



FOR IMMEDIATE RELEASE

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**SENECA GAMING CORPORATION BUILDS UPON
ONGOING FINANCE INITIATIVES**

Believes actions serve as a model for the gaming industry

NIAGARA FALLS, N.Y. – Seneca Gaming Corporation today announced its most recent initiative designed to strategically position itself to meet the economic and competitive challenges currently facing the gaming industry.

Building upon the recent December 2009 extension of its \$50 million line of credit with KeyBank upon terms the company believes highlight the stability and strength of its business, Seneca Gaming Corporation's Board of Directors recently took action to establish an internal reserve that sets aside and restricts funds for the retirement of a portion of its outstanding debt maturing in 2012.

"The economic lessons of the past couple years for SGC and the rest of the gaming industry are clear," said Richard K. Nephew, Treasurer of the Board of Directors. "The company's future success depends upon prudent use of leverage, maintaining a strong balance sheet and targeted reinvestment in our business."

Seneca Gaming Corporation raised \$500 million in 2004 and 2005 through the issuance of 7¼ percent senior notes.

"Through their recent actions, our Board of Directors has continued to illustrate Seneca Gaming Corporation's commitment to maintaining a sound financial position," said Cathy Walker, Chief Operating Officer. "Establishing this fund is an extension of our focus on practical management and responsible operations."

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SGC/BOND REPAYMENT 2-2-2-2

The dedicated senior note repayment reserve fund is the most recent in a series of steps Seneca Gaming Corporation has taken to promote the company's long-term success and viability.

In January, it was announced that Seneca Gaming Corporation successfully extended its \$50 million senior secured revolving line of credit with KeyBank at the rate of LIBOR plus one and one-quarter percent (1.25%), a favorable rate that was originally negotiated in June 2008. Under the agreement, the maturity date with KeyBank was extended to December 31, 2011.

"The ability to consistently demonstrate sound financial governance and management is essential to maintaining Seneca Gaming Corporation's credit profile and ability to access the market in the future—particularly in this current economic environment where financial institutions are extremely selective about the issuance of credit" David Sheridan, Chief Financial Officer, Seneca Gaming Corporation, said.

The \$500 million the company raised through its senior notes helped fuel Seneca Gaming Corporation's significant growth and expansion. Between 2004 and 2008, the company completed the 26-story hotel tower at Seneca Niagara Casino & Hotel, the permanent Seneca Allegany Casino & Hotel facility, and the existing Seneca Buffalo Creek Casino.

A second expansion of the Buffalo Creek property, announced in October 2009, is currently underway. The \$9 million project, which is expected to be completed by early April, will add 5,300 square feet of gaming space and bring the total number of slot machines at the facility in the inner harbor district of Buffalo to 445.

Seneca Gaming Corporation operates Seneca Niagara Casino & Hotel in Niagara Falls, New York, Seneca Allegany Casino & Hotel in Salamanca, New York and Seneca Buffalo Creek Casino in Buffalo, New York on behalf of the Seneca Nation of Indians.

Since opening Seneca Niagara Casino in 2002, Seneca Gaming Corporation has grown to become one of the largest private employers in Western New York, with more than 3,700 employees at its three casino operations. The company operates world-class facilities featuring more than 6,500 slot machines, 140 table games, 800 hotel rooms and other related amenities. For more information, visit www.senecagamingcorporation.com.

Forward-Looking Statements

This press release contains certain forward-looking statements intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. The words "believe," "estimate," "anticipate," "intend," "plan," "expect," "will," "continue," "evaluate," and words of similar meaning, with reference to SGC and its management, indicate forward looking statements. Similarly, statements that describe our plans or goals are all forward-looking statements. Forward-looking statements involve risks, uncertainties and other factors that could cause actual results to differ materially from those expressed in or implied by the forward looking statements contained in this earnings release, including, but not limited to SGC's ability to serve as a model for the gaming industry, its ability to maintain the strength and stability of its business, its ability to make prudent use of leverage, maintain a strong balance sheet and make targeted reinvestments in its business, its ability to maintain a sound financial position, and its ability to maintain its credit profile and access markets in the future.

Additional information concerning potential factors that could affect SGC's financial condition, results of operations, and expansion projects are described from time to time in SGC's periodic reports filed with the SEC, including, but not limited to, SGC's Annual Report on Form 10-K. These Reports may be viewed free of charge on the SEC's website, www.sec.gov, or through SGC's website, www.senecagamingcorporation.com.

SGC disclaims any obligation to update the forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release.