UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended **October 31, 2022**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: **001-41326**

Golden Matrix Group, Inc.

(Exact name of registrant as specified in its charter)

Nevada	**46-1814729**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3651 Lindell Road, Suite D131, Las Vegas, NV	**89103**
(Address of principal offices)	(Zip Code)

Registrant's telephone number, including area code: **(702) 318-7548**

Securities registered pursuant to section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, $0.00001 Par Value Per Share	GMGI	The NASDAQ Stock Market LLC (The NASDAQ Capital Market)

Securities registered pursuant to section 12(g) of the Act:

None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☒ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act: ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). ☐ Yes ☒ No

On April 30, 2022, the last day of the registrant's most recently completed second quarter, the aggregate market value of the Common Stock held by non-affiliates of the registrant was $74,984,156, based upon the closing price of the registrant's Common Stock on the Nasdaq Capital Market of $4.65 on April 29, 2022, the last trading day prior April 30, 2022. For purposes of this response, the registrant has assumed that its directors, executive officers and beneficial owners of 5% or more of its Common Stock are deemed affiliates of the registrant.

As of January 30, 2023, the registrant had 35,574,526 shares of its Common Stock, $0.00001 par value, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None.

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Cautionary Statement Regarding Forward-Looking Statements

This Annual Report on Form 10-K (this "Report") contains forward-looking statements, including within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, that involve substantial risks and uncertainties. These forward-looking statements are not historical facts, but rather are based on current expectations, estimates and projections about our industry, our beliefs and our assumptions. Words such as "anticipate," "expects," "intends," "plans," "believes," "seeks" and "estimates" and variations of these words and similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to risks, uncertainties and other factors, many of which are outside of the Company's control which could cause actual results to differ materially from the results expressed or implied in the forward-looking statements, including, but not limited to:

- the impact of the COVID-19 pandemic on the Company;
- the need for additional financing, the terms of such financing and the availability of such financing;
- the ability of the Company to manage growth;
- the ability of the Company to obtain additional gaming licenses;
- the Company's ability to complete acquisitions and the available funding for such acquisitions; disruptions caused by acquisitions;
- dilution caused by fund raising, the conversion of outstanding preferred stock, and/or acquisitions;
- the Company's ability to maintain the listing of its common stock on the Nasdaq Capital Market;
- the Company's expectations for future growth, revenues, and profitability;
- the Company's expectations regarding future plans and timing thereof;
- the Company's reliance on its management;
- the fact that the Company's chief executive officer has voting control over the Company;
- related party relationships;
- the potential effect of economic downturns, recessions, increases in interest rates and inflation, and market conditions, decreases in discretionary spending and therefore demand for our products, and increases in the cost of capital, related thereto, among other affects thereof, on the Company's operations and prospects;
- the Company's ability to protect proprietary information;
- the ability of the Company to compete in its market;
- dilution caused by efforts to obtain additional financing;
- the effect of current and future regulation, the Company's ability to comply with regulations and potential penalties in the event it fails to comply with such regulations and changes in the enforcement and interpretation of existing laws and regulations and the adoption of new laws and regulations that may unfavorably impact our business;
- the risks associated with gaming fraud, user cheating and cyber-attacks;
- risks associated with systems failures and failures of technology and infrastructure on which the Company's programs rely;
- foreign exchange and currency risks;
- the outcome of contingencies, including legal proceedings in the normal course of business;
- the ability to compete against existing and new competitors;
- the ability to manage expenses associated with sales and marketing and necessary general and administrative and technology investments; and
- general consumer sentiment and economic conditions that may affect levels of discretionary customer purchases of the Company's products, including potential recessions and global economic slowdowns.

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These statements are not guarantees of future performance or results. Forward-looking statements are based on information available at the time the statements are made and involve known and unknown risks, uncertainties and other factors that may cause our results, levels of activity, performance or achievements to be materially different from the information expressed or implied by the forward-looking statements in this Report. These factors include those set forth below under "Item 1A. Risk Factors", below.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this Annual Report on Form 10-K. While we believe that such information provides a reasonable basis for these statements, that information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

You should read the matters described in "Item 1A. Risk Factors" and the other cautionary statements made in this Report, and incorporated by reference herein, as being applicable to all related forward-looking statements wherever they appear in this Report. We cannot assure you that the forward-looking statements in this Report will prove to be accurate and therefore prospective investors are encouraged not to place undue reliance on forward-looking statements. Other than as required by law, we undertake no obligation to update or revise these forward-looking statements, even though our situation may change in the future.

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PART I

Item 1. Business

Introduction

The information included in this Report on Form 10-K should be read in conjunction with the consolidated financial statements and related notes in "Item 8. Financial Statements and Supplemental Data" of this Report.

Our logo and some of our trademarks and tradenames are used in this Report. This Report also includes trademarks, tradenames and service marks that are the property of others. Solely for convenience, trademarks, tradenames, and service marks referred to in this Report may appear without the ®, ™ and SM symbols. References to our trademarks, tradenames and service marks are not intended to indicate in any way that we will not assert to the fullest extent under applicable law our rights or the rights of the applicable licensors if any, nor that respective owners to other intellectual property rights will not assert, to the fullest extent under applicable law, their rights thereto. We do not intend the use or display of other companies' trademarks and trade names to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

The market data and certain other statistical information used throughout this Report are based on independent industry publications, reports by market research firms or other independent sources that we believe to be reliable sources. Industry publications and third-party research, surveys and studies generally indicate that their information has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information; and we have not commissioned any of the market or survey data that is presented in this Report. We are responsible for all the disclosures contained in this Report, and we believe these industry publications and third-party research, surveys and studies are reliable. While we are not aware of any misstatements regarding any third-party information presented in this Report, their estimates, in particular, as they relate to projections, involve numerous assumptions, are subject to risks and uncertainties, and are subject to change based on various factors, including those discussed under the section entitled "Item 1A. Risk Factors". These and other factors could cause our future performance to differ materially from our assumptions and estimates. Some market and other data included herein, as well as the data of competitors as they relate to Golden Matrix Group, Inc., is also based on our good faith estimates.

On April 27, 2020, we filed a Certificate of Change Pursuant to NRS 78.209 with the Nevada Secretary of State pursuant to which we affected a reverse stock split of our authorized and issued and outstanding common stock in a ratio of 1-for-150. As a result of such filing, our authorized shares of common stock decreased from 6 billion to 40 million and our issued and outstanding shares of common stock decreased in a ratio of 1-for-150. All fractional shares of common stock remaining after the reverse split were rounded up to the nearest whole share. Pursuant to Section 78.207(1) of the Nevada Revised Statutes ("NRS"), shareholder approval was not required for this transaction. The Certificate of Change was effective with the Financial Industry Regulatory Authority (FINRA) on June 26, 2020. The effects of the reverse stock split are retroactively reflected throughout this Report.

On May 12, 2020, the Board of Directors of the Company approved a change in the Company's fiscal year from July 31 to January 31, effective immediately.

On October 29, 2021, the Board of Directors of the Company approved a change in the Company's fiscal year from January 31 to October 31, effective immediately. As a result, thereof, the Company has presented information in this Report, where applicable, as of October 31, 2022, for the year ended October 31, 2022, for the nine month transition period ended October 31, 2021, for the twelve months ended January 31, 2021, and for the six month transition period ended January 31, 2020.

On November 22, 2021, our Board of Directors, and on November 23, 2021, our majority stockholder, pursuant to a written consent to action without meeting, approved and ratified the filing of a Certificate of Amendment to the Company's Articles of Incorporation with the Secretary of State of Nevada to increase the Company's total authorized number of shares of Common Stock from forty million (40,000,000) shares to two hundred and fifty million (250,000,000) shares (the "Share Increase"), and to restate Article 3, Capital Stock thereof to clarify the Board of Director's ability to designate and issue 'blank check' preferred stock (the "Amendment"). The Amendment was filed with, and became effective with, the Secretary of State of Nevada, on December 16, 2021.

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Unless the context requires otherwise, references to the "Company," "we," "us," "our,", "GMGI" and "Golden Matrix" in this Report refer specifically to Golden Matrix Group, Inc., and its consolidated subsidiary.

In addition, unless the context otherwise requires and for the purposes of this report only:

- "AUD" means Australian dollars;
- "Exchange Act" refers to the Securities Exchange Act of 1934, as amended;
- "Euro" or "€" refers to the Euro, the official currency of the majority of the member states of the European Union;

- "GBP" or "£" means Pounds Sterling or Great British Pounds;
- "SEC" or the "Commission" refers to the United States Securities and Exchange Commission;
- "Securities Act" refers to the Securities Act of 1933, as amended; and
- "USD" or "$" means United States dollars.

All dollar amounts in this Report are in U.S. dollars unless otherwise stated.

Available Information

We file annual, quarterly, and current reports, proxy statements and other information with the SEC. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC like us at https://www.sec.gov. Copies of documents filed by us with the SEC (including exhibits) are also available from us without charge, upon oral or written request to our Secretary, who can be contacted at the address and telephone number set forth on the cover page of this report. Our website address is https://goldenmatrix.com. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed pursuant to Section 13(a) or 15(d) of the Exchange Act of 1934 will be available through our website free of charge as soon as reasonably practical after we electronically file such material with, or furnish it to, the SEC. The information on, or that may be accessed through, our website is not incorporated by reference into this Report and should not be considered a part of this Report.

Organizational History

The Company was incorporated in the State of Nevada on June 4, 2008, under the name Ibex Resources Corp. The Company's business at the time was mining and exploration of mineral properties. In October 2009, the Company changed its name to Source Gold Corp, remaining in the business of acquiring exploration and development stage mineral properties. In April 2016, the Company changed its name to Golden Matrix Group, Inc., changing the direction of the Company's business to focus on software technology. The Company previously held mining assets, which it no longer owns. All mining claims and assets were disposed of and/or transferred in exchange for the cancellation of convertible notes held by various note holders.

On February 22, 2016, the Company entered into an Asset Purchase Agreement with Luxor Capital, LLC ("Luxor"), a Nevada limited liability corporation, which is wholly-owned by the Company's Chief Executive Officer and Chairman, Anthony Brian Goodman. The Company purchased certain intellectual property relating to gaming ("Gaming IP"), along with the "know how" of that Gaming IP from Luxor. In consideration for the purchase, the Company agreed to issue 74 shares of the Company's Common Stock and a Convertible Promissory Note in the amount of $2,374,712. On February 26, 2016, 60 shares were issued to Luxor.

On February 28, 2018, the Company entered into an Asset Purchase Agreement with Luxor. Pursuant to the Asset Purchase Agreement, the Company purchased certain intellectual property and know-how relating to a proprietary gaming solution from Luxor (the "GM2 Asset"), in exchange, the Company issued 4,166,667 shares of common stock, and an Earn Out Payment calculated at 50% of the revenues generated by the GM2 Asset during the 12-month period from March 1, 2018 to February 28, 2019. A convertible note was required to be issued to Luxor before April 30, 2019, was to bear interest at the rate of 4% per annum and be convertible into shares of the Company's common stock at a conversion price equal to the average of the seven trading days closing prices on the date prior to conversion. The GM2 Asset included all source code and documentation.

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On March 1, 2018, the Company entered into a License Agreement (the "License Agreement") with Articulate Pty Ltd ("Articulate"), which is wholly-owned by Anthony Brian Goodman, CEO and Chairman of the Company and his wife Marla Goodman. Pursuant to the License Agreement, Articulate received a license from the Company to use the GM2 Asset technology in East Asia to support gaming activity on mobile and desktop devices. Articulate agreed to pay the Company a usage fee calculated as a certain percentage of the monthly content and software usage within the GM2 Asset system (adjusted for U.S. dollars) in consideration for the use of the GM2 Asset technology. Specifically, the Company is due 0.25% of the monthly fees generated by the GM2 Asset in the event such fees are less than $100,000,000; 0.2% of the monthly fees generated by the GM2 Asset in the event such fees are over $100,000,000 and less than $200,500,000 and 0.15% of the monthly fees generated by the GM2 Asset in the event such fees are over $200,500,001. The License Agreement had an initial term of 12 months and automatically renews thereafter for additional 12-month terms, provided that the License Agreement may be terminated at any time with 30 days prior notice. The License Agreement has continued to automatically renew on a 12-month basis, with the most recent renewal being for the 12 months ended March 1, 2023.

On January 19, 2021, the Company acquired 100% ownership of Global Technology Group Pty Ltd (GTG), an Australian Company. GTG has an Alderney Gambling Control Commission ("AGCC") license (an AGCC Category 2 Associate Certificate). The government of Alderney offers software service providers in the gambling industry with a gambling license that allows gambling operators to conduct business related to casino, lotto, and other gaming related activities. We believe that Alderney is one of the preferred locations for online Gambling operators and is regarded in the community as one of the strictest licensing jurisdictions with policies aimed at improving transparency and cultivating a good gaming environment. GTG was wholly-owned by Brian Anthony Goodman, our Chief Executive Officer and director, and the direct beneficial owner of the majority of our voting stock. The purchase price was 85,000 Pounds Sterling (£) (approximately $113,000). On March 22, 2021, the Company paid Mr. Goodman $115,314 USD (equivalent to 85,000 GBP), for the acquisition of GTG.

On November 29, 2021, the Company entered into a Sale and Purchase Agreement of Ordinary Issued Share Capital (the "Purchase Agreement"), to acquire an 80% ownership interest in RKingsCompetitions Ltd, a private limited company formed under the laws of Northern Ireland (the "RKings") from Mark Weir and Paul Hardman, individuals (each a "Seller" and collectively the "Sellers"), the owners of 100% of the ordinary issued share capital of RKings. The Company paid the Sellers (a) GBP £3,000,000 (the "Closing Cash Consideration"); and (b) 666,250 restricted shares of the Company's common stock, with an agreed value of GBP £4,000,000, or $8.00 per share of Company common stock (the "Initial Share Value" and the "Closing Shares").

Additionally, within seven days after the receipt of the audit of RKings (as required by SEC rules and regulations), an additional number (rounded to the nearest whole share) of restricted shares of Company common stock, equal to (i) 80% of RKings' net asset value (inventory on hand (minus allowances for reserve inventory and allocated goods and materials) plus RKings' total cash and cash equivalents on hand; less RKings' current and accrued liabilities, as described in greater detail in the Purchase Agreement) as of October 31, 2021, divided by (ii) the Initial Share Value (the "Post-Closing Shares"), was required to be issued to the Sellers as part of the consideration due for the purchase of 80% of RKings. On March 7, 2022, the Company issued 70,332 restricted shares of the Company's common stock in payment of 80% of RKings' net asset value as of October 31, 2021 (described above), in the amount of $562,650.

A total of GBP £1,000,000 (USD $1,366,500)(the "Holdback Amount") was retained by the Company following closing and was to be released to the Sellers, within six months after the closing date only to the extent that (A) RKings achieved revenue of at least USD $7,200,000 during the six full calendar months immediately following the closing date; and (B) the Sellers did not default in any of their obligations, covenants or representations under the Purchase Agreement or other transaction documents. See also the discussion of the Settlement Agreement below.

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Additionally, in the event the (A) the Company determined, on or before the date on which the Company files its Annual Report on Form 10-K with the SEC for the Company's fiscal year ending October 31, 2022 (the "Filing Date"), that the increase (if any) between (1) RKings' twelve-month trailing EBITDA for the year ended October 31, 2022, less (2) RKings' twelve-month trailing EBITDA for the year ended October 31, 2021, is at least GBP £1,250,000 during the twelve-month period ending October 31, 2022; and (B) the Sellers do not default in any of their obligations, covenants or representations under the Purchase Agreement or other transaction documents, then the Company is required to pay the Sellers GBP £4,000,000 (USD $5,330,000) (the "Earn-Out Consideration"), which is payable at the option of the Company in either (a) cash; or (b) shares of Company common stock valued at $8.00 per share of Company common stock (subject to equitable adjustment in accordance with dividends payable in stock on such Company Common Stock, stock splits, stock combinations, and other similar events affecting the Company Common Stock) (such shares of Company Common Stock, if any, the "Earn-Out Shares").The Company determined that the Earn-Out Consideration of approximately $5,330,000 is no longer owed to the Sellers as of October 31, 2022, as condition (A) described above, i.e., a required increase in RKings' twelve-month EBITDA from October 31, 2021 to October 31, 2022 of GBP £1,250,000, did not materialize and condition (B) described above was not met as the Sellers defaulted in their obligations, covenants, or representations under the Purchase Agreement. See also the discussion of the Settlement Agreement below.

On December 6, 2021, the Company closed the Purchase, which had an effective date of November 1, 2021.

On July 11, 2022, the Company entered into a Share Purchase Agreement to acquire 99.99% of the stock of Golden Matrix MX, S.A. DE C.V. ("Golden Matrix MX"), a then newly formed shell company incorporated in Mexico for nominal consideration. Golden Matrix MX had no assets or operations at the time of the acquisition and was formed for the benefit of the Company, for the sole purpose of operating an online casino in Mexico. The acquisition closed on September 7, 2022. The Company launched its licensed proprietary B2C online casino in Mexico on November 1, 2022, via its majority-owned subsidiary Golden Matrix MX. The online casino, Mexplay, (www.mexplay.mx), is an online site in Mexico which features an extensive number of table games, slots, as well as a sportsbook, and offers tournament competition prizes similar to those offered by RKings.

On August 1, 2022, and effective on August 4, 2022, we entered into a Settlement and Mutual Release Agreement (the "Settlement Agreement") with Mark Weir, one of the two sellers of the 80% interest in RKings which we acquired pursuant to the Purchase Agreement. The Settlement Agreement was entered into in order to partially settle certain breaches of the Purchase Agreement which the Sellers (Mr. Weir and Mr. Paul Hardman) were jointly and severally responsible for pursuant to the terms of the Purchase Agreement. Pursuant to the Settlement Agreement, (a) we agreed to make a payment to Mr. Weir in the amount of £450,000 (approximately $548,112), representing one-half of the £1,000,000 (approximately $1,218,027) Holdback Amount, less £50,000 (approximately $60,902) in excess salary payments made to Mr. Weir (the "Settlement Payment"); (b) Mr. Weir agreed to enter into an employment agreement with RKings; and (c) we and Mr. Weir, on behalf of ourselves and our affiliates and representatives, provided each other mutual releases, subject to certain customary exceptions. The Settlement Payment was in full satisfaction of all payments (including any portion of the Holdback Amount or Earn-Out Consideration), due to Mr. Weir under the Purchase Agreement. The Settlement Payment was paid in full on August 21, 2022. However, the Company is in dispute with Mr. Paul Hardman (the other seller of the 80% interest in RKings, described above) with regards to the Holdback Amount of $573,000 that he has alleged is still owed to him. That amount is accrued and included in the Company's liabilities. The Company's dispute and claims against Mr. Hardman stem from breaches of the terms of the Purchase Agreement by Mr. Hardman. The Company is vigorously pursuing the claim of breach of the Purchase Agreement.

On October 17, 2022, effective August 1, 2022, the Company entered into a Stock Purchase Agreement (the "GMG Purchase Agreement"), to acquire a 100% ownership interest in GMG Assets Limited ("GMG Assets"), a private limited company formed under the laws of Northern Ireland from Aaron Johnston and Mark Weir, individuals, the owners of 100% of the ordinary issued share capital (100 Ordinary Shares) of GMG Assets. At the time of our entry into the GMG Purchase Agreement, Aaron Johnston was a Board Member of the Company, and Mark Weir was a 10% Shareholder in RKings, of which GMGI then held 80%, and as such are both related parties to the Company. Pursuant to the GMG Purchase Agreement, which was approved by the Company's Board of Directors and the Audit Committee of the Board of Directors, the Company agreed to pay the Sellers 25,000 British pound sterling (GBP) (approximately $29,000) for 100% of GMG Assets, which represented the combined costs paid by the Sellers to form GMG Assets. GMG Assets was formed for the sole purpose of facilitating the Company's operation of RKings and to facilitate cash alternative offers for winners of prizes within RKings' business.

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On October 27, 2022, the Company exercised its Buyout Right by providing written notice to the minority owners of RKings. In connection with such exercise, the Company agreed to pay minority owners in total $1,323,552, which would be satisfied by the issuance by the Company to the minority owners 165,444 shares of restricted common stock of the Company (with such shares being valued at $8.00 per share pursuant to the terms of the Shareholders Agreement). On November 4, 2022, 165,444 restricted shares were issued to the minority owners. On November 30, 2022, RKings filed a confirmation statement with UK's Companies House pursuant to which the 20% minority shares of RKings were transferred to the Company effective on November 4, 2022.

Novel Coronavirus (COVID-19)

In December 2019, a novel strain of coronavirus, which causes the infectious disease known as COVID-19, was reported in Wuhan, China. The World Health Organization declared COVID-19 a "Public Health Emergency of International Concern" on January 30, 2020 and a global pandemic on March 11, 2020. In March and April, many U.S. states and foreign jurisdictions began issuing 'stay-at-home' orders. The COVID-19 pandemic has adversely impacted global commercial activity, disrupted supply chains and contributed to significant volatility in financial markets. The ongoing COVID-19 pandemic could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown.

A significant or prolonged decrease in consumer spending on entertainment or leisure activities would likely have an adverse effect on demand for our product offerings, reducing cash flows and revenues, and thereby materially harm our business, financial condition and results of operations. In addition, a recurrence of COVID-19 cases or an emergence of additional variants or strains could cause other widespread or more severe impacts depending on where infection rates are highest. We plan to continue to monitor developments relating to disruptions and uncertainties caused by COVID-19.

As shown in our results of operations herein, we have to date, not experienced any significant material negative impact to our operations, revenues or gross profit due to COVID-19. However, moving forward, the range of possible impacts on our business from the coronavirus pandemic could include: (i) changing demand for our products and services; (ii) rising bottlenecks in our supply chain; and (iii) increasing contraction in the capital markets. Our operations have not been materially negatively impacted by the coronavirus pandemic although much of the Company's work has been performed in the commuter environment, as opposed to the office setting. In June 2022, our offices were reopened, and employees returned to work in the offices; however, it is possible that COVID-19 and the worldwide response thereto, may have a material negative effect on our operations, cash flows and results of operations.

Currently we believe that we have sufficient cash on hand, and the ability to raise additional funding, or borrow additional funding, as needed, to support our operations for the foreseeable future; however, we will continue to evaluate our business operations based on new information as it becomes available and will make changes that we consider necessary in light of any new developments regarding the pandemic.

The future impact of COVID-19 on our business and operations is currently unknown. The pandemic is continuing to develop rapidly and the full extent to which COVID-19 will ultimately impact us depends on future developments, including the duration and spread of the virus, virus mutations and variants, the availability and efficacy of vaccines and boosters, and the willingness of individuals to continue to obtain vaccines and boosters, as well as potential seasonality of new outbreaks.

Increased Interest Rates and Inflation and Recession Risk

The Company's financial performance is subject to global, Asia Pacific and UK economic conditions and their impact on levels of spending by consumers and customers, particularly discretionary spending for entertainment, gaming and leisure activities. Recent increases in interest rates and inflation, globally, and more specifically in the Asia Pacific and UK regions, have led to economic volatility, increased borrowing costs, price increases and risks of recessions. Economic recessions may have adverse consequences across industries, including the global entertainment and gaming industries, which may adversely affect the Company's business and financial condition. As a result of the ongoing COVID-19 pandemic and actions taken by governments to attempt to slow down rising inflation, there is substantial uncertainty about the strength of the global, Asia Pacific and UK economies, which may currently or in the near term be in a recession and have experienced rapid increases in uncertainty about the pace of potential recovery. In addition, changes in general market, economic and political conditions in domestic and foreign economies or financial markets, including fluctuation in stock markets resulting from, among other things, trends in the economy and inflation, as are being currently experienced, may reduce gaming users' disposable income.

We believe that our business will continue to be resilient through a continued economic downturn or recession, or slowing or stalled recovery therefrom, and that we have the liquidity to address the Company's financial obligations and alleviate possible adverse effects on the Company's business, financial condition, results of operations or prospects.

Who We Are and What We Do

We are an established provider of enterprise Software-as-a-Service ("SaaS") solutions for online casino operators and online sports betting operators, commonly referred to as iGaming operators. We also run a pay to enter prize competition in the United Kingdom and Ireland. On November 1, 2022, the Company launched its licensed propriety business-to-consumer (B2C) online casino in Mexico.

A provider of enterprise Software-as-a-Service ("SaaS") solutions

We develop and own online gaming intellectual property (IP) and build configurable and scalable, turn-key and white-label gaming platforms for our international customers, located primarily in the Asia Pacific region.

As of October 31, 2022, our systems had over 7.1 million registered players and a total of more than 685 unique casino and live game operations within all our platforms including our GM-X and GM-Ag, Turnkey Solutions, and White Label Solutions.

The GM-X and GM-Ag System turn-key solutions (including modular, configurable and scalable gaming platforms), are complete software packages for starting an online gaming business, incorporating all the tools and gaming content necessary to run an online Casino and/or Sportsbook and offers a full suite of tools and features for successfully operating and maintaining an online gaming website; from player registration to user management and content management.

The GM-X and GM-Ag Systems have been deployed primarily in the Asia Pacific and we are currently focused on expanding our deployment into Europe, U.S., South America, and Africa. The online gambling industry, in the U.S., is essentially regulated at the state level. The Company is currently in discussions with multiple specialist gaming attorneys in the U.S. and has plans to engage one of these gaming specialists to represent the Company in its applications for a gaming license in the U.S. in the future.

The GM-X and GM-Ag Systems provide platforms that facilitate our gaming customers' operating online casinos, sportsbooks, lottery, and live games, as well as providing customers with seamless access to large portfolios of licensed gaming content, provided by established, licensed and accredited gaming content providers. We have distribution agreements with third party content providers to resell their game content. The game content includes games such as slots, table games (e.g., roulette, blackjack, and poker), sportsbooks and "live games." A "live game" is when a live casino game is shown via a live streaming video link in real time from a casino table where live dealers deal cards from a licensed studio and allow players to place an online bet on the outcome of the card game. We have been granted distribution rights for the gaming content that we provide to our customers.

Our GM-X and GM-Ag Systems provide the core platforms for our online casino and sportsbook operators. The systems contain back-office tools necessary for the customer to run a successful online iGaming operation. These tools include player account registration and creation, sophisticated payment services and gateways, geolocation, marketing, loyalty management, real-time analytics, and comprehensive reporting. The Company's platform can be accessed through both desktop and mobile applications.

The Company has developed its own proprietary Peer-to-Peer E-sports gaming product; however, the launch of the Peer-to-Peer gaming product is currently on hold until further notice, so that the Company can focus on other projects. This product, if approved and launched, will be marketed as the Player2P Platform ("Player2P"). The Player2P brand will be focused solely on esports gambling and 18+ gaming (i.e., gaming by those over 18 years of age). Player2P is expected to not only offer users traditional casino style games but allow players to compete against each other whilst playing E-sport console games.

Our GM-X and GM-Ag System are designed to enable our customers to rapidly launch and scale their iGaming and online sportsbook operations. The GM-X and GM-Ag Systems support both social and real money online casino gaming ("iGaming"). The back-office of the GM-X and GM-Ag Systems contain comprehensive player management capabilities, in which customer and player activity data is stored and processed in real-time. The back office offers analytic and reporting tools to help our customers create loyalty and attempt to generate the highest value from players. The GM-X and GM-Ag Systems also provide customers access to extensive and comprehensive data to assist them with optimizing player value and loyalty.

Our customers are primarily licensed online gaming operators. The Company also provides services and resells third party gaming content to licensed online gaming distributors. The majority of the Company's customers hold gaming licenses in Asia, South America, and Europe. The Company provides business-to-business services and products and does not deal directly with players.

According to an August 2022 report by Mordor Intelligence, the online gaming industry is expected to witness substantial growth over the next five years, the global gaming market was valued at USD $198.40 billion in 2021, and it is expected to reach a value of USD $339.95 billion by 2027, which would be a compounded annual growth rate (CAGR) of 8.94% over 2022-2027, and in addition to this potential growth opportunity, we see within our existing core markets, a large and growing universe of additional potential new customers for the GM-X and GM-Ag Systems. Our focus will be on developing markets such as Latin America, Africa, and selected U.S. States that are currently implementing regulated frameworks for allowing real money betting. As a result, we believe we have a significant opportunity to expand our tried and tested systems into a much broader global market because our proprietary gaming technologies are flexible and scalable and have been built and tested over many years.

Our core markets are currently the Asia-Pacific (APAC) region and while we have a solid customer base; we are continuing to engage new gaming operators on a regular basis, and we anticipate that our current operators will continue to grow. A July 6, 2022 report by Statista reports that the total digital gaming market is predicted to

be worth more than $197 billion in 2022. As the number of video gamers worldwide approaches three billion, APAC is home to over half of these gamers. The video gaming market size in APAC is $53.4 billion with 1.48 billion gamers in Asia. Our vision is to become the platform of choice for casinos and sportsbook operators seeking to transition from a land-based casino and sportsbook environment onto an online environment.

A provider of pay to enter prize competitions

The Company engages in the competition operations in the United Kingdom via its subsidiary RKings. The Company operates competitions to win prizes online such as cars, motorbikes, watches, technology, holidays, luxury gadgets and other items by offering pay to enter prize competitions throughout the UK which are not gambling or a lottery and RKings does not offer B2C online sports betting and/or online casino services. The prize competitions require entrants to demonstrate sufficient skill, knowledge, or judgment to have a chance of winning and participants are provided with a route to free entry to the prize competitions as required by UK law. We refer to these as "pay to enter prize competitions".

As a purely online business, the Company has been focusing on enhancing the products and experience we offer to both new and existing players by improving the functionality and responsiveness of the RKingsCompetitions.com website, enhancing the prize values, and reducing the ticket prices.

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In addition, the Company, through GMG Assets Limited, provides the winners of RKings' prizes with the option of accepting the cash value of the prize. In doing so, GMG Assets purchases the prize from the winner for cash and sells the prize to wholesalers at a margin. Effective October 24, 2022, the Company entered into a Share Purchase Agreement dated October 17, 2022 whereby the Company purchased 100% of GMG Assets Limited, a Northern Ireland Company for GBP 25,000 (approximately $29,000), which amount has not been paid to date.

A provider of B2C online casino

The Company launched its licensed proprietary B2C online casino in Mexico on November 1, 2022, via its majority-owned subsidiary Golden Matrix MX. The online casino, Mexplay (www.mexplay.mx), an online site in Mexico, features an extensive number of table games, slots, as well as a sportsbook, and offer tournament competition prizes similar to those offered by RKings. While the site is currently operational, the Company has not yet started commercially marketing of the casino.

Our Platform and Services

The GM-X and GM-Ag Systems provide unified, flexible, and highly scalable platforms that can be rapidly deployed for social iGaming, real money iGaming, and online sports betting. In addition to our platforms, we offer a seamless integration of the world's leading casino games, sportsbook systems, and live games.

The Company has distribution rights for the distribution of third-party casino games, live games and sportsbook systems.

The Company generates revenue from these services based on fees charged pursuant to applicable contracts, which revenue is recognized over the time during which the services are provided. Typically, we are paid a portion of the revenue generated from our licensed content and pay the owners of such licensed games a portion of the revenue we receive.

The Company provides its systems as an enterprise SaaS solution, as well as providing third party games. Revenue streams are generated by the use of the GM-X and GM-AG Systems by our customers and also the use of the gaming content by our customers. Customers are primarily online casino operators and online sports betting operators, commonly referred to as iGaming operators as well as gaming content distributors.

Our GM-X and GM-Ag Systems incorporate multiple modules, including, gaming content, sportsbook, player registration, payment gateways, back-office reports, accounting, management and customer loyalty and marketing tools.

Our real money iGaming applications comply with the Unlawful Internet Gambling Enforcement Act of 2006 and with the federal Wire Act of 1961. Payment gateways integrate with a wide range of third-party payment processors.

We may in the future need to initiate infringement claims or litigation. Litigation, whether we are a plaintiff or a defendant, can be expensive, time-consuming and may divert the efforts of our technical staff and managerial personnel, which could harm our business, whether or not such litigation results in a determination favorable to us. In addition, litigation is inherently uncertain, and thus we may not be able to stop our competitors from infringing upon our intellectual property rights, even if we are successful in any litigation.

Despite our efforts to protect our technology and proprietary rights through licenses and contractual protections, unauthorized parties may still copy or otherwise obtain and use our software and technology. In addition, we intend to continue to expand our international operations, and effective intellectual property, copyright and trade secret protection may not be available or may be limited in foreign countries. Any significant impairment of our intellectual property rights could harm our business or our ability to compete. Further, other companies in the real money and social casino gaming industries may own large numbers of patents, copyrights and trademarks and may threaten litigation, or file suit against us based on allegations of infringement or other violations of intellectual property rights. We may face allegations in the future that we have infringed on the intellectual property rights of third parties, including our competitors and non-practicing entities.

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We also face the risk that third parties will claim that we infringe on their intellectual property rights, which could result in costly license fees or expensive litigation.

The iGaming and sports betting industries are subject to rapid technological change and we are developing technology and intellectual property that we believe is unique and provides us with a commercial advantage. While we respect third parties' intellectual property rights avoid the inadvertent use of third-party intellectual property, we may face claims in the future that the products or solutions that we develop, or those provided to us by third parties or used by our customers, infringe on third parties' intellectual property rights.

GM-X and GM-Ag Systems

Our GM-X System relies entirely on a transfer wallet system wherein third-party gaming content is individually integrated into our gaming systems and each portfolio of content can only be accessed via the transfer of funds, by the operators' players, from their primary wallet into the specific wallet applicable to the gaming portfolio, in order to play the specific games. Funds are then returned to the main wallet once the player has completed their gaming session. These systems are prevalent in the APAC region.

The new GM-Ag platform supersedes the GM-X system and not only supports operators requiring a transfer wallet but also provides a seamless wallet and seamless integration of gaming content, allowing the operators' players to access all content seamlessly without transferring funds into and out of their main wallet, which seamless process is more in line with casino operations in Europe and America.

Both the GM-X and GM-Ag platforms offer:

White Label flexible front-end development

Customized and localized design of the casino operator's mobile application and website, with a branded experience that is consistent with the casino operator's brand and market positioning and streamlines player registration and account funding.

We host our customers' iGaming operations on a combination of proprietary and cloud servers including the Amazon Elastic Compute (EC2) Server. The Amazon EC2 Cloud is part of Amazon.com's cloud-computing platform which is a highly scalable agile service enabling the Company's ability to build, deploy and manage websites, apps or processes.

World's leading gaming content

The GM-X and GM-Ag System platforms feature a proprietary gaming engine that seamlessly integrates a large portfolio of gaming content that serves third party gaming content via a technical 'middle layer' that permits third party games to be published to the customers end user players through a single integration. The Company also offers operators quick access to our entire gaming portfolio via a single direct integration.

Online Sportsbook

We provide a seamless integration to one of the world's leading Sportsbook Systems through a license and services agreement. Our sports betting platform has access to some of the world's leading gaming operators and one of the world's most respected sportsbook providers. These sportsbook providers have secured regulatory approval to operate in Colorado and Pennsylvania.

Loyalty Tools

Retention and Acquisition

The GM-X and GM-Ag Systems provide comprehensive marketing and loyalty tools including Free Spins, Cash Bonuses, Leader Boards, Cash Back offers, and Tournaments allowing casino operators to put their offers, games and unique brand experience in their players' hands extending player sessions, increasing reactivation of players, boosting retention, and designing attractive bonus campaigns. Free Spins are a promotional acquisition and retention tool wherein the casino offers players a chance to play new and exciting slots without risking their own cash. The players can win real money and try out the latest online slot machines for free. Bonuses are free cash granted to players in response to a player's wagering or activity within the casino. We have found that both are powerful loyalty tools.

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Data Analytics

The GM-X and GM-Ag Systems offer in-depth real time, structured, transactional and gameplay data providing an overview of the gaming platform's performance, player activity, and real time visibility, allowing customers to make better decisions and to drill down into the data and see gaming activity at game play or transaction level.

Advanced reporting tools provide operators' full visibility and control of the entire player lifecycle from one centralized point for all operational needs. A single account overview gives operators the capabilities and flexibility to tailor data-driven communication to player segments or even individual players, increasing the relevance of marketing activity to streamline costs and resources.

Support – 24/7 Gaming Support

In the future we plan to provide a range of term-based operational services to support our customers' online gaming operations. Our tailored managed services are expected to include player customer support across email, phone and live chat, marketing agency services and network management with a 24/7 uptime guarantee. We also plan to provide custom game theme development services in select engagements where customers seek to differentiate themselves with gaming content unique to a customer's branded experience.

Currencies

All major currencies are supported by the GM-X and GM-Ag Systems.

Languages

Multiple out-of-the-box language options are available on the GM-X and GM-Ag Systems.

Our Business Model

We operate (i) as an innovative provider of enterprise Software-as-a-Service ("SaaS") solutions for online casino operators and online sports betting operators, commonly referred to as iGaming operators and, (ii) as a provider of pay to enter prize competitions in the United Kingdom (UK), through our 80% interest in RKings (100% effective November 4, 2022). These prize competitions are not gambling or a lottery and RKings does not offer B2C online sports betting and/or online casino services. The prize competitions require entrants to demonstrate sufficient skill, knowledge, or judgment to have a chance of winning and participants are provided with a route to free entry to the prize competitions as required by UK law. We refer to these as "pay to enter prize competitions".

The Company will expand its B2C reach with the launching of its licensed proprietary B2C online casino in Mexico on November 1, 2022, via its majority-owned subsidiary Golden Matrix MX. The online casino, Mexplay (www.mexplay.mx), an online site in Mexico, features an extensive number of table games, slots, as well as a sportsbook, and offer tournament competition prizes similar to those offered by RKings. While the site is currently operational, the Company has not yet started commercially marketing of the casino.

Our SaaS customers are primarily online casino operators and online sports betting operators, commonly referred to as iGaming operators, as well as the third-party gaming content distributors which are essentially resellers of our gaming content and our systems. Our SaaS customers are located in the Asia Pacific region, as well as in Europe.

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We have historically operated in the business-to-business (B2B) segment where we develop and own online gaming intellectual property (IP) and build configurable and scalable, turn-key and white-label gaming platforms for our international customers, located primarily in the Asia Pacific (APAC) region. With the acquisition of 80% of RKingsCompetitions Ltd. effective on November 1, 2021 (now owned 100% as of November 4, 2022), we entered into the B2C segment by offering pay to enter prize competitions throughout the UK.

Our objective in managing our resources is to ensure that we have sufficient liquidity to fund our operations and meet our growth objectives while maximizing returns to shareholders. Liquidity is necessary to meet (i) the working capital needs of our operations, (ii) fund our growth and expansion plans, and (iii) consummate strategic acquisitions (including the recently disclosed Meridian Purchase Agreement (as defined below)). We have met, and plan to continue to meet, our cash requirements through our operations and sales of equity securities. As to the funding of strategic acquisitions, we may issue debt in addition to raising funds through the sales of the Company's capital stock, which may be dilutive to existing shareholders.

B2B Segment

Our B2B segment customers are primarily gaming distributors and licensed online gaming operators. The Company also provides services and resells third party gaming content to licensed online gaming distributors and gaming operators. The Company provides business-to-business services and products and does not deal directly with players through its SaaS services.

We derive revenues primarily from licensing fees received from gaming operators, in most cases via gaming Distributors located in the Asia Pacific (APAC) region that utilize the Company's technology.

