U. S. SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549

FORM 10-QSB/A AMENDMENT NO. 1

QUARTERLY REPORT UNDER SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE [X] ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED MARCH 31, 1996

OR

[] TRANSITION REPORT UNDER SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM _____ TO

Commission File No. 0-20630

(zip code)

Page

<C>

14

	FULL HOUSE RESORTS	, INC.
(Exact name of sma	all business issuer a	s specified in its charter)
I	Delaware	13-3391527

(State or other jurisdiction of	(I.R.S. Employer
incorporation or organization)	Identification No.)
Deadwood Gulch Resort	
Highway 85 South	
P.O. Box 643	
Deadwood, South Dakota	57732

(Address of principal executive offices)

(605) 578-1294 _____ (Registrant's telephone number)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

> Yes X No ____ ____

APPLICABLE ONLY TO CORPORATE ISSUERS

As of May 1, 1996, Registrant had 10,339,549 shares of its \$.0001 par value common stock outstanding.

<TABLE> <CAPTION>

FULL HOUSE RESORTS, INC. TABLE OF CONTENTS

<S>

PART I. Financial Information

Item 1. Financial Statements

Consolidated Balance Sheets as of March 31, 1996 and December 31, 1995	3	
Consolidated Statements of Operations for the three months ended March 31, 1996 and 1995	4	
Consolidated Statements of Cash Flows for the three months ended March 31, 1996 and 1995	5	
Notes to Consolidated Financial Statements	6	
Item 2. Management's Discussion and Analysis of Financial		
Condition and Results of Operations	8	
Part II. Other Information	13	

FULL HOUSE RESORTS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

SSETS	MARCH 31, 1996	DECEMBER 31 1995
URRENT ASSETS: Cash and cash equivalents	\$ 2,599,526	\$ 356.754
Restricted cash		224,775
Accounts receivable	17,865	24,959
Receivables from GTECH		1,149,486
Receivables from joint ventures	-	10,211,703
Inventories Prepaid expenses	96,922 242,310	
Total current assets		12,431,624
AMING RIGHTS	3,258,836	3,258,836
SSETS HELD FOR SALE - net	6,308,785	6,560,333
NVESTMENTS IN JOINT VENTURES	1,029,812	862,508
OODWILL - net	2,784,486	2,912,698
THER ASSETS	11,638	11,750
OTAL		\$26,037,749
IABILITIES AND STOCKHOLDERS' EQUITY		
URRENT LIABILITIES: Current portion of long-term debt	\$ 652,383	\$11,042,260
Accounts payable	315,877	
Accrued expenses	439,801	
Total current liabilities	1,408,061	
ONG-TERM DEBT, net of current portion	6,748,409	
OMMITMENTS AND CONTINGENCIES		
TOCKHOLDERS' EQUITY: Cumulative, convertible preferred stock, par value \$.0001, 5,000,000 shares authorized; 700,000 shares issued and outstanding; aggregate liquiditation preference of		
<pre>\$2,887,500 and \$2,835,000 Common stock, par value \$.0001, 25,000,000 shares authorized; 10,339,549 shares issued</pre>	70	70
and outstanding	1,034	,
Additional paid in capital Accumulated deficit	16,413,315 (7,847,707)	(6,962,372
Total stockholders' equity	8,566,712	9,452,047
OTAL	\$16,723,182	\$26,037,749
ee notes to consolidated financial statements.		
-3-		
ULL HOUSE RESORTS, INC. AND SUBSIDIARIES		
ONSOLIDATED STATEMENTS OF OPERATIONS		
		NTHS ENDED CH 31,
	PIAN	

		THREE MONTHS ENDED MARCH 31,		
		1996 1995		
OPERATING REVENUES:				
Casino	\$	298,894	\$	278,879
Hotel/RV park		206,254		182,968
Retail		227,462		194,979
Food and beverage		178,626		119 , 507
Fun park		47,326		50,032
Joint ventures		172,168		-
	-	1,130,730		826,365

