

FULL HOUSE RESORTS INC

Form FWP

December 12, 2006

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Investor Presentation

Investor Presentation

November/December 2006

November/December 2006

Free Writing Prospectus

Filed pursuant to Rule 433

Registration Statement No. 333-136341

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates.

Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may obtain these documents for free by visiting EDGAR.

SEC website at www.sec.gov.

Additionally, further copies of the prospectus may be obtained from the underwriter, Sterne, Agee & Leach, Inc., by calling W. Barry McRae at (205) 949-3555.

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Full House Resorts, Inc.

Full House Resorts, Inc.

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The following statements are made pursuant to the safe harbor for forward-looking statements described in the Private Securities Litigation Reform Act of 1995.

In these presentations, we may make certain statements that are forward-looking, such as statements regarding Full House's future results and plans and anticipated trends in the industries and economies in which Full House operates.

These forward-looking statements are the Company's current expectations and the Company will make no effort to update these expectations based on subsequent events or knowledge.

These forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including that our revenues may differ from that projected, that governmental and court approvals may not be forthcoming or may be delayed:

.
Our growth strategies may not be realized;

.
Our development and potential acquisition of new facilities may not occur;

.
Trends in the gaming industries may be negative;

.
We may not have access to capital, including the ability to finance future business requirements;

.
There may be adverse changes in federal, state and local laws and regulations, including environmental and gaming license legislation and regulations; and

.
Other risks detailed in our documents filed with the SEC.

Should one or more of these risks or uncertainties materialize, or should our underlying assumptions prove incorrect, actual results may differ significantly from results expressed or implied in any forward-looking statements made by the Company in these communications

Safe Harbor Statement

Safe Harbor Statement

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Full House Resorts, Inc. is an established gaming company with a two-pronged business model:

FLL develops, manages and operates local casinos for American Indian Tribes and other independent gaming companies

FLL acquires, improves and operates independent local casinos
Full House manages and owns independent casinos which
target local
customers living and working in healthy demographic
areas across the United States

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Issuer:

Full House Resorts, Inc.

Ticker/ Listing:

FLL / AMEX

Shares Offered:

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6,000,000

Over-allotment:

15%

Shares Outstanding post-offering:

17,708,380

Price (as of 11/22/06):

\$3.29

Expected Pricing:

Week

of

December

11

Underwriter:

Sterne, Agee & Leach, Inc.

Use of Proceeds:

Acquisition, Working Capital,

Debt Repayment

th

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6
USE OF PROCEEDS
USE OF PROCEEDS
Stockman's Casino
10,500,000

Indian Gaming Development

2,500,000

1992 Preferred Dividend

3,000,000

Transaction Expenses

2,000,000

General Corporate Purposes

4,000,000

22,000,000

\$

7

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Historical Stock Appreciation

Historical Stock Appreciation

FLL = Blue

AMEX = Red

NASDAQ = Green

Midway Expansion

Nambe selects FLL as Manager

Northern Cheyenne select FLL as Manager

FLL begins trading on the AMEX

Stockman s Announcement

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Management Vision Statement

Management Vision Statement

To provide:

superior return to its investors

security to its employees

opportunity to its partners and vendors and

support to our host communities

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Strategy

Strategy

Provide superior development and
management services to well-placed and

successful Native American gaming operations

Acquire at reasonable multiples, and operate well-managed and successful local casinos

Look for greenfield opportunities in the local casino arena

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Business Model

Business Model

Two areas of development:

Development and Management Services: Indian and Other Gaming

Opportunity: Revenue and Earnings Growth

Challenge: Development Projects have long lead time

Acquisition and Operation: Commercial Casinos

Opportunity:

Quickly accretive to earnings

Operations benefit from our experience

Challenge:

Competition for good properties

The mix of limited term management contracts and direct ownership spreads risk and allows continuing operations to fund development.

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Board of Directors
Board of Directors
LEE
A.
IACOCCA

-DIRECTOR

since

April,
1998.

He
founded

EV
Global
Motors

and
is
former
Chief

Executive Officer and Chairman of the Board of Directors of Chrysler Corporation. He is Chairman of the Iacocca Foundation and Chairman of the Committee for Corporate Support of Joslin Diabetes Foundation. Mr. Iacocca is also Chairman Emeritus of the Statue of Liberty Foundation.

J.

MICHAEL
PAULSON-
CHAIRMAN

and
he
has
been
involved
in
the
real
estate
development
and
investment
business

since
1986,
as
the
Founder,
Owner
and
President
of
Nevastar
Investments
Corp.

and Construction Specialist of Nevada, Inc. Mr. Paulson has been a director, president and general manager of Gold River Resort and Casino, Inc. and Gold River Operating Corporation since 2000.