As of October 31, 2022, our systems had over 7.1 million registered players and a total of more than 685 unique casino and live game operations within all of our platforms including our GM-X, GM-Ag, Turnkey Solution, and White Label Solutions.

The Company's goal is to expand our customer base globally and to integrate additional operators, launch additional synergistic products and appoint more Distributors.

As described above, our core markets are currently the Asia-Pacific (APAC) region and while we have a solid customer base; we are continuing to engage new gaming Distributors and gaming operators on a regular basis, and we anticipate that our current gaming Distributors and gaming operators will continue to grow.

B2C Segment

Our B2C segment customers are primarily located in Northern Ireland, although we have expanded our marketing efforts to attempt to reach customers throughout the UK. As of October 31, 2022, RKings had over 256,000 registered users.

We derive B2C revenues primarily from selling prize competitions tickets throughout the United Kingdom directly to customers for prizes ranging from automobiles to jewelry as well as travel and entertainment experiences.

Revenue Streams By Segments

Set out below are additional details regarding our revenue descriptions by segment, as well as details of how we recognize/will recognize revenue for each of our revenue streams.

The Company currently has three distinctive revenue streams. In the B2B segment there are two revenue streams (i) charges for usage of the Company's software, and (ii) a royalty charged on the use of third-party gaming content. In the B2C segment, the revenue stream is related to the prize competition tickets sold to enter prize competitions in the UK through RKings. Our online casino, Mexplay, had not generated any revenues as of October 31, 2022.

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B2B segment, revenue descriptions:

1. For the usage of the Company's software, the Company charges gaming operators for the use of its unique intellectual property (IP) and technology systems.

We generate revenue through service agreements with customers and distributors, when our customers use our platform, software and third-party gaming content in operating their real money and social iGaming offerings.

In real money iGaming, conducted via websites, apps, and social networking, real money is wagered for monetary prizes. In social iGaming (social casino) gambling games, no money is paid out for wagers (no "Cash Out" option) and thus no real-world financial benefit is gained from winning social casino games. In the social casino setting, a player can purchase chips with which to gamble on more games, but these chips have no real-world value and cannot be redeemed for cash.

We enter into license agreements with our customers wherein we receive a usage fee based on a percentage of monthly content and software usage that takes place on our system. This percentage varies based on the different ranges of the monthly content and software usage within the GM2 Asset system (adjusted for U.S. dollars).

iGaming is players wagering on the outcome of a game online, and these activities include poker, slots, table games (poker, blackjack, etc.), live games and lottery games. Sports betting is a form of gambling that entails a player placing a wager, also known as a bet, on the outcome of a sporting event.

For the usage of the Company's software, the Company provides services to the counterparty which include licensing the use of its unique IP and technology systems. The counterparty pays consideration in exchange for those services which include a variable amount depending on the software usage. The Company only recognizes the revenue at the month end when the usage occurs, and the revenue is based on the actual software usage of its customers.

2. For the royalty charged on the use of third-party gaming content, the Company acquires the third-party gaming content for a fixed cost and resells the content at a margin.

The Company acts as a distributor of the third-party gaming content which is utilized by our clients. The counterparty pays consideration in exchange for the gaming content utilized. The Company only recognizes the revenue at the month end when the usage of the gaming content occurs, and the revenue is based on the actual usage of the gaming content.

B2C segment, revenue description:

The Company generates revenues through RKings from sales of prize competitions tickets throughout the United Kingdom directly to customers for prizes ranging from automobiles to jewelry, as well as travel and entertainment experiences.

For the prize competitions ticket sales, revenue is recognized when control of the promised goods or services is transferred to customers, in an amount that reflects the consideration RKings expects to be entitled to in exchange for those goods or services.

Payments for prize competitions received in advance of services being rendered are recorded as deferred revenue and recognized as revenue when control of the prize has been transferred to the winner of prize competitions.

Future revenue streams, revenue descriptions:

The Company launched its licensed proprietary B2C online casino in Mexico on November 1, 2022, via its subsidiary Golden Matrix MX. The online casino, Mexplay, features an extensive number of table games, slots, as well as sportsbook, and offer tournament competition prizes similar to those offered by RKings.

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Online casino, typically includes digital versions of wagering games available in land-based casinos, such as blackjack, roulette and slot machines. For these offerings, the Company functions similarly to land-based casinos, generating revenue through hold, as users play against the house. Online casino revenue is generated from user wagers net of payouts made on users' winning wagers and incentives awarded to users.

Sportsbook or sports betting involves a user wagering money on an outcome or series of outcomes occurring. When a user's wager wins, the Company pays the user a pre-determined amount known as fixed odds. Sportsbook revenue is generated by setting odds such that there is a built-in theoretical margin in each sports wagering opportunity offered to users. Sportsbook revenue is generated from users' wagers net of payouts made on users' winning wagers and incentives awarded to users.

Intellectual Property

Our intellectual property includes the source code for our GM-X and GM-Ag Systems and other iGaming IP, the content of our websites, our registered domain names, our registered and unregistered trademarks, and certain trade secrets. We believe that our intellectual property is an essential asset of our business and that our registered domain names and our technology infrastructure will give us a competitive advantage in the marketplace. We rely on a combination of trademark, copyright and trade secret laws in the United States and foreign jurisdictions, as well as contractual provisions, to protect our proprietary technology and our brands. We also rely on copyright laws to protect the appearance and design of our sites and applications, although to date we have not registered for copyright protection on any particular content. We have registered numerous Internet domain names related to our business in order to protect our proprietary interests. The efforts we have taken to protect our intellectual property may not be sufficient or effective, and, despite these precautions, it may be possible for other parties to copy or otherwise obtain and use the content of our websites or our brand names without authorization.

Our current primary web properties are:

- www.goldenmatrix.com
- www.rkingscompetitions.com
- www.mexplay.mx

The information on, or that may be accessed through, our websites is not incorporated by reference into this Report and should not be considered a part of this Report.

Currently, the Company, via its wholly-owned subsidiary Global Technology Group Pty Ltd, has an Alderney Gambling Control Commission license. The government of Alderney offers software service providers in the gambling industry with a gambling license that allows gambling operators to conduct business related to casino, lotto, and other gaming related activities. We believe that Alderney is one of the preferred locations for online gambling operators and is regarded in the community as one of the strictest licensing jurisdictions with policies aimed at improving transparency and cultivating a good gaming environment.

The Company is required to have a recognized business-to-business (B2B) gambling license in order to acquire certain gaming content. Currently the Company is not required to have a gaming license for the resale of its GM-X System or third-party content to operators in the jurisdictions in which it currently conducts business, however as the Company expands its global distribution licensing, regulatory requirements will be required.

Currently, gambling in Mexico is governed by the Regulations of the Federal Games and Draws Law ("Gaming Law"), as amended. The Gaming Law provides that the conduct of games (where bets are crossed and draws of numbers or symbols occur) require a permit from the Ministry of the Interior (*Secretaría de Gobernación*) (SEGOB). In addition, the Gaming Law provides that the federal executive power, through SEGOB, will regulate, authorize, control and supervise any kind of games where bets are crossed and draws occur and the operation of online gambling must be expressly authorized in the relevant permit granted by SEGOB. In addition to obtaining a permit for online gambling or a drawing of numbers and/or symbols, operators must also meet certain operating conditions, such as having a reliable remote betting system, cash control system and an internal control system. In connection with operating an online casino in Mexico, the Company applied for and was granted a gaming permit in Mexico through its subsidiary Golden Matrix MX.

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Our Growth Strategy

The COVID-19 pandemic has not had a material impact on our business, and we expect our business to be resilient through the pandemic. Through the COVID-19 pandemic, we have continued operations, supported our online products and customers, and grown our sales, and our employees and consultants have returned to the office in June 2022. Notwithstanding the aforementioned, we previously experienced minor issues in connection with the transition of certain resources to remote settings as a result of the pandemic, which have since been resolved.

The Company's financial performance is subject to global, Asia Pacific and UK economic conditions and their impact on levels of spending by consumers and customers, particularly discretionary spending for entertainment, gaming and leisure activities. Economic recessions may have adverse consequences across industries, including the global entertainment and gaming industries, which may adversely affect the Company's business and financial condition. As a result of the ongoing COVID-19 pandemic, and increased interest rates and rising inflation, there is substantial uncertainty about the strength of the global, Asia Pacific and UK economies, which may currently or in the near term be in a recession and have experienced rapid increases in uncertainty about the pace of potential recovery. In addition, changes in general market, economic and political conditions in domestic and foreign economies or financial markets, including fluctuation in stock markets resulting from, among other

things, trends in the economy, and increases in inflation and interest rates, as are being currently experienced, may reduce users' disposable income and/or lead to recessions.

We believe that our business will continue to be resilient through a continued economic downturn or recession, or slowing or stalled recovery therefrom, and that we have the liquidity to address the Company's financial obligations and alleviate possible adverse effects on the Company's business, financial condition, results of operations or prospects.

Key elements of our growth strategy include:

- Supporting our existing customers as they scale up their respective iGaming and online sportsbook operations. As our customers' businesses grow, we intend to deploy additional resources to develop the GM-X and GM-Ag Systems' platform functionality, expand our gaming content portfolios by integrating additional third-party content providers, and seek to obtain additional regulatory approvals to operate in other global markets. The GM-X and GM-Ag Systems' turn-key solution (including modular, configurable and scalable gaming platforms), is a complete software package for starting an online gaming business, incorporating all the tools and gaming content necessary to run an online Casino and/or Sportsbook and offers a full suite of tools and features for successfully operating and maintaining an online gaming website; from player registration to user management and content management.
- Expanding our global reach by securing new gaming distributors, casino and sportsbook operator customers in existing and newly regulated markets.
- Investing in sales and marketing initiatives to aggressively pursue new deployment opportunities in developing markets such as Africa and Latin America, as well as exploring opportunities in the U.S.
- Investing in sales and marketing initiatives to drive UK and Mexican customers to the respective RKings and Mexplay platforms.
- Expanding the prizes and prize options available to customers on the RKings and Mexplay platforms.
- Developing and deploying our own proprietary gaming content in both casino iGaming as well as E-sport categories. This project is currently on hold until further notice.
- Pursuing acquisitions of synergistic companies and assets with the goal of expanding our competitive position in the markets in which we operate. We are also exploring the opportunity to selectively acquire independent slot development studios in order to launch our own proprietary games on our platform.

The Company does not intend to make significant investments (except for potential acquisitions, none of which are currently pending other than the pending Meridian Purchase Agreement discussed below) to support our business growth strategy. We believe that our business model is highly scalable and our existing resources can be leveraged to (i) develop new offerings and features, (ii) enhance our existing platform, and (iii) improve our operating infrastructure.

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The Company may face significant costs with respect to legal fees incurred in the applications for licenses, continued regulatory requirements, and legal representation.

To acquire complementary businesses and technologies, we may need to pursue equity or debt financings to secure additional funds. Our ability to obtain additional capital will depend on our business plans, investor demand, our operating performance, capital markets conditions and other factors. If we raise additional funds by issuing equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of our then issued and outstanding equity or debt, and our existing shareholders may experience dilution. If we are unable to obtain additional capital when required, or on satisfactory terms, our ability to continue to support our business growth or to respond to business opportunities, challenges or unforeseen circumstances could be adversely affected, and our business may be harmed.

We may acquire other businesses, and our business may be detrimentally affected if we are unable to successfully integrate acquired businesses into our company or otherwise manage the growth associated with multiple acquisitions.

As part of our business strategy, we intend to make acquisitions of new or complementary businesses, products, brands, or technologies. In some cases, the costs of such acquisitions may be substantial, including as a result of professional fees and due diligence efforts. There is no assurance that the time and resources expended on pursuing a particular acquisition will result in a completed transaction, or that any completed transaction will ultimately be successful. In addition, we may be unable to identify suitable acquisition or strategic investment opportunities or may be unable to obtain the required financing or regulatory approvals, and therefore we may be unable to complete such acquisitions or strategic investments on favorable terms. We may pursue acquisitions that our investors may not agree with, and we cannot assure investors that any acquisition or investment will be successful or otherwise provide a favorable return on investment. In addition, if we fail to successfully close transactions, integrate new technology or operational teams, or integrate the products and technologies associated with these acquisitions into our company, our business could be seriously harmed.

Acquisitions may expose us to operational challenges and risks, including:

- the ability to profitably manage acquired businesses or successfully integrate the acquired businesses' operations, personnel, financial reporting, accounting and internal controls, technologies and products into our business;
- increased indebtedness and the expense of integrating acquired businesses, including significant administrative, operational, economic, geographic in managing and integrating the expanded or combined operations;
- entry into jurisdictions or acquisition of products or technologies with which we have limited or no prior experience, and the potential of increased competition with new or existing competitors as a result of such acquisitions;
- the ability to fund our capital needs and any cash flow shortages that may occur if anticipated revenue is not realized or is delayed, whether by general economic or market conditions, or unforeseen internal difficulties; and
- the ability to retain or hire qualified personnel required for expanded operations.

Our acquisition strategy may not succeed if we are unable to remain attractive to target companies or expeditiously close transactions.

Over the next five years, we plan to:

- Support our existing customers as they continue to scale up their respective iGaming operations.
- Deploy additional gaming content and allied products to not only generate additional revenues, but also provide value to our customers in terms of customer engagement, loyalty and retention.
- Grow our internal resources to support evolving customer requirements.

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- Continue to invest in our proprietary GM-X System platform's functionality by expanding our gaming content library and third-party gaming content integrations. The Company plans to utilize its success and growing recognition in the market to negotiate additional distribution agreements with leading

gaming content providers.
- Move expeditiously to obtain regulatory approvals to operate in new regulated global markets.
- Seek to form new relationships and partnerships with leading gaming companies to ensure larger distribution channels, more global markets and a broader range of gaming content.
- Continue to acquire new casino operator customers in existing and new regulated markets.
- Continue to invest in sales and marketing initiatives to aggressively pursue new deployment opportunities.
- Investing in sales and marketing initiatives to drive UK and Mexican customers to the respective RKings and Mexplay platforms.
- Expanding the prizes and prize options available to customers on the RKings and Mexplay platforms.
- Expand our gaming content development capabilities.
- Invest in our gaming development capabilities in order to expand our portfolio of high-quality, in-house content, which we intend to strategically serve within our GM-X System, in order to improve our overall margins.
- Seek to obtain a U.S. gaming license that will enable us to enter the U.S. market (where legal and applicable).
- Pursue an acquisition strategy, whereby we intend to pursue a growth strategy aimed at strengthening our competitive position in the markets in which we compete through the acquisition of other businesses and assets that we believe will be accretive to our business, similar to our recently completed RKings acquisition.

Employees and Employee Relations

As of the date of this Report, we have thirty employees (three full-time employees from GMGI, eighteen full-time employees and two part-time employees from Global Technology Pty Ltd ("GTG") and seven full-time employees from RKings) and also engage consultants from time to time as needed. Additionally, Mr. Omar Jimenez, our Chief Financial Officer and Chief Compliance Officer, serves as a full-time consultant to the Company. Mr. Aaron Johnston, previously a member of the Board of Directors, now serves as a consultant to the Company.

We have consultants and staff located in multiple countries and a significant level of operations outside of the U.S. We have software development, customer support and sales centers in the Philippines, Australia, Taiwan and the UK, which account for most of our software development, support, sales and operating personnel. This subjects us to additional costs, regulations and risks that could adversely affect our operating results.

Our goal is to attract and retain highly qualified and motivated personnel. We also often employ independent contractors to support our efforts. None of our employees or contractors are subject to a collective bargaining agreement. We consider our employee relations to be good and we have never experienced a work stoppage.

We are committed to maintaining a working environment in which diversity and equality of opportunity are actively promoted and all unlawful discrimination is not tolerated. We are committed to ensuring employees are treated fairly and are not subjected to unfair or unlawful discrimination. We value diversity and to that end recognize the educational and business benefits of diversity amongst our employees, applicants, and other people with whom we have dealings.

The Company has an equity compensation plan in place to attract and retain valuable human resources.

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Recruitment

The Company strives to attract the best talent in order to meet the current and future demands of our business.

The Company believes that it has a compelling employee and consultant value proposition that leverages our vibrant culture and state of the art working environment to attract talent to our Company.

Employee and Consultant Benefits

We offer comprehensive benefit programs to our employees and consultants including a stock option plan. We strive to offer financial well-being, a balance in working and personal life, culture and community support and development. We recognize and support the development and continuing education of our employees and offer opportunities to participate in external learning programs.

Health and Safety

The health and safety of our employees and consultants is a high priority. The Company ensures a safe working environment, safe equipment, policies, and procedures in order to ensure workers' health and safety. Workers' insurance is maintained to protect workers against workplace injury or illness.

Diversity and Inclusion

The Company has a culture and history of inclusion and diversity and this has enabled it to create, develop and fully leverage the strengths of its workforce to meet and exceed customer expectations and meet its growth objectives.

Competition

We operate in a global and dynamic market and compete with a variety of organizations that offer services similar to those that we offer. The online gaming industry is highly competitive. A number of companies offer products that are similar to our products and target the same markets as we do. Certain of our current and potential competitors have longer operating histories, greater financial, technical and marketing resources, and a larger installed customer base than we do. These competitors may be able to respond more quickly than we can to new or emerging technologies and changes in customer requirements, develop superior products, and devote greater resources to the development, promotion and sale of their products than we can.

We face competition primarily from: (1) other gaming companies that provide competing services and products to customers, (2) online and retail casino operators that develop their own proprietary online gaming capabilities, and (3) other similar existing or developing technology providers that develop competing platforms.

Our primary competitors are overseas-based online gaming technology companies. With few exceptions, a majority of these gaming companies are listed on the London Stock Exchange and they use their own software.

Examples of competing companies including; Relax Gaming, GAN, Softswiss, Bragg Gaming Group, Everymatrix, Softgamings and Gammastack.

As an independent online gaming technology provider, we believe that we retain the ability to utilize the most profitable platform available and are not restricted to a single platform. Additionally, by ensuring that we operate in compliance with U.S. laws, we believe that in the event of legalized gaming in the U.S., we would not be precluded from taking advantage of U.S.-based gaming.

Industry and Market

According to an August 2022 report by Mordor Intelligence, the online gaming industry is expected to witness substantial growth over the next five years, the global gaming market was valued at USD $198.40 billion in 2021, and it is expected to reach a value of USD $339.95 billion by 2027, which would be a compounded annual growth rate (CAGR) of 8.94% over 2022-2027.

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Our core markets are currently the Asia-Pacific (APAC) region and while we have a solid customer base; we are continuing to engage new gaming operators on a regular basis and we anticipate that our current operators will continue to grow. A July 6, 2022 report by Statista reports that the total digital gaming market is predicted to be worth more than $197 billion in 2022. As the number of video gamers worldwide approaches three billion, APAC is home to over half of these gamers. The video gaming market size in APAC is $53.4 billion with 1.48 billion gamers in Asia. Our vision is to become the platform of choice for casinos and sportsbook operators seeking to transition from a land-based casino and sportsbook environment onto an online environment.

According to actionnetwork.com, as of November 22, 2022, sports betting is legal in 33 states. As a result, we believe that the current U.S. market for the Company's products and services is robust and the Company hopes that more U.S. states will pass laws in the upcoming years to legalize more forms of online gambling. While the Company has engaged specialist legal counsel to assist with understanding the compliance requirements of U.S. gaming legislation and potentially submitting an application for a U.S. gaming license, the Company anticipates the majority of its revenues coming from the UK, Asia, South America, Europe, Africa, and Latin America.

Our vision is to become the platform of choice for casinos and sportsbook operators seeking to transition from a land-based casino and sportsbook environment onto an online environment such as RKings and Mexplay.

Regulation

The offering of online gaming platforms and related software and solutions is subject to extensive regulation and approval by various national, federal, state, provincial, tribal and foreign agencies (collectively, "gaming authorities"). Gaming laws require us to obtain licenses or findings of suitability from gaming authorities for our platforms and products. The criteria used by gaming authorities to make determinations as to the qualification and suitability of an applicant varies among jurisdictions, but generally require the submission of detailed personal and financial information followed by a thorough and sometimes lengthy investigation. Gaming authorities have broad discretion in determining whether an applicant qualifies for licensing or should be found suitable. Notwithstanding the foregoing, some jurisdictions explicitly prohibit gaming in all or certain forms and we will not market our gaming platform or services in these jurisdictions.

Currently the Company, via its wholly-owned subsidiary Global Technology Group Pty Ltd, has an Alderney Gambling Control Commission ("AGCC") license. The government of Alderney offers software service providers in the gambling industry with a gambling license that allows gambling operators to conduct business related to casino, lotto, and other gaming related activities. We believe that Alderney is one of the preferred locations for online gambling operators and is regarded in the community as one of the strictest licensing jurisdictions with policies aimed at improving transparency and cultivating a good gaming environment.

The Alderney Gaming Control Commission offers two categories of eGambling licenses: (1) A Category 1 License authorizes the organization and preparation of gambling operations, namely the registration and verification of players, the contractual relationship with them, and the management of player funds; and (2) A Category 2 License authorizes the effecting of the gambling transaction including operational management of a gambling platform located within an approved hosting center.

Global Technology Group Pty currently holds an AGCC Category 2 Associate Certificate.

A Category 2 Associate is an entity to whom a Category 1 eGambling licensee transfers customers, or allows them to be transferred, for the purpose of that entity effecting gambling transactions with the customer or arranging for those customers to gamble with others.

An eGambling license from the AGCC can be used by a licensee to operate in any country where it is legal to do so. In some countries, including the UK for example, a licensee will also be required to obtain a local license issued by that country if accessing that market.

Gambling sites licensed in Alderney under Category 1 are required to pay a £35,000 fee the first year in operation and a yearly fee thereafter based on the previous year's "net gaming yield." The annual fee ranges from £35,000 to £140,000 depending on how much money the gambling site is bringing in. Category 2 licensed companies are required to pay an introductory fee of £17,500 which applies for the first year and £35,000 per year thereafter.

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In some instances, the Company may be required to have a recognized business-to-business (B2B) gambling license in order to acquire and distribute certain gaming content.

While the Company has a Category 2 Associate Certificate from the AGCC, it is not required to have a gaming license for its current services—the resale of its GM-X System or the sale of third-party content to operators in the jurisdictions in which it currently conducts business (and is not required to have a gaming license for its planned services including the provision of support services and software development), and therefore is not currently utilizing the AGCC license.

Prize competitions are not gambling or a lottery and RKings does not offer B2C online sports betting and/or online casino services; therefore, a gambling or lottery license is not required in the UK. The prize competitions require entrants to demonstrate sufficient skill, knowledge, or judgment to have a chance of winning and participants are provided with a route to free entry to the prize competitions as required by UK law. We refer to these as "pay to enter prize competitions".

Currently, gambling in Mexico is governed by the Regulations of the Federal Games and Draws Law, as amended. The Gaming Law provides that the conduct of games (where bets are crossed and draws of numbers or symbols occur) require a permit from SEGOB. In addition, the Gaming Law provides that the federal executive power, through SEGOB, will regulate, authorize, control, and supervise any kind of games where bets are crossed and draws occur and the operation of online gambling must be expressly authorized in the relevant permit granted by SEGOB. In addition to obtaining a permit for online gambling or a drawing of numbers and/or symbols, operators must also meet certain operating conditions, such as having a reliable remote betting system, cash control system and an internal control system. In connection with operating an online casino in Mexico, the Company applied for and was granted a gaming permit in Mexico through its subsidiary Golden Matrix MX.

As the Company expands its global distribution, licensing and regulatory requirements may be required.

We sell and license our products to operators in the online gaming industry whose ability to operate in any jurisdiction may be impacted by changes in regulations. Even in jurisdictions where we have licenses, there can be no guarantee that a jurisdiction will not change its regulations in ways that impair our revenue or that would

cause us to incur significant operating expenses in order to maintain compliance. Material changes, new laws or regulations, or material differences in interpretations by courts or governmental authorities could cause us to incur substantial additional compliance costs and adversely affect our operating results. See “Item 1A. Risk Factors,” for an additional discussion regarding such risks.

Given the dynamic and rapid evolution of the iGaming industry, it can be difficult to plan strategically, as it relates to product rollout in new or existing jurisdictions which may be delayed or denied, and it is possible that competitors will be more successful than the Company at adapting to change and pursuing business opportunities.

As the online iGaming industry advances, including with respect to regulation in new and existing jurisdictions, we may become subject to additional regulation and compliance-related costs, including licensing and taxes. Consequently, our online gaming offerings may not grow at the rates expected or be successful in the long term.

If our product offerings do not obtain support or maintain support, or if they fail to grow in a manner in which we anticipate, or if we are unable to offer our products and systems in particular jurisdictions that may be material to our business, then our results of operations and financial situation could be harmed.

The online gaming industry is heavily regulated and the Company’s failure to obtain or maintain required licenses or approvals, or otherwise comply with applicable regulation, could be disruptive to our business and could adversely affect our operations.

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Our Company, officers, directors, major shareholders, key employees, and business partners are generally subject to the laws and regulations relating to iGaming in the jurisdictions in which we conduct business. These laws and regulations vary from one jurisdiction to another and future legislative and regulatory action or other governmental action, and may have a material impact on our operations and financial results. In particular, some jurisdictions have introduced regulations attempting to restrict or prohibit online gaming, while others have taken the position that online gaming should be licensed and regulated and have adopted or are in the process of considering legislation to enable that to happen.

Regulatory regimes vary by jurisdiction. The Company currently is not required to hold a gambling license for the sale of its GM-X System or third-party software in the jurisdictions in which it currently conducts business, however most regulatory regimes include the following elements:

- an ability to apply for one or more gaming licenses for one or more categories of products (for example, the UK);
- a requirement for gaming license applicants to make detailed and extensive disclosures as to their beneficial ownership, their source of funds, the probity and integrity of certain persons associated with the applicant, the applicant’s management competence and structure and business plans, the applicant’s proposed geographical territories of operation and the applicant’s ability to operate a gaming business in a socially responsible manner in compliance with regulation;
- ongoing disclosure and reporting obligations, on a periodic and unplanned basis in response to issues affecting the business;
- the testing and certification of games, software and systems; and
- social responsibility obligations.

Gaming licenses are subject to conditions, suspension or revocation by the issuing regulatory authority at any time.

We may be unable to obtain or maintain all necessary registrations, licenses, permits or approvals, and could incur fines or experience delays related to the licensing process, which could adversely affect our operations and financial viability.

The determination of suitability process may be expensive and time-consuming. Our delay or failure to obtain gaming licenses in any jurisdiction may prevent us from distributing our product offerings, increasing our customer base and/or generating revenues.

A gaming regulatory body may refuse to issue or renew a gaming license or restrict or condition the same, based on the historic activities of the Company or our current or former directors, officers, employees, major shareholders or business partners, which could adversely affect our operations or financial condition.

Our product offerings may require approval in regulated jurisdictions in which they are offered; this process cannot be assured or guaranteed.

If we fail to obtain the necessary gaming license in a given jurisdiction, we would likely be prohibited from distributing and providing product offerings in that particular jurisdiction. Delays in regulatory approvals or failure to obtain such approvals may also serve as a barrier to entry to the market for our product offerings. If we are unable to overcome the barriers to entry, it will materially affect our results of operations and future prospects.

To the extent new online gaming jurisdictions are established or expanded, we cannot guarantee we will be successful in expanding our business or customer base in line with the growth of existing jurisdictions. If we are unable to effectively develop and operate directly or indirectly within these new markets or if our competitors are able to successfully penetrate geographic markets that we cannot access or where we face other restrictions, then our business, operating results and financial condition could be impaired. Our failure to obtain or maintain the necessary regulatory approvals in jurisdictions, whether individually or collectively, would have a material adverse effect on our business.

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U.S. Regulatory Environment

State Level

According to actionnetwork.com, as of November 22, 2022, sports betting is legal in 33 states. As a result, we believe that the current U.S. market for the Company’s products and services is robust and the Company hopes that more U.S. states will pass laws in the upcoming years to legalize more forms of online gambling. While the Company has engaged specialist legal counsel to assist with understanding the compliance requirements of U.S. gaming legislation and potentially submitting an application for a U.S. gaming license, the Company anticipates the majority of its revenues coming from the UK, Asia, South America, Europe, Africa, and Latin America.

Federal Level

On October 13, 2006, then President George W. Bush, signed into law “The Unlawful Internet Gambling Enforcement Act of 2006 (“UIGEA”).” This act prohibits those involved in the business of betting or wagering from accepting any financial instrument, electronic or otherwise, for deposit that is intended to be utilized for unlawful Internet gambling. While the UIGEA does not define online gambling as being illegal, the UIGEA instructs the U.S. Treasury Department and Federal Reserve to impose obligations upon financial institutions and other payment processors to establish procedures designed to block online gaming-related financial

transactions. It also expressly requires Internet bets and wagers to comply with the law of the jurisdiction where the wagers are initiated and received (i.e., within state borders). The law contains a safe harbor for wagers placed within a single state (disregarding intermediate routing of the transmission) where the method of placing the wager and receiving the wager is authorized by that state's law, provided the underlying regulations establish appropriate age and location verification.

In addition to regulation at the state level, various federal laws apply to online gambling. Those include (1) the UIGEA, discussed above, (2) the Illegal Gambling Business Act, and (3) the Travel Act. The Illegal Gambling Business Act ("IGBA"), makes it a crime to conduct, finance, manage, supervise, direct or own all or part of an "illegal gambling business" and the Travel Act makes it a crime to use the mail or any facility in interstate commerce with the intent to "distribute the proceeds of any unlawful activity," or "otherwise promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of any unlawful activity." For there to be a violation of either the IGBA or the Travel Act there must be a violation of underlying state law.

In addition, the Wire Act of 1961 (the "Wire Act") provides that anyone engaged in the business of betting or wagering that knowingly uses a wire communication facility for the transmission in interstate or foreign commerce of bets or wagers or information assisting in the placing of bets or wagers on any sporting event or contest, or for the transmission of a wire communication which entitles the recipient to receive money or credit as a result of bets or wagers, or for information assisting in the placing of bets or wagers, will be fined or imprisoned, or both. In September 2011, the U.S. Department of Justice released to the public a formal legal opinion on the scope of the Wire Act concluding, interstate transmissions of wire communications that do not relate to a 'sporting event or contest' fall outside the reach of the Wire Act.

Any or all of our planned future operations in the U.S. could be subject to, and/or may need to comply with the UIGEA, IGBA, Travel Act, Wire Act, and other state and federal statutes.

Non-U.S. Regulatory Environment

Great Britain Regulatory Environment

In Great Britain, online gaming and sports betting is subject to the Gambling Act 2005 (the "GA2005"), as amended by the Gambling (Licensing and Advertising) Act 2014, and the regulations promulgated thereunder. Under the GA2005, entities wishing to offer online sports betting and/or online casino services to persons located in Great Britain must first obtain a remote gambling operating license from the Gambling Commission. Through RKingsCompetitions, Ltd, we do not offer online sports betting and/or online casino services; however, we do offer pay to enter prize competitions which are not gambling or a lottery. Section 14 of GA2005 indicates that prize competitions that require entrants to demonstrate a sufficient amount of skill, knowledge or judgment to have a chance of winning are subject to GA2005; however, we rely on the exemption under Schedule 2 of GA2005 by providing participants with a route to free entry to the competitions and are therefore, not subject to GA2005 through the Schedule 2 exemption. A free entry route to the competition is also compulsory for these competitions to be legal in Northern Ireland (see below).

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Republic of Ireland Regulatory Environment

In the Republic of Ireland, the relevant law relating to online gaming is the Gaming and Lotteries Act of 1956, as amended by the Gaming and Lotteries (Amendment) act of 2019. The Gaming and Lotteries Act recently underwent significant amendments by way of the Gaming and Lotteries (Amendment) Act 2019 (2019 Act), which came into force on December 1, 2020. The 2019 Act introduced a cohesive licensing regime for gaming, such that any gaming is considered unlawful if it is not subject to a gaming permit or a gaming license. The 2019 Act has also introduced a coherent licensing and permit regime for lotteries. Previously, an exemption existed for private lotteries in certain limited circumstances. The 2019 Act has removed a prior exemption, meaning that such lotteries can only proceed under a license or a permit. However, if a free entry route to the competition is provided, or a question is asked so that the competition is not a game of chance, it will not be a lottery and not subject to the 2019 Act. RKingsCompetitions, Ltd's competitions are open to residents of the United Kingdom and the Republic of Ireland and the competitions have both a random simple level question of basic intellectual acumen that is asked to elicit a simple basic level of responses as well as a free entry route, therefore RKingsCompetitions, Ltd's competitions are not considered lotteries and are exempt from 2019 Act.

European Union General Data Protection Regulation

Our business is subject to a number of federal, state, local and foreign laws and regulations governing data privacy and security, including with respect to the collection, storage, use, transmission and protection of personal information. In particular, we are subject to the European Union General Data Protection Regulation (the "EU GDPR") where we are established in the European Economic Area ("EEA") or where we are not established in the EEA, but process personal data of individuals in the EEA in relation to the offering of goods or services to, or the monitoring the behavior of, individuals in the EEA.

Following the end of the Brexit Transition Period on December 31, 2020, the EU GDPR has been implemented in the UK as the "UK GDPR". The requirements of the UK GDPR are (for the time being) virtually identical to those of the EU GDPR.

The EU GDPR and the UK GDPR (collectively the "GDPR") set out a number of requirements that must be complied with when handling personal data including (amongst others): (i) accountability and transparency requirements, and enhanced requirements for obtaining valid consent; (ii) obligations to consider data protection as any new products or services are developed and to limit the amount of personal data processed; (iii) obligations to comply with data protection rights of data subjects; and (iv) reporting of personal data breaches to the supervisory authority without undue delay (and no later than 72 hours where feasible).

The GDPR also prohibits the international transfer of personal data from the EEA/UK to countries outside of the EEA/UK, unless made to a country deemed to have adequate data privacy laws by the European Commission or UK Government or a data transfer mechanism has been put in place. In July 2020, the Court of Justice of the European Union ("CJEU") in its Schrems II ruling invalidated the EU-US Privacy Shield framework, a self-certification mechanism that facilitated the lawful transfer of personal data from the EEA/UK to the United States, with immediate effect. The CJEU upheld the validity of standard contractual clauses ("SCCs") as a legal mechanism to transfer personal data but companies relying on SCCs will need to carry out a transfer privacy impact assessment, which among other things, assesses laws governing access to personal data in the recipient country and considers whether supplementary measures that provide privacy protections additional to those provided under SCCs will need to be implemented to ensure an essentially equivalent level of data protection to that afforded in the EU. This may have implications for our cross-border data flows and may result in additional compliance costs.

In addition, Brexit has implications for transfers of personal data between the UK and the EU and vice versa. While transfers of personal data from the UK to the EU are unrestricted and do not require additional safeguards as the UK has approved the adequacy of the EU and all 12 nations deemed adequate by the EU, such approval is up for review in June 2025.

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Compliance with the GDPR requires us to incur compliance and operational costs. In addition, a data supervisory authority may find our data processing practices and compliance steps to be inconsistent with the GDPR's application in their respective jurisdiction. Data supervisory authorities also have the power to issue fines for

non-compliance of the GDPR of up to 4% of an organization's annual worldwide turnover or €20 million (£17.5 million under the UK GDPR) (or approximately $19.7 million and $19.9 million, respectively, as of October 31, 2022), whichever is higher. Data subjects also have a right to compensation, as a result of an organization's breach of the GDPR that has affected them, for financial or non-financial losses (e.g., distress).

Mexican. Regulatory Environment

Gambling is currently permitted in Mexico, subject to obtaining government authorization to conduct gaming activities from the competent authority. Gambling is generally an activity subject to federal regulation rather than state or local level regulation.

Currently, gambling in Mexico is governed by the Regulations of the Federal Games and Draws Law ("Gaming Law"), as amended.

The Gaming Law provides that the conduct of games where bets are crossed and draws of numbers or symbols occur requires a permit from the Ministry of the Interior (*Secretaría de Gobernación*) (SEGOB). In addition, the Gaming Law provides that the federal executive power, through SEGOB, will regulate, authorize, control and supervise any kind of games where bets are crossed and draws occur.

There is currently no specific legal definition of online gambling in Mexican law; however the operation of online gambling must be expressly authorized in the relevant permit granted by SEGOB.

As well as obtaining a permit for online gambling or a drawing of numbers and/or symbols, operators must also meet certain operating conditions, such as having a reliable remote betting system, cash control system and an internal control system.

A Mexican gaming permit was approved on July 13, 2022 allowing the Company to undertake online gambling for two years and will automatically renew thereafter for additional two year periods, without additional payment.

Summary of Recent Material Agreements

RKings Notice of Breach

Effective on November 1, 2021, we acquired 80% of RKings as discussed above.

On June 1, 2022, the Company notified the Sellers that the Sellers were in default under the Purchase Agreement and demanded that Sellers cease and desist from all activity in violation of the Purchase Agreement, including (1) use of Company confidential data in breach of the non-disclosure requirements of the Purchase Agreement, (2) tortious interference with the Company's business and customer relationships, and (3) exploitation of Company assets for personal gain. We also notified the Sellers that they have breached the Shareholders Agreement as well as their fiduciary duties as stipulated in the Shareholders Agreement dated November 29, 2021.

In addition, the Company notified the Sellers of their indemnification obligations under the Purchase Agreement and the Company's decision to terminate the Sellers' right to receive the £1,000,000 Holdback Amount and the £4,000,000 Earn-Out Consideration. In addition, the Company has the right to set off any amounts which are the subject of an indemnification claim against such Holdback Amount and Earn-Out Consideration.

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RKings Settlement & Release

On August 1, 2022, and effective on August 4, 2022, we entered into a Settlement and Mutual Release Agreement (the "Settlement Agreement") with Mark Weir, one of the two Sellers. The Settlement Agreement was entered into in order to partially settle certain breaches of the Purchase Agreement which the Sellers (Mr. Weir and Mr. Paul Hardman) were jointly and severally responsible for pursuant to the terms of the Purchase Agreement. Pursuant to the Settlement Agreement, (a) we agreed to make a payment to Mr. Weir in the amount of £450,000 (approximately $548,112), representing one-half of the £1,000,000 (approximately $1,218,027) Holdback Amount, less £50,000 (approximately $60,902) in excess salary payments made to Mr. Weir (the "Settlement Payment"); (b) Mr. Weir agreed to enter into an employment agreement with RKings; and (c) we and Mr. Weir, on behalf of ourselves and our affiliates and representatives, provided each other mutual releases, subject to certain customary exceptions. The Settlement Payment was in full satisfaction of all payments (including any portion of the Holdback Amount or Earn-Out Consideration), due to Mr. Weir under the Purchase Agreement. The Settlement Payment was paid in full on August 21, 2022. However, the Company is in dispute with Mr. Paul Hardman (the other seller of the 80% interest in RKings, described above) with regards to the Holdback Amount of $573,000 that he has alleged is owed to him. That amount is accrued and included in the Company's liabilities. The Company's dispute and claims against Mr. Hardman stem from the breaches of the terms of the Purchase Agreement by Mr. Hardman. The Company is vigorously pursuing the claim of breach of the Purchase Agreement.

