



Investor Presentation

Fourth 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-K and other filings under the Securities and Exchange Act of 1934.



MONARCH
CASINO • BLACK HAWK

Wager	Pays
10	300 for 1
200 for 1	11
100 for 1	11
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Company Overview

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**
 - Atlantis continues to grow share in competitive Reno market
 - Black Hawk market share has grown each quarter since 3Q14
- **Strong balance sheet with current net leverage of 2.2x**
- **Financial overview: Full-year 2019**
 - Net revenue of \$249.2 million
 - Adjusted EBITDA¹ of \$61.7 million

Source: Monarch Casino & Resort analysis, company filings

1) EBITDA is adjusted for stock option, pre-opening and construction litigation expenses, and one-time charges.

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
 - New hotel suites (2019)

Black Hawk, CO

- Transforming property into full-scale casino resort spa with 516 hotel rooms
 - 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

1980s

1990s

2000s

2010s

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

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

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

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

Positive Market Characteristics for the Reno Market

Inc. – “**Why More Entrepreneurs Are Moving Away From Major U.S. Startup Hubs**”

“Where they go when they leave typically includes places with a lower cost of living and relative ease of doing business. **Reno** is the top destination for tech founders leaving Silicon Valley, for instance. The city has become a growing hub for tech behemoths; Apple, Google, and Tesla all built data centers in the area in the past six years. Reno has also seen large increases in population and annual salaries, according to the Milken Institute, which ranked the best-performing cities in the U.S. last year.” – February 18, 2020

Nevada Appeal – “**Nevada job growth fastest in nation for 10th month in a row**”

“Reno-Sparks, riding the boom in construction and expansion at the Tahoe Reno Industrial Center, only 9,200 [people] were looking for work in a pool of 266,900.” – August 21, 2019

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

Positive Market Characteristics for the Denver Market

Colorado Politics – **“Denver ranks No. 3 in top US job markets, WSJ reports”**

“In 2019, Denver ranked highest for the number of people employed or actively seeking employment at nearly 71%. It came in fourth place for wage growth at nearly 5%, and eighth place for unemployment at 3%.” – February 26, 2020

Bisnow – **“CBRE Report: Denver Is No. 10 In U.S. For Tech Jobs Growth”**

“Denver’s millennial population grew by nearly 40% from 2012 to 2017, nearly four times faster than its overall population growth, according to DEDO [Denver Economic Development & Opportunity]. Denver’s creative class grew by more than 30% during that time, making the city’s growth rate the fourth-highest among the nation’s 50 largest cities.” – December 2, 2019

FiveThirtyEight – **“Denver’s Tech Boom: How One City is Building the Next Generation of Thriving Businesses”**

“More tech companies are coming to Denver. Fortune 500 companies like Amazon, Facebook and Arrow Electronics all have offices there. Denver also has welcomed homegrown companies like SendGrid, an email delivery service recently acquired by the cloud communications company Twilio for \$3 billion.” – May 20, 2019