Net operating revenues 1,078,593 786,932 MATING COSTS AND EXPENSES: solo thel/KV park 130,538 117,500 Stail 130,538 117,500 Dial Additional Expenses 131,800 166,542 Dial additional Expenses 131,000 166,543 Total operating costs and expenses 1,740,227 1,631,400 Total operating costs and expenses 1,740,227 1,631,400 SEROM OPERATIONS (661,634) (844,468) SE ROM OPERATIONS (685,335) (926,113) August and eath issue costs (251,115) (87,790) LOSS APPLICABLE TO 22,500 22,500 LOSS APPLICABLE TO 5 (937,835) \$ (978,613) DAMON SHARES 5 (0.09) \$ (0.11) THEED AVERAGE NUMBER OF 10,339,549 8,893,017 MARCH 31. 196 1995 SIDUDATED STATEMENTS OF CASH FLOWS 10,339,549 8,893,017 THEEM MONTHS ENDED MARCH 31. 1966 1995 I FLOWS FROM OFERATING 1965 19,717 162,722 THYLTIES: 1996 1995 1995 DOUSE RESORTS, INC. AND SUBSIDIARIES 250,000 - Doub issue costs 250,000 -			
Net operating revenues 1,078,593 786,992 ANTING COSTS AND EXPENSES: selino 2 Selino	Less: promotional allowances		
ARTING COSTS AND EXPENSES: seino local AND Procession local and deverage in park lass and marketing moreal and administrative proviation and annitication in park lass and marketing moreal and administrative proviation and annitication moreal and administrative proviation and annitication moreal and administrative proviation and annitication spread and administrative proviation and annitication spread and administrative state appende and debt issue costs iterest expense and debt issue costs iterest expenses S PER COMMON SHARE S PER COMMON SHARES S (885, 335) \$ (926, 113) MARCH 31, 10, 339, 549 \$, 833, 017 	Net operating revenues		
solno 258,959 223,723 total AV park 130,653 117,733 utait 212,933 180,594 solno 22,933 180,594 unpark 70,607 77,157 seral and administrative 30,430 665,432 spirment of long-lived assets 220,000 - Total operating costs and expenses 1,740,227 1,631,400 Total operating costs and expenses 1,740,227 1,631,400 Therest and other income 27,414 6,145 LOSS (661,634) (844,468) numbers and debt issue costs (251,115) (87,790) iterest expenses (251,115) (87,790) unulative preferred stock 27,414 6,145 costs AFPLICABLE TO (885,335) (978,613) MANON SHARES 5 (0.09) (0.11) costs AFPLICABLE TO			
tellAry park 130,538 117,500 nod and beverage 131,800 106,582 no park 70,667 77,753 sles and marketing 53,183 37,680 percial and administrative 130,717 162,722 percial and administrative 130,717 162,722 percial and administrative 130,717 162,722 Total operating costs and expenses 1,740,027 1,621,722 Total operating costs and expenses 1,740,027 1,621,720 R INCOME (EXPENSE): (661,634) (844,468) R INCOME (EXPENSE): (865,335) (926,113) LOSS (085,335) (926,113) (87,930)	ERATING COSTS AND EXPENSES:		
<pre>that is and marketing is is is it is and marketing is is is it is it is is it i</pre>	Casino	258,959	283 , 723
<pre>that 1</pre>	Hotel/RV park	130,538	117,500
and herverage 131,800 106,582 and park 70,607 77,157 ales and marketing 53,183 37,680 sereal and administrative 501,490 665,492 optimised of long-lived assets 250,000	Retail	212,933	180,594
m park 70,607 77,157 miles and marketing 53,183 37,690 smeral and administrative 50,492 speciation and amortization 130,717 162,722 Total operating costs and expenses 1.740,227 1.631,400 Total operating costs and expenses 1.740,227 1.631,400 Truerest and other income 200,000 miles and model issue costs (251,115) (87,790) tterest expense and debt issue costs (251,000 multiple preferred stock 52,500 52,500 TLOSS AFFLICABLE TO MMON SHARES 5 (937,835) \$ (978,613) THED AVERAGE NUMBER OF MMON SHARES 5 (0.09) \$ (0.11) THEE AVERAGE NUMBER OF MMON SHARES 5 (0.09) \$ (0.11) THEE AVERAGE NUMBER OF MMON SHARES 7	Food and beverage		
<pre>shead marketing 53,183 37,690 energial and administrative 51,490 665,490 pperiation and amortization 130,717 162,722 pperiation and amortization 130,717 162,722 president of long-lived assets 250,000</pre>	-		
pyreintent of long-lived assets	-		
pyreintent of long-lived assets	2	,	37,690
pyreintent of long-lived assets			665 , 432
<pre>mpairment of long-lived assets pairment of long-lived assets Total operating costs and expenses Total operating costs and expenses FROM OPERATIONS FROM OPERATIONS (661,634) (844,469) (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (251,115) (67,790) (27,414 6,145 (25,500 52,500 (26,113) (20,11) (21,339,549 6,893,017 (21,318,079) (21,31</pre>	Depreciation and amortization	130,717	162,722
Total operating costs and expenses 1,740,227 1,631,400 	Impairment of long-lived assets	250,000	-
CR INCOME (EXPENSE): (251,115) (87,790) iterest and other income 27,414 6,145 iterest and other income 52,500 52,500 iterest and induction 10,339,549 8,893,017 iterest and outstation 10,339,549 8,933,017 iterest and induction 10,339,549 8,933,017 iterest and induction 130,717 162,722 iterest and induction 1995 1995 iterust reconcle net loss to net cash 130,	Total operating costs and expenses	1,740,227	1,631,400
tterest expense and debt issue costs (251,115) (87,790) tterest and other income 27,414 6,145 10SS (885,335) (926,113) 3, undeclared dividends 1 cumulative preferred stock 52,500 52,500 THREA VERAGE NUMBER OF DMMON SHARES 52 (937,835) \$ (978,613) THREA VERAGE NUMBER OF DMMON SHARES 54 (937,835) \$ (978,613) THREA VERAGE NUMBER OF DMMON SHARES 0UTSTANDING 10,339,549 8,893,017 THREE MONTHS ENDED MARCH 31, 10,339,549 8,893,017 THREE MONTHS ENDED MARCH 31, 1996 1995 THREE MONTHS ENDED THREE MONTHS ENDED THREE MONTH	SS FROM OPERATIONS	(661,634)	(844,468)
tterest expense and debt issue costs tterest and other income LOSS (251,115) (87,790) 27,414 6,145 	HER INCOME (EXPENSE).		
tterest and other income 27,414 6,145 LOSS (885,335) (926,113) a, undeclared dividends a cumulative preferred stock 52,500 52,500 LOSS APPLICABLE TO DMMON SHARES 5 (0.09) \$ (0.11) 		(251 115)	(27 700)
LOSS (885,335) (926,113) a, undeclared dividends a cumulative preferred stock 52,500 52,500 LOSS APPLICABLE TO DMMON SHARES 52 (0.09) \$ (0.11) 			
LOSS (885,335) (926,113) a, undeclared dividends a cumulative preferred stock 52,500 52,500 LOSS APPLICABLE TO DMMON SHARES 52 (0.09) \$ (0.11) 	interest and other income	27,414	6,145
s, undeclared dividends a cumulative preferred stock 52,500 52,500 TOSS APPLICABLE TO DMMON SHARES (978,613) 			
<pre>h cumulative preferred stock 52,500 52,500</pre>	T LOSS	(885,335)	(926,113)
LOSS APPLICABLE TO DAMMON SHARES	ss, undeclared dividends		
LOSS APPLICABLE TO DMMON SHARES S PER COMMON SHARE S (0.09) \$ (0.11)	on cumulative preferred stock	52,500	52 , 500
DNMON SHARES \$ (937,835) \$ (978,613) S PER COMMON SHARE \$ (0.09) \$ (0.11) SHTED AVERACE NUMBER OF 10,339,549 8,893,017 DMMON SHARES OUTSTANDING 10,339,549 8,893,017 notes to consolidated financial statements. -4- L HOUSE RESORTS, INC. AND SUBSIDIARIES SOLIDATED STATEMENTS OF CASH FLOWS SOLIDATED STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 1996 1995 STIVITES: 130,717 162,722 at longerating activities: 9,312 2,904 Jopereiation and amortization 130,717 162,722 Pactase in restricted cash 5,000 - Increase in restricted cash 5,094 5,588 Increase in prepaid expenses 130,907 79,469 Increase in receivables from GTECH and joint (10,157) (38,126) Increase in receivables from GTECH and joint - FLOWS FROM INVESTING - TIVITIES: - - Increase in inevestiments in joint ventures <t< td=""><td></td><td></td><td></td></t<>			
NHMON SHARES \$ (937,835) \$ (937,613) S PER COMMON SHARE \$ (0.09) \$ (0.11) SHTED AVERACE NUMBER OF 10,339,549 DMMON SHARES OUTSTANDING 10,339,549 Intermediation -4- SOLIDATED STATEMENTS OF CASH FLOWS SOLIDATED STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 1996 1995 STIVITIES: tal loss tal loss in operating activities: Japereiation and amortization Increase in restricted cash Increase in restricted cash Increase in prepaid expenses Increase in investiments in joint ventures C664,830)	F LOSS APPLICABLE TO		
S PER COMMON SHARE \$ (0.09) \$ (0.11) 	COMMON SHARES	\$ (937.835)	\$ (978.613)
SHTED AVERAGE NUMBER OF DMMON SHARES OUTSTANDING notes to consolidated financial statements. -4- L HOUSE RESORTS, INC. AND SUBSIDIARIES SOLIDATED STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 1996 1995 4 FLOWS FROM OPERATING CTIVITIES: t loss justments to reconcile net loss to net cash sed in operating activities: Depreciation and amortization Deprese in restricted cash florease in restricted cash l Carease in receivable A fLOWS FROM INVESTING TTIVITES: Net cash used in operating activities H FLOWS FROM INVESTING TTIVITES: A FLOWS FROM INVESTING A		=========	==========
SHTED AVERAGE NUMBER OF DMMON SHARES OUTSTANDING notes to consolidated financial statements. -4- L HOUSE RESORTS, INC. AND SUBSIDIARIES SOLIDATED STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 1996 1995 4 FLOWS FROM OPERATING CTIVITIES: t loss justments to reconcile net loss to net cash sed in operating activities: Depreciation and amortization Deprese in restricted cash Increase in restricted cash Increase in accounts receivable Increase in prepaid expenses Net cash used in operating activities HELOWS FROM INVESTING TTIVITIES: A FLOWS	AC DED CONTON OWNER	¢ (0.00)	¢ (0.11)
