

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM S-8  
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

FULL HOUSE RESORTS, INC.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE	13-3391527
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(IRS EMPLOYER IDENTIFICATION NUMBER)

DEADWOOD GULCH RESORT, HIGHWAY 85 SOUTH  
DEADWOOD, SOUTH DAKOTA 57732

(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

OPTION AGREEMENT BETWEEN FULL HOUSE RESORTS, INC. AND ALLEN E. PAULSON  
OPTION AGREEMENT BETWEEN FULL HOUSE RESORTS, INC. AND WILLIAM P. MCCOMAS  
OPTION AGREEMENT BETWEEN FULL HOUSE RESORTS, INC. AND RONALD K. RICHEY

(FULL TITLE OF THE PLAN)

WILLIAM R. JACKSON  
EXECUTIVE VICE PRESIDENT - CORPORATE FINANCE  
DEADWOOD GULCH RESORT, HIGHWAY 85 SOUTH  
DEADWOOD, SOUTH DAKOTA 57732

(Name and address of agent for service)

(605) 578-1294

(Telephone number, including area code, of agent for service)

COPY TO:  
PAUL BERKOWITZ, ESQ.  
GREENBERG, TRAUIG, HOFFMAN,  
LIPOFF, ROSEN & QUENTEL, P.A.  
1221 BRICKELL AVENUE  
MIAMI, FLORIDA 33131  
(305) 579-0827

<TABLE>  
<CAPTION>

CALCULATION OF REGISTRATION FEE

AMOUNT OF REGISTRATION FEE	TITLE OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER SHARE (1)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(1)
<S> <C> COMMON STOCK, \$767.05 \$.0001 PAR VALUE.....		<C> 750,000 SHARES	<C> \$3.375	<C> \$2,531,250

</TABLE>

ITEM 3. INCORPORATION OF DOCUMENTS BY REFERENCE.

The Registrant hereby incorporates by reference into this Registration Statement the following documents or portions thereof as indicated:

- (a) the Registrant's Annual Report on Form 10-KSB for the fiscal year ended December 31, 1996;
- (b) all other reports filed by the Registrant pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") since the end of fiscal year 1996; and
- (c) the descriptions of the Registrant's Common Stock and related matters set forth under the captions "Description of Capital Stock" and "Dividend Policy" in the Registrant's Registration Statement on Form SB-2 (File No. 33-61580) filed under the Securities Act of 1933, as amended (the "Act"), including any amendments to such descriptions in such Registration Statement.

In addition, all documents subsequently filed by the Registrant pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act, prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated herein by reference and to be a part hereof from the date of filing of such documents.

ITEM 4. DESCRIPTION OF SECURITIES.

Not applicable.

ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL.

Not applicable.

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

The Registrant has authority under Section 145 of the Delaware General Corporation Law to indemnify its directors and officers to the extent provided for in such statute. The Registrant's Certificate of Incorporation provides that the Registrant shall indemnify and advance expenses on behalf of its officers and directors to the fullest extent not prohibited by law. The Registrant has also entered into agreements with certain of its officers and directors wherein it has agreed to indemnify each of them to the fullest extent permitted by law.

The provisions of the Delaware General Corporation Law that authorize indemnification do not eliminate the duty of care of directors and officers. In general, directors and officers will avoid liability only if they acted in good faith and in a manner reasonably believed to be in or not opposed to the best interest of a corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe their conduct was unlawful.

At present, there is no pending litigation or proceeding involving a director or officer of the Registrant as to which indemnification is being sought.

In October 1994, Full House filed an action for declaratory relief in Mississippi, seeking a determination by the court that no relationship exists between it and Lone Star Casino Corporation regarding the potential acquisition of a riverboat casino on the Mississippi gulf coast (FULL HOUSE RESORTS, INC. V. LONE STAR CASINO CORPORATION V. ALLEN E. PAULSON, Second Judicial District of the Chancery Court of Harrison County, Mississippi). Lone Star filed a counterclaim alleging breaches of fiduciary duty, breach of contract, conspiracy to breach contract and to breach fiduciary duty and common law fraud. The trial court granted summary judgment in favor of all defendants on that counterclaim, and Lone Star's appeal of that judgment is currently pending in the Mississippi appellate court. A decision is expected by the end of 1997. The Registrant is currently paying for Mr. Paulson's defense.

II-1

ITEM 7. EXEMPTION FROM REGISTRATION CLAIMED.

Not applicable.

ITEM 8. EXHIBITS

See "Exhibit Index" on page II-4 below.

ITEM 9. UNDERTAKINGS

- (a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement; provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) shall not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in this Registration Statement.

(2) That, for the purpose of determining any liability under the Act, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act that is incorporated by reference in the Registration Statement shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

II-2

SIGNATURES

Pursuant to the requirements of the Act, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of San Diego, State of California on May 12, 1997.

FULL HOUSE RESORTS, INC.

By: /s/ William R. Jackson  
-----  
William R. Jackson

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints and William R. Jackson his true and lawful attorney-in-fact, with full powers of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any or all amendments, including any post-effective amendments, to this Registration Statement, and to file the same, with exhibits thereto, and other documents to be filed in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorneys-in-fact or their substitutes, each acting alone, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Act, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

SIGNATURE -----	TITLE -----	DATE ----
/s/ Allen E. Paulson ----- Allen E. Paulson	Chairman and Chief Executive Officer Director	May 12, 1997
/s/ William P. McComas ----- William P. McComas	Director	May 12, 1997
/s/ Ronald K. Richey ----- Ronald K. Richey	Director	May 12, 1997
/s/ Robert L. Kelley ----- Robert L. Kelley	President and Chief Operating Officer	May 12, 1997
/s/ William R. Jackson ----- William R. Jackson	Executive Vice President Corporate Finance	May 12, 1997

II-3

EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION -----
4.1	Registrant's Amended and Restated Articles of Incorporation (1)
4.2	Registrant's Amended and Restated Bylaws (2)
4.3	Option Agreement Between Full House Resorts, Inc. and Allen E. Paulson; Option Agreement Between Full House Resorts, Inc. and William P. McComas; and Option Agreement Between Full House Resorts, Inc. and Ronald K. Richey
5.1	Opinion of Greenberg, Traurig, Hoffman, Lipoff, Rosen & Quentel, P.A.
23.1	Consent of Deloitte & Touche LLP
23.2	Consent of Greenberg, Traurig, Hoffman, Lipoff, Rosen & Quentel, P.A. (contained in its opinion filed as Exhibit 5.1 hereto)
24.1	Power of Attorney is included in the Signatures section of this Registration Statement

-----  
(1) Incorporated by reference to Exhibit 3.1 filed with the Registrant's Registration Statement on Form SB-2 (File No. 33-61580).

