



Investor Presentation

Second Quarter 2019

Forward-Looking Information

This presentation contains certain forward-looking information that generally can be identified by the context of the statement or the use of forward-looking terminology, such as “believes,” “estimates,” “anticipates,” “intends,” “expects,” “plans,” “is confident that,” “should” or words of similar meaning, with reference to Monarch Casino & Resort or our management. Similarly, statements that describe our future plans, objectives, strategies, financial results or position, operational expectations, or goals are forward-looking statements. It is possible that our expectations may not be met due to various factors, many of which are beyond our control, and we therefore cannot give any assurance that such expectations will prove to be correct. For a discussion of relevant factors, risks, and uncertainties that could materially affect our future results, attention is directed to Risk Factors and Management’s Discussion and Analysis of Financial Condition and Results of Operations in our latest 10-Q and other filings under the Securities and Exchange Act of 1934.



MONARCH
CASINO • BLACK HAWK

Pays	Pays
300 for 1	300 for 1
200 for 1	200 for 1
100 for 1	100 for 1
50 for 1	50 for 1
20 for 1	20 for 1
10 for 1	10 for 1
6 for 1	6 for 1

Summary

- **Excellent economic fundamentals in Reno and Black Hawk markets**
 - Significant outside business investment in the Reno area (Tesla, Apple, Amazon, Google, Switch, Jet.com, Zulily, etc.)
 - Denver economy is one of the nation's strongest
- **Monarch's properties have the premier locations in both markets**
- **Hands-on, results-oriented management with strong operating track record**
 - Increased adjusted EBITDA 55% at Black Hawk in first year of ownership
- **Strong balance sheet with current net leverage of 1.7x**
- **Financial overview: 2Q19 LTM**
 - Net revenue of \$245.6 million
 - Adjusted EBITDA of \$62.1 million

Source: Monarch Casino & Resort analysis, company filings

Regional Summary

Reno, NV

- Atlantis has been continually upgraded and expanded
 - Committed to outstanding restaurants; redesigned and upgraded coffee shop (2015), buffet (2016) and eatery (2017)
 - Added 300 new surface parking spaces
 - Minimal forward maintenance capex requirements

Black Hawk, CO

- Transforming property into full-scale casino resort spa with 516 hotel rooms
 - Upgrade of existing facility's interior complete
 - Completed 1,350 space parking structure in November 2016 to expand parking at property to ~1,500 spaces
 - New hotel tower and approximate doubling of casino underway

Source: Monarch Casino & Resort analysis, company filings

Historic Milestones

1970s

1972: Golden Door Motel purchased by the Farahi family

- 142 rooms and a coffee shop on 4 acres

1986: Purchase of 16 acre contiguous lot with goal of future expansion

1987: Casino operations commence with 50 slot machines

Phase I - Atlantis

1991: First high-rise tower opens

- 160 rooms
- 16,000 square feet of gaming space
- 500 slot machines
- 21 table games
- additional restaurant

1980s

1993: Initial stock offering raises \$17mm of expansion capital

Phase II - Atlantis

1994: Second high-rise opens and adds 283 rooms, 14,000 square feet of gaming space, 450 slot machines, 14 table games, a 300 seat buffet restaurant, and numerous other amenities

Phase III - Atlantis

1999: Third high-rise tower opens and adds 388 rooms, over 300 slot machines, several new restaurants, and 14,500 square feet of new meeting space

1990s

Phase IV - Atlantis

2Q08: Most recent expansion is completed, leaving property with:

- 969 rooms, 1,500 slot machines, 36 table games
- approximately 61,000 square feet of gaming space
- approximately 52,000 square feet of banquet, meeting room, and convention space
- approximately 40 acres of land for current operations and expansion

4Q10: Motor lodge (149 rooms) demolished as part of burnishing Atlantis' image and targeting status as a Four Diamond property; room count reduced to 824

2000s

2010s

Black Hawk

2Q12: Acquired Riviera Black Hawk

- 750 slot machines, 8 tables
- approximately 48,000 square feet
- contiguous 1.5 acre land parcel

4Q13: Rebranded property to Monarch Casino Black Hawk

3Q15: Completed renovation of existing casino at Monarch Casino Black Hawk

4Q16: Completed new Black Hawk parking structure; demolished existing garage

1Q17: Broke ground on hotel tower and casino expansion at Monarch Casino Black Hawk

Management has established track record of success in executing phased development projects with focus on generating attractive returns; four major projects completed on time and on budget in Reno

Positive Market Characteristics for the Reno Market

Wall Street Journal– “Developer Bets \$1 Billion on Reno”

“A billion-dollar residential-and-entertainment district planned for Reno, Nev., would be the city’s largest ever project, say local real-estate executives, and a big bet its economy can continue to break from its historic reliance on gambling.” – July 16, 2019

Northern Nevada Business View– “Tech company: Blockchain primed for major growth in Nevada”

“Blockchain technology, officially recognized in Nevada since a law passed in 2017, has attracted about \$300 million in investments statewide, according to Blockchains LLC.” – May 5, 2019

Bloomberg – “Boise and Reno Capitalize on the California Real Estate Exodus”

“For some Californians, the state’s punishing housing costs, high taxes, and constant threat of natural disaster have all become too much. They’re making their escape to areas such as Boise, Phoenix, and Reno, Nev., fueling some of the biggest home-price gains in the country.” – October 23, 2018

Wall Street Journal – “Forget Silicon Valley, The Future of Tech Is in These Three Cities”

“Sparks, Nevada [Sparks is a suburb of Reno]: The once-quiet 98,000-person neighbor of Reno is humming because of Tesla Motors and Panasonic’s joint construction project: a large-scale battery manufacturing plant for the carmaker’s electric vehicles and stationary storage products. The so-called Gigafactory, which broke ground in 2014, will be 5.5 million square feet and aims to employ about 6,500 people by 2020.” – June 19, 2018

Positive Market Characteristics for the Denver Market

Area Development– **“Amazon Expands Denver, Colorado, Tech Hub with Operations Center”**

“Amazon reported it plans to create 400 new high-tech jobs in fields including software and hardware engineering, cloud computing, and advertising at its hub in Denver, Colorado.” – May 1, 2019

Colorado Real Estate Journal – **“Headquarters activity in Denver remains robust ”**

