EQUIPMENT PURCHASE AGREEMENT

 (With EPII, as Assignee)

 THIS EQUIPMENT PURCHASE AGREEMENT (the "AGREEMENT") is made and entered

into this 31st day of March, 1998, by and between MULTIMEDIA GAMES, INC., a

Texas corporation ("SELLER") and EQUIPMENT PURCHASING II L.L.C., a Delaware

limited liability company, as assignee of Patricia McGinty ("BUYER").

 W I T N E S S E T H :

 WHEREAS, Seller owns and operates a Class II gaming business at its

offices located at 7335 South Lewis, Suite 302, Tulsa, Oklahoma (the

"BUSINESS");

 WHEREAS, Buyer is the assignee of an Equipment Purchase Agreement (the

"ASSIGNED AGREEMENT") between Seller and Patricia McGinty ("ASSIGNOR") pursuant

to which Assignor agreed to purchase from Seller certain gaming equipment used

by Seller in the Business; and

 WHEREAS, Buyer has assumed the obligations of Assignor under the

Assigned Agreement and desires to purchase from Seller, and Seller desires to

sell to Buyer, subject to the terms and conditions of this Agreement (which

amends and restates the Assigned Agreement solely to reflect Buyer as assignee

and to extend the maturity date of the Note referred to below), certain gaming

equipment relating to the Business;

 NOW, THEREFORE, in consideration of the mutual promises and covenants

contained herein, the parties hereto, intending to be legally bound, agree as

follows:

 ARTICLE I

 PURCHASE AND SALE OF EQUIPMENT

 Section 1.1 Sale of Equipment. On the Closing Date (as hereinafter

defined), Seller shall sell, assign, transfer and convey to Buyer, and Buyer

shall purchase and acquire from Seller, free and clear of all liens,

encumbrances and adverse claims (other than claims of lessees of the Equipment

related to the lease and use thereof) that certain gaming equipment set forth on

EXHIBIT 1.1 hereto (collectively, the "EQUIPMENT" and individually, an "EPS").

 Section 1.2 Purchase Price. The purchase price (the "PURCHASE PRICE")

for the Equipment shall be the dollar amount set forth on EXHIBIT 1.1 as the sum

of the total cost of the Equipment. The Purchase Price shall be payable at the

Closing (as hereinafter defined) by the delivery of a promissory note to Seller

in the form attached as Exhibit 1.2 in the principal amount of the Purchase

Price with interest payable at two percent (2%) above prime rate (as published

in the Wall Street Journal), and an initial maturity date of April 30, 1998,

which is hereby extended to May 14, 1998 (the "NOTE").

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 Section 1.3 Warrants. As additional inducement for Buyer to enter into

this Agreement, Seller agrees to issue to Buyer at Closing, one hundred (100)

warrants to purchase the Common Stock of Seller (the "WARRANTS") for each EPS

indicated on EXHIBIT 1.1 as being subject to Lease. The terms of each warrant

shall be as set forth in the Warrant Agreement attached hereto as EXHIBIT 1.3

(the "WARRANT AGREEMENT"). The purchase price per share of Common Stock of

Seller purchasable pursuant to each Warrant shall be initially $9.44, which was

the closing market price on day before Closing, and the number of shares of

Common Stock purchasable upon the exercise of each Warrant shall be initially

one (1) share of Common Stock of Seller. The Warrants shall become exercisable

one (1) year from the Closing Date and shall expire on the fifth anniversary of

the Closing Date.

 Section 1.4 Risk of Loss. The risk of loss or destruction or damage to

any or all of the Equipment from any cause whatsoever at all times prior to the

Closing Date of the purchase of the Equipment shall be borne by Seller.

Subsequent to the Closing Date of the purchase of the Equipment, the risk of

loss or destruction of or damage to any or all the Equipment from any cause

whatsoever shall be borne by Buyer, subject to the agreements and indemnities of

the "Manager" for the benefit of the "Owner" as provided in, and as such terms

are defined in, the Management Agreement of even date referred to in Section

2.2(b) below.