(2) Incorporated by reference to Exhibit 3.2 filed with the Registrant's Registration Statement on Form SB-2 (File No. 33-61580).

II-4

FULL HOUSE RESORTS, INC.

-----  
STOCK OPTION AGREEMENT

1. GRANT OF OPTION. Effective the third day of March, 1997, Full House Resorts, Inc., a Delaware corporation (the "Company"), hereby grants to Allen E. Paulson (the "Optionee") a non-qualified stock option (the "Option") to acquire 250,000 shares (the "Shares") of Common Stock, \$0.01 par value per share (the "Common Stock").

2. EXERCISE PRICE. The exercise price per share of the Shares subject to this Option is \$3.375.

3. EXERCISABILITY OF OPTION. The Option is immediately exercisable with respect to 50,000 Shares. Commencing on April 9, 1997 and on each of the three succeeding anniversaries of that date and so long as the Optionee has continuously been in the service of the Company as a director from the date of grant, the Optionee shall become entitled to exercise the Option with respect to an additional 50,000 Shares. Notwithstanding the foregoing, any remaining portion of the Option shall become immediately fully exercisable:

(a) if there occurs any transaction (which shall include a series of transactions occurring within 60 days or occurring pursuant to a plan), that has the result that stockholders of the Company immediately before such transaction cease to own at least 51% of the voting stock of the Company or of any entity that results from the participation of the Company in a reorganization, consolidation, merger, liquidation or any other form of corporate transaction;

(b) if the stockholders of the Company shall approve a plan of merger, consolidation, reorganization, liquidation or dissolution in which the Company does not survive (unless the approved merger, consolidation, reorganization, liquidation or dissolution is subsequently abandoned); or

(c) if the stockholders of the Company shall approve a plan for the sale, lease, exchange or other disposition of all or substantially all the property and assets of the Company (unless such plan is subsequently abandoned).

4. EXERCISE OF OPTIONS. The Option shall be deemed exercised when (i) the Company has received written notice of such exercise in accordance with the terms of the Option, (ii) full payment of the aggregate option price of the Shares as to which the Option is exercised has been made, and (iii) arrangements that are satisfactory to the Company's Board of Directors (the "Board") in its sole discretion have been made for the Optionee's payment to the Company of the amount that is necessary for the Company to withhold in accordance with applicable Federal or state tax withholding requirements. Unless further limited by the Board, the option price of any Shares purchased shall be paid (1) in cash, (2) by certified or official bank

check, (3) by money order, (4) with Shares owned by the Optionee that have been owned by the Optionee for more than 6 months on the date of surrender or such other period as may be required to avoid a charge to the Company's earnings for financial accounting purposes, (5) by authorization for the Company to withhold Shares issuable upon exercise of the Option, (6) by arrangement with a broker that is acceptable to the Board where payment of the Option price is made pursuant to an irrevocable direction to the broker to deliver all or part of the proceeds from the sale of the Option Shares to the Company in payment of the Option price, or (7) any combination of the foregoing. The Board in its sole discretion may accept a personal check in full or partial payment of any Shares. If the exercise price is paid in whole or in part with Shares, the value of the Shares surrendered shall be their Fair Market Value (as defined below) on the date the Option is exercised. For purposes of this Option, "Fair Market Value" shall mean the "Closing Price" (as defined below) of the Common Stock on the business day immediately preceding the date of transfer, unless the Board in its sole discretion shall determine otherwise in a fair and uniform manner. For the purpose of determining Fair Market Value, the "Closing Price" of the Common Stock on any business day shall be, if the Common Stock is quoted on the National Association of Securities Dealers Automated Quotations System, or any similar system of automated dissemination of quotations of securities prices in common use, the last reported sale price of Common Stock for such day on such system, or if such source is not applicable, the mean between the high bid and low asked quotations for the Common Stock as reported by the National Quotation Bureau, Incorporated if at least two securities dealers have inserted both bid and asked quotations for Common Stock on at least five of the ten preceding days. If neither such source is applicable, then Fair Market Value shall be determined in good faith by the Board in a fair and uniform manner. The Company

in its sole discretion may, on an individual basis or pursuant to a general program established in connection with this Option, and subject to applicable law, lend money to the Optionee, guarantee a loan to the Optionee, or otherwise assist the Optionee to obtain the cash necessary to exercise all or a portion of the Option granted hereunder or to pay any tax liability of the Optionee attributable to such exercise. If the exercise price is paid in whole or part with Optionee's promissory note, such note shall (i) provide for full recourse to the maker, (ii) be collateralized by the pledge of the Shares that the Optionee purchases upon exercise of such Option, (iii) bear interest at a rate no less than the prime rate of the Company's principal lender, and (iv) contain such other terms as the Board in its sole discretion shall reasonably require. The Optionee shall not be deemed to be a holder of any Shares subject to an Option unless and until a stock certificate or certificates for such Shares are issued to such person(s) under the terms of this Option. No adjustment shall be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions or other rights for which the record date is prior to the date such stock certificate is issued, except as expressly provided in Section 6 hereof.

5. TERMINATION OF OPTION. This Option shall terminate, and in no event be exercisable, after March 2, 2007. In addition, any unexercised portion of this Option shall automatically and without notice terminate and become null and void at the time of the earliest to occur of the following:

(a) 90 days after the date on which the Optionee's service as a director of the Company is terminated for any reason other than as set forth in subsections

2

(b), (c) and (d) immediately below;

(b) immediately upon the termination of the Optionee's service as a director for "Cause", which shall mean for purposes of this Option the termination of the Optionee's service as a director for reason of the Optionee's willful misconduct or gross negligence.