“The future is bright for Denver’s ability to attract and retain headquarters. Ultra Petroleum, Maxar Technologies and Vertafore recently announced out-of-state headquarters relocations to Denver. By far the biggest headquarters story of 2018 is the recent announcement that VF Corp., one of world’s largest outdoor brands companies and a Fortune 250 firm, will relocate its global headquarters to Denver and bring 800 high-paying jobs.” – September 24, 2018

The Denver Post– **“Colorado’s economy outpacing nation’s robust growth rate”**

“The recent acceleration in economic growth is readily apparent in Colorado, where GDP growth has outpaced the nation for the past seven quarters” – August 9, 2018

The Denver Post – **“Colorado unemployment rate dips below 3 percent”**

“Colorado’s unemployment rate slipped to 2.9 percent in April, breaking a seven-month run at 3 percent, according to a monthly update from the Colorado Department of Labor and Employment.” – May 18, 2018



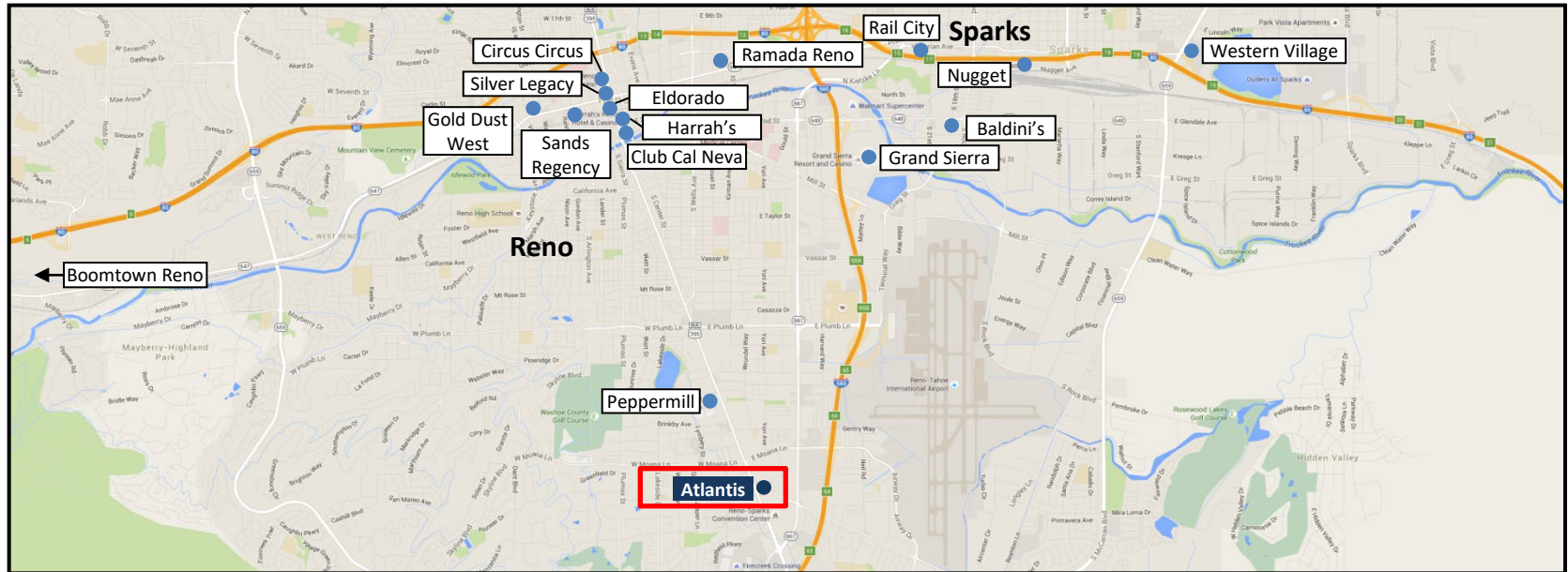
Atlantis Property Overview

- **Opened in 1991**
- **Fresh, award-winning facility**
 - **USA Today Travel** - #1 casino outside Las Vegas
 - **AAA** - “Four Diamond” rating
 - **Forbes** - Four-Star Award for Spa Atlantis
 - Only venue in Northern Nevada with this rating
 - **TripAdvisor** - Consistently rated #1 Reno resort, with numerous top rated restaurants
 - **U.S. News & World Report** - #1 Reno Hotel
 - **Forbes** - Most Trustworthy Companies
 - **Forbes** - America’s Best Midsize Employers
- **Casino**
 - ~61,000 square foot casino floor
 - 1,400 slot and video poker machines and 37 tables
 - Race/sports book (self managed live and mobile app)
 - 24-hour live keno lounge
 - Poker room
- **Other Amenities**
 - 3 hotel towers with a total of 818 rooms and suites
 - 8 restaurants, 2 coffee bars and 1 snack bar
 - ~52,000 square feet of banquet, convention, meeting space



Positioned Near More Affluent South Reno Communities

- **Ideal location in heart of south Reno's restaurant, shopping and convention district**
 - ~3 miles south of downtown in more affluent area
 - ~3 miles from Reno-Tahoe International Airport
 - Close to Reno's main north/south artery, Highway 395
 - ~40 acres on both sides of South Virginia Street for potential future development
- **500,000 square foot Reno-Sparks Convention Center located across the street**
 - Only resort physically connected to the facility via skywalk
- **40 minute drive from Tahoe's ski resorts, minutes from area golf courses**



Source: Monarch Casino & Resort analysis

Reno Market Growth Drivers

- Reno diversifying to broader base of industries including healthcare, manufacturing, distribution and technology as well as a variety of entrepreneurial startups
- Tesla Motors' "Gigafactory" is currently operational after having invested \$6 billion in their Northern Nevada plant to date
 - Tesla's facility has created a halo effect for Reno, spiking interest among other companies looking to either relocate to or establish ancillary offices in Reno
- Significant redevelopment efforts have been made to position the city as a flourishing commercial, cultural and recreational hub

