



File No. SD-025

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of
ELSINORE CORPORATION
(Public Offering)

ORDER

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on February 9, 1994, and before the Nevada Gaming Commission ("Commission") on February 24, 1994, at Carson City, Nevada; and

THE BOARD AND COMMISSION having considered all information pertinent hereto;

IT IS HEREBY ORDERED BY THE NEVADA GAMING COMMISSION UPON THE RECOMMENDATION OF THE STATE GAMING CONTROL BOARD:

1. THAT the following applications, as amended and supplemented, have been filed:

a. The applications of Elsinore Corporation for approval to make a public offering of up to \$60,000,000 principal amount of its 12 1/2% First Mortgage Notes due 2000, Series B; for approval to pledge the Common Stock of Four Queens, Inc. and Pinnacle Gaming Corporation (f/k/a Elsub II, Inc.) to First Trust National Association; and for approval to enter into an agreement not to encumber the common stock of Four Queens, Inc. and Pinnacle Gaming Corporation in

conjunction with the public offering of Elsinore Corporation's 12 1/2% First Mortgage Notes due 2000, Series B; and

b. The applications of Four Queens, Inc. and Pinnacle Gaming Corporation for approval to guarantee the 12 1/2% First Mortgage Notes Due 2000, Series B, offered by, or to hypothecate their assets to secure the payment or performance of any obligations evidenced by the 12 1/2% First Mortgage Notes Due 2000, Series B, offered by, Elsinore Corporation pursuant to the public offering made by it.

2. THAT Elsinore Corporation is granted approval, pursuant to NGC Regulation 16.110, to make a public offering of up to \$60,000,000 principal amount of its 12 1/2% First Mortgage Notes Due 2000, Series B, as more fully described in the Securities and Exchange Commission ("SEC") Form S-4 Registration Statement (SEC Registration No. 33-73864) ("Registration Statement").

3. THAT the approval set forth in paragraph 2 is specifically conditioned as follows:

a. That Elsinore Corporation shall keep the Board's Corporate Securities Division continuously and promptly informed as to the progress of the public offering and as to any other event that may have a material effect on Elsinore Corporation or its subsidiaries, which would be subject to reporting on SEC Form 8-K; and

b. That the approval granted herein may be rescinded without prior notice upon issuance of an interlocutory stop order by the Chairman of the Board. Said interlocutory stop order, if issued, shall remain in effect until it is lifted by the Commission upon such terms as are satisfactory to the Commission.