RKings Buyout

The Company paid the Sellers (a) GBP £3,000,000; and (b) 666,250 restricted shares of the Company's common stock, with an agreed value of GBP £4,000,000, or $8.00 per share of Company common stock; and agreed to pay the Sellers additional shares of common stock of the Company equal to (i) 80% of the Company's net asset value of RKings as of October 31, 2021 (inventory on hand (minus allowances for reserve inventory and allocated goods and materials) plus RKings' total cash and cash equivalents on hand; less RKings' current and accrued liabilities, as described in greater detail in the Purchase Agreement), divided by (ii) $8.00 per share. The Sale and Purchase Agreement also provided the Sellers the rights to earn additional earn-out consideration, equal in value to GBP £4,000,000, subject to the terms of the Sale and Purchase Agreement payable at the option of the Company in either (a) cash; or (b) shares of Company common stock.

The RKings Purchase Agreement also required that the Sellers and the Company enter into a Shareholders Agreement (the "Shareholders Agreement"), which was entered into and became effective on November 29, 2021, and which provides various rights and restrictions on the owners of RKings. One of those rights was a buyout right provided to the Company (the "Buyout Right"), which beginning on May 29, 2022 (the date that was six months from November 29, 2021), which provided the Company, upon written notice to the Sellers, the right to purchase all, but not less than all, of the shares of RKings then held by the Sellers (i.e., the 20% of RKings retained by such Sellers following the closing of the Purchase Agreement) for an aggregate purchase price equal to 20% of the product of (i) RKings' then most recent three-month trailing EBITDA multiplied by (ii) sixteen (the "Buyout Price"). The Buyout Price was payable at the option of the Company in either (x) cash; or (y) shares of the Company's common stock valued at $8.00 per share or any combination thereof.

On October 27, 2022, the Company exercised its Buyout Right by providing written notice to each of the Sellers. In connection with such exercise, the Company agreed to pay each Seller USD $661,773, which is equal to their pro rata portion of the Buyout Price, which was satisfied by the issuance by the Company to each Seller of 82,722 shares of restricted common stock of the Company (with such shares being valued at $8.00 per share pursuant to the terms of the Shareholders Agreement)(an aggregate of 165,444 shares of common stock of the Company, the "Buyout Shares").

On November 30, 2022, the Company completed the purchase of 10% of RKings from each Seller (20% in aggregate) in consideration for the Buyout Shares and effective as of November 4, 2022, the Company owns 100% of RKings.

Effective on November 4, 2022, the Shareholders Agreement was automatically terminated as the Company became the sole owner of RKings.

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Golden Matrix MX Acquisition

On July 11, 2022, the Company entered into a Share Purchase Agreement to acquire 99.99% of the stock of Golden Matrix MX, S.A. DE C.V. ("Golden Matrix MX"), a then newly formed shell company incorporated in Mexico for nominal consideration. Golden Matrix MX had no assets or operations at the time of acquisition and was formed for the benefit of the Company, for the sole purpose of operating an online casino in Mexico. The acquisition was closed on September 7, 2022. The Company launched its licensed proprietary B2C online casino in Mexico on November 1, 2022, via its majority-owned subsidiary Golden Matrix MX. The online casino, Mexplay, (www.mexplay.mx), is an online site in Mexico which features an extensive number of table games, slots, as well as a sportsbook, and offers tournament competition prizes similar to those offered by RKings.

GMG Assets Acquisition

On October 17, 2022, effective August 1, 2022, the Company entered into a Stock Purchase Agreement (the "GMG Purchase Agreement"), to acquire a 100% ownership interest in GMG Assets Limited ("GMG Assets"), a private limited company formed under the laws of Northern Ireland from Aaron Johnston and Mark Weir, individuals, the owners of 100% of the ordinary issued share capital (100 Ordinary Shares) of GMG Assets. Aaron Johnston a then member of the Board of Directors of the Company and Mark Weir a then 10% shareholder in RKings, were the owners of GMG Assets, and as such are both related parties to the Company.

Pursuant to the GMG Purchase Agreement, which was approved by the Company's Board of Directors and the Audit Committee of the Board of Directors, the Company agreed to pay the Sellers 25,000 British pound sterling (GBP) (approximately $29,000) for 100% of GMG Assets, which represented the combined costs paid by the Sellers to form GMG Assets. GMG Assets was formed for the sole purpose of facilitating the Company's operation of RKings and to facilitate cash alternative offers for winners of prizes within RKings' business.

Additionally, the Company agreed to pay Mr. Weir a monthly cash incentive bonus to assist in the running of GMG Assets. The bonus structure provides for the payment to Mr. Weir of 100% of the profits generated up to 50,000 GBP) (approximately $58,000) then thereafter 10% of the profits generated by GMG Assets up to a maximum of 150,000 GBP per annum. The aforementioned profits will be calculated as revenues less cost of goods sold, less any taxes paid or incurred. A cash alternative maximum percentage of the prize value in RKings will be set by the Board of Directors of the Company, from time to time.

Meridian Purchase Agreement

On January 11, 2023, we entered into a Sale and Purchase Agreement of Share Capital (the "Meridian Purchase Agreement") with Aleksandar Milovanovic, Zoran Milosevic ("Milosevic") and Snezana Bozovic (collectively, the "Meridian Sellers"), the owners of Meridian Tech Društvo Sa Ograničenom Odgovornošću Beograd, a private limited company formed and registered in and under the laws of the Republic of Serbia ("Meridian Serbia"); Društvo Sa Ograničenom Odgovornošću "Meridianbet" Društvo Za Proizvodnju, Promet Roba I Usluga, Export Import Podgorica, a private limited company formed and registered in and under the laws of Montenegro; Meridian Gaming Holdings Ltd., a company formed and registered in the Republic of Malta; and Meridian Gaming (Cy) Ltd, a company formed and registered in the republic of Cyprus (collectively, the "Meridian Companies").

The Meridian Companies operate online sports betting and gaming operations and are currently licensed and operating in more than 15 jurisdictions across Europe, Africa and South America.

Pursuant to the Meridian Purchase Agreement, the Meridian Sellers agreed to sell us 100% of the outstanding capital stock of each of the Meridian Companies in consideration for (a) a cash payment of $50 million, due at the initial closing of the acquisition; (b) 56,999,000 restricted shares of the Company's common stock (the "Phase 1 Closing Shares"), with an agreed upon value of $3.50 per share; (c) 1,000 shares of a to be designated series of Series C preferred stock of the Company, discussed in greater detail below (the "Series C Voting Preferred Stock"); (d) $10,000,000 in cash and 4,285,714 restricted shares of Company common stock (the "Post-Closing Shares") within five business days following the six month anniversary of the Phase 1 Closing (defined below) if (and only if) the Company has determined that: the Meridian Sellers and their affiliates are not then in default in any of their material obligations, covenants or representations under the Meridian Purchase Agreement, or any of the other transaction documents entered into in connection therewith (the "Post-Closing Consideration"); (e) a promissory note in the amount of $10,000,000 (the "Promissory Note"), due nine months after the Phase 1 Closing; and (f) 4,000,000 shares of the Company's restricted common stock payable at the Phase 2 Closing (defined below)(the "Phase 2 Shares"). The Phase 1 Closing Shares, Series C Preferred Stock, Post-Closing Shares and Phase 2 Shares, are collectively defined herein as the "Purchase Shares".

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The purchase of 100% of the Meridian Companies pursuant to the Meridian Purchase Agreement is defined herein as the "Purchase". The agreed upon aggregate value of the transaction is $298,500,000 (the "Purchase Price").

The Purchase is contemplated to close in two phases, with phase 1 being the purchase of 100% of each of the Meridian Companies other than Meridian Serbia, together with 90% of Meridian Serbia ("Phase 1 Closing"); and phase 2 being the purchase of the remaining 10% of Meridian Serbia ("Phase 2 Closing").

The Phase 1 Closing is required to occur prior to June 30, 2023 and the Phase 2 Closing is required to occur prior to October 31, 2023, unless extended by the mutual consent of the parties.

In the event of the occurrence of a change of control of the Company following the closing, the Post-Closing Consideration and amounts due pursuant to the Promissory Note are immediately due and payable.

The closing of the Purchase is subject to certain closing conditions (some of which apply only for the Phase 1 Closing and some of which apply for both the Phase 1 Closing and Phase 2 Closing), including (a) the delivery to each party of required board, and where applicable, shareholder approvals; (b) Meridian Sellers' delivery of documentation and agreements evidencing the assets of the Meridian Companies, including intellectual property; (c) certain change of control notifications being submitted to the relevant jurisdictions governing the Meridian Companies; (d) delivery of customary good standing certificates, transfer documents, closing agreements; officer certificates and secretary certificates; (e) delivery of executed copies of certain shareholders agreements and restricted covenant agreements required to be entered into with various minority shareholders of certain subsidiaries of the Meridian Companies as a required condition of the Phase 1 Closing (collectively, the "Shareholder Agreements"); (f) delivery of the closing cash and equity compensation; (g) the entry into employment agreements between the Company and the Meridian Sellers in substantially the same form as the Company's employment agreement with Anthony Brian Goodman, the Company's Chief Executive Officer; (h) the Shareholder Approval (defined below); (i) the Amended and Restated Articles (defined below) being filed with the Secretary of State of Nevada; (j) the Company obtaining an opinion, in writing, to the effect that as of the date thereof and based upon and subject to the matters set forth therein, the Purchase is fair, from a financial point of view, to the Company and its shareholders; (k) the confirmation from the Nasdaq Capital Market that the Company's common stock will continue to trade on the Nasdaq Capital Market following the Phase 1 Closing; (l) the delivery of customary legal opinions of the parties; and (m) confirmation that following the Phase 1 Closing,

the Meridian Sellers will hold majority voting rights over the Company. The closing of the Purchase is also subject to the Company raising adequate funds to pay the required purchase price in connection therewith. If so required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), the parties agreed to promptly make all filings under the HSR Act and to receive any and all required approvals required under the HSR Act, or for all waiting periods required thereunder to have expired prior to the Phase 1 Closing.

The Meridian Purchase Agreement can be terminated (a) by the written agreement of the parties; (b) by the Company or the Meridian Sellers if the Company has not obtained a loan commitment or other long-form term sheet from a third-party lender approved by Meridian Sellers (in their reasonable discretion) to provide at least $50 million of financing required for the Company to complete the Purchase (the "Required Financing"), on terms and conditions acceptable to Meridian Sellers in their reasonable discretion, prior to May 31, 2023 (or such other date as the parties may mutually agree), unless such failure is due to the party that proposes to terminate the agreement not using commercially reasonable efforts to satisfy such condition or the breach by such party of a provision of the Meridian Purchase Agreement; (c) by the Company if the Shareholder Agreements are not entered into within 45 days after the date of the Meridian Purchase Agreement, unless such failure is due to such party that proposes to terminate the agreement not using commercially reasonable efforts to satisfy such condition or the breach by such party of a provision of the Meridian Purchase Agreement; (d) by the Company or the Meridian Sellers if the Phase 1 Closing has not been completed by June 30, 2023 (unless such date is extended with the mutual consent of the parties)(the "Required Closing Date") unless such failure is due to such party that proposes to terminate the agreement not using commercially reasonable efforts to satisfy such condition or the breach by such party of a provision of the Meridian Purchase Agreement; (e) by the Company or the Meridian Sellers, if a condition to closing has become incapable of fulfilment and not been waived by Purchaser; (f) by the Company or the Meridian Sellers pursuant to the Due Diligence Termination Right (defined below); (g) by either the Company or the Meridian Sellers if any updated schedule required to be disclosed pursuant to the terms of the Meridian Purchase Agreement could reasonably result in a material adverse effect on the disclosing party; (h) by either the Company or the Meridian Sellers if more than 90 days have elapsed since the date the initial required notices are provided under the HSR Act, to the extent required, and HSR Act approval has not been received as of such date, and the Company or Meridian Sellers, as applicable, has made the reasonable, good faith determination that HSR Act approval will be so costly and time consuming to such party that it does not make commercially reasonable sense for such party to continue to seek such HSR Act approval; or (i) by either the Meridian Sellers or the Company, if there has been a breach of any material representation, warranty, covenant, agreement, or undertaking made by the other party in a transaction document, which breach, if curable, is not cured within 30 calendar days after notice by the non-breaching party (provided, however, that if the cure reasonably requires more than 30 days to complete, then the breaching party shall have an additional 15 days, provided it timely commences the cure and continues diligently prosecuting the cure to completion).

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The Meridian Purchase Agreement may be also terminated by the Meridian Sellers or the Company at any time prior to the Phase 1 Closing Date if: (i) there shall be any actual action or proceeding which value is more than 1% of the Purchase Price, before any court or any governmental entity which shall seek to restrain, prohibit, or invalidate the transactions contemplated by the Meridian Purchase Agreement and which, in the judgment of the Meridian Sellers or the Company, made in good faith and based upon the advice of its legal counsel, makes it inadvisable to proceed with the Purchase; or (ii) any of the transactions contemplated by the Meridian Purchase Agreement are disapproved by any regulatory authority whose governmental approval is required to consummate such transactions (which does not include the Securities and Exchange Commission (SEC)) or in the judgment of the Meridian Sellers or the Company, made in good faith and based on the advice of counsel, there is substantial likelihood that any such governmental approval will not be obtained by the Required Closing Date) or will be obtained only on a condition or conditions which would be unduly and materially burdensome, making it inadvisable to proceed with the Purchase.

In the event of termination of the Meridian Purchase Agreement, no obligation, right or liability shall arise, and each party shall bear all of the expenses incurred by it in connection with the negotiation, drafting, and execution of the Meridian Purchase Agreement and the transactions contemplated thereby, except in connection with the Break-Fee (discussed below).

Additionally, we have agreed to issue $3 million in restricted stock units to employees of the Meridian Companies (and their subsidiaries) within 30 days following the Phase 1 Closing in order to incentive such employees to continue to provide services to such entities following the Phase 1 Closing (the "Post-Closing Equity Awards"). The Post-Closing Equity Awards will be issued under a shareholder approved equity plan. Included in Post-Closing Equity Awards will be the award of Restricted Stock Units to the directors nominated for appointment to the Board of Directors by the holders of the Company's Series C Voting Preferred Stock, as described in greater detail in the Meridian Purchase Agreement.

Pursuant to the Meridian Purchase Agreement we agreed to file a proxy statement with the SEC (the "Proxy Statement") to seek shareholder approval for the issuance of the Purchase Shares, under applicable rules of the Nasdaq Capital Market, and adoption of amended and restated Articles of Incorporation (the "Amended and Restated Articles") to remove our classified board of directors and amend certain other provisions of our Articles of Incorporation (collectively, the "Charter Amendments"), promptly after the Meridian Sellers have delivered the financial statements required by Regulation S-X for filing in such Proxy Statement, and to hold a stockholders meeting promptly thereafter (subject to applicable law), to seek shareholder approval of the Charter Amendments and the issuance of the Purchase Shares. We are also required to hold a shareholders meeting to seek shareholder approval for the issuance of the Purchase Shares and Charter Amendments promptly after the SEC has confirmed that it has no comments on such Proxy Statement (the "Shareholder Approval").

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The Meridian Purchase Agreement includes a 60 day due diligence period during which the Company has the right, at the Company's election, in its reasonable discretion, to terminate the Meridian Purchase Agreement if the Company determines in good faith, that such due diligence has revealed information which would constitute a material adverse effect on the Meridian Companies, or results in any of the representations or warranties of the Meridian Sellers set forth in the Meridian Purchase Agreement not being materially correct and true and the Meridian Sellers have the same right (the "Due Diligence Termination Right").

To the extent that any term sheet, letter of intent or other agreement or understanding relating to the Required Financing includes any break-fee, termination fee, or other expenses payable by the Company upon termination thereof, to the proposed lender, financier, investment bank or agent (each a "Break-Fee"), despite the parties' best efforts to avoid such a requirement, each of the Company and Meridian Sellers shall be responsible for 50% of any such Break-Fee, including any amounts required to be escrowed in connection therewith.

Promissory Note

The $10 million Promissory Note will accrue interest at 7% per annum (18% upon the occurrence of an event of default), with monthly interest payments of accrued interest due on the first day of each calendar month until its maturity date; and have a maturity date nine months after the Phase 1 Closing. The Promissory Note will include customary events of default and require us to indemnify the holders thereof against certain claims.

Series C Voting Preferred Stock

The Series C Voting Preferred Stock is expected to have the following rights to be set forth in a designation of the Series C Voting Preferred Stock filed with the Secretary of State of Nevada prior to the Phase 1 Closing (the "Series C Designation"):

Voting Rights. The holders of the Series C Voting Preferred Stock, voting as a class, vote together with the holders of the Company's common stock on all shareholder matters. At each vote, each share of Series C Voting Preferred Stock entitles the holder 7,500 votes on all matters presented to the Company's shareholders for a vote of shareholders, whether such vote is taken in person at a meeting or via a written consent (7,500,000 votes in aggregate for all outstanding shares of Series C Preferred Stock).

Additionally, for so long as the Company's Board of Directors has at least five members and for so long as the Series C Preferred Stock is outstanding, the Series C Voting Preferred Stock, voting separately, will have the right to appoint two members to the Company's Board of Directors. If the Company's Board of Directors shall have less than five members, the Series C Voting Preferred Stock, voting separately, will have the right to appoint one member to the Board of Directors. The holders of the Series C Voting Preferred Stock will also have the sole right to remove such persons solely appointed by the Series C Voting Preferred Stock and to fill vacancies in such appointees.

The Series C Preferred Stock will also require the consent of the holders of at least a majority of the issued and outstanding shares of Series C Preferred Stock to (i) amend any provision of the designation of the Series C Preferred Stock, (ii) increase or decrease (other than by redemption or conversion) the total number of authorized shares of any preferred stock of the Company, (iii) adopt or authorize any new designation of any preferred stock, (iv) amend the Articles of Incorporation of the Company in a manner which adversely affects the rights, preferences and privileges of the Series C Preferred Stock, (v) effect an exchange, or create a right of exchange, cancel, or create a right to cancel, of all or any part of the shares of another class of shares into shares of Series C Preferred Stock, (vi) issue any additional shares of preferred stock, or (vii) alter or change the rights, preferences or privileges of the shares of Series C Preferred Stock so as to affect adversely the shares of Series C Preferred Stock.

Conversion Rights. The holders of the Series C Preferred Stock will have the right to convert each share of the Series C Preferred Stock into one share of the Company's common stock at any time. The Series C Preferred Stock also provides for the automatic conversion of all outstanding shares of Series C Preferred Stock into common stock of the Company, on a 1 for 1 basis, on the date that the aggregate beneficial ownership of the Company's common stock (calculated pursuant to Rule 13d-3 of the Securities Exchange Act of 1934, as amended), calculated without regard to any shares of common stock issuable upon conversion of the Series C Preferred Stock, of the Meridian Sellers (collectively), falls below 10% of the Company's common stock then outstanding, without taking into account the shares of common stock issuable upon conversion of the Series C Preferred Stock, or the first business day thereafter that the Company becomes aware of such.

Transfer Rights. The Series C Preferred Stock is not transferrable by the Meridian Sellers.

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Item 1A. Risk Factors

Our business is subject to numerous risks and uncertainties that you should be aware of in evaluating our business. If any such risks and uncertainties actually occur, our business, prospects, financial condition and results of operations could be materially and adversely affected and the value of our securities may decline in value or become worthless. The risks described below are not the only risks that we face. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial may also materially adversely affect our business, prospects, financial condition and results of operations. The risk factors described below should be read together with the other information set forth in this Report, including our financial statements and the related notes, as well as in other documents that we file with the SEC.

Summary Risk Factors

Our business is subject to numerous risks and uncertainties, including those described below and elsewhere in this Report. These risks include, but are not limited to, the following:

Risks Related to the Company's Need for Additional Funding and Demand For Products and Services

- our need for significant additional financing to grow and expand our operations, the availability and terms of such financing, and potential dilution which may be caused by such financing, if obtained through the sale of equity or convertible securities;
- the impact of the COVID-19 pandemic, and other pandemics and epidemics, on the Company;
- the potential effect of economic downturns and market conditions, including recessions, on the Company's operations and prospects as a result of increased inflation, increasing interest rates, global conflicts and other events;
- general consumer sentiment and economic conditions that may affect levels of discretionary customer purchases of the Company's products; and
- our limited operating history.

Risks Related to Our Business Operations and Industry

- our reliance on suppliers of third-party gaming content and the cost of such content;
- the ability of the Company to manage growth;
- the ability of the Company to compete in its market and develop, market or sell new products or adopt new technology;
- disruptions caused by acquisitions;
- the risks associated with gaming fraud, user cheating and cyber-attacks;
- risks relating to inventory management;
- risks associated with systems failures and failures of technology and infrastructure on which the Company's programs rely, as well as cybersecurity and hacking risks;
- foreign exchange and currency risks;
- the outcome of contingencies, including legal proceedings in the normal course of business;
- the ability to compete against existing and new competitors;
- the ability to manage expenses associated with sales and marketing and necessary general and administrative and technology investments;
- cyber security risks that could result in damage to our reputation and/or subject us to fines, payment of damages, lawsuits and restrictions on our use of data and systems failures and resulting interruptions in the availability of our websites, applications, products, or services that could harm our business; and
- our non-U.S. operations.

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Risks Relating to Regulation

- the effect of future regulation, the Company's ability to comply with regulations (current and future) and potential penalties in the event it fails to comply with such regulations; and

- material increases to our taxes or the adoption of new taxes or the authorization of new or increased forms of gaming could have a material adverse effect on our future financial results.

Risks Related to Intellectual Property and Technology

- we may be subject to claims of intellectual property infringement or invalidity and adverse outcomes of litigation could unfavorably affect our operating results; and
- the Company's ability to protect proprietary information.

Risks Relating to our Management

- the Company's reliance on its management;
- the fact that the Company's Chief Executive Officer has voting control over the Company; and
- related party relationships, as well as conflicts of interest related thereto.

Risks Related to International Operations

- The risks related to international operations, in particular in countries outside of the United States and Canada, could negatively affect the Company's results; and
- foreign exchange risks.

Risks Relating to our Common Stock and Securities

- dilution caused by efforts to obtain additional financing;
- our ability to issue common and preferred stock without further shareholder approval;
- the lack of a market for our securities and the volatility in the trading prices thereof caused thereby;
- no assurance that we will be able to comply with Nasdaq's continued listing standards; and
- dilution caused by the sale of common stock or convertible securities.

Risks relating to the Meridian Purchase Agreement

- dilution and a change of control which will result from the closing of the Meridian Purchase Agreement;
- costs, fees and expenses, and the timing associated with, the Meridian Purchase Agreement;
- the Company's ability to meet conditions to closing the Meridian Purchase Agreement, including required funding, the terms and availability of such funding, and the ability of the parties to the Meridian Purchase Agreement to terminate such agreement, and potential break-fees due in connection therewith;
- uncertainties while the Meridian Purchase Agreement is pending; and
- risks related to the ability of the combined company to recognize the benefits of the acquisition.

Other risks

- risks related to our governing documents and indemnification obligations;
- risks related to future acquisitions;
- risks related to inventory impropriety;
- risks related to behavior and acts by management and/or employees to the detriment of the Company;
- risks related to significant sales by officers, directors and third parties; and
- Other risks disclosed below under "Item 1A. Risk Factors".

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Risks Related to the Company's Need for Additional Funding and Demand For Products and Services

We may require additional financing, and we may not be able to raise funds on favorable terms, or at all.

We had working capital of $16,573,796 as of October 31, 2022. With our current cash on hand, expected revenues, and based on our current average monthly expenses, we do not anticipate the need for additional funding in order to continue our operations at their current levels, and to pay the costs associated with being a public company, for the next 12 months, but may require additional funding in the future to support our operations and/or may seek to raise additional funding in the future to expand or complete acquisitions.

The most likely source of future funds presently available to us will be through the sale of equity capital. Any sale of share capital will result in dilution to existing shareholders. Furthermore, we may incur debt in the future, and may not have sufficient funds to repay our future indebtedness or may default on our future debts, jeopardizing our business viability.

We may not be able to borrow or raise additional capital in the future to meet our needs or to otherwise provide the capital necessary to expand our operations and business, which might result in the value of our common stock decreasing in value or becoming worthless. Additional financing may not be available to us on terms that are acceptable. Consequently, we may not be able to proceed with our intended business plans. Obtaining additional financing contains risks, including:

- additional equity financing may not be available to us on satisfactory terms and any equity we are able to issue could lead to dilution for current shareholders;
- loans or other debt instruments may have terms and/or conditions, such as interest rate, restrictive covenants and control or revocation provisions, which are not acceptable to management or our directors;
- the current environment in capital markets combined with our capital constraints may prevent us from being able to obtain debt financing on favorable terms, if at all; and
- if we fail to obtain required additional financing to grow our business, we would need to delay or scale back our business plan, reduce our operating costs, or reduce our headcount, each of which would have a material adverse effect on our business, future prospects, and financial condition.

Global pandemics, such as COVID-19 could have an adverse impact on our revenue and results of operations.

Our business and operations have not been, but could in the future be, adversely affected by health epidemics, such as the global COVID-19 pandemic. The outbreak of the 2019 novel coronavirus disease ("COVID-19"), which was declared a global pandemic by the World Health Organization in 2020, and the related responses by public health and governmental authorities to contain and combat its outbreak and severely impacted the U.S. and world economies in 2022 and 2021, with global economic activity returning to pre-COVID-19 levels, and continuing to increase in 2022. Demand for our products and services was not impacted by COVID-19;

however, the long-term effects of the COVID-19 pandemic or recovery from the COVID-19 pandemic on the Company, as well as user engagement continues to remain uncertain. Separately, economic recessions, including those brought on by the COVID-19 outbreak may have a negative effect on the demand for our products, services and our operating results. The range of possible impacts on the Company's business from the coronavirus pandemic could include, but are not limited to: (i) changing demand for the Company's products and services; (ii) the closure of, or reduction in the number of persons who may be present in, establishments using the Company's technology (resulting in a decrease in demand for such technology); (iii) decreases in the amount of discretionary spending available to consumers and/or the amount such consumers are willing to spend; and (v) increasing contraction in the capital markets.

The COVID-19 pandemic has not had a material impact on our business, and we expect our business to be resilient through the pandemic. We have continued operations, supported our online products and customers, and grown our sales, and our employees and consultants have returned to the office in June 2022. Notwithstanding the aforementioned, we previously experienced minor issues in connection with the transition of certain resources to remote settings as a result of the pandemic, which have since been resolved.

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We believe that we have sufficient cash on hand, and the ability to raise additional funding, or borrow additional funding, as needed, to support our operations for the foreseeable future; however, we will continue to evaluate our business operations based on new information as it becomes available and will make changes that we consider necessary in light of any new developments regarding the pandemic and its effect on the economy.

The future impact of COVID-19 on our business and operations cannot be accurately predicted. The pandemic is continuing to develop rapidly and the full extent to which COVID-19 will ultimately impact us depends on future developments, including the duration and spread of the virus, virus mutations and variants, the availability and efficacy of vaccines and boosters, and the willingness of individuals to continue to obtain vaccines and boosters, as well as potential seasonality of new outbreaks.

Economic downturns and adverse political and market conditions beyond the Company's control could adversely negatively affect its business, financial condition and results of operations.

The Company's financial performance is subject to global, Asia Pacific and UK economic conditions and their impact on levels of spending by consumers and customers, particularly discretionary spending for entertainment, gaming and leisure activities. Demand for our products may also decline as a result of an economic downturn, or economic uncertainty in our key markets, particularly in Asia Pacific and the UK. Economic recessions have had, and may continue to have, far reaching adverse consequences across industries, including the global entertainment and gaming industries, which may adversely affect the Company's business and financial condition. As a result of the ongoing COVID-19 pandemic, there is substantial uncertainty about the strength of the global, Asia Pacific and UK economies, which may currently or in the near term be in a recession and have experienced rapid increases in uncertainty about the pace of potential recovery. A continued economic downturn or recession, or slowing or stalled recovery therefrom, may have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

In addition, changes in general market, economic and political conditions in domestic and foreign economies or financial markets, including fluctuation in stock markets resulting from, among other things, trends in the economy and inflation, as are being currently experienced, may reduce users' disposable income. Any one of these changes could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Additionally, our business depends on the overall demand for gaming platforms, systems and gaming content and other technology offerings, on the economic health of customers that benefit from our products. Economic downturns or unstable market conditions may cause customers to decrease or pause their acquisition budgets, which could reduce spending on our products and adversely affect our business, financial condition and results of operations. Similarly, economic downturns could also decrease the amount of disposable income end-users have available for gaming platforms, systems and gaming content. Additionally, as described above, public health crises may disrupt the operations of our customers and partners for an unknown period of time, including as a result of travel restrictions and/or business shutdowns, all of which could negatively impact their business and results of operations, including cash flows.

Economic uncertainty may affect consumer purchases of discretionary items, which has affected and may continue to adversely affect demand for our products and services.

Our products and services may be considered discretionary items for consumers. Factors affecting the level of consumer spending for such discretionary items include general economic conditions and other factors such as consumer confidence in future economic conditions, fears of recession and trade wars, the price of energy, fluctuating interest rates, the availability and cost of consumer credit, the availability and timing of government stimulus programs, levels of unemployment, inflation, and tax rates. As global economic conditions continue to be volatile or economic uncertainty remains, particularly in light of the COVID-19 pandemic, and with increasing inflation and interest rates, trends in consumer discretionary spending also remain unpredictable and subject to reductions as a result of significant increases in employment, financial market instability, and uncertainties about the future. Unfavorable economic conditions have led and in the future may lead, consumers to reduce their spending on gaming products and services, which in turn leads to a decrease in the demand for our products and services. Consumer demand for our products and services may decline as a result of an economic downturn, or economic uncertainty in the United States. Our sensitivity to economic cycles and any related fluctuation in consumer demand may have a material adverse effect on our business, results of operations, and financial condition.

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In February 2022, an armed conflict escalated between Russia and Ukraine. The sanctions announced by the United States and other countries against Russia and Belarus following Russia's invasion of Ukraine to date include restrictions on selling or importing goods, services, or technology in or from affected regions and travel bans and asset freezes impacting connected individuals and political, military, business, and financial organizations in Russia and Belarus. The United States and other countries could impose wider sanctions and take other actions should the conflict further escalate. Although we do not currently do business in either Russia, Belarus, or Ukraine, it is not possible to predict the broader consequences of this ongoing conflict, which could include further sanctions, embargoes, regional instability, and geopolitical shifts. It is also not possible to predict with certainty this ongoing conflict's additional adverse effects on existing macroeconomic conditions, consumer spending habits, currency exchange rates, and financial markets, all of which have impacted and could further impact our business, financial condition, and results of operations.

A reduction in discretionary consumer spending, from an economic downturn or disruption of financial markets or other factors, could negatively impact our financial performance.

Gaming and other leisure activities that our customers offer represent discretionary expenditures and players' participation in those activities may decline if discretionary consumer spending declines, including during economic downturns, when consumers generally earn less disposable income. Changes in discretionary consumer spending or consumer preferences are driven by factors beyond our control, such as:

- perceived or actual general economic conditions;

- fears of recession and changes in consumer confidence in the economy;
- high energy, fuel and other commodity costs;
- the potential for bank failures or other financial crises;
- a soft job market;
- an actual or perceived decrease in disposable consumer income and wealth;
- increases in taxes, including gaming taxes or fees; and
- terrorist attacks or other global events.

During periods of economic contraction, our revenues may decrease while most of our costs remain fixed and some costs even increase, resulting in decreased earnings.

The Company's financial performance is subject to global, Asia Pacific and UK economic conditions and their impact on levels of spending by consumers and customers, particularly discretionary spending for entertainment, gaming and leisure activities. Economic recessions may have adverse consequences across industries, including the global entertainment and gaming industries, which may adversely affect the Company's business and financial condition. As a result of the ongoing COVID-19 pandemic, there is substantial uncertainty about the strength of the global, Asia Pacific and UK economies, which may currently or in the near term be in a recession and have experienced rapid increases in uncertainty about the pace of potential recovery. In addition, changes in general market, economic and political conditions in domestic and foreign economies or financial markets, including fluctuation in stock markets resulting from, among other things, trends in the economy and inflation, as are being currently experienced, may reduce users' disposable income.

We believe that our business will continue to be resilient through a continued economic downturn or recession, or slowing or stalled recovery therefrom, and that we have the liquidity to address the Company's financial obligations and alleviate possible adverse effects on the Company's business, financial condition, results of operations or prospects.

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Economic uncertainty may affect our access to capital and/or increase the costs of such capital.

Global economic conditions continue to be volatile and uncertain due to, among other things, consumer confidence in future economic conditions, fears of recession and trade wars, the price of energy, fluctuating interest rates, the availability and cost of consumer credit, the availability and timing of government stimulus programs, levels of unemployment, increased inflation, tax rates and the ongoing conflict between the Ukraine and Russia. These conditions remain unpredictable and create uncertainties about our ability to raise capital in the future. In the event required capital becomes unavailable in the future, or more costly, it could have a material adverse effect on our business, results of operations, and financial condition.

We may have difficulty obtaining future funding sources, if needed, and we may have to accept terms that would adversely affect shareholders.

We will need to raise funds from additional financing in the future to complete our business plan and may need to raise additional funding in the future to support our operations and complete acquisitions. We have no commitments for any financing and any financing may result in dilution to our existing shareholders. We may have difficulty obtaining additional funding, and we may have to accept terms that would adversely affect our shareholders. For example, the terms of any future financings may impose restrictions on our right to declare dividends or on the manner in which we conduct our business. Additionally, we may raise funding by issuing convertible notes, which if converted into shares of our common stock would dilute our then shareholders' interests. Lending institutions or private investors may impose restrictions on a future decision by us to make capital expenditures, acquisitions, or significant asset sales. If we are unable to raise additional funds, we may be forced to curtail or even abandon our business plan.

Because we have a limited operating history our future operations may not result in profitable operations.

Although the Company has generated net income of $648,072, $345,922, $398,080, and $1,982,892 for the nine months ended October 31, 2021 and 2020, and the twelve months ended January 31, 2021 and 2020, respectively, the Company had a loss of $250,038 for the twelve months ended October 31, 2022. We don't have a significant operating history upon which to base any assumption as to the likelihood that we will prove successful, and we may not be able to maintain profitable operations. If we are unsuccessful in addressing these risks, our business will most likely fail. Revenues from related party were $862,373, $2,140,266, $1,525,091, $1,633,702, $2,248,877 and $2,167,773, for the twelve months ended October 31, 2022 and 2021, the nine months ended October 31, 2021 and 2020, and the twelve months ended January 31, 2021 and 2020, respectively. Revenues from third parties were $35,172,483, $9,145,465, $7,808,401, $1,637,951, $2,974,182 and $1,120,802 for the twelve months ended October 31, 2022 and 2021, the nine months ended October 31, 2021 and 2020, and the twelve months ended January 31, 2021 and 2020, respectively. The increase of total revenue can be attributed to the increasing registered end-users from our third-party customers and the new revenue stream from RKings starting in fiscal 2022. Although we have generated net income in previous years, we may not generate profitable operations in the future to ensure our continued growth.

Risks Related to Our Business Operations and Industry

The Company's planned Player2P gaming product is currently on hold and we may not move forward with such gaming product.

The Company has developed its own proprietary Peer-to-Peer E-sports gaming product. The launch of the Peer-to-Peer gaming product is on hold until further notice, so that the Company can focus on other projects. This product, if released, will be marketed as the Player2P Platform ("Player2P"). The Player2P brand, if released, be focused solely on esports gambling and 18+ gaming (i.e., gaming by those 18 years of age and older). In the event we decide to move forward with the launch of Player2P, Player2P may not receive regulatory approvals, we may be unable to launch Player2P in the U.S. or other jurisdictions, or such launch might be impractical, which would ultimately cause such product not to be successful. In the event we choose not to launch Player2P, the funds used by the Company to develop such game may be lost, which may have a material adverse effect on our results of operations and/or prospects, and ultimately the value of our securities.

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Our ongoing investment in new products, services, and technologies is inherently risky, and could divert management attention and harm our financial condition and operating results.

We have invested and expect to continue to invest in new products, services, and technologies, such as our Player2P product discussed above, the launch of which is currently on hold indefinitely. Such investments ultimately may not be commercially viable or may not result in an adequate return of capital and, in pursuing new strategies, we may incur unanticipated liabilities. These endeavors may involve significant risks and uncertainties, including diversion of resources and management attention from current operations. In addition, new and evolving products and services, raise technological, legal, regulatory, and other challenges, which may negatively affect our brand and demand for our products and services. Because all of these new ventures are inherently risky, no assurance can be given that such strategies and offerings will be successful and will not harm our reputation, financial condition, and operating results.

We operate in a rapidly evolving industry and if we fail to successfully develop, market or sell new products or adopt new technology, it could materially adversely affect our results of operations and financial condition.

Our software products compete in a market characterized by rapid technological advances, evolving standards in software technology and frequent new product introductions and enhancements that may render existing products and services obsolete. Competitors are continuously upgrading their product offerings with new features, functions and content. In addition, we attempt to continuously refine our software and technology offerings to address regulatory changes in the markets in which we operate and plan to operate. In order to remain competitive, we will need to continuously modify and enhance our technology platform and service offerings. We may not be able to respond to rapid technological changes in our industry. In addition, the introduction of new products or updated versions of existing products has inherent risks, including, but not limited to, risks concerning:

- product quality, including the possibility of software defects, which could result in claims against us or the inability to sell our products;
- the accuracy of our estimates of customer demand, and the fit of the new products and features with a customer's needs;
- the need to educate our personnel to work with the new products and features, which may strain our resources and lengthen sales;
- market acceptance of initial product releases; and
- competitor product introductions or regulatory changes that render our new products obsolete.

We cannot assure you that we will be successful in creating new technology for our products in the future. We may encounter errors resulting from a significant rewrite of the software code. In addition, as we transition to newer technology platforms for our products, our customers may encounter difficulties in the upgrade process, which could cause them to lose revenue or review their alternatives with a competing supplier.

Developing, enhancing and localizing software is expensive, and the investment in product development may involve a long payback cycle. Our future plans include additional investments in development of our software and other intellectual property. We believe that we must continue to dedicate a significant amount of resources to our development efforts to maintain our competitive position. However, we may not receive significant revenue from these investments for several years, if at all. In addition, as we or our competitors introduce new or enhanced products, the demand for our products, particularly older versions of our products may decline.

A significant amount of our revenues come from a limited number of customers for the resale of our gaming content, and if we were to lose any of those customers, our results of operations could be adversely affected.

At the present time, we are dependent on a limited number of customers for the resale of our gaming content. The Company's major revenues of reselling for the year ended October 31, 2022, were from four customers. As a result, in the event such customers do not pay us amounts owed, terminate work in progress, or we are unable to find new customers moving forward, it could have a materially adverse effect on our results of operations and could force us to curtail or abandon our current business operations.

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If we are not able to compete effectively against companies with greater resources, our prospects for future success will be jeopardized.

The gaming platforms, systems and gaming content industries are highly competitive. We compete with numerous local competitors for such services. Many of our competitors are larger, more established companies with greater resources to devote to marketing, as well as greater brand recognition. Moreover, if one or more of our competitors or suppliers were to merge, the change in the competitive landscape could adversely affect our competitive position. Additionally, to the extent that competition in our markets intensifies, we may be required to reduce our prices in order to remain competitive. If we do not compete effectively, or if we reduce our prices without making commensurate reductions in our costs, our net sales, margins, and profitability and our future prospects for success may be harmed.