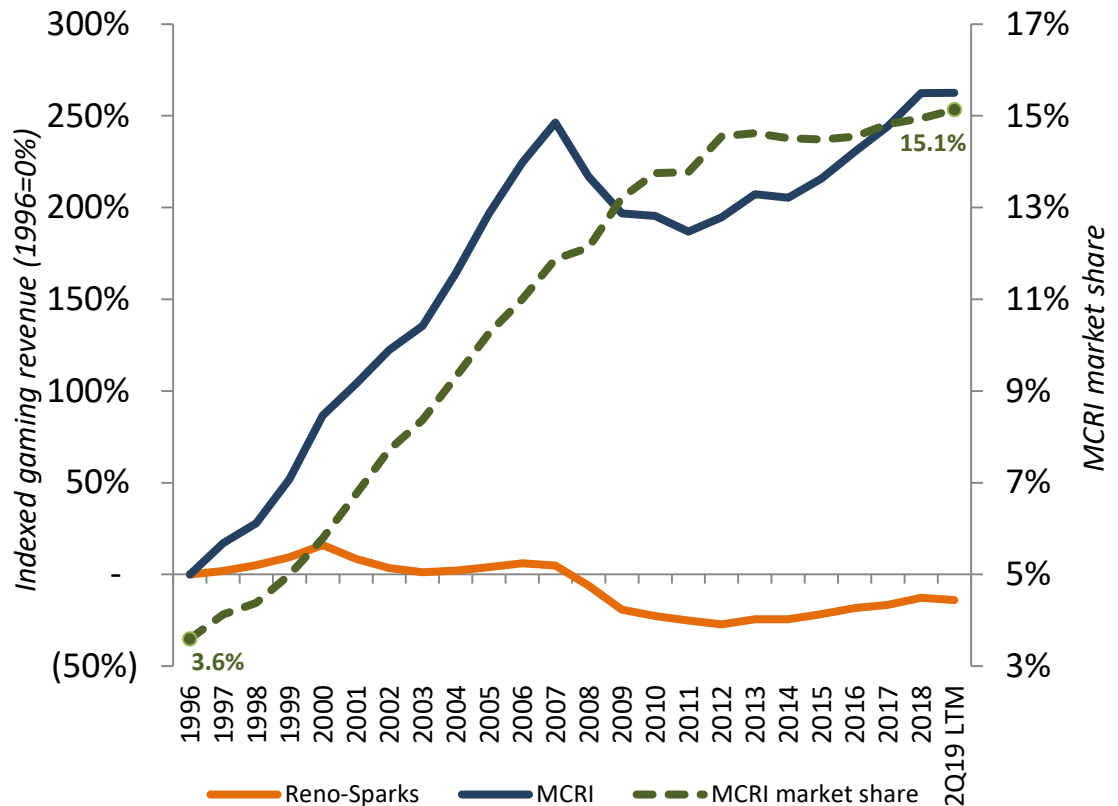
"MOBE's [300 highly skilled jobs] expansion to Reno makes strategic sense," said Mark Evenstad, Founder and CEO of MOBE [health tech company] . 'We appreciate the city's business-friendly environment and natural beauty; and Reno's strong growth potential, talent pool, well-regarded medical school and proximity to Silicon Valley make it extremely compelling.'" - Northern Nevada Business View (4/25/19)

"The Tesla Gigafactory's economic impact on Nevada has exceeded projections, bringing in more than 7,000 jobs and \$6 billion in capital investment, according to a new economic impact summary."
- Las Vegas Review-Journal (12/5/18)

Source: News reports

Atlantis Casino Market Share

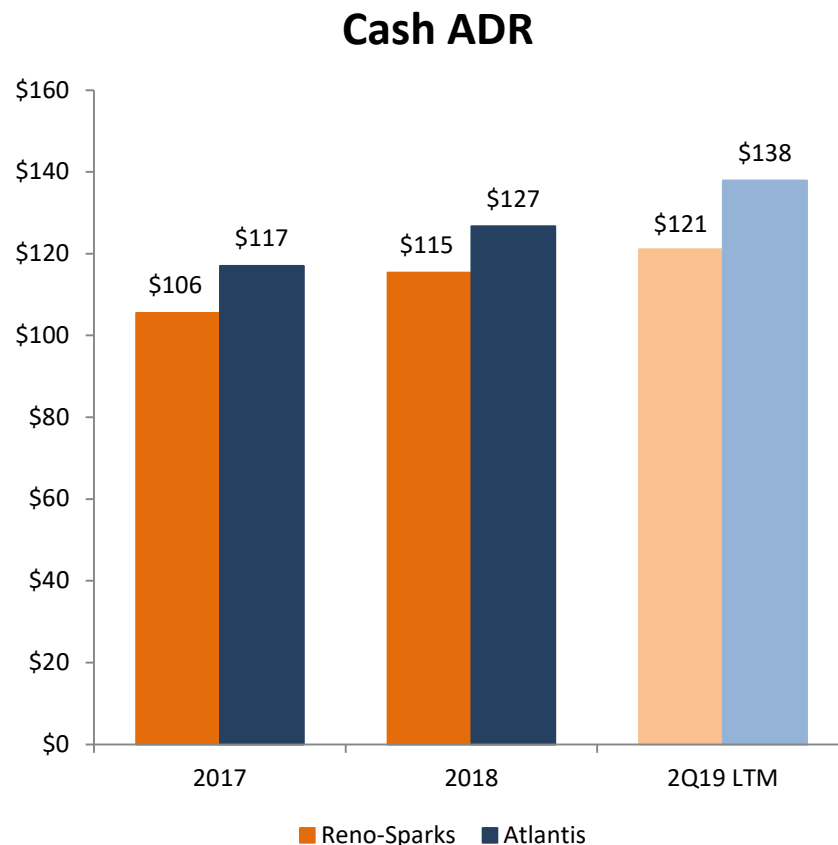
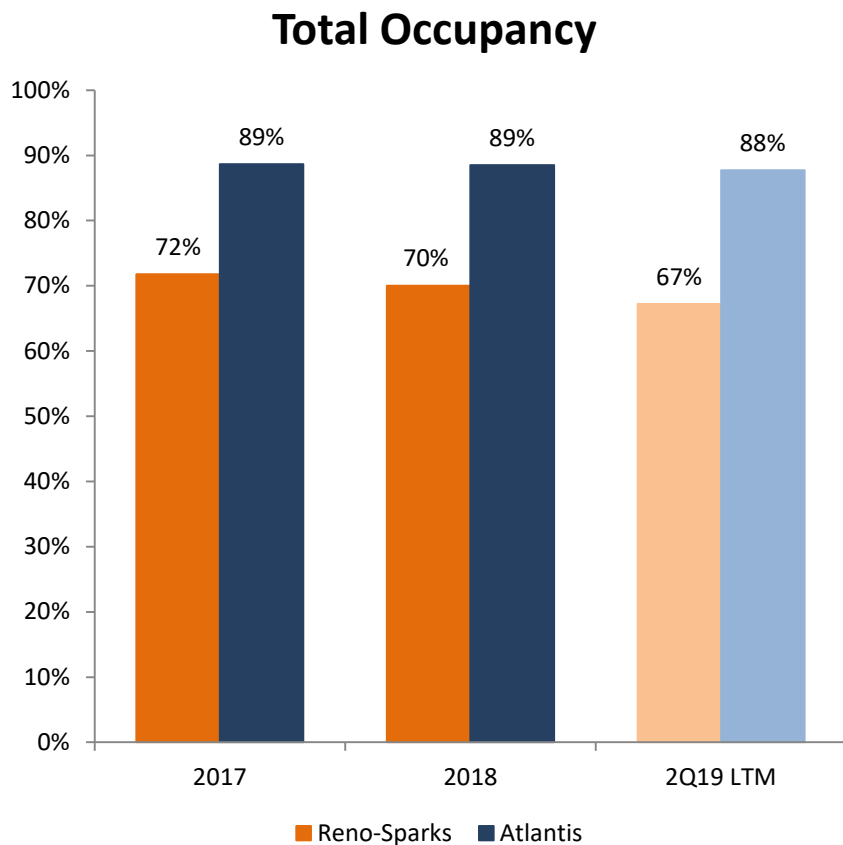
- Atlantis has outperformed the greater Reno-Sparks market for the last 22 years by focusing on providing best-in-class experiences, amenities, and service
- In recent years, Monarch has leveraged its proprietary player segmentation methodologies to maintain share and improve casino profitability



