

NEVADA GOLD & CASINOS INC
Form 10-Q
December 10, 2009

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal period ended October 31, 2009

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission file number 1-15517
Nevada Gold & Casinos, Inc.

(Name of issuer in its charter)

Nevada

88-0142032

(State or other jurisdiction of Incorporation or organization)

(IRS Employer Identification No.)

50 Briar Hollow
Suite 500W
Houston, Texas 77027
(Address of principal executive offices) (Zip Code)

Issuer's telephone number: (713) 621-2245

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for any shorter period that the registrant was required to file the reports), and (2) has been subject to those filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.).

Yes No

The number of common shares outstanding was 12,939,130 as of December 4, 2009.

TABLE OF CONTENTS

	Page
PART I. FINANCIAL INFORMATION	
Item 1.	Consolidated Financial Statements
	Consolidated Balance Sheets - October 31, 2009 (unaudited) and April 30, 2009 2
	Consolidated Statements of Operations - Three and Six Months Ended October 31, 2009 (unaudited) and October 31, 2008 (unaudited) 3
	Consolidated Statements of Cash Flows - Six Months Ended October 31, 2009 (unaudited) and October 31, 2008 (unaudited) 4
	Notes to Consolidated Financial Statements 5
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations 13
Item 3.	Quantitative and Qualitative Disclosures about Market Risk 16
Item 4.	Controls and Procedures 16
PART II. OTHER INFORMATION	
Item 1.	Legal Proceedings 17
Item 1A.	Risk Factors 17
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds 17
Item 3.	Defaults Upon Senior Securities 17
Item 4.	Submission of Matters to a Vote of Security Holders 17
Item 5.	Other Information 18
Item 6.	Exhibits 18

FORWARD-LOOKING STATEMENTS

Factors that May Affect Future Results

(Cautionary Statements Under the Private Securities Litigation Reform Act of 1995)

Certain information included in this Form 10-Q and other materials filed or to be filed by the Company with the Securities and Exchange Commission (as well as information included in oral statements or other written statements made or to be made by the Company or its representatives) contains or may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Statements that include the words “may,” “could,” “should,” “would,” “believe,” “expect,” “anticipate,” “intend,” “plan,” or other words or expressions of similar meaning, may identify forward-looking statements. We have based these forward-looking statements on our current expectations about future events. Forward-looking statements include statements that reflect management’s beliefs, plans, objectives, goals, expectations, anticipations, intentions with respect to the financial condition, results of operations, future performance and the business of the Company, including statements relating to our business strategy and our current and future development plans. These statements may also involve other factors which are detailed in the “Risk Factors” and other sections of the Company’s Annual Report on Form 10-K for the year ended April 30, 2009 and other filings with the Securities and Exchange Commission.

Although we believe that the assumptions underlying these forward-looking statements are reasonable, any or all of the forward-looking statements in this report and in any other public statements that are made may prove to be incorrect. This may occur as a result of inaccurate assumptions or as a consequence of known or unknown risks and uncertainties. Many factors discussed in this report will be important in determining the Company’s future performance. Consequently, actual results may differ materially from those that might be anticipated from forward-looking statements. In light of these and other uncertainties, you should not regard the inclusion of a forward-looking statement in this report or other public communications that we might make as a representation by us that our plans and objectives will be achieved, and you should not place undue reliance on such forward-looking statements.

We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Any further disclosures made on related subjects in the Company’s subsequent reports filed with the Securities and Exchange Commission should be consulted.

Part I. Financial Information

Item 1. Consolidated Financial Statements

Nevada Gold & Casinos, Inc.
Consolidated Balance Sheets

	October 31, 2009 (unaudited)	April 30, 2009
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,818,063	\$ 13,834,544
Restricted cash	6,053,355	6,000,000
Accounts receivable	142,529	12,342
Prepaid expenses	307,217	235,847
Income tax receivable	2,414,842	1,872,369
Route 66 settlement agreement receivable	1,597,183	-
Notes receivable, current portion	-	1,100,000
Other current assets	154,707	46,444
Total current assets	13,487,896	23,101,546
Investments in development projects	117,628	746,024
Investments in development projects held for sale	3,437,932	3,437,932
Notes receivable - development projects, net of current portion and allowances	1,700,000	1,700,000
Goodwill	12,952,160	5,462,918
Identifiable intangible assets, net of accumulated amortization of \$350,000 and \$0 at October 31, 2009 and April 30, 2009, respectively	5,481,000	-
Property and equipment, net of accumulated depreciation of \$2,698,375 and \$2,408,595 at October 31, 2009 and April 30, 2009, respectively	3,702,971	1,091,549
Deferred tax asset	1,219,162	599,797
Other assets	4,420,464	5,915,220
Total assets	\$ 46,519,213	\$ 42,054,986
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 954,369	\$ 846,062
Deferred tax liability	558,868	-
Other accrued liabilities	454,415	197,833
Total current liabilities	1,967,652	1,043,895
Long-term debt	10,000,000	6,000,000
Other liabilities	187,928	44,487
Total liabilities	12,155,580	7,088,382
Commitments and contingencies	—	—
Stockholders' equity:		
Common stock, \$0.12 par value per share; 50,000,000 shares authorized; 13,935,330 shares issued and 12,939,130 shares outstanding at October 31, 2009 and April 30,	1,672,240	1,672,240

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2009, respectively		
Additional paid-in capital	19,839,413	19,297,560
Retained earnings	23,068,930	24,213,754
Treasury stock, 996,200 shares at October 31, 2009 and April 30, 2009, respectively, at cost	(10,216,950)	(10,216,950)
Total stockholders' equity	34,363,633	34,966,604
Total liabilities and stockholders' equity	\$ 46,519,213	\$ 42,054,986

The accompanying notes are an integral part of these consolidated financial statements.

Nevada Gold & Casinos, Inc.
Consolidated Statements of Operations
(unaudited)

	Three Months Ended		Six Months Ended	
	October 31, 2009	October 31, 2008	October 31, 2009	October 31, 2008
Revenues:				
Casino	\$ 4,788,536	\$ 1,437,662	\$ 8,973,599	\$ 2,994,615
Food and beverage	1,234,909	406,552	2,348,675	853,277
Other	218,837	13,076	402,871	26,948
Management fee	250,000	-	500,000	-
Gross revenues	6,492,282	1,857,290	12,225,145	3,874,840
Less promotional allowances	(751,923)	(359,037)	(1,427,567)	(756,831)
Net revenues	5,740,359	1,498,253	10,797,578	3,118,009
Expenses:				
Casino	2,071,139	468,456	3,955,094	986,510
Food and beverage	887,247	197,068	1,721,790	407,209
Marketing and administrative	1,435,444	690,339	2,676,223	1,359,157
Facility	231,183	86,723	492,031	185,053
Corporate expense	945,368	840,742	2,377,065	2,078,076
Legal expense	38,710	47,405	103,003	99,129
Depreciation and amortization	517,985	183,748	663,152	348,343
Write-off of project development cost	-	1,203,803	-	1,203,803
Other	114,382	19,112	223,632	52,228
Total operating expenses	6,241,458	3,737,396	12,211,990	6,719,508
Operating loss	(501,099)	(2,239,143)	(1,414,412)	(3,601,499)
Non-operating income (expenses):				
Loss from unconsolidated affiliates	-	(4,291)	-	(7,863)
Loss on sale of assets	-	(21,083)	-	(27,123)
Interest income	46,559	312,859	105,068	792,065
Interest expense	(225,490)	(393,525)	(378,471)	(799,917)
Amortization of loan issue costs	(27,770)	(32,209)	(59,979)	(63,848)
Loss before income tax benefit	(707,800)	(2,377,392)	(1,747,794)	(3,708,185)
Income tax benefit	263,685	756,094	602,970	1,260,783
Net loss	\$ (444,115)	\$ (1,621,298)	\$ (1,144,824)	\$ (2,447,402)
Per share information:				
Net loss per common share - basic	\$ (0.03)	\$ (0.13)	\$ (0.09)	\$ (0.19)
Net loss per common share - diluted	\$ (0.03)	\$ (0.13)	\$ (0.09)	\$ (0.19)
Basic weighted average number of shares outstanding	12,939,130	12,939,130	12,939,130	12,939,130
Diluted weighted average number of shares outstanding	12,939,130	12,939,130	12,939,130	12,939,130

The accompanying notes are an integral part of these consolidated financial statements.