Changes in ownership of competitors or consolidations within the gaming industry may negatively impact pricing and lead to downward pricing pressures which could reduce revenue.

A decline in demand for our products in the gaming industry could adversely affect our business. Demand for our products is driven primarily by the replacement of existing services as well as the expansion of existing online gaming, and the expansion of new channels of distribution, such as mobile gaming. Additionally, consolidation within the online gambling market could result in us facing competition from larger combined entities, which may benefit from greater resources and economies of scale. Also, any fragmentation within the industry creating a number of smaller, independent operators with fewer resources could also adversely affect our business as these operators might cause a further slowdown in the replacement cycle for our products.

In the past we have been affected by, and in the future, we may be affected by, unauthorized transfers, withdrawals, wires, checks and payments, from our bank accounts.

In August 2021, we first became aware of certain Automated Clearing House (ACH) transfers that were erroneously posted to the Company's bank account. The Company first notified Citibank of ACH transfers that were erroneously posted to the account. Overall, $729,505 of ACH transactions had posted to the Company's accounts that were not authorized. Citibank immediately recognized that it was an error under the Electronic Fund Transfer Act of 1978 (EFTA) and proceeded to immediately replenish $392,921 of the unauthorized ACH transactions which resulted in a receivable due from Citibank of $336,584 as of October 31, 2021. Through October 31, 2022, an additional $269,086 was replenished by Citibank which resulted in a balance due from Citibank of $67,498. On November 25, 2022, an additional $21,003 was replenished by Citibank. While these unauthorized transfers were for the most part remedied quickly, and we believe that our liability and exposure to such transfers is minimal as a result of the EFTA, future unauthorized transfers, withdrawals, wires, checks and payments, from our bank accounts could have a material adverse effect on our cash flows and results of operations and result in material losses. The risk of such losses and unauthorized transactions may also be exacerbated by potential ineffective controls and procedures relating to the safeguarding of our account information.

The online gaming industry is highly competitive, and if we fail to compete effectively, we could experience price reductions, reduced margins or loss of revenues.

The online gaming industry is highly competitive. A number of companies offer products that are similar to our products and target the same markets as we do. Certain of our current and potential competitors have longer operating histories, significantly greater financial, technical and marketing resources, greater name recognition, broader or more integrated product offerings, larger technical staffs and a larger installed customer base than we do. These competitors may be able to respond more quickly to new or emerging technologies and changes in customer requirements, develop superior products, and devote greater resources to the development, promotion and sale of their products than we can.

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Because of the rapid growth of our industry, and the relatively low capital barriers to entry in the software industry, we expect additional competition from other established and emerging companies. Additionally, as our customers become more experienced or successful, they may look to develop their own proprietary solutions or

may look more aggressively at competing platforms. Additionally, our competitors could combine or merge to become more formidable competitors or may adapt more quickly than we can to new technologies, evolving industry trends and changing customer requirements. If we fail to compete effectively, (a) we could be compelled to reduce prices in order to be competitive, which could reduce margins, or (b) we would lose market share, any of which could materially adversely affect our strategy, our business, results of operations and financial condition.

Competition within the global entertainment and gaming industries is intense and our existing and future offerings may not be able to compete against other competing forms of entertainment such as television, movies and sporting events, as well as other entertainment and gaming options on the Internet. If our offerings do not continue to be popular, our business could be harmed.

We operate in the global entertainment and gaming industries. The users of our offerings face a vast array of entertainment choices. Other forms of entertainment, such as television, movies, sporting events and in-person casinos, are more well established and may be perceived by our users to offer greater variety, affordability, interactivity and enjoyment. Our products compete with these other forms of entertainment for the discretionary time and income of end users. If we are unable to sustain sufficient interest in our products and offerings in comparison to other forms of entertainment, including new forms of entertainment, our business model may not continue to be viable.

We face the risk of fraud, theft, and cheating.

We face the risk that third-parties, employees or consultants may attempt or commit fraud or theft or cheat using our products. Such risks include backdoors, nefarious code and other efforts. Failure to discover such acts or schemes in a timely manner could result in losses in our operations and those of our customers. Negative publicity related to such acts or schemes could have an adverse effect on our reputation, potentially causing a material adverse effect on our business.

We face cyber security risks that could result in damage to our reputation and/or subject us to fines, payment of damages, lawsuits and restrictions on our use of data.

Our information systems and data, including those we maintain with our third-party service providers, may be subject to cyber security breaches in the future. Computer programmers and hackers may be able to penetrate our network security and misappropriate, copy or pirate our confidential information or that of third parties, create system disruptions or cause interruptions or shutdowns of our internal systems and services. Our website may become subject to denial-of-service attacks, where a website is bombarded with information requests eventually causing the website to overload, resulting in a delay or disruption of service. Computer programmers and hackers also may be able to develop and deploy viruses, worms and other malicious software programs that attack our products or otherwise exploit any security vulnerabilities of our products. Also, there is a growing trend of advanced persistent threats being launched by organized and coordinated groups against corporate networks to breach security for malicious purposes.

The techniques used to obtain unauthorized, improper, or illegal access to our systems, our data or customers' data, disable or degrade service, or sabotage systems are constantly evolving and have become increasingly complex and sophisticated, may be difficult to detect quickly, and often are not recognized or detected until after they have been launched. Although we have developed systems and processes designed to protect our data and customer data and to prevent data loss and other security breaches and expect to continue to expend significant resources to bolster these protections, there can be no assurance that these security measures will provide absolute security.

Disruptions in the availability of our computer systems, through cyber-attacks or otherwise, could damage our computer or telecommunications systems, impact our ability to service our customers, adversely affect our operations and the results of operations, and have an adverse effect on our reputation. The costs to us to eliminate or alleviate security problems, bugs, viruses, worms, malicious software programs and security vulnerabilities could be significant, and the efforts to address these problems could result in interruptions, delays, cessation of service and loss of existing or potential customers and may impede our sales, distribution and other critical functions. We may also be subject to regulatory penalties and litigation by customers and other parties whose information has been compromised, all of which could have a material adverse effect on our business, results of operations and cash flows.

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Systems failures and resulting interruptions in the availability of our websites, applications, products, or services could harm our business.

Our systems may experience service interruptions or degradation because of hardware and software defects or malfunctions, distributed denial-of-service and other cyberattacks, human error, earthquakes, hurricanes, floods, fires, and other natural disasters, power losses, disruptions in telecommunications services, fraud, military or political conflicts, terrorist attacks, computer viruses or other malware, or other events. Some of our systems are not fully redundant, and our disaster recovery planning may not be sufficient for all eventualities.

A prolonged interruption in the availability or reduction in the availability, speed, or functionality of our products and services will result in a loss of revenue and could materially harm our business. Frequent or persistent interruptions in our services could cause current or potential customers to believe that our systems are unreliable, leading them to switch to our competitors or to avoid or reduce the use of our products and services, and could permanently harm our reputation and brands. Moreover, if any system failure or similar event results in damages to our customers or their business partners, these customers or partners could seek significant compensation or contractual penalties from us for their losses, and those claims, even if unsuccessful, would likely be time-consuming and costly for us to address.

The full-time availability and expeditious delivery of our products and services is a critical part of our offerings to our consumers. We continually refine our technology, implementing system upgrades. Despite network security, disaster recovery and systems management measures in place, we may encounter unexpected general systems outages or failures that may affect our ability to conduct development activities, provide maintenance services for our products, manage our contractual arrangements, accurately and efficiently maintain our books and records, record our transactions, provide critical information to our management and prepare our consolidated financial statements. Additionally, these unexpected systems outages or failures may require additional personnel and financial resources, disrupt our business or cause delays in the reporting of our financial results. We may also be required to modify, enhance, upgrade or implement new systems, procedures and controls to reflect changes in our business or technological advancements, which could cause us to incur additional costs and require additional management attention, placing burdens on our internal resources.

We also rely on facilities, components, and services supplied by third parties, including data center facilities and cloud storage services. If these third parties cease to provide the facilities or services, experience operational interference or disruptions, breach their agreements with us, fail to perform their obligations and meet our expectations, or experience a cybersecurity incident, our operations could be disrupted or otherwise negatively affected, which could result in customer dissatisfaction and damage to our reputation and brands, and materially and adversely affect our business. We do not carry business interruption insurance sufficient to compensate us for all losses that may result from interruptions in our service as a result of systems failures and similar events.

There may be losses or unauthorized access to or releases of confidential information, including personally identifiable information, that could subject the Company to significant reputational, financial, legal and operational consequences.

The Company's business requires it to use, transmit and store confidential information including, among other things, personally identifiable information ("PII") with respect to the Company's customers and employees. The Company devotes significant resources to network and data security, including through the use of encryption and other security measures intended to protect its systems and data. But these measures cannot provide absolute security, and losses or unauthorized access to or releases

of confidential information occur and could materially adversely affect the Company's reputation, financial condition and operating results. The Company's business also requires it to share confidential information with third parties. Although the Company takes steps to secure confidential information that is provided to third parties, such measures are not always effective and losses or unauthorized access to or releases of confidential information occur and could materially adversely affect the Company's reputation, financial condition and operating results.

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For example, the Company may experience a security breach impacting the Company's information technology systems that compromises the confidentiality, integrity or availability of confidential information. Such an incident could, among other things, impair the Company's ability to attract and retain customers for its products and services, impact the Company's stock price, materially damage supplier relationships, and expose the Company to litigation or government investigations, which could result in penalties, fines or judgments against the Company.

The Company has implemented systems and processes intended to secure its information technology systems and prevent unauthorized access to or loss of sensitive data. As with all companies, these security measures may not be sufficient for all eventualities and may be vulnerable to hacking, employee error, malfeasance, system error, faulty password management or other irregularities. In addition to the risks relating to general confidential information described above, the Company is also subject to specific obligations relating to payment card data. Under payment card rules and obligations, if cardholder information is potentially compromised, the Company could be liable for associated investigatory expenses and could also incur significant fees or fines if the Company fails to follow payment card industry data security standards. The Company could also experience a significant increase in payment card transaction costs or lose the ability to process payment cards if it fails to follow payment card industry data security standards, which would materially adversely affect the Company's reputation, financial condition and operating results.

A significant portion of our employees, consultants and operations are located outside of the U.S. and in many different foreign locations.

We have employees, consultants and staff located in multiple countries and a significant level of operations outside of the U.S. We have software development, customer support and sales centers in Philippines, Australia, and Taiwan, which account for most of our software development support and sales personnel. The fact that all of our employees and consultants are not located in one place subjects us to additional costs and risks that could adversely affect our operating results.

We have business operations located in non-U.S. countries which subject us to additional costs and risks that could adversely affect our operating results.

Certain of our operations are in, and sales take place outside of, the U.S. Compliance with international and U.S. laws and regulations that apply to our international operations increases our cost of doing business. As a result of our international operations, we are subject to a variety of risks and challenges in managing an organization operating in various countries, including those related to:

- challenges caused by distance as well as language and cultural differences;
- general economic conditions in each country or region;
- regulatory changes;
- political unrest, terrorism and the potential for other hostilities;
- public health risks, particularly in areas in which we have significant operations;
- longer payment cycles and difficulties in collecting accounts receivable;
- difficulties in transferring funds from certain countries;
- laws such as the UK Bribery Act 2010 and the U.S. Foreign Corrupt Practices Act, and local laws which also prohibit corrupt payments to governmental officials; and
- reduced protection for intellectual property rights in some countries.

If we are unable to expand or adequately staff and manage our existing development operations located outside of the U.S., we may not realize, in whole or in part, the anticipated benefits from these initiatives (including lower development expenses), which in turn could materially adversely affect our business, financial condition, and results of operations.

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Because certain of our executive officers and directors live outside of the United States, you may have no effective recourse against them for misconduct and may not be able to enforce judgment and civil liabilities against them. Investors may not be able to receive compensation for damages to the value of their investment caused by wrongful actions by certain of our directors and officers.

Our Chief Executive Officer and Chief Operating Officer and certain of our directors currently live outside of the United States and all or a substantial portion of their assets are located outside of the United States. As a result, it may be difficult for investors to enforce within the United States any judgments obtained against our officers and directors who live outside of the United States or obtain judgments against them outside of the United States that are predicated upon the civil liability provisions of the securities laws of the United States or any state thereof.

Our results of operations may be adversely affected by fluctuations in currency values.

We receive revenues and expend expenses in currencies other than the U.S. dollar. Changes in the value of the currencies which we receive revenues and pay expenses, versus each other, and the U.S. dollar, could result in an adverse charge being recorded to our income statement. Our currency remeasurement gains and losses are charged against earnings in the period incurred.

We depend on the services of key personnel to execute our business strategy. If we lose the services of our key personnel or are unable to attract and retain other qualified personnel, we may be unable to operate our business effectively.

We believe that the future success of our business depends on the services of a number of key management and operating personnel. Some of these key employees have strong relationships with our customers and our business may be harmed if these employees leave us. In addition, our ability to manage our growth depends, in part, on our ability to identify, hire and retain additional qualified employees. We face intense competition for qualified individuals from numerous technologies, software and service companies. If we are unsuccessful in attracting and retaining these key management and operating personnel our ability to operate our business effectively could be negatively impacted and our business, operating results and financial condition would be materially adversely affected.

We rely on third party cloud services and such providers or services have in the past, and may in the future, encounter technical problems and service interruptions.

We host our customers' iGaming operations on a combination of proprietary and cloud servers including the Amazon Elastic Compute (EC2) Server. Such servers have in the past and may in the future experience slower response times or interruptions as a result of increased traffic or other reasons. Additionally, we currently host our

GM-X system on Amazon Web Services ("AWS"), a third-party provider of cloud infrastructure services. We do not, and will not, have control over the operations of the facilities or infrastructure of the third-party service providers that we use. Such third parties' facilities are vulnerable to damage or interruption from natural disasters, cybersecurity attacks, terrorist attacks, power outages and similar events or acts of misconduct. Our platform's continuing and uninterrupted performance will be critical to our success. We have experienced, and we expect that in the future we will experience, interruptions, delays and outages in service and availability from these third-party service providers from time to time due to a variety of factors, including infrastructure changes, human or software errors, website hosting disruptions and capacity constraints. In addition, any changes in these third parties' service levels may adversely affect our ability to meet the requirements of our users. Since our platform's continuing and uninterrupted performance is critical to our success, sustained or repeated system failures would reduce the attractiveness of our offerings. It may become increasingly difficult to maintain and improve our performance, especially during peak usage times, as we expand, and the usage of our offerings increases. Any negative publicity arising from these disruptions could harm our reputation and brand and may adversely affect the usage of our offerings. Any of the above circumstances or events may harm our reputation, reduce the availability or usage of our platform, lead to a significant loss of revenue, increase our costs, and impair our ability to attract new customers any of which could adversely affect our business, financial condition, and results of operations.

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Our operations rely heavily on an uninterrupted supply of electrical power.

Any unscheduled disruption in the supply of electrical power to us, our customers or our service providers, or the Internet in general, could result in an immediate, and possibly substantial, loss of revenues due to a shutdown of our operations, those of our customers or service providers. In the event such electrical power were to be out for a prolonged period of time, it could prevent us from generating revenues, result in a decrease in demand for our services or result in lawsuits or other litigation against us.

Our business is vulnerable to changing economic conditions and to other factors that adversely affect the industries in which we operate.

The demand for entertainment and leisure activities tends to be highly sensitive to changes in consumers' disposable income, and thus can be affected by changes in the economy and consumer tastes, both of which are difficult to predict and beyond the control of the Company. Unfavorable changes in general economic conditions, including recessions, economic slowdown, sustained high levels of unemployment, and increasing fuel or transportation costs, may reduce customers' disposable income or result in fewer individuals visiting casinos, whether land-based or online, or otherwise engaging in entertainment and leisure activities, including gaming. As a result, the Company cannot ensure that demand for its products or services will remain constant. Continued or renewed adverse developments affecting economies throughout the world, including a general tightening of availability of credit, decreased liquidity in many financial markets, increasing interest rates, increasing energy costs, acts of war or terrorism, transportation disruptions, natural disasters, declining consumer confidence, sustained high levels of unemployment or significant declines in stock markets, all of which may be caused by, or exacerbated by, the continuing COVID-19 pandemic, could lead to a further reduction in discretionary spending on leisure activities, such as gaming. Any significant or prolonged decrease in consumer spending on entertainment or leisure activities could reduce the Company's online games, reducing the Company's cash flows and revenues. If the Company experiences a significant unexpected decrease in demand for its products, it could incur losses.

The Company's results of operations could be affected by natural events in the locations in which we operate or where our customers or service providers operate and we do not currently have insurance in place to mitigate such risks.

We, our customers, and our service providers have operations in locations subject to natural occurrences such as severe weather and other geological events, including hurricanes, earthquakes, or floods that could disrupt operations. Any serious disruption at any of our facilities or the facilities of our customers or service providers due to a natural disaster could have a material adverse effect on our revenues and increase our costs and expenses. If there is a natural disaster or other serious disruption at any of our facilities, it could impair our ability to adequately supply our customers, cause a significant disruption to our operations, cause us to incur significant costs to relocate or re-establish these functions and negatively impact our operating results. While we intend to seek insurance against certain business interruption risks, the Company does not currently have any insurance in place and any eventual insurance may not adequately compensate us for any losses incurred as a result of natural or other disasters. In addition, any natural disaster that results in a prolonged disruption to the operations of our customers or suppliers may adversely affect our business, results of operations or financial condition.

Our insurance coverage may not be adequate to cover all possible losses that we could suffer, and our insurance costs may increase.

We have insurance policies with coverage features and insured limits that we believe are customary in their breadth and scope. However, in the event of a substantial loss, the insurance coverage we carry may not be sufficient to pay the full market value or replacement cost of our lost investment or could result in certain losses being totally uninsured. Market forces beyond our control may limit the scope of the insurance coverage we can obtain in the future or our ability to obtain coverage at reasonable rates. Certain catastrophic losses may be uninsurable or too expensive to justify obtaining insurance. As a result, if we suffer such a catastrophic loss, we may not be successful in obtaining future insurance without increases in cost or decreases in coverage levels.

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We have agreed to pay certain amounts to a consultant as a bonus in connection with the operations of GMG Assets.

In October 2022, and effective in August 2022, we acquired 100% of GMG Assets, which was formed for the sole purpose of facilitating the Company's operation of RKings and to facilitate cash alternative offers for winners of prizes within RKings' business. As part of such acquisition, the Company agreed to pay Mr. Mark Weir a monthly cash incentive bonus to assist in the running of GMG Assets. The bonus structure provides for the payment to Mr. Weir of 100% of the profits generated up to 50,000 GBP) (approximately $58,000) then thereafter 10% of the profits generated by GMG Assets up to a maximum of 150,000 GBP per annum. The aforementioned profits will be calculated as revenues less cost of goods sold, less any taxes paid or incurred. A cash alternative maximum percentage of the prize value in RKings will be set by the Board of Directors of the Company, from time to time. The bonus payable as discussed above may materially decrease the amount of funds we generate from the operations of GMG Assets and/or disincentive Mr. Weir from generating profits after the first 50,000 GBP or 150,000 GBP.

There is a risk that the Company's network systems will be unable to meet the growing demand for its online products.

The growth of internet usage has caused frequent interruptions and delays in processing and transmitting data over the internet. There can be no assurance that the internet infrastructure or our own network systems will be able to meet the demand placed on it by the continued growth of the internet, the overall online gaming and interactive entertainment industry and our customers.

The internet's viability as a medium for products and services offered by us could be affected if the necessary infrastructure is not sufficient, or if other technologies and technological devices eclipse the internet as a viable channel.

End-users of our products and services will depend on internet service providers and our system infrastructure (or those of our licensed partners) for access to us or our licensees' products and services. Many of these services have experienced service outages in the past and could experience service outages, delays, and other difficulties due to system failures, stability, or interruption.

Malfunctions of third-party communications infrastructure, hardware and software expose us to a variety of risks we cannot control.

Our business will depend upon the capacity, reliability and security of the infrastructure owned by third parties over which our offerings would be deployed. We have no control over the operation, quality, or maintenance of a significant portion of that infrastructure or whether or not those third parties will upgrade or improve their equipment. We depend on these companies to maintain the operational integrity of our connections. If one or more of these companies is unable or unwilling to supply or expand our levels of service in the future, our operations could be adversely impacted. Also, to the extent the number of users of networks utilizing our future products and services suddenly increases, the technology platform and secure hosting services which will be required to accommodate a higher volume of traffic may result in slower response times or service interruptions. System interruptions or increases in response time could result in a loss of potential or existing users and, if sustained or repeated, could reduce the appeal of the networks to users. In addition, users depend on real-time communications; outages caused by increased traffic could result in delays and system failures. These types of occurrences could cause users to perceive that our products and services do not function properly and could therefore adversely affect our ability to attract and retain licensees, strategic partners, and customers.

Risks Related to Regulation

Our products are generally part of new and evolving industries, which presents significant uncertainty and business risks.

The gaming platforms, systems and gaming content industries are relatively new and continue to evolve. Whether these industries grow and whether our business will ultimately succeed, will be affected by, among other things, mobile platforms, legal and regulatory developments (such as passing new laws or regulations or extending existing laws or regulations to online gaming and related activities), taxation of gaming activities, data and information privacy and payment processing laws and regulations, and other factors that we are unable to predict and which are beyond our control.

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Given the dynamic evolution of these industries, it can be difficult to plan strategically, including as it relates to product launches in new or existing jurisdictions which may be delayed or denied, and it is possible that competitors will be more successful than we are at adapting to change and pursuing business opportunities. Additionally, as the online gaming industry advances, including with respect to regulation in new and existing jurisdictions, we may become subject to additional compliance-related costs, including regulatory infractions, licensing, and taxes. If our product offerings do not obtain popularity or maintain popularity, or if they fail to grow in a manner that meets our expectations, or if we cannot offer our product offerings in particular jurisdictions that may be material to our business, then our results of operations and financial condition could be harmed.

Changes in the UK government's or the Republic of Ireland's rules relating to gaming could have a material negative impact on our business.

RKings is not currently subject to the UK government's or The Republic of Ireland's rules relating to gaming, as it is a skill game whereby the prize competitions require entrants to demonstrate sufficient skill, knowledge, or judgment to have a chance of winning and participants are provided with a route to free entry to the prize competitions as required by UK law. We refer to these as "pay to enter prize competitions". Future changes to such rules and regulations could require RKings and its operations to be subject to such rules and requirements, which could result in significant expenses, or potentially force us to change or abandon such current operations, and/or could result in significant fines and penalties.

Data privacy and security laws and regulations in the jurisdictions in which we do business could increase the cost of our operations and subject us to possible sanctions and other penalties.

Our business is subject to a number of federal, state, local and foreign laws and regulations governing data privacy and security, including with respect to the collection, storage, use, transmission and protection of personal information. In particular, we are subject to the GDPR, as discussed above under "Item 1. Business—Regulation—Non-U.S. Regulatory Environment". Compliance with the GDPR requires us to incur significant compliance and operational costs. In addition, a data supervisory authority may find our data processing practices and compliance steps to be inconsistent with the GDPR's application in their respective jurisdiction. Data supervisory authorities also have the power to issue fines for non-compliance of the GDPR of up to 4% of an organization's annual worldwide turnover or €20m (£17.5 million under the UK GDPR) (or approximately $19.7 million and $19.9 million, respectively, as of October 31, 2022), whichever is higher. Data subjects also have a right to compensation, as a result of an organization's breach of the GDPR that has affected them, for financial or non-financial losses (e.g., distress). Our non-compliance with the GDPR and/or other similar laws could result in significant penalties and liability for the Company.

We are subject to various laws relating to trade, export controls, and foreign corrupt practices, the violation of which could adversely affect our operations, reputation, business, prospects, operating results and financial condition.

We are subject to risks associated with doing business outside of the United States, including exposure to complex foreign and U.S. regulations such as the Foreign Corrupt Practices Act (the "FCPA") and other anti-corruption laws which generally prohibit U.S. companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or retaining business. Violations of the FCPA and other anti-corruption laws may result in severe criminal and civil sanctions and other penalties. It may be difficult to oversee the conduct of any contractors, third party partners, representatives or agents who are not our employees, potentially exposing us to greater risk from their actions. If our employees or agents fail to comply with applicable laws or company policies governing our international operations, we may face legal proceedings and actions which could result in civil penalties, administration actions and criminal sanctions. Any determination that we have violated any anti-corruption laws could have a material adverse impact on our business. Changes in trade sanctions laws may restrict our business practices, including cessation of business activities in sanctioned countries or with sanctioned entities.

Violations of these laws and regulations could result in significant fines, criminal sanctions against the Company, its officers or its employees, requirements to obtain export licenses, disgorgement of profits, cessation of business activities in sanctioned countries, prohibitions on the conduct of its business and its inability to market and sell the Company's products in one or more countries. Additionally, any such violations could materially damage the Company's reputation, brand, international expansion efforts, ability to attract and retain employees and the Company's business, prospects, operating results and financial condition.

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We also deal with significant amounts of cash in our operations and are subject to various reporting and anti-money laundering regulations. Any violation of anti-money laundering laws or regulations by any of our properties could have a material adverse impact on our business.

The Company's ability to operate in the U.S. is currently, and may continue to be, limited.

According to actionnetwork.com, as of November 22, 2022, sports betting is legal in 33 states. As a result, we believe that the current U.S. market for the Company's products and services is robust and the Company hopes that more U.S. states will pass laws in the upcoming years to legalize more forms of online gambling. While the Company has engaged specialist legal counsel to assist with understanding the compliance requirements of U.S. gaming legislation and potentially submitting

an application for a U.S. gaming license, the Company anticipates the majority of its revenues coming from the UK, Asia, South America, Europe, Africa, and Latin America.

In the event that more U.S. states do not adopt more favorable online gaming laws in the future, the federal government prohibits online gaming, or the current states that allow for online gaming change or restrict their current laws, it could have a material adverse effect on the Company's ability to generate revenues and operate in the U.S., which could cause the value of its securities to decline in value or become worthless.

Failure to comply with regulatory requirements in a particular jurisdiction, or the failure to successfully obtain a license or permit applied for in a particular jurisdiction, could impact our ability to comply with licensing and regulatory requirements in other jurisdictions, or could cause the rejection of license applications or cancelation of existing licenses in other jurisdictions.

Compliance with the various regulations applicable to online gaming is costly and time-consuming. Regulatory authorities at the federal, state and local levels (both in the U.S. and in foreign jurisdictions) have broad powers with respect to the regulation and licensing of real money online gaming operations and may revoke, suspend, condition or limit our licenses, or those of our customers, impose substantial fines on us or our customers, and take other actions, any one of which could have a material adverse effect on our business, financial condition, results of operations and prospects. These laws and regulations are dynamic and subject to potentially differing interpretations, and various legislative and regulatory bodies may expand current laws or regulations or enact new laws and regulations regarding these matters. We will strive to comply with all applicable laws and regulations relating to our business. It is possible, however, that these requirements may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules. Non-compliance with any such law or regulations could expose us or our customers to claims, proceedings, litigation and investigations by private parties and regulatory authorities, as well as substantial fines and negative publicity, each of which may materially and adversely affect our business and/or those of our customers.

Our or our customers' gaming licenses could be revoked, suspended or conditioned at any time. The loss of a license in one jurisdiction could trigger the loss of a license or affect our (or our customer's) eligibility for such a license in another jurisdiction, and any of such losses, or potential for such loss, could cause us to cease offering some or all of our offerings in the impacted jurisdictions or cause any of our customers to cease offering our products in those jurisdictions. We and our customers may be unable to obtain or maintain all necessary registrations, licenses, permits or approvals, and could incur fines or experience delays related to the licensing process, which could adversely affect our operations or those of our customers. Our delay or failure to obtain or maintain licenses in any jurisdiction may prevent us from distributing our offerings, increasing our customer base and/or generating revenues. We cannot assure you that we will be able to obtain and maintain the licenses and related approvals necessary to conduct our iGaming operations. Any failure by us or our customers to maintain or renew existing licenses, registrations, permits or approvals could have a material adverse effect on our business, financial condition, results of operations and prospects.

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Our product offerings must be approved in most regulated jurisdictions in which they are offered; this process cannot be assured or guaranteed.

If we fail to obtain necessary gaming licenses in a given jurisdiction, we would likely be prohibited from distributing and providing our product offerings in that particular jurisdiction. If we fail to seek, do not receive, or receive a suspension or revocation of a license in a particular jurisdiction for our product offerings (including any related technology and software) then we cannot offer the same in that jurisdiction and our gaming licenses in other jurisdictions may be impacted. Furthermore, some jurisdictions require license holders to obtain government approval before engaging in some transactions. We may not be able to obtain all necessary licenses in a timely manner, or at all. Delays in regulatory approvals or failure to obtain such approvals may also serve as a barrier to entry to the market for our product offerings. If we are unable to overcome the barriers to entry, it will materially affect our results of operations and future prospects.

To the extent new online gaming jurisdictions are established or expanded, we cannot guarantee we will be successful in penetrating such new jurisdictions or expanding our business or customer base in line with the growth of existing jurisdictions. As we directly or indirectly enter into new markets, we may encounter legal, regulatory and political challenges that are difficult or impossible to foresee and which could result in an unforeseen adverse impact on planned revenues or costs associated with the new market opportunity. If we are unable to effectively develop and operate directly or indirectly within these new markets or if our competitors are able to successfully penetrate geographic markets that we cannot access or where we face other restrictions, then our business, operating results and financial condition could be impaired. Our failure to obtain or maintain the necessary regulatory approvals in jurisdictions, whether individually or collectively, would have a material adverse effect on our business.

Legislative and regulatory changes could negatively affect our business and the business of our customers.

Legislative and regulatory changes may affect demand for or place limitations on the placement of our products. Such changes could affect us in a variety of ways. Legislation or regulation may introduce limitations on our products or opportunities for the use of our products and could foster competitive products or solutions at our or our customers' expense. Our business will likely also suffer if our products become obsolete due to changes in laws or the regulatory framework. Moreover, legislation to prohibit, limit or add burdens to our business may be introduced in the future in states where gaming has been legalized. In addition, from time to time, legislators and special interest groups have proposed legislation that would expand, restrict or prevent gaming operations or which may otherwise adversely impact our operations in the jurisdictions in which we operate.

Legislative or regulatory changes negatively impacting the gaming industry as a whole, or our customers in particular, could also decrease the demand for our products. Opposition to gaming could result in restrictions or even prohibitions of gaming operations in any jurisdiction or could result in increased taxes on gaming revenues. Tax matters, including changes in state, federal or other tax legislation or assessments by tax authorities could have a negative impact on our business. A reduction in growth of the gaming industry or in the number of gaming jurisdictions or delays in the opening of new or expanded casinos could reduce demand for our products. Changes in current or future laws or regulations or future judicial intervention in any particular jurisdiction may have a material adverse effect on our existing and proposed foreign and domestic operations. Any such adverse change in the legislative or regulatory environment could have a material adverse effect on our business, results of operations or financial condition.

Material increases to our taxes or the adoption of new taxes or the authorization of new or increased forms of gaming could have a material adverse effect on our future financial results.

We believe that the prospect of significant revenue is one of the primary reasons that jurisdictions permit or expand legalized gaming. As a result, gaming companies are typically subject to significant revenue-based taxes and fees in addition to normal federal, state and local income taxes, and such taxes and fees are subject to increase at any time. From time-to-time, federal, state, and local legislators and officials have proposed changes in tax laws, or in the administration of such laws, affecting the gaming industry. In addition, worsening economic conditions could intensify the efforts of state and local governments to raise revenues through increases in gaming taxes, property taxes and/or by authorizing additional gaming properties each subject to payment of a new license fee. It is not possible to determine with certainty the likelihood of changes in such laws or in the administration of such laws. Such changes, if adopted, could have a material adverse effect on our financial condition, results of operations, and cash flows. The large number of state and local governments with significant current or projected budget deficits makes it more likely that those governments that currently permit gaming will seek to fund such deficits with new or increased gaming or new or increased gaming taxes and/or property taxes and worsening economic conditions could intensify those efforts. Any new or increased gaming or the material increase or adoption of additional taxes or fees, could have a material adverse effect on our future financial results, especially in light of our significant fixed rent payments.

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Gaming opponents may persist in their efforts to curtail the expansion of legalized gaming, which, if successful, could limit the growth of our operations.

There is significant debate over, and opposition to, land-based and interactive gaming. We cannot assure that this opposition will not succeed in preventing the legalization of gaming in jurisdictions where it is presently prohibited, prohibiting or limiting the expansion of gaming where it is currently permitted or causing the repeal of legalized gaming in any jurisdiction. Any successful effort to curtail the expansion of, or limit or prohibit, legalized gaming could have an adverse effect on our results of operations, cash flows and financial condition.

In addition, there is significant opposition in some jurisdictions to gaming (online or otherwise). Such opposition could lead these jurisdictions to adopt legislation or impose a regulatory framework to govern interactive gaming specifically. These could result in a prohibition on gaming or increase our costs to comply with these regulations, all of which could have an adverse effect on our results of operations, cash flows and financial condition.

Regulators and investors may perceive gaming software suppliers and operators similarly and consider their respective regulatory risk to be similar.

While operators that directly provide wagering services to their customers are generally perceived to be exposed to a greater degree of enforcement risk than their suppliers, in some jurisdictions, laws extend to directly impact such suppliers. Furthermore, a supplier's nexus with a particular jurisdiction may expose it to specific enforcement risks, irrespective of whether there has been an attempt to bring proceedings against any supported operator. In some circumstances, enforcement proceedings brought against an operator may result in action being taken against a supplier (and even brought in the absence of the former).

Ultimately, the market may view, or in the future may view, the regulatory risk associated with the business of supplying software and services to gaming operators as being comparable with the regulatory risk attaching to operators themselves. In such circumstances, there is an associated risk that investors may apply valuation methods to any such supplier that are the same as the valuation methods used to value operators, and which build in the same regulatory risk even though, in many territories, such suppliers would be considered sufficiently removed from the transactional activity to warrant the application of a discrete risk analysis.

Climate change, climate change regulations and greenhouse gas effects may adversely impact our operations.

There is a growing political and scientific consensus that greenhouse gas ("GHG") emissions continue to alter the composition of the global atmosphere in ways that are affecting and are expected to continue affecting the global climate. We may become subject to legislation and regulation regarding climate change, and compliance with any new rules could be difficult and costly. Concerned parties, such as legislators and regulators, stockholders and nongovernmental organizations, as well as companies in many business sectors, are considering ways to reduce GHG emissions. Many states and countries have announced or adopted programs to stabilize and reduce GHG emissions and in the past federal legislation has been proposed in Congress. If such legislation is enacted, we could incur increased energy, environmental and other costs and capital expenditures to comply with the limitations. Unless and until legislation is enacted and its terms are known, we cannot reasonably or reliably estimate its impact on our financial condition, operating performance, or ability to compete. Climate change could have a material adverse effect on our financial condition, results of operations and cash flow.

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The gaming industry is highly regulated, and we must adhere to various regulations and maintain applicable licenses to continue our operations. Failure to abide by regulations or maintain applicable licenses could be disruptive to our business and could adversely affect our operations.

We and our products are subject to extensive regulation under federal, state, local and foreign laws, rules and regulations of the jurisdictions in which we do business and our products are used. We currently block direct access to wagering on our website from the United States and other jurisdictions in which we do not have a license to operate through IP address filtering. Individuals are required to enter their age upon gaining access to our platform and any misrepresentation of such users age will result in the forfeiting of his or her deposit and any withdrawals from such users account requires proof of government issued identification. In addition, our payment service providers use their own identify and internet service provider (ISP) verification software. Despite all such measures, it is conceivable that a user, underage, or otherwise could devise a way to evade our blocking measures and access our website from the United States or any other foreign jurisdiction in which we are not currently permitted to operate.

Violations of laws in one jurisdiction could result in disciplinary action in other jurisdictions. Licenses, approvals or findings of suitability may be revoked, suspended or conditioned. In sum, we may not be able to obtain or maintain all necessary registrations, licenses, permits or approvals. The licensing process may result in delays or adversely affect our operations and our ability to maintain key personnel, and our efforts to comply with any new licensing regulations will increase our costs.

We may be unable to obtain licenses in new jurisdictions where our customers operate.

We are subject to regulation in any jurisdiction where our customers access our website. To expand into any such jurisdiction, we may need to be licensed, or obtain approvals of our products or services. If we do not receive or receive a revocation of a license in a particular jurisdiction for our products, we would not be able to sell or place our products in that jurisdiction. Any such outcome could materially and adversely affect our results of operations and any growth plans for our business.

Privacy concerns could result in regulatory changes and impose additional costs and liabilities on the Company, limit its use of information, and adversely affect its business.

Personal privacy has become a significant issue in Canada, the United States, Europe, and many other countries in which we currently operate and may operate in the future. Many federal, state, and foreign legislatures and government agencies have imposed or are considering imposing restrictions and requirements about the collection, use, and disclosure of personal information obtained from individuals. Changes to laws or regulations affecting privacy could impose additional costs and liability on us and could limit our use of such information to add value for customers. If we were required to change our business activities or revise or eliminate services, or to implement burdensome compliance measures, our business and results of operations could be harmed. In addition, we may be subject to fines, penalties, and potential litigation if we fail to comply with applicable privacy regulations, any of which could adversely affect our business, liquidity, and results of operation.

We have previously identified material weaknesses in our disclosure controls and procedures and internal control over financial reporting. If we identify future material weakness in our disclosure controls and procedures and/or internal control over financial reporting, that could result in material misstatements in our financial statements and a failure to meet our reporting and financial obligations, each of which could have a material adverse effect on our financial condition and the trading price of our common stock.

Maintaining effective internal control over financial reporting and effective disclosure controls and procedures are necessary for us to produce reliable financial statements. Our management previously determined that our disclosure controls and procedures were not effective as of October 31, 2021, and such controls and procedures were not effective for several years prior to October 31, 2021, provided that management has determined that our disclosure controls and procedures are effective as of October 31, 2022. Separately, management assessed the effectiveness of the Company's internal control over financial reporting as of October 31, 2021, and

determined that such internal control over financial reporting was not effective as a result of such assessment, provided that management has determined that our disclosure controls and procedures are effective as of October 31, 2022.

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A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis. A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis.

Maintaining effective disclosure controls and procedures and effective internal control over financial reporting are necessary for us to produce reliable financial statements and the Company is committed to remediating its material weaknesses in such controls as promptly as possible. However, there can be no assurance as to when these material weaknesses will be remediated or that additional material weaknesses will not arise in the future. The development of new material weaknesses in our internal control over financial reporting, could result in material misstatements in our financial statements and cause us to fail to meet our reporting and financial obligations, which in turn could have a material adverse effect on our financial condition and the trading price of our common stock, and/or result in litigation against us or our management. In addition, even if we are successful in strengthening our controls and procedures, those controls and procedures may not be adequate to prevent or identify irregularities or facilitate the fair presentation of our financial statements or our periodic reports filed with the SEC.

Risks Related to Intellectual Property and Technology

If we are unable to protect our proprietary information or other intellectual property, our business could be adversely affected.

We rely to a significant degree on trade secret laws to protect our proprietary information and technology. Breaches of the security of our data center systems and infrastructure or other IT resources could result in the exposure of our proprietary information. Additionally, our trade secrets may be independently developed by competitors. The steps we have taken to protect our trade secrets and proprietary information may not prevent unauthorized use or reverse engineering of our trade secrets or proprietary information. Additionally, to the extent that we have not registered the copyrights in any of our copyrightable works, we will need to register the copyrights before we can file an infringement suit in the United States (or another jurisdiction), and our remedies in any such infringement suit may be limited.