Over its history, the Atlantis has grown, and then retained, its market share in the fiercely competitive northern Nevada market

Source: Monarch Casino & Resort analysis, NV Gaming Control Board

Atlantis Hotel Occupancy and Cash ADR¹



Atlantis outperforms the market in both occupancy and cash ADR¹

Source: Monarch Casino & Resort analysis, Reno-Sparks Convention & Visitors Authority

1) Cash ADR is inclusive of resort fees.



Monarch Casino Black Hawk

Monarch Property Overview

- Acquired in April 2012
- Existing facility redesigned and upgraded from June 2012 to August 2015
- Broke ground on major expansion in January 2017

Property Amenities

- 32,000 square foot casino with ~749 slots and 14 tables
- Buffet restaurant and snack bar
- Parking structure with ~1,350 spaces
- Currently no hotel at the property

2012 Acquisition Overview of Black Hawk

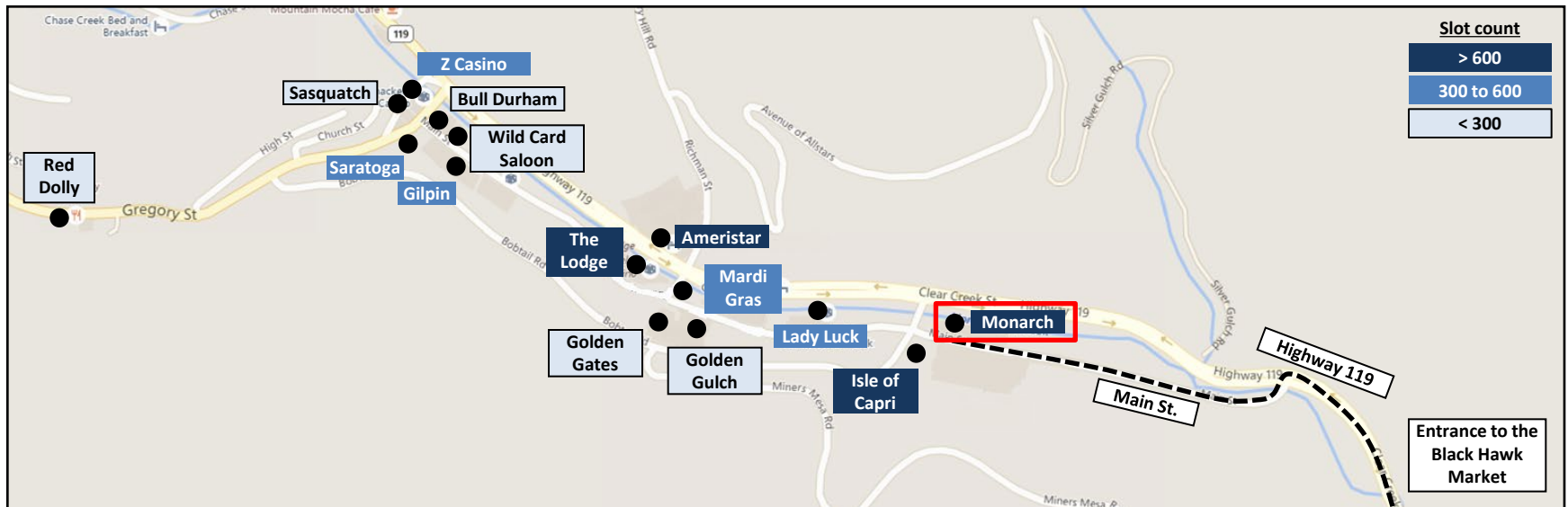
- Transaction purchase price of \$76.0 million cash (\$69.2 million net of \$2.1 million of cash and \$4.7 million of NOLs)
- LTM Adjusted EBITDA of \$10.3 million at time of announcement
- Acquired at 6.7x multiple (4.9x after first year of ownership¹)
- Contiguous 1.5 acre land parcels acquired for \$10 million that received gaming zoning approval



1) Adjusted EBITDA based on LTM Adjusted EBITDA through March 31, 2013. That period includes 26 days in April 2012 prior to Monarch's April 26, 2012 acquisition.

Property Location

- ~35 miles west of Denver
- ~35 miles southwest of Boulder
- ~20 miles west of Golden
- ~77 miles east of Vail
- Strategically located at the entrance to Black Hawk
- First property encountered by visitors arriving from Denver and other population centers to the east



Black Hawk Gaming Market

- **15 casinos**

- 6,987 slot machines
- 147 table games
- Only four casinos offer more than 500 slot machines
- 988 hotel rooms spread across four gaming facilities

- Monarch Casino Black Hawk is the fourth largest property by slot positions
- Colorado voters will decide via a November 2019 ballot referendum whether to allow sports gambling at existing casinos as well as online through casino-linked licensed entities beginning May 2020