DMMON SHARES OUTSTANDING 10,339,549 8,893,017	SS PER COMMON SHARE		
DMMON SHARES OUTSTANDING 10,339,549 8,893,017			
notes to consolidated financial statements. -4- L HOUSE RESORTS, INC. AND SUBSIDIARIES SOLIDATED STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 1996 1995 I FLOWS FROM OPERATING CTIVITIES: t loss \$ (885,335) \$ (926,113) ijustments to reconcile net loss to net cash ised in operating activities: Pepreciation and amortization 130,717 162,722 2,904 Endages in assets and liabilities: Increase in restricted cash (58,771) - Decrease in nestricted cash (58,771) - Decrease in accounts receivable 7,094 5,588 (Increase) decrease in inventories (6,192) 351 Decrease in prepaid expenses 130,907 79,489 Increase (decrease) in accounts payable and accrued expenses (664,838) (508,155) TIVITIES: Inchases of property and equipment (10,157) (38,126) Crease in investments in joint ventures corease in investm			
-4- CHOUSE RESORTS, INC. AND SUBSIDIARIES SOLIDATED STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 1996 THREE MONTHS ENDED MARCH 31, 1996 TUTITES: at loss bebt issue costs Impairment of long-lived assets Changes in assets and liabilities: Charges in restricted cash Decrease in recoints receivable and accrued expenses Net cash used in operating activities Increase of property and equipment creases in investments in joint ventures crease in investment costs Marced approvided by (used in) investing activities Net cash provided by (used in) investing activities			8 893 017
MARCH 31, 1996 1995 H FLOWS FROM OPERATING TIVITIES: at loss \$ (885,335) \$ (926,113) justments to reconcile net loss to net cash ised in operating activities: Depreciation and amortization \$ 130,717 162,722 Debt issue costs 9,312 2,904 Impairment of long-lived assets \$ 250,000 - Changes in assets and liabilities: Increase in restricted cash \$ (58,771) - Decrease in accounts receivable \$ (58,771) - Decrease in prepaid expenses \$ 130,907 79,489 Increase (decrease) in accounts payable and accrued expenses \$ (242,570) 166,904 	ee notes to consolidated financial statements.		
MARCH 31, 1996 1995 H FLOWS FROM OPERATING TIVITIES: at loss \$ (885,335) \$ (926,113) justments to reconcile net loss to net cash ised in operating activities: Depreciation and amortization \$ 130,717 162,722 Debt issue costs 9,312 2,904 Impairment of long-lived assets \$ 250,000 - Changes in assets and liabilities: Increase in restricted cash \$ (58,771) - Decrease in accounts receivable \$ (58,771) - Decrease in prepaid expenses \$ 130,907 79,489 Increase (decrease) in accounts payable and accrued expenses \$ (242,570) 166,904 	ee notes to consolidated financial statements.		
199619951996199519971995199819951998199519981995199819951998199519981995199819951998199519981995199819951998199519981995199819951998199519981995199819951998130,7171997130,7171997130,717199719951998130,7171999130,9071999130,9071994130,9071994130,9071994130,9071994130,9071994100,9041995100,9041995100,9041995100,904	ee notes to consolidated financial statements. -4- JLL HOUSE RESORTS, INC. AND SUBSIDIARIES		
# FLOWS FROM OPERATING TIVITIES: et loss\$ (885,335) \$ (926,113)djustments to reconcile net loss to net cash used in operating activities: Depreciation and amortization130,717 162,722 9,312 2,904Debt issue costs9,312 2,904Impairment of long-lived assets250,000 -Changes in assets and liabilities: Increase in restricted cash(58,771) -Decrease in accounts receivable7,094 5,588 (10,122) 351Decrease in prepaid expenses130,907 79,489Increase (decrease) in accounts payable and accrued expenses(242,570) 166,904 (242,570) 166,904Net cash used in operating activities(664,838) (508,155) (508,155)Irchases of property and equipment cerease in investments in joint ventures acrease in receivables from GTECH and joint rentures11,174,319 -A FLOWS FROM INVESTING CTIVITIES: Inchases of property and equipment cerease in investments in joint ventures acrease in investments in joint ventures cerease in receivables from GTECH and joint rentures11,174,319 -A FLOWS cash provided by (used in) investing activitiesNet cash provided by (used in) investing activities11,094,272 (1,547,083)	ee notes to consolidated financial statements. -4- ULL HOUSE RESORTS, INC. AND SUBSIDIARIES	THREE MON	THS ENDED
CTIVITIES: at loss\$ (885,335)\$ (926,113)djustments to reconcile net loss to net cash used in operating activities: Operciation and amortization130,717162,722Oebt issue costs9,3122,904Impairment of long-lived assets250,000-Changes in assets and liabilities: Increase in restricted cash(58,771)-Decrease in accounts receivable7,0945,588(Increase) decrease in inventories(66,192)351Decrease in prepaid expenses130,90779,489Increase (decrease) in accounts payable and accrued expenses(242,570)166,904Net cash used in operating activities(664,838)(508,155)H FLOWS FROM INVESTING CTIVITIES: urchases of property and equipment ecrease in investments in joint ventures aming development costs(10,157)(38,126)A FLOWS FROM INVESTING CTIVITIES: urchases of property and equipment ecrease in investments in joint ventures aming development costs9,122 <t< td=""><td>ee notes to consolidated financial statements. -4- JLL HOUSE RESORTS, INC. AND SUBSIDIARIES</td><td>THREE MON MARC</td><td>ITHS ENDED CH 31,</td></t<>	ee notes to consolidated financial statements. -4- JLL HOUSE RESORTS, INC. AND SUBSIDIARIES	THREE MON MARC	ITHS ENDED CH 31,
CTIVITIES: at loss\$ (885,335)\$ (926,113)djustments to reconcile net loss to net cash used in operating activities: Operciation and amortization130,717162,722Oebt issue costs9,3122,904Impairment of long-lived assets250,000-Changes in assets and liabilities: Increase in restricted cash(58,771)-Decrease in accounts receivable7,0945,588(Increase) decrease in inventories(66,192)351Decrease in prepaid expenses130,90779,489Increase (decrease) in accounts payable and accrued expenses(242,570)166,904Net cash used in operating activities(664,838)(508,155)H FLOWS FROM INVESTING CTIVITIES: urchases of property and equipment ecrease in investments in joint ventures aming development costs(10,157)(38,126)A FLOWS FROM INVESTING CTIVITIES: urchases of property and equipment ecrease in investments in joint ventures aming development costs9,122 <t< td=""><td>ee notes to consolidated financial statements. -4- ULL HOUSE RESORTS, INC. AND SUBSIDIARIES</td><td>THREE MON MARC</td><td>ITHS ENDED CH 31,</td></t<>	ee notes to consolidated financial statements. -4- ULL HOUSE RESORTS, INC. AND SUBSIDIARIES	THREE MON MARC	ITHS ENDED CH 31,
at loss\$ (885,335)\$ (926,113)djustments to reconcile net loss to net cash130,717162,722Depreciation and amortization130,717162,722Debt issue costs9,3122,904Impairment of long-lived assets250,000-Changes in assets and liabilities:100,717162,722Increase in restricted cash(58,771)-Decrease in accounts receivable7,0945,588(Increase) decrease in inventories(6,192)351Decrease in prepaid expenses130,90779,489Increase (decrease) in accounts payable(242,570)166,904and accrued expenses(664,838)(508,155)Net cash used in operating activities(664,838)(508,155)Inchases of property and equipment(10,157)(38,126)necrease in investments in joint ventures(69,890)-aming development costs-(1,518,079).cher-9,122Net cash provided by (used in)investing activities11,094,272(1,547,083)	e notes to consolidated financial statements. -4- ULL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS	THREE MON MARC	ITHS ENDED TH 31,
djustments to reconcile net loss to net cash used in operating activities: Depreciation and amortization Debt issue costs Impairment of long-lived assets Changes in assets and liabilities: Increase in restricted cash (58,771) - Decrease in accounts receivable (Increase) decrease in inventories Decrease in prepaid expenses Increase (decrease) in accounts payable and accrued expenses Net cash used in operating activities H FLOWS FROM INVESTING CTIVITIES: Inchases of property and equipment hcrease in investments in joint ventures ecrease in investments in joint ventures tertures Intrease in receivables from GTECH and joint Zentures Met cash provided by (used in) investing activities Net cash provided by (used in) investing activities I and activities I activities I accounts ac	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC	ITHS ENDED TH 31,
Jased in operating activities: Depreciation and amortization130,717162,722Debt issue costs9,3122,904Impairment of long-lived assets250,000-Changes in assets and liabilities: Increase in restricted cash(58,771)-Decrease in accounts receivable7,0945,588(Increase) decrease in inventories(6,192)351Decrease in prepaid expenses130,90779,489Increase (decrease) in accounts payable and accrued expenses130,90779,489Net cash used in operating activities(664,838)(508,155)Increase of property and equipment cerease in investments in joint ventures ecrease in receivables from GTECH and joint yentures11,174,319-Ining development costs-(1,518,079)-Net cash provided by (used in) investing activities11,094,272(1,547,083)	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS SH FLOWS FROM OPERATING ACTIVITIES:	THREE MON MARC 1996	HTHS ENDED H 31, 1995