Effective protection of our intellectual property rights may require additional filings and applications in the future. However, pending and future applications may not be approved, and any of our existing or future patents, trademarks or other intellectual property rights may not provide sufficient protection for our business as currently conducted or may be challenged by others or invalidated through administrative process or litigation. Additionally, patent rights in the United States have switched from the former "first-to-invent" system to a "first-to-file" system, which may favor larger competitors that have the resources to file more patent applications. Additionally, to the extent that our employees, contractors or other third parties with whom we do business use intellectual property owned by others in their work for us, disputes may arise as to the rights to such intellectual property.

Further, the laws of certain countries do not protect proprietary rights to the same extent as the laws of the United States and, therefore, in certain jurisdictions, we may be unable to protect our proprietary technology adequately against unauthorized third-party copying, infringement or use, which could adversely affect our competitive position.

To protect or enforce our intellectual property rights, we may initiate litigation against third parties. Any lawsuits that we initiate could be expensive, take significant time and divert management's attention from other business concerns. Additionally, we may unintentionally provoke third parties to assert claims against us. These claims could invalidate or narrow the scope of our intellectual property. We may not prevail in any lawsuits that we may initiate, and the damages or other remedies awarded, if any, may not be commercially valuable. Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property. The occurrence of any of these events may adversely affect our business, financial condition and results of operations.

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Our intellectual property may be insufficient to properly safeguard our technology and brands.

We may apply for patent protection in the United States, Canada, Europe, and other countries relating to certain existing and proposed processes, designs and methods and other product innovations. Patent applications can, however, take many years to issue and we can provide no assurance that any of these patents will be issued at all. If we are denied any or all of these patents, we may not be able to successfully prevent our competitors from imitating our solutions or using some or all of the processes that are the subject of such patent applications. Such limitation may lead to increased competition within the finite market for our solutions. Even if pending patents are issued to us, our intellectual property rights may not be sufficiently comprehensive to prevent our competitors from developing similar competitive products and technologies. Our success may also depend on our ability to obtain trademark protection for the names or symbols under which we market our products and to obtain copyright protection and patent protection of our proprietary technologies, intellectual property, and other game innovations and if the granted patents are challenged, protection may be lost. We may not be able to build and maintain goodwill in our trademarks or obtain trademark or patent protection, and there can be no assurance that any trademark, copyright or issued patent will provide competitive advantages for us or that our intellectual property will not be successfully challenged or circumvented by competitors.

We will also rely on trade secrets, ideas, and proprietary know-how. Although we generally require our employees and independent contractors to enter into confidentiality and intellectual property assignment agreements, we cannot be assured that the obligations therein will be maintained and honored. If these agreements are breached, it is unlikely that the remedies available to us will be sufficient to compensate us for the damages suffered. In spite of confidentiality agreements and other methods of protecting trade secrets, our proprietary information could become known to or independently developed by competitors. If we fail to adequately protect our intellectual property and confidential information, our business may be harmed, and our liquidity and results of operations may be materially adversely impacted.

We may be subject to claims of intellectual property infringement or invalidity and adverse outcomes of litigation could unfavorably affect our operating results.

Monitoring infringement and misappropriation of intellectual property can be difficult and expensive, and we may not be able to detect infringement or misappropriation of our proprietary rights. Although we intend to aggressively pursue anyone who is reasonably believed to be infringing upon our intellectual property rights and who poses a significant commercial risk to the business, to protect and enforce our intellectual property rights, initiating and maintaining suits against such third parties will require substantial financial resources. We may not have the financial resources to bring such suits, and, if we do bring such suits, we may not prevail. Regardless of our success in any such actions, the expenses and management distraction involved may have a material adverse effect on our financial position.

A significant portion of our revenues may be generated from products using certain intellectual property rights, and our operating results would be negatively impacted if we were unsuccessful in licensing certain of those rights and/or protecting those rights from infringement, including losses of proprietary information from breaches of our cyber security efforts.

Further, our competitors have been granted patents protecting various gaming products and solutions features, including systems, methods, and designs. If our products and solutions employ these processes, or other subject matter that is claimed under our competitors' patents, or if other companies obtain patents claiming subject matter that we use, those companies may bring infringement actions against us. The question of whether a product infringes a patent involves complex legal and factual issues, the determination of which is often uncertain. In addition, because patent applications can take many years to issue, there may be applications now pending of which we are unaware, which might later result in issued patents that our products and solutions may infringe. There can be no assurance that our products, including those with currently pending patent applications, will not be determined to have infringed upon an existing third-party patent. If any of our products and solutions infringes a valid patent, we may be required to discontinue offering certain products or systems, pay damages, purchase a license to use the intellectual property in question from its owner, or redesign the product in question to avoid infringement. A license may not be available or may require us to pay substantial royalties, which could in turn force us to attempt to redesign the infringing product or to develop alternative technologies at a considerable expense. Additionally, we may not be successful in any attempt to redesign the infringing product or to develop alternative technologies, which could force us to withdraw our product or services from the market.

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We may also infringe other intellectual property rights belonging to third parties, such as trademarks, copyrights, and confidential information. As with patent litigation, the infringement of trademarks, copyrights and confidential information involve complex legal and factual issues and our products, branding or associated marketing materials may be found to have infringed existing third-party rights. When any third-party infringement occurs, we may be required to stop using the infringing intellectual property rights, pay damages and, if we wish to keep using the third-party intellectual property, purchase a license or otherwise redesign the product, branding or associated marketing materials to avoid further infringement. Such a license may not be available or may require us to pay substantial royalties.

It is also possible that the validity of any of our intellectual property rights might be challenged either in standalone proceedings or as part of infringement claims in the future. There can be no assurance that our intellectual property rights will withstand an invalidity claim and, if declared invalid, the protection afforded to the product, branding or marketing material will be lost.

Moreover, the future interpretation of intellectual property law regarding the validity of intellectual property by governmental agencies or courts in the United States, Canada, Europe, or other jurisdictions in which we have rights could negatively affect the validity or enforceability of our current or future intellectual property. This could have multiple negative impacts including, without limitation, the marketability of, or anticipated revenue from, certain of our products. Additionally, due to the differences in foreign patent, trademark, copyright, and other laws concerning proprietary rights, our intellectual property may not receive the same degree of protection in foreign countries as it would in the United States, Canada, or Europe. Our failure to possess, obtain or maintain adequate protection of our intellectual property rights for any reason in these jurisdictions could have a material adverse effect on our business, results of operations and financial condition.

Furthermore, infringement and other intellectual property claims, with or without merit, can be expensive and time-consuming to litigate, and we may not have the financial and human resources to defend ourself against any infringement suits that may be brought against us. Litigation can also distract management from day-to-day operations of the business.

In addition, our business is dependent in part on the intellectual property of third parties. Our success may depend upon our ability to obtain licenses to use new and existing intellectual property and our ability to retain or expand existing licenses for certain products. If we are unable to obtain new licenses or renew or expand existing licenses, we may be required to discontinue or limit our use of such products that use the licensed marks and our financial condition, operating results or prospects may be harmed.

Risks Relating to our Management

We rely on our management and if they were to leave our company our business plan could be adversely affected.

We are largely dependent upon the personal efforts and abilities of our existing management, including our Chief Executive Officer and Chairman, Anthony Brian Goodman, who plays an active role in our operations. Moving forward, should the services of Mr. Goodman be lost for any reason, the Company will incur costs associated with recruiting replacements and any potential delays in operations which this may cause. If we are unable to replace such individual with a suitably trained alternative individual(s), we may be forced to scale back or curtail our business plan.

We do not currently have any key person life insurance policies on our executive officers. If our executive officers do not devote sufficient time towards our business, we may never be able to effectuate our business plan.

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Anthony Brian Goodman, our Chief Executive Officer and Chairman, exercises majority voting control over us, which limits your ability to influence corporate matters and could delay or prevent a change in corporate control.

Anthony Brian Goodman, our Chief Executive Officer and Chairman, as well as our principal shareholder, currently controls approximately 53.9% of the voting power of our capital stock (including shares of common stock which will be issuable to Mr. Goodman upon the vesting of Restricted Stock Units upon the filing of this Report), including as a result of his ownership of 1,000 shares of Series B Preferred Stock which vote 7,500,000 shares on all shareholder matters. As a result, Mr. Goodman can influence our management and affairs and control the outcome of matters submitted to our shareholders for approval, including the election of directors and any sale, merger, consolidation, or sale of all or substantially all of our assets.

Mr. Goodman acquired his securities for substantially less than the current trading prices of our shares of common stock, and may have interests, with respect to his common stock, that are different from other holders of our common stock and the concentration of voting power held by Mr. Goodman may have an adverse effect on the price of our common stock.

In addition, this concentration of ownership might adversely affect the market price of our common stock by: (1) delaying, deferring or preventing a change of control of our Company; (2) impeding a merger, consolidation, takeover or other business combination involving our Company; or (3) discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company. Because Mr. Goodman can control the shareholder vote, investors may find it difficult or impossible to replace Mr. Goodman (and such persons as he may appoint from time to time) as members of our management if they disagree with the way our business is being operated. Additionally, the interests of Mr. Goodman may differ from the interests of the other shareholders and thus result in corporate decisions that are adverse to other shareholders.

Any investor who purchases shares in the Company will be a minority shareholder and as such will have little to no say in the direction of the Company and the election of directors. Additionally, it will be difficult if not impossible for investors to remove our current directors, which will mean they will remain in control of who serves as officers of the Company as well as whether any changes are made in the Board of Directors. As a potential investor in the Company, you should keep in mind

that even if you own shares of the Company's common stock and wish to vote them at annual or special shareholder meetings, your shares will likely have little effect on the outcome of corporate decisions. Because of Mr. Goodman's voting control, investors may find it difficult to replace our management if they disagree with the way our business is being operated. Additionally, the interests of Mr. Goodman may differ from the interests of the other shareholders and thus result in corporate decisions that are adverse to other shareholders. This concentrated control limits or severely restricts other shareholders' ability to influence corporate matters and Mr. Goodman may take actions that some of our shareholders do not view as beneficial, each of which could reduce the market price of our securities.

Anthony Brian Goodman, our Chief Executive Officer and Chairman beneficially owns greater than 50% of our outstanding voting shares, which causes us to be deemed a "controlled company" under the rules of Nasdaq.

Anthony Brian Goodman, our Chief Executive Officer and Chairman, our principal shareholder, controls approximately 53.9% of the voting power of our capital stock as of the date of this Report (including shares of common stock which will be issuable to Mr. Goodman upon the vesting of Restricted Stock Units upon the filing of this Report), including as a result of his ownership of 1,000 shares of Series B Preferred Stock which vote 7,500,000 shares on all shareholder matters. As a result, we are a "controlled company" under the rules of Nasdaq. Under these rules, a company of which more than 50% of the voting power is held by an individual, a group or another company is a "controlled company" and, as such, can elect to be exempt from certain corporate governance requirements, including requirements that:

- a majority of the Board of Directors consist of independent directors;
- the board maintain a nominations committee with prescribed duties and a written charter; and
- the board maintain a compensation committee with prescribed duties and a written charter and comprised solely of independent directors.

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As a "controlled company," we may elect to rely on some or all of these exemptions; although we do not currently intend to take advantage of any of these exemptions. However, should we take advantage of any of these exemptions in the future, and should the interests of Mr. Goodman differ from those of other shareholders, the other shareholders may not have the same protections afforded to shareholders of companies that are subject to all of the Nasdaq corporate governance standards. Additionally, even if we do not avail ourselves of these exemptions, our status as a controlled company could make our common stock less attractive to some investors or otherwise harm our stock price. Additionally, if as a "controlled company", we take advantage of any or all of the exemptions under the rules of Nasdaq relating to "controlled companies", you will not have the same protections afforded to shareholders of companies that are subject to all of the corporate governance requirements of Nasdaq.

The employment agreements of Mr. Anthony Brian Goodman, our Chief Executive Officer and Ms. Weiting 'Cathy' Feng, our Chief Operating Officer, provide for the payment of certain severance payments upon termination.

The employment agreements of Mr. Anthony Brian Goodman, our Chief Executive Officer and Ms. Weiting 'Cathy' Feng, our Chief Operating Officer provide that if either are terminated during the term of such agreements by the Company without cause (as defined in the agreement) or by the executive for good reason (as defined in the agreement), such executives are due a severance payment. That severance payment is equal to (a) a lump sum cash severance payment equal to the sum of (i) 18 months of Mr. Goodman's then current annual basic salary (six months of Ms. Feng's plus (ii) an amount equal to his targeted bonus for the year of termination (such total payment referred to herein as the "Severance Payment"). Additionally, if either executive is terminated (a) by the Company for any reason other than cause or due to illness or death, or (b) by the executive for good reason, during the twelve month period following a Change of Control (as defined in the agreements) or in anticipation of a Change of Control, the Company is required to pay the executive, within 60 days following the later of (i) the date of such Change of Control termination; and (ii) the date of such Change of Control, a cash severance payment in a lump sum in an amount equal to 3.0 times the sum of (a) the current annual base salary of the executive (less any actual payments made in connection with any severance payments already paid); and (b) the amount of the most recent bonus paid to the executive for the last completed fiscal year, if any (less any actual payments made in connection with any other severance payments). Additionally, if either executive is involuntarily terminated, any unvested options vest immediately and are exercisable until the later of the original termination date thereof and 24 months after such termination date.

Potential competition from our existing executive officers, after they leave their employment with us, and subject to the non-compete terms of their employment agreements, could negatively impact our profitability.

Although Mr. Anthony Brian Goodman, our Chief Executive Officer and Ms. Weiting 'Cathy' Feng, our Chief Operating Officer, are prohibited from competing with us while they are employed with us and for twelve months thereafter (subject to the terms of, and exceptions set forth in, their employment agreements with the Company), none of such individuals will be prohibited from competing with us after such twelve-month period ends. Accordingly, any of these individuals could be in a position to use industry experience gained while working with us to compete with us. Such competition could distract or confuse customers, reduce the value of our intellectual property and trade secrets, or have a material adverse effect on our revenues, results of operations and cash flows. Any of the foregoing could reduce our future revenues, earnings or growth prospects.

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Risks Related to International Operations

The risks related to international operations, in particular in countries outside of the United States and Canada, could negatively affect the Company's results including foreign exchange and currency risks that could adversely affect its operations, and the Company's ability to mitigate its foreign exchange risk through hedging transactions may be limited.

It is expected that moving forward, the Company will derive more than 60% of its revenue from transactions denominated in currencies other than the United States and the Canadian dollar. For the year ended October 31, 2022, the Company derived 62% of its revenue from transactions denominated in currencies other than the United States and the Canadian dollar. As such, the Company's operations may be adversely affected by changes in foreign government policies and legislation or social instability and other factors which are not within the control of the Company, including, but not limited to, recessions in foreign economies, expropriation, nationalization and limitation or restriction on repatriation of funds, assets or earnings, longer receivables collection periods and greater difficulty in collecting accounts receivable, changes in consumer tastes and trends, renegotiation or nullification of existing contracts or licenses, changes in gaming policies, regulatory requirements or the personnel administering them, currency fluctuations and devaluations, exchange controls, economic sanctions and royalty and tax increases, risk of terrorist activities, revolution, border disputes, implementation of tariffs and other trade barriers and protectionist practices, taxation policies, including royalty and tax increases and retroactive tax claims, volatility of financial markets and fluctuations in foreign exchange rates, difficulties in the protection of intellectual property particularly in countries with fewer intellectual property protections, the effects that evolving regulations regarding data privacy may have on the Company's online operations, adverse changes in the creditworthiness of parties with whom the Company has significant receivables or forward currency exchange contracts, labor disputes and other risks arising out of foreign governmental sovereignty over the areas in which the Company's operations are conducted. The Company's operations may also be adversely affected by social, political and economic instability, and by laws and policies of such foreign jurisdictions affecting foreign trade, taxation and investment. If the Company's operations are disrupted and/or the economic integrity of its contracts is threatened for unexpected reasons, its business may be harmed.

The Company's international activities may require protracted negotiations with host governments, national companies and third parties. Foreign government regulations may favor or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. In the event of a dispute arising in connection with the Company's operations in a foreign jurisdiction where it conducts its business, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of United States or Canada or enforcing American and Canadian judgments in such other jurisdictions. The Company may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, the Company's activities in foreign jurisdictions could be substantially affected by factors beyond the Company's control, any of which could have a material adverse effect on it. The Company believes that management's experience to date in commercializing its products and solutions in Asia Pacific may be of assistance in helping to reduce these risks. Some countries in which the Company may operate may be considered politically and economically unstable.

Doing business in the industries in which the Company operates often requires compliance with numerous and extensive procedures and formalities. These procedures and formalities may result in unexpected or lengthy delays in commencing important business activities. In some cases, failure to follow such formalities or obtain relevant evidence may call into question the validity of the entity or the actions taken. Management of the Company is unable to predict the effect of additional corporate and regulatory formalities which may be adopted in the future including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

We have and may in the future enter into agreements and conduct activities outside of the jurisdictions where we currently carry on business, which expansion may present challenges and risks that we have not faced in the past, any of which could adversely affect our results of operations and/or financial condition.

In addition, as the majority of the Company's revenue is generated from transactions denominated in currencies other than the United States and the Canadian dollar, fluctuations in the exchange rate between the U.S. dollar, the Pound Sterling, the Euro and other currencies may have a material adverse effect on our business, financial condition and operating results. Our consolidated financial results are affected by foreign currency exchange rate fluctuations. Foreign currency exchange rate exposures arise from current transactions and anticipated transactions denominated in currencies other than United States dollars and from the translation of foreign-currency-denominated balance sheet accounts into United States dollar-denominated balance sheet accounts. We are exposed to currency exchange rate fluctuations because portions of our revenue and expenses are denominated in currencies other than the United States dollar, particularly the Euro and the Pound Sterling. In particular, uncertainty regarding economic conditions in Europe and the debt crisis affecting certain countries in the European Union pose risk to the stability of the Euro. Exchange rate fluctuations could adversely affect our operating results and cash flows and the value of our assets outside of the United States. If a foreign currency is devalued in a jurisdiction in which we are paid in such currency, then our customers may be required to pay higher amounts for our products, which they may be unable or unwilling to pay.

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While we may enter into forward currency swaps and other derivative instruments intended to mitigate the foreign currency exchange risk, there can be no assurance we will do so or that any instruments that we enter into will successfully mitigate such risk. If we enter into foreign currency forward or other hedging contracts, we would be subject to the risk that a counterparty to one or more of these contracts may default on its performance under the contracts. During an economic downturn, a counterparty's financial condition may deteriorate rapidly and with little notice, and we may be unable to take action to protect our exposure. In the event of a counterparty default, we could lose the benefit of its hedging contract, which may harm our business and financial condition. In the event that one or more of our counterparties becomes insolvent or files for bankruptcy, our ability to eventually recover any benefit lost as a result of that counterparty's default may be limited by the liquidity of the counterparty. We expect that we will not be able to hedge all of our exposure to any particular foreign currency, and we may not hedge our exposure at all with respect to certain foreign currencies. Changes in exchange rates and our limited ability or inability to successfully hedge exchange rate risk could have an adverse impact on our liquidity and results of operations.

Risks Relating to our Common Stock and Securities

Nevada law and our articles of incorporation authorize us to issue shares of stock, which shares may cause substantial dilution to our existing shareholders.

We have authorized capital stock consisting of 250,000,000 shares of common stock, $0.00001 par value per share and 20,000,000 shares of preferred stock, $0.00001 par value per share. As of the date of this Report, we have 35,574,526 shares of common stock issued and outstanding (which is expected to increase to 36,099,526 after the filing of this Report upon the vesting of certain restricted Stock Units) and 1,000 shares of Series B Voting Preferred Stock issued and outstanding. The holder of the shares of the Series B Voting Preferred Stock (Anthony Brian Goodman, our Chief Executive Officer and Chairman) has the right to vote those shares of the Series B Voting Preferred Stock regarding any matter or action that is required to be submitted to the shareholders of the Company for approval.

As a result of the number of authorized but unissued shares of our common stock and preferred stock, our Board of Directors has the ability to issue a large number of additional shares of common stock without shareholder approval, which if issued could cause substantial dilution to our then shareholders. Additionally, shares of preferred stock may be issued by our Board of Directors without shareholder approval with voting powers, and such preferences and relative, participating, optional or other special rights and powers as determined by our Board of Directors, which may be greater than the shares of common stock currently outstanding. As a result, shares of preferred stock may be issued by our Board of Directors which cause the holders to have super-majority voting power over our shares (similar to our outstanding Series B Voting Preferred Stock, discussed below), provide the holders of the preferred stock the right to convert the shares of preferred stock they hold into shares of our common stock, which may cause substantial dilution to our then common stock shareholders and/or have other rights and preferences greater than those of our common shareholders. Investors should keep in mind that the Board of Directors has the authority to issue additional shares of common stock and preferred stock, which could cause substantial dilution to our existing shareholders. Additionally, the dilutive effect of any preferred stock, which we may issue may be exacerbated given the fact that such preferred stock may have super-majority voting rights (similar to our outstanding Series B Voting Preferred Stock, discussed below) and/or other rights or preferences which could provide the preferred shareholders with voting control over us subsequent to such offering and/or give those holders the power to prevent or cause a change in control. As a result, the issuance of shares of common stock and/or preferred stock may cause the value of our securities to decrease and/or become worthless.

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Our Series B Voting Preferred Stock provides the holder(s) thereof majority voting power over the Company.

As of the date of this Report, we have 1,000 shares of Series B Voting Preferred Stock issued and outstanding. The Company's Chief Executive Officer and Chairman, Anthony Brian Goodman is the holder of the shares of the Series B Voting Preferred Stock. The Series B Preferred Stock, includes (a) the right of the holder of the Series B Preferred Stock to convert each share of the Series B Preferred Stock into 1,000 shares of the Company's common stock at the holder's option from time to time after May 20, 2022; (b) provide for the automatic conversion of all outstanding shares of Series B Preferred Stock into common stock of the Company, on a 1,000 for 1 basis, on the date when the aggregate beneficial ownership of the Company's common stock of Mr. Goodman, falls below 10% of the Company's common stock then outstanding, or the first business day thereafter that the Company becomes aware of such; and (c) provide that each share of Series B Preferred Stock entitles the holder to 7,500 votes on all matters presented to the Company's shareholders for a vote of shareholders, whether such vote is taken in person at a meeting or via a written consent (7,500,000 votes in aggregate for all outstanding shares of Series B Preferred Stock).

As such, the Series B Voting Preferred Stock in effect votes approximately 17% of the current total vote on all shareholder matters and exercises control in determining the outcome of all corporate transactions or other matters, including the election of directors, mergers, consolidations, the sale of all or substantially all of our assets, the power to prevent or cause a change in control and to determine the outcome of most matters submitted to a vote of our shareholders. The interests of Mr. Goodman may differ from the interests of the other shareholders and thus result in corporate decisions that are adverse to other shareholders. This preferred share structure severely restricts other shareholders' ability to influence corporate matters and Mr. Goodman may take actions that some of our shareholders do not view as beneficial, each of which could reduce the market price of our securities. See also the risk factor entitled, "Anthony Brian Goodman, our Chief Executive Officer and Chairman, exercises majority voting control over us, which limits your ability to influence corporate matters and could delay or prevent a change in corporate control", below for additional risks related to Mr. Goodman's voting control over the Company.

Certain warrants we have granted include anti-dilutive rights

In connection with our October 2021 placement of common stock and warrants, we granted the investors in the offering warrants to purchase 496,429 shares of common stock, which have a term of three years, and an exercise price of $8.63 per share (subject to customary adjustments for stock splits, dividends and recapitalizations). Additionally, the exercise price of the warrants include anti-dilution rights, which provide that if at any time the warrants are outstanding, we issue (or announce any offer, sale, grant or any option to purchase or other disposition) or are deemed to have issued (which includes shares issuable upon exercise of warrants and options and conversion of convertible securities) any common stock or common stock equivalents for consideration less than the then current exercise price of the warrants, the exercise price of such warrants will be automatically reduced to the lowest price per share of consideration provided or deemed to have been provided for such securities. Notwithstanding the above, certain excepted issuances do not trigger a reset of the anti-dilution rights, including the issuance of (a) shares of common stock or options to employees, officers, directors or consultants of the Company pursuant to any stock or option plan for services rendered to the Company, (b) securities issuable upon the exercise or exchange of or conversion of any securities outstanding as of the date of grant, and (c) securities issued pursuant to acquisitions or strategic transactions, provided that such securities are issued as "restricted securities" and carry no registration rights that require or permit the filing of any registration statement in connection therewith (subject to certain exceptions), and provided that such issuances are only made to an owner of an asset (or the equity holders thereof) in a business synergistic with the business of the Company, in case subject to certain other requirements. The reduction of the exercise price of the warrants in the event that we offer, sell, grant or issue, or are deemed to have offered, sold, granted or issued shares of common stock below the then exercise price of the warrants, could result in the Company receiving significantly less consideration upon the exercise of the warrants (or in some cases only nominal consideration), result in greater dilution to existing shareholders, and/or create additional overhang for our common stock. Any or all of the above could have a material adverse effect on the trading price of our common stock.

There may not be sufficient liquidity in the market for our securities in order for investors to sell their shares. The market price of our comment stock has been, and may continue to be, volatile.

The market price of our common stock has been, and is likely to continue to be, highly volatile, as is the stock market in general. Some of the factors that may materially affect the market price of our common stock are beyond our control, such as conditions or trends in the industry in which we operate or sales of our common stock. This situation is attributable to a number of factors, including the fact that we are a small company which is relatively unknown to stock analysts, stock brokers, institutional investors and others in the investment community that generate or influence sales volume, and that even if we came to the attention of such persons, they tend to be risk-averse and would be reluctant to follow an unproven company such as ours or purchase or recommend the purchase of our shares until such time as we became more seasoned and viable.

As a consequence, there have been, and may be, periods of several days or more when trading activity in our shares is minimal or non-existent, as compared to a mature issuer which has a large and steady volume of trading activity that will generally support continuous sales without an adverse effect on share price. It is possible that a broader or more active public trading market for our common stock will not develop or be sustained, or that trading levels will not continue. These factors have, and may in the future, materially adversely affect the market price of our common stock, regardless of our performance. In addition, the public stock markets have experienced extreme price and trading volume volatility. This volatility has significantly affected the market prices of securities of many companies for reasons frequently unrelated to the operating performance of the specific companies. These broad market fluctuations may adversely affect the market price of our common stock.

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The issuance of common stock upon conversion of our outstanding Series B Preferred Stock will cause immediate and substantial dilution to existing shareholders and the sale of common stock upon conversion of our outstanding Series B Preferred Stock may depress the market price of our common stock.

As of the date of this Report, we had 1,000 outstanding shares of Series B Preferred Stock, all of which were held by Anthony Brian Goodman, the Chief Executive Officer and Chairman of the Company. Each holder of Series B Preferred Stock may, at its option, convert each of its shares of Series B Preferred Stock into 1,000 shares of common stock, or 1,000,000 shares of common stock in aggregate. The conversion of the Series B Preferred Stock into common stock of the Company will cause significant dilution to the then holders of our common stock.

Additionally, if conversions of our outstanding Series B Preferred Stock and sales of such converted shares take place, the price of our common stock may decline. In addition, the common stock issuable upon conversion of our outstanding Series B Preferred Stock may represent overhang that may also adversely affect the market price of our common stock. Overhang occurs when there is a greater supply of a company's stock in the market than there is demand for that stock. When this happens the price of the company's stock will decrease, and any additional shares which shareholders attempt to sell in the market will only further decrease the share price. If the share volume of our common stock cannot absorb converted shares sold by the holder of the Series B Preferred Stock, then the value of our common stock will likely decrease.

Our common stock may continue to be followed by only a limited number of analysts and there may continue to be a limited number of institutions acting as market makers for our common stock.

For the foreseeable future, our common stock is unlikely to be followed by a significant number of market analysts, and there may be few institutions acting as market makers for our common stock. Either of these factors could adversely affect the liquidity and trading price of our common stock. Until our common stock is fully distributed and an orderly market develops in our common stock, if ever, the price at which it trades is likely to fluctuate significantly. Prices for our common stock are determined in the marketplace and may be influenced by many factors, including the depth and liquidity of the market for shares of our common stock, developments affecting our business, including the impact of the factors referred to elsewhere in these Risk Factors, investor perception of us and general economic and market conditions. No assurances can be given that an orderly or liquid market will ever develop for the shares of our common stock.

We currently have an illiquid and volatile market for our common stock, and the market for our common stock is and may remain illiquid and volatile in the future.

We currently have a highly sporadic, illiquid and volatile market for our common stock, which market is anticipated to remain sporadic, illiquid and volatile in the future. During the last 52 weeks our common stock has traded as high as $10.72 per share and as low as $2.21 per share. The market price of our common stock may continue to be highly volatile and subject to wide fluctuations. Our financial performance, government regulatory action, tax laws, interest rates, and market conditions in general could have a significant impact on the future market price of our common stock.

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Some of the factors that could negatively affect or result in fluctuations in the market price of our common stock include:

- actual or anticipated variations in our quarterly operating results;
- changes in market valuations of similar companies;
- adverse market reaction to the level of our indebtedness (if any);
- additions or departures of key personnel;
- actions by shareholders;
- speculation in the press or investment community;
- general market, economic, and political conditions, including an economic slowdown or dislocation in the global credit markets, continued increases in interest rates and/or inflation and/or global conflicts;
- our operating performance and the performance of other similar companies;
- changes in accounting principles; and
- passage of legislation or other regulatory developments that adversely affect us or the gaming industry.

Our common stock is listed on the Nasdaq Capital Market under the symbol "GMGI." Our stock price may be impacted by factors that are unrelated or disproportionate to our operating performance. The stock markets in general have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our common stock. Additionally, general economic, political and market conditions, such as recessions, inflation, war, interest rates or international currency fluctuations may adversely affect the market price of our common stock. Due to the limited volume of our shares which trade, we believe that our stock prices (bid, ask and closing prices) may not be related to our actual value, and not reflect the actual value of our common stock. You should exercise caution before making an investment in us.

Additionally, as a result of the illiquidity of our common stock, investors may not be interested in owning our common stock because of the inability to acquire or sell a substantial block of our common stock at one time. Such illiquidity could have an adverse effect on the market price of our common stock. In addition, a shareholder may not be able to borrow funds using our common stock as collateral because lenders may be unwilling to accept the pledge of securities having such a limited market. An active trading market for our common stock may not develop or, if one develops, may not be sustained.

In the past, many companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, which could seriously harm our business.

Compliance, Reporting and Listing Risks

We incur significant costs to ensure compliance with U.S. and Nasdaq Capital Market reporting and corporate governance requirements.

We incur significant costs associated with our public company reporting requirements and with applicable U.S. and Nasdaq Capital Market corporate governance requirements, including requirements under the Sarbanes-Oxley Act of 2002 and other rules implemented by the SEC and The Nasdaq Capital Market. The rules of The Nasdaq Capital Market include requiring us to maintain independent directors, comply with other corporate governance requirements and pay annual listing and stock issuance fees. All of such SEC and Nasdaq obligations require a commitment of additional resources including, but not limited to, additional expenses, and may result in the diversion of our senior management's time and attention from our day-to-day operations. We expect all of these applicable rules and regulations to significantly increase our legal and financial compliance costs and to make some activities more time consuming and costly. We also expect that these applicable rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified individuals to serve on our Board of Directors or as executive officers.

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We will continue to incur increased costs as a result of being a reporting company, and given our limited capital resources, such additional costs may have an adverse impact on our profitability.

We are an SEC-reporting company. The rules and regulations under the Exchange Act require reporting companies to provide periodic reports with interactive data files, which require that we engage legal, accounting and auditing professionals, and inline eXtensible Business Reporting Language (iXBRL) and EDGAR (Electronic Data Gathering, Analysis, and Retrieval) service providers. The engagement of such services can be costly, and we may continue to incur additional losses, which may adversely affect our ability to continue as a going concern. In addition, the Sarbanes-Oxley Act of 2002, as well as a variety of related rules implemented by the SEC, have required changes in corporate governance practices and generally increased the disclosure requirements of public companies. For example, as a result of being a reporting company, we are required to file periodic and current reports and other information with the SEC, and we have adopted policies regarding disclosure controls and procedures and regularly evaluate those controls and procedures.

The additional costs we continue to incur in connection with becoming a reporting company (expected to be several hundred thousand dollars per year) will continue to further stretch our limited capital resources. Due to our limited resources, we have to allocate resources away from other productive uses in order to continue to comply with our obligations as an SEC reporting company. Further, there is no guarantee that we will have sufficient resources to continue to meet our reporting and filing obligations with the SEC as they come due.

We need to meet certain continued listing requirements of The Nasdaq Capital Market in order to not have our common stock delisted from such markets.

We need to continue to meet the continued listing standards of The Nasdaq Capital Market. Among the conditions required for continued listing on the Nasdaq Capital Market, Nasdaq generally requires listed companies to maintain at least $2.5 million in shareholders' equity or $500,000 in net income over the prior two years or two of the prior three years, to have a majority of independent directors, have an audit committee of at least three members, and to maintain a stock price over $1.00 per share, among other requirements. If we fail to timely comply with the applicable requirements of The Nasdaq Capital Market, our stock may be delisted. In addition, even if we demonstrate compliance with the requirements above, we will have to continue to meet other objective and subjective listing requirements to continue to be listed on the applicable market. Delisting from the Nasdaq Capital Market could make trading our common stock more difficult for investors, potentially leading to declines in our share price and liquidity. Without Nasdaq Capital Market, shareholders may have a difficult time getting a quote for the sale or purchase of our stock, the sale or purchase of our stock would likely be made more difficult and the trading volume and liquidity of our stock could decline. Delisting from The Nasdaq Capital Market could also result in negative publicity and could also make it more difficult for us to raise additional capital. The absence of such a listing may adversely affect the acceptance of our common stock as currency or the value accorded by other parties. Further, if we are delisted, we would also incur additional costs under state blue sky laws in connection with any sales of our securities. These requirements could severely limit the market liquidity of our common stock and the ability of our shareholders to sell our common

stock in the secondary market. If our common stock is delisted by Nasdaq, our common stock may be eligible to trade on an over-the-counter quotation system, such as the OTCQX Market or OTCQB Market, where an investor may find it more difficult to sell our stock or obtain accurate quotations as to the market value of our common stock. In the event our common stock is delisted from The Nasdaq Capital Market, we may not be able to list our common stock on another national securities exchange or obtain quotation on an over-the counter quotation system.

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Risks Related To our Governing Documents and Nevada Law

Our Bylaws provide for indemnification of officers and directors at our expense, which may result in a major cost to us and hurt the interests of our shareholders because corporate resources may be expended for the benefit of officers or directors.

Our Bylaws provide that we shall indemnify our directors and officers to the fullest extent not prohibited by the Nevada Revised Statutes; and, provided, further, that we are not required to indemnify any director or officer in connection with any proceeding (or part thereof) initiated by such person unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors, (iii) such indemnification is provided by the Company, in its sole discretion, pursuant to the powers vested in the Company under the Nevada Revised Statutes, or (iv) such indemnification is required to be made pursuant to the terms of the Bylaws. We also have power to indemnify our employees and other agents as set forth in the Nevada Revised Statutes. Our Bylaws also provide that we are required to advance to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director or officer, of the corporation, or is or was serving at the request of the Company as a director or executive officer of another corporation, partnership, joint venture, trust or other enterprise, prior to the final disposition of the proceeding, promptly following request therefor, all expenses incurred by any director or officer in connection with such proceeding upon receipt of an undertaking by or on behalf of such person to repay said amounts if it should be determined ultimately that such person is not entitled to be indemnified under the Bylaws or otherwise.

We have been advised that, in the opinion of the SEC, indemnification for liabilities arising under federal securities laws is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification for liabilities arising under federal securities laws, other than the payment by us of expenses incurred or paid by a director, officer or controlling person in the successful defense of any action, suit or proceeding, is asserted by a director, officer or controlling person in connection with our activities, we will (unless in the opinion of our counsel, the matter has been settled by controlling precedent) submit to a court of appropriate jurisdiction, the question whether indemnification by us is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue. The legal process relating to this matter if it were to occur is likely to be very costly and may result in us receiving negative publicity, either of which factors is likely to materially reduce the market and price for our shares, if such a market ever develops.

Our Articles of Incorporation contains a specific provision that limits the liability of our directors and officers for monetary damages to the Company and the Company's shareholders to the fullest extent permitted by Nevada law and requires us, under certain circumstances, to indemnify officers, directors and employees.

The limitation of monetary liability against our directors, officers and employees under Nevada law and the existence of indemnification rights to them may result in substantial expenditures by us and may discourage lawsuits against our directors, officers and employees.

Our Articles of Incorporation contain a specific provision that limits the liability of our directors and officers to the fullest extent permitted by the Nevada Revised Statutes. We also have contractual indemnification obligations under our employment and engagement agreements with our executive officers and directors, as well as pursuant to certain indemnification agreements. The foregoing indemnification obligations could result in us incurring substantial expenditures to cover the cost of settlement or damage awards against our directors and officers, which the Company may be unable to recoup. These provisions and resultant costs may also discourage us from bringing a lawsuit against our directors and officers for breaches of their fiduciary duties and may similarly discourage the filing of derivative litigation by our stockholders against our directors and officers, even though such actions, if successful, might otherwise benefit us and our stockholders.

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Anti-takeover provisions in our Articles of Incorporation, as amended and our Bylaws, as well as provisions of Nevada law, might discourage, delay or prevent a change in control of our company or changes in our management and, therefore, depress the trading price of our common stock.

Our Articles of Incorporation, as amended and Bylaws and Nevada law contain provisions that may discourage, delay or prevent a merger, acquisition or other change in control that shareholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares of our common stock. These provisions may also prevent or delay attempts by our shareholders to replace or remove our management. Our corporate governance documents include the following provisions:

- a classified board of directors, as a result of which our board of directors is divided into three classes, with each class serving for staggered three-year terms;
- the removal of directors only with the approval of shareholders holding at least two-thirds of the voting power of the issued and outstanding stock entitled to vote in the election of directors;
- requiring advance notice of shareholder proposals for business to be conducted at meetings of our shareholders and for nominations of candidates for election to our Board of Directors;
- authorizing blank check preferred stock, which could be issued with voting, liquidation, dividend and other rights superior to our common stock;
- requiring super-majority voting to amend certain provisions of our Articles of Incorporation, including the provisions dealing with a classified Board of Directors; and
- limiting the liability of, and providing indemnification to, our directors and officers.

Any provision of our Articles of Incorporation, as amended or Bylaws or Nevada law that has the effect of delaying or deterring a change in control could limit the opportunity for our shareholders to receive a premium for their shares of our common stock and could also affect the price that some investors are willing to pay for our common stock.

The existence of the foregoing provisions and anti-takeover measures could limit the price that investors might be willing to pay in the future for shares of our common stock. They could also deter potential acquirers of our company, thereby reducing the likelihood that you could receive a premium for your common stock in an acquisition.

Our Articles of Incorporation allow for our Board of Directors to create new series of preferred stock without further approval by our shareholders, which could have an anti-takeover effect and could adversely affect holders of our common stock.