 Section 1.5 Lease of Equipment. Ownership of Equipment shall transfer

subject to any and all lease or use agreements relating to such Equipment,

including leases that entitle the lessee thereunder to purchase the Equipment.

If any lessee of equipment exercises its rights under a lease agreement to

purchase the underlying equipment, Buyer shall transfer title to lessee.

 Section 1.6 Certain Taxes and Fees. Buyer shall be responsible for (i)

any sales and use taxes which may become due and owing by reason of the sale of

the Equipment hereunder, (ii) all transfer, documentary and similar taxes and

all other duties, levies or other governmental charges incurred by or imposed on

the parties hereto with respect to the property transfer contemplated pursuant

to this Agreement, and (iii) all recording fees, if any, relating to the filing

of instruments transferring title to Buyer from Seller.

 Section 1.7 Ad Valorem Taxes. Ad valorem, property and similar taxes

and assessments with respect to the Equipment for the assessment year in which

Closing occurs shall be prorated to the Closing Date, so that Seller shall be

responsible for such taxes for the period prior to the Closing Date and Buyer

shall be responsible for such taxes for the period on and after the Closing

Date.

 Section 1.8 Other Expenses. All other costs and expenses incurred by

each party hereto in connection with all things required to be done by it

hereunder, including attorneys' and accountant fees, shall be borne by the party

incurring same.

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 Section 1.9 Assignment of Warranties. Seller agrees to assign to Buyer

at closing; any and all valid warranties it may have in and to the Equipment;

provided that Seller shall not be obligated to assign any warranties which are

non-assignable pursuant to their terms.

 Section 2.0 Intellectual Property. Buyer is not acquiring any license

or other right to use, or any ownership interest in, the intellectual property

of Seller, including without limitation the trade names "MegaMania" and

"FlashCash" or any software related to such games.

 ARTICLE II

 CLOSING

 Section 2.1 Closing. Closing of the purchase and sale of Equipment

provided for herein ("CLOSING") shall take place on or before March 31, 1998 at

a time and place mutually satisfactory to both parties (the "CLOSING DATE"). At

Closing, Seller shall deliver to Buyer a duly executed bill of sale in

substantially the form of EXHIBIT 2.1 hereto. Buyer shall deliver to Seller, the

Purchase Price as provided in Section 1.2 hereof.

 Section 2.2 Conditions to Each Party's Obligations. The respective

obligations of Seller and Buyer to consummate the transactions contemplated by

this Agreement shall be subject to each of the following conditions, in addition

to those set forth in Section 2.1 hereof:

 (a) the parties shall have received the Rental Pool Agreement,

 duly authorized and executed by the other, in substantially the form

 attached as EXHIBIT 2.2(A);

 (b) the parties shall have received the Management Agreement,

 duly authorized and executed by the other, in substantially the form

 attached as EXHIBIT 2.2(B); and

 (c) Buyer shall have received the Warrants from Seller.

 ARTICLE III

 REPRESENTATIONS AND WARRANTIES OF SELLER

 Seller hereby represents and warrants to Buyer, and covenants with

Buyer as follows:

 Section 3.1 Corporate Existence; Authority. Seller is a corporation,

duly organized, validly existing and in good standing under the laws of the

State of Texas. The execution, delivery and performance of this Agreement by

Seller has been duly authorized by all necessary corporate and other action; and

no further corporate or other action is necessary for Seller to execute and

deliver this Agreement and to consummate and perform its obligations hereunder.

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 Section 3.2 Consents. No consent, approval, waiver or authorization of,

or the making of any declaration or filing with, any governmental authority or

any other person is necessary in connection with the execution, delivery or

performance by Seller of this Agreement, and the consummation of the transaction

contemplated by this Agreement will not require the approval of any entity or

person in order to prevent the breach or termination of any agreement or other

right, privilege, license or agreement of Seller.