(c) twelve months after the date on which the Optionee's service as a director is terminated by reason of mental or physical disability (within the meaning of Internal Revenue Code Section 22(e)) as determined by a medical doctor satisfactory to the Board; or

(d) (i) twelve months after the date of the Optionee's death or (ii) three months after the date of the Optionee's death if such death shall occur during the twelve month period specified in Subsection (c) hereof.

Notwithstanding the foregoing, the Board or the Board in its sole discretion may by giving written notice (the "Cancellation Notice") cancel, effective upon the date of the consummation of any corporate transaction described in Subsections 3(a), (b) or (c) hereof, any Option that remains unexercised on such date. Such Cancellation Notice shall be given a reasonable period of time prior to the proposed date of such cancellation and may be given either before or after approval of such corporate transaction.

#### 6. ADJUSTMENT OF SHARES

(a) If at any time while an unexercised portion of the Option is outstanding, there shall be any increase or decrease in the number of issued and outstanding shares of Common Stock through the declaration of a stock dividend or through any recapitalization resulting in a stock split-up, combination or exchange of shares of Common Stock, then and in such event appropriate adjustment shall be made in the number of Shares and the exercise price per Share thereof then subject to the Option, so that the same percentage of the Company's issued and outstanding shares of Common Stock shall remain subject to purchase at the same aggregate exercise price.

(b) The Board may change the terms of the Option when, in the Board's sole discretion, such adjustments become appropriate by reason of a corporate transaction described in Subsections 3(a), (b), or (c) hereof.

(c) Except as otherwise expressly provided herein, the issuance by the Company of shares of its capital stock of any class, or securities convertible into shares of capital stock of any class, either in connection with direct sale or upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Company convertible into such shares or other securities, shall not affect, and no adjustment by reason thereof shall be made with respect to the number of or exercise price of Shares then subject to the Option.

(d) Without limiting the generality of the foregoing, the existence of the

Option shall not affect in any manner the right or power of the Company to make, authorize or consummate (i) any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business; (ii) any merger or consolidation of the Company; (iii) any issue by the Company of debt securities or preferred or preference stock that would rank above the Shares subject to outstanding Options; (iv) the dissolution or liquidation of the Company; (v) any sale, transfer or assignment of all or any part of the assets or business of the Company; or (vi) any other corporate act or proceeding, whether of a similar character or otherwise or would otherwise prohibit the registration of the Common Stock with the United States Securities and Exchange Commission.

#### 7. ISSUANCE OF SHARES.

(a) Notwithstanding any other provision of this Option, the Company shall not be obligated to issue any Shares unless it is advised by counsel of its selection that it may do so without violation of the applicable Federal and state laws pertaining to the issuance of securities, and may require any stock so issued to bear a legend, may give its transfer agent instructions, and may take such other steps, as in its judgment are reasonably required to prevent any such violation.

(b) As a condition of any sale or issuance of Shares upon exercise of the Option, the Board may require such agreements or undertakings, if any, as the Board may deem necessary or advisable to assure compliance with any such law or regulation including, but not limited to, the following:

(i) a representation and warranty by the Optionee to the Company, at the time any portion of the Option is exercised, that he is acquiring the Shares to be issued to him for investment and not with a view to, or for sale in connection with, the distribution of any such Shares; and

(ii) a representation, warranty and/or agreement to be bound by any legends that are, in the opinion of the Board, necessary or appropriate to comply with the provisions of any securities law deemed by the Board to be applicable to the issuance of the Shares and are endorsed upon the Share certificates.

8. WITHHOLDING OR DEDUCTION FOR TAXES. If at any time specified herein for the making of any issuance or delivery of Shares to the Optionee, any law or regulation of any governmental authority having jurisdiction in the premises shall require the Company to withhold, or to make any deduction for, any taxes or take any other action in connection with the issuance or delivery then to be made, such issuance or delivery shall be deferred until such withholding or deduction shall have been provided for by the Optionee or beneficiary, or other appropriate action shall have been taken.

#### 9. TRANSFERABILITY OF OPTIONS AND SHARES.

(a) Unless the Board's prior written consent is obtained and the transaction does not violate the requirements of Rule 16b-3 promulgated under the Exchange Act 1934, as

amended (the "Exchange Act"), or would otherwise prohibit the registration of the Common Stock on Form S-8, the Option shall not be subject to alienation, assignment, pledge, charge or other transfer other than by the Optionee by will or the laws of descent and distribution, and any attempt to make any such prohibited transfer shall be void. The Option shall be exercisable during the Optionee's lifetime only by the Optionee, or in the case where the Option has been assigned or otherwise transferred with the Board's prior written consent, only by the assignee consented to by the Board.

(b) Unless the Board's prior written consent is obtained and the transaction does not violate the requirements of Rule 16b-3 promulgated under the Exchange Act, no Shares acquired by the Optionee may be sold, assigned, pledged or otherwise transferred prior to the expiration of the six-month period following the date on which the Option was granted.

10. SECTION 83(B) ELECTION. If as a result of exercising all or any part of this Option, an Optionee receives Shares that are subject to a "substantial risk of forfeiture" and are not "transferable" as those terms are defined for purposes of Section 83(a) of the Internal Revenue Code of 1986, as amended (the "Code"), then such Optionee may elect under Section 83(b) of the Code to include in the Optionee's gross income, for the Optionee's taxable year in which the Shares are transferred to the Optionee, the excess of the Fair Market Value of such Shares at the time of transfer (determined without regard

to any restriction other than one that by its terms will never lapse), over the amount paid for the Shares. If the Optionee makes the Section 83(b) election described above, the Optionee shall (i) make such election in a manner that the Board determines in its reasonable judgment to be satisfactory, (ii) provide the Company with a copy of such election, (iii) agree to promptly notify the Company if any Internal Revenue Service or state tax agent, on audit or otherwise, questions the validity or correctness of such election or of the amount of income reportable on account of such election, and (iv) agree to such tax withholding as the Board may reasonably require in its sole and absolute discretion.