Our authorized capital includes preferred stock issuable in one or more series. Our board has the authority to issue preferred stock and determine the price, designation, rights, preferences, privileges, restrictions and conditions, including voting and dividend rights, of those shares without any further vote or action by

stockholders. The rights of the holders of common stock will be subject to, and may be adversely affected by, the rights of holders of any preferred stock that may be issued in the future (including, but not limited to the Series B Voting Preferred Stock which has already been authorized by the Board of Directors). The issuance of additional preferred stock, while providing desirable flexibility in connection with possible financings and acquisitions and other corporate purposes, could make it more difficult for a third party to acquire a majority of the voting power of our outstanding voting securities, which could deprive our holders of common stock of a premium that they might otherwise realize in connection with a proposed acquisition of our company.

Risks Related to the Transactions Contemplated by the Meridian Purchase Agreement

The number of shares of common stock issuable pursuant to the Meridian Purchase Agreement will cause significant dilution to existing shareholders.

Pursuant to the Meridian Purchase Agreement, following the initial closing of the Meridian Purchase Agreement, the Meridian Sellers are expected to own approximately 61.6% of the aggregate outstanding shares of common stock of the Company and approximately 60.0% of our outstanding voting shares, with the Company's shareholders prior to the initial closing date holding approximately 38.4% of the aggregate outstanding common stock and approximately 40.0% of the aggregate voting shares of the combined company, which Seller ownership will increase to approximately 62.8% of the Company's total voting shares upon the final closing of the Meridian Purchase Agreement, and assuming the post-closing shares are issued. As a result, the total shares of common stock and preferred stock issuable upon initial closing of the Meridian Purchase Agreement will cause significant dilution to existing shareholders, and result in a change of control.

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The number of shares of common stock and preferred stock that will be issuable in the Meridian Purchase Agreement are not adjustable based on the market price of the Company's common stock, so the shares issued at the closing may have a greater or lesser value than the market price at the time the Meridian Purchase Agreement was signed.

The number of shares of common stock issuable at the closings of the Meridian Purchase Agreement is fixed. Any changes in the market price of the Company's common stock before the closings will not affect the number of shares the Meridian Sellers will be entitled to receive pursuant to the Meridian Purchase Agreement. Therefore, if before the closing, the market price of the Company's common stock declines from the market price on the date of the Meridian Purchase Agreement, then the Meridian Sellers could receive consideration with a substantially lower value. Similarly, if before the completion of the Meridian Purchase Agreement, the market price of the Company's common stock increases from the market price on the date of the Meridian Purchase Agreement, then the Meridian Sellers could receive consideration with substantially more value for their shares of the Meridian Companies capital stock than the parties had negotiated for in the establishment of the initial value per share of Company common stock ($3.50 per share). The Meridian Purchase Agreement does not include a price-based termination right.

The market price of the Company's common stock following the Meridian Purchase Agreement may decline as a result of the transactions.

The market price of the Company's common stock may decline as a result of the Meridian Purchase Agreement for a number of reasons, including if:

- investors react negatively to the combined company's business and prospects; or
- the performance of the combined company's business or its prospects are not consistent with the expectations of financial or industry analysts.

The Company's shareholders will have a reduced ownership and voting interest in, and will exercise less influence over the management of, the combined company following the completion of the Meridian Purchase Agreement.

Pursuant to the Meridian Purchase Agreement, following the initial closing of the Meridian Purchase Agreement, the Meridian Sellers are expected to own approximately 61.6% of the aggregate outstanding shares of common stock of the Company and approximately 60.0% of our outstanding voting shares, with the Company's shareholders prior to the initial closing date holding approximately 38.4% of the aggregate outstanding common stock and approximately 40.0% of the aggregate voting shares of the combined company, which Seller ownership will increase to approximately 62.8% of the Company's total voting shares upon the final closing of the Meridian Purchase Agreement, and assuming the post-closing shares are issued. In addition, the seven-member board of directors of the combined company will initially be comprised of two members selected by the Meridian Sellers (which appointment right is set forth in the designation of the Series C Voting Preferred Stock) and five directors selected by the current members of the board of directors of the Company. Consequently, the Company's shareholders will be able to exercise less influence over the management and policies of the combined company than they currently exercise over the management and policies of the Company.

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The Company's shareholders may not realize a benefit from the Meridian Purchase Agreement commensurate with the ownership dilution they will experience in connection with the Meridian Purchase Agreement.

If the combined company is unable to realize the full strategic and financial benefits anticipated from the Meridian Purchase Agreement, the Company's shareholders will have experienced substantial dilution of their ownership interests without receiving any commensurate benefit, or only receiving part of the commensurate benefit to the extent the combined company is able to realize only part of the strategic and financial benefits currently anticipated from the Meridian Purchase Agreement.

Regulatory and other approvals may not be received, may take longer than expected or may impose conditions that are not presently anticipated or that could have an adverse effect on the combined company following the Meridian Purchase Agreement.

Before the Meridian Purchase Agreement may be completed, applicable approvals may need to be obtained under certain laws and regulations and from various third parties. In deciding whether to grant regulatory clearances and approvals, the relevant governmental entities may consider, among other things, the effect of the Meridian Purchase Agreement on competition within their relevant jurisdiction. The terms and conditions of the approvals that are granted may impose requirements, limitations or costs or place restrictions on the conduct of the combined company's business. There can be no assurance that regulators will not impose conditions, terms, obligations or restrictions and that such conditions, terms, obligations or restrictions will not have the effect of delaying completion of the Meridian Purchase Agreement or that obtaining the consent of such regulators or third parties will not result in additional material costs. In addition, any such conditions, terms, obligations or restrictions may result in the delay or abandonment of the Meridian Purchase Agreement.

The consummation of the Meridian Purchase Agreement will result in a change of control of the Company.

Due to the significant number of shares issuable at the initial closing of the Meridian Purchase Agreement (i.e., 56,999,000 shares of the Company's common stock and 1,000 shares of Series C Voting Preferred Stock, which vote 7,500,000 voting shares on all shareholder matters), a change of control of the Company will be deemed to have occurred, and the Meridian Sellers will obtain voting control of the Company. Additionally, the Meridian Sellers will exercise control in determining the outcome of all corporate transactions or other matters, including the election and removal of directors, mergers, consolidations, the sale of all or substantially all of our

assets, and also the power to prevent or cause a further change in control. Any investors who purchase shares or hold shares prior to the initial closing of the Meridian Purchase Agreement will be minority shareholders and as such will have little to no say in the direction of the Company and the election of directors. Additionally, it will be difficult if not impossible for investors to remove the directors appointed by the Meridian Sellers, which will mean they will remain in control of who serves as officers of the Company as well as whether any changes are made in the board of directors. An owner of the Company's securities should keep in mind that your shares, and your voting of such shares, will likely have little effect on the outcome of corporate decisions.

The Meridian Purchase Agreement contains provisions that may discourage other companies from trying to combine with us on more favorable terms while the Meridian Purchase Agreement is pending.

The Meridian Purchase Agreement contains provisions that may discourage a third party from submitting a business combination proposal to us that might result in greater value to our shareholders than the Meridian Purchase Agreement. These provisions include a general prohibition on us from soliciting, or, subject to certain exceptions, entering into discussions with any third party regarding any acquisition proposal or offers for competing transactions.

The lack of a public market for the Meridian Companies shares makes it difficult to determine the fair market value of the Meridian Companies, and the consideration to be issued to the Meridian Sellers may exceed the actual value of the Meridian Companies.

The outstanding capital stock of the Meridian Companies are privately held and is not traded on any public market, which makes it difficult to determine the fair market value of the Meridian Companies. There can be no assurances that the consideration to be issued to the Meridian Sellers will not exceed the actual value of the Meridian Companies.

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Completion of the acquisition of the Meridian Companies is subject to certain conditions, and if these conditions are not satisfied or waived, the acquisition will not be completed. We may owe certain break-fees in the event the Meridian Purchase Agreement is terminated.

The obligations of the parties to the Meridian Purchase Agreement to complete such sale and purchase are subject to satisfaction or waiver (if permitted) of a number of conditions, including the Company raising required funding, the Meridian Sellers and the Meridian Companies entering into various shareholder agreements with the minority shareholders of the subsidiaries of the Meridian Companies and the Company's shareholders approving the acquisition. The satisfaction of all of the required conditions could delay the completion of the transaction for a significant period of time or prevent it from occurring. Any delay in completing the acquisition could cause the Company not to realize some or all of the benefits that the Company expects to achieve if the acquisition is successfully completed within its expected time frame. Further, there can be no assurance that the conditions to the closing of the acquisition will be satisfied or waived or that the acquisition will be completed.

To the extent that any term sheet, letter of intent or other agreement or understanding relating to the Required Financing includes any break-fee, termination fee, or other expenses payable by the Company upon termination thereof, to the proposed lender, financier, investment bank or agent (each a "Break-Fee"), despite the parties' best efforts to avoid such a requirement, each of the Company and Meridian Sellers shall be responsible for 50% of any such Break-Fee, including any amounts required to be escrowed in connection therewith. Any Break-Fee payable by us may be material and may have an adverse effect on our cash flows, liquidity and results of operations.

Failure to complete the acquisition of the Meridian Companies could negatively impact our stock price and future business and financial results.

If the acquisition of the Meridian Companies is not completed, our ongoing business may be adversely affected and we would be subject to a number of risks, including the following:

- we will not realize the benefits expected from the acquisition of the Meridian Companies, including a potentially enhanced competitive and financial position, expansion of assets and operations, and economies of scale, and therefore opportunities, and will instead be subject to all the risks we currently face as an independent company;
- we may experience negative reactions from the financial markets and our partners and employees;
- the Meridian Purchase Agreement places certain restrictions on the conduct of our business prior to the completion of the acquisition of the Meridian Companies or the termination of the Meridian Purchase Agreement. Such restrictions, the waiver of which is subject to the consent of the counterparties to such agreement, may prevent us from making certain acquisitions, taking certain other specified actions or otherwise pursuing business opportunities during the pendency of the Meridian Purchase Agreement; and
- matters relating to the acquisition of the Meridian Companies (including integration planning, negotiation of the purchase agreement and ancillary agreements, required proxy statements and other disclosures) may require substantial commitments of time and resources by our management, which would otherwise have been devoted to other opportunities that may have been beneficial to us.

Significant costs are expected to be incurred in connection with the consummation of the acquisition of the Meridian Companies and integration of the Company and the Meridian Companies into a single business, including legal, accounting, financial advisory and other costs.

If the acquisition of the Meridian Companies is consummated, the Company is expected to incur significant costs in connection with integrating the Meridian Companies operations. These costs may include costs for:

- employee redeployment, relocation or severance;
- integration of information systems; and
- reorganization or closures of facilities.

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In addition, the Company expects to incur a number of non-recurring costs associated with combining the operations of the Meridian Companies, which cannot be estimated accurately at this time. The Company will also incur transaction fees and other costs related to the acquisition of the Meridian Companies. Additional unanticipated costs may be incurred in the integration of the Meridian Companies. Although we expect that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, may offset incremental transaction and transaction-related costs over time, this net benefit may not be achieved in the near term, or at all. There can be no assurance that the Company will be successful in these integration efforts.

Combining the Meridian Companies and the Company may be more difficult, costly or time-consuming than expected and the Company may fail to realize the anticipated benefits of the acquisition of the Meridian Companies, including expected financial and operating performance of the Company.

The success of the acquisition of the Meridian Companies will depend, in part, on the Company's ability to realize anticipated cost savings from combining the businesses of the Company and the Meridian Companies. To realize the anticipated benefits and cost savings from the acquisition of the Meridian Companies, the Company must successfully integrate and combine the business of the Meridian Companies in a manner that permits those cost savings to be realized. If the Company is not able to successfully achieve this objective, the anticipated benefits of the Meridian Companies may not be realized fully or at all or may take longer to realize than expected.

The Company and the Meridian Companies have operated, and until the completion of the acquisition of the Meridian Companies, must continue to operate independently. It is possible that the integration process could result in the loss of key employees, the disruption of our ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect our ability to maintain relationships with customers, suppliers and employees or to achieve the anticipated benefits and cost savings. Integration efforts may also divert management attention and resources. These integration matters could have an adverse effect on each of the Company and the Meridian Companies during this transition period and for an undetermined period after completion of the acquisition of the Meridian Companies.

We will need to raise significant additional capital to complete the acquisition of the Meridian Companies.

Pursuant to the Meridian Purchase Agreement, the Meridian Sellers agreed to sell us 100% of the outstanding capital stock of each of the Meridian Companies in consideration for (a) a cash payment of $50 million, due at the initial closing of the acquisition; (b) 56,999,000 restricted shares of the Company's common stock (the "Phase 1 Closing Shares"), with an agreed upon value of $3.50 per share; (c) 1,000 shares of a to be designated series of Series C preferred stock of the Company, discussed in greater detail below (the "Series C Voting Preferred Stock"); (d) $10,000,000 in cash and 4,285,714 restricted shares of Company common stock (the "Post-Closing Shares") within five business days following the six month anniversary of the Phase 1 Closing (defined below) if (and only if) the Company has determined that: the Meridian Sellers and their affiliates are not then in default in any of their material obligations, covenants or representations under the Meridian Purchase Agreement, or any of the other transaction documents entered into in connection therewith (the "Post-Closing Consideration"); (e) a promissory note in the amount of $10,000,000 (the "Promissory Note"), due nine months after the Phase 1 Closing; and (f) 4,000,000 shares of the Company's restricted common stock payable at the Phase 2 Closing (defined below)(the "Phase 2 Shares").

We currently estimate that we will need raise approximately $50.0 million to complete such acquisition. We plan to raise this funding through the sale of debt; however, we have not entered into any loan agreements regarding such funding to date, and such funding may not be available on favorable terms, if at all. If debt financing is available and obtained, our interest expense may increase and we may be subject to the risk of default, depending on the terms of such financing. If equity financing is available and obtained it may result in our shareholders experiencing significant dilution. If such financing is unavailable, we may be unable to complete the acquisition of the Meridian Companies.

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We anticipate financing a portion of the purchase price of the Meridian Companies by way of debt which is expected to be secured by a priority security interest in substantially all of our assets.

As described above, we currently anticipate the need for approximately $50 million of additional funding to complete the acquisition of the Meridian Companies. We have not entered into any loan documents relating to the funding to date. In the event that such funding is available to us, and we are able to borrow such planned funding, we anticipate our obligations under the debt facility being secured by a priority security interest in substantially all of our assets. We further expect that substantially all of our subsidiaries would be required to guarantee our obligations under such loan facility. As such, our creditors will likely have security interests over our assets and/or our subsidiaries which secure the repayment of such obligations, and in the event we default under such facility, the lenders may be able to take control of our assets and operations, force a sale of our assets, force us to seek bankruptcy protection, or force us to curtail or abandon our current business plans and operations. If that were to happen, any investment in the Company (including, but not limited to any investment in our common stock) could become worthless.

Our failure to comply with the covenants in any documents governing future indebtedness could materially adversely affect our financial condition and liquidity.

In connection with our planned debt facility discussed above, we anticipate being subject to certain affirmative and negative covenants and to be subject to financial covenants. A breach of any of these covenants, if uncured or unwaived, could lead to an event of default, which in some circumstances could give our creditors the right to demand that we accelerate repayment of amounts due and/or enforce their rights under the debt agreement. In the event of any such breach, we may need to seek covenant waivers or amendments from our creditors or seek alternative or additional sources of financing, and we may not be able to obtain any such waivers or amendments or alternative or additional financing on acceptable terms, if at all. In addition, any covenant breach or event of default could harm our credit rating and our ability to obtain additional financing on acceptable terms. The occurrence of any of these events could have a material adverse effect on our financial condition and liquidity and/or cause our lenders to pursue enforcement remedies available to them under their respective debt agreements which could ultimately result in foreclosure, which would have a material adverse effect on our operations and the value of our securities.

We will be subject to business uncertainties and contractual restrictions while the acquisition of the Meridian Companies is pending.

Uncertainty about the effect of the acquisition of the Meridian Companies on employees and partners may have an adverse effect on us. These uncertainties may impair our ability to attract, retain and motivate key personnel until the acquisition of the Meridian Companies is completed, and could cause partners and others that deal with us to seek to change existing business relationships, cease doing business with us or cause potential new partners to delay doing business with us until the acquisition of the Meridian Companies has been successfully completed or terminated. Retention of certain employees may be challenging during the pendency of the acquisition of the Meridian Companies, as certain employees may experience uncertainty about their future roles or compensation structure. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the business, our business following the acquisition of the Meridian Companies could be negatively impacted. In addition, the acquisition of the Meridian Companies restricts us from making certain acquisitions and taking other specified actions until the acquisition of the Meridian Companies is completed without certain consents and approvals. These restrictions may prevent us from pursuing attractive business opportunities that may arise prior to the completion of the acquisition of the Meridian Companies or the termination of the Meridian Purchase Agreement.

The Meridian Purchase Agreement may be terminated in accordance with its terms and the acquisition of the Meridian Companies may not be completed.

The Meridian Purchase Agreement is subject to several conditions that must be fulfilled in order to complete the Acquisition of the Meridian Companies. These conditions to the closing of the acquisition of the Meridian Companies may not be fulfilled and, accordingly, the acquisition of the Meridian Companies may not be completed. In addition, the parties to the Meridian Purchase Agreement can generally terminate such agreement if (a) the initial closing contemplated under such agreement is not completed by June 30, 2023; or (b) funding is not obtained for such acquisition by May 31, 2023, and the Company can terminate the Meridian Purchase Agreement under certain circumstances as a result of its due diligence process or if certain shareholder agreements are not entered into with certain minority shareholders of the subsidiaries of the Meridian Companies by February 25, 2023 (45 days after the entry into the Meridian Purchase Agreement), provided the agreement may also be terminated under certain other conditions, including if the terms of the Meridian Purchase Agreement are breached, and the parties can mutually decide to terminate the Meridian Purchase Agreement at any time.

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Litigation could prevent or delay the closing of the acquisition of the Meridian Companies or otherwise negatively impact the business and operations of the Company.

The Company may incur costs in connection with the defense or settlement of any shareholder lawsuits filed in connection with the acquisition of the Meridian Companies. Such litigation could have an adverse effect on the financial condition and results of operations of the Company and could prevent or delay the consummation of the acquisition of the Meridian Companies. Such litigation, affecting the Meridian Companies and/or the transaction, could delay or prevent the closing of the acquisition of the Meridian Companies.

Termination of the Meridian Purchase Agreement could negatively impact the Company.

In the event the Meridian Purchase Agreement is terminated, our business may have been adversely impacted by our failure to pursue other beneficial opportunities due to the focus of management on the acquisition of the Meridian Companies, and the market price of our common stock might decline to the extent that the current market price reflects a market assumption that the acquisition of the Meridian Companies will be completed. If the Meridian Purchase Agreement is terminated and our Board of Directors seeks another acquisition or business combination, our shareholders cannot be certain that we will be able to find a party willing to offer equivalent or more attractive consideration than the consideration provided for by the acquisition of the Meridian Companies.

The indemnification obligations of the Company pursuant to the Meridian Purchase Agreement may be satisfied through the issuance of additional shares of common stock valued at the then fair market value of the Company's common stock, which may cause significant dilution to existing shareholders.

If the Company is obligated under the Meridian Purchase Agreement to indemnify, compensate, or reimburse Meridian Sellers, then the Company agreed to take any and all action necessary to ensure that Meridian Sellers (in their capacity as shareholders of the Company) are not directly or indirectly held liable for such amount(s), and instead are reimbursed in full. Additionally, at Meridian Sellers' election, the Company agreed to issue additional shares of common stock of the Company to the Meridian Sellers, based on the then fair market value of such shares, in an amount necessary to satisfy such obligation. The issuance of shares of common stock to settle the indemnification obligations of the Company at the option of the Meridian Sellers may cause significant dilution to existing shareholders.

General Risk Factors

If we make any future acquisitions, they may disrupt or have a negative impact on our business.

If we make acquisitions in the future, funding permitting, which may not be available on favorable terms, if at all, we could have difficulty integrating the acquired company's assets, personnel and operations with our own. We do not anticipate that any acquisitions or mergers we may enter into in the future would result in a change of control of the Company. In addition, the key personnel of the acquired business may not be willing to work for us. We cannot predict the effect expansion may have on our core business. Regardless of whether we are successful in making an acquisition, the negotiations could disrupt our ongoing business, distract our management and employees and increase our expenses. In addition to the risks described above, acquisitions are accompanied by a number of inherent risks, including, without limitation, the following:

- the difficulty of integrating acquired products, services or operations;
- the potential disruption of the ongoing businesses and distraction of our management and the management of acquired companies;
- difficulties in maintaining uniform standards, controls, procedures and policies;

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- the potential impairment of relationships with employees and customers as a result of any integration of new management personnel;
- the potential inability or failure to achieve additional sales and enhance our customer base through cross-marketing of the products to new and existing customers;
- the effect of any government regulations which relate to the business acquired;
- potential unknown liabilities associated with acquired businesses or product lines, or the need to spend significant amounts to retool, reposition or modify the marketing and sales of acquired products or operations, or the defense of any litigation, whether or not successful, resulting from actions of the acquired company prior to our acquisition; and
- potential expenses under the labor, environmental and other laws of various jurisdictions.

Our business could be severely impaired if and to the extent that we are unable to succeed in addressing any of these risks or other problems encountered in connection with an acquisition, many of which cannot be presently identified. These risks and problems could disrupt our ongoing business, distract our management and employees, increase our expenses and adversely affect our results of operations.

Our insurance may not provide adequate levels of coverage against claims.

We maintain insurance that we believe is customary for businesses of our size and type. However, there are types of losses we may incur that cannot be insured against or that we believe are not economically reasonable to insure. Moreover, any loss incurred could exceed policy limits and policy payments made to us may not be made on a timely basis. Such losses could adversely affect our business prospects, results of operations, cash flows and financial condition.

We have not paid any cash dividends in the past and have no plans to issue cash dividends in the future, which could cause the value of our common stock to have a lower value than other similar companies which do pay cash dividends.

We have not paid any cash dividends on our common stock to date and do not anticipate any cash dividends being paid to holders of our common stock in the foreseeable future. While our dividend policy will be based on the operating results and capital needs of the business, it is anticipated that any earnings will be retained to finance our future expansion. As we have no plans to issue cash dividends in the future, our common stock could be less desirable to other investors and as a result, the value of our common stock may decline, or fail to reach the valuations of other similarly situated companies who have historically paid cash dividends in the past.

Litigation costs and the outcome of litigation could have a material adverse effect on the Company's business.

From time to time, the Company may be subject to litigation claims through the ordinary course of our business operations regarding, but not limited to, employment matters, security of consumer and employee personal information, contractual relations with suppliers, marketing and infringement of trademarks and other intellectual property rights. Litigation to defend the Company against claims by third parties, or to enforce any rights that the Company may have against third parties, may be necessary, which could result in substantial costs and diversion of the Company's resources, causing a material adverse effect on its business, financial condition and results of operations. The Company is not aware of any current material legal proceedings outstanding, threatened or pending as of the date hereof by or against the

Company, given the nature of its business, it is, and may from time to time in the future be, party to various, and at times numerous, legal, administrative and regulatory inquiries, investigations, proceedings and claims that arise in the ordinary course of business. Because the outcome of litigation is inherently uncertain, if one or more of such legal matters were to be resolved against the Company for amounts in excess of management's expectations, the Company's results of operations and financial condition could be materially adversely affected.

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Shareholders may be diluted significantly through our efforts to obtain financing and satisfy obligations through the issuance of additional shares of our common stock.

Wherever possible, our Board of Directors will attempt to use non-cash consideration to satisfy obligations. In many instances, we believe that the non-cash consideration will consist of restricted shares of our common stock or where shares are to be issued to our officers, directors, and applicable consultants. Our Board of Directors has authority, without action or vote of the shareholders, to issue all or part of the authorized but unissued shares of common stock. In addition, we may attempt to raise capital by selling shares of our common stock, possibly at a discount to market. These actions will result in dilution of the ownership interests of existing shareholders, which may further dilute common stock book value, and that dilution may be material. Such issuances may also serve to enhance existing management's ability to maintain control of the Company because the shares may be issued to parties or entities committed to supporting existing management.

The sale of shares by our directors and officers may adversely affect the market price for our shares.

Sales of significant amounts of shares held by our officers and directors, or the prospect of these sales, could adversely affect the market price of our common stock. Management's stock ownership may discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us, which in turn could reduce our stock price or prevent our stockholders from realizing a premium over our stock price.

There may be future sales of our common stock, which could adversely affect the market price of our common stock and dilute a stockholder's ownership of common stock.

The exercise of (a) any options granted to executive officers and other employees under our equity compensation plans and (b) of any warrants, and other issuances of our common stock could have an adverse effect on the market price of the shares of our common stock. We are not restricted from issuing additional shares of common stock, including any securities that are convertible into or exchangeable for, or that represent the right to receive shares of common stock, provided that we are subject to the requirements of the Nasdaq Capital Market (which generally requires stockholder approval for any transactions which would result in the issuance of more than 20% of our then outstanding shares of common stock or voting rights representing over 20% of our then outstanding shares of stock). Sales of a substantial number of shares of our common stock in the public market or the perception that such sales might occur could materially adversely affect the market price of the shares of our common stock. Because our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings. Accordingly, our stockholders bear the risk that our future offerings will reduce the market price of our common stock and dilute their stock holdings in us.

Our common stock has in the past been a "penny stock" under SEC rules, and may be subject to the "penny stock" rules in the future. It may be more difficult to resell securities classified as "penny stock."

In the past (including immediately prior to our common stock being listed on The Nasdaq Capital Market), our common stock was a "penny stock" under applicable SEC rules (generally defined as non-exchange traded stock with a per-share price below $5.00). While our common stock is not now considered a "penny stock" because it is listed on The Nasdaq Capital Market, if we are unable to maintain that listing, unless we maintain a per-share price above $5.00, our common stock will become a "penny stock." These rules impose additional sales practice requirements on broker-dealers that recommend the purchase or sale of penny stocks to persons other than those who qualify as "established customers" or "accredited investors." For example, broker-dealers must determine the appropriateness for non-qualifying persons of investments in penny stocks. Broker-dealers must also provide, prior to a transaction in a penny stock not otherwise exempt from the rules, a standardized risk disclosure document that provides information about penny stocks and the risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, disclose the compensation of the broker-dealer and its salesperson in the transaction, furnish monthly account statements showing the market value of each penny stock held in the customer's account, provide a special written determination that the penny stock is a suitable investment for the purchaser, and receive the purchaser's written agreement to the transaction.

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Legal remedies available to an investor in "penny stocks" may include the following:

- If a "penny stock" is sold to the investor in violation of the requirements listed above, or other federal or states securities laws, the investor may be able to cancel the purchase and receive a refund of the investment.

- If a "penny stock" is sold to the investor in a fraudulent manner, the investor may be able to sue the persons and firms that committed the fraud for damages.

These requirements may have the effect of reducing the level of trading activity, if any, in the secondary market for a security that becomes subject to the penny stock rules. The additional burdens imposed upon broker-dealers by such requirements may discourage broker-dealers from effecting transactions in our securities, which could severely limit the market price and liquidity of our securities. These requirements may restrict the ability of broker-dealers to sell our common stock and may affect your ability to resell our common stock.

Many brokerage firms will discourage or refrain from recommending investments in penny stocks. Most institutional investors will not invest in penny stocks. In addition, many individual investors will not invest in penny stocks due, among other reasons, to the increased financial risk generally associated with these investments.

For these reasons, penny stocks may have a limited market and, consequently, limited liquidity. We can give no assurance at what time, if ever, our common stock will not be classified as a "penny stock" in the future.

A significant number of our shares are eligible for sale and their sale or potential sale may depress the market price of our common stock.

Sales of a significant number of shares of our common stock in the public market could harm the market price of our common stock. Most of our common stock is available for resale in the public market, and if sold would increase the supply of our common stock, thereby causing a decrease in its price. Some or all of our shares of common stock may be offered from time to time in the open market pursuant to effective registration statements and/or compliance with Rule 144, which sales could have a depressive effect on the market for our shares of common stock. Subject to certain restrictions, a person who has held restricted shares for a period of six months may generally sell common stock into the market. The sale of a significant portion of such shares when such shares are eligible for public sale may cause the value of our common stock to decline in value.

Our ability to grow and compete in the future will be adversely affected if adequate capital is not available.

The ability of our business to grow and compete depends on the availability of adequate capital, which in turn depends in large part on our cash flow from operations and the availability of equity and debt financing. Our cash flow from operations may not be sufficient or we may not be able to obtain equity or debt financing on acceptable terms or at all to implement our growth strategy. As a result, adequate capital may not be available to finance our current growth plans, take advantage of business opportunities or respond to competitive pressures, any of which could harm our business.

If we are unable to manage future growth effectively, our profitability and liquidity could be adversely affected.

Our ability to achieve our desired growth depends on our execution in functional areas such as management, sales and marketing, finance and general administration and operations. To manage any future growth, we must continue to improve our operational and financial processes and systems and expand, train and manage our employee base and control associated costs. Our efforts to grow our business, both in terms of size and in diversity of customer bases served, will require rapid expansion in certain functional areas and put a significant strain on our resources. We may incur significant expenses as we attempt to scale our resources and make investments in our business that we believe are necessary to achieve long-term growth goals. If we are unable to manage our growth effectively, our expenses could increase without a proportionate increase in revenue, our margins could decrease, and our business and results of operations could be adversely affected.

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We may be adversely affected by climate change or by legal, regulatory or market responses to such change.

The long-term effects of climate change are difficult to predict; however, such effects may be widespread. Impacts from climate change may include physical risks (such as rising sea levels or frequency and severity of extreme weather conditions), social and human effects (such as population dislocations or harm to health and well-being), compliance costs and transition risks (such as regulatory or technology changes) and other adverse effects. The effects of climate change could increase the cost of certain products, commodities and energy (including utilities), which in turn may impact our ability to procure goods or services required for the operation of our business. Climate change could also lead to increased costs as a result of physical damage to or destruction of our facilities, loss of inventory, and business interruption due to weather events that may be attributable to climate change. These events and impacts could materially adversely affect our business operations, financial position or results of operation.

We might be adversely impacted by changes in accounting standards.

Our consolidated financial statements are subject to the application of U.S. GAAP, which periodically is revised or reinterpreted. From time to time, we are required to adopt new or revised accounting standards issued by recognized authoritative bodies, including the Financial Accounting Standards Board ("FASB") and the SEC. It is possible that future accounting standards may require changes to the accounting treatment in our consolidated financial statements and may require us to make significant changes to our financial systems. Such changes might have a materially adverse impact on our financial position or results of operations.

For all of the foregoing reasons and others set forth herein, an investment in our securities involves a high degree of risk.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

On June 1, 2021, the Company (through GTG) entered into a three-year term lease agreement for approximately 1,931 square feet of office space located at Suite 405, 2 Grosvenor Street, Bondi Junction, NSW 2022, Australia and two parking spaces, which commenced on June 1, 2021. The Company has the option to renew for a period of three years. The rent is $117,857 ($167,338 AUD) per year (subject to a 4% annual increase) plus goods and services tax charged at 10% based on Australian Taxation Law.

The Company (through RKings) maintains office and warehousing which are month-to-month rental arrangements that can be terminated by either the landlord or tenant with 30 days' notice.

The Company maintains a Virtual Managed Office at 3651 Lindell Road, Ste D131 Las Vegas NV, 89103. The office is managed by BSSI a business solutions provider.

Item 3. Legal Proceedings

The Company is in dispute with Mr. Paul Hardman (one of the sellers of the 80% interest in RKings, described above in **Item 1. Business**, Organizational History) with regards to the Holdback Amount (as defined above) of $573,000 that he has alleged is still owed to him. That amount is accrued and included in the Company's liabilities as of October 31, 2022. The Company's dispute and claims against Mr. Hardman stem from breaches of the terms of the Purchase Agreement by Mr. Hardman. The Company is vigorously pursuing the claim of breach of the Purchase Agreement against Mr. Hardman; however, at this point, no formal legal action has been initiated by either party to date.

Although we may, from time to time, be involved in litigation and claims arising out of our operations in the normal course of business, we are not currently a party to any material legal proceeding. In addition, we are not aware of any material legal or governmental proceedings against us or contemplated to be brought against us. The impact and outcome of litigation, if any, is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We believe the ultimate resolution of any such current proceeding will not have a material adverse effect on our continued financial position, results of operations or cash flows.

Item 4. Mine Safety Disclosures

Not applicable.

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PART II

Item 5. Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities.

Market Information

Our common stock is presently traded on The Nasdaq Capital Market under the symbol "GMGI". Prior to March 17, 2022, our common stock was quoted on the OTCQX® Best Market operated by OTC Markets Group Inc. (the "OTCQX"), under the symbol "GMGI". Prior to September 22, 2021, our common stock was quoted on the OTC Pink market operated by OTC Markets Group Inc.

Holders

According to the records of our transfer agent, as of October 31, 2022, there were approximately 74 record holders of our common stock and one holder of our Series B Voting Preferred Stock. The number of record holders does not include beneficial owners of common stock whose shares are held in the names of banks, brokers, nominees, or other fiduciaries.

Dividends

We have never paid any cash dividends on our common stock. We currently anticipate that we will retain all future earnings for use in our business. Consequently, we do not anticipate paying any cash dividends in the foreseeable future. The payment of dividends in the future will depend upon our results of operations, as well as our short-term and long-term cash availability, working capital, working capital needs, and other factors as determined by our Board of Directors. Currently, except as may be provided by applicable laws, there are no contractual or other restrictions on our ability to pay dividends if we were to decide to declare and pay them.

Recent sales of unregistered securities

There have been no sales of unregistered securities during the quarter ended October 31, 2022 and from the period from November 1, 2022 to the filing date of this Report, which have not previously been disclosed in a Quarterly Report on Form 10-Q or in a Current Report on Form 8-K, except as follows:

Recent sales of unregistered securities during the quarter ended October 31, 2022

None.

Recent issuances of unregistered securities subsequent to our fiscal year ended October 31, 2022

On November 4, 2022, the Company issued 165,444 shares of restricted common stock with an agreed value of $1,323,552, or $8.00 per share, to the minority shareholders of RKings, representing the non-controlling interest of 20% of RKings, as consideration for the purchase of their 20% capital stock of RKings. As of November 30, 2022, the Company owns 100% of RKings.

On December 8, 2022, 4,277 shares of restricted common stock were issued to a consultant in consideration for investor relation and press release services rendered to the Company over the past years.

The issuances described above, were exempt from registration pursuant to Section 4(a)(2), Rule 506 of Regulation D and/or Regulation S of the Securities Act, since the foregoing issuances did not involve a public offering, the recipients took the securities for investment and not resale, we took appropriate measures to restrict transfer, and the recipients were (a) "accredited investors"; (b) had access to similar documentation and information as would be required in a Registration Statement under the Securities Act; and/or (c) were non-U.S. persons. The securities are subject to transfer restrictions, and the certificates evidencing the securities contain an appropriate legend stating that such securities have not been registered under the Securities Act and may not be offered or sold absent registration or pursuant to an exemption therefrom. The securities were not registered under the Securities Act and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act and any applicable state securities laws.

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Issuer Repurchases of Equity Securities

None.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-looking statements

The following discussion of the Company's historical performance and financial condition should be read together with the consolidated financial statements and related notes in "Item 8. Financial Statements and Supplemental Data" of this Report. This discussion contains forward-looking statements based on the views and beliefs of our management, as well as assumptions and estimates made by our management. These statements by their nature are subject to risks and uncertainties, and are influenced by various factors. As a consequence, actual results may differ materially from those in the forward-looking statements. See "Item 1A. Risk Factors" of this Report for the discussion of risk factors and see "Cautionary Statement Regarding Forward-Looking Statements" for information on the forward-looking statements included below.

Summary of Information Contained in Management's Discussion and Analysis of Financial Condition and Results of Operations

Our Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is provided in addition to the accompanying audited financial statements and notes to assist readers in understanding our results of operations, financial condition, and cash flows. MD&A is organized as follows:

- **Overview**. Discussion of our business and overall analysis of financial and other highlights affecting us, to provide context for the remainder of MD&A.
- **Results of Operations**. An analysis of our financial results comparing the twelve month periods ended October 31, 2022 and 2021, the nine months ended October 31, 2021 and 2020 and the twelve months ended January 31, 2021 and 2020.
- **Liquidity and Capital Resources**. An analysis of changes in our consolidated balance sheets and cash flows and discussion of our financial condition.
- **Critical Accounting Policies and Estimates**. Accounting estimates that we believe are important to understanding the assumptions and judgments incorporated in our reported financial results and forecasts.

Overview

We derive revenues primarily from (1) licensing fees received from gaming operators located in the Asia Pacific (APAC) region that utilize the Company's technology, and (2) selling prize competitions directly to customers for prizes throughout the United Kingdom (UK).

As to licensing fees, the Company's goal is to expand our customer base globally and to integrate additional operators, launch additional synergistic products and appoint more distributors. Currently the Company has more than 7.1 million registered users across all gaming operators that utilize the Company's technology and is currently integrating additional operators to expand this usage.

As to prize competitions tickets, the Company's goal is to expand and complete its marketing efforts throughout the UK and then expand the platform to other countries throughout Europe and Latin America that allow the selling of prize competition tickets.

As to our Online Casino in Mexico, these operations commenced in November 2022 (post October 31, 2022 year-end) and the Company's goals are to penetrate the Mexican market with a competitive website that provides users with an online casino site Mexplay (www.mexplay.mx), that features an extensive number of table games, slots, as well as a sportsbook, and offers tournament competition prizes similar to those offered by RKings. Once the site is optimized, the Company's goal is to expand its marketing efforts throughout Mexico and scale the site and its functions to other Latin American countries.

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Our financial focus is on long-term, sustainable growth in revenue with the goal of marginal increases in expenses. The Company's activity is highly scalable. We are highly encouraged by recent revenue growth, clearly demonstrating the acceptance and reputation of the Company's GM-X System and its gaming content. We plan to continuously add new products to our offerings and anticipate revenue growth assuming we are successful therewith.

The Company has generated positive cash flows from operating since 2018. The Company is self-sustaining, and its cash needs are met through current operations; as of October 31, 2022, the cash balance was $14,949,673. We believe that the cash generated from our operations will be sufficient to meet our working capital needs for the next 12 months and beyond, including investments made and expenses incurred in connection with system development, marketing initiatives, and inventory purchase.

As previously noted, the Company is self-sustaining through its operations and therefore is not considering additional sources of liquidity; however, the Company may consider raising funds through debt, private placements, or additional public offerings for expansion of operations or synergetic acquisitions if additional external funds are sought. Unused sources of liquid assets, as of October 31, 2022, mainly included cash of $14,949,673, receivables (including receivables from related party) of $3,054,737 and inventory of $1,147,591, with offsetting liabilities of $2,774,932.

The Company does not have material cash requirements other than a possible payment of approximately $573,197 (GBP 500,000) in connection with the acquisition of RKings, which payment is currently subject to ongoing claims.