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



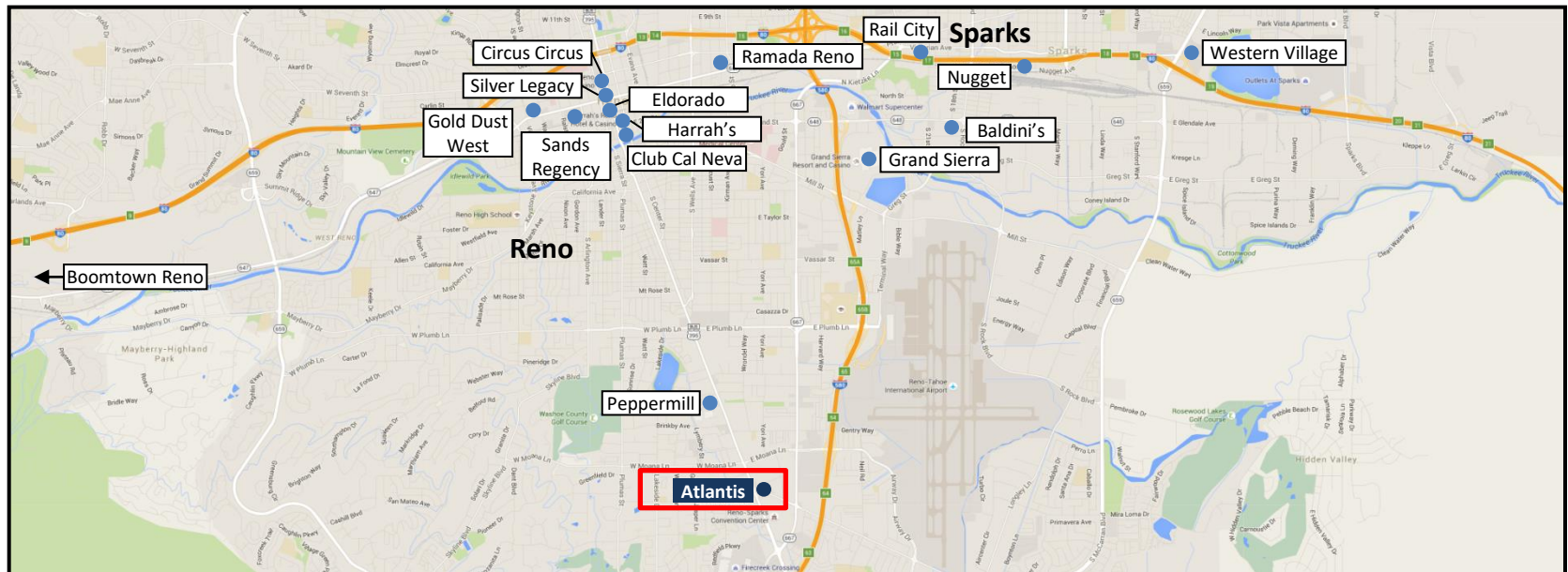
Atlantis Reno Property Overview

- **Opened in 1991**
- **Fresh, award-winning facility**
 - **TripAdvisor** - Rated #1 Reno resort for 5 years straight, with numerous top rated restaurants, consistently #1, #2 & #3
 - **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
 - **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 36 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

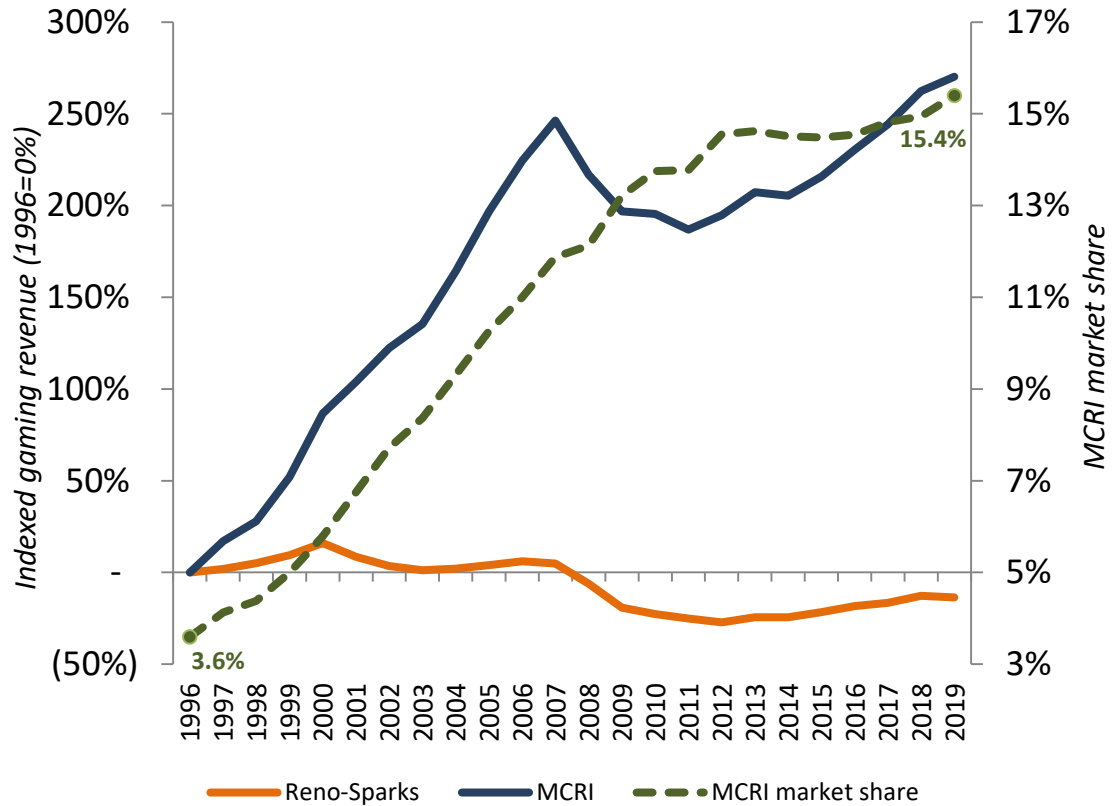
"Harrah's Reno has been sold to an affiliate of a Las Vegas investment firm with plans to turn the long-time hotel-casino into a non-gambling property with apartments, office space and retail stores." – U.S News & World Report (1/16/20)

"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)

Source: News reports

Atlantis Casino Resort Spa Market Share

- Atlantis has outperformed the greater Reno-Sparks market for the last 23 years by focusing on providing best-in-class experiences, amenities, and service
- Monarch continuously leverages its proprietary player segmentation methodologies to improve casino profitability