WILLIAM

P.
McCOMAS-

DIRECTOR

since

November,
1992.

He

has

been

President

of

McComas

Properties, Inc.. Mr. McComas, and companies controlled by him, have developed several hotels and resorts.

DR.

CARL

G.

BRAUNLICH-

DIRECTOR

and

an

Associate

Professor

in

the

William

F.

Harrah

College

of Hotel Administration

at University of Nevada, Las Vegas.

He has been on the faculties of the hotel

management

programs

at

Cornell

and

Purdue

Universities.

He

has

held

executive

positions

at

several

casinos. He has been a consultant to Wynn Las Vegas, Harrah's Entertainment, Inc., Showboat Hotel, etc.

He was on the Board of Directors of the National Council on Problem Gambling.

MARK

J.

MILLER-

DIRECTOR

and
has
served
as
Executive
Vice
President
and
Chief
Financial
Officer

of Aero Products International. Mr. Miller was Executive Vice President and Chief Financial Officer of American Skiing Company, owner and operator of seven well-known ski resorts. He was an Executive Vice President of Showboat, Inc.

ANDRE
M.
HILLIOU,
CHIEF
EXECUTIVE
OFFICER
AND
DIRECTOR.

With
over
25
years
experience in the gaming industry, he was tapped to
operate the Showboat Atlantic City,
where he took the company from \$30 million in net revenue to \$130 million within two years.
Andre was chosen as Showboat's senior manager for its Sydney Harbour Casino project. He
has served as President and CEO of other gaming companies.

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Strategy to Obtain Tribal

Strategy to Obtain Tribal

Management Contracts

Management Contracts

1) Initial contacts with Tribes are based on referrals from lenders, contractors,

1) Initial contacts with Tribes are based on referrals from lenders, contractors, architects and others.

architects and others.

2) A Letter of Intent is secured from the Tribe after making a presentation on the

2) A Letter of Intent is secured from the Tribe after making a presentation on the qualifications of Full House.

qualifications of Full House.

3) An independent market study is performed to determine the viability of the project.

3) An independent market study is performed to determine the viability of the project.

4) Budgets, based on the market study,

4) Budgets, based on the market study,

and architectural renderings are presented to the

and architectural renderings are presented to the

Tribal authority in a formal presentation to secure approval of Full House as the

Tribal authority in a formal presentation to secure approval of Full House as the

developer and manager.

developer and manager.

5)

5)

Lee Iacocca's involvement in the process includes the following:

Lee Iacocca's involvement in the process includes the following:

a) He is featured in the marketing brochures and promotional materials that are

a) He is featured in the marketing brochures and promotional materials that are

given to the Tribe

given to the Tribe

during the first

during the first

introductions.

introductions.

b) Mr. Iacocca

b) Mr. Iacocca

gives the opening and closing remarks (on video) in our formal

gives the opening and closing remarks (on video) in our formal

power point presentations.

power point presentations.

c) He has entertained tribal leaders in his home.

c) He has entertained tribal leaders in his home.

d) Occasionally he

d) Occasionally he

writes letters,

writes letters,

sends autographed copies of his books, and

sends autographed copies of his books, and

personally meets with tribal officials.

personally meets with tribal officials.

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Acquisition Strategy

Acquisition Strategy

Accretive to Earnings

Strong Pattern of Revenue Growth

Strong Management willing to remain

Market Leader

Strong Operational Base

Expansion Opportunities

Availability of operations for training Indian Casino Employees

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Management Team
Management Team
Full House Resorts, Inc.
Full House Resorts, Inc.
Andre

Hilliou

-

over
25
years
gaming
experience.

Turn
around
experience.

Senior
positions with public companies. Opened and operated major casino
developments in Atlantic City and Sydney Australia.

Greg

Violette

-

14
years
executive
experience
in

Native
American
&
commercial

gaming development and operations including start-ups and a turn-around.

Wes

Elam

-

27
years
executive
experience
in

every
major
aspect
of
casino
operations
and

start-up. Has managed casinos from Atlantic City to Louisiana and Ontario, Canada and
opened the premier facility in Australia, the Star City Casino.

Jim

Meier

-

CPA
with
a
Master s

in
Hotel
Administration.
Experienced
in
both
property and corporate accounting of both public and private gaming companies.
Jim
Dacey

serves
as
the
company's
liaison
to
the
tribal
governments.
He
has
extensive
experience in project and contract management, customer relationship management, as
well as implementation of the business process.

Barth
Aaron
-
Over
18
years
experience
as
a
gaming
regulator
and
legal
officer
for
public and private major gaming operators and equipment suppliers.