EBITDA – Earnings Before Interest Taxes Depreciation Amortization

In addition to our results calculated under generally accepted accounting principles in the United States ("GAAP"), we also present EBITDA below. EBITDA is a "non-GAAP financial measure" presented as a supplemental measure of the Company's performance. It is not presented in accordance with GAAP. The Company uses EBITDA as a metric of profits and successful operations management. In particular, we use EBITDA in the incentive compensation programs applicable to some of our officers and directors in order to evaluate our company's performance and determine whether certain restricted stock units vest as of the end of October 31, 2022, 2023 and 2024. EBITDA means net income before interest, taxes, depreciation, amortization and stock-based compensation. EBITDA should be viewed as supplemental to, and not as an alternative for net income or loss calculated in accordance with GAAP.

EBITDA is presented because we believe it provides additional useful information to investors due to the various noncash items during the period. EBITDA is also frequently used by analysts, investors and other interested parties to evaluate companies in our industry. EBITDA is unaudited, and has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our operating results as reported under GAAP. Some of these limitations are: EBITDA does not reflect cash expenditures, or future or contractual commitments; EBITDA does not reflect changes in, or cash requirements for, capital expenditures or working capital needs; EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on debt or cash income tax payments; although depreciation and amortization are noncash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements. In addition, other companies in this industry may calculate EBITDA differently than the Company does, limiting its usefulness as a comparative measure. The Company's presentation of these measures should not be construed as an inference that future results will be unaffected by unusual or nonrecurring items. We compensate for these limitations by providing a reconciliation of such non-GAAP measures to the most comparable GAAP measure, below. We encourage investors and others to review our business, results of operations, and financial information in their entirety, not to rely on any single financial measure, and to view non-GAAP measures in conjunction with the most directly comparable GAAP financial measure.

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Reconciliation of EBITDA to Net Income:

	Twelve Months Period Ended October 31, 2022
Net Income	$ 44,028
+ Interest expense	-
- Interest income	9,190
+ Taxes	419,049
+ Depreciation	22,847
+ Amortization	384,588
+ Stock based compensation	2,665,221
EBITDA	$ 3,526,543

Results of Operations

Revenues

The Company currently has three distinctive revenue streams. In the B2B segment there are two revenue streams (i) charges for usage of the Company's software, and (ii) a royalty charged on the use of third-party gaming content. In the B2C segment, the revenue stream is related to the prize competition tickets sold to enter prize competitions in the UK through RKings.

B2B segment, revenue descriptions:

(i). The Company charges gaming operators for the use of its unique intellectual property (IP) and technology systems. Revenues derived from such charges were based on the usage of the systems by the clients.

Total revenues recognized from the usage of our Gaming IP and technology systems for the twelve months ended October 31, 2022 and 2021, nine months ended October 31, 2021 and 2020, and the twelve months ended January 31, 2021 and 2020 are shown in the following table:

	Twelve Months Ended October 31 2022	Twelve Months Ended October 31 2021	Nine Months Ended October 31 2021	Nine Months Ended October 31 2020	Twelve Months Ended January 31 2021	Twelve Months Ended January 31 2020
		(unaudited)		(unaudited)		(unaudited)
Related party	$ 862,373	$ 2,140,266	$ 1,525,091	$ 1,633,702	$ 2,248,877	$ 2,167,773
Third party	9,693	266,008	112,182	441,994	595,819	1,120,802
Total	$ 872,066	$ 2,406,274	$ 1,637,273	$ 2,075,696	$ 2,844,696	$ 3,288,575

The decrease in revenues, regarding the usage of our Gaming IP and technology systems, in the twelve-month period ended October 31, 2022, compared to the twelve-month period ended October 31, 2021, as well as in the nine-month transition period ended October 31, 2021, compared to the nine-month period ended October 31, 2020, is due to the Company's shift in focus to appointing resellers of its product and services. A portion of the decrease in revenues by third-party clients can be attributed to the loss of certain major operators from our third-party customers which is being phased out.

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The decrease in revenues in the twelve-month period ended January 31, 2021, compared to the twelve-month period ended January 31, 2020, is due to a marginal decrease in revenues from our third-party customers and can be attributed to the reduced performance of certain operators.

(ii) Since June 2020, the Company has contracted with certain clients to offer third party gaming content and as such become a reseller of this gaming content. The Company acquires the third-party gaming content for a fixed cost and resells the content at a margin.

Revenues derived from the reselling of gaming content during the twelve-months ended October 31, 2022 and 2021, nine-months ended October 31, 2021 and 2020, and the twelve-months ended January 31, 2021 and 2020, are shown in the following table:

	Twelve Months Ended October 31 2022	Twelve Months Ended October 31 2021	Nine Months Ended October 31 2021	Nine Months Ended October 31 2020	Twelve Months Ended January 31 2021	Twelve Months Ended January 31 2020
		(unaudited)		(unaudited)		(unaudited)
Revenues from reselling of gaming content	$ 13,976,193	$ 8,879,457	$ 7,696,219	$ 1,195,957	$ 2,378,363	$ -

The increase in this category of revenues is due to the Company's shift in focus to appoint resellers for its products and services. The Company believes its strategy to appoint resellers will allow the Company to scale its distribution more efficiently and broaden its global reach. The Company is seeking to engage additional resellers, increase its number of operators, and broaden its global market. We believe that this is also now achievable via the Company's GM-Ag system that is more suitable for Latin American and European markets.

The Company believes that there is a significant opportunity to scale this revenue stream with low related expenses and no capital expenditures and also to expand its global reach. We believe the revenue stream is highly scalable i.e., the running and support costs relative to the incremental revenues are low and will reduce exponentially as a percentage of revenues as revenues grow. The Company has been striving to roll out this new product offering to its existing client base and expects to scale up its revenues as a result.

B2C segment, revenue description:

Since the acquisition of 80% of RKings effective November 1, 2021 and the acquisition of GMG Assets on August 1, 2022, the Company generates revenues from sales of prize competitions tickets directly to customers for prizes throughout the United Kingdom ranging from automobiles to jewelry as well as travel and entertainment experiences.

During the twelve months ended October 31, 2022, $21,186,597 of total revenues were derived from prize competitions ticket sales. Included in this amount are $1,024,268 of revenues, since August 1, 2022, from the purchase and sale of prizes the winners opted to receive the cash value of instead of the prize. The Company did not have revenues from the sales of prize competitions tickets prior to November 1, 2021, as it acquired 80% of RKings effective on November 1, 2021 and as discussed above under "Item 1. Business", the Company acquired 100% of RKings on November 30, 2022, effective as of November 4, 2022.

Total revenues for the twelve months ended October 31, 2022 and 2021 were $36,034,856 and $11,285,731, respectively.

Costs of goods sold

The Company currently has three distinctive sources of cost of goods sold. Two (i.e., (i) and (ii)) are related to the B2B segment and the third is related to the B2C segment.

(i). Historically, the Company only recognized the value of stock options granted to consultants under the 2018 Equity Incentive Plan as cost of goods sold. This recognition was based on the fact that the stock options directly contributed to the revenue generated by the Company's GM2 Asset. The amortization expenses of the stock options granted to consultants recognized in the twelve months ended October 31, 2022 and 2021, nine months ended October 31, 2021 and 2020, and the twelve months ended January 31, 2021 and 2020 are shown in the following table:

	Twelve Months	Twelve Months	Nine Months	Nine Months	Twelve Months	Twelve Months

	Ended October 31 2022	Ended October 31 2021 (unaudited)	Ended October 31 2021	Ended October 31 2020 (unaudited)	Ended January 31 2021	Ended January 31 2020 (unaudited)
Amortization of Consultants Options	$ 562,857	$ 470,437	$ 359,419	$ 164,762	$ 275,780	$ (59,280)

The increase in the cost of goods sold in the twelve-month period ended October 31, 2022, compared to the twelve-months ended October 31, 2021, was due to new options granted last year in March and September 2021, and in May 2022. The increase in the share price has increased the option valuation based on the Black-Scholes valuation model and therefore increased the amortization expenses over time.

The increase in the option amortization expenses of $194,657 in the nine-month transition period ended October 31, 2021, compared to the nine-months ended October 31, 2020, is due to new options granted during the nine-months ended October 31, 2021. The increase in the share price has increased the option valuation based on the Black-Scholes valuation model and therefore increased the amortization expenses.

The increase in the option amortization expense in the twelve-month period ended January 31, 2021, compared to the twelve-months ended January 31, 2020, is attributable to the options issued during the year. The increase in the share price has also increased the option valuation based on the Black-Scholes valuation model and therefore increased the amortization expenses. The negative cost of goods sold during the twelve months ended January 31, 2020 was due to the adoption of new accounting standard ASU 2018-07.

(ii). Beginning in June 2020, due to the reselling of the gaming content, the cost of usage of the third-party content is recognized as a cost of goods sold (COGS). The cost of goods sold during the twelve-months ended October 31, 2022 and 2021, nine-months ended October 31, 2021 and 2020, and the twelve-months ended January 31, 2021 and 2020 are shown in the following table:

	Twelve Months Ended October 31 2022	Twelve Months Ended October 31 2021 (unaudited)	Nine Months Ended October 31 2021	Nine Months Ended October 31 2020 (unaudited)	Twelve Months Ended January 31 2021	Twelve Months Ended January 31 2020 (unaudited)
COGS due to reselling of gaming content	$ 10,352,814	$ 6,535,585	$ 5,691,089	$ 880,508	$ 1,724,272	$ -

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The increase of $3,817,229 in cost of goods sold from the resale of gaming content in the twelve months ended October 31, 2022, versus the twelve months ended October 31, 2021, and the increase of $4,810,581 in cost of goods sold from the resale of gaming content in the nine months ended October 31, 2021, versus the nine months ended October 31, 2020, were attributable to the increased usage of gaming content as a result of an increased number of customers and registered players with our customers.

The increase of $1,724,272 in cost of goods sold from the resale of gaming content in the twelve months ended January 31, 2021, versus the twelve months ended January 31, 2020, is the result of the Company having no such costs before the twelve-months ended January 31, 2021.

While the Company is focusing on appointing additional resellers in order to scale its customer base, sales and global reach, the Company's gross profit margin may be reduced. However, the Company expects a long-term benefit in the cost of goods as a result of the increase in buying power due to higher overall usage of gaming content.

(iii) Beginning November 1, 2021, in connection with the acquisition of an 80% interest in RKings (which has since increased to 100% as of November 30, 2022, effective as of November 4, 2022) the Company incurs cost of goods sold due to the prizes purchased which are awarded to winners of prize competitions throughout the United Kingdom ranging from automobiles to jewelry as well as travel and entertainment experiences. During the twelve months ended October 31, 2022, $15,956,558 of cost of goods sold related to prizes that were awarded in the prize competitions. Included in this amount are $ 962,793 of cost of goods sold, since August 1, 2022, from the purchase and sale of prizes the winners opted to receive the cash value instead of the prize. The Company did not have cost of goods sold related to prize competitions prior to November 1, 2021.

Total costs of goods sold for the twelve months ended October 31, 2022 and 2021 are $26,872,229 and $7,006,022, respectively.

Gross Profit and Gross Profit Margin

We had gross profit of $9,162,627 for the twelve months ended October 31, 2022, compared to gross profit of $4,279,709 for the twelve months ended October 31, 2021, an increase of $4,882,918, mainly due to $5,230,039 of gross profit contributed from the B2C segment which started with the acquisitions of RKings on November 1, 2021, and GMG Assets on August 1, 2022. RKings and GMG Assets contributed $5,168,564 and $61,475 respectively, to gross profit for the twelve months ended October 31, 2022 and 2021. A decrease of gross profit of $347,121 in the B2B segment was mainly due to the decrease in revenues from the usage of IP and technology systems as discussed above.

We had gross profit of $3,282,984 for the nine months ended October 31, 2021, compared to gross profit of $2,226,383 for the nine months ended October 31, 2020, an increase of $1,056,601, mainly due to the increasing revenues derived from reselling of gaming content which started in June 2020.

Gross profit margin was 25% for the twelve months ended October 31, 2022, compared to 38% for the twelve months ended October 31, 2021, mainly due to the increase in revenues in the resale of gaming content and higher revenues in the B2C segment (i.e., prize competitions), which have a lower gross profit margin compared with revenues from the usage of IP and technology systems. The gross profit margin on revenues from the resale of gaming content was approximately 26% for the twelve months ended October 31, 2022. The Company believes that this resale revenue stream is highly scalable and there is a significant opportunity to scale this resale revenue stream with low related expenses and no capital expenditures and also to expand its global reach. The gross profit margin on the B2C segment was approximately 25% for the twelve months ended October 31, 2022.

Gross profit margin was 35% for the nine months ended October 31, 2021, compared to 68% for the nine months ended October 31, 2020, mainly due to the increase in revenues from resales which had a lower gross profit margin.

Moving forward, the Company expects to consolidate several operating aspects that are redundant and plans to seek to generate increased gross profit and gross profit margin due to economies of scale. Also, the competition prizes are expected to generate larger profit margins with a focus on increasing the margins on individual prizes.

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General and administrative Expenses

General and administrative expenses consist primarily of advertising and promotion expenses, travel expenses, website maintenance expenses, administrative expenses, commission expenses, lease expenses, gaming license expenses and amortization expenses on our intangible asset (see "NOTE 9 – INTANGIBLE ASSETS – SOFTWARE PLATFORM" to the financial statements included herein). Total general and administrative expenses for the twelve months ended October 31, 2022 and 2021, nine months ended October 31, 2021 and 2020, and the twelve months ended January 31, 2021 and 2020 are shown in the following table:

	Twelve Months Ended October 31 2022	Twelve Months Ended October 31 2021	Nine Months Ended October 31 2021	Nine Months Ended October 31 2020	Twelve Months Ended January 31 2021	Twelve Months Ended January 31 2020
		(unaudited)		(unaudited)		(unaudited)
General & Administrative Expenses	$ 5,442,591	$ 1,264,672	$ 1,112,986	$ 414,965	$ 566,593	$ 337,140

The increase in the general and administrative expenses for the twelve months ended October 31, 2022, compared to the twelve months ended October 31, 2021, was mainly due to $3,131,121 of general and administrative expenses from our B2C segment which started with the acquisitions of RKings on November 1, 2021, and GMG Assets on August 1, 2022. The expenses mainly include the payroll costs, advertisement, and bank charges for the transaction fees of which RKings accounted for $3,060,844 and GMG Assets accounted for $70,277, for the twelve months ended October 31, 2022 and 2021. The increase in the general and administrative expenses in the B2B segment for the twelve months ended October 31, 2022, compared to the twelve months ended October 31, 2021, was mainly due to the increase in marketing costs and payroll costs.

The increase in the general and administrative expenses for the nine months ended October 31, 2021, compared to the nine months ended October 31, 2020, was mainly due to a marketing fee paid to one of the Company's customers and certain new expenses which were applicable this fiscal year, but not last, including lease expenses, gaming license expenses, and amortization expenses on our intangible asset. The marketing fee is due to one customer pursuant to a Software Services Agreement which stipulates benchmark targeted gross gaming revenues that the customer is required to achieve in order to obtain a marketing rebate. As such, if the customer generates the benchmark by a predetermined date, then the customer will be granted a marketing rebate of 1% of the gross gaming revenues generated by the customer. The customer has satisfied the requirement of the stipulated June 2021 benchmark which was 4 million Euro gross gaming revenues, and as such was granted the 1% rebate. This rebate resulted in an increase in general and administrative expenses.

The increase in the general and administrative expenses for the twelve months ended January 31, 2021, compared to twelve months ended January 31, 2020, is mainly due to the marketing compensation granted to one of the Company's customers. As per the Company's Software Agreement with the customer, the customer is required to achieve benchmark targeted gross gaming revenues in order to obtain a marketing rebate. If the customer generates the benchmark by a predetermined date then the customer will be granted a marketing rebate of 1% of the gross gaming revenues generated by the customer. The customer has satisfied the requirement of the stipulated September 2020 benchmark which was 2 million Euro gross gaming revenues, and as such was granted the 1% rebate.

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General and administrative Expenses – Related Parties

General and administrative expenses from related parties consist primarily of amortization expenses due to stock incentives granted to directors and officers, back-office expenses paid to Articulate Pty Ltd ("Articulate"), which is wholly-owned by Anthony Brian Goodman, CEO and Chairman of the Company and his wife Marla Goodman, consulting expenses and salary expenses payable to the Company's Directors and officers. The components of general and administrative expenses from related parties for the twelve months ended October 31, 2022 and 2021, nine months ended October 31, 2021 and 2020, and the twelve months ended January 31, 2021 and 2020, are shown in the following table:

	Twelve Months Ended October 31 2022	Twelve Months Ended October 31 2021	Nine Months Ended October 31 2021	Nine Months Ended October 31 2020	Twelve Months Ended January 31 2021	Twelve Months Ended January 31 2020
		(unaudited)		(unaudited)		(unaudited)
Stock compensation	$ 2,095,600	$ 1,144,468	$ 546,560	$ 1,032,495	$ 1,630,403	$ 484,763
Back-office expenses	-	88,000	55,000	99,000	132,000	99,000
Consulting & salary expenses	745,537	487,153	380,463	181,347	288,037	160,380
Total	$ 2,841,137	$ 1,719,621	$ 982,023	$ 1,312,842	$ 2,050,440	$ 744,143

During the twelve-months ended October 31, 2022 and 2021, the stock compensation expenses increased due to the restricted stock units granted to members of the Board of Directors including executive directors and independent directors on September 16, 2022; the back-office expenses decreased due to the cancellation of a Back Office Services Agreement with Articulate on June 30, 2021; the consulting & salary expense increased by $258,384, which is principally due to the increased compensation to the Company's directors and officers.

During the nine-months ended October 31, 2021 and 2020, the directors' stock options amortization expense decreased due to the stock options granted to the Company's Chief Executive Officer (options to purchase 2,700,000 shares of common stock) and the Chief Operating Officer (options to purchase 700,000 shares of common stock) in addition to other options granted under the 2018 Equity Incentive Plan becoming fully vested and fully amortized; the back-office expenses decreased due to the cancellation of a Back Office Services Agreement with Articulate (a related party owned by the Company's Chief Executive Officer, Anthony Brian Goodman); the consulting & salary expense increased by $199,116, which is principally due to increased salaries of the Company's Chief Executive Officer, the Chief Operating Officer and the addition of the Chief Financial Officer's compensation.

During the twelve-months ended January 31, 2021 and 2020, the amortization expenses increased due to the stock options granted to three Independent Directors under the 2018 Equity Incentive Plan; the back office expenses (with Articulate, a related party owned by the Company's Chief Executive Officer, Anthony Brian Goodman and his wife) increased due to the increasing cost per month thereof from $5,500 to $11,000 beginning in August 1, 2019; the consulting expenses increased due

to the increasing number of Directors which the Company had, and the consulting services provided by Mr. Brett Goodman, a consultant, and the son of the Company's Chief Executive Officer, who was engaged to assist the Company with building a Peer-to-Peer gaming system.

Professional fees

Professional fees consisted primarily of SEC filing fees, legal fees, financial service fees and accounting and audit fees. The professional fees for the twelve-months ended October 31, 2022 and 2021, the nine months ended October 31, 2021 and 2020, and the twelve months ended January 31, 2021 and 2020, are shown in the following table:

	Twelve Months Ended October 31 2022	Twelve Months Ended October 31 2021	Nine Months Ended October 31 2021	Nine Months Ended October 31 2020	Twelve Months Ended January 31 2021	Twelve Months Ended January 31 2020
		(unaudited)		(unaudited)		(unaudited)
Professional fees	$ 663,315	$ 336,139	$ 287,383	$ 110,336	$ 159,091	$ 57,507

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During the twelve-months ended October 31, 2022 and 2021, professional fees increased by $327,176 to $663,315, from $336,139, respectively, mainly due to the Company's acquisition of RKings, GMG Assets, and the Company's Nasdaq uplisting application, which was approved effective on March 17, 2022, and other one-time corporate matters which did not occur in the prior period.

During the nine-months ended October 31, 2021 and 2020, professional fees increased by $177,047 to $287,383, from $110,336, respectively, mainly due to legal and accounting fees related to corporate actions, filings with the SEC, preparation of tax returns and period end audits and reviews. Legal fees increased by $112,411 (from $54,556 to $166,967) and accounting and audit fees increased by $53,950 (from $32,550 to $86,500).

During the twelve-months ended January 31, 2021 and 2020, professional fees increased $101,584 from $57,507, to $159,091, respectively, mainly due to the corporate actions and filings with the SEC during the year including the change of fiscal year, a stock reverse split and fees in connection with the filing of our Nasdaq uplisting application.

Research and development expense

Research and development expense was incurred in connection with the building of the Company's Seamless Aggregation Platform ("Aggregation Platform") acquired on March 1, 2021, from Gamefish Global Pty Ltd, and the Company's Proprietary Peer to Peer gaming system. During the twelve-months ended October 31, 2022 and 2021, the research and development expense decreased $155,533 to $23,092, from $178,625, respectively, mainly due to the termination of ongoing development work contemplated by the Asset Purchase Agreement with Gamefish, effective on November 30, 2021.

During the nine-months ended October 31, 2021 and 2020, the research and development expense increased $131,067 to $149,738, from $18,671, respectively, mainly due to increased development of the Aggregation Platform.

During the twelve-months ended January 31, 2021 and 2020, research and development expense was $47,558 and $0, respectively. The research and development expense was incurred in connection with the building of the Company's Proprietary Peer-to-Peer gaming system.

Bad Debt Expense

During the twelve-months ended October 31, 2022 and 2021 and, the nine-months ended October 31, 2021 and 2020, bad debt expense remained unchanged at $0. Accounts receivables are monitored regularly for impairment and all amounts are collectible except for a reserve for doubtful accounts of $168,557 which was written off during the twelve months ended October 31, 2022 along with the related accounts receivable balance.

During the twelve-months ended January 31, 2021 and 2020, the bad debt expense was $0 and $179,396, respectively.

Interest Expense

During the twelve-months ended October 31, 2022 and 2021, interest expense was $0 and $955, respectively. The decrease of interest expense is mainly due to the decrease in the outstanding balance of the convertible debt and the promissory note with Luxor Capital, LLC ("Luxor"), a Nevada limited liability corporation, which is wholly-owned by the Company's Chief Executive Officer and Chairman, Anthony Brian Goodman, that was paid in full as of January 31, 2021.

During the nine-months ended October 31, 2021 and 2020, interest expense was $0 and $10,897, respectively. Historically, interest expense was mainly attributed to settlement payable and promissory note to Luxor, a Nevada limited liability corporation, which is wholly-owned by the Company's Chief Executive Officer and Chairman, Anthony Brian Goodman. The promissory note had an original principal balance of $1,031,567, with interest accruing on the unpaid balance at a rate of 6% per annum. The settlement payable and promissory note were paid in full as of January 31, 2021; therefore, no interest was incurred during the nine months ending October 31, 2021.

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During the twelve-months ended January 31, 2021 and 2020, interest expense was $11,852 and $63,583, respectively. The decrease of interest expense is mainly due to the decrease in the outstanding balance of the convertible debt and the promissory note with Luxor that was paid in full as of January 31, 2021.

Interest income

Interest income is related to earnings on the Company's savings account with Wells Fargo Bank, and interest charges to customers for late payments.

During the twelve-months ended October 31, 2022 and 2021, the interest income was $9,190 and $242, respectively. The increase in interest income is due to the interest charges to customers for late payments.

During the nine-months ended October 31, 2021 and 2020, the interest income was $201 and $1,570, respectively. The decrease in interest income is due to the decrease in the earnings from Wells Fargo Bank.

During the twelve-months ended January 31, 2021 and 2020, interest income was $1,611 and $26,779, respectively. The decrease in interest income is due to the decrease in the earnings from Wells Fargo Bank.

Foreign Exchange Gain (loss)

The foreign exchange gain (loss) is mainly due to the fluctuation of the Euro, British Pound against the U.S. dollar, and as a result of certain suppliers billing the Company in Euros, and settlement of other liabilities in currencies other than U.S. dollars.

During the twelve-months ended October 31, 2022 and 2021, the foreign exchange gain was $261,395 and foreign exchange loss was $39,709, respectively. The increase of foreign exchange gain was due to the settlement of three million GBP consideration payable to acquire RKings and unrealized foreign exchange gain from the GBP £500,000 RKings Purchase Agreement Holdback Amount which is a contingent liability. The contingent liability is attributable to a dispute between the Company and Mr. Paul Hardman (the seller of a 40% interest in RKings). Mr. Hardman has alleged that he is owed his share of the Purchase Agreement, Holdback Amount (a total of £500,000 (approximately USD $573,000) (half) of the £1,000,000 aggregate amount). The amount of $573,000 is accrued and included in the Company's liabilities. However, the Company disputes Mr. Hardman's claims due to the breaches of the terms of the Purchase Agreement by Mr. Hardman. The Company is vigorously pursuing the claim of breach of the Purchase Agreement by Mr. Hardman which voids the Company's obligation to pay the Holdback Amount.

During the nine-months ended October 31, 2021 and 2020, the foreign exchange loss was $62,983 and $14,320, respectively.

During the twelve-months ended January 31, 2021 and 2020, the foreign exchange gain was $8,996 and $0, respectively.

Other Expense

On August 25, 2021, the Company first became aware of a default judgment entered against the Company (under its former name Source Gold Corp.), pursuant to an action filed against the Company by NPNC Management LLC ("NPNC"), in the Eighth Judicial District Court of Clark County, Nevada (Case No: A-15-716733-C). The action was originally filed on April 9, 2015, with a default judgment originally granted on November 3, 2015, which default judgment was renewed on August 24, 2021. The default judgment was in the amount of $42,485, plus interest at 18% per annum.

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The Company was unaware of the prior default judgment until August 25, 2021, and had no knowledge of any liability, contracts with, or amounts due to, NPNC. On October 1, 2021, in an effort to settle the matter, the Company paid $40,000 to NPNC in full satisfaction of amounts owed.

There were no such expenses in prior periods or throughout the twelve months ended October 31, 2022.

Gain (loss) on derivative liability - note conversion feature

The gain (loss) on derivative liability was mainly due to the change of fair value change of derivative liabilities related to the note conversion features of convertible notes. As of January 31, 2020, all convertible notes were settled.

During the twelve-months ended October 31, 2022 and 2021 as well as the nine-months ended October 31, 2021 and 2020, there was no gain or loss on derivative liability as the convertible notes were settled.

During the twelve-months ended January 31, 2021 and 2020, the loss on derivative liability was $0 and $3,182, respectively. The loss on derivative liability during the January 31, 2020 year was mainly due to the fair value change of derivative liabilities. The Company settled all the derivative liabilities on January 31, 2020; therefore, no gains or losses on derivative liabilities accrued during the January 31, 2021 year.

Provision for income taxes

The provision for income taxes was $419,049 for the twelve months ended October 31, 2022, compared to $0 for the twelve months ended October 31, 2021. The increase was attributable to the tax expenses incurred in the B2C segment starting November 1, 2021, with our acquisition of 80% of RKings. There is no provision for income taxes in the B2B segment during the twelve months ended October 31, 2022 and 2021, as a result of operating losses carried forward in the B2B segment.

There was no provision for income taxes in prior periods.

Net income attributable to noncontrolling interest

For the twelve months ended October 31, 2022, we recorded net income of $294,066 and for the twelve months ended October 31, 2021, we recorded net income of $0, attributable to the noncontrolling interest. The net income attributable to noncontrolling interest was due to the acquisition of an 80% interest in RKingsCompetition Ltd, effective on November 1, 2021. These amounts represent the share of income that is not attributable to the Company.

Net Income (loss) attributable to the Company

During the twelve-months ended October 31, 2022 and 2021, net loss was $250,038 and net income was $700,230, respectively. The increase in net loss of $950,268 is mainly due to the increase in stock-based compensation to directors and officers of $2,095,600.

During the nine-months ended October 31, 2021 and 2020, net income was $648,072 and $345,922, respectively. The increase in net income of $302,150 is mainly due to the increase in gross profit of $1,056,601 from B2B, offset by increases in (i) general and administrative expenses of $698,021, (ii) professional fees of $177,047, and (iii) research and development expense of $131,067.

During the twelve-months ended January 31, 2021 and 2020, net income was $398,080 and $1,982,892, respectively. The decrease in net income of $1,584,812 is mainly due to the increase of $1.4 million in the option amortization expenses.

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Liquidity and Capital Resources

The below table summarizes our cash and cash equivalents, working capital and shareholders' equity as of October 31, 2022 and 2021:

	As of October 31, 2022	As of October 31, 2021
Cash and cash equivalents	$ 14,949,673	$ 16,797,656
Working capital	$ 16,573,796	$ 18,694,687
Shareholders' equity of GMGI	$ 26,797,415	$ 18,928,109

The Company had $14,949,673 of cash on hand and total assets of $32,571,413 ($19,288,950 were current assets) at October 31, 2022. The Company had total working capital of $16,573,796 as of October 31, 2022. The Company had total liabilities of $2,774,932 (of which $2,715,154 were current liabilities) as of October 31, 2022, which mainly included $1,385,076 of accounts payable and accrued liabilities, $109,328 of customer deposits, and 324,147 of accrued income tax liability related to RKings' operations, $573,197 of contingent liability related to the RKings acquisition, and $154,863 of operating lease liabilities related to the Company's office lease. The decrease in cash was mainly due to $4,024,703 of cash consideration paid to acquire an 80% interest in RKingsCompetition Ltd, offset by cash generated by operations.

We do not currently have any additional commitments or identified sources of additional capital from third parties or from our officers, directors or majority stockholders. Additional financing may not be available on favorable terms, if at all.

In the future, we may be required to seek additional capital by selling additional debt or equity securities, or otherwise be required to bring cash flows in balance when we approach a condition of cash insufficiency. The sale of additional equity or debt securities, if accomplished, may result in dilution to our then stockholders. Financing may not be available in amounts or on terms acceptable to us, or at all. In the event we are unable to raise additional funding and/or obtain revenues sufficient to support our expenses, we may be forced to scale down our operations, which could cause our securities to decline in value.

See "Note 3 – Accounts Receivable, Net", for a description of accounts receivable; "Note 4 – Accounts Receivable – Related Party", for a description of related party accounts receivable; "Note 5 – Prepaid Expenses", for a description of prepaid expenses; "Note 6 – Short-term deposits", for a description of the Company's short-term deposits; each included herein under "Item 8. Financial Statements and Supplementary Data."

	Twelve Months Ended October 31 2022	Twelve Months Ended October 31 2021	Nine Months Ended October 31 2021	Nine Months Ended October 31 2020	Twelve Months Ended January 31 2021	Twelve Months Ended January 31 2020
		(unaudited)		(unaudited)		(unaudited)
Cash provided by operating activities	$ 2,771,418	$ 1,349,870	$ 1,271,119	$ 1,799,079	$ 1,878,043	$ 1,599,319
Cash provided by (used in) investing activities	(4,405,409)	(231,314)	(231,314)	-	192	-
Cash provided by (used in) financing activities	32,000	10,668,363	4,051,165	1,354,412	7,971,610	(861,313)

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The Company generated cash from operating activities of $2,771,418, $1,349,870, $1,271,119, $1,799,079, $1,878,043, and $1,599,319 for the twelve-months ended October 31, 2022 and 2021, the nine-months ended October 31, 2021 and 2020, and the twelve months ended January 31, 2021 and 2020. Cash flows from operating activities include net income adjusted for certain non-cash expenses, and changes in operating assets and liabilities. The $2,771,418 of cash generated from operating activities during the twelve-months ended October 31, 2022 was due primarily to $44,028 of net income, and non-cash expenses relating to stock-based compensation (including stocks, options and restricted stock units issued for services) which totaled $2,665,221 during the twelve-months ended October 31, 2022. The $1,349,870 cash generated from operating activities during the twelve-months ended October 31, 2021, was due primarily to $700,230 of net income, and non-cash expenses relating to stock-based compensation (including options issued for services and stocks issued for services) which were $1,691,345 during the twelve-months ended October 31, 2021.

Net cash used in investment activities was $4,405,409 and $231,314 for the twelve-months ended October 31, 2022 and 2021. During the twelve-months ended October 31, 2022, the cash used in investment activities was due primarily to $4,024,703 of cash consideration paid to acquire an 80% interest in RKingsCompetition Ltd of and $219,934 for acquiring a gaming permit in Mexico.

Net cash provided by (used in) financing activities was $32,000, $10,668,363, $4,051,165, $1,354,412, $7,971,610, and $(861,313) for the twelve-months ended October 31, 2022 and 2021, the nine-months ended October 31, 2021 and 2020, and the twelve months ended January 31, 2021 and 2020, respectively. The $32,000 cash provided by financing activities during the twelve-months ended October 31, 2022 was due primarily to the exercise of options. The $10,668,363 of cash provided by financing activities during the twelve-months ended October 31, 2021 was due primarily to sales of equity securities through private placements, warrant exercises and a public offering.

Recent Fund-Raising Activities

Private Offering of Units

On August 20, 2020, the Company sold, to eleven accredited investors, an aggregate of 527,029 units, with each unit consisting of one share of restricted common stock and one warrant to purchase one share of common stock, at a price of $3.40 per unit, raising cash of $1,791,863. The units were sold pursuant to the Company's entry into subscription agreements with each investor. The subscription agreements provide the investors customary piggyback registration rights (for both the shares and the shares of common stock underlying the warrants) which remain in place for the lesser of one year following the closing of the offering and the date that the applicable investor is eligible to sell the applicable securities under Rule 144 of the Securities Act, as amended. Such piggyback registration rights agreements also provided that the Company is not required to register securities in a registration statement relating solely to an offering by the Company of securities for its own account if the managing underwriter or placement agent has advised the Company in writing that the inclusion of such securities would have a material adverse effect upon the ability of the Company to sell securities for its own account.

The warrants had an exercise price of $4.10 per share (and no cashless exercise rights), and were exercisable until the earlier of (a) August 20, 2022, and (b) the 30th day after the Company provided the holder of the warrants notice that the closing sales price of the Company's common stock has closed at or above $6.80 per share for a period of ten consecutive trading days.

From November 23, 2020, to December 7, 2020 (ten consecutive trading days), the closing sales price of the Company's common stock closed at or above $6.80 per share, and on December 8, 2020, the Company provided notice to the holders of the warrants and that they had until January 7, 2021 to exercise such warrants, or such warrants would expire pursuant to their terms. From December 9, 2020, to January 7, 2021, ten holders of warrants to purchase an aggregate of 409,029 shares of the Company's common stock exercised such warrants and paid an aggregate exercise price of $1,677,019 to the Company. In connection with such exercises, the Company issued such warrant holders an aggregate of 409,029 shares of restricted common stock.

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Separately, effective on January 7, 2021, the Board of Directors of the Company agreed to extend the expiration date of warrants to purchase 118,000 shares of common stock, which would have otherwise expired on January 7, 2021, pursuant to the terms of the warrants, to February 8, 2021, which warrants expired unexercised.

On January 20, 2021, the Company sold an aggregate of 1,000,000 units to one investor, with each unit consisting of one share of restricted common stock and one warrant to purchase one share of common stock, at a price of $5.00 per unit. In total the Company raised cash of $4,999,982 pursuant to the private offering of the units. The units were sold pursuant to the entry into a subscription agreement with the investor. The Subscription Agreement provided the investor customary piggyback registration rights (for both the shares and the shares of common stock underlying the warrants) which remain in place for the lesser of one year following the closing of the offering and the date that the investor is eligible to sell the applicable securities under Rule 144 of the Securities Act. Such piggyback registration rights agreements also provided that the Company is not required to register securities in a registration statement relating solely to an offering by the Company of securities for its own account if the managing underwriter or placement agent have advised the Company in writing that the inclusion of such securities would have a material adverse effect upon the ability of the Company to sell securities for its own account.

The warrants have an exercise price of $6.00 per share (and no cashless exercise rights), and are exercisable until the earlier of (a) January 14, 2023, and (b) the 30th day after the Company provides the holder of the Warrants notice that the closing sales price of the Company's common stock has closed at or above $10.00 per share for a period of ten consecutive trading days. The warrants include a beneficial ownership limitation, which limits the exercise of the warrants held by the investor in the event that upon exercise such investor (and any related parties of such investor) would hold more than 4.999% of the Company's outstanding shares of common stock (which percentage may be increased to 9.999% with at least 61 days prior written notice to the Company from the investor).

From April 26, 2021, to May 7, 2021 (the "Triggering Date") (ten consecutive trading days), the closing sales price of the Company's common stock closed at or above $10.00 per share. However, as the total number of shares of common stock issuable upon exercise of the Warrants would have exceeded 4.999% of the Company's common stock, and as an accommodation to the holder of the Warrants, on May 11, 2021, the Company agreed to provide the holder 61 days from the Triggering Date to exercise the Warrants, and as a result the holder had until July 11, 2021 to exercise such Warrants.

On July 9, 2021, the holder exercised a portion of the Warrants to purchase 170,000 shares of the Company's common stock at $6.00 per share and paid the Company $1,020,000 in connection with such exercise and funds were received by the Company in a total amount of $1,019,982 ($1,020,000 less $18 in bank charges) on July 14, 2021. The Company issued the holder 170,000 shares of common stock in connection with such exercise.

On July 14, 2021, and effective on June 6, 2021, the Company and the holder of the Warrants entered into an Agreement to Amend and Restate Common Stock Purchase Warrant (the "Amendment Agreement"), whereby, in consideration for the holder exercising a portion of the Warrants (warrants to purchase 170,000 shares of common stock, as described above), and as an accommodation to the holder, due to the fact that the Warrants did not contemplate a situation where a Triggering Event would result in the holder holding over 4.999% of the Company's outstanding common stock, the parties agreed to enter into an Amended and Restated Common Stock Purchase Warrant, effective as of June 6, 2021, amending, restating and replacing the prior Warrant Agreement, and evidencing the right of the holder to purchase 830,000 shares of common stock of the Company (the original 1,000,000 shares less the portion of the Warrants previously exercised)(the "Amended and Restated Warrants") to remove the Trigger Event and to fix the expiration date thereof as of November 11, 2022. The other terms of the prior Warrant Agreement were not changed and the warrant expired on November 11, 2022.

October 2021 Public Offering

On October 25, 2021, we entered into a Securities Purchase Agreement (the "SPA") with certain institutional investors (the "Purchasers") for the sale by the Company in a registered direct offering (the "Offering") of an aggregate of 496,429 shares of common stock of the Company (the "Shares"), together with warrants to purchase 496,429 shares of common stock (the "Warrants"), at $7.00 per combined Share and Warrant, for aggregate gross proceeds of approximately $3.475 million, before deducting the placement agent fees and related offering expenses. The Offering closed on October 27, 2021.

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EF Hutton, division of Benchmark Investments, LLC agreed to act as placement agent (the "Placement Agent") on a "reasonable best efforts" basis, in connection with the Offering. The Company entered into a Placement Agency Agreement, dated as of October 25, 2021, by and between the Company and the Placement Agent (the "Placement Agency Agreement"). Pursuant to the Placement Agency Agreement, the Placement Agent received an aggregate cash fee of 6% of the gross proceeds of the Offering, a non-accountable expense reimbursement of 1% of the gross proceeds in the Offering, the reimbursement of certain of the Placement Agent's expenses not to exceed $60,000, and the reimbursement of certain other expenses.

The Shares, Warrants and shares of common stock issuable upon exercise of the Warrants, were registered under the Securities Act, on the Company's effective shelf registration statement on Form S-3 (File No. 333-260044), filed with the SEC on October 5, 2021, which was declared effective by the SEC on October 15, 2021, and the base prospectus contained therein, and a prospectus supplement forming a part of the effective Registration Statement, dated October 25, 2021, which was filed with the Commission on October 27, 2021.