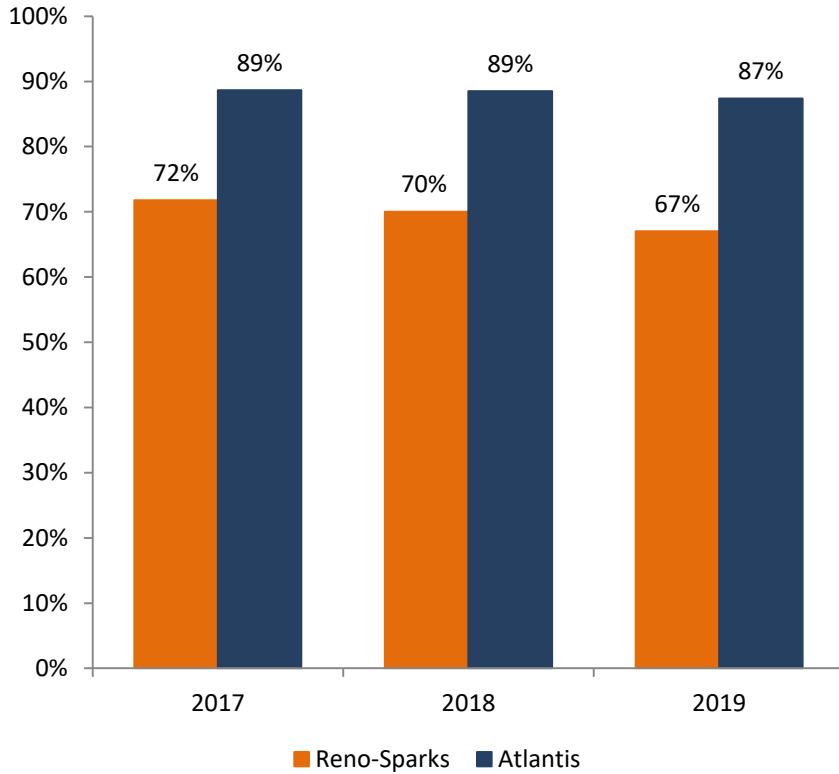


Over its history, the Atlantis has grown market share in the fiercely competitive northern Nevada market, growing share for the past three consecutive quarters and achieving a new TTM market share record of 15.4%

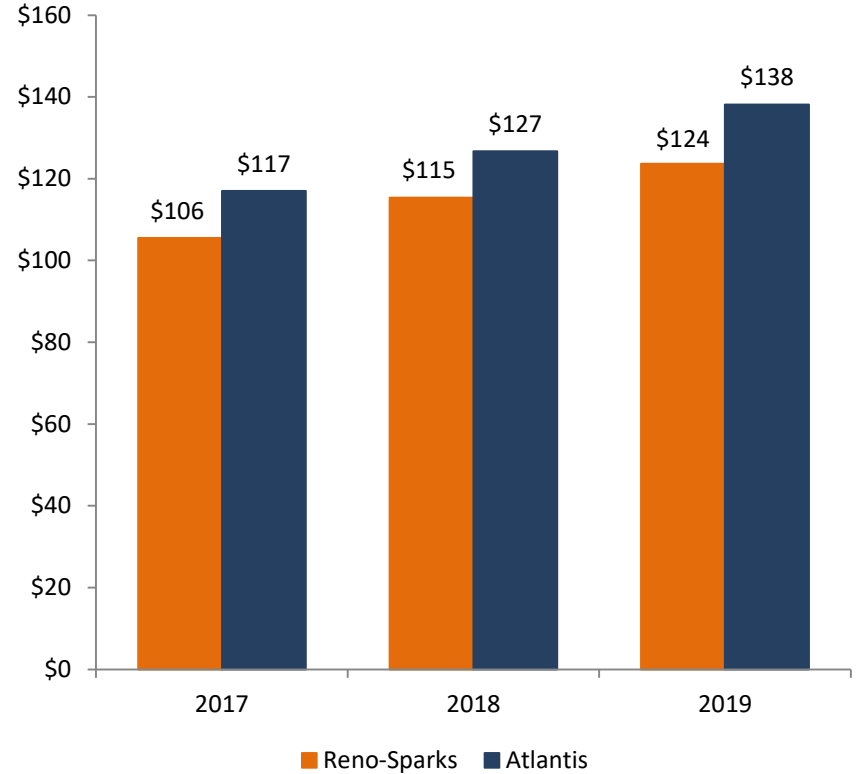
Source: Monarch Casino & Resort analysis, NV Gaming Control Board

Atlantis Hotel Occupancy and Cash ADR¹

Total Occupancy



Cash ADR



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 Resort Spa

Monarch Black Hawk 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 ~743 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