11. LAW GOVERNING. This Agreement shall be governed in accordance with the internal laws of the State of Delaware.

12. INTERPRETATION. The Optionee accepts this Option subject to all the terms and provisions of this Agreement. The undersigned Optionee hereby accepts as binding, conclusive and final all decisions or interpretations of the Board upon any questions arising this Agreement.

13. NOTICES. Any notice under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, registered, postage prepaid, and addressed, in the case of the Company, to the Company's Secretary at Highway 85 South, P.O. Box 643, Deadwood, South Dakota 57732 or if the Company should move its principal office, to such principal office, and, in the case of the Optionee, to the Optionee's last permanent address as shown on the Company's records, subject to the right of either party to designate some other address at any time hereafter in a notice satisfying the requirements of this Section.

5

Please acknowledge receipt of this Agreement by signing the enclosed copy of this Agreement in the space provided below and returning it promptly to the Secretary of the Company.

FULL HOUSE RESORTS, INC.

By: \_\_\_\_\_  
Robert L. Kelley, President

Accepted and Agreed:

OPTIONEE

\_\_\_\_\_  
Allen E. Paulson

6

FULL HOUSE RESORTS, INC.

-----  
STOCK OPTION AGREEMENT

1. GRANT OF OPTION. Effective the third day of March, 1997, Full House Resorts, Inc., a Delaware corporation (the "Company"), hereby grants to William P. McComas (the "Optionee") a non-qualified stock option (the "Option") to acquire 250,000 shares (the "Shares") of Common Stock, \$0.01 par value per share (the "Common Stock").

2. EXERCISE PRICE. The exercise price per share of the Shares subject to this Option is \$3.375.

3. EXERCISABILITY OF OPTION. The Option is immediately exercisable with respect to 50,000 Shares. Commencing on April 9, 1997 and on each of the three succeeding anniversaries of that date and so long as the Optionee has continuously been in the service of the Company as a director from the date of grant, the Optionee shall become entitled to exercise the Option with respect to an additional 50,000 Shares. Notwithstanding the foregoing, any remaining portion of the Option shall become immediately fully exercisable:

(a) if there occurs any transaction (which shall include a series of transactions occurring within 60 days or occurring pursuant to a plan), that has the result that stockholders of the Company immediately before such transaction cease to own at least 51% of the voting stock of the Company or of any entity that results from the participation of the Company in a reorganization, consolidation, merger, liquidation or any other form of



corporate transaction;

(b) if the stockholders of the Company shall approve a plan of merger, consolidation, reorganization, liquidation or dissolution in which the Company does not survive (unless the approved merger, consolidation, reorganization, liquidation or dissolution is subsequently abandoned); or

(c) if the stockholders of the Company shall approve a plan for the sale, lease, exchange or other disposition of all or substantially all the property and assets of the Company (unless such plan is subsequently abandoned).

4. EXERCISE OF OPTIONS. The Option shall be deemed exercised when (i) the Company has received written notice of such exercise in accordance with the terms of the Option, (ii) full payment of the aggregate option price of the Shares as to which the Option is exercised has been made, and (iii) arrangements that are satisfactory to the Company's Board of Directors (the "Board") in its sole discretion have been made for the Optionee's payment to the Company of the amount that is necessary for the Company to withhold in accordance with applicable Federal or state tax withholding requirements. Unless further limited by the Board, the option price of any Shares purchased shall be paid (1) in cash, (2) by certified or official bank

check, (3) by money order, (4) with Shares owned by the Optionee that have been owned by the Optionee for more than 6 months on the date of surrender or such other period as may be required to avoid a charge to the Company's earnings for financial accounting purposes, (5) by authorization for the Company to withhold Shares issuable upon exercise of the Option, (6) by arrangement with a broker that is acceptable to the Board where payment of the Option price is made pursuant to an irrevocable direction to the broker to deliver all or part of the proceeds from the sale of the Option Shares to the Company in payment of the Option price, or (7) any combination of the foregoing. The Board in its sole discretion may accept a personal check in full or partial payment of any Shares. If the exercise price is paid in whole or in part with Shares, the value of the Shares surrendered shall be their Fair Market Value (as defined below) on the date the Option is exercised. For purposes of this Option, "Fair Market Value" shall mean the "Closing Price" (as defined below) of the Common Stock on the business day immediately preceding the date of transfer, unless the Board in its sole discretion shall determine otherwise in a fair and uniform manner. For the purpose of determining Fair Market Value, the "Closing Price" of the Common Stock on any business day shall be, if the Common Stock is quoted on the National Association of Securities Dealers Automated Quotations System, or any similar system of automated dissemination of quotations of securities prices in common use, the last reported sale price of Common Stock for such day on such system, or if such source is not applicable, the mean between the high bid and low asked quotations for the Common Stock as reported by the National Quotation Bureau, Incorporated if at least two securities dealers have inserted both bid and asked quotations for Common Stock on at least five of the ten preceding days. If neither such source is applicable, then Fair Market Value shall be determined in good faith by the Board in a fair and uniform manner. The Company in its sole discretion may, on an individual basis or pursuant to a general program established in connection with this Option, and subject to applicable law, lend money to the Optionee, guarantee a loan to the Optionee, or otherwise assist the Optionee to obtain the cash necessary to exercise all or a portion of the Option granted hereunder or to pay any tax liability of the Optionee attributable to such exercise. If the exercise price is paid in whole or part with Optionee's promissory note, such note shall (i) provide for full recourse to the maker, (ii) be collateralized by the pledge of the Shares that the Optionee purchases upon exercise of such Option, (iii) bear interest at a rate no less than the prime rate of the Company's principal lender, and (iv) contain such other terms as the Board in its sole discretion shall reasonably require. The Optionee shall not be deemed to be a holder of any Shares subject to an Option unless and until a stock certificate or certificates for such Shares are issued to such person(s) under the terms of this Option. No adjustment shall be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions or other rights for which the record date is prior to the date such stock certificate is issued, except as expressly provided in Section 6 hereof.

