

Mandalay Resort Group

Code of Business Conduct and Ethics for Directors, Officers and Employees

This Code of Business Conduct and Ethics for Directors, Officers and Employees (the “Code”) has been adopted by the Board of Directors of Mandalay Resort Group (the “Company”) and sets out basic principles to guide the directors, officers and employees of the Company. All directors, officers and employees must conduct themselves accordingly and seek to avoid even the appearance of improper behavior.

If a law conflicts with a policy in this Code, you must comply with the law. In the event of any question about these conflicts, a director or officer should consult the Company’s General Counsel, and any other employee should consult his or her supervisor.

Those who violate the standards in this Code will be subject to disciplinary action, up to and including termination of employment. *If you are in a situation which you believe may violate or lead to a violation of this Code, follow the guidelines described in this Code under the heading “Compliance Procedures.”*

Compliance with Laws, Rules and Regulations

Obedying the law, both in letter and in spirit, is the foundation on which this Company’s ethical standards are built. All directors, officers and employees must respect and obey the local, state and federal laws and regulations which are applicable to the Company and its operations. Although not all directors, officers and employees are expected to know the details of these laws, it is important to know enough to determine when to seek advice from a supervisor or other appropriate personnel.

Conflicts of Interest

A conflict of interest occurs when an individual’s private interest interferes in any way, or appears to interfere, with the interests of the Company as a whole. A conflict situation arises when a director, officer or employee takes actions or has interests which may make it difficult to perform his or her work for the Company objectively and efficiently. Conflicts of interest also arise when a director, officer or employee, or a member of his or her immediate family, household, or others with whom he or she has a committed or similarly close relationship (“Family”), receives improper personal benefits as a result of his or her position in the Company.

Loans to, or guarantees of obligations of, a director, officer or employee, or a member of his or her Family, may create conflicts of interest and are prohibited with respect to directors and officers, and generally not permitted with respect to other employees. An extension of credit in the ordinary course of the Company’s business (e.g., an employee’s use of his or her credit card

to pay for lodging or food at one of the Company's hotels or restaurants) is not considered to be a "loan."

It is the obligation of a director, officer or employee to communicate any potential conflict of interest to the Company's General Counsel or Chief Executive Officer ("CEO"), in the case of directors or officers, or to his or her supervisor, in the case of other employees.

Insider Trading

Directors, officers and employees who have access to confidential information are not permitted to use or share that information for purposes of trading in securities or for any other purpose except the lawful conduct of our business. All non-public information about the Company and its business should be considered confidential information. To use non-public information for personal financial benefit or to Atip@ others who might make an investment decision on the basis of this information is not only unethical but also illegal. If you have any questions, please consult the Company's General Counsel.

Corporate Opportunities

Directors, officers and employees are prohibited from (i) taking for themselves personally opportunities that are discovered through the use of corporate property, information or position which has not been rejected by the Company; (ii) using corporate property, information or position for personal gain; and (iii) competing with the Company. Directors, officers and employees owe a duty to the Company to advance its legitimate interest if an opportunity to do so arises.

Confidentiality

Directors, officers and employees shall maintain the confidentiality of information entrusted to them by the Company or its customers, except when disclosure is authorized or legally mandated. Confidential information includes all non-public information that may be used by competitors, or harmful to the Company or its customers, if disclosed. The obligation to preserve confidential information continues even after employment ends.

Fair Dealing

Each director, officer and employee shall endeavor to deal fairly with the Company's customers, suppliers, competitors and employees. None should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other form of intentional unfair-dealing.

Protection and Proper Use of Company's Assets

All directors, officers or employees shall protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability and

should be guarded against. Any suspected incident of fraud, theft or other conduct involving improper use of the Company's assets, should be immediately reported for investigation. Company assets should be used for legitimate business purposes only, and should not be used in a manner which provides a personal benefit, except as otherwise approved in accordance with Company policies.

The obligation of employees to protect the Company's assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate Company policy. It could also be illegal and result in civil or even criminal penalties.

Financial Reporting

As a public company, it is extremely important that the Company's filings with the Securities and Exchange Commission (the "SEC"), gaming regulatory authorities and other public disclosures be accurate and timely. Depending on his or her position with the Company, any director, employee or officer may be requested to provide information to assure that the Company's public filings and other public disclosure are complete, fair and understandable. The Company expects all of its personnel to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to the Company's public disclosure requirements. In the performance of their duties, every director, officer and employee is prohibited from knowingly misrepresenting facts. An individual will be considered to have knowingly misrepresented facts if he or she knowingly (i) makes or permits or directs another to make, materially false or misleading entries in any of the Company's financial statements or records; (ii) fails to correct materially false and misleading financial statements or records; (iii) signs, or permits another to sign, any document containing materially false and misleading information; or (iv) falsely responds, or fails to respond, to specific inquiries from the Company's internal or external auditors.

Waivers

The Company expects that all of its directors, officers and employees will adhere to this Code. Notwithstanding the foregoing, there may be special circumstances under which the Company may elect to waive a particular provision of this Code for a limited purpose. Any waiver of a violation of this Code by an employee of the Company who is neither a director nor an officer of the Company shall be made by the General Counsel of the Company. Any waiver of a violation of this Code by a director or officer of the Company shall be made only by the Board of Directors, or a subcommittee thereof appointed by the Board of Directors and consisting solely of members of the Board. Any waiver involving an officer or director of the Company shall be promptly disclosed in a manner that is in accordance with any applicable laws and governmental regulations and requirements of any stock exchanges on which any securities of the Company are listed.

Compliance Procedures

When a director, officer or employee believes or determines that an actual, potential or apparent violation of this Code exists, he or she must properly report it in writing, on an anonymous basis if so desired. A report should be made, in the case of directors or officers of the Company, to the CEO or General Counsel of the Company, and in the case of employees who are not officers of the Company, to their supervisors. Complaints will be investigated by the Company's Corporate Security department or, in the case of actual potential or apparent violations involving accounting or auditing matters, a duly appointed delegate of the Audit Committee of the Company's Board of Directors.

No director, officer or employee will be discharged, threatened or discriminated or retaliated against because he or she, or someone acting on his or her behalf, makes a good faith disclosure concerning another director, officer or employee. Directors, officers and employees are obliged to cooperate with investigations into alleged Code violations and must always be truthful and forthcoming in the course of any such investigation.

Consequences of Violations

Violation of any provision of this Code, including retaliation against someone who has made a complaint of a violation, may result in disciplinary action, including termination of employment or other relationship with the Company. In addition, certain violations could result in the imposition of civil and/or criminal sanctions. Illegal actions on the part of persons covered by this Code are reportable to the appropriate authorities.

Website

This Code shall be posted on the Company's website, and the Company's annual report to stockholders shall include a statement to the effect that this Code is available on the Company's website and that the information is available in print to any stockholder who requests it.