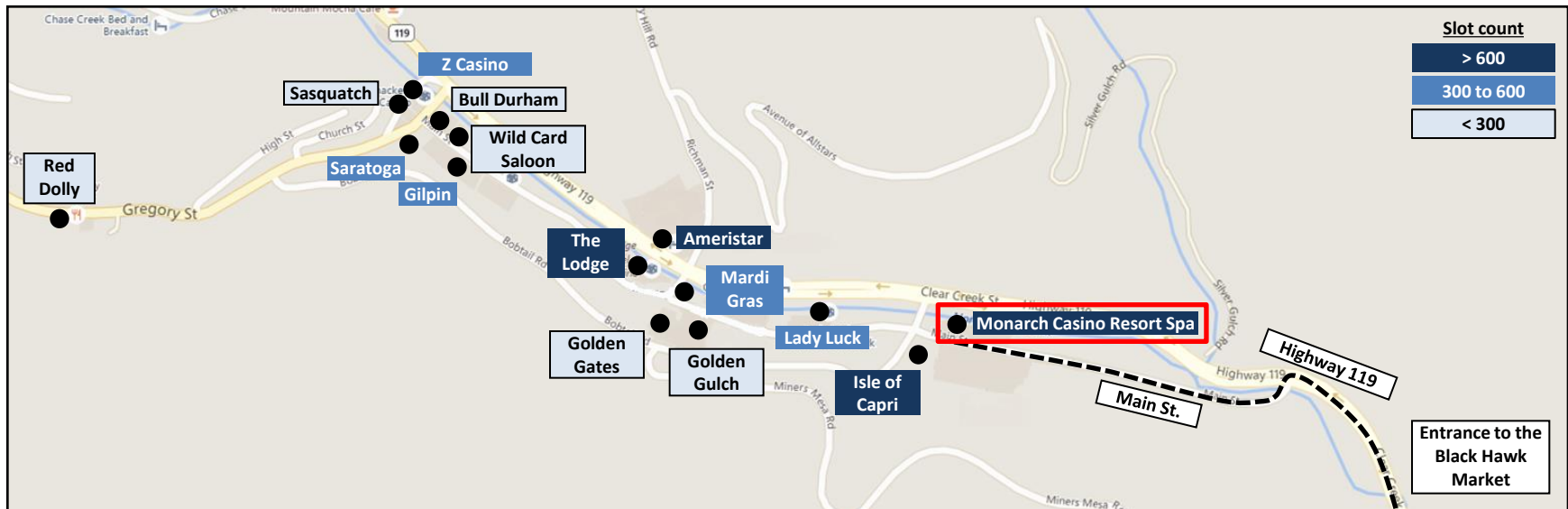
- Transaction purchase price of \$76.0 million cash (\$69.2 million net of \$2.1 million of cash and \$4.7 million of NOLs)
- LTM Adjusted EBITDA of \$10.3 million at time of announcement
- Acquired at 6.7x multiple (4.9x after first year of ownership¹)
- Contiguous 1.5 acre land parcels acquired for \$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**
 - 6,837 slot machines
 - 149 table games
 - Only four casinos offer more than 500 slot machines
 - 988 hotel rooms spread across four gaming facilities
- Monarch Casino Resort Spa is the fourth largest property by slot positions
- Colorado has voted to allow sports betting, which will commence on May 1, 2020
 - Monarch Casino Resort Spa has received its master sports betting license, and anticipates having a sports counter and app live on May 1, 2020

Property Level Detail

Property	Location	Slots ¹	Tables ¹	Rooms ²
Ameristar (PENN)	Black Hawk	1,240	40	536
The Lodge (JACENT)	Black Hawk	963	26	50
Isle of Capri (ERI)	Black Hawk	909	29	238
Monarch Casino Resort Spa	Black Hawk	743	14	-
Saratoga Black Hawk	Black Hawk	437	12	-
Mardi Gras (TRWH)	Black Hawk	420	8	-
Z Casino (Maverick)	Black Hawk	404	5	-
Lady Luck (ERI)	Black Hawk	415	7	164
Gilpin Casino (JACENT)	Black Hawk	309	-	-
Wild Card Saloon	Black Hawk	250	-	-
Bull Durham	Black Hawk	194	-	-
Sasquatch Casino	Black Hawk	186	-	-
Golden Gates (TRWH)	Black Hawk	172	8	-
Red Dolly Casino	Black Hawk	131	-	-
Golden Gulch (TRWH)	Black Hawk	64	-	-
Black Hawk total	Black Hawk	6,837	149	988

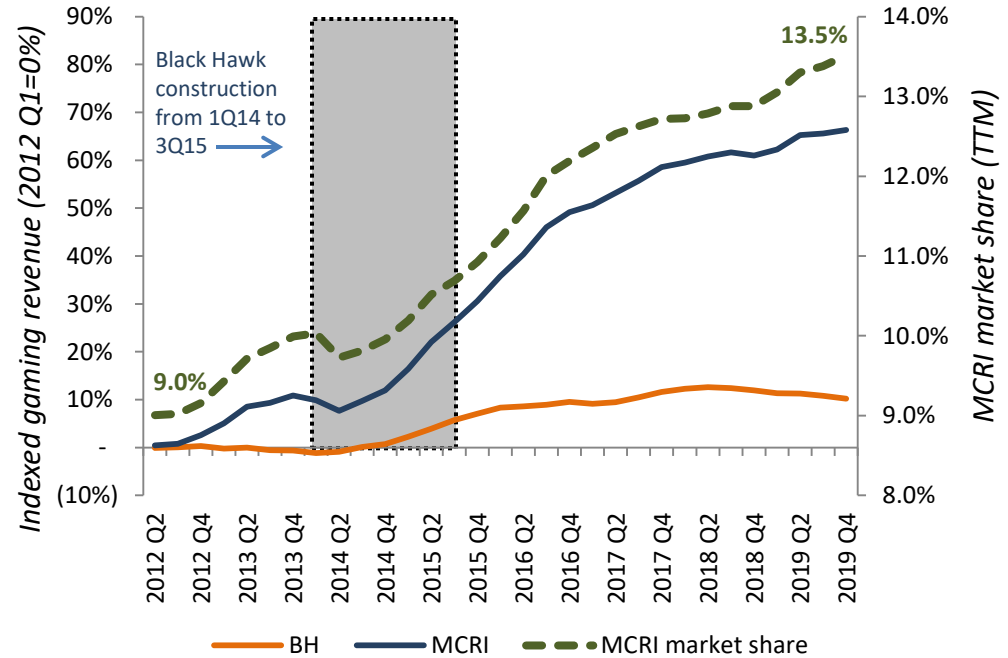
Source: Monarch Casino & Resort analysis, Macquarie, Colorado Department of Revenue, City of Black Hawk

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

2) Per company website or hotel reservation line.