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Team Accomplishments

Team Accomplishments

Increased annual earnings growth by improving current operations.

Currently

three

projects
in
development
anticipated
to
open
in
2007
or
early
2008.

Recovery
of
\$1
million
from
Torres
Martinez
tribe
on
project
previously
thought unrecoverable.

Company in aggressive growth mode with marketing plan, web site and
associated increase in historical stock price
Successfully located a commercial casino in Fallon, Nevada to acquire at an
EBITDA multiple within our guidelines.
Increased stock price from \$0.75 to over \$3.00
Obtained listing on American Stock Exchange

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Management Team
Management Team
Andre M. Hilliou
President, CEO
and Director

Barth F. Aaron
Secretary &
General Counsel
T. Wesley Elam
VP Operations &
Project Management
James D. Meier
CFO &
Treasurer
Greg Violette
Executive VP of
Development
James P. Dacey
VP Development
Accounting Staff

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Full House
Resorts, Inc.
AMEX:FLL
Gaming Management
Projects

Developer/Manager
Company Owned
Gaming
Projects
Owner/ Operator
Harrington
Raceway s
Midway Slots,
Harrington, DE
Firekeepers
Casino,
Battle Creek, MI
Nambe Casino,
Santa Fe, NM
Tongue River
Casino,
Decker, MT
Stockman s
Casino,
Fallon, NV
Organizational Structure
Organizational Structure

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Experienced Management Team

Experienced Management Team

Full House's operating expertise and proven track record of financing, developing and managing gaming facilities, including overseeing significant expansion efforts will be invaluable to future projects

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Full House has successfully developed, financed and managed Midway Slots and Simulcast in Harrington, Delaware:

Midway Slots and Simulcast

Facility Opened with:

Completed Expansions:

Announced Expansion to include:

35,000 square feet 75,000 square feet

Expand to 142,000 square feet

500 gaming devices 1,581 gaming devices

2,000 gaming devices

Simulcast parlor 450 seat buffet

Gourmet Restaurant

Small buffet

50

seat diner

Entertainment lounge areas

22
22
Firekeepers
Firekeepers
Casino, Michigan
Casino, Michigan

24

24

Marketing the Firekeepers

Marketing the Firekeepers

Casino Financing

Casino Financing

Battle Creek, Michigan

Battle Creek, Michigan

City Center

Population

(1)

Median Household

Income

(2)

1

Ann Arbor (Washtenaw County)

341,847

\$51,990

2

Battle Creek (Calhoun County)

139,191

\$38,918

3

Birmingham (Oakland County)

1,214,361

\$61,907

4

Brighton (Livingston County)

181,517

\$67,400

5

Grand Haven (Ottawa County)

255,406

\$52,347

6

Grand Rapids (Kent County)

596,666

\$45,980

7

Kalamazoo (Kalamazoo County)

240,536

\$42,022

8

Lansing (Ingham County)

278,592

\$40,774

9

Fort Wayne, IN (Allen County)

344,006

\$42,671

(1)Source:U.S.Census Bureau, 2005 Estimates

(2)Source:U.S.Census Bureau, 2000

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Situation Overview

Situation Overview

Close Proximity to Chicago and Detroit in addition to other major Michigan metropolitan markets

Closest casino for over a million Michigan Residents

Diverse and strong local economy

Numerous attractions and strong visitation trends

Proposed site is irreplaceable, and provides the Tribe with a competitive advantage vis-à-vis existing operators and possible new entrants

Assembling a comparable site in such a location likely to be extraordinarily challenging & time consuming

Size of site provides Tribe with significant development/growth pipeline

Excellent road access to all major highways, especially I-94 and I-69

The Tribe's casino will be a major competitor to the existing Native American casino operators

Most other Native American casinos are located in the Northern part of the state

Generally dated facilities offering less than 2,000 gaming positions

Given the superior location of the Project, the developmental potential of the site and the superior relative position of the Project, we believe the Company can develop a world class property.

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Project Status

Project Status

CONSTRUCTION BEGIN:

1Q-2Q/07

GRAND OPENING:

3Q/08

STATUS:

4Q 2006

3Q 2007

1Q-2Q 2007

Yes

Expected

Yes

Yes

Expected

Expected

MICHIGAN PROJECT

FIREKEEPERS CASINO

Compact

Signed

Land In Trust

Financing

Complete

NIGC

Approval

Environmental

Assessment

Management

Agreement

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Industry Comparables

Industry Comparables

Greektown

Motor City

MGM Grand

Detroit
Blue Chip Casino
Owner
Sault Ste. Marie
Tribe of Chippewa
Indians
Marian Bayoff
Ilitch
MGM
Boyd Gaming
Corporation
Slots
2,422
2,463
2,840
2,171
Tables
80
88
72
54
Positions
2,902
2,991
3,272
2,495
Win Per Position Per Day, net
\$317
\$395
\$385
\$322
Net Revenue(\$mm)
\$335.6
\$432.2
\$460.7
\$293.4