Property Level Detail

Property	Location	Slots ¹	Tables ¹	Rooms ²
Ameristar (PENN)	Black Hawk	1,223	40	536
The Lodge (JACENT)	Black Hawk	966	26	50
Isle of Capri (ERI)	Black Hawk	934	31	238
Monarch Black Hawk	Black Hawk	749	14	-
Saratoga Black Hawk	Black Hawk	442	8	-
Mardi Gras (TRWH)	Black Hawk	433	8	-
Lady Luck (ERI)	Black Hawk	431	7	164
Z Casino	Black Hawk	421	5	-
Gilpin Casino (JACENT)	Black Hawk	384	0	-
Wild Card Saloon	Black Hawk	250	-	-
Bull Durham	Black Hawk	194	-	-
Sasquatch Casino	Black Hawk	186	-	-
Golden Gates (TRWH)	Black Hawk	179	8	-
Red Dolly Casino	Black Hawk	131	-	-
Golden Gulch (TRWH)	Black Hawk	64	-	-
Black Hawk total	Black Hawk	6,987	147	988

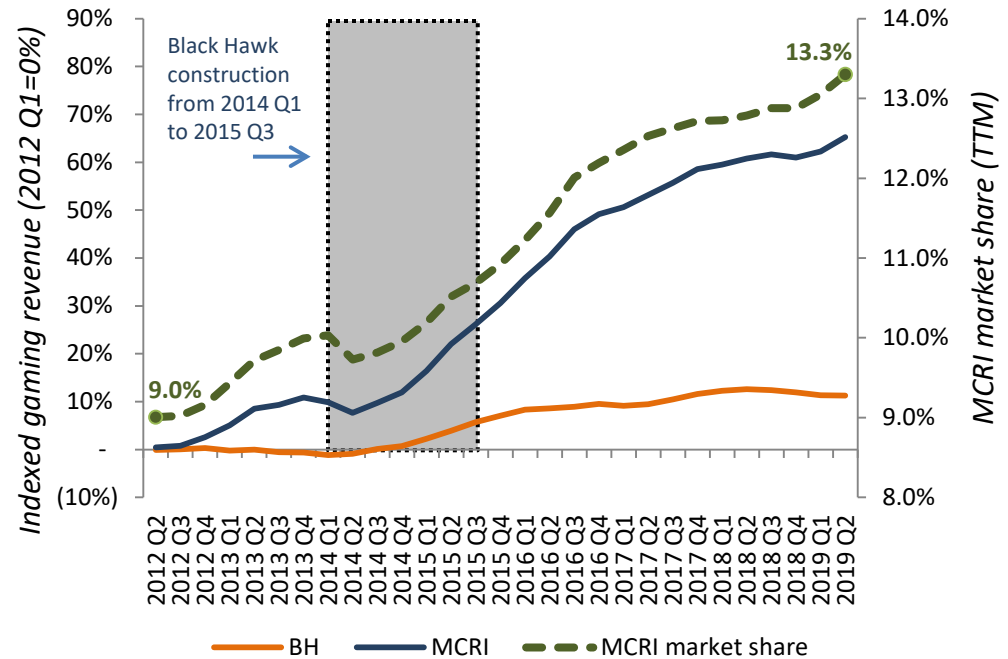
Source: Monarch Casino & Resort analysis, Macquarie, Colorado Department of Revenue, City of Black Hawk

1) Per Colorado Division of Gaming; table counts exclude player banked poker.

2) Per company website or hotel reservation line.

Monarch Black Hawk Market Share

- Monarch Casino Black Hawk market share has dramatically increased since the acquisition
- TTM market share has increased 430 bps, or 48%, from 9.0% in 1Q12 (acquired 2Q12) to 13.3%
- Despite significant ongoing construction disruption, Monarch Casino Black Hawk has grown market share consistently each quarter since 3Q14



Monarch Casino Black Hawk is proving its investment thesis even prior to the resort completion, stimulating market growth in 2014 with the opening of its redesigned casino floor, and growing market share by attracting new guests to its superior product

Source: Monarch Casino & Resort analysis, CO Division of Gaming

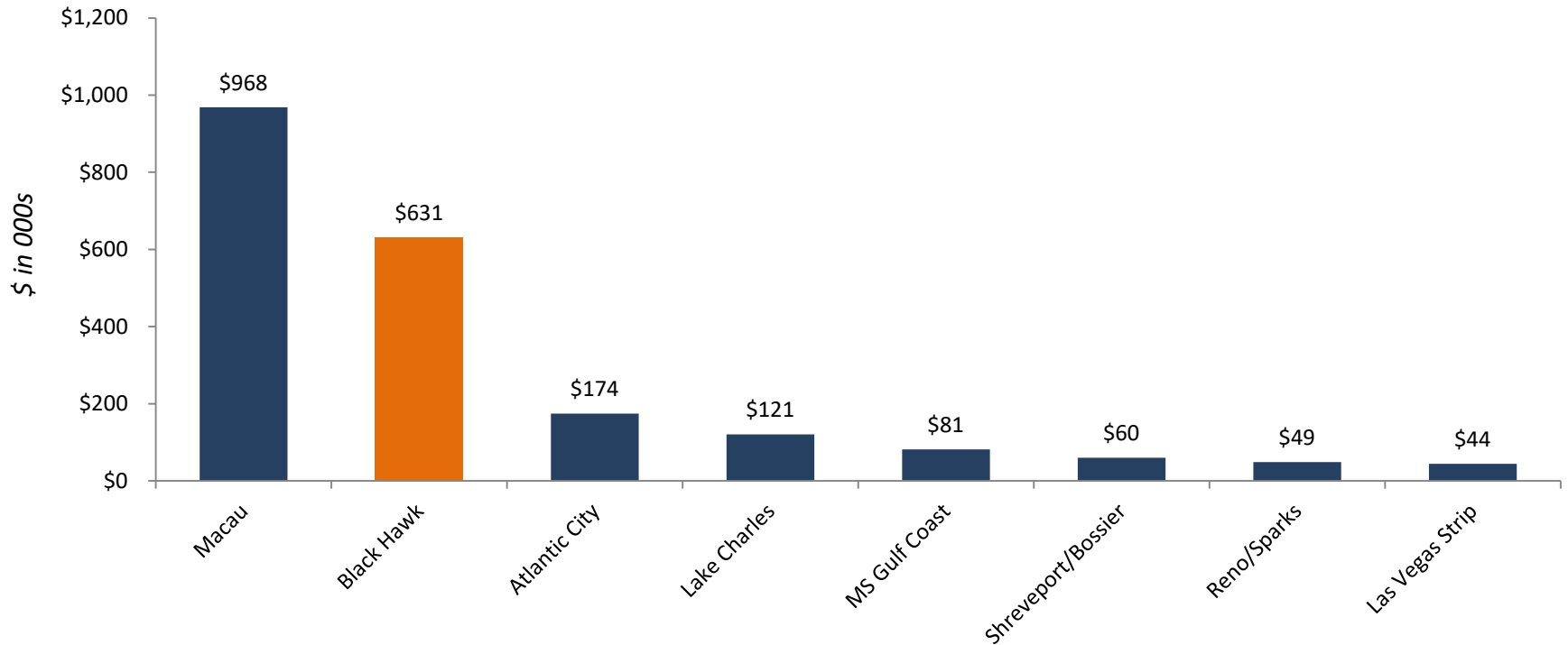
Rationale for Further Investment in Black Hawk