Nevada Gold & Casinos, Inc.
Consolidated Statements of Cash Flows
(unaudited)

	Six Months Ended	
	October 31, 2009	October 31, 2008
Cash flows from operating activities:		
Net loss	\$ (1,144,824)	\$ (2,447,402)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	663,152	348,343
Write-off of development project	-	1,203,803
Stock-based compensation	541,853	137,427
Amortization of deferred loan issuance costs	59,979	63,848
Distributions from unconsolidated affiliates	-	3,917
Loss from unconsolidated affiliates	-	7,863
Loss on sale of assets	-	27,123
Deferred income tax benefit	(60,497)	(1,260,783)
Changes in operating assets and liabilities:		
Receivables and other assets	(804,942)	1,911,767
Accounts payable and accrued liabilities	364,891	(1,657,345)
Net cash used in operating activities	(380,388)	(1,661,439)
Cash flows from investing activities:		
Capitalized development costs	(12,049)	(173,546)
Investment in unconsolidated affiliate	-	(25,000)
Collections on notes receivable	1,100,000	1,100,000
Proceeds from the sale of asset held for sale	-	4,601,104
Purchase of property, equipment, and intangible assets	(11,634,130)	(142,415)
Maturity of (investment in) restricted cash	(53,355)	14,000
Net cash provided by (used in) investing activities	(10,599,534)	5,374,143
Cash flows from financing activities:		
Payments on capital lease	(6,559)	(5,830)
Proceeds from short term loan	150,000	-
Deferred loan issuance costs	(180,000)	-
Net cash used in financing activities	(36,559)	(5,830)
Net increase (decrease) in cash and cash equivalents	(11,016,481)	3,706,874
Cash and cash equivalents at beginning of period	13,834,544	1,396,313
Cash and cash equivalents at end of period	\$ 2,818,063	\$ 5,103,187
Supplemental cash flow information:		
Cash paid for interest	\$ 372,466	\$ 911,699
Income tax payments	\$ -	\$ 935,000
Non-cash investing and financing activities:		
Non-cash purchase of property and equipment	\$ 4,000,000	\$ 24,622
Unrealized loss on marketable securities	\$ -	\$ (9,460)

The accompanying notes are an integral part of these consolidated financial statements.

Nevada Gold & Casinos, Inc.

Notes to Consolidated Financial Statements

Note 1. Basis of Presentation

The interim financial information included herein is unaudited. However, the accompanying consolidated financial statements include all adjustments of a normal recurring nature which, in the opinion of management, are necessary to present fairly our Consolidated Balance Sheets at October 31, 2009 and April 30, 2009, Consolidated Statements of Operations for the three and six months ended October 31, 2009 and October 31, 2008, and Consolidated Statements of Cash Flows for the six months ended October 31, 2009 and October 31, 2008. Although we believe the disclosures in these financial statements are adequate to make the interim information presented not misleading, certain information relating to our organization and footnote disclosures normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles have been condensed or omitted in this Form 10-Q pursuant to Securities and Exchange Commission rules and regulations. These financial statements should be read in conjunction with the audited consolidated financial statements for the year ended April 30, 2009 and the notes thereto included in our Annual Report on Form 10-K. The results of operations for the three and six months ended October 31, 2009 are not necessarily indicative of the results expected for the full year.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period and disclosure of contingent liabilities. On an ongoing basis, we evaluate our estimates, including those related to bad debts, investments, intangible assets and goodwill, property, plant and equipment, income taxes, insurance, employment benefits and contingent liabilities. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

Certain reclassifications have been made to conform prior year financial information to the current period presentation. Those reclassifications did not impact working capital, total assets, total liabilities, net income or stockholders' equity.

Note 2. Critical Accounting Policies

Revenue Recognition

In accordance with gaming industry practice, we recognize casino revenues as the net win from gaming activities, which is the difference between gaming wins and losses. Casino revenues are net of accruals for anticipated payouts of progressive slot jackpots which are recorded as a progressive slot jackpot liability. Revenues from food, beverage, entertainment, and the gift shop are recognized at the time the related service or sale is performed or made.

The retail value of food and beverage and other services furnished to guests without charge is included in gross revenue and deducted as promotional allowances. We record the redemption of coupons and points for cash as a reduction of revenue. These amounts are included in promotional allowances in the accompanying consolidated statements of operations. The estimated cost of providing such complimentary services that is included in casino expense in the accompanying consolidated statements of operations was as follows:

Three Months Ended

Six Months Ended

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	October 31, 2009	October 31, 2008	October 31, 2009	October 31, 2008
Food and beverage	\$ 176,645	\$ 149,399	\$ 374,953	\$ 317,553
Other	2,856	1,503	6,346	3,000
Total cost of complimentary services	\$ 179,501	\$ 150,902	\$ 381,299	\$ 320,553

Noncontrolling Interests in Consolidated Financial Statements

In December 2007, the Financial Accounting Standards Board (“FASB”) issued SFAS No. 160, “Noncontrolling Interests in Consolidated Financial Statements – an amendment of ARB No. 51”, which is now codified under ASC Topic 810 (“ASC 810”). ASC 810 establishes accounting and reporting standards with respect to the disclosure of a noncontrolling ownership interest in the statement of financial position within equity, the presentation of the share of consolidated net income attributable to the parent and noncontrolling interest on the consolidated statement of income, the accounting treatment of changes in a parent’s ownership interest while the parent retains a controlling interest and the accounting for the deconsolidation of a subsidiary. ASC 810 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. The Company currently has no noncontrolling ownership interests in consolidated subsidiaries and therefore is not impacted by ASC 810.

New Accounting Pronouncements Issued

As of October 31, 2009, there are several new accounting standards and interpretations effective. Below is a discussion of significant standards that may impact us.

Disclosures About Derivative Instruments and Hedging Activities

In March 2008, the FASB issued SFAS No. 161, "Disclosures About Derivative Instruments and Hedging Activities - an amendment of FASB Statement No. 133" ("SFAS No. 161"). SFAS No. 161 expands the disclosure requirements in SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," regarding an entity's derivative instruments and hedging activities. SFAS No. 161 is effective for the Company's fiscal year beginning May 1, 2009. SFAS No. 161 relates specifically to disclosures, and does not have a material impact on the Company's consolidated financial statements.

The Hierarchy of General Accepted Accounting Principles and The FASB Accounting Standard Codification and the Hierarchy of Generally Accepted Accounting Principles

In the current period the FASB finalized the "FASB Accounting Standards Codification" ("Codification" or "ASC"), which is effective for periods ending on or after September 15, 2009. Accordingly, we have implemented the ASC structure required by the FASB and any references to guidance issued by the FASB in these footnotes are to the ASC, in addition to the other forms of standards. The ASC does not change how we account for our transactions or the nature of the related disclosures made.

Note 3. Restricted Cash

During the six months ended October 31, 2009, we maintained a \$6,000,000 Project Fund which use is restricted to be used for future acquisitions. We also maintain approximately \$53,000 in Player Supported Jackpot funds which are progressive games that customers fund and when a jackpot is hit it is paid from these funds.