Depreciation and amortization130,717162,722Debt issue costs9,3122,904Impairment of long-lived assets250,000-Changes in assets and liabilities:7,0945,588Increase in restricted cash7,0945,588(Increase) decrease in inventories(6,192)351Decrease in prepaid expenses130,90779,489Increase (decrease) in accounts payable130,90779,489and accrued expenses(242,570)166,904Net cash used in operating activities(664,838)(508,155)Increase in investments in joint ventures(69,890)-Increase in receivables from GTECH and joint11,174,319-Aming development costs9,122Net cash provided by (used in)11,094,272(1,547,083)	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC 1996	HTHS ENDED H 31, 1995
Depreciation and amortization130,717162,722Debt issue costs9,3122,904Impairment of long-lived assets250,000-Changes in assets and liabilities:7,0945,588Increase in restricted cash7,0945,588(Increase) decrease in inventories(6,192)351Decrease in prepaid expenses130,90779,489Increase (decrease) in accounts payable130,90779,489and accrued expenses(242,570)166,904Net cash used in operating activities(664,838)(508,155)Increase in investments in joint ventures(69,890)-aning development costsNet cash provided by (used in)-9,1229,120Net cash provided by (used in)11,094,272(1,547,083)	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS SH FLOWS FROM OPERATING ACTIVITIES: Net loss Adjustments to reconcile net loss to net cash	THREE MON MARC 1996	HTHS ENDED H 31, 1995
Debt issue costs9,3122,904Impairment of long-lived assets250,000-Changes in assets and liabilities:7,0945,588Increase in restricted cash(58,771)-Decrease in accounts receivable7,0945,588(Increase) decrease in inventories(6,192)351Decrease in prepaid expenses130,90779,489Increase (decrease) in accounts payableand accrued expenses(242,570)166,904Net cash used in operating activities(664,838)(508,155)CTIVITIES:(664,838)(508,155)urchases of property and equipment(10,157)(38,126)hcrease in investments in joint ventures(69,890)-ecrease in receivables from GTECH and joint-9,122Aming development costs9,122Net cash provided by (used in)9,122Net cash provided by (used in)11,094,272(1,547,083)	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC 1996	HTHS ENDED H 31, 1995
Impairment of long-lived assets250,000Changes in assets and liabilities:	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC 1996 \$ (885,335)	THS ENDED H 31, 1995 \$ (926,113)
Changes in assets and liabilities:(58,771)Increase in restricted cash7,0945,588Increase in accounts receivable7,0945,588(Increase) decrease in inventories(6,192)351Decrease in prepaid expenses130,90779,489Increase (decrease) in accounts payable130,90779,489and accrued expenses(242,570)166,904Net cash used in operating activities(664,838)(508,155)H FLOWS FROM INVESTING(10,157)(38,126)CTIVITIES:(10,157)(38,126)increase in investments in joint ventures(69,890)-ecrease in receivables from GTECH and joint11,174,319-entures9,122Net cash provided by (used in)11,094,272(1,547,083)	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC 1996 \$ (885,335) 130,717	<pre>ITHS ENDED ITHS ENDED ITHS 1995 \$ (926,113) 162,722</pre>
Increase in restricted cash(58,771)-Decrease in accounts receivable7,0945,588(Increase) decrease in inventories(6,192)351Decrease in prepaid expenses130,90779,489Increase (decrease) in accounts payable(242,570)166,904and accrued expenses(242,570)166,904Net cash used in operating activities(664,838)(508,155)H FLOWS FROM INVESTING(10,157)(38,126)CTIVITIES:(69,890)-urchases of property and equipment(10,157)(38,126)crease in investments in joint ventures(69,890)-ecrease in receivables from GTECH and joint-9,122there-9,122-Net cash provided by (used in)11,094,272(1,547,083)	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC 1996 \$ (885,335) 130,717 9,312	<pre>ITHS ENDED ITHS ENDED ITHS 1995 \$ (926,113) 162,722 2,904</pre>
Decrease in accounts receivable7,0945,588(Increase) decrease in inventories(6,192)351Decrease in prepaid expenses130,90779,489Increase (decrease) in accounts payable(242,570)166,904and accrued expenses(242,570)166,904Net cash used in operating activities(664,838)(508,155)H FLOWS FROM INVESTING(10,157)(38,126)CTIVITIES:(69,890)-Increase in investments in joint ventures(69,890)ecrease in receivables from GTECH and joint-Venturesaming development costs-ther-Net cash provided by (used in)11,094,272investing activities11,094,27211,094,272(1,547,083)	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC 1996 \$ (885,335) 130,717 9,312	<pre>ITHS ENDED ITHS ENDED ITHS 1995 \$ (926,113) 162,722 2,904</pre>
(Increase) decrease in inventories(6,192)351Decrease in prepaid expenses130,90779,489Increase (decrease) in accounts payable(242,570)166,904and accrued expenses(242,570)166,904Net cash used in operating activities(664,838)(508,155)H FLOWS FROM INVESTING(10,157)(38,126)CTIVITIES:(10,157)(38,126)Increase in investments in joint ventures(69,890)Perease in receivables from GTECH and joint-VenturesAming development costs-Cher-Net cash provided by (used in)11,094,272investing activities11,094,27211,094,272(1,547,083)	ACTIVITIES: Net loss Adjustments to reconcile net loss to net cash used in operating activities: Depreciation and amortization Debt issue costs Impairment of long-lived assets Changes in assets and liabilities:	THREE MON MARC 1996 \$ (885,335) 130,717 9,312 250,000	<pre>ITHS ENDED ITHS ENDED ITHS 1995 \$ (926,113) 162,722 2,904 -</pre>
(Increase) decrease in inventories(6,192)351Decrease in prepaid expenses130,90779,489Increase (decrease) in accounts payable(242,570)166,904and accrued expenses(242,570)166,904Net cash used in operating activities(664,838)(508,155)H FLOWS FROM INVESTING(10,157)(38,126)CTIVITIES:(10,157)(38,126)Increase in investments in joint ventures(69,890)Perease in receivables from GTECH and joint-VenturesAming development costs-Cher-Net cash provided by (used in)11,094,272investing activities11,094,27211,094,272(1,547,083)	ACTIVITIES: Net loss Adjustments to reconcile net loss to net cash used in operating activities: Depreciation and amortization Debt issue costs Impairment of long-lived assets Changes in assets and liabilities:	THREE MON MARC 1996 \$ (885,335) 130,717 9,312 250,000	<pre>ITHS ENDED IH 31,</pre>
Decrease in prepaid expenses130,90779,489Increase (decrease) in accounts payable and accrued expenses(242,570)166,904Net cash used in operating activities(664,838)(508,155)H FLOWS FROM INVESTING CTIVITIES: urchases of property and equipment ncrease in investments in joint ventures ecrease in receivables from GTECH and joint ventures(10,157)(38,126)aming development costs	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC 1996 \$ (885,335) \$ (885,335) 130,717 9,312 250,000 (58,771)	======= THS ENDED H 31, 1995 \$ (926,113) 162,722 2,904 -
Increase (decrease) in accounts payable and accrued expenses (242,570) 166,904 	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC 1996 \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094	THS ENDED THS ENDED TH 31, 1995 \$ (926,113) 162,722 2,904 - 5,588
Increase (decrease) in accounts payable and accrued expenses (242,570) 166,904 	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC 1996 \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094 (6,192)	<pre>ITHS ENDED ITHS ENDED ITHS ENDED (926,113) 162,722 2,904 5,588 351</pre>
Net cash used in operating activitiesA FLOWS FROM INVESTING CTIVITIES: urchases of property and equipment hcrease in investments in joint ventures ecrease in receivables from GTECH and joint ventures(10,157) (38,126) (38,126) (69,890)aming development costs11,174,319 - (1,518,079) - 9,122 Net cash provided by (used in) investing activities11,094,272 (1,547,083)	-4- -4- -4- -4- -4- -4- -4- -4-	THREE MON MARC 1996 \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094 (6,192)	<pre>ITHS ENDED ITHS ENDED ITHS ENDED (926,113) 162,722 2,904 5,588 351</pre>
A FLOWS FROM INVESTING CTIVITIES: urchases of property and equipment (10,157) (38,126) horease in investments in joint ventures (69,890) - ecrease in receivables from GTECH and joint ventures 11,174,319 - aming development costs - (1,518,079) ther 9,122 Net cash provided by (used in) investing activities 11,094,272 (1,547,083)	ACTIVITIES: Net loss Adjustments to reconcile net loss to net cash used in operating activities: Depreciation and amortization Debt issue costs Impairment of long-lived assets Changes in assets and liabilities: Increase in restricted cash Decrease in inventories Decrease in prepaid expenses Increase (decrease) in accounts payable	THREE MON MARC 1996 \$ (885,335) \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907	THS ENDED H 31, 1995 \$ (926,113) 162,722 2,904 - 5,588 351 79,489