- **Denver metro area is an attractive target market**
 - Population of more than 3 million
 - Median household income of \$76,643 is 30% above the national average
 - 4.8% median household income growth in 2017 ranks second amongst large metro areas
 - Fourth largest supplier of air traffic to Las Vegas (originating passengers only), indicating potential to attract a portion of travelers to a well-appointed resort in Black Hawk
- **Black Hawk significantly underserved by quality casino product and hotel rooms**
 - Only true “resort quality” product in the market today is Ameristar
 - Reno, with more than 15,000 hotel rooms, has more than 15 times Black Hawk’s room inventory but generates about the same amount of gaming revenue as Black Hawk
 - Adding quality room product expected to grow market and generate attractive return
- **Significant barriers to entry limit the threat of potential new competition**
 - Scarcity of available and developable land in Black Hawk
 - Commercial gaming in Colorado is restricted to three mountain towns
 - Black Hawk; Central City; Cripple Creek

Source: Monarch Casino & Resort analysis, U.S. Census, Bureau of Economic Analysis, Bureau of Labor Statistics, Bureau of Transportation Statistics, Colorado Division of Gaming

Black Hawk Market Underserved by Hotel Rooms

2018 Gross Gaming Revenue per Hotel Room

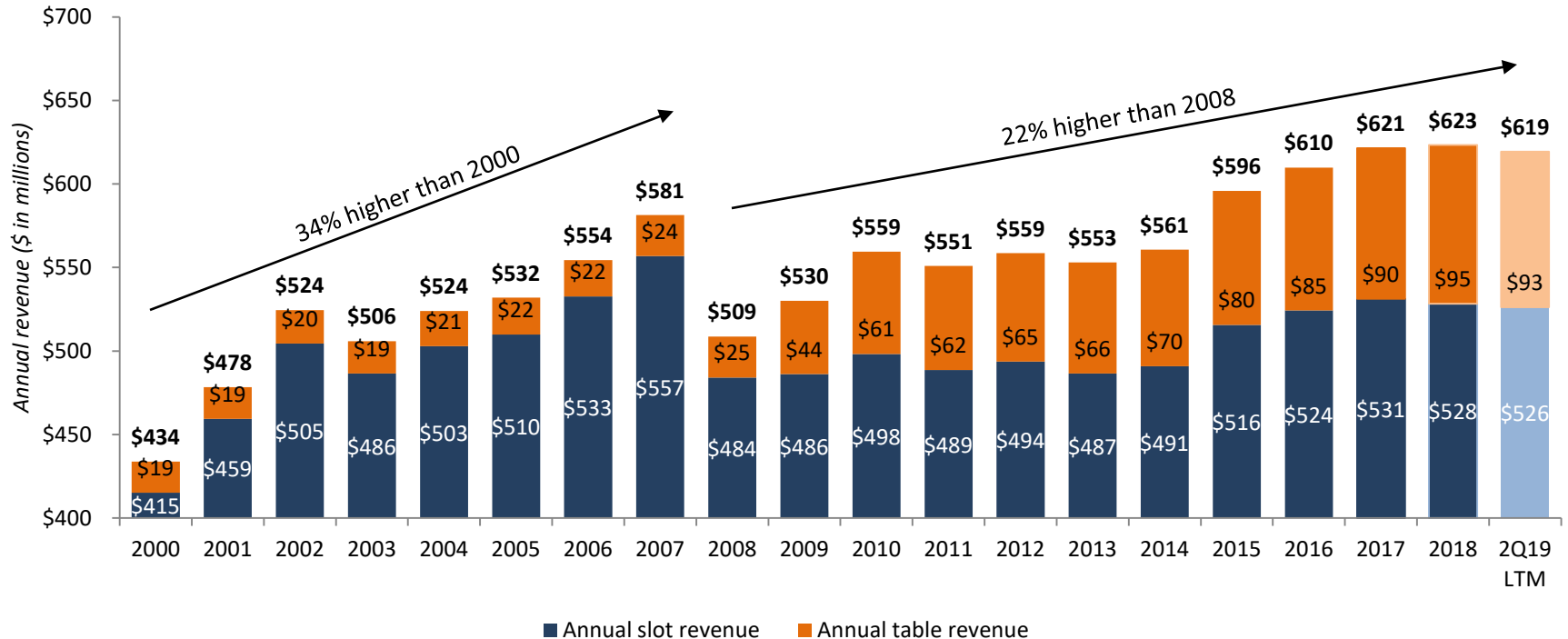


Black Hawk has the highest GGR per hotel room nationwide at \$631K, and is second only to Macau GGR per hotel room worldwide