Note 4. Investments in Unconsolidated Affiliates and Investments in Development Projects

During the three and six months ended October 31, 2008, we held an investment in an unconsolidated affiliate which was accounted for using the equity method of accounting. As of October 31, 2009, our net ownership interest, investments in and earnings from unconsolidated affiliates were as follows:

Unconsolidated affiliates:	Net Ownership Interest		Investment		Equity in Loss Three Months Ended		Equity in Loss Six Months Ended		
	October 31,	April 30,	October 31,	April 30,	October 31,	October 31,	October 31,	October 31,	
	2009	2009	2009	2009	2009	2008	2009	2008	
	(Percent)								
Buena Vista Development Company, LLC (1)	-	-	\$ -	\$ -	-	\$ -	\$ (4,291)	\$ -	\$ (7,863)
Total investments in unconsolidated affiliates			\$ -	\$ -					
Total loss from unconsolidated affiliates					\$ -	\$ (4,291)	\$ -	\$ (7,863)	

(1) This asset was sold in December, 2008.

We also hold investments in various development projects that we consolidate. Our net ownership interest and capitalized development costs in development projects are as follows:

6

Development Projects:	Net Ownership Interest		Capitalized Development Costs Investment	
	October 31, 2009	April 30, 2009	October 31, 2009	April 30, 2009
	(Percent)			
Gold Mountain Development, L.L.C. (1)	100	100	\$ 3,437,932	\$ 3,437,932
Other (2)	-	-	117,628	746,024
Total investments— development projects			\$ 3,555,560	\$ 4,183,956

(1) Acquisition and development costs incurred for 270 acres of real property in the vicinity of Black Hawk, Colorado.

(2) Development cost incurred for other development projects.

Note 5. Notes Receivable

Notes Receivable

Southern Tier Acquisition, LLC and Oneida Entertainment, LLC

On June 14, 2007, we sold our membership interest of American Racing Entertainment, LLC (“American Racing”) to two of our former partners, Southern Tier Acquisition II LLC, (“Southern Tier”) and Oneida Entertainment LLC (“Oneida”). As of April 30, 2009, we had notes receivable from Southern Tier and Oneida which totaled \$1,100,000. The notes were bearing interest of 5% per annum. Principal payments of \$1,100,000, as well as all outstanding unpaid interest, were paid in full on June 14, 2009.

Notes Receivable - Development Projects

At October 31, 2009, we had net notes receivable of \$1.7 million related to the development of gaming/entertainment projects.

On a quarterly basis, we review each of our notes receivable to evaluate whether collection is still probable. In our analysis, we review the economic feasibility and the current financial, legislative, and development status of the project. If our analysis indicates that the project is no longer economically feasible, the note receivable will be written down to its estimated fair value. During the third quarter of fiscal 2008, we determined that our ability to collect \$859,000 of accrued interest and \$1.5 million of the original \$3.2 million notes receivable from Big City Capital, LLC (“Big City Capital”) had been impaired. As a result we established a \$1.5 million valuation allowance in regards to Big City Capital notes receivable and wrote off the accrued interest. Nine hundred thousand dollars (\$900,000) of the Big City Capital notes are guaranteed by an individual independent of us.

The repayment of these loans and accrued interest will be largely dependent upon the ability to obtain financing at each development project and/or the performance of each development project.

Note 6. Long-Term Debt

Our long-term financing obligations are as follows:

October 31,	April 30,
2009	2009

\$6.0 million promissory note, 10% interest, maturing June 30, 2013	\$	6,000,000	\$	6,000,000
\$4.0 million promissory note, 7% interest, maturing May 12, 2012		4,000,000		-
Total		10,000,000		6,000,000
Less: current maturities		-		-
Total long-term financing obligations	\$	10,000,000	\$	6,000,000

The \$6.0 million promissory note matures June 30, 2013. The interest rate on the note is fixed at 10% through June 2010, then changes to 11% on the unpaid balance for the remainder of the term. The \$4.0 million promissory note matures May 12, 2012 and the interest rate is fixed for the term at 7%.

Note 7. Stock-Based Compensation

Information about our share-based plans

Our 1999 Stock Option Plan, as amended (the “Stock Option Plan”), provided for the granting of awards to our directors, officers, employees and independent contractors. The Stock Option Plan expired in January, 2009 and was replaced with a new plan described below. The number of shares of common stock reserved for issuance under the Stock Option Plan was 3,250,000 shares. The plan was administered by the Compensation Committee (the “Committee”) of the Board of Directors. The Committee had discretion under the plan regarding the vesting and service requirements, exercise price and other conditions

On April 14, 2009, the shareholders of the Company approved the Company’s 2009 Equity Incentive Plan (the “2009 Plan”). The number of shares with respect to which awards may be granted under the 2009 Plan is 1,750,000 shares. The 2009 Plan is similar to the 1999 Stock Option Plan in most respects and continues to provide for awards which may be made subject to time based or performance based vesting. Under the 2009 Plan the Committee is authorized to grant the following types of awards:

- Stock Options including Incentive Stock Options (“ISO”)
 - Options not intended to qualify as ISO’s
 - Stock Appreciation Rights
 - Restricted Stock Grants.

To date, the Committee has only awarded stock options and restricted stock under both plans. Our practice has been to issue new shares upon the exercise of stock options. Stock option rights granted prior to fiscal year 2006 under the Stock Option Plan generally have 5-year terms and are fully vested and exercisable immediately. Subsequent option rights granted generally have 3, 5 or 10 year terms and are exercisable in three or five equal annual installments, with some options grants providing for immediate vesting for a portion of the grant.

A summary of activity under the Company’s share-based payment plans for the six months ended October 31, 2009 is presented below:

	Shares (000’s)	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value (\$000’s)
Outstanding at April 30, 2009	1,136,000	\$ 2.54		
Granted	430,000	1.25		
Exercised	-	-		
Forfeited or expired	(80,000)	10.13		
Outstanding at October 31, 2009	1,486,000	\$ 1.76	5.4	\$ -
Exercisable at October 31, 2009	1,246,000	\$ 1.80	5.7	\$ -

As of October 31, 2009, there was a total of \$60,693 of unamortized compensation related to stock, which cost is expected to be recognized over a weighted-average period of 1.0 years.

Compensation cost for stock options was based on the fair value of each award, measured by applying the Black-Scholes model on the date of grant, using the following weighted-average:

	Six Months Ended	
	October 31, 2009	October 31, 2008
Expected volatility	143.3 %	87.8 %
Expected term	8.0	2.5
Expected dividend yield	-	-
Risk-free interest rate	1.43 %	2.35 %
Forfeiture rate	-	-

Expected volatility is based on historical volatility on the Company's stock. The expected term considers the contractual term of the option as well as historical exercise and forfeiture behavior. The risk-free interest rate is based on the rates in effect on the grant date for U.S. Treasury instruments with maturities matching the relevant expected term of the award. The weighted average grant date fair value of options during the six months ended October 31, 2009 was \$1.22.