5. TERMINATION OF OPTION. This Option shall terminate, and in no event be exercisable, after March 2, 2007. In addition, any unexercised portion of this Option shall automatically and without notice terminate and become null and void at the time of the earliest to occur of the following:

(a) 90 days after the date on which the Optionee's service as a director of the Company is terminated for any reason other than as set forth in subsections

(b), (c) and (d) immediately below;

(b) immediately upon the termination of the Optionee's service as a director for "Cause", which shall mean for purposes of this Option the termination of the Optionee's service as a director for reason of the Optionee's willful misconduct or gross negligence.

(c) twelve months after the date on which the Optionee's service as a director is terminated by reason of mental or physical disability (within the meaning of Internal Revenue Code Section 22(e)) as determined by a medical doctor satisfactory to the Board; or

(d) (i) twelve months after the date of the Optionee's death or (ii) three months after the date of the Optionee's death if such death shall occur during the twelve month period specified in Subsection (c) hereof.

Notwithstanding the foregoing, the Board or the Board in its sole discretion may by giving written notice (the "Cancellation Notice") cancel, effective upon the date of the consummation of any corporate transaction described in Subsections 3(a), (b) or (c) hereof, any Option that remains unexercised on such date. Such Cancellation Notice shall be given a reasonable period of time prior to the proposed date of such cancellation and may be given either before or after approval of such corporate transaction.

#### 6. ADJUSTMENT OF SHARES

(a) If at any time while an unexercised portion of the Option is outstanding, there shall be any increase or decrease in the number of issued and outstanding shares of Common Stock through the declaration of a stock dividend or through any recapitalization resulting in a stock split-up, combination or exchange of shares of Common Stock, then and in such event appropriate adjustment shall be made in the number of Shares and the exercise price per Share thereof then subject to the Option, so that the same percentage of the Company's issued and outstanding shares of Common Stock shall remain subject to purchase at the same aggregate exercise price.

(b) The Board may change the terms of the Option when, in the Board's sole discretion, such adjustments become appropriate by reason of a corporate transaction described in Subsections 3(a), (b), or (c) hereof.

(c) Except as otherwise expressly provided herein, the issuance by the Company of shares of its capital stock of any class, or securities convertible into shares of capital stock of any class, either in connection with direct sale or upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Company convertible into such shares or other securities, shall not affect, and no adjustment by reason thereof shall be made with respect to the number of or exercise price of Shares then subject to the Option.

(d) Without limiting the generality of the foregoing, the existence of the

Option shall not affect in any manner the right or power of the Company to make, authorize or consummate (i) any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business; (ii) any merger or consolidation of the Company; (iii) any issue by the Company of debt securities or preferred or preference stock that would rank above the Shares subject to outstanding Options; (iv) the dissolution or liquidation of the Company; (v) any sale, transfer or assignment of all or any part of the assets or business of the Company; or (vi) any other corporate act or proceeding, whether of a similar character or otherwise or would otherwise prohibit the registration of the Common Stock with the United States Securities and Exchange Commission.

#### 7. ISSUANCE OF SHARES.

(a) Notwithstanding any other provision of this Option, the Company shall not be obligated to issue any Shares unless it is advised by counsel of its selection that it may do so without violation of the applicable Federal and state laws pertaining to the issuance of securities, and may require any stock so issued to bear a legend, may give its transfer agent instructions, and may take such other steps, as in its judgment are reasonably required to prevent any such violation.

(b) As a condition of any sale or issuance of Shares upon exercise of the Option, the Board may require such agreements or undertakings, if any, as the Board may deem necessary or advisable to assure compliance with any such law or regulation including, but not limited to, the following:

(i) a representation and warranty by the Optionee to the Company, at the time any portion of the Option is exercised, that he is acquiring the Shares to be issued to him for investment and not with a view to, or for sale in connection with, the distribution of any such Shares; and

(ii) a representation, warranty and/or agreement to be bound by any legends that are, in the opinion of the Board, necessary or appropriate to comply with the provisions of any securities law deemed by the Board to be applicable to the issuance of the Shares and are endorsed upon the Share certificates.

8. WITHHOLDING OR DEDUCTION FOR TAXES. If at any time specified herein for the making of any issuance or delivery of Shares to the Optionee, any law or regulation of any governmental authority having jurisdiction in the premises shall require the Company to withhold, or to make any deduction for, any taxes or take any other action in connection with the issuance or delivery then to be made, such issuance or delivery shall be deferred until such withholding or deduction shall have been provided for by the Optionee or beneficiary, or other appropriate action shall have been taken.

9. TRANSFERABILITY OF OPTIONS AND SHARES.

(a) Unless the Board's prior written consent is obtained and the transaction does not violate the requirements of Rule 16b-3 promulgated under the Exchange Act 1934, as

4

amended (the "Exchange Act"), or would otherwise prohibit the registration of the Common Stock on Form S-8, the Option shall not be subject to alienation, assignment, pledge, charge or other transfer other than by the Optionee by will or the laws of descent and distribution, and any attempt to make any such prohibited transfer shall be void. The Option shall be exercisable during the Optionee's lifetime only by the Optionee, or in the case where the Option has been assigned or otherwise transferred with the Board's prior written consent, only by the assignee consented to by the Board.

(b) Unless the Board's prior written consent is obtained and the transaction does not violate the requirements of Rule 16b-3 promulgated under the Exchange Act, no Shares acquired by the Optionee may be sold, assigned, pledged or otherwise transferred prior to the expiration of the six-month period following the date on which the Option was granted.