H FLOWS FROM INVESTING CTIVITIES: urchases of property and equipment (10,157) (38,126) hcrease in investments in joint ventures (69,890) - ecrease in receivables from GTECH and joint ventures 11,174,319 - aming development costs - (1,518,079) ther 9,122 Net cash provided by (used in) investing activities 11,094,272 (1,547,083)	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC 1996 \$ (885,335) \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907 (242,570)	<pre>ITHS ENDED ITHS ENDED IH 31, 1995 \$ (926,113) 162,722 2,904 - 5,588 351 79,489 166,904</pre>
CTIVITIES:urchases of property and equipment(10,157)urchases of property and equipment(69,890)urchases in investments in joint ventures(69,890)ecrease in receivables from GTECH and joint11,174,319ventures-aming development costs-ther-Net cash provided by (used in)11,094,272investing activities11,094,272	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC 1996 \$ (885,335) \$ (885,335) \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907 (242,570) (664,838)	THS ENDED THS ENDED TH 31, 1995 \$ (926,113) 162,722 2,904 - 5,588 351 79,489 166,904
CTIVITIES:urchases of property and equipment(10,157)urchases of property and equipment(69,890)urchases in investments in joint ventures(69,890)ecrease in receivables from GTECH and joint11,174,319ventures-aming development costs-ther-Net cash provided by (used in)11,094,272investing activities11,094,272	e notes to consolidated financial statements. -4- L HOUSE RESORTS, INC. AND SUBSIDIARIES ISOLIDATED STATEMENTS OF CASH FLOWS CTIVITIES: Net loss djustments to reconcile net loss to net cash used in operating activities: Depreciation and amortization Debt issue costs Impairment of long-lived assets Changes in assets and liabilities: Increase in restricted cash Decrease in accounts receivable (Increase) decrease in inventories Decrease in prepaid expenses Increase (decrease) in accounts payable and accrued expenses	THREE MON MARC 1996 \$ (885,335) \$ (885,335) \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907 (242,570) (664,838)	THS ENDED THS ENDED TH 31, 1995 \$ (926,113) 162,722 2,904 - 5,588 351 79,489 166,904
hcrease in investments in joint ventures(69,890)acrease in receivables from GTECH and jointventuresaming development coststher0,122Net cash provided by (used in)investing activities11,094,27211,094,272	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC 1996 \$ (885,335) \$ (885,335) \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907 (242,570) (664,838)	THS ENDED THS ENDED TH 31, 1995 \$ (926,113) 162,722 2,904 - 5,588 351 79,489 166,904
hcrease in investments in joint ventures(69,890)acrease in receivables from GTECH and jointventuresaming development coststherNet cash provided by (used in)investing activities11,094,272(1,547,083)	ACTIVITIES: ACTIVITIES: ACTIVITIES: ACTIVITIES: Activities: Activities: Activities: Activities: Activities: Activities: Activities: Activities: Activities: Activities: Depreciation and amortization Debt issue costs Impairment of long-lived assets Changes in assets and liabilities: Increase in restricted cash Decrease in accounts receivable (Increase) decrease in inventories Decrease in prepaid expenses Increase (decrease) in accounts payable and accrued expenses Net cash used in operating activities ACTIVITIES: ACTIVITIES: ACTIVITIES:	THREE MON MARC 1996 \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907 (242,570) 	THS ENDED H 31, 1995 \$ (926,113) 162,722 2,904 - 5,588 351 79,489 166,904
ecrease in receivables from GTECH and jointventures11,174,319aming development costs-ther9,122Net cash provided by (used in)-investing activities11,094,27211,094,272(1,547,083)	Activities: Activities: Activities: Activities: Activities: Activities: Activities: Activities: Activities: Activities: Activities: Activities: Activities: Activities: Activities: Depreciation and amortization Debt issue costs Impairment of long-lived assets Changes in assets and liabilities: Increase in restricted cash Decrease in accounts receivable (Increase) decrease in inventories Decrease in prepaid expenses Increase (decrease) in accounts payable and accrued expenses Net cash used in operating activities Activities: Activiti	THREE MON MARC 1996 \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907 (242,570) 	THS ENDED H 31, 1995 \$ (926,113) 162,722 2,904 - 5,588 351 79,489 166,904 (508,155)
ventures 11,174,319 - aming development costs - (1,518,079) ther - 9,122 Net cash provided by (used in) - - investing activities 11,094,272 (1,547,083)	ACTIVITIES: Net cash used in operating activities ACTIVITIES: Net cash used in operating activities Net cash used in operating expenses Net cash used in prepaid expenses Net cash used in prepaid expenses Net cash used in prepaid expenses Net cash used in operating activities: Net cash used in operating activities Net cash used in operating activities	THREE MON MARC 1996 \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907 (242,570) 	THS ENDED H 31, 1995 \$ (926,113) 162,722 2,904 - 5,588 351 79,489 166,904 - (508,155)
aming development costs - (1,518,079) ther - 9,122 Net cash provided by (used in) investing activities 11,094,272 (1,547,083)	And the set of the set	THREE MON MARC 1996 \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907 (242,570) 	THS ENDED H 31, 1995 \$ (926,113) 162,722 2,904 - 5,588 351 79,489 166,904 - (508,155)
aming development costs - (1,518,079) ther - 9,122 Net cash provided by (used in) - - investing activities 11,094,272 (1,547,083)	ASH FLOWS FROM OPERATING ACTIVITIES: Depreciation and amortization Debt issue costs Impairment of long-lived assets Changes in assets and liabilities: Increase in restricted cash Decrease in prepaid expenses Increase (decrease) in accounts payable and accrued expenses Net cash used in operating activities Decrease in coperating activities Decrease in prepaid expenses Increase (decrease) in accounts payable and accrued expenses Net cash used in operating activities	THREE MON MARC 1996 \$ (885,335) \$ (885,335) \$ (885,335) \$ (885,335) \$ (885,335) \$ (885,335) \$ (885,335) \$ (885,335) \$ (885,335) \$ (30,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907 (242,570) (242,570) (664,838) (10,157) (69,890)	THS ENDED (38,126)
Iner - 9,122 Net cash provided by (used in) investing activities 11,094,272 (1,547,083)	ASH FLOWS FROM INVESTING ACTIVITIES: Net cash used in operating activities Charges in accounts payable and accrued expenses Net cash used in operating in accounts payable and accrued expenses Net cash used in operating receivable (Increase) decrease in inventories Decrease in prepaid expenses Increase in prepaid expenses Increase in prepaid expenses	THREE MON MARC 1996 \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907 (242,570) 	THS ENDED (1926,113) (926,115) (926,115)
Net cash provided by (used in) investing activities 11,094,272 (1,547,083)	ASH FLOWS FROM OPERATING Adjustments to reconcile net loss to net cash used in operating activities: Depreciation and amortization Debt issue costs Impairment of long-lived assets Changes in assets and liabilities: Increase in restricted cash Decrease in prepaid expenses Increase (decrease) in accounts payable and accrued expenses Net cash used in operating activities Net cash used in operating activities	THREE MON MARC 1996 \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907 (242,570) 	THS ENDED (1926,113) (926,115) (926,115)
investing activities 11,094,272 (1,547,083)	And the set of the set	THREE MON MARC 1996 \$ (885, 335) \$ (885, 335) \$ (885, 335) 130, 717 9, 312 250, 000 (58, 771) 7, 094 (6, 192) 130, 907 (242, 570) (242, 570) (664, 838) (664, 838) 	THS ENDED (1926,113) (926,113)
investing activities 11,094,272 (1,547,083)	-4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC 1996 \$ (885, 335) 130,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907 (242,570) (242,570) (242,570) (664,838) (10,157) (69,890) 11,174,319	THS ENDED (1,518,079) (1,518,
	e notes to consolidated financial statements. -4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS SH FLOWS FROM OPERATING ACTIVITIES: Net loss Adjustments to reconcile net loss to net cash used in operating activities: Depreciation and amortization Debt issue costs Impairment of long-lived assets Changes in assets and liabilities: Increase in restricted cash Decrease in accounts receivable (Increase) decrease in inventories Decrease in prepaid expenses Increase (decrease) in accounts payable and accrued expenses Net cash used in operating activities SH FLOWS FROM INVESTING ACTIVITIES: Purchases of property and equipment Increase in investments in joint ventures Decrease in receivables from GTECH and joint ventures Gaming development costs Other	THREE MON MARC 1996 \$ (885, 335) 130,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907 (242,570) (242,570) (242,570) (664,838) (10,157) (69,890) 11,174,319	THS ENDED (1,518,079) (1,518,
	-4- LL HOUSE RESORTS, INC. AND SUBSIDIARIES NSOLIDATED STATEMENTS OF CASH FLOWS 	THREE MON MARC 1996 \$ (885,335) 130,717 9,312 250,000 (58,771) 7,094 (6,192) 130,907 (242,570) (664,838) (10,157) (69,890) 11,174,319 	THS ENDED H 31, 1995 \$ (926,113) 162,722 2,904