 Section 3.3 No Conflicting Agreements. Neither the execution and

delivery of this Agreement by Seller nor the fulfillment of or compliance with

the terms or provisions hereof will result in a breach of the terms, conditions

or provisions of, or constitute a default under, or result in a violation of the

Certificate of Incorporation or Bylaws of Seller, or any other agreement,

mortgage, lease, license or other instrument or obligation to which Seller is a

party or by which the Equipment is bound, or any provision of any applicable

law, rule, regulation or ordinance or any order, decree, writ or injunction of

any court, administrative agency or governmental authority by which any Seller

is bound.

 Section 3.4 Validity and Binding Effect. Seller has all requisite power

and authority to enter into this Agreement and to perform its obligations

hereunder. This Agreement has been duly executed and delivered by or on behalf

of Seller and constitutes the legal, valid and binding obligation of Seller,

enforceable against Seller in accordance with its terms, except as the same may

be limited by insolvency, bankruptcy or other laws of general application

affecting the enforcement of creditors' rights and by general equitable

principles.

 Section 3.5 Title to Equipment. Seller has good and marketable title

to, and is the owner of, the Equipment, free and clear of all liens, mortgages,

security agreements, leases, options, pledges, charges, covenants, conditions,

restrictions and other encumbrances and claims of any kind or character

whatsoever (other than claims of lessees of the Equipment pursuant to the terms

thereof) and will convey the same to Buyer at Closing.

 ARTICLE IV

 REPRESENTATIONS AND WARRANTIES OF BUYER

 Seller hereby represents and warrants to Buyer, and covenants with

Buyer as follows:

 Section 4.1 Consents. No consent, approval, waiver or authorization of,

or the making of any declaration or filing with, any governmental authority or

any other person is necessary in connection with the execution, delivery or

performance by Buyer of this Agreement, and the consummation of the transaction

contemplated by this Agreement will not require the approval of any entity or

person in order to prevent the breach or termination of any agreement or other

right, privilege, license or agreement of Buyer.

 Section 4.2 No Conflicting Agreements. Neither the execution and

delivery of this Agreement by Buyer nor the fulfillment of or compliance with

the terms or provisions hereof will

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result in a breach of the terms, conditions or provisions of, or constitute a

default under, or result in a violation of, the internal charter or operation

documents of Buyer or any agreement or other instrument to which Buyer is a

party or by which it is bound, or result in the violation of any provision of

any applicable law, rule, regulation or ordinance or any order, decree, writ or

injunction of any court, administrative agency or governmental authority by

which Buyer is bound.

 Section 4.3 Validity and Binding Effect. Buyer has all requisite power

and authority to enter into this Agreement and to perform its obligations

hereunder. This Agreement has been duly executed and delivered on behalf of

Buyer and constitutes the legal, valid and binding obligation of Buyer,

enforceable against Buyer in accordance with its terms, except as the same may

be limited by insolvency, bankruptcy or other laws of general application

affecting the enforcement of creditors' rights or by general equitable

principles.

 ARTICLE V

 CERTAIN COVENANTS OF THE PARTIES

 Section 5.1 Registrations, Filings and Consents. Seller will cooperate

in good faith, at Buyer's request, to make all registrations, filings, and

applications and to give all notices and to obtain all governmental and other

consents, transfers, approvals, orders, qualifications and waivers necessary or

desirable for the consummation of the transactions contemplated hereby or which

may thereafter be reasonably necessary or desirable to effect the transfer or

renewal of the Equipment.

 Section 5.2 Further Assurances. Seller agrees from time to time,

whether at or after the Closing Date, to execute and deliver, and will cause its

affiliates to execute and deliver, such further instruments of conveyance and

transfer and take such other action as Buyer may reasonably request in order to

more effectively convey and transfer to Buyer the Equipment.