Note 8. Comprehensive Loss

Comprehensive loss consists of the following:

	October 31, 2009	October 31, 2008	October 31, 2009	October 31, 2008
Net loss	\$ (444,115)	\$ (1,621,298)	\$ (1,144,824)	\$ (2,447,402)
Other comprehensive loss on marketable securities	-	(9,460)	-	(9,460)
Comprehensive loss	\$ (444,115)	\$ (1,630,758)	\$ (1,144,824)	\$ (2,456,862)

Note 9. Computation of Earnings Per Share

The following is presented as a reconciliation of the numerators and denominators of basic and diluted earnings per share computations, in accordance with FASB codification 260-10-50:

	Three Months Ended		Six Months Ended	
	October 31, 2009	October 31, 2008	October 31, 2009	October 31, 2008
Numerator:				
Basic and Diluted:				
Net loss available to common stockholders	\$ (444,115)	\$ (1,621,298)	\$ (1,144,824)	\$ (2,447,402)
Denominator:				
Basic weighted average number of common shares outstanding	12,939,130	12,939,130	12,939,130	12,939,130
Dilutive effect of common stock options and warrants	—	—	—	—
Diluted weighted average number of common shares outstanding	12,939,130	12,939,130	12,939,130	12,939,130
Loss per share:				
Net loss per common share - basic	\$ (0.03)	\$ (0.13)	\$ (0.09)	\$ (0.19)
Net loss per common share - diluted	\$ (0.03)	\$ (0.13)	\$ (0.09)	\$ (0.19)

For the three and six months ended October 31, 2009 and October 31, 2008, potential dilutive common shares issuable under options of 1,486,000 and 1,141,000, respectively, were not included in the calculation of diluted earnings per share as they were anti-dilutive.

Note 10. Segment Reporting

We operate in two major business segments (i) gaming and (ii) non-core. The gaming segment for the three and six month periods ended October 31, 2009 consists of Colorado Grande Casino and the three Washington mini casinos. For the three and six month periods ended October 31, 2008, the gaming segment consists of Colorado Grande Casino and Buena Vista Development.

Summarized financial information for our reportable segments is shown in the following table. The “non-core” column includes corporate-related items, results of insignificant operations, and segment profit (loss) and income and expenses not allocated to reportable segments.

	As of and for the Three Months Ended		
	October 31, 2009		
	Gaming	Non-Core	Totals
Net revenue	\$ 5,740,359	\$ —	\$ 5,740,359
Segment loss before income tax benefit	(707,226)	(574)	(707,800)
Segment assets	30,298,512	3,715,279	34,013,791
Depreciation and amortization	516,943	1,042	517,985
Additions to property and equipment	386,151	—	386,151
Interest expense, net (includes amortization)	206,701	—	206,701
Income tax benefit	263,471	214	263,685

	As of and for the Three Months Ended		
	October 31, 2008		
	Gaming	Non-Core	Totals
Net revenue	\$ 1,498,253	\$ —	\$ 1,498,253
Segment loss before income tax benefit	(2,373,706)	(3,686)	(2,377,392)
Segment assets	32,025,344	3,659,675	35,685,019
Equity investment:			
Buena Vista Development Company, L.L.C	147,105	—	147,105
Depreciation and amortization	182,311	1,437	183,748
Additions to property and equipment	69,906	—	69,906
Interest expense, net (includes amortization)	112,875	—	112,875
Income tax benefit	754,922	1,172	756,094
Loss from Buena Vista Development Company, L.L.C.	(4,291)	—	(4,291)

	As of and for the Six Months Ended October 31, 2009		
	Gaming	Non-Core	Totals
Net revenue	\$ 10,797,578	\$ —	\$ 10,797,578
Segment loss before income tax benefit	(1,742,451)	(5,343)	(1,747,794)
Segment assets	30,298,512	3,715,279	34,013,791
Depreciation and amortization	661,046	2,106	663,152
Additions to property and equipment	15,634,130	—	15,634,130
Interest expense, net (includes amortization)	333,382	—	333,382
Income tax benefit	601,127	1,843	602,970

	As of and for the Six Months Ended October 31, 2008		
	Gaming	Non-Core	Totals
Net revenue	\$ 3,118,009	\$ —	\$ 3,118,009
Segment loss before income tax benefit	(3,698,298)	(9,887)	(3,708,185)
Segment assets	32,025,344	3,659,675	35,685,019
Equity investment:			
Buena Vista Development Company, L.L.C	147,105	—	147,105
Depreciation and amortization	345,425	2,918	348,343
Additions to property and equipment	167,037	—	167,037
Interest expense, net (includes amortization)	71,700	—	71,700
Income tax benefit	1,257,421	3,362	1,260,783
Loss from Buena Vista Development Company, L.L.C.	(7,863)	—	(7,863)

Reconciliation of reportable segment assets to our consolidated totals is as follows:

	October 31, 2009
Total assets for reportable segments	\$ 34,013,791
Cash and restricted cash not allocated to segments	8,871,418
Income tax receivable	2,414,842
Deferred tax asset	1,219,162
Total assets	\$ 46,519,213

Note 11. Other Assets

Other assets consist of the following at October 31, 2009 and April 30, 2009, respectively:

	October 31, 2009	April 30, 2009
Accrued interest receivable	\$ 150,137	\$ 167,731
BVR Receivable	4,000,000	4,000,000
Route 66 Settlement Agreement	-	1,597,183
Deferred loan issue cost, net	270,327	150,306
Other assets	\$ 4,420,464	\$ 5,915,220

Note 12. Commitments and Contingencies

We rent office space in Houston, Texas, under a non-cancelable operating lease which expires on March 31, 2011. Also, we lease (through our wholly-owned subsidiary, Colorado Grande Enterprises, Inc.) a portion of a building in Cripple Creek, Colorado, and an adjacent parking lot, for use in connection with the Colorado Grande Casino facilities. We lease this property at an annual rent of the greater of \$144,000 or 5% of Colorado Grande-Cripple Creek's adjusted gross gaming revenues, as defined, with an annual cap of \$400,000. This lease is for an initial term of sixteen years with an option to renew for fifteen years with the final option period concluding January 31, 2021. On July 7, 2005, we exercised the option to extend the lease to January 2021. On April 1, 2008, we extended the lease to January 2033 at a flat annual rent of \$400,000 from February 2021 through January 2033.

As a result of acquiring facilities in Washington (see Note 14), the Crazy Moose II Mountlake Terrace has a building lease which expires May, 2011 with an annual rent of \$192,000. The administrative office has a lease which expires February, 2011 with an option to renew for two additional terms. The annual rent is \$28,800. In addition, the Crazy Moose I Pasco has a parking lot lease which expires January, 2011 with an annual rent of \$6,300.

We continue to pursue additional development opportunities that may require, individually and in the aggregate, significant commitments of capital, extensions of credit, up-front payments to third parties and guarantees by the Company of third-party debt.

We indemnified our officers and directors for certain events or occurrences while the director or officer is or was serving at our request in such capacity. The maximum potential amount of future payments we could be required to make under these indemnification obligations is unlimited; however, we have a Directors and Officers Liability Insurance policy that limits our exposure and enables us to recover a portion of any future amounts paid, provided that such insurance policy provides coverage.

Note 13. Legal Proceedings

The Company is not currently involved in any material legal proceedings.

Note 14. Acquisition

On May 12, 2009, the Company acquired certain assets of Crazy Moose Casino, Inc., Crazy Moose II, Inc., Coyote Bob's, Inc., and Gullwing III, LLC for a purchase price of \$15,962,200, including \$212,200 of costs directly associated with the acquisition that were expensed at the end of fiscal year 2009. The acquisition was financed with cash and a note to the sellers for \$4 million. The acquisition was accounted for as a purchase business combination in accordance with ASC 805. The purchase price was allocated to the assets acquired based on management's estimate of their fair

value on the date of acquisition. A summary of the purchase price allocation as finalized during the three months ended October 31, 2009, is as follows:

	(000's)
Current assets	\$ 30
Property and equipment	2,400
Customer Relationships	2,951
Trade names	1,862
Noncompete	1,018
Goodwill	7,489
Purchase price	\$ 15,750

The results of operations of \$930,000 have been included in the consolidated statements of operations since the date of the acquisition. At October 31, 2009 goodwill acquired was \$7,489,000, all of which is expected to be deductible for tax purposes.