CASH FLOWS FROM FINANCING ACTIVITIES: Proceeds from issuance of debt	3,000,000	2,176,583
Repayment of debt	(11,186,662)	(36,883)
Net cash provided by (used in) financing activities	(8,186,662)	2,139,700
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,242,772	84,462
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	356,754	384,670
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 2,599,526	\$ 469,132

See notes to consolidated financial statements

-5-

FULL HOUSE RESORTS, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTERIM FINANCIAL STATEMENTS - The interim consolidated financial statements of Full House Resorts, Inc. (the "Company") included herein reflect all adjustments which are, in the opinion of management, necessary to present a fair statement of the results for the interim periods presented. All such adjustments are of a normal recurring nature. Certain information and note disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted pursuant to the rules and regulations of the Securities and Exchange Commission.

These consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in Full House Resorts, Inc.'s Annual Report on Form 10-KSB for the year ended December 31, 1995.

The results of operations for the period ended March 31, 1996 are not necessarily indicative of the results to be expected for the year ending December 31, 1996.

CONSOLIDATION - The consolidated financial statements include the accounts of the Company and all its majority-owned subsidiaries. All material intercompany accounts and transactions have been eliminated.

2. RECENTLY ISSUED ACCOUNTING STANDARDS ADOPTED

In October 1995, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 123, "ACCOUNTING FOR STOCK-BASED COMPENSATION," which was adopted by the Company during the first quarter of 1996. SFAS No. 123 requires expanded disclosures of stock-based compensation arrangements with employees and encourages (but does not require) compensation cost to be measured based on the fair value of the equity instrument awarded. Companies are permitted, however, to continue to apply APB Opinion No. 25, which recognizes compensation cost based on the intrinsic value of the equity instrument awarded. The Company will continue to apply APB Opinion No. 25 to its stock-based compensation awards to employees and will disclose the required pro forma effect on net income and earnings per shares.

3. GTECH LOAN

On January 26, 1996, GTECH loaned the Company \$3 million, which loan is convertible, subject to regulatory approval, into 600,000 shares of the Company's common stock. The loan is non-interest bearing through January 25, 1998, at which time the note begins to accrue interest at the prime rate. Monthly interest only payments commence on February 1, 1998, with the total principal and any unpaid interest due on January 25, 2001.

4. LETTER OF INTENT

On April 9, 1996, the Company signed a non-binding letter of intent for the sale of Deadwood Gulch Resort ("DGR"). Subsequently, during May 1996, negotiations with the purchaser under the letter of intent terminated. The Company will continue its efforts to sell DGR.

-6-

Because of the Company's intent to dispose of DGR, the Company has reclassified certain assets of DGR to other assets - assets held for sale. Further analysis of the estimated realizable value of the assets held for sale resulted in an additional impairment loss of \$250,000 recorded in the quarter ended March 31, 1996.

* * * * * *

-7-

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

RECENT DEVELOPMENTS

Effective December 29, 1995, Full House entered into a series of agreements with GTECH Corporation. Pursuant to the agreements, limited liability joint venture companies were formed which are equally owned by GTECH and Full House. The rights of Full House to agreements with various Indian tribes and the Delaware State Fair were contributed to the joint ventures. See "Results of Operations" and "Liquidity."

On April 9, 1996, the Company signed a non-binding letter of intent for the purchase of the Deadwood Gulch Resort by RGB Deadwood Gulch L.L.C. Although negotiations for the sale of the resort to RGB Deadwood Gulch L.L.C. terminated on May 15, 1996, the Company is still actively marketing the Resort for sale. The Company determined that continued ownership of the Resort is not consistent with its future plans which anticipate focusing on gaming facilities in areas of higher population density and locations at which applicable regulations permit high stakes and expanded types of gaming. Any sale will be subject to approval by the Company's stockholders and a finding by the South Dakota Commission on Gaming that the purchaser is suitable to obtain a gaming license in South Dakota. There can be no assurance that a sale will ultimately be consummated.

RESULTS OF OPERATIONS

THREE MONTHS ENDED MARCH 31, 1996 COMPARED TO THREE MONTHS ENDED MARCH 31, 1995

Revenues for the three months ended March 31, 1996 increased \$304,365 to \$1,130,730, as compared with revenues of \$826,365 for the three months ended March 31, 1995. The increase was due to income from joint ventures of \$172,168 and Resort revenues of \$132,197.

JOINT VENTURES. During 1995, four limited liability joint venture companies were formed by Full House and GTECH to pursue gaming opportunities and to which Full House transferred three of its present gaming ventures. Excluded were the Deadwood Gulch Resort and an additional venture where assignment was not completed pending further discussions with the tribe and with the holder of a 15% interest in that gaming contract. If assignment is not completed, Full House will assign its rights to revenues and GTECH will bear an appropriate portion of the expenses. Full House and GTECH each have a 50% interest in each limited liability company. Full House's share of the income generated by those companies was \$172,168 for the three months ended March 31, 1996.

CASINO OPERATIONS. Revenues increased \$20,015 or 7.2% for the three months ended March 31, 1996 over the same period in 1995. Departmental expenses decreased \$24,764 or 8.7% for the three months ended March 31, 1996 from 1995. As a result of the increase in revenues and decrease in expenses, departmental profit increased by \$44,779 as compared to the same period in 1995. Management attributes the improvements to an aggressive promotion of tour bus business.

HOTEL/RV RESORT. Hotel occupancy increased 30.1% for the three months ended March 31, 1996, and the average daily rate decreased by 13.0% to \$35.77. As a result, revenues for the period increased \$23,286 or 12.7% for the Hotel. Hotel/RV Resort departmental profit increased \$10,248 or 15.7%. Management attributes the improvements to an aggressive promotion of tour bus business.