10. SECTION 83(B) ELECTION. If as a result of exercising all or any part of this Option, an Optionee receives Shares that are subject to a "substantial risk of forfeiture" and are not "transferable" as those terms are defined for purposes of Section 83(a) of the Internal Revenue Code of 1986, as amended (the "Code"), then such Optionee may elect under Section 83(b) of the Code to include in the Optionee's gross income, for the Optionee's taxable year in which the Shares are transferred to the Optionee, the excess of the Fair Market Value of such Shares at the time of transfer (determined without regard to any restriction other than one that by its terms will never lapse), over the amount paid for the Shares. If the Optionee makes the Section 83(b) election described above, the Optionee shall (i) make such election in a manner that the Board determines in its reasonable judgment to be satisfactory, (ii) provide the Company with a copy of such election, (iii) agree to promptly notify the Company if any Internal Revenue Service or state tax agent, on audit or otherwise, questions the validity or correctness of such election or of the amount of income reportable on account of such election, and (iv) agree to such tax withholding as the Board may reasonably require in its sole and absolute discretion.

11. LAW GOVERNING. This Agreement shall be governed in accordance with the internal laws of the State of Delaware.

12. INTERPRETATION. The Optionee accepts this Option subject to all the terms and provisions of this Agreement. The undersigned Optionee hereby accepts as binding, conclusive and final all decisions or interpretations of the Board upon any questions arising this Agreement.

13. NOTICES. Any notice under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, registered, postage prepaid, and addressed, in the case of the Company, to the Company's Secretary at Highway 85 South, P.O. Box 643, Deadwood, South Dakota 57732 or if the Company should move its principal office, to such principal office, and, in the case of the Optionee, to the Optionee's last permanent address as shown on the Company's records, subject to the right of either party to designate some other address at any time hereafter in a notice satisfying the requirements of this Section.

Please acknowledge receipt of this Agreement by signing the enclosed copy of this Agreement in the space provided below and returning it promptly to the Secretary of the Company.

FULL HOUSE RESORTS, INC.

By: \_\_\_\_\_  
Robert L. Kelley, President

Accepted and Agreed:

OPTIONEE

\_\_\_\_\_  
William P. McComas

6

FULL HOUSE RESORTS, INC.

-----  
STOCK OPTION AGREEMENT

1. GRANT OF OPTION. Effective the third day of March, 1997, Full House Resorts, Inc., a Delaware corporation (the "Company"), hereby grants to Ronald K. Richey (the "Optionee") a non-qualified stock option (the "Option") to acquire 250,000 shares (the "Shares") of Common Stock, \$0.01 par value per share (the "Common Stock").

2. EXERCISE PRICE. The exercise price per share of the Shares subject to this Option is \$3.375.

3. EXERCISABILITY OF OPTION. Commencing on April 9, 1997 and on each of the four succeeding anniversaries of that date and so long as the Optionee has continuously been in the service of the Company as a director from the date of grant, the Optionee shall become entitled to exercise the Option with respect to an additional 50,000 Shares. Notwithstanding the foregoing, any remaining portion of the Option shall become immediately fully exercisable:

(a) if there occurs any transaction (which shall include a series of transactions occurring within 60 days or occurring pursuant to a plan), that has the result that stockholders of the Company immediately before such transaction cease to own at least 51% of the voting stock of the Company or of any entity that results from the participation of the Company in a reorganization, consolidation, merger, liquidation or any other form of corporate transaction;

(b) if the stockholders of the Company shall approve a plan of merger, consolidation, reorganization, liquidation or dissolution in which the Company does not survive (unless the approved merger, consolidation, reorganization, liquidation or dissolution is subsequently abandoned); or

(c) if the stockholders of the Company shall approve a plan for the sale, lease, exchange or other disposition of all or substantially all the property and assets of the Company (unless such plan is subsequently abandoned).

4. EXERCISE OF OPTIONS. The Option shall be deemed exercised when (i) the Company has received written notice of such exercise in accordance with the terms of the Option, (ii) full payment of the aggregate option price of the Shares as to which the Option is exercised has been made, and (iii) arrangements that are satisfactory to the Company's Board of Directors (the "Board") in its sole discretion have been made for the Optionee's payment to the Company of the amount that is necessary for the Company to withhold in accordance with applicable Federal or state tax withholding requirements. Unless further limited by the Board, the option price of any Shares purchased shall be paid (1) in cash, (2) by certified or official bank check, (3) by money order, (4) with Shares owned by the Optionee that have been owned by the

Optionee for more than 6 months on the date of surrender or such other period as may be required to avoid a charge to the Company's earnings for financial accounting purposes, (5) by authorization for the Company to withhold Shares issuable upon exercise of the Option, (6) by arrangement with a broker that is acceptable to the Board where payment of the Option price is made pursuant to an

irrevocable direction to the broker to deliver all or part of the proceeds from the sale of the Option Shares to the Company in payment of the Option price, or (7) any combination of the foregoing. The Board in its sole discretion may accept a personal check in full or partial payment of any Shares. If the exercise price is paid in whole or in part with Shares, the value of the Shares surrendered shall be their Fair Market Value (as defined below) on the date the Option is exercised. For purposes of this Option, "Fair Market Value" shall mean the "Closing Price" (as defined below) of the Common Stock on the business day immediately preceding the date of transfer, unless the Board in its sole discretion shall determine otherwise in a fair and uniform manner. For the purpose of determining Fair Market Value, the "Closing Price" of the Common Stock on any business day shall be, if the Common Stock is quoted on the National Association of Securities Dealers Automated Quotations System, or any similar system of automated dissemination of quotations of securities prices in common use, the last reported sale price of Common Stock for such day on such system, or if such source is not applicable, the mean between the high bid and low asked quotations for the Common Stock as reported by the National Quotation Bureau, Incorporated if at least two securities dealers have inserted both bid and asked quotations for Common Stock on at least five of the ten preceding days. If neither such source is applicable, then Fair Market Value shall be determined in good faith by the Board in a fair and uniform manner. The Company in its sole discretion may, on an individual basis or pursuant to a general program established in connection with this Option, and subject to applicable law, lend money to the Optionee, guarantee a loan to the Optionee, or otherwise assist the Optionee to obtain the cash necessary to exercise all or a portion of the Option granted hereunder or to pay any tax liability of the Optionee attributable to such exercise. If the exercise price is paid in whole or part with Optionee's promissory note, such note shall (i) provide for full recourse to the maker, (ii) be collateralized by the pledge of the Shares that the Optionee purchases upon exercise of such Option, (iii) bear interest at a rate no less than the prime rate of the Company's principal lender, and (iv) contain such other terms as the Board in its sole discretion shall reasonably require. The Optionee shall not be deemed to be a holder of any Shares subject to an Option unless and until a stock certificate or certificates for such Shares are issued to such person(s) under the terms of this Option. No adjustment shall be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions or other rights for which the record date is prior to the date such stock certificate is issued, except as expressly provided in Section 6 hereof.