Note 15. Washington Gaming Law

The gaming legislation in Washington State is codified in chapter 9.46 of the Revised Code of Washington (“RCW”). The gaming legislation stipulates the Washington State Gambling Commission (the “Commission”) to be the regulator of gambling activities in this state. The Commission enforces its authority through an extensive set of rules and regulations promulgated in Title 230 of the Washington Administrative Code. The state of Washington allows certain gambling activities, such as amusement games, bingo, raffles, punch boards, pull-tabs, card-rooms, and social card games. In order to be considered legal, these activities must be operated by either non-profit organizations or by commercial food and drink establishments. Some activities may be operated solely by non-profit organizations, such as raffles. Traditional casino games, such as craps, roulette and keno, are prohibited. House-banked card-rooms have been authorized in Washington State since 1997 and, under current law, each establishment is allowed to have up to 15 tables offering games, such as Blackjack, Ultimate Texas Hold’em, Three Card Poker, Four Card Poker, Spanish Poker, Texas Shootout, Spanish 21, Pai Gow Poker, and others. The law allows both player-sponsored and house-banked card-rooms. As of January 1, 2009, the Commission increased the maximum bet for house-banked card-rooms’ table game wager limit to \$300 and allowed card-rooms to offer Mini-Baccarat. In addition, these establishments are allowed to be open 24 hours per day, provided they close for at least four continuous hours two times per week.

In order to operate our three “mini casinos,” Crazy Moose Casino in Pasco, Crazy Moose Casino in Mountlake Terrace and Coyote Bob’s Roadhouse Casino in Kennewick, each of them is required to maintain a Public Cardroom license and Punch Board/Pull-Tab Commercial Stimulant license. These licenses are renewable annually, subject to continued compliance with applicable gaming regulations. In addition, the Commission requires, prior to the licenses being issued, each substantial interest holder in the licensees (including our officers, directors and owners of five percent or more of any class of our stock) submit to the Commission certain disclosure forms and be subject to background investigations. The failure or inability of our “mini-casinos” to maintain their respective licenses would have a material adverse effect on our operations.

RCW 9.46.110 allows local governments (including cities, counties and towns) to prohibit any or all gambling activities for which licenses are required as well as tax such activities. The maximum tax limitations imposed by law include 20% of gross receipt for card-rooms and either 5% of gross receipts or 10% of net receipt (as chosen by a local authority) for pull-tabs activities. The current gaming tax rate in the cities of Pasco and Mountlake Terrace is 10% of table games gross receipts and 5% of pull-tabs gross receipts while in the city of Kennewick the current gaming tax rate is 10% of table games gross receipts and 10% of pull-tabs net receipts. In addition, Washington State charges a business and occupational tax in the amount of 1.63% of all gaming activities’ net receipts in order to promote responsible gaming.

Note 16. Subsequent Event

Effective November 2, 2009, Joseph Juliano resigned as Chairman of the Board of Nevada Gold and Casinos, Inc. for personal reasons. Mr. Juliano’s resignation was not the result of any disagreement with management, the board, or the Company’s auditors.

Effective November 2, 2009, William J. Sherlock was appointed Chairman. Mr. Sherlock has been a director of the Company since October 2007. Mr. Sherlock has over thirty-five years experience in the gaming and hospitality industry.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis ("MD&A") should be read in conjunction with our Consolidated Financial Statements and Notes thereto included in Item 1 of this Quarterly Report and with Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report for the year ended April 30, 2009 filed on Form 10-K with the Securities and Exchange Commission.

Critical Accounting Policies

Our discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements. We prepare these financial statements in conformity with U.S. generally accepted accounting principles. As such, we are required to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. We base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making judgments. On an on-going basis, we evaluate our estimates; however, actual results may differ from these estimates under different assumptions or conditions. There have been no material changes or developments in our evaluation of the accounting estimates and the underlying assumptions or methodologies that we believe to be Critical Accounting Policies and Estimates as disclosed in our Annual Report for the year ended April 30, 2009 filed on Form 10-K with the Securities and Exchange Commission.

Executive Overview

We were formed in 1977 and since 1994, have primarily been a gaming company involved in financing, developing, owning and operating commercial gaming projects and financing and developing Native American owned gaming projects. Our gaming facility operations are located in the United States of America (“U.S.”), specifically in the states of Colorado, Washington, and Florida. Our business strategy will continue to focus on owning and operating gaming establishments. If we are successful, our future revenues, costs and profitability can be expected to increase. Our net revenues were \$5.7 million and \$1.5 million for the three months ended October 31, 2009 and October 31, 2008, respectively.

When compared to the three months ended October 31, 2008, the three month period ended October 31, 2009 was impacted by the following items:

- Addition of three mini casinos in Washington state;
- Addition of table games at Colorado Grande Casino;
- Increase of the bet limit from \$5 to \$100 in Colorado;
- Addition of management fees from Oceans Casino Cruises, Inc., (“SunCruz”); and
- Reduced interest income and expense.

COMPARISON OF THE THREE MONTHS ENDED OCTOBER 31, 2009 AND OCTOBER 31, 2008

Net revenues. Net revenues increased 283.1%, or \$4.2 million, for the three month period ended October 31, 2009 compared to the period ended October 31, 2008. Casino revenues increased \$3.4 million with the addition of the three mini casinos in Washington and the addition of table games and increased bet limits at the Colorado Grande. Food and beverage revenues increased \$828,000 with the addition of three restaurants in the Washington casinos, and other revenues increased \$206,000 with the addition of Pull Tab revenue from the Washington casinos. The Company had no management fees in October 2008 compared to \$250,000 during the three months ended October 31, 2009 due to the signing of a management agreement with SunCruz effective November 2008, and slot revenues from the Colorado Grande increased approximately \$67,000 for the first time since Colorado implemented a smoking ban effective January 1, 2008. Our promotional allowances increased \$393,000 for the three month period ended October 31, 2009 compared to the period ended October 31, 2008 in proportion to the additions in revenue.

Total operating expenses. Total operating expenses increased 67.0% or \$2.5 million, for the three month period ended October 31, 2009 compared to the period ended October 31, 2008. Of the increase, \$2.3 million is the result of increased casino and food and beverage operating expenses, \$0.7 million increased marketing and administrative expenses, \$0.1 million increased corporate expenses mainly due to the establishment of a non-cash accrual for projected annual bonuses, and \$0.3 million increase in depreciation and amortization due to the addition of Washington assets, offset by \$1.2 million decrease in write offs due to the termination of the Vicksburg project in October, 2008.

Earnings from unconsolidated affiliates. Earnings from unconsolidated affiliates were \$0, compared to a loss of \$4,300 for the three month period ended October 31, 2008. As of December, 2008, we have no unconsolidated affiliates.

Interest income (expense), net. Interest income (expense), net, consists of a net balance of interest expense and amortization of loan issue cost, offset by interest income from our various notes receivable and investments. Interest

expense decreased 42.7%, or \$168,000, for the three month period ended October 31, 2009 compared to the three month period ended October 31, 2008. The decrease is primarily due to a significantly lower weighted average debt balance. Interest income decreased 85.1%, or \$266,000, for the three month period ended October 31, 2009 compared to the three month period ended October 31, 2008. The decrease is primarily due to repayment of notes receivable. Amortization of loan issue cost was \$27,770 and \$32,209 for the three month periods ended October 31, 2009 and October 31, 2008, respectively.

Net loss. Net loss was (\$444,115) and (\$1,621,298) for the three month periods ended October 31, 2009 and October 31, 2008, respectively. The improvement of \$1.2 million is primarily related to the addition of the Washington casinos revenue and the SunCruz management fees, improvement in the casino revenue at the Colorado Grande, offset by increased casino and operational expenses, decreased interest income, and the \$1.2 million write off of the Vicksburg project in the prior year. The effective tax rate for the three month periods ended October 31, 2009 and October 31, 2008 was a benefit of (37.3%) and a benefit of (31.8%), respectively. The decrease in the effective tax rate is due primarily to adjusting the year to date tax rate during the three months ended October 31, 2009 as a result of filing the annual return.

