



Pinnacle Entertainment Announces Closing of Public Offering of Common Stock

LAS VEGAS, Jan. 18 /PRNewswire-FirstCall/ -- Pinnacle Entertainment, Inc. (NYSE: PNK) announced today the closing of its underwritten public offering of 11.5 million of its newly issued shares of common stock at \$32.00 per share, which resulted in gross proceeds to Pinnacle of \$368 million. This amount includes the 1.5 million shares the underwriters elected to purchase pursuant to the exercise of their over-allotment option. Bear, Stearns & Co. Inc. and Lehman Brothers Inc. acted as joint book-running managers of the offering. In addition, Deutsche Bank Securities Inc. acted as lead manager of the offering.

The Company expects to use the proceeds of this offering for general corporate purposes and for one or more of its capital projects, including expansions at existing facilities, its St. Louis construction projects, its Sugarcane Bay and Atlantic City development projects, and possible other future development projects.

Copies of the prospectus supplement relating to the offering may be obtained from Bear, Stearns & Co. Inc., Prospectus Department, 383 Madison Avenue, New York, New York 10179, 1-866-803-9204 or Lehman Brothers Inc., c/o ADP Financial Services, Prospectus Fulfillment, 1155 Long Island Avenue, Edgewood, NY 11717, monica.castillo@adp.com, 631-254-7268 (fax).

This press release shall not constitute an offer to sell or a solicitation of an offer to buy common stock nor shall there be any sale of such securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About Pinnacle Entertainment

Pinnacle Entertainment owns and operates casinos in Nevada, Louisiana, Indiana, Missouri, Argentina and the Bahamas; owns a hotel in Missouri; and has significant insurance claims related to a hurricane-damaged hotel and casino complex previously operated in Biloxi, Mississippi. Pinnacle also has two casino development projects under construction in the St. Louis, Missouri area, which are dependent upon final approval by the Missouri Gaming Commission. Voters recently approved construction of a second Pinnacle resort in Lake Charles, Louisiana, to be called Sugarcane Bay, being developed pursuant to conditions approved by the Louisiana Gaming Control Board. Pinnacle owns land in Baton Rouge and has indicated that it intends, subject to various approvals, to develop a new casino on that site. Additionally, Pinnacle recently purchased a casino site at the heart of the famed Boardwalk in Atlantic City on which it plans to build a major new casino resort.

For further information

At Pinnacle Entertainment - (702) 784-7777

Dan Lee, Chairman & CEO

Wade Hundley, President

Steve Capp, CFO

Chris Plant or Lewis Fanger, Investor Relations