5. TERMINATION OF OPTION. This Option shall terminate, and in no event be exercisable, after April 8, 2007. In addition, any unexercised portion of this Option shall automatically and without notice terminate and become null and void at the time of the earliest to occur of the following:

(a) 90 days after the date on which the Optionee's service as a director of the Company is terminated for any reason other than as set forth in subsections (b), (c) and (d) immediately below;

2

(b) immediately upon the termination of the Optionee's service as a director for "Cause", which shall mean for purposes of this Option the termination of the Optionee's service as a director for reason of the Optionee's willful misconduct or gross negligence.

(c) twelve months after the date on which the Optionee's service as a director is terminated by reason of mental or physical disability (within the meaning of Internal Revenue Code Section 22(e)) as determined by a medical doctor satisfactory to the Board; or

(d) (i) twelve months after the date of the Optionee's death or (ii) three months after the date of the Optionee's death if such death shall occur during the twelve month period specified in Subsection (c) hereof.

Notwithstanding the foregoing, the Board or the Board in its sole discretion may by giving written notice (the "Cancellation Notice") cancel, effective upon the date of the consummation of any corporate transaction described in Subsections 3(a), (b) or (c) hereof, any Option that remains unexercised on such date. Such Cancellation Notice shall be given a reasonable period of time prior to the proposed date of such cancellation and may be given either before or after approval of such corporate transaction.

#### 6. ADJUSTMENT OF SHARES

(a) If at any time while an unexercised portion of the Option is outstanding, there shall be any increase or decrease in the number of issued and outstanding shares of Common Stock through the declaration of a stock dividend or through any recapitalization resulting in a stock split-up,

combination or exchange of shares of Common Stock, then and in such event appropriate adjustment shall be made in the number of Shares and the exercise price per Share thereof then subject to the Option, so that the same percentage of the Company's issued and outstanding shares of Common Stock shall remain subject to purchase at the same aggregate exercise price.

(b) The Board may change the terms of the Option when, in the Board's sole discretion, such adjustments become appropriate by reason of a corporate transaction described in Subsections 3(a), (b), or (c) hereof.

(c) Except as otherwise expressly provided herein, the issuance by the Company of shares of its capital stock of any class, or securities convertible into shares of capital stock of any class, either in connection with direct sale or upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Company convertible into such shares or other securities, shall not affect, and no adjustment by reason thereof shall be made with respect to the number of or exercise price of Shares then subject to the Option.

(d) Without limiting the generality of the foregoing, the existence of the Option shall not affect in any manner the right or power of the Company to make, authorize or

3

consummate (i) any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business; (ii) any merger or consolidation of the Company; (iii) any issue by the Company of debt securities or preferred or preference stock that would rank above the Shares subject to outstanding Options; (iv) the dissolution or liquidation of the Company; (v) any sale, transfer or assignment of all or any part of the assets or business of the Company; or (vi) any other corporate act or proceeding, whether of a similar character or otherwise or would otherwise prohibit the registration of the Common Stock with the United States Securities and Exchange Commission.

7. ISSUANCE OF SHARES.

(a) Notwithstanding any other provision of this Option, the Company shall not be obligated to issue any Shares unless it is advised by counsel of its selection that it may do so without violation of the applicable Federal and state laws pertaining to the issuance of securities, and may require any stock so issued to bear a legend, may give its transfer agent instructions, and may take such other steps, as in its judgment are reasonably required to prevent any such violation.

(b) As a condition of any sale or issuance of Shares upon exercise of the Option, the Board may require such agreements or undertakings, if any, as the Board may deem necessary or advisable to assure compliance with any such law or regulation including, but not limited to, the following:

(i) a representation and warranty by the Optionee to the Company, at the time any portion of the Option is exercised, that he is acquiring the Shares to be issued to him for investment and not with a view to, or for sale in connection with, the distribution of any such Shares; and

(ii) a representation, warranty and/or agreement to be bound by any legends that are, in the opinion of the Board, necessary or appropriate to comply with the provisions of any securities law deemed by the Board to be applicable to the issuance of the Shares and are endorsed upon the Share certificates.

8. WITHHOLDING OR DEDUCTION FOR TAXES. If at any time specified herein for the making of any issuance or delivery of Shares to the Optionee, any law or regulation of any governmental authority having jurisdiction in the premises shall require the Company to withhold, or to make any deduction for, any taxes or take any other action in connection with the issuance or delivery then to be made, such issuance or delivery shall be deferred until such withholding or deduction shall have been provided for by the Optionee or beneficiary, or other appropriate action shall have been taken.

9. TRANSFERABILITY OF OPTIONS AND SHARES.

(a) Unless the Board's prior written consent is obtained and the transaction does not violate the requirements of Rule 16b-3 promulgated under the Exchange Act 1934, as amended (the "Exchange Act"), or would otherwise prohibit the registration of the Common

Stock on Form S-8, the Option shall not be subject to alienation, assignment, pledge, charge or other transfer other than by the Optionee by will or the laws

of descent and distribution, and any attempt to make any such prohibited transfer shall be void. The Option shall be exercisable during the Optionee's lifetime only by the Optionee, or in the case where the Option has been assigned or otherwise transferred with the Board's prior written consent, only by the assignee consented to by the Board.

(b) Unless the Board's prior written consent is obtained and the transaction does not violate the requirements of Rule 16b-3 promulgated under the Exchange Act, no Shares acquired by the Optionee may be sold, assigned, pledged or otherwise transferred prior to the expiration of the six-month period following the date on which the Option was granted.