 Section 5.3 Disclaimer; Limitation of Remedies. THE PARTIES AGREE THAT

THE EQUIPMENT SOLD, CONVEYED, TRANSFERRED AND ASSIGNED HEREBY IS SOLD AND

CONVEYED ON AN "AS IS, WHERE IS" BASIS AND THAT THE IMPLIED WARRANTIES OF

MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ALL OTHER WARRANTIES,

EXPRESS OR IMPLIED, ARE EXCLUDED FROM THIS TRANSACTION AND SHALL NOT APPLY TO

THE GOODS SOLD. BUYER ACKNOWLEDGES THAT SELLER SHALL NOT BE LIABLE FOR ANY

INCIDENTAL, SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT

LIMITED TO, LOSS OF USE OR LOSS OF PROFITS INCURRED BY BUYER IN CONNECTION WITH

OR RELATING TO THE PURCHASE OF THE EQUIPMENT PURSUANT TO THIS AGREEMENT OR THE

USE OF THE EQUIPMENT. THE PARTIES AGREE THAT, TO THE EXTENT REQUIRED BY LAW, THE

DISCLAIMERS CONTAINED HEREIN ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSE OF

ANY LAW, RULE OR ORDER.

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 ARTICLE VI

 MISCELLANEOUS

 Section 6.1 Survival of Representations, Warranties and Agreements. The

representations, warranties, covenants and agreements made in this Agreement or

in any certificate or instrument delivered in connection herewith shall be in

full force and effect notwithstanding any investigation made by or disclosure

made to any party hereto, whether before or after the date hereof, shall survive

Closing and shall continue to be applicable and binding thereafter.

 Section 6.2 Governing Law. This Agreement shall be governed by and

construed in accordance with the laws of the State of Oklahoma without reference

to the choice of law principles thereof.

 Section 6.3 Entire Agreement. This Agreement, including any exhibits

and schedules hereto, contains the entire agreement and understanding between

the parties hereto, and supersedes any and all prior agreements, arrangements

and understandings, relating to the subject matter hereof. There are no written

or oral agreements, understandings, representations or warranties between the

parties other than those set forth or referred to in this Agreement. No

supplement, amendment, alteration, modification or waiver of this Agreement

shall be binding unless consented to in writing by Buyer and Seller.

 Section 6.4 Expenses. Each party hereto shall separately bear the

expenses incurred by it in connection with this Agreement and in connection with

all things required to be done by it hereunder.

 Section 6.5 Notices. All notices or other communications required or

permitted hereunder shall be in writing and shall be deemed given when delivered

personally or when sent by facsimile or on the third day after being mailed by

registered or certified mail, postage prepaid, addressed as follows:

 To Seller: Multimedia Games, Inc.

 7335 S. Lewis, Suite 302

 Tulsa, OK 74136

 Attention: Contract Administration

 To Buyer: Equipment Purchasing II L.L.C.

 c/o Multimedia Games, Inc.

 7335 S. Lewis, Suite 302

 Tulsa, OK 74136

 Attention: Frederick E. Roll

 Any party may change its address for receiving notices by giving

written notice of such change to the other party in accordance with this Section

6.5.

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 Section 6.6 Successors and Assigns. This Agreement shall be binding

upon and inure to the benefit of the parties hereto and their respective

successors and assigns; provided, however, this Agreement may not be assigned by

either party without the written consent of the other, which consent shall not

be unreasonably withheld; further provided that Buyer may assign this Agreement

to a controlled entity at any time without the consent of the Seller, but such

assignment shall not relieve Buyer from her obligations under the Note.

 Section 6.7 Parties In Interest. Nothing in this Agreement shall

entitle any party other than Buyer or Seller to any claim, cause of action,

remedy or right of any kind.

 Section 6.8 Waiver. No waiver of any term, provision or condition of

this Agreement shall be effective unless in writing, signed by the party against

which such waiver is sought to be enforced, and no such waiver shall be deemed

to be or construed as a further or continuing waiver of any such term, provision

or condition or as a waiver of any other term, provision or condition of this

Agreement, unless specifically so stated in such written waiver.