Source: Michigan and Indiana Gaming Boards and www.casinocity.com

Note: Michigan Calander Year 2005 Revenue; Indiana Fiscal Year 2006 Revenue

30

30

Project Status

Project Status

CONSTRUCTION BEGIN:

1Q-2Q/2007

GRAND OPENING

4Q/2007

STATUS:

Yes

Yes

Expected

Yes

Expected

Expected

4Q 2006

1Q-2Q 2007

1Q-2Q 2007

Environmental

Assessment

NAMBE PROJECT

SANTA FE, NEW MEXICO

Compact

Signed

Land In Trust

Management

Agreement

Financing

Complete

NIGC

Approval

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31
Industry Comparables
Industry Comparables
Casino
Tribe/Pueblo
Slots

Tables

Positions

Win (1)

Win per Day

Cities of Gold (1)

Pojoaque

717

12

801

18,248,007

\$

84.38

\$

OhKay Casino Resort

San Juan

690

5

725

26,993,695

\$

102.01

\$

Big Rock Casino

Santa Clara

350

7

399

18,739,488

\$

128.67

\$

Camel Rock Casino

Tesuque

674

7

723

30,526,799

\$

115.68

\$

Source: New Mexico Gaming Control and www.casinocity.com

(1) 3Q05 - 2Q06, except Pojoaque 4Q05-2Q06

Note: Pojoaque operate two facilities and report on a combined basis

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Project Status

Project Status

CONSTRUCTION BEGIN:

2Q/2007

GRAND OPENING

4Q/2007

STATUS:

Yes

Yes

Expected

Yes

Expected

Expected

4Q 2006

1Q-2Q 2007

2Q 2007

NORTHERN CHEYENNE PROJECT

DECKER, MONTANA

TONGUE RIVER CASINO

Land In

Trust

Environmental

Assessment

Management

Agreement

Financing

Complete

NIGC

Approval

Compact

Signed

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Industry Comparables

Industry Comparables

County

Jurisdiction

Establishments

Positions
2004 Gaming
Tax Revenues
Annual Gaming
Revenue
Annual
Revenue/
Machine
Win/Machine
Big Horn
County
3
20
\$33,725
\$224,833
\$11,242
\$31
Hardin
10
126
\$466,138
\$3,107,587
\$24,663
\$68
Yellowstone
County
28
266
\$713,298
\$4,755,320
\$17,877
\$49
Billings
133
1955
\$8,295,356
\$55,302,373
\$28,288
\$78
Broadview
2
3
\$1,695
\$11,300
\$3,767
\$10
Laurel
10
150
\$486,032

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\$3,240,213

\$21,601

\$59

Source: Montana Department of Justice, Gaming Control Division

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Acquisition of Stockman s Hotel and Casino

Acquisition of Stockman s Hotel and Casino

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Acquisition: Stockman's Casino

Acquisition: Stockman's Casino

On April 6, 2006, FLL signed an agreement to acquire Stockman's Casino and Holiday Inn Express in Fallon, Nevada.

Closing expected on or before January 31, 2007 upon obtaining of regulatory approvals.

Stockman's Casino consists of

Approximately 8,400 square feet of gaming space

280 slot machines

4 blackjack tables

Keno game

Only casino in town with a player's club and rating system.

Fine dining restaurant, 24-hour coffee shop and a bar.

The Holiday Inn Express

98 guest rooms

Indoor and outdoor swimming pools, sauna, fitness club

Meeting room and business center.

Of 7 non-restricted gaming licensees in Fallon, Stockman's maintains 26% of the slot market and 35% of the total market revenue.

(1)

(1)

Source: Nevada Gaming Control Board Monthly Reports

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Acquisition Strategy

Acquisition Strategy

Accretive to Earnings

Strong Pattern of Revenue Growth

Strong Management willing to remain

Market Leader
Strong Operational Base
Expansion Opportunities

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Stockman s Casino

Stockman s Casino

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Stockman s Financial Summary
Stockman s Financial Summary
9-months
12-months
12-months

Unaudited

Audited

Audited

Sept 2006

2005

2004

Revenues

8,866,085

\$

11,256,964

\$

10,578,839

\$

EBITDA - adjusted

3,516,746

\$

4,418,377

\$

4,223,892

\$

EBITDA - adj. %

40%

39%

40%

Note:

Financial EBITDA is adjusted as outlined in purchase agreement.

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