10. SECTION 83(B) ELECTION. If as a result of exercising all or any part of this Option, an Optionee receives Shares that are subject to a "substantial risk of forfeiture" and are not "transferable" as those terms are defined for purposes of Section 83(a) of the Internal Revenue Code of 1986, as amended (the "Code"), then such Optionee may elect under Section 83(b) of the Code to include in the Optionee's gross income, for the Optionee's taxable year in which the Shares are transferred to the Optionee, the excess of the Fair Market Value of such Shares at the time of transfer (determined without regard to any restriction other than one that by its terms will never lapse), over the amount paid for the Shares. If the Optionee makes the Section 83(b) election described above, the Optionee shall (i) make such election in a manner that the Board determines in its reasonable judgment to be satisfactory, (ii) provide the Company with a copy of such election, (iii) agree to promptly notify the Company if any Internal Revenue Service or state tax agent, on audit or otherwise, questions the validity or correctness of such election or of the amount of income reportable on account of such election, and (iv) agree to such tax withholding as the Board may reasonably require in its sole and absolute discretion.

11. LAW GOVERNING. This Agreement shall be governed in accordance with the internal laws of the State of Delaware.

12. INTERPRETATION. The Optionee accepts this Option subject to all the terms and provisions of this Agreement. The undersigned Optionee hereby accepts as binding, conclusive and final all decisions or interpretations of the Board upon any questions arising this Agreement.

13. NOTICES. Any notice under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, registered, postage prepaid, and addressed, in the case of the Company, to the Company's Secretary at Highway 85 South, P.O. Box 643, Deadwood, South Dakota 57732 or if the Company should move its principal office, to such principal office, and, in the case of the Optionee, to the Optionee's last permanent address as shown on the Company's records, subject to the right of either party to designate some other address at any time hereafter in a notice satisfying the requirements of this Section.

5

Please acknowledge receipt of this Agreement by signing the enclosed copy of this Agreement in the space provided below and returning it promptly to the Secretary of the Company.

FULL HOUSE RESORTS, INC.

By: \_\_\_\_\_  
Robert L. Kelley, President

Accepted and Agreed:

OPTIONEE

\_\_\_\_\_  
Ronald K. Richey

6

June 9, 1997

Full House Resorts, Inc.  
12555 High Bluff Drive, Suite 380  
San Diego, California 92130

Re: Registration Statement on Form S-8 for Option Agreement  
Between Full House Resorts, Inc. and Allen E. Paulson; Option  
Agreement Between Full House Resorts, Inc. and William P.  
McComas; and Option Agreement Between Full House Resorts, Inc.  
and Ronald K. Richey.

Ladies and Gentlemen:

On the date hereof, Full House Resorts, Inc., a Delaware corporation (the "Company"), sent for filing with the Securities and Exchange Commission (the "Commission") a Registration Statement on Form S-8 (the "Registration Statement"), under the Securities Act of 1933, as amended (the "Act"). The Registration Statement relates to the offering and sale by the Company of up to 750,000 shares of the Company's Common Stock, par value \$.0001 per share (the "Common Stock"), pursuant to stock options ("Options") granted or to be granted under the option agreement between the Company and Allen E. Paulson, the option agreement between the Company and William P. McComas, and the option agreement between the Company and Ronald K. Richey. We have acted as counsel to the Company in connection with the preparation and filing of the Registration Statement.

In connection therewith, we have examined and relied upon the original or a copy, certified to our satisfaction, of (i) the Articles of Incorporation and Bylaws of the Company; (ii) records of

Full House Resorts  
June 9, 1997  
Page 2

corporate proceedings of the Company authorizing the option agreement between the Company and Allen E. Paulson, the option agreement between the Company and William P. McComas, and the option agreement between the Company and Ronald K. Richey; (iii) the Registration Statement and exhibits thereto; and (iv) such other documents and instruments as we have deemed necessary for the expression of the opinions herein contained. In making the foregoing examinations, we have assumed the genuineness of all signatures and the authenticity of all documents submitted to us as originals, and the conformity to original documents of all documents submitted to us as certified or photostatic copies. As to various questions of fact material to this opinion, we have relied, to the extent we deemed reasonably appropriate, upon representations of officers or directors of the Company and upon documents, records and instruments furnished to us by the Company, without independently checking or verifying the accuracy of such documents, records and instruments.

Based upon the foregoing examination, we are of the opinion that the Company presently has available at least 750,000 shares of authorized and unissued Common Stock from which the 750,000 shares of Common Stock proposed to be sold pursuant to the exercise of Options granted under the option agreement between the Company and Allen E. Paulson, the option agreement between the Company and William P. McComas, and the option agreement between the Company and Ronald K. Richey may be issued. In addition, assuming that the Company maintains an adequate number of authorized but unissued shares of Common Stock available for issuance to those persons who exercise their Options, and that the consideration for the underlying shares of Common Stock issued pursuant to the Options is actually received by the Company as provided in the option agreement between the Company and Allen E. Paulson, the option agreement between the Company and William P. McComas, and the option agreement between the Company and Ronald K. Richey, we are of the opinion that the shares of Common Stock issued pursuant to the exercise of Options granted under and in accordance with the terms of the option agreement between the Company and Allen E. Paulson, the option agreement between the Company and William P. McComas; and the option agreement between the Company and Ronald K. Richey will be duly and validly issued, fully paid and nonassessable.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement. In giving such consent, we do not admit that we come within the category of persons whose consent is required by Section 7 of the Act or the rules and regulations of the Commission thereunder.

Sincerely,

GREENBERG, TRAUIG, HOFFMAN,  
LIPOFF, ROSEN & QUENTEL, P.A.

By: /S/BERKOWITZ



-----  
Paul Berkowitz

INDEPENDENT AUDITOR'S CONSENT

We consent to the incorporation by reference in this Registration Statement of Full House Resorts, Inc. on Form S-8 of our report dated March 7, 1997, appearing in the Annual Report on Form 10-KSB of Full House Resorts, Inc. for the year ended December 31, 1996.

DELOITTE & TOUCHE LLP

Reno, Nevada  
June 9, 1997