RETAIL. Revenues increased by \$32,483 or 16.7% for the three months ended March 31, 1996 from 1995. Departmental profit of \$14,529 for the three months ended March 31, 1996 from 1995 was only slightly higher than the prior year period based upon the fact that the increased sales were primarily of low margin goods.

FOOD AND BEVERAGE. Revenues for the three months ended March 31, 1996 were 178,626 (which includes 48,808 of promotional allowances), an increase of 59,119 or 49.5% from 1995 revenues of 119,507 (which included 336,548 of promotional allowances for the three months ended March 31, 1995). The

departmental loss after subtracting promotional allowances decreased \$21,641 over 1995. Management attributes the improvement to better cost of sales management and the development of a new menu, repositioning the restaurant in the market.

GULCHES OF FUN FAMILY CENTER. Revenues for the three months ended March 31, 1996 decreased \$2,706 from 1995 and departmental loss decreased \$3,844 from the comparable period in 1995.

SALES AND MARKETING EXPENSES. Sales and Marketing expenses increased \$15,493 for the three months ended March 31, 1996 as compared to the prior year period due to an aggressive tour bus program.

GENERAL AND ADMINISTRATIVE EXPENSES - RESORT. Expenses decreased \$32,168 for the three months ended March 31, 1996 from the comparable period in 1995.

NON-RESORT GENERAL AND ADMINISTRATION EXPENSES. Non-Resort expenses for the three months ended March 31, 1996 totaled \$362,342, a decrease of \$131,774 over the prior year period. In 1996, the Company continued to incur costs related to the investigation, due diligence and pre-development of various ongoing opportunities for expansion of its business and the increase in the Company's corporate structure necessary to administer the Company's expansion.

DEPRECIATION. Depreciation and amortization decreased \$32,005 for the three months ended March 31, 1996 over the comparable period in 1995. This decrease is due to suspension of depreciation of the Resort offset by the amortization of goodwill.

IMPAIRMENT OF LONG LIVED ASSETS. In January, 1996, the Company announced its intent to dispose of the Deadwood Gulch Resort. The Company adopted the provisions of SFAS No. 121, ACCOUNTING FOR THE IMPAIRMENT OF LONG-LIVED ASSETS AND FOR LONG-LIVED ASSETS TO BE DISPOSED OF, during the fourth quarter of the year ended December 31, 1995. Under SFAS No. 121, the Company reviews the carrying values of its long-lived and identifiable intangible assets for possible impairment whenever events or changes in circumstances indicate that the carrying amount of assets may not be recoverable. Based upon available information which indicates additional loss may be incurred upon disposition, the Company further reduced the carrying value of the Deadwood Gulch Resort in 1996 by \$250,000. Pursuant to SFAS No. 121, the Company has suspended recording depreciation of the assets of the Deadwood Gulch Resort.

INTEREST EXPENSE AND DEBT ISSUE COSTS. Interest expense and debt issue costs increased by \$163,325 during the three months ended March 31, 1996 primarily due to refinancing the first mortgage on the Deadwood Gulch Resort.

INTEREST AND OTHER INCOME. Interest and other income increased to \$27,414 during the three months ended March 31, 1996 as compared to the comparable period in 1995 due to interest earned on cash deposits as a result of payments received as a result of the transactions with GTECH.

LIQUIDITY AND CAPITAL RESOURCES

For the three-month period ending March 31, 1996, cash flow used in operating activities was \$664,838. Cash flow from investing activities was \$11,094,272. The major item impacting this positive flow of cash from investing activities was the receipt by the Company from GTECH and the joint venture companies of approximately \$11,174,000. Cash flow used in financing activities was \$8,186,662. The repayment of debt of \$11,186,662 was offset by the \$3,000,000 proceeds from the issuance of a convertible note to GTECH. As a result of the above, the Company's net cash and cash equivalents increased by \$2,242,772 to \$2,599,526.

-9-

On March 24, 1994, Allen E. Paulson purchased 1,000,000 shares of Full House's common stock for \$800,000. Full House also issued 500,000 shares of its Common Stock to Mr. Paulson in exchange for his agreement to individually provide or to take such actions as were required for a financial institution to provide a commercial line of credit to Full House in the minimum amount of \$8 million. Full House valued the shares of stock at \$.80 per share based upon the size of the transaction, the fact that the shares were not registered and are not subject to registration rights. In addition, a large block of shares was repurchased by the Company from a then principal stockholder at at a price per share and time sequence reasonably close to the transaction with Mr. Paulson. The 500,000 shares issued to Mr. Paulson as compensation for securing the \$8 million financing were charged as a period cost in Full House's results of operation for 1994. On June 7, 1994, Bank of America, as a result of the joint and several guarantees of the full amount of the loan by Mr. Paulson and the other directors of Full House, provided Full House with a line of credit in the amount of \$8 million at the "reference rate" of Bank of America, N.A. Amounts outstanding under this line of credit bear interest at the bank's "reference rate" and are due and payable upon demand or, if no demand is made, on July 1, 1996. Full House believes that it would have been unable to obtain this line of credit without the actions of Mr. Paulson, as its financial condition would not

have supported such an extension of credit.

On March 23, 1995, LAI Associates, Inc., a corporation wholly-owned by Lee Iacocca, merged with a subsidiary of Full House and became a wholly-owned subsidiary of Full House. The Company issued 1,250,000 shares of Common Stock to Mr. Iacocca. In exchange, the Company received LAI's interest in its agreements with the Organized Tribes (55%), Nottawaseppi Huron Band of Potawatomi (55%), Torres Martinez Desert Cahuilla Indians (50%) and Delaware State Fair (50%) projects. The remainder of the interests in these projects was acquired through the Omega merger described below. Subsequently, Full House returned to Mr. Iacocca a 25% interest in a total of 21 acres of land in Branson, Missouri, and a 50% interest in certain royalties receivable. In exchange, Mr. Iacocca returned 193,529 shares of Common Stock to Full House in March, 1996.

On November 20, 1995, Full House merged a wholly-owned subsidiary into Omega Properties Inc. (30% owned by William P. McComas, a director/stockholder of the Company). In exchange, the shareholders of Omega received an aggregate of 500,000 shares of Full House Common Stock and a promissory note of Full House in the principal amount of \$375,000. The principal amount of this promissory note accrues interest, payable quarterly, at a rate equal to the "prime" rate and such principal amount, together with all accrued interest, is due and payable in full upon demand by the holder(s) of this note, but in no event before August 31, 1996. William P. McComas received the note and Mr. Fugazy, the other stockholder of Omega, received the shares in exchange for their interests as shareholders of Omega. As a result of such merger, Full House obtained the remaining 45% interests in the agreements with the Organized Tribes and the Nottawaseppi Huron Band of Potawatomi and the remaining 50% interests in the agreements with the Torres Martinez Desert Cahuilla Indians and the Delaware State Fair.

Full House entered into a series of agreements with GTECH Corporation, a wholly owned subsidiary of GTECH Holdings Corporation, a leading supplier of computerized on-line lottery systems and services for government-authorized lotteries, to jointly pursue existing (except the Deadwood Gulch Resort and certain other specified projects) and future gaming opportunities. Although the agreements were dated as of December 29, 1995, the parties agreed to share equally in the equity investment, financing responsibility and in revenues and expenses of each project commencing April 1, 1995. Pursuant to the agreements, joint venture corporations equally owned by GTECH and Full House have been formed. Full House has contributed its rights to the North Bend, Oregon facility and the rights to develop the Torres Martinez and Delaware State Fair Projects to the joint venture companies. Full House has agreed, subject to further discussion with the Nottawaseppi Huron Band of Potawatomi and with the holder of a 15% interest in that gaming contract, to assign to a joint venture company its rights to develop a project with such Tribe. If the assignment is not completed, Full House will assign its rights to revenues and GTECH will bear an appropriate portion of the expenses related thereto.