Source: Wall Street Research, public regulatory sources

Black Hawk Total Gaming Revenue

Black Hawk Market Performance

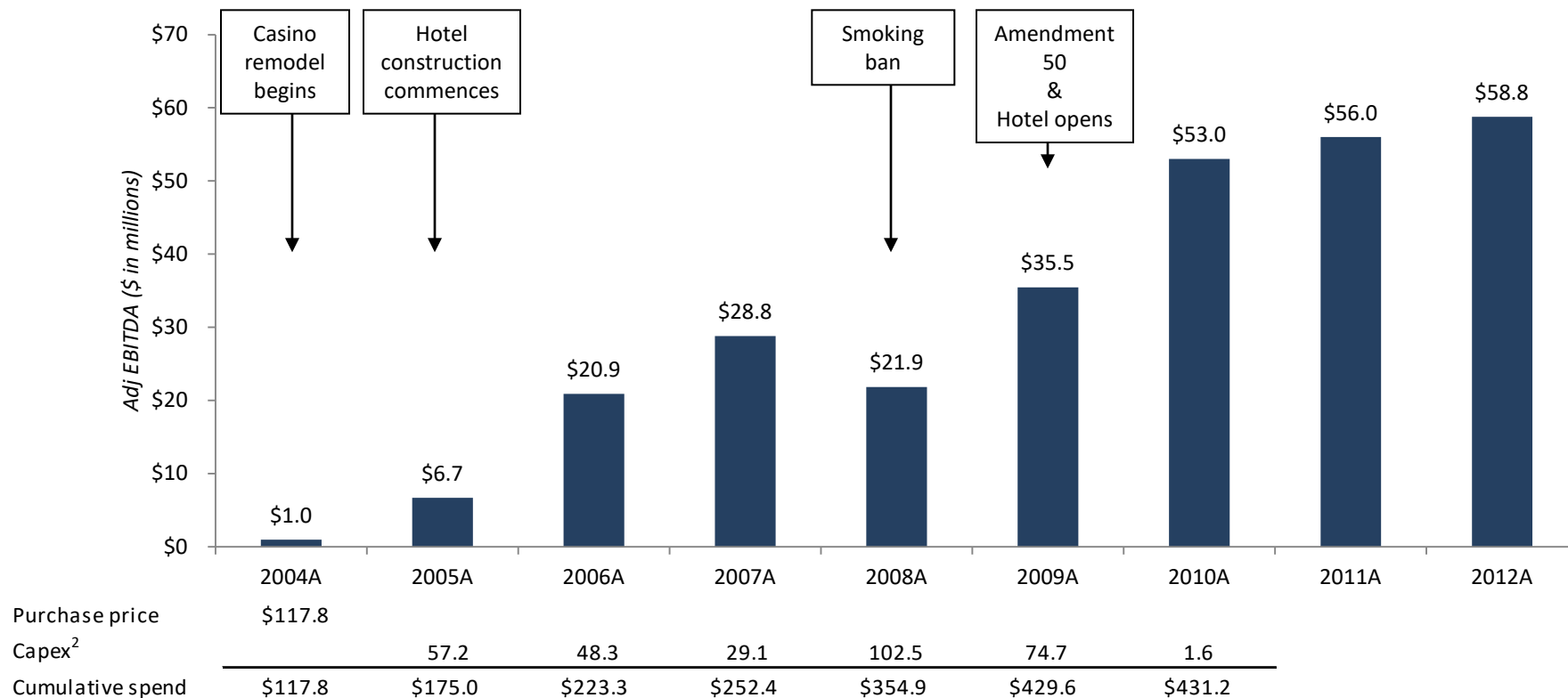


Black Hawk market has more than recovered from impact of smoking ban and recession in 2008

Source: Monarch Casino & Resort analysis, Colorado Department of Revenue

Ameristar Black Hawk Case Study

Annual Adjusted EBITDA and Capital Spend for Ameristar Black Hawk¹



Ameristar grew adjusted EBITDA from \$7mm to \$59mm EBITDA (last publicly reported number) driven by \$431mm of investment (\$118mm purchase price and \$313 capex, of which \$233mm was the hotel)

Source: Monarch Casino & Resort analysis, company filings

1) 2012 is the last calendar year available for Ameristar Black Hawk specifically due to the merger with PNK.

2) Capex numbers are from Ameristar's SEC filings.

Monarch Existing Facility Upgrades

Original Cabaret Stage



Phase 1



Phase 2



Phase 3



Hotel Tower/Casino Expansion

New Parking Structure

- 9-story, ~1,350 space garage now open
- Increased on-site parking from ~500 spaces to ~1,500 spaces

Hotel Tower/Casino Expansion

- Groundbreaking held in February 2017
- Project includes:
 - 23-story tower with 516 hotel rooms
 - Roughly double the existing casino space
 - Poker room
 - World-class spa and pool facility on the top floor of hotel tower
 - Three additional restaurants and additional bars
 - Cost expected to be financed through a combination of cash flow from operations and existing credit facility