COMPARISON OF THE SIX MONTHS ENDED OCTOBER 31, 2009 AND OCTOBER 31, 2008

Net revenues. Net revenues increased 246%, or \$7.7 million, for the six month period ended October 31, 2009 compared to the six month period ended October 31, 2008. Net casino revenues increased \$6.0 million. Food and beverage revenues increased \$1.5 million, while other revenues increased \$376,000. The Company had no management fees in October, 2008, compared to \$500,000 for the six month period ended October 31, 2009. This was offset by an increase of \$0.7 million of promotional allowances.

Total operating expenses. Total operating expenses increased 82% or \$5.5 million, for the six month period ended October 31, 2009, compared to the six month period ended October 31, 2008. During the six months ended October 31, 2009, casino and food and beverage operating expenses increased \$4.3 million and facility expense increased \$0.3 million due to the addition of three mini casinos in Washington state. Marketing and administrative expenses increased \$1.3 million, also due to the addition of the Washington casinos. Corporate expenses increased \$0.3 million due to an increase in stock option expenses, and depreciation and amortization expenses increased \$0.3 million due to the addition of the Washington assets. This was offset by a \$1.2 million write off of our investment in Vicksburg in October, 2008.

Earnings (loss) from unconsolidated affiliates. Earnings from unconsolidated affiliates were \$0, compared to a loss of \$7,900 for the six month period ended October 31, 2008. As of December, 2008, we have no unconsolidated affiliates.

Interest expense, net. Interest expense, net consists of a net balance of interest expense and amortization of loan issue cost, offset by interest income. Interest expense decreased 52.7%, or \$0.4 million, for the six month period ended October 31, 2009 compared to the six month period ended October 31, 2008. The decrease is primarily due to a lower weighted average debt balance. Interest income decreased 86.7%, or \$687,000, for the six month period ended October 31, 2009 compared to the six month period ended October 31, 2008. The decrease is primarily due to our collection of the \$1.1 million American Racing and Entertainment, L.L.C. (American Racing) notes receivable in June, 2009, and the collection of the \$4.6 million note from Restaurant Connections International in August 2008. Amortization of loan issue costs was \$60,000 and \$64,000 for the six month periods ended October 31, 2009 and October 31, 2008, respectively.

Net loss. Net loss was \$1.1 million and \$2.4 million for the six month periods ended October 31, 2009 and October 31, 2008, respectively. The improvement of \$1.3 million is primarily related to the increased casino, food and beverage revenues of \$7.7 offset by \$5.5 million increased operating expenses, a \$0.3 million increase in net interest expense, the pre-tax \$1.2 write-off of the Vicksburg investment in 2008, and recording a \$1.3 million tax benefit, compared to a tax benefit of only \$0.6 million in the current year.

Liquidity and Capital Resources

Historical Cash Flows

The following table sets forth our consolidated net cash provided by (used in) operating, investing and financing activities for the six month periods ended October 31, 2009 and October 31, 2008:

	Six Months Ended	
	October 31, 2009	October 31, 2008
Net cash provided by (used in):		
Operating activities	\$ (380,388)	\$ (1,661,439)

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Investing activities	(10,599,534)	5,374,143
Financing activities	(36,559)	(5,830)

Operating activities. Net cash used in operating activities during the six month period ended October 31, 2009 decreased to \$0.4 million compared to net cash used of \$1.7 million during the three month period ended October 31, 2008. The \$1.3 million increase in cash flow is mainly due to improved operating results of \$1.3 million.

Investing activities. Net cash used in investing activities during the six month period ended October 31, 2009 increased to \$10.6 million compared to net cash provided of \$5.4 million for the six month period ended October 31, 2008. The increase of funds used is primarily due to the purchase of the Washington mini casinos and the Colorado Grande Casino expansion, offset by our collection of \$1.1 million of notes receivable related to our sale of American Racing in June 2007.

Financing activities. Net cash used in financing activities during the six month period ended October 31, 2009 increased to \$37,000 compared to cash used of \$5,800 for the three month period ended October 31, 2008. The increase of funds provided is the result of obtaining a \$150,000 line of credit for the Crazy Moose Casino Pasco, offset by the payment of \$180,000 in deferred loan issuance costs.

Future Sources and Uses of Cash

We expect that our future liquidity and capital requirements will be affected by:

- capital requirements related to future acquisitions;
- cash flow from acquisitions;
- management contracts;
- working capital requirements;
- obtaining funds via long-term subordinated debt instruments;
- debt service requirements; and
- disposition of non-gaming related assets.

At October 31, 2009, outstanding indebtedness was \$10.0 million, of which \$6.0 million is due June 30, 2013 and \$4.0 million is due May 12, 2012. In addition to cash flow expected to be generated from the Colorado Grande Casino and existing management contracts, we anticipate that cash flow from the recently acquired mini-casinos in Washington State will generate sufficient cash flow to pay for corporate overhead, net interest expense and anticipated capital improvements.

We have continued to examine our corporate overhead. As a result, beginning in 2007 we implemented several cost saving measures that have saved approximately \$2.5 million of general and administrative expenses annually. These measures included the elimination of several senior level positions and a number of corporate staff positions which resulted in a 60% reduction in our corporate full time equivalents. These cost savings have continued during fiscal year 2010.

We have listed the 270 acres in Black Hawk, CO with a real estate broker. If the acreage is sold we will use the proceeds to pay operating expenses or debt or, reinvest the funds into acquisition opportunities.

On October 31, 2009, excluding restricted cash of \$6.1 million, we had cash and cash equivalents of \$2.8 million.

Our Consolidated Financial Statements have been prepared assuming we will have adequate availability of cash resources to satisfy our liabilities in the normal course of business. We have made, and are in the process of making, arrangements to ensure that we have sufficient working capital to fund our obligations as they come due. These potential funding transactions include divesting of non-core assets and obtaining long-term financing. We believe that some or all of these sources of funds will be funded in a timely manner and will provide sufficient working capital for us to meet our obligations as they come due; however, there can be no assurance that we will be successful in divesting our non-core assets or achieving the desired level of working capital at terms that are favorable to us. Should cash resources not be sufficient to meet our current obligations as they come due, if we are unable to repay or refinance our long-term debts due on May 12, 2012, and June 30, 2013 and, if we are unable to acquire operations that generate positive cash flow, we would be required to curtail our activities and grow at a pace that cash resources could support which may require a restructuring of our debt or selling core assets of the Company.

Off-Balance Sheet Arrangements

None.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, including interest rates, foreign currency exchange rates, credit risk, commodity price and equity prices. Our primary exposure to market risk is credit risk concentrations. We do not believe we are subject to material interest risk.

Our promissory notes are fixed interest rate instruments.

Item 4. Controls and Procedures

Disclosure Controls and Procedures. We maintain disclosure controls and procedures that are designed to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit to the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified by the Commission's rules and forms, and that information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

In accordance with Exchange Act Rules 13a-15 and 15d-15, we carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. As a result of our evaluation, we concluded that our internal control over financial reporting was effective as of October 31, 2009. There have not been any changes in our control over financial reporting during the three months ended October 31, 2009 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II. Other Information

Item 1. Legal Proceedings

The Company is not currently involved in any material legal proceedings.

Item 1A. Risk Factors

There have been no material changes in our risk factors as previously disclosed in our Annual Report on Form 10-K for the fiscal year ended April 30, 2009.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders

Proposal One:

Election of one Class I director to hold office until the 2011 Annual Meeting of Stockholders:

Nominee	Number of Shares	
	For	Abstained
Frank Catania	10,895,748	769,339

In addition, the following individuals continue to be directors following the Annual Meeting of Stockholders: Joseph A. Juliano, Francis M. Ricci, Robert B. Sturges, William J. Sherlock, and William G. Jayroe.