Monarch Casino Resort Spa Market Share

- Monarch Casino Resort Spa market share has dramatically increased since the acquisition
- TTM market share has increased 450 bps, or 50%, from 9.0% in 1Q12 (acquired 2Q12) to 13.5%
- Despite significant ongoing construction disruption, Monarch Casino Resort Spa has grown market share for 22 straight quarters



The thesis for Monarch Casino Resort Spa's transformation is already proving out, with the redesigned casino floor stimulating overall market growth beginning in 2014 and superior product driving market share gains since that point

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

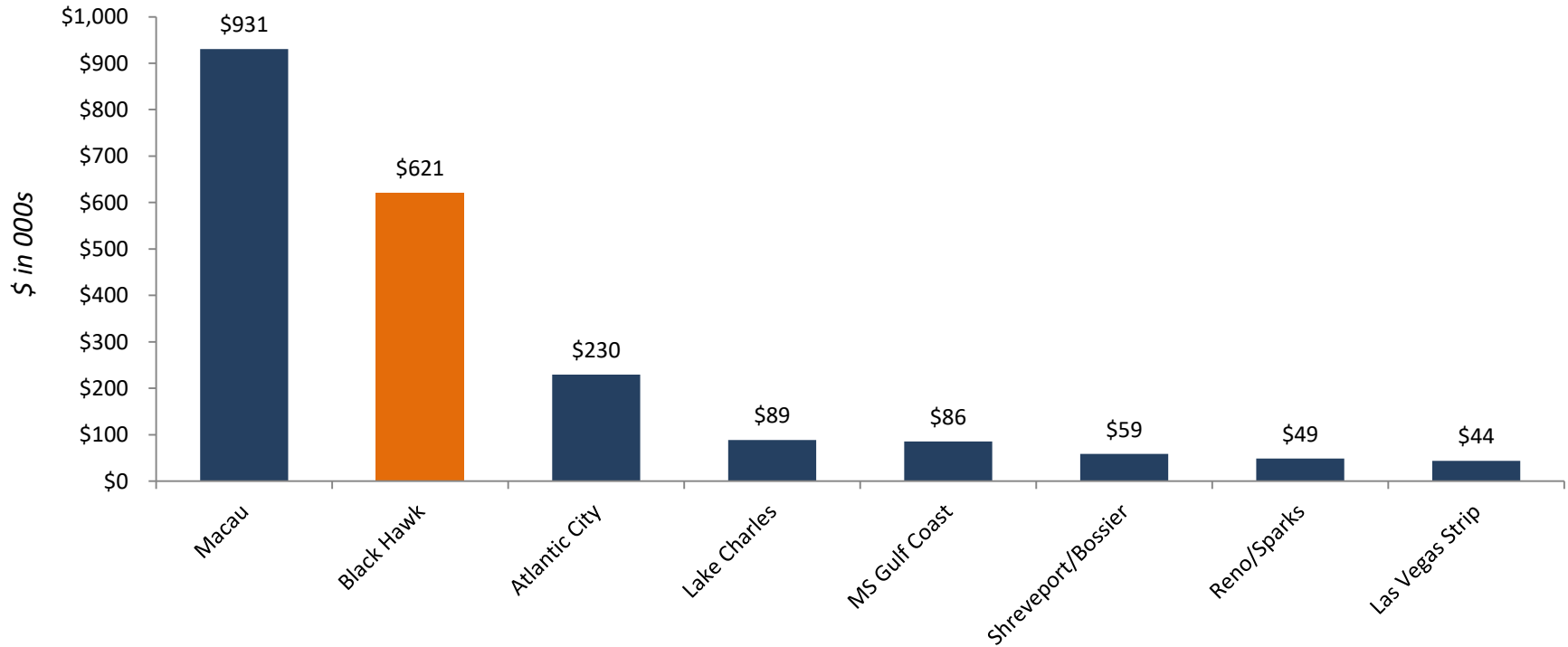
Rationale for Further Investment in Black Hawk

- **Denver metro area is an attractive target market**
 - Population of more than 3 million
 - Median household income of \$79,478 is 26% above the national average
 - 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
 - Monarch’s investment has driven all major competitors to invest in facility upgrades, positively impacting the perception of visitors to the city
- **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