 Section 6.9 Severability. If any term, covenant or condition of this

Agreement or the application thereof to any person or circumstance (other than a

term, covenant, condition or application which affects the essence of this

Agreement) shall, to any extent, be invalid or unenforceable, the remainder of

this Agreement, or the application of such term, covenant or condition to those

persons or circumstances other than those as to which it has been held invalid

or unenforceable, shall not be affected thereby, and each term, covenant and

condition of this Agreement shall be valid and enforceable to the fullest extent

permitted by law.

 Section 6.10 Bulk Sales. The parties hereby waive any necessary

compliance with the provisions of any applicable bulk sales or transfer laws.

Buyer hereby jointly and severally agrees to indemnify, defend and hold Buyer

harmless from and against any loss or liability Seller may suffer because of

noncompliance with such bulk sales or transfer laws or any similar laws of any

state.

 Section 6.11 Assigned Agreement. This Agreement amends and restates the

Assigned Agreement which, as so amended, remains in full force and effect.

 IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be

duly executed and delivered by their duly authorized representatives on the day

first above written.

 EQUIPMENT PURCHASING II L.L.C.

 By: Rio Grande Management Corp.

 By:

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 Name: Clifton Lind

 Its: President

 MULTIMEDIA GAMES, INC.

 By:

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 Name: Gordon Graves

 Its: Chief Executive Officer

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 EXHIBIT 1.1

 EQUIPMENT

 See Exhibit 1.1 attached

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 EXHIBIT 2.1

 BILL OF SALE

KNOW ALL PERSONS BY THESE PRESENTS:

 MULTIMEDIA GAMES, INC., a Texas corporation ("SELLER"), in

consideration of Ten and No/100 Dollars ($10.00) and other good and valuable

consideration, receipt and sufficiency of which are hereby acknowledged, does

hereby sell, assign, transfer and set over to EQUIPMENT PURCHASING L.L.C., a

Delaware limited liability company ("BUYER"), all of Seller's right, title and

interest in and to the equipment and other tangible personal property described

on Schedule "A" attached hereto and made a part hereof (all of such personal

property is hereinafter collectively referred to as the "EQUIPMENT") except to

the extent that such equipment is specifically excluded therein.

 Seller hereby represents and warrants to Buyer that Seller is the

absolute owner of the Equipment, that the Equipment is free and clear of all

liens, charges and encumbrances (other than claims of lessees of the Equipment

related to the lease and use thereof), and that Seller has full right, power and

authority to sell the Equipment and to make this Bill of Sale.

 THE PARTIES AGREE THAT THE EQUIPMENT SOLD, CONVEYED, TRANSFERRED AND

ASSIGNED HEREBY IS SOLD AND CONVEYED ON AN "AS IS, WHERE IS" BASIS AND THAT THE

IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND

ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, ARE EXCLUDED FROM THIS TRANSACTION AND

SHALL NOT APPLY TO THE GOODS SOLD. BUYER ACKNOWLEDGES THAT SELLER SHALL NOT BE

LIABLE FOR ANY INCIDENTAL, SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING

BUT NOT LIMITED TO, LOSS OF USE OR LOSS OF PROFITS INCURRED BY BUYER IN

CONNECTION WITH OR RELATING TO THE PURCHASE OF THE EQUIPMENT PURSUANT TO THIS

AGREEMENT OR THE USE OF THE EQUIPMENT. THE PARTIES AGREE THAT, TO THE EXTENT

REQUIRED BY LAW, THE DISCLAIMERS CONTAINED HEREIN ARE "CONSPICUOUS" DISCLAIMERS

FOR THE PURPOSE OF ANY LAW, RULE OR ORDER.

 IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be duly

executed by its officer thereunto duly authorized this 31st day of March, 1998.

 MULTIMEDIA GAMES, INC.,

 a Texas corporation

 By:

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 Name: Gordon Graves

 Its: Chief Executive Officer