Proposal Two:

Elect two Class II directors to hold offices until the 2012 Annual Meeting of Shareholders:

Nominee	Number of Shares	
	For	Abstained
Joseph A. Juliano	10,890,051	775,036
Francis M, Ricci	10,895,038	770,049

Proposal Three:

Ratify the appointment of Pannell Kerr Forster of Texas, P.C. as independent auditors for the 2010 fiscal year;

	Number of Shares		
	For	Against	Abstained
	11,176,462	376,650	111,974

Item 5. Other Information

None.

Item 6. Exhibits

See the Index to Exhibits following the signature page hereto for a list of the exhibits filed pursuant to Item 601 of Regulation S-K

18

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Nevada Gold & Casinos, Inc.

By: */s/ James J. Kohn*
James J. Kohn, Chief Financial Officer

Date: December 10, 2009

INDEX TO EXHIBITS

EXHIBIT NUMBER	DESCRIPTION
3.1A	Amended and Restated Articles of Incorporation of Nevada Gold & Casinos, Inc. (filed previously as Exhibit A to the Company's definitive proxy statement filed on Schedule 14A on July 30, 2001)
3.1B	Certificate of Amendment to the Articles of Incorporation of Nevada Gold & Casinos, Inc. (filed previously as Exhibit 4.2 to the Company's Form S-8 filed October 11, 2002)
3.1C	Certificate of Amendment to the Articles of Incorporation of Nevada Gold & Casinos, Inc. (filed previously as Exhibit 3.3 to the Company's Form 10-Q filed November 9, 2004)
3.1D	Certificate of Amendment to the Articles of Incorporation of Nevada Gold & Casinos, Inc. (filed previously as Exhibit 3.1 to the Company's Form 8-K filed October 17, 2007)
3.2	Amended and Restated Bylaws of Nevada Gold & Casinos, Inc. (filed previously as Exhibit 3.2 to the Company's Form 10-QSB filed August 14, 2002)
3.3	Amended and Restated Bylaws of Nevada Gold & Casinos, Inc., effective July 24, 2007 (filed previously as Exhibit 3.2 to the Company's Form 8-K filed July 27, 2007)
4.1	Common Stock Certificate of Nevada Gold & Casinos, Inc. (filed previously as Exhibit 4.1 to the Company's Form S-8/A, file no. 333-79867)
4.2	Second Amended and Restated Nevada Gold & Casinos, Inc. 1999 Stock Option Plan (filed previously as Exhibit 4.6 to the Company's Form S-8, file no. 333-126027)
4.3	Nevada Gold & Casinos, Inc.'s 2009 Equity Incentive Plan (filed previously as Exhibit 10.1 to the Company's Form S-8, file no. 333-158576)
10.1	Stock Purchase Agreement dated as of April 25, 2005 among Isle of Capri Black Hawk, L.L.C., IC Holdings Colorado, Inc., Colorado Grande Enterprise, Inc., and CGC Holdings, L.L.C. (filed previously as Exhibit 2.1 to the Company's Form 8-K filed April 29, 2005)
10.2	Unit Purchase Agreement among Nevada Gold & Casinos, Inc., Black Hawk Gold, Ltd., Casino America of Colorado, Inc. and Isle of Capri Casinos, Inc. dated November 13, 2007 (filed previously as Exhibit 10.5 to the Company's Form 8-K filed November 13, 2007)
10.3	Purchase and Sale Agreement among Nevada Gold & Casinos, Inc. Nevada Gold NY, Inc., Southern Tier Acquisition, LLC and Oneida Entertainment LLC (filed previously as Exhibit 10.1 to the Company's Form 8-K filed June 21, 2007)
10.4	Purchase Agreement dated November 25, 2008 between Nevada Gold BVR, LLC and B.V. Oro, LLC (filed previously as Exhibit 10.1 to the Company's Form 8-K filed December 12, 2008)
10.5	Management Agreement dated November 10, 2008 between Nevada Gold & Casinos, Inc. and Oceans Casino Cruises, Inc. (filed previously as Exhibit 10.1 to the Company's Form 8-K filed November 12, 2008)

- 10.6 Settlement Agreement and Release dated April 15, 2008 among Nevada Gold & Casinos, Inc., American Heritage, Inc. and Frederick C. Gillmann (filed previously as Exhibit 10.1 to the Company's Form 8-K filed April 16, 2008)
- 10.7 Asset Purchase Agreement dated March 12, 2009 among Crazy Moose Casino, Inc., Crazy Moose Casino II, Inc., Coyote Bob's, Inc. and Gullwing III, LLC, as sellers, and NG Washington, LLC, as purchaser (filed previously as Exhibit 10.1 to the Company's Form 8-K filed March 13, 2009)
- 10.8 (**) Amended and Restated Credit Facility dated January 19, 2006 (portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment in accordance with Rule 24b-2 under the Exchange Act) (filed previously as Exhibit 10.15 to the Company's Form 8-K filed January 25, 2006)
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- 10.9 (**) Form of Guarantee of Credit Facility among Nevada Gold and Casinos, Inc., each of Black Hawk Gold, LTD, Gold River, LLC, Nevada Gold BVR, LLC, and Nevada Gold NY, Inc., and the Lender signing as a party thereto (portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment in accordance with Rule 24b-2 under the Exchange Act) (filed previously as Exhibit 10.16 to the Company's Form 10-Q filed March 3, 2006)
- 10.10 (**) January 2006 Security Agreement dated January 19, 2006, by and between Nevada Gold & Casinos, Inc., its wholly-owned subsidiary, Black Hawk Gold, Ltd., and the Lender listed as a party thereto (portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment in accordance with Rule 24b-2 under the Exchange Act) (filed previously as Exhibit 10.17 to the Company's Form 10-Q filed March 3, 2006)
- 10.11 (**) Commercial Pledge Agreement dated January 19, 2006, among Nevada Gold & Casinos, Inc., Black Hawk Gold, LTD, and the Lender listed as a party thereto (portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment in accordance with Rule 24b-2 under the Exchange Act) (filed previously as Exhibit 10.18 to the Company's Form 10-Q filed March 3, 2006)
- 10.12 (**) Commercial Pledge Agreement dated January 19, 2006, among Nevada Gold & Casinos, Inc., Nevada Gold BVR, and the Lender listed as a party thereto (portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment in accordance with Rule 24b-2 under the Exchange Act) (filed previously as Exhibit 10.19 to the Company's Form 10-Q filed March 3, 2006)
- 10.13 (**) Commercial Pledge Agreement dated January 19, 2006 among Nevada Gold & Casinos, Inc., Gold River, LLC, and the Lender listed as a party thereto (portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment in accordance with Rule 24b-2 under the Exchange Act) (filed previously as Exhibit 10.20 to the Company's Form 10-Q filed March 3, 2006)
- 10.14 (**) Commercial Pledge Agreement dated January 19, 2006, among Nevada Gold & Casinos, Inc., Nevada Gold NY, Inc., and the Lender listed as a party thereto (portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment in accordance with Rule 24b-2 under the Exchange Act) (filed previously as Exhibit 10.21 to the Company's Form 10-Q filed March 3, 2006)
- 10.15 Amendment to the Amended and Restated Credit Facility dated January 19, 2006 among Nevada Gold & Casinos, Inc., Black Hawk Gold, Ltd. and Louise H. Rogers dated July 30, 2007 (filed previously as Exhibit 10.1 to the Company's Form 8-K filed July 30, 2007)
- 10.16 Amendment to the Amended and Restated Credit Facility dated January 19, 2006 between Nevada Gold & Casinos, Inc. and Louise H. Rogers dated October 12, 2007 (filed previously as Exhibit 10.1 to the Company's Form 8-K filed October 15, 2007)
- 10.17 Amendment to the Amended and Restated Credit Facility dated January 19, 2006 between Nevada Gold & Casinos, Inc. and Louise H. Rogers dated December 20, 2007 (filed previously as Exhibit 10.1 to the Company's Form 8-K filed December 21, 2007)