2019 Gross Gaming Revenue per Hotel Room

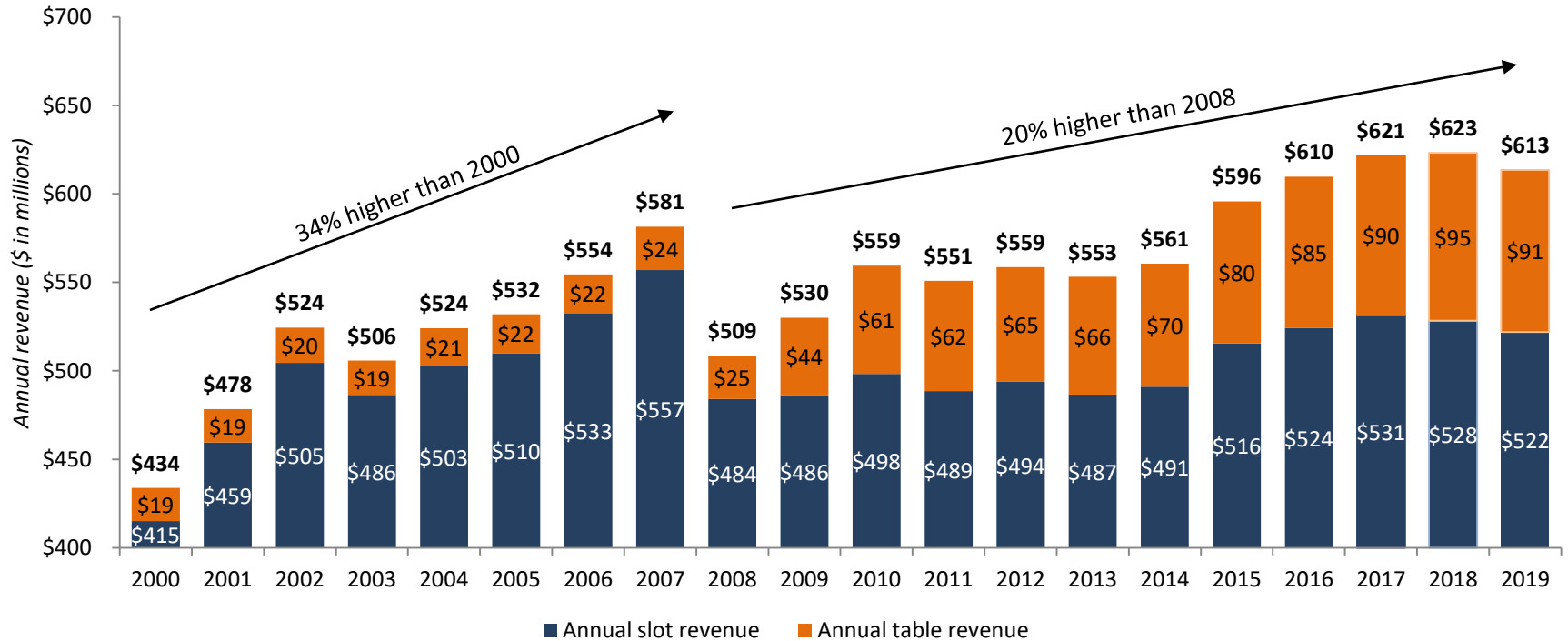


Black Hawk has the highest GGR per hotel room nationwide at \$621K, and is second only to Macau GGR per hotel room worldwide

Source: Wall Street Research, public regulatory sources

Black Hawk Total Gaming Revenue

Black Hawk Market Performance

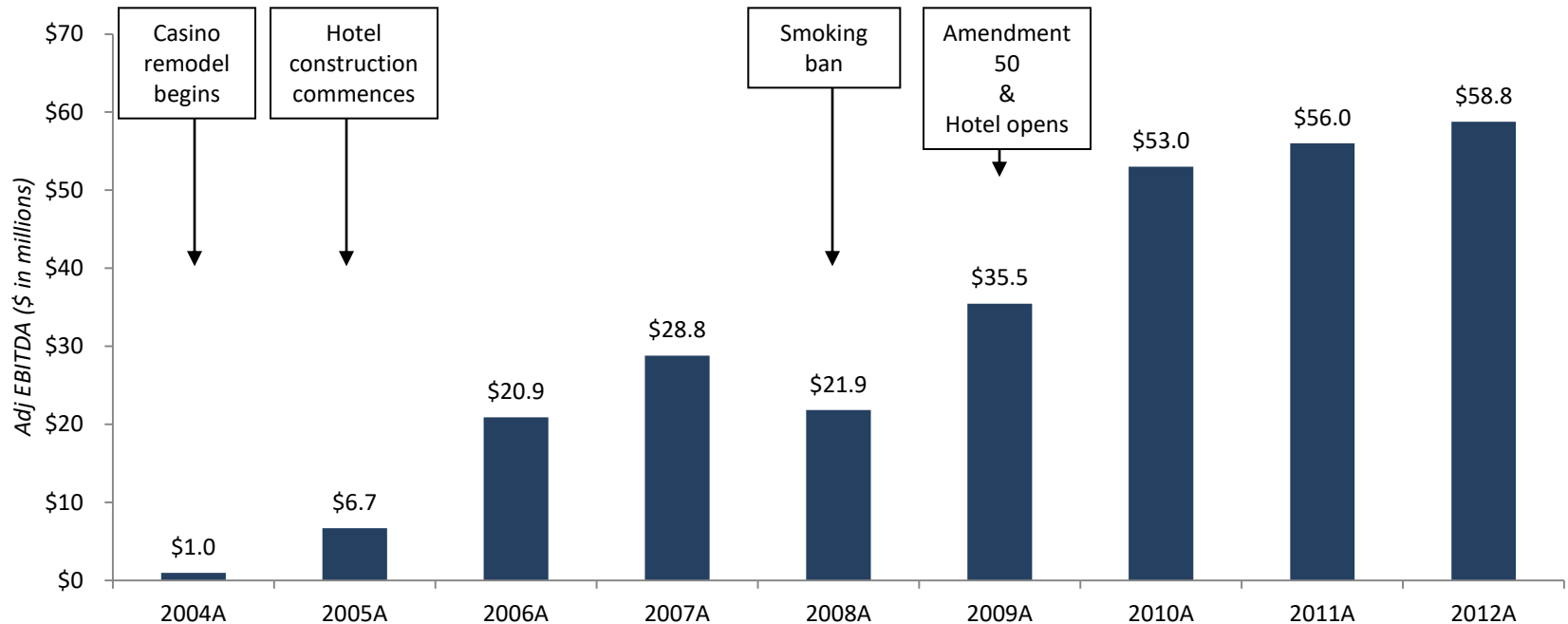


Black Hawk market has more than recovered from impact of smoking ban and recession in 2008

