



MTR GAMING GROUP, INC.

FOR IMMEDIATE RELEASE

**MTR GAMING GROUP APPOINTS RICHARD KNIGHT
PRESIDENT, CEO AND GENERAL MANAGER OF PRESQUE ISLE DOWNS, INC.**

CHESTER, WV – October 13, 2006 – MTR Gaming Group, Inc. (Nasdaq National Market:MNTG) today announced that Richard Knight has been appointed President, CEO and General Manager of Presque Isle Downs, Inc., a wholly-owned subsidiary of the Company.

Mr. Knight brings to MTR an impressive 20-year background in gaming. Mr. Knight was President and CEO at the Sands Hotel and Casino in Atlantic City, New Jersey and held Executive Vice President and COO positions with Hollywood Casino Corporation in Aurora, Illinois, Tunica, Mississippi and Dallas, Texas. He also held Senior Vice President, COO and Controller positions with Bally Manufacturing Corporation in Atlantic City and Chicago. Mr. Knight received Bachelor of Science degrees in Hotel Administration from the University of Nevada, Las Vegas, and in Business Administration from the University of Arkansas.

Mr. Knight signed a three year employment agreement with Presque Isle Downs, Inc. commencing on October 1, 2006. Pursuant to the terms of his agreement, and as an inducement to be employed by Presque Isle Downs, Inc., MTR's Compensation Committee granted Mr. Knight a 10 year option to purchase 40,000 shares of the Company's Common Stock at the price of \$9.58 per share, subject to certain vesting and other provisions set forth in his employment agreement and a related option agreement.

Edson R. (Ted) Arneault, President and CEO of MTR Gaming Group, stated, "We are pleased to welcome Richard to the MTR team. As CEO of Presque Isle Downs, Inc., Richard's responsibilities will include continuing the development and, subject to applicable licensing requirements, supervising the operation of Presque Isle Downs in Erie, Pennsylvania and expanding the Company's competitiveness in the Erie area. We are confident that Richard's significant operating experience at various gaming properties will be a valuable asset to MTR."

About MTR Gaming Group

MTR Gaming Group, Inc., through subsidiaries, owns and operates the Mountaineer Race Track & Gaming Resort in Chester, West Virginia; Scioto Downs in Columbus, Ohio; the Ramada Inn and Speedway Casino in North Las Vegas, Nevada; Binion's Gambling Hall & Hotel in Las Vegas, Nevada, and holds a license to build Presque Isle Downs, a thoroughbred racetrack with pari-mutuel wagering in Erie, Pennsylvania. The Company also owns a 90% interest in Jackson Trotting Association, LLC, which operates Jackson Harness Raceway in Jackson, Michigan. Additionally, MTR owns a 50% interest in the North Metro Harness Initiative, LLC, which has a license to construct and operate a harness racetrack 30 miles north of downtown Minneapolis. The Mountaineer facility, the Company's primary

source of revenues, currently encompasses a thoroughbred racetrack with off-track betting and export simulcasting, 3,220 slot machines, 359 hotel rooms, golf course, spa & fitness center, theater and events center, convention center and fine dining and entertainment. MTR is included on the Russell 2000® and Russell® 3000 Indexes. For more information, please visit www.mtrgaming.com.

Except for historical information, this press release contains forward-looking statements. Such statements are subject to a number of risks and uncertainties, including, but not limited to, receipt of all required licenses and permits from the Pennsylvania Gaming Control Board, that could cause the statements made to be incorrect and/or for actual results to differ materially. These risks and uncertainties are described in the Company's periodic reports filed with the Securities and Exchange Commission. The Company does not intend to update publicly any forward-looking statements, except as may be required by law. The cautionary advice in this paragraph is permitted by the Private Securities Litigation Reform Act of 1995.

For Additional Information, Please Contact:

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