- 10.18 Agreement Regarding Use of Proceeds of IC-BH Sale and Regarding Remaining Amount Due Under the Amended and Restated Credit Facility among Nevada Gold & Casinos, Inc., Black Hawk Gold, Ltd. and Louise H. Rogers dated November 13, 2007 (filed previously as Exhibit 10.1 to the Company's Form 8-K filed November 13, 2007)
- 10.19 Amendment to the January 2006 Security Agreement among Nevada Gold & Casinos, Inc., Black Hawk Gold, Ltd. and Louise H. Rogers dated November 13, 2007 (filed previously as Exhibit 10.2 to the Company's Form 8-K filed November 13, 2007)
- 10.20 Agreement Regarding Use of Proceeds from RCI/CCH Notes Receivable between Nevada Gold & Casinos, Inc. and Louise H. Rogers dated November 13, 2007 (filed previously as Exhibit 10.3 to the Company's Form 8-K filed November 13, 2007)
- 10.21 Promissory Note issued by Nevada Gold & Casinos, Inc. to Louise H. Rogers dated November 13, 2007 (filed previously as Exhibit 10.4 to the Company's Form 8-K filed November 13, 2007)
- 10.22 Agreement Regarding Loans effective March 1, 2008 between Nevada Gold & Casinos, Inc. and Louise H. Rogers (filed previously as Exhibit 10.1 to the Company's Form 8-K filed June 17, 2008)
- 10.23 Amended and Restated Security Agreement effective March 1, 2008 between Nevada Gold & Casinos, Inc. and Louise H. Rogers (filed previously as Exhibit 10.2 to the Company's Form 8-K filed June 17, 2008)
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- 10.24 Schedule of Collateral, Notes, Security Interests and Ownership Interests effective March 1, 2008 between Nevada Gold & Casinos, Inc. and Louise H. Rogers (filed previously as Exhibit 10.3 to the Company's Form 8-K filed June 17, 2008)
- 10.25 Promissory Note issued by Nevada Gold & Casinos, Inc. to Louise H. Rogers effective March 1, 2008 (filed previously as Exhibit 10.4 to the Company's Form 8-K filed June 17, 2008)
- 10.26 July 2009 Amended and Restated Security Agreement among Nevada Gold & Casinos, Inc., Gold Mountain Development, LLC, CGC Holdings, LLC, Colorado Grande Enterprises, Inc., Nevada Gold BVR, LLC and Louise H. Rogers dated July 7, 2009 (filed previously as Exhibit 10.1 to the Company's Form 8-K filed July 7, 2009)
- 10.27 Schedule of Collateral, Notes, Security Interests and Ownership Interests dated July 7, 2009 among Nevada Gold & Casinos, Inc., Gold Mountain Development, LLC, CGC Holdings, LLC, Colorado Grande Enterprises, Inc., Nevada Gold BVR, LLC and Louise H. Rogers dated July 7, 2009 (filed previously as Exhibit 10.2 to the Company's Form 8-K filed July 7, 2009)
- 10.28 Collateral Assignment of Notes, Contractual Rights, Security Interests, and Ownership Interests dated July 7, 2009 among Nevada Gold & Casinos, Inc., Gold Mountain Development, LLC, CGC Holdings, LLC, Colorado Grande Enterprises, Inc., Nevada Gold BVR, LLC and Louise H. Rogers dated July 7, 2009 (filed previously as Exhibit 10.3 to the Company's Form 8-K filed July 7, 2009)
- 10.29 Promissory Note issued by Nevada Gold & Casinos, Inc. to the senior lender dated July 7, 2009 between Nevada Gold & Casinos, Inc. and Louise H. Rogers dated July 7, 2009 (filed previously as Exhibit 10.4 to the Company's Form 8-K filed July 7, 2009)
- 10.30 Loan Guaranty Agreement dated July 7, 2009 among Nevada Gold & Casinos, Inc., Gold Mountain Development, LLC, CGC Holdings, LLC, Colorado Grande Enterprises, Inc., NG Washington, LLC, Nevada Gold BVR, LLC and Louise H. Rogers dated July 7, 2009 (filed previously as Exhibit 10.5 to the Company's Form 8-K filed July 7, 2009)
- 10.31 (+) Form of Indemnification Agreement between Nevada Gold & Casinos, Inc. and each officer and director (filed previously as Exhibit 10.5 to the Company's Form 10-QSB, filed February 14, 2002)
- 10.32A (+) Employment Agreement dated November 27, 2006 by and between Robert B. Sturges and Nevada Gold & Casinos, Inc. (filed previously as Exhibit 10.27 to the Company's Form 10-Q filed December 15, 2006)
- 10.32B (+) Amendment to the Employment Agreement dated August 30, 2007 by and between Robert B. Sturges and Nevada Gold & Casinos, Inc. (filed previously as Exhibit 99.1 to the Company's Form 8-K filed August 31, 2007)
- 10.32C (+) Amendment to the Employment Agreement dated October 30, 2007 by and between Robert B. Sturges and Nevada Gold & Casinos, Inc. (filed previously as Exhibit 99.1 to the Company's Form 8-K filed October 30, 2007)
- 10.32D (+) Second Amendment to the Employment Agreement dated January 23, 2008 by and between Robert B. Sturges and Nevada Gold & Casinos, Inc. (filed previously as Exhibit 10.1 to the Company's Form 8-K

filed January 24, 2008)

- 10.33A (+) Employment Agreement dated October 24, 2006 by and between James J. Kohn and Nevada Gold & Casinos, Inc. (filed previously as Exhibit 10.28 to the Company's Form 10-Q filed March 9, 2007)
 - 10.33B(+) First Amendment to the Employment Agreement dated April 14, 2008 by and between James J. Kohn and Nevada Gold & Casinos, Inc. (filed previously as Exhibit 10.24B to the Company's Form 10-Q filed September 9, 2008)
 - 10.34A (+) Employment Agreement dated December 29, 2006 by and between Ernest E. East and Nevada Gold & Casinos, Inc. (filed previously as Exhibit 10.28 to the Company's Form 10-Q filed March 9, 2007)
 - 10.34B (+) First Amendment to the Employment Agreement dated April 14, 2008 by and between Ernest E. East and Nevada Gold & Casinos, Inc. (filed previously as Exhibit 10.25B to the Company's Form 10-Q filed September 9, 2008)
 - 10.34C (+) Second Amendment to Employment Agreement between Nevada Gold & Casinos, Inc. and Ernest E. East dated June 8, 2009 (filed previously as Exhibit 10.1 to the Company's Form 8-K filed June 8, 2009)
 - 10.35 (+) Separation Agreement and Release between Nevada Gold & Casinos, Inc. and H. Thomas Winn (filed previously as Exhibit 10.1 to the Company's Form 8-K filed July 9, 2007)
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- 23.1(*) Consent of Independent Registered Public Accounting Firm
 - 23.2(*) Consent of Independent Registered Public Accounting Firm
 - 31.1(*) Chief Executive Officer Certification Pursuant to Section 13a-14 of the Securities Exchange Act.
 - 31.2(*) Chief Financial Officer Certification Pursuant to Section 13a-14 of the Securities Exchange Act.
 - 32.1(*) Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
 - 32.2(*) Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- + Management contract or compensatory plan, or arrangement.
* Filed herewith.
** Portions of these exhibits have been omitted pursuant to a request for confidential treatment.
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