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The company behind a multimillion dollar bid to expand Canberra Casino in exchange for being allowed to operate poker machines has been given one month to finalise its proposal.

The ACT government has written to Aquis Entertainment giving the company until May 14 to progress the unsolicited bid it brought forward in 2015 for a \$330 million rebuild of the casino.

But Gaming Minister Gordon Ramsay revealed the company had gone cold, after the government changed the ACT's gambling laws to allow the casino to have poker machines, but with strict conditions.

Hong Kong-based Aquis wanted permission to operate 500 poker machines in exchange for building two luxury hotels on the site near Glebe Park, as well as new bars, cafes and promenade-style shopping featuring international brands such as Chanel, Gucci and Louis Vuitton.

However, the laws the ACT Legislative Assembly passed last year would only allow the casino to operate 200 poker machines, as well as 60 fully automated table games, limited punters to \$2 spins and forced them to nominate how much they are prepared to lose in advance.

Mr Ramsay said the government's support for Aquis operating poker machines hinged on its redevelopment of the casino precinct, however he had not received "critical information required for the process to move forward".

A spokesman for Aquis said the company was still interested in pursuing the redevelopment.

However, the casino reported a loss of \$13.8 million in February, its second in a row.

"Given the size of the proposed investment, the government must be realistic in its expectations in relation to the detail and speed at which information can be provided in the face of significant commercial uncertainty," he said.

"The legislative changes, passed in late 2017, require a thorough process to be undertaken to determine the impact of such significant regulatory and land use restrictions as those imposed.

"We have advised the government that this process is ongoing, and as part of that their input will be required to clarify a number of outstanding issues."

ACT Opposition gaming spokesman Mark Parton said the conditions had made the redevelopment unviable.

"From the day the casino amendment bill was tabled we've been saying there would not be an Aquis casino redevelopment because the conditions that have been set up by this government for poker machines at the casino were never going to fit the business model Aquis had originally proposed," he said. "There was never going to be enough money in it for them and there was going to have to be too much outlay."

However, Mr Ramsay said those conditions were to protect the health and wellbeing of Canberrans.

"If there's any expansion in gambling in any way it needs to be done in a way that's socially responsible," Mr Ramsay said.

The announcement comes as the government tries to reduce the number of poker machine authorisations in Canberra from nearly 5000 to a max of 4000, in line with its 2016 election promise.

Earlier this month, it appointed former Commonwealth departmental secretary Neville Stevens to review how it could cut the number of machines, and revealed it will start forcing clubs to surrender gaming machine licences from next April.

Mr Ramsay said in order for that work to progress, the government needed to understand what role the casino would play in the authorisation trading scheme, as it could potentially account for the removal of a considerable number of machines.

Under the new casino laws, the casino would have to forfeit one in three poker machine licences it bought.

If it wanted to operate 200 machines, it would have to buy 300 licences and surrender 130 to the government.

"Given we're reducing the number of authorisations by 980, 130 [licences] makes a significant difference," Mr Ramsay said.

He denied the clubs sector had pressured the government to act, saying the government had set a clear harm minimisation all the way through.

However, Mr Parton speculated another buyer was circling the casino.

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