Hotel Tower/Casino Expansion

Expansion



New Parking Structure



South View Rendering



Exterior Pool Rendering



Hotel Tower/Casino Expansion: Current Progress

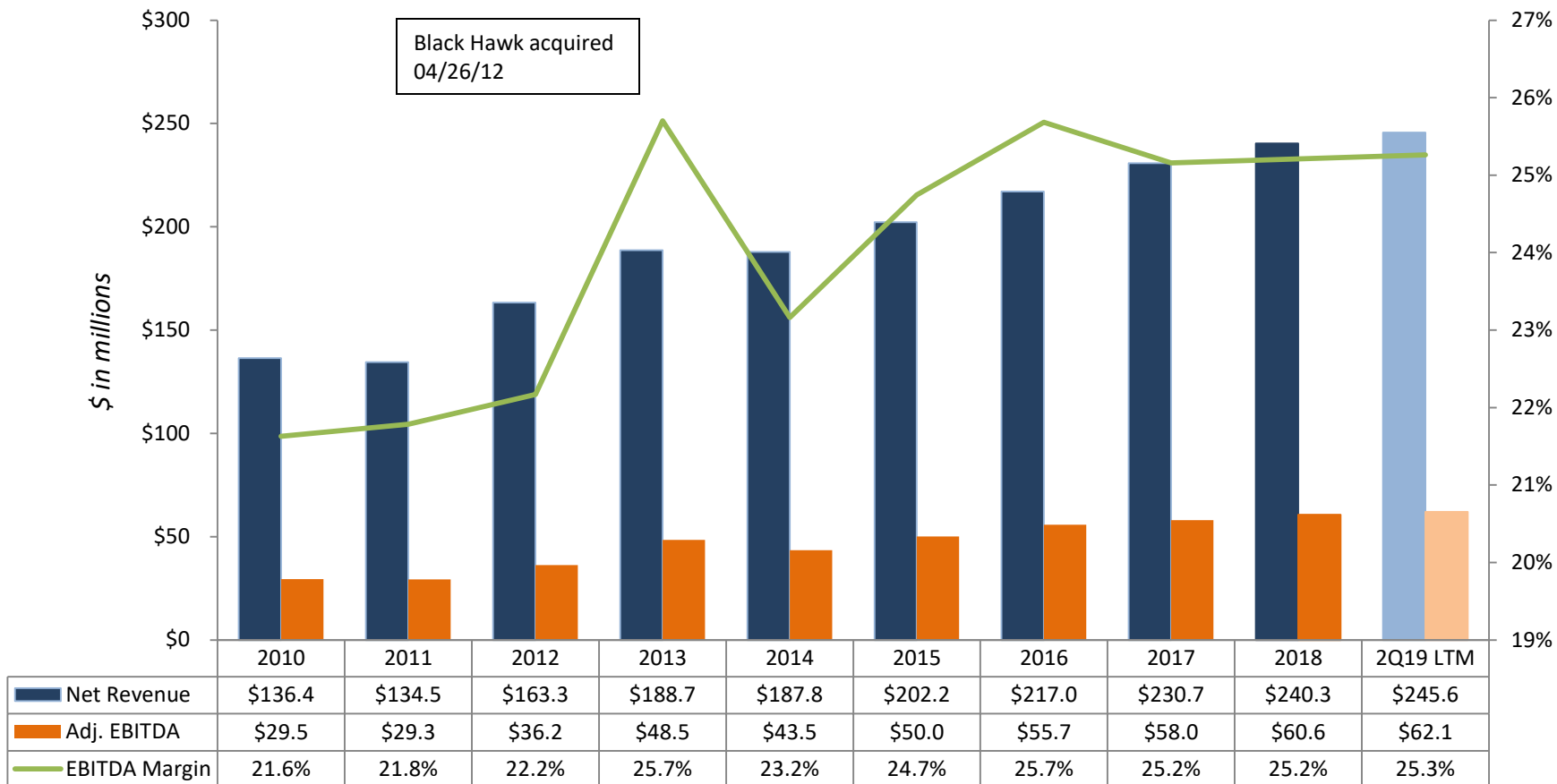




Passes	Bets
10	300 for 1
10	200 for 1
10	100 for 1
10	50 for 1
10	20 for 1
10	10 for 1
10	6 for 1

Monarch Consolidated Results

Income Statement



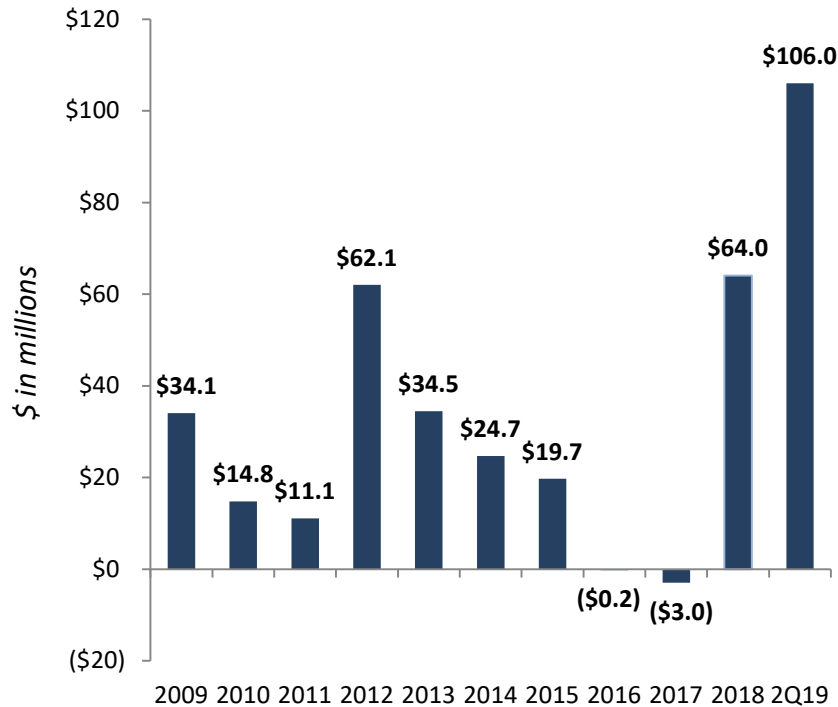
2Q19 LTM net revenue is 2.2% higher and adjusted EBITDA¹² is 2.4% higher than 2018

Source: Monarch Casino & Resort analysis

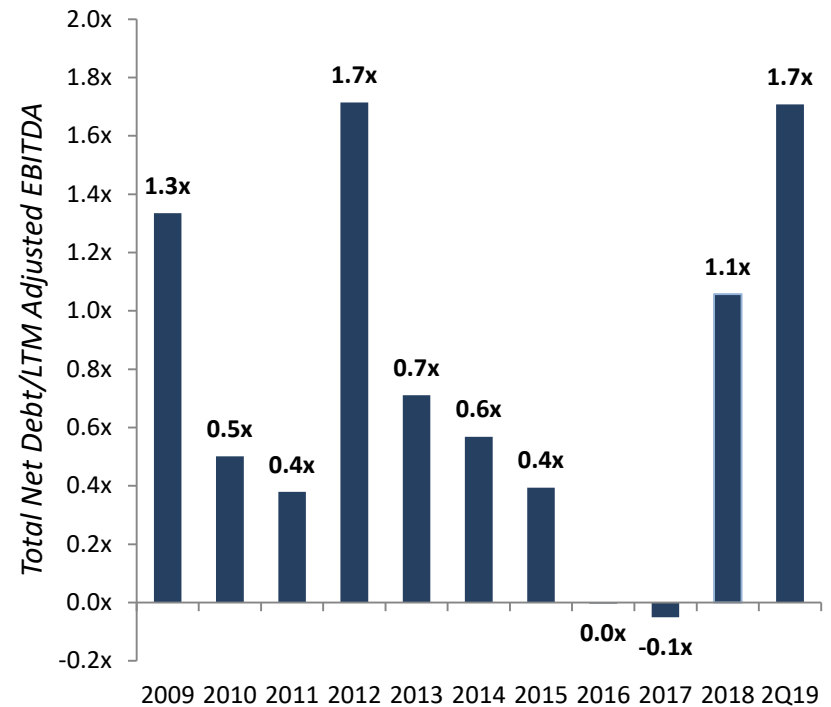
- 1) EBITDA is adjusted for stock option expense and one-time charges.
- 2) 2016 Adjusted EBITDA includes \$1.7 million in one-time expenses related to Atlantis buffet remodeling project.

Strong Balance Sheet

Net Debt



Net Leverage Ratio



Monarch Black Hawk's expansion capex increased net leverage to 1.7x

Source: Monarch Casino & Resort analysis

Summary

- **Optimally positioned in two of the country's most robust markets**
- Monarch has consistently invested in and upgraded Atlantis to ensure continued market leadership
- Strong Black Hawk results despite construction disruption
 - Market share has consistently improved from 9.0% to 13.3% since acquisition
- Solid, conservative balance sheet with 1.7x net leverage
 - Black Hawk expansion to be fully funded by cash flow from operations and existing credit facility
- **Monarch strives to grow shareholder value by pursuing prudent and long term strategic growth opportunities**