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

Ameristar Black Hawk Case Study

Annual Adjusted EBITDA and Capital Spend for Ameristar Black Hawk¹



Purchase price	\$117.8							
Capex ²		57.2	48.3	29.1	102.5	74.7	1.6	
Cumulative spend	\$117.8	\$175.0	\$223.3	\$252.4	\$354.9	\$429.6	\$431.2	

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 Casino Resort Spa Existing Facility Upgrades

Original Cabaret Stage



Phase 1



Phase 2



Phase 3



Hotel Tower/Casino Expansion

Parking Structure

- 9-story, ~1,350 space garage
- 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
 - Costs being financed through a combination of cash flow from operations and existing credit facility

Hotel Tower/Casino Expansion

Exterior Refresh – West Entrance



New Parking Structure – East Entrance



Full Resort



Exterior Pool Rendering



Hotel Tower/Casino Expansion: Current Progress

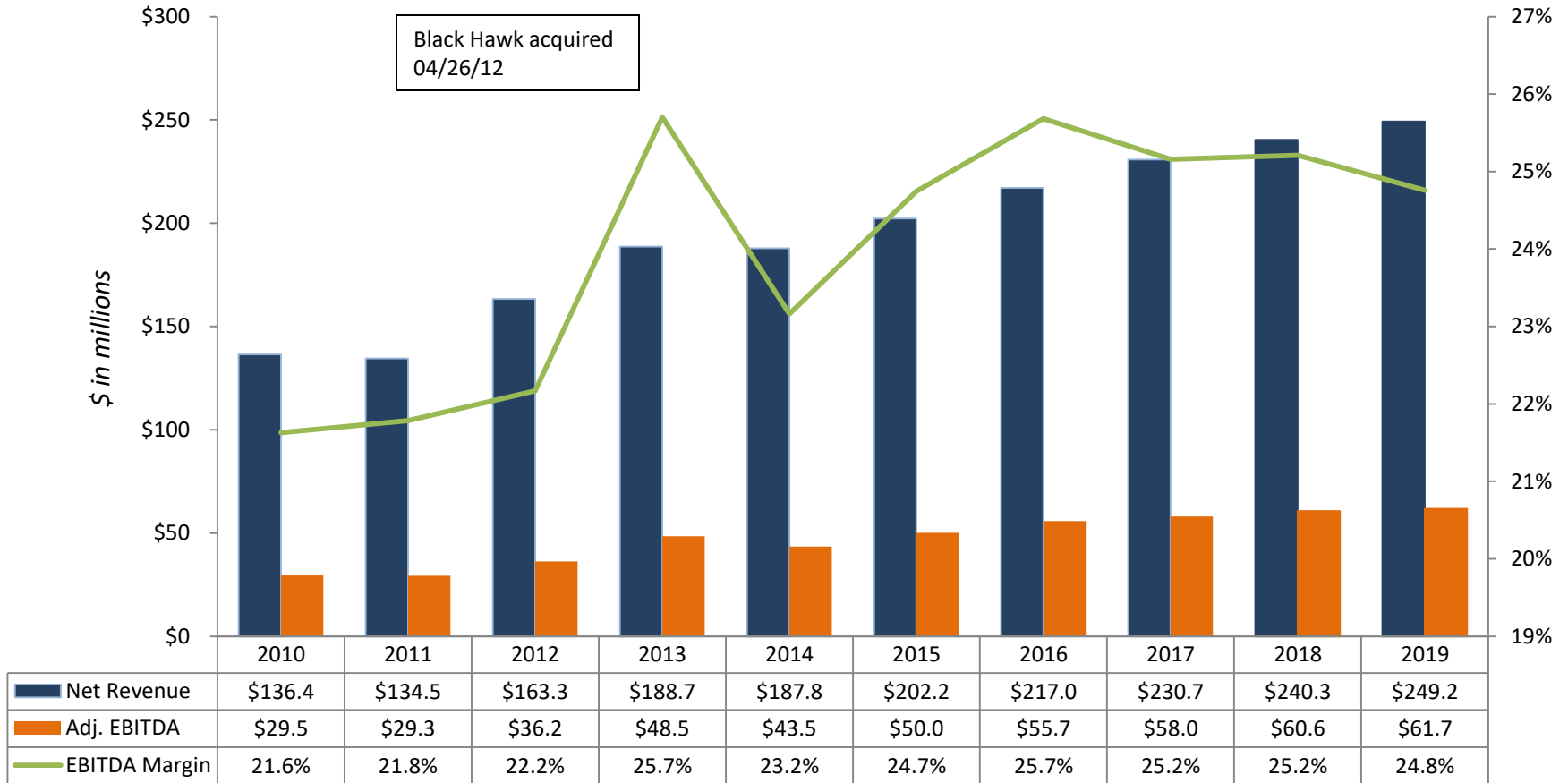




Pays	Ways	Pays
300 for 1	10	1
200 for 1	10	1
100 for 1	10	1
50 for 1	10	1
30 for 1	10	1
20 for 1	10	1
10 for 1	10	1
6 for 1	10	1

