

PINNACLE ENTERTAINMENT, INC.
CODE OF ETHICAL BUSINESS CONDUCT

March 31, 2003

Pinnacle Entertainment, Inc. and its subsidiaries (collectively, "Pinnacle" or the "Company") are committed to a reputation for honesty and integrity – a reputation we can all help to build and maintain. Accordingly, the Company has adopted this Code of Ethical Business Conduct ("Code") that applies to all officers, directors and employees (individually an "Employee" and collectively, "Employees"). Employees are fully accountable for adhering to this Code. Prompt action will be taken against any violation of the Code, including dismissal or other appropriate action.

If you wish to report a violation or are concerned about the best course of action to follow in a particular situation, you are encouraged to speak to your supervisor, manager, property compliance officer or other appropriate personnel. You should also feel free to report a violation or discuss a questionable situation with the Company's General Counsel, Jack Godfrey, at 702-784-7777 or the Company's Compliance Officer, Ron Reigle, at 775-345-8662. The Company does not permit retaliation for any report made in good faith.

The following are the broad concepts that Pinnacle regards as the fundamental principles of ethical business behavior, and that it has adopted to apply to all Employees.

- I. **Professionalism and Integrity.** All Pinnacle Employees shall at all times demonstrate a commitment to professionalism, diligence and integrity in the performance of his or her duties.

- II. **Conflicts of Interest.** Pinnacle Employees shall not engage in any illegal, dishonest or unethical conduct, or any activity that would constitute a conflict of interest. A "conflict of interest" occurs when an individual's private interest interferes in any way – or even appears to interfere – with the interests of the Company as a whole. A conflict situation can arise when an Employee takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest also arise when an Employee,

or a member of his or her family, receives improper personal benefits as a result of his or her position in the Company.

- III. **Reporting of Ethical Violations.** Each Pinnacle Employee shall, upon becoming aware of the appearance of impropriety or the observance of the violation of any of these principles, promptly report such impropriety or violation to his or her supervisor or manager, or other appropriate personnel. Employees may always report any impropriety or violation, anonymously, if desired, to the Company's General Counsel, Jack Godfrey, at 702-784-7777 or the Company's Compliance Officer, Ron Reigle, at 775-345-8662. Employees may also utilize the Company's hotline for this purpose. The Company will not permit punishment or retaliation for any report or inquiry made in good faith.
- IV. **Best Interest of the Company.** All Pinnacle Employees shall, in the performance of his or her duties, always act in the best interests of the Company
- V. **Company Property.** Pinnacle Employees shall not take for personal use any property, monies, or anything else of value that belongs to the Company. Employees should protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. All Company assets should be used for legitimate business purposes.
- VI. **Confidentiality.** Pinnacle Employees shall not divulge any proprietary information to any outside source and/or competitor, unless authorized by the Company or required by law. "Proprietary information" includes marketing information, accounting information, personnel information, computer information, or any other information that is deemed private or might be of use to competitors or harmful to the Company or its customers if disclosed.
- VII. **No Disparagement.** All Pinnacle Employees shall take care to avoid any disparaging or defamatory remarks that would tend to damage the reputation or the property of the Company.

- VIII. **Corporate Opportunities.** Pinnacle Employees are prohibited from (a) taking for themselves personally opportunities that are discovered through the use of Company property, information or position; (b) using Company property, information, or position for personal gain; and (c) competing with the Company. Employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.
- IX. **Fair Dealing.** All Pinnacle Employees shall endeavor to deal fairly with the Company's customers, suppliers, competitors and employees. No Employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation, or any other unfair-dealing practice.
- X. **Kickbacks and Gratuities.** Pinnacle Employees shall not offer or accept kickbacks, bribes, or gifts of substantial value.
- XI. **Payments to Governmental Personnel.** Pinnacle Employees shall not make illegal payments to government officials of any city, county, state or country. In the case of federal, state and local government employees, all Pinnacle Employees must comply with the stringent rules specifying the business gratuities that such government employees are permitted to accept.
- XII. **Compliance with Laws.** All Pinnacle Employees shall respect and obey the laws, rules and regulations of the cities, states and countries in which the Company operates. The gaming and liquor industry is strictly regulated by the various gaming laws and agencies that oversee the Company's business. Each Pinnacle Employee is expected to be well-versed in the laws and internal controls that impact and control his or her specific duties with the Company. Each Pinnacle Employee is expected to understand and comply with the Company's insider trading policy and applicable laws and regulations.
- XIII. **Public Disclosures and Communications.** Pinnacle has ongoing responsibilities to make filings, reports and other

disclosures to the Securities and Exchange Commission ("SEC") as well as various gaming authorities. To the extent that an Employee is involved in preparing such filings or submissions, or in making other public communications, the Employee must act to ensure that the disclosures made in reports and documents filed or submitted to the SEC or gaming authorities, as applicable, and in other public communications, are full, fair, accurate, timely, and understandable.