012	Casino Operations Nevada	Casino Operations Midwest	Development/ Management	Corporate	Consolidated	GEM	50%	Net of Non-Cont Interest	
								Development/ Management	Con
Operating income (loss)	\$ 722,701	\$ 1,536,388	\$ 748,564	\$(1,584,474)	\$ 1,423,179	\$ -	\$ -	\$ 748,564	\$ 1
Add Back:									
Stock based compensation expensed	-	-	-	310,401	310,401	-	-	-	
Silver Slipper acquisition costs expensed	-	-	89,417	-	89,417	-	-	89,417	
Depreciation and amortization	246,693	1,273,862	-	2,015	1,522,570	-	-	-	1
Deduct:									
(Gain) Loss on sale of joint venture	-	-	(438,084)	-	(438,084)	-	-	(438,084)	
	<u>\$ 969,394</u>	<u>\$ 2,810,250</u>	<u>\$ 399,897</u>	<u>\$(1,272,058)</u>	<u>\$ 2,907,483</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 399,897</u>	<u>\$ 2</u>

2011	Casino Operations Nevada	Casino Operations Midwest	Development/ Management	Corporate	Consolidated	GEM	50%	Net of Non-Cont Interest	
								Development/ Management	Con
Operating income (loss)	\$ 255,590	\$ 1,984,787	\$ 5,849,459	\$(1,259,685)	\$ 6,830,151	\$5,350,940	\$2,675,470	\$ 3,173,989	\$ 4
Add Back:									
Stock based compensation expensed	-	-	-	103,470	103,470	-	-	-	
Rising Star acquisition costs expensed	-	-	12,424	-	12,424	-	-	12,424	
Unrealized loss on notes receivable, tribal governments	-	-	32,439	-	32,439	-	-	32,439	
Depreciation and amortization	236,135	1,220,183	593,147	2,676	2,052,141	431,120	215,560	377,587	1
	<u>\$ 491,725</u>	<u>\$ 3,204,970</u>	<u>\$ 6,487,469</u>	<u>\$(1,153,539)</u>	<u>\$ 9,030,625</u>	<u>\$5,782,060</u>	<u>\$2,891,030</u>	<u>\$ 3,596,439</u>	<u>\$ 6</u>

Reconciliation of adjusted EBITDA before unrealized gains/losses on notes receivable from tribal governments, and other items six months ended June 30,

2012	Casino Operations Nevada	Casino Operations Midwest	Development/ Management	Corporate	Consolidated	GEM	50%	Net of Non-Cor Interest	
								Development/ Management	Co
Operating income (loss)	\$ 1,080,587	\$ 3,598,691	\$ 46,559,835	\$(3,492,433)	\$ 47,746,680	\$ 4,773,279	\$2,386,640	\$ 44,173,195	\$ 4
Add Back:									
Stock based compensation expensed	-	-	-	620,802	620,802	-	-	-	
Silver Slipper acquisition costs expensed	-	-	-	120,583	120,583	-	-	-	
Depreciation and amortization	488,384	2,302,028	593,052	4,401	3,387,865	431,025	215,513	377,539	
Deduct:									
(Gain) Loss on sale of joint venture	-	-	(41,200,089)	-	(41,200,089)	-	-	(41,200,089)	(4
	<u>\$ 1,568,971</u>	<u>\$ 5,900,719</u>	<u>\$ 5,952,798</u>	<u>\$(2,746,647)</u>	<u>\$ 10,675,841</u>	<u>\$ 5,204,304</u>	<u>\$2,602,153</u>	<u>\$ 3,350,645</u>	<u>\$</u>