Monarch Consolidated Results

Income Statement



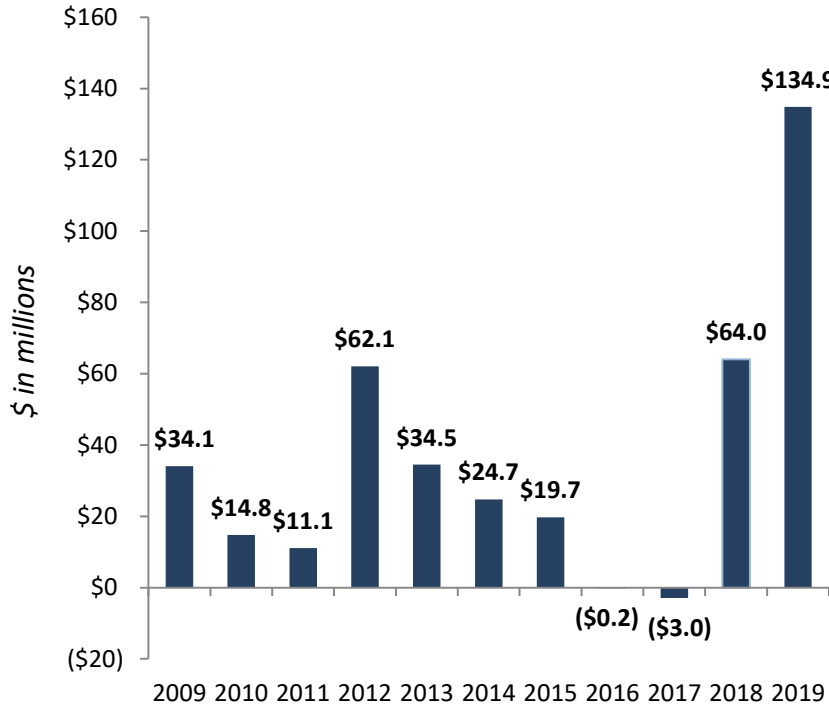
2019 net revenue is 3.7% higher and adjusted EBITDA¹² is 1.8% higher than 2018

Source: Monarch Casino & Resort analysis

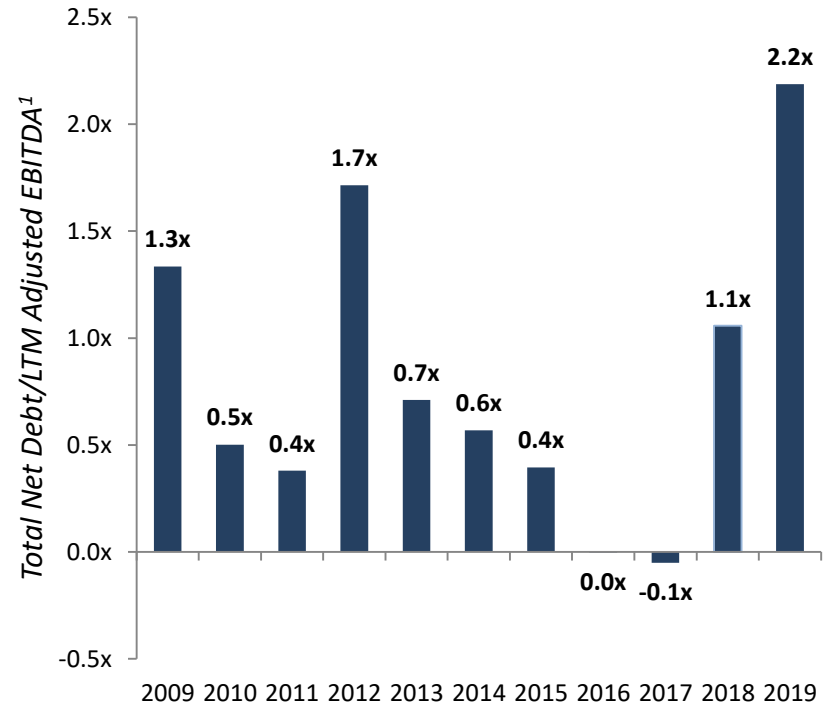
- 1) EBITDA is adjusted for stock option, pre-opening and construction litigation expenses, and one-time charges.
- 2) 2016 Adjusted EBITDA includes \$1.7 million in one-time expenses related to Atlantis buffet remodeling project.

Strong Balance Sheet

Net Debt



Net Leverage Ratio



Monarch Casino Resort Spa's expansion capex increased net leverage to 2.2x

Source: Monarch Casino & Resort analysis

1) EBITDA is adjusted for stock option, pre-opening and construction litigation expenses, and one-time charges.

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 13.5% since acquisition
- Solid, conservative balance sheet with 2.2x 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, long term strategic growth opportunities**