In payment for its interest in the joint venture companies, GTECH contributed cash and other intangible assets to the companies and committed to loan the joint venture entities up to \$16.4 million to complete the North Bend, Oregon and Delaware facilities. Full House has agreed to guarantee one-half of the obligations of the joint venture companies to GTECH under these loans and at March 31, 1996 had guaranteed to GTECH one-half of \$10.4 million of such loans to the North Bend, Oregon joint venture company. Upon completion of the Delaware project, currently anticipated in August 1996, Full House will execute a guarantee to GTECH of one-half of the amounts loaned to the joint venture company by GTECH. The amount of the guarantee is currently estimated to be approximately \$4.5 million. The guarantees provide for full subrogation of Full House to GTECH's rights and prohibit acceleration of the underlying indebtedness so long as Full House makes the defaulted payments. The terms of the loans vary by project, but in those instances in which the joint venture companies loan funds to others involved in the project (e.g., North Bend, Oregon), the loans to the joint venture companies are intended to be a mirror image of the loans between the joint ventures and the third parties.

GTECH will also provide project management, technology and other expertise to analyze and develop/manage the implementation of -10-

opportunities developed by the joint venture entities. GTECH has also loaned Full House \$3 million, which loan is convertible, subject to regulatory approval into 600,000 shares of Full House's Common Stock. In addition, Full House has been reimbursed by one of the joint venture companies for certain advances and expenditures made by Full House relating to the gaming development agreements. As part of this transaction, the directors of Full House and Lee Iacocca have granted to GTECH an option to purchase their shares should they propose to transfer the same.

The agreement between Full House and GTECH provides that the joint venture partners will provide funds needed to finance the development of the joint venture projects. While the amounts necessary to finance the development of the projects are subject to regulatory approval and adjustment as the projects are more fully developed, the Company estimates that the amount to be provided by the joint venture companies will be approximately \$70 million during the next three years. Although the agreement between Full House and GTECH establishes a preference for obtaining non-recourse financing for the projects undertaken in the joint venture companies, it may not be possible to obtain needed funds in this manner. In the event that Full House is unable to obtain the required funds on more favorable terms, GTECH has agreed to lend to Full House its required portion of the financing at GTECH's cost of financing plus 22.5% of Full House's share of the "Profits" from the venture until the later of repayment of the loan or one year after the project begins to receive revenues from patrons of the facilities comprising the project. In the event that GTECH loans funds to a joint venture entity, Full House has agreed to guarantee one-half of the obligations of the joint venture company to GTECH.

Full House borrowed \$4 million from GTECH during 1995. Such amounts were repaid on January 26, 1996 with funds received as a part of the agreement with GTECH. Interest expense on this indebtedness was \$270,517.

As a result of its agreements with GTECH, receipt by Full House of revenues from the operations of projects (other than the Deadwood Gulch Resort) is governed by the terms of the joint venture agreements applicable to such projects. These contracts provide that net cash flow (after certain deductions) is to be distributed monthly to Full House and GTECH. While Full House does not believe that this arrangement will adversely impact its liquidity, no assurances of the same can be given based upon the lack of operating experience with this structure.

On July 19, 1995, an addendum to the agreement with the Coquille Indian Tribe was executed. Pending regulatory approval, the addendum will reduce the obligation of the Full House-GTECH joint venture company to provide financing to \$10.4 million, extend the date when repayments begin and modify the method of computing participating rents (from net revenues to modified gross revenues) and loan repayments. Lease and debt payments commenced on August 19, 1995, and September 19, 1995, respectively. As of March 31, 1996, the Full House-GTECH joint venture company had advanced approximately \$10.7 million for the project of which approximately \$.5 million had been repaid.

On May 31, 1995, DGR borrowed \$5 million, secured by its real property. The proceeds from the loan were used to repay its obligation to H. Joe Frazier, a stockholder and a then director of the Company, and to repay a portion of the revolving note payable to Bank of America. The note bears interest at 10.25% through May, 1996, and at prime plus 2-1/4% for the period June 1, 1996 through May 1, 2002. Payments are due in monthly installments of principal and interest based on a ten-year amortization with the remaining balance due on May 31, 2002. A portion of the loan has been guaranteed by Messrs. Frazier, McComas and Paulson. The agreement restricts substantially all of DGR's cash to pay operating expenses and debt service of DGR. Cash from operations is placed into a series of restricted accounts to pay obligations in the following priority: (1) operating expenses of DGR for the current month; (2) a reserve for operating expenses for off-season months; (3) a reserve for debt service (over and above scheduled payments); and (4) an asset replacement reserve. Because of these restrictions, no DGR cash has been available for dividends or distribution to the Company for expansion purposes. The agreements also include financial covenants which require maintenance of minimum tangible net worth and debt service coverage ratios. The Company was not in compliance with these covenants at December 31, 1995. However, the lender has waived these defaults through the year ended December 31, 1996. The Company prepaid \$751,827 of this indebtedness in March, 1996.

The 800,000 Warrants and 80,000 units (the "Representative's Units") issued to the representative of the underwriters in Full House's 1993 public offering became exercisable on August 10, 1994. Each Warrant may be exercised for 1.1894 shares of Common Stock at a price of \$4.20 per share. As of May 6, 1996, 778,534 Warrants to purchase 925,988 shares were outstanding. Full House may, in accordance with the Warrant

-11-

Agreement, call the Warrants. Each Representative's Unit (each consisting of three shares of Common Stock and the right to buy one additional share) may be exercised at a price of \$13.17 per Unit. The Warrants can be exercised until February 10, 1997. As of March 15, 1996, a total of 57,500 Representative's Units had been exercised, leaving a balance of 22,500 which may be exercised. As a result of such exercises, 57,500 warrants, which were included in the Representative's Units, are now outstanding.

As of March 31, 1996, Full House had cumulative undeclared and unpaid dividends in the amount of \$787,500 on the 700,000 outstanding shares of its 1992-1 Preferred Stock. Such dividends are cumulative whether or not declared, and are currently in arrears.

Full House had working capital of \$1,921,564 as of March 31, 1996.

Additional financing will be required for the Company to effect its business strategy and no assurance can be given that such financing will be available upon commercially reasonable terms.

-12-

PART II - OTHER INFORMATION

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

As of March 31, 1996, cumulative dividends were \$787,500, which were undeclared, unpaid and were in arrears, with respect to the Company's Series 1992-1 Preferred Stock, which class ranks prior to the Company's Common Stock with regard to dividend and liquidation rights.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

None

-13-

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Company has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FULL HOUSE RESORTS, INC.

Date: July ____, 1996

-14-

<TABLE> <S> <C>

<article> 5</article>)	
<pre><s> <period-type> <fiscal-year-end> <period-start> <period-end> <cash> <securities> <receivables> <allowances> <inventory> <current-assets> <pp&e> <depreciation> <total-assets> <current-liabilities> <bonds> <preferred> <common> <other-se> <total-liability-and-equity> <sales> <total-revenues> <cgs> <total-revenues> <cgs> <interest-expense> <loss-provision> <interest-expense> <income-pretax> <income-continuing> <discontinued></discontinued></income-continuing></income-pretax></interest-expense></loss-provision></interest-expense></cgs></total-revenues></cgs></total-revenues></sales></total-liability-and-equity></other-se></common></preferred></bonds></current-liabilities></total-assets></depreciation></pp&e></current-assets></inventory></allowances></receivables></securities></cash></period-end></period-start></fiscal-year-end></period-type></s></pre>	<c> 3-MOS</c>	DEC-31-1996 JAN-01-1996 MAR-31-1996 2,883,072 0 107,321 0 96,922 3,329,625 0 0 16,723,182 1,408,061 0 0 70 1,034 8,565,608 16,723,182 1,078,593 1,078,593 1,078,593 0 1,704,227 0 0 251,115 (885,335) 0 (885,335) 0
<pre><extraordinary> <changes> <net-income> <eps-primary> <eps-diluted></eps-diluted></eps-primary></net-income></changes></extraordinary></pre>		0 0 (885,335) (.09) 0

</TABLE>