2011	Casino Operations Nevada	Casino Operations Midwest	Development/ Management	Corporate	Consolidated	GEM	50%	Net of Non-Cor Interest	
								Development/ Management	Co
Operating income (loss)	\$ 539,421	\$ 1,984,787	\$ 12,988,307	\$(2,850,731)	\$ 12,661,784	\$11,133,091	5,566,546	\$ 7,421,761	\$
Add Back:									
Stock based compensation expensed	-	-	-	103,470	103,470	-	-	-	
Rising Star acquisition costs expensed	-	-	-	482,079	482,079	-	-	-	
Unrealized loss on notes receivable, tribal governments	-	-	7,864	-	7,864	-	-	7,864	
Depreciation and amortization	474,950	1,220,183	1,186,343	22,409	2,903,885	862,290	431,145	755,198	
	<u>\$ 1,014,371</u>	<u>\$ 3,204,970</u>	<u>\$ 14,182,514</u>	<u>\$(2,242,773)</u>	<u>\$ 16,159,082</u>	<u>\$11,995,381</u>	<u>\$5,997,691</u>	<u>\$ 8,184,823</u>	<u>\$ 1</u>

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

	Three months ended June 30,		Six months ended June 30,	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Revenues				
Casino	\$25,352,136	\$23,212,583	\$51,067,608	\$24,753,635
Food and beverage	1,414,983	1,373,777	2,741,811	1,786,360
Hotel	135,387	207,173	250,896	207,173
Management fees	399,899	5,912,434	6,209,768	12,276,676
Other operations	538,094	418,203	896,756	444,552
	<u>27,840,499</u>	<u>31,124,170</u>	<u>61,166,839</u>	<u>39,468,396</u>
Operating costs and expenses				
Casino	14,551,368	13,011,458	29,322,095	13,533,914
Food and beverage	1,409,446	1,366,867	2,584,469	1,839,641
Hotel	148,490	180,707	292,924	180,707
Other operations	1,337,261	1,268,607	2,488,949	1,268,607
Project development and acquisition costs	173,890	86,059	270,939	617,867
Selling, general and administrative	7,712,379	6,989,450	16,273,007	8,643,158
Depreciation and amortization	1,522,570	2,052,141	3,387,865	2,903,885
	<u>26,855,404</u>	<u>24,955,289</u>	<u>54,620,248</u>	<u>28,987,779</u>
Operating gains				
Gain on sale of joint venture	438,084	--	41,200,089	--
Equity in net income of unconsolidated joint venture, and related guaranteed payments	--	693,709	--	2,189,031
Unrealized losses on notes receivable, tribal governments	--	(32,439)	--	(7,864)
	<u>438,084</u>	<u>661,270</u>	<u>41,200,089</u>	<u>2,181,167</u>
Operating income	<u>1,423,179</u>	<u>6,830,151</u>	<u>47,746,680</u>	<u>12,661,784</u>
Other income (expense)				
Interest expense	--	(917,844)	(733,150)	(1,128,478)
Gain (loss) on derivative instrument	--	(350,343)	8,472	(350,343)
Other income (expense), net	1,900	(1,889)	5,665	(1,502)
Loss on extinguishment of debt	--	--	(1,719,269)	--
Other income (expense), net	1,900	(1,270,076)	(2,438,282)	(1,480,323)
Income before income taxes	<u>1,425,079</u>	<u>5,560,075</u>	<u>45,308,398</u>	<u>11,181,461</u>
Income tax expense	692,600	1,457,134	16,546,414	2,863,997
Net income	<u>732,479</u>	<u>4,102,941</u>	<u>28,761,984</u>	<u>8,317,464</u>
Income attributable to non-controlling interest in consolidated joint venture	--	(2,706,421)	(2,181,172)	(5,313,500)
Net income attributable to the Company	<u>\$ 732,479</u>	<u>\$ 1,396,520</u>	<u>\$26,580,812</u>	<u>\$ 3,003,964</u>
Net income attributable to the Company per common share	<u>\$ 0.04</u>	<u>\$ 0.08</u>	<u>\$ 1.42</u>	<u>\$ 0.17</u>
Weighted-average number of common shares outstanding	<u>18,677,081</u>	<u>18,223,081</u>	<u>18,675,372</u>	<u>18,115,381</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.fullhouserestorts.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 and to obtain a license in Mississippi, financing sources and terms including the financing for the acquisition of the Silver Slipper Casino in Mississippi, 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.

Full House Resorts, Inc.
Mark Miller, Chief Operating and Chief Financial Officer
702-221-7800
www.fullhouserestorts.com

Or
Integrated Corporate Relations
William R. Schmitt, 203-682-8200
investors@fullhouserestorts.com

Source: Full House Resorts, Inc.