The Warrants sold in the Offering have a term of three years, and an exercise price of $8.63 per share (subject to customary adjustments for stock splits, dividends and recapitalizations), the closing sales price of the Company's common stock on October 22, 2021, the last trading day prior to the date that the SPA was entered into. The Warrants provide that they may be exercised on a 'cashless exercise' basis if, at any time of exercise, there is no effective registration statement registering, or no current prospectus available for, the issuance or resale of the shares of common stock issuable upon exercise of the Warrants. The exercise of the Warrants is subject to a beneficial ownership limitation, which will prohibit the exercise thereof, if upon such exercise the holder of the Warrants, its affiliates and any other persons or entities acting as a group together with the holder or any of the holder's affiliates would hold 4.99% (or, upon election of a purchaser prior to the issuance of any shares, 9.99%) of the number of shares of the common stock outstanding immediately after giving effect to the issuance of shares of common stock issuable upon exercise of the Warrants held by the applicable holder, provided that the holders may increase or decrease the beneficial ownership limitation, provided that any increase in beneficial ownership limitation shall not be effective until 61 days following notice to us and in no event shall such beneficial ownership exceed 9.99% and such 61 day period cannot be waived.

The Warrants also include anti-dilution rights, which provide that if at any time the Warrants are outstanding, we issue (or announce any offer, sale, grant or any option to purchase or other disposition) or are deemed to have issued (which includes shares issuable upon exercise of warrants and options and conversion of convertible

securities) any common stock or common stock equivalents for consideration less than the then current exercise price of the Warrants, the exercise price of such Warrants will be automatically reduced to the lowest price per share of consideration provided or deemed to have been provided for such securities, subject to certain exceptions.

Material Events and Uncertainties

Our operating results are difficult to forecast. Our prospects should be evaluated in light of the risks, expenses and difficulties commonly encountered by comparable development stage companies.

There can be no assurance that we will successfully address such risks, expenses, and difficulties.

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Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of net sales and expenses for each period. "Note 2 - Summary of Accounting Policies," of the notes to Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K describes the significant accounting policies and methods used in the preparation of the Company's consolidated financial statements. Management bases its estimates on historical experience and on various other assumptions it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities.

Stock-Based Compensation

The Company accounts for stock-based compensation to employees in accordance with Accounting Standards Codification (ASC) 718, "Compensation-Stock Compensation". ASC 718 requires companies to measure the cost of employee services received in exchange for an award of equity instruments, including stock options, based on the grant date fair value of the award and to recognize it as compensation expense over the period the employee is required to provide service in exchange for the award, usually the vesting period. Stock option forfeitures are recognized at the date of employee termination.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

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Item 8. Financial Statements and Supplementary Data

GOLDEN MATRIX GROUP, INC.
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of Golden Matrix Group, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Golden Matrix Group, Inc. (the Company) as of October 31, 2022 and 2021, and the related consolidated statements of operations and comprehensive income, shareholders' equity, and cash flows for the year ended October 31, 2022, the nine-month period ended October 31, 2021, the year ended January 31, 2021 and the six-month period ended January 31, 2020, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of October 31, 2022 and 2021 and the results of its operations and its cash flows for the year ended October 31, 2022, the nine-month period ended October 31, 2021, the year ended January 31, 2021 and the six-month period ended January 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matter does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition

As discussed in Note 2 to the financial statements, when another party is involved in providing goods or services to the Company's clients, a determination is made as to who is acting in the capacity as the principal in the sales transaction.

Auditing management's evaluation of agreements with customers involves significant judgment, given the fact that some agreements require management's evaluation of principal versus agent.

To evaluate the appropriateness and accuracy of the assessment by management, we evaluated management's assessment in relationship to the relevant agreements.

/s/ M&K CPAS, PLLC

We have served as the Company's auditor since 2017.

Houston, TX

January 30, 2023

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Golden Matrix Group, Inc. and Subsidiary
Consolidated Balance Sheets

	October 31, 2022	October 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	$ 14,949,673	$ 16,797,656
Accounts receivable, net	2,641,023	1,762,725
Accounts receivable – related parties	413,714	1,306,896
Prepaid expenses	84,372	114,426
Short-term deposit	52,577	61,799
Inventory, prizes	1,147,591	-
Total current assets	$ 19,288,950	$ 20,043,502
Non-current assets:		
Property, plant & equipment, net	72,411	-
Intangible assets, net	2,607,075	135,263
Operating lease right-of-use assets	150,653	280,183
Goodwill	10,452,324	-
Total non-current assets	13,282,463	415,446
Total assets	$ 32,571,413	$ 20,458,948
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 1,385,076	$ 1,074,786
Accounts payable – related parties	10,637	105,062
Accrued income tax liability	324,147	-
Deferred revenues	182,444	-
Deferred tax liability	4,409	-
Current portion of operating lease liability	95,085	100,209
Customer deposits	109,328	68,635
Accrued interest	123	123
Contingent liability	573,197	-
Consideration payable – related party	30,708	-
Total current liabilities	2,715,154	1,348,815

Non-current liabilities:		
Non-current portion of operating lease liability	59,778	182,024
Total non-current liabilities	59,778	182,024
Total liabilities	$ 2,774,932	$ 1,530,839
Shareholders' equity:		
Preferred stock: $0.00001 par value; 20,000,000 shares authorized	-	-
Preferred stock, Series B: $0.00001 par value, 1,000 shares designated, 1,000 and 1,000 shares issued and outstanding, respectively	-	-
Common stock: $0.00001 par value; 250,000,000 and 40,000,000 shares authorized; 28,182,575 and 27,231,401 shares issued and outstanding, respectively	$ 282	$ 272
Additional paid-in capital	51,677,727	43,354,366
Accumulated other comprehensive loss	(205,747)	(1,720)
Accumulated deficit	(24,674,847)	(24,424,809)
Total shareholders' equity of GMGI	26,797,415	18,928,109
Noncontrolling interests	2,999,066	-
Total equity	29,796,481	18,928,109
Total liabilities and shareholders' equity	$ 32,571,413	$ 20,458,948

See accompanying notes to consolidated financial statements.

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Golden Matrix Group, Inc. and Subsidiary
Consolidated Statements of Operations and Comprehensive Income

	Twelve Months Ended October 31, 2022	Nine Months Ended October 31, 2021	Twelve Months Ended January 31, 2021	Six Months Ended January 31, 2020
Revenues	$ 35,172,483	$ 7,808,401	$ 2,974,182	$ 670,783
Revenues-related party	862,373	1,525,091	2,248,877	1,087,816
Total revenues	36,034,856	9,333,492	5,223,059	1,758,599
Cost of goods sold	(26,872,229)	(6,050,508)	(2,000,052)	(57,224)
Gross profit	9,162,627	3,282,984	3,223,007	1,701,375
Costs and expenses:				
G&A expense	5,442,591	1,112,986	566,593	149,177
G&A expense- related party	2,841,137	982,023	2,050,440	540,073
Professional fees	663,315	287,383	159,091	26,944
Research and development expense	23,092	149,738	47,558	-
Bad debt expense	-	-	-	10,839
Total operating expenses	8,970,135	2,532,130	2,823,682	727,033
Income from operations	192,492	750,854	399,325	974,342
Other income (expense):				
Interest expense	-	-	(11,852)	(26,227)
Interest earned	9,190	201	1,611	18,659
Foreign exchange gain (loss)	261,395	(62,983)	8,996	-
Other expense	-	(40,000)	-	-
Total other income (expense)	270,585	(102,782)	(1,245)	(7,568)
Net income before tax	463,077	648,072	398,080	966,774
Provision for income taxes	419,049	-	-	-
Net income	44,028	648,072	398,080	966,774
Less: Net income attributable to noncontrolling interest	294,066	-	-	-
Net income (loss) attributable to GMGI	$ (250,038)	$ 648,072	$ 398,080	$ 966,774
Weighted average ordinary shares outstanding:				
Basic	28,042,001	23,884,563	19,953,819	18,968,792
Diluted	28,042,001	32,278,224	31,588,555	27,862,743
Net income (loss) per ordinary share attributable to GMGI:				
Basic	$ (0.01)	$ 0.03	$ 0.02	$ 0.05
Diluted	$ (0.01)	$ 0.02	$ 0.01	$ 0.03
Net income	$ 44,028	$ 648,072	$ 398,080	$ 966,774
Foreign currency translation adjustments	(204,027)	(742)	-	-
Comprehensive income (loss)	(159,999)	647,330	398,080	966,774
Less: Net income attributable to noncontrolling interest	294,066	-	-	-
Comprehensive income (loss) attributable to GMGI	$ (454,065)	$ 647,330	$ 398,080	$ 966,774

See accompanying notes to consolidated financial statements.

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Consolidated Statement of Shareholders' Equity

	Preferred Stock- Series B		Common Stock		Additional Paid-in Capital	Stock Payable	Stock Payable Related Party	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Equity of GMGI)	Non-controlling interest	Total Stockholders' Equity
	Shares	Amount	Shares	Amount								
Balances July 31, 2019	**1,000**	**$ -**	**18,968,792**	**$ 190**	**$27,471,556**	**-**	**-**	**$ (683)**	**$ (26,437,735)**	**$ 1,033,328**	**$ -**	**$ 1,033,328**
Fair value of options/warrants issued for services	-	-	-	-	449,325	-	-	-	-	449,325	-	449,325
Settlement of derivative liability	-	-	-	-	15,000	-	-	-	-	15,000	-	15,000
Imputed interest	-	-	-	-	8,771	-	-	-	-	8,771	-	8,771
Net income	-	-	-	-	-	-	-	-	966,774	966,774	-	966,774
Balances January 31, 2020	**1,000**	**$ -**	**18,968,792**	**$ 190**	**$27,944,652**	**-**	**-**	**$ (683)**	**$ (25,470,961)**	**$ 2,473,198**	**$ -**	**$ 2,473,198**
Shares issued for services	-	-	66,667	-	37,000	7,420	7,420	-	-	51,840	-	51,840
Shares issued for private placement	-	-	1,936,058	19	8,468,845	-	-	-	-	8,468,864	-	8,468,864
Shares issued on exercise of options	-	-	133,334	2	7,998	-	-	-	-	8,000	-	8,000
Shares issued on cashless exercise of options	-	-	1,633,175	16	(16)	-	-	-	-	-	-	-
FV of option/warrants issued for services	-	-	-	-	1,906,183	-	-	-	-	1,906,183	-	1,906,183
Reverse split	-	-	3,639	-	-	-	-	-	-	-	-	-
Imputed interest	-	-	-	-	9,776	-	-	-	-	9,776	-	9,776
Acquisition of GTG	-	-	-	-	(53,709)	-	-	-	-	(53,709)	-	(53,709)
Cumulative Translation adjustment	-	-	-	-	-	-	-	(295)	-	(295)	-	(295)
Net income	-	-	-	-	-	-	-	-	398,080	398,080	-	398,080
Balances January 31, 2021	**1,000**	**$ -**	**22,741,665**	**$ 227**	**$38,320,729**	**$ 7,420**	**$ 7,420**	**$ (978)**	**$ (25,072,881)**	**$13,261,937**	**$ -**	**$ 13,261,937**
Shares issued for cash	-	-	496,429	5	3,027,248	-	-	-	-	3,027,253	-	3,027,253
Shares issued for services	-	-	12,491	-	76,440	(7,420)	(7,420)	-	-	61,600	-	61,600
Shares issued for exercise of warrants	-	-	170,000	2	1,019,998	-	-	-	-	1,020,000	-	1,020,000
Shares issued on exercise of options	-	-	66,666	1	4,009	-	-	-	-	4,010	-	4,010
Shares issued on cashless exercise of options	-	-	782,955	8	(8)	-	-	-	-	-	-	-
Shares issued on cashless exercise of options – related party	-	-	2,961,195	29	(29)	-	-	-	-	-	-	-
FV of option / warrants issued for services	-	-	-	-	905,979	-	-	-	-	905,979	-	905,979
Cumulative translation adjustment	-	-	-	-	-	-	-	(742)	-	(742)	-	(742)
Net income	-	-	-	-	-	-	-	-	648,072	648,072	-	648,072
Balances October 31, 2021	**1,000**	**$ -**	**27,231,401**	**$ 272**	**$43,354,366**	**$ -**	**$ -**	**$ (1,720)**	**$ (24,424,809)**	**$18,928,109**	**$ -**	**$ 18,928,109**
Fair value of shares issued for services	-	-	808	-	6,000	-	-	-	-	6,000	-	6,000
Shares issued on exercise of options	-	-	66,666	1	31,999	-	-	-	-	32,000	-	32,000

Shares issued on cashless exercise of options	-	-	112,095	1	(1)	-	-		-	-	-	-	-
Shares issued on cashless exercise of options – related party	-	-	35,023	-	-	-	-		-	-	-	-	-
FV of stock-based compensation for services	-	-	-	-	2,659,221	-	-		-	-	2,659,221	-	2,659,221
Shares issued as consideration to acquire RKings	-	-	736,582	8	5,626,142	-	-		-	-	5,626,150	-	5,626,150
Cumulative Translation adjustment	-	-	-	-	-	-	-	(204,027)		-	(204,027)	-	(204,027)
Fair value of non-controlling interest in RKings	-	-	-	-	-	-	-		-	-	-	2,705,000	2,705,000
Net profit for the period	-	-	-	-	-	-	-		-	(250,038)	(250,038)	294,066	44,028
Balances October 31, 2022	**1,000**	**$ -**	**28,182,575**	**282**	**51,677,727**	**$ -**	**$ -**	**(205,747)**		**(24,674,847)**	**26,797,415**	**2,999,066**	**29,796,481**

See accompanying notes to consolidated financial statements.

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Golden Matrix Group, Inc. and Subsidiary
Consolidated Statements of Cash Flow

	Twelve Months Ended October 31, 2022	Nine Months Ended October 31, 2021	Year Ended January 31, 2021	Six Months Ended January 31, 2020
Cash flows from operating activities:				
Net income	$ 44,028	$ 648,072	$ 398,080	$ 966,774
Adjustments to reconcile net income to cash provided by operating activities:				
Fair value of stock-based compensation for services	2,659,221	905,979	1,906,183	449,325
Fair value of shares issued for services	6,000	61,600	51,840	-
Amortization of intangible assets	384,588	38,737	-	-
Depreciation of PPE	22,847	-	-	-
Imputed interest	-	-	9,776	8,771
Penalty on convertible notes payable	-	-	-	2,000
Bad debt expense	-	-	-	10,839
Unrealized foreign exchange gain on contingent liability	(110,053)	-	-	-
Changes in operating assets and liabilities:				
(Increase) decrease in accounts receivable, net	(916,387)	(722,591)	(249,070)	(526,782)
(Increase) decrease in accounts receivable – related parties	816,163	(646,091)	(512,627)	(60,316)
(Increase) decrease in prepaid expense	18,837	291,780	(349,765)	-
(Increase) decrease in short-term deposit	-	(61,888)	-	-
(Increase) decrease in operating lease asset	96,234	41,236	-	-
(Increase) decrease in receivable from shareholders of subsidiaries	31,359	-	-	-
(Increase) decrease in inventory, prize	(417,886)	-	-	-
(Decrease) increase in accrued income tax liability	(130,648)	-	-	-
(Decrease) increase in deferred revenues	(59,755)	-	-	-
(Decrease) increase in accounts payable and accrued liabilities	391,655	937,913	557,943	(15,483)
(Decrease) increase in accounts payable – related parties	(17,590)	(103,459)	(42,116)	134,141
(Decrease) increase in customer deposit	46,335	(80,987)	149,640	-
(Decrease) increase in operating lease liabilities	(93,530)	(39,182)	-	-
(Decrease) increase in accrued interest	-	-	(41,841)	17,454
Net cash provided by operating activities	$ 2,771,418	$ 1,271,119	$ 1,878,043	$ 986,723
Cash flows from investing activities				
Cash received from Investment in Global Technology Group Pty Ltd– related party	-	-	192	-
Cash paid for purchase of GTG	-	(115,314)	-	-
Cash paid for purchase of RKings	(4,024,703)	-	-	-
Cash paid for purchase of GMGI Mexico	(2,411)	-	-	-
Cash paid for purchase of intangible assets	(83,938)	-	-	-
Cash paid for leasehold improvement	(37,668)	-	-	-
Cash paid for gaming permit	(219,934)	-	-	-
Cash paid for purchase of fixed assets	(36,755)	(116,000)	-	-
Net cash provided by (used in) investing activities	$ (4,405,409)	$ (231,314)	$ 192	$ -

Cash flows from financing activities:				
Proceeds from sale of stock	-	4,047,253	8,468,864	-
Proceeds from option exercise	32,000	4,010	8,000	-
Repayments on shareholder loans – related party	-	(98)	(1,000)	-
Repayments on notes payable	-	-	(40,000)	-
Repayments on settlement payable – related party	-	-	(290,000)	-
Repayments on promissory note – related party	-	-	(174,254)	(861,313)
Net cash provided by (used in) financing activities	$ 32,000	$ 4,051,165	$ 7,971,610	$ (861,313)
Effect of exchange rate changes on cash	(245,992)	337	(1)	-
Net increase (decrease) in cash and cash equivalents	(1,847,983)	5,091,307	9,849,844	125,410
Cash and cash equivalents at beginning of year	16,797,656	11,706,349	1,856,505	1,731,095
Cash and cash equivalents at end of year	$ 14,949,673	$ 16,797,656	$ 11,706,349	$ 1,856,505
Supplemental cash flows disclosures				
Interest paid	$ -	$ -	$ 43,918	$ -
Tax paid	$ 549,697	$ -	$ -	$ -
Supplemental disclosure of cash flow information:				
Settlement of derivative liability	$ -	$ -	$ -	$ 15,000
Accounts payable settled with accounts receivable – related party	$ 77,019	$ -	$ 914,696	$ -
Cashless exercise of options	$ 1	$ 8	$ 16	$ -
Cashless exercise of options – related parties	$ -	$ 29	$ -	$ -
Share issued for services from stock payable	$ -	$ 7,420	$ -	$ -
Share issued for services from stock payable – related party	$ -	$ 7,420	$ -	$ -
Initial ROU asset and lease liability	$ -	$ 329,254	$ -	$ -
Intangible asset write down	$ 58,000	$ -	$ -	$ -

See accompanying notes to consolidated financial statements.

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GOLDEN MATRIX GROUP, INC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – NATURE OF BUSINESS AND BASIS OF PRESENTATION

Golden Matrix Group, Inc. ("GMGI" or "Company") was incorporated in the State of Nevada on June 4, 2008, under the name Ibex Resources Corp. The Company's business at the time was mining and exploration of mineral properties. On September 15, 2009, the Company changed its name to Source Gold Corp. in order to reflect the focus of the Company. In April 2016, the Company changed its name to Golden Matrix Group, Inc., reflecting the changing direction of the Company's business to software technology. GMGI has a global presence with offices in Las Vegas, Nevada, Sydney, Australia, and Northern Ireland. GMGI's sophisticated gaming software supports multiple languages including English and Chinese.

On May 12, 2020, the Board of Directors approved a change in the Company's fiscal year from July 31 to January 31, effective as of the same date.

On October 29, 2021, the Board of Directors approved a change in the Company's fiscal year from January 31 to October 31, effective as of the same date. Accordingly, in addition to financial statements as of and for the twelve-months ended October 31, 2022, these financial statements contain information for the nine-month transitional financial statements as of and for the period ending October 31, 2021, the twelve-month period ended January 31, 2021 and the six-month transitional financial statements as of and for the period ended January 31, 2020.

On January 19, 2021, the Company acquired 100% ownership of Global Technology Group Pty Ltd (GTG), an Australian company, which has an Alderney Gambling Control Commission ("AGCC") license (an AGCC Category 2 Associate Certificate). The government of Alderney offers software service providers in the gambling industry with a gambling license that allows gambling operators to conduct business related to casino, lotto, and other gaming related activities.

Effective on November 1, 2021, the Company acquired 80% interest of RKingsCompetitions Ltd., a UK company. As a result, we entered into the business-to-consumer ("B2C") segment by offering pay to enter prize competitions throughout the UK. These prize competitions require entrants to demonstrate sufficient skill, knowledge, or judgment to have a chance of winning and participants are provided with a route to free entry to the prize competitions as required by UK law. We refer to these as "pay to enter prize competitions". Effective on August 1, 2022, the Company acquired a 100% ownership interest in GMG Assets Limited ("GMG Assets"), a UK company, which was formed to facilitate the Company's operation of RKings.

On July 11, 2022, the Company acquired 99.99% of the stock of Golden Matrix MX which had no assets or operations at the time of acquisition and was formed for the benefit of the Company, for the sole purpose of operating an online casino in Mexico.

Henceforth, all references to the "Company" shall mean and include Golden Matrix Group, Inc. and its subsidiaries, GTG, RKings, GMG Assets and Golden Matrix MX.

The accompanying consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission (the "SEC"). Our Consolidated Financial Statements include the accounts of Golden Matrix Group, Inc. and our wholly-owned and majority-owned subsidiaries operating in the Asia Pacific Region, UK and Latin America (LATAM). All significant intercompany accounts and transactions have been eliminated.

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NOTE 2 – SUMMARY OF ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of the Company, its wholly-owned subsidiary, Global Technology Group Pty Ltd. (after January 19, 2021), its 80% ownership interest in RKingsCompetition Ltd (after November 1, 2021), its wholly owned subsidiary of GMG Asset (after August 1, 2022) and its majority owned subsidiary of Golden Matrix MX (after July 11, 2022). All intercompany transactions and balances have been eliminated.

The following table represents all subsidiaries of the Company and their respective controlling percentage as of October 31, 2022.

Name	Place of Organization	Ownership
Global Technology Group Pty Ltd	Sydney, New South Wales, Australia	100% Owned
RKingsCompetitions Ltd	Northern Ireland	80% Owned
Golden Matrix MX, S.A. DE C.V.	Mexico	99.99% Owned
GMG Assets Limited	Northern Ireland	100% Owned

Common Control Asset Acquisition

A common-control transaction is a transfer of net assets or an exchange of equity interests between entities under the control of the same parent. On January 19, 2021, the Company acquired 100% ownership of Global Technology Group Pty Ltd (GTG), an Australian Company, wholly-owned by Mr. Goodman. Mr. Goodman is also a controlling party of the Company via his stock holding in Luxor Capital, LLC, which had a controlling vote of greater than 50% at that time. As such the acquisition of GTG was a common control acquisition.

The accounting and reporting for a transaction between entities under common control is addressed in the "Transactions Between Entities Under Common Control" subsections of Accounting Standards Codification (ASC) 805-50. ASC 805-50, which requires that the receiving entity recognize the net assets received at their historical carrying amounts.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the balance sheet. Significant items subject to such estimates and assumptions include contingent liability, stock-based compensation, warrant valuation and collectability of accounts receivable. Actual results could differ from those estimates.

Foreign Currency Translation and Transactions

The functional currency of our foreign operations is generally the local currency. For these foreign entities, we translate their financial statements into U.S. dollars using average exchange rates for the period for income statement amounts and using end-of-period exchange rates for assets and liabilities. We record these translation adjustments in Accumulated other comprehensive income (loss), a separate component of Equity, in our consolidated balance sheets. We record exchange gains and losses resulting from the conversion of transaction currency to functional currency as a component of other income (expense), net.

Allowance for Doubtful Accounts

The allowance for doubtful accounts reflects our best estimate of probable losses inherent in the accounts receivable balance. The Company determines the allowance based on known troubled accounts, historical experience, and other currently available evidence. As of October 31, 2022 and 2021, the allowance for doubtful accounts was $0 and $168,557, respectively. During the twelve-month period ending October 31, 2022, there was no bad debt expense recorded.

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Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Intangible Assets

Intangible assets are capitalized when a future benefit is determined. Intangible assets are amortized over the anticipated useful life of the intangible asset.

Impairment of Intangible Assets

In accordance with ASC 350-30-65 "Goodwill and Other Intangible Assets", the Company assesses the impairment of identifiable intangible assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors the Company considers important, which could trigger an impairment review include the following:

1. Significant underperformance compared to historical or projected future operating results;
2. Significant changes in the manner or use of the acquired assets or the strategy for the overall business; and
3. Significant negative industry or economic trends.

When the Company determines that the carrying value of an intangible asset may not be recoverable based upon the existence of one or more of the above indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flows, the Company records an impairment charge. The Company measures any impairment based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent to the current business model. Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows. Intangible assets that have finite useful lives are amortized over their useful lives.

Website Development Costs

The Company accounts for website development costs in accordance with Accounting Standards Codification (ASC) 350-50 "Website Development Costs". Accordingly, all costs incurred in the planning stage are expensed as incurred, costs incurred in the website application and infrastructure development stage that meet specific criteria are capitalized and costs incurred in the day-to-day operation of the website are expensed as incurred. All costs associated with the websites are subject to straight-line amortization over a three-year period. The website development costs to upgrade and enhance the functionality of RKings' website were capitalized and amortized on a straight-line basis over their expected useful lives, estimated to be 3 years.

Software Development Costs

The Company capitalizes internal software development costs subsequent to establishing technological feasibility of a software application in accordance with guidelines established by ASC 985-20-25 "Accounting for the Costs of Software to be Sold, Leased, or Otherwise Marketed," requiring certain software development costs to be capitalized upon the establishment of technological feasibility. The establishment of technological feasibility and the ongoing assessment of the recoverability of these costs require considerable judgment by management with respect to certain external factors such as anticipated future revenue, estimated economic life, and changes in software and hardware technologies. Amortization of the capitalized software development costs begins when the product is available for general release to customers. Capitalized costs are amortized based on the straight-line method over the remaining estimated economic life of the product, estimated to be 3 years. No software development costs, or related costs were incurred at October 31, 2022 and 2021.

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Inventories, Prizes

RKings purchases prizes to award to winners of prize competitions; these prizes are RKings' inventory. Operations that include prizes are only through RKings. Inventory is stated at the lower of cost or net realizable value, using the first-in, first out ("FIFO") method. Costs include expenditures incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow-moving items. Net realizable value comprises actual or estimated selling price (net of discounts) less all costs to complete and costs incurred in marketing and selling. Inventory was $1,147,591 and $0 at October 31, 2022 and October 31, 2021, respectively.

Property, Plant and Equipment

Plant and machinery, fixtures, fittings, and equipment are recorded at cost, net of accumulated depreciation. Expenditures for major additions and betterments are capitalized. Maintenance and repairs are charged to operations as incurred. Depreciation is computed pursuant to the straight-line method over the useful life of average of four years. The depreciable life of leasehold improvements is limited by the expected lease term. Property, plant and equipment were $72,411 and $0 at October 31, 2022 and October 31, 2021, respectively.

RKings Trademarks and Non-compete Agreements

In connection with the acquisition of RKingsCompetition, Ltd, the Company recognized the definite-lived intangible assets consisting of $2,000,000 of trademarks and $600,000 of non-compete agreements. The trademark for RKings is amortized over 10 years and the non-compete agreements are amortized over 5 years.

Fair Value of Financial Instruments

The Company measures its financial assets and liabilities at fair value. Fair value is defined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. A three-tier fair value hierarchy prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). These tiers include:

- Level 1, defined as observable inputs such as quoted prices for identical instruments in active markets; and
- Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable, such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and
- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

Our financial instruments mainly include cash, accounts receivable, prepaid expenses, accounts payable and accrued liabilities, customer deposits, consideration payable and advances from shareholder. The carrying values of these financial instruments approximate their fair value due to their short-term nature.

Share-Based Compensation

The Stock-based compensation expense is recorded as a result of stock options, restricted stock units and restricted stocks granted in return for services rendered. Previously, the share-based payment arrangements with employees were accounted for under Accounting Standards Update (ASU) 718, while nonemployee share-based payments issued for goods and services are accounted for under ASC 505-50. ASC 505-50 differs significantly from ASC 718. On June 20, 2018, the Financial Accounting Standards Board (FASB) issued ASU 2018-07, which simplifies the accounting for share-based payments granted to nonemployees for goods and services. Under the ASU, most of the guidance on such payments to nonemployees would be aligned with the requirements for share-based payments granted to employees. The Company has adopted the new standard and has made some adjustment with regard to the share-based compensation costs in July 2019. Under ASU 2018-07, the measurement of equity-classified nonemployee share-based payments is generally fixed on the grant date, and the options are no longer revalued on each reporting date. The expenses related to the share-based compensation are recognized on each reporting date. The amount is calculated as the difference between total expenses incurred and the total expenses already recognized.

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Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements carrying amounts of existing assets and liabilities and loss carry-forwards and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rules on deferred tax assets and liabilities is recognized in operations in the year of change. A valuation allowance is recorded when it is "more likely-than-not" that a deferred tax asset will not be realized.

Earnings (Loss) Per Common Share

Basic net earnings (loss) per common share are computed by dividing net earnings (loss) available to common shareholders by the weighted-average number of common shares outstanding during the period. Diluted net earnings (loss) per common share is determined using the weighted-average number of common shares outstanding during the period, adjusted for the dilutive effect of common stock equivalents. In periods when losses are reported, the weighted-average number of common shares outstanding excludes common stock equivalents, because their inclusion would be anti-dilutive.

The dilutive effect of outstanding stock options and warrants is reflected in diluted earnings per share by application of the treasury stock method. The dilutive effect of outstanding convertible securities is reflected in diluted earnings per share by application of the if-converted method.

The following is a reconciliation of basic and diluted earnings (loss) per common share for the twelve-month period ended October 31, 2022, the nine-month transition period ended October 31, 2021, the twelve-month period ended January 31, 2021, and the six-month transition period ended January 31, 2020.

	Twelve Months Ended October 31, 2022	Nine Months Ended October 31, 2021	Year Ended January 31, 2021	Six Months Ended January 31, 2020
Basic earnings (loss) per common share				
Numerator:				
Net income (loss) available to common shareholders	$ (250,038)	$ 648,072	$ 398,080	$ 966,774
Denominator:				
Weighted average common shares outstanding	28,042,001	23,884,563	19,953,819	18,968,792
Basic earnings (loss) per common share	$ (0.01)	$ 0.03	$ 0.02	$ 0.05
Diluted earnings per common share				
Numerator:				
Net income (loss) available to common shareholders	$ (250,038)	$ 648,072	$ 398,080	$ 966,774
Denominator:				
Weighted average common shares outstanding	28,042,001	23,884,563	19,953,819	18,968,792
Preferred shares	-	1,000	1,000	1,000
Warrants/Options	-	8,392,661	11,633,736	8,838,440
Convertible Debt	-	-	-	54,511
Adjusted weighted average common shares outstanding	28,042,001	32,278,224	31,588,555	27,862,743
Diluted earnings (loss) per common share	$ (0.01)	$ 0.02	$ 0.01	$ 0.03

For the year ended October 31, 2022, the weighted-average number of common shares outstanding excludes common stock equivalents, because their inclusion would be anti-dilutive.

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Revenues

The Company currently has three distinctive revenue streams. In the B2B segment there are two revenue streams: (i) charges for usage of the Company's software, and (ii) a royalty charged on the use of third-party gaming content. In the B2C segment, the revenue stream is related to the prize competition tickets sold to enter prize competitions in the UK through RKings.

B2B segment, revenue descriptions:

1. For the usage of the Company's software, the Company charges gaming operators for the use of its unique intellectual property (IP) and technology systems.
2. For the royalty charged on the use of third-party gaming content, the Company acquires the third-party gaming content for a fixed cost and resells the content at a margin.

B2C segment, revenue descriptions:

The Company generates revenues through RKings and GMG Assets from sales of prize competitions tickets directly to customers for prizes throughout the United Kingdom ranging from automobiles to jewelry, as well as travel and entertainment experiences.

Pursuant to Financial Accounting Standards Board ("FASB") Topic 606, Revenue Recognition, our company recognizes revenues by applying the following steps:

Step 1: Identify the contract with a customer.
Step 2: Identify the separate performance obligations in the contract.
Step 3: Determine the transaction price.
Step 4: Allocate the transaction price to the separate performance obligations in the contract.
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

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For the usage of the Company's software, the Company provides services to the counterparty which include licensing the use of its unique IP and technology systems. The counterparty pays consideration in exchange for those services which include a variable amount depending on the Software Usage. The Company only recognizes the revenue at the month end when the usage occurs, and the revenue is based on the actual Software Usage of its customers.

For the royalty charged on the use of third-party gaming content, the Company acts as a distributor of the third-party gaming content which is utilized by the client. The counterparty pays consideration in exchange for the gaming content utilized. The Company only recognizes the revenue at the month end when the usage of the gaming content occurs, and the revenue is based on the actual usage of the gaming content.

For the prize competitions ticket sales, revenue is recognized when control of the promised goods or services is transferred to customers, in an amount that reflects the consideration RKings expects to be entitled to in exchange for those goods or services.

Payments for prize competitions received in advance of services being rendered are recorded as deferred revenue and recognized as revenue when control of the prize has been transferred to the winner of prize competitions.

Impact of COVID-19 Pandemic on Consolidated Financial Statements.

The outbreak of the 2019 novel coronavirus disease ("COVID-19"), was declared a global pandemic by the World Health Organization on March 11, 2020 and the virus has continued to spread through 2022. The related responses by public health and governmental authorities to contain and combat its outbreak and spread of the virus, has adversely impacted global commercial activity, disrupted supply chains and contributed to significant volatility in financial markets. We did not experience a decrease in demand for our products and services as a result of COVID-19, nor did we experience a material adverse effect on our results of operations. However, economic recessions as a result of COVID-19, may have a negative effect on the demand for our products, services and our operating results. The range of possible impacts on the Company's business from economic recessions caused by coronavirus pandemic could include, but are not limited to: (i) changing demand for the Company's products and services; (ii) the closure of, or reduction in the number of persons who may be present in, establishments using the Company's technology (resulting in a decrease in demand for such technology); (iii) decreases in the amount of discretionary spending available to consumers and/or the amount such consumers are willing to spend; and (iv) increasing contraction in the capital markets. Our operations have not been materially negatively impacted by the coronavirus pandemic to date and much of the Company's work was performed in the commuter environment, as opposed to the office setting. Our employees and consultants returned to our offices in June 2022.

Recently Issued Accounting Pronouncements

The Company does not believe that any recently issued effective pronouncements, or pronouncements issued but not yet effective, if adopted, would have a material effect on the accompanying financial statements.

NOTE 3 – ACCOUNTS RECEIVABLES, NET

Accounts receivables are carried at their estimated collectible amounts. The balance is composed of trade accounts receivables that are periodically evaluated for collectability based on past credit history with customers and their current financial condition and amount due from Citibank for Automated Clearing House (ACH) transfers that were erroneously processed by Citibank (described below).

Amount due from Citibank is the result of Automated Clearing House (ACH) transfers that were erroneously posted to the Company's bank account. The Company first notified Citibank of ACH transfers that were erroneously posted to the account. Overall, $729,505 of ACH transactions had posted to its accounts that were not authorized. Citibank immediately recognized that it was an error under the Electronic Fund Transfer Act (EFTA) (15 U.S.C. 1693 et seq.) of 1978 and 12 CFR 1005.11 and proceeded to immediately replenish $392,921 of the unauthorized ACH transactions which resulted in a receivable due from Citibank of $336,584 as of October 31, 2021. During the twelve months ended October 31, 2022, an additional $269,086 was replenished by Citibank which resulted in a balance due from Citibank of $67,498. On November 25, 2022, an additional $21,003 was replenished by Citibank.

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The Company has accounts receivable of $2,641,023 and $1,762,725 as of October 31, 2022 and October 31, 2021, respectively (net of allowance for bad debt of $0 and $168,557, respectively). During the twelve months ended October 31, 2022, a $168,557 allowance for doubtful debts was written off and there was no bad debt expense recorded. The corresponding accounts receivable balance was also written off.

NOTE 4 – ACCOUNTS RECEIVABLE - RELATED PARTY

Accounts receivable-related party are carried at their estimated collectible amounts. Trade accounts receivable are periodically evaluated for collectability based on past credit history with customers and their current financial condition. The Company has accounts receivable from one related party: Articulate Pty Ltd. ("Articulate"), which is wholly-owned by Anthony Brian Goodman, CEO of the Company and his wife Marla Goodman, which amounts to $413,714 and $1,306,896 as of October 31, 2022 and October 31, 2021, respectively.

NOTE 5 – PREPAID EXPENSES

The prepaid expenses mainly include prepayments to suppliers for the gaming content usage, Nasdaq listing fees, rent, insurance, retainer for legal services, prepaid employee wages, and a one-year Gaming License fee. The balances of prepaid expenses are $84,372 and $114,426 as of October 31, 2022 and October 31, 2021, respectively. The components of prepaid expenses are as follows:

	As of October 31, 2022	As of October 31, 2021
Prepayments to suppliers	$ 70,156	$ 104,336
Prepayment for the gaming license fee	8,744	10,090
Prepaid payroll expense	5,472	-
Total prepaid expenses	$ 84,372	$ 114,426

NOTE 6 – SHORT-TERM DEPOSITS

Office Lease deposit

Short-term deposits represent a deposit required for a new office lease in Australia. On June 1, 2021, the Company (through GTG) entered into a three-year term lease agreement for office space and two parking spaces which commenced on June 1, 2021. The Company has the option to renew for a period of three years. The rent is $117,857 ($167,338 AUD) per year (subject to a 4% annual increase) plus goods and services tax charged at 10% based on Australian Taxation Law.

Under the terms of the lease, the Company is required to provide a bank guarantee and has entered into a $52,577 ($81,896 AUD) Term Deposit at St. George Bank (with lessor as beneficiary) as collateral for the bank guarantee (from St. George Bank) to the benefit of the lessor. The Term Deposit was opened on June 1, 2021, had a one-year maturity and earned 0.25% interest per year. On June 1, 2022, the Term Deposit was automatically reinvested at St. George Bank for an additional one-year term, under the same terms as the original Term Deposit of June 1, 2021; the interest rate on renewal is 0.25%.

As of October 31, 2022 and October 31, 2021, the operating lease right-of-use asset is $150,653 and $280,183, respectively, and there was also a current operating lease liability of $95,085 and $100,209, respectively and a non-current operating lease liability of $59,778 and $182,024, respectively.

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NOTE 7 – ACQUISITIONS

Related Party Asset Acquisitions

GTG Acquisition

On December 22, 2020, the Company entered into a Share Purchase Agreement with Anthony Brian Goodman, CEO of the Company and also the sole director and owner of GTG, which entity was acquired on January 19, 2021. Under the agreement, Mr. Goodman agreed to sell 100% of the shares in GTG to the Company for total consideration of 85,000 GBP. On January 19, 2021, the Company acquired the shares in GTG and became the ultimate holding company of GTG. On March 22, 2021, the Company paid Mr. Goodman $115,314 (equivalent to 85,000 GBP), for the acquisition of GTG.

The assets and liabilities of GTG have been recorded at their historical cost basis at the acquisition date and are included in the Company's consolidated financial statements.

The assets acquired and liabilities assumed in the Share Purchase Agreement are as follows:

Calculation of Purchase Price Allocation		**Amount**
Purchase price of GBP £85,000 based on the exchange rate on January 19, 2021	$	115,314
Assets acquired and liabilities assumed		
Cash	$	192
Prepayments – Gaming License		61,513
Advance from shareholders		(100)
Equity value of GTG	$	61,605
Reduction in Additional Paid in Capital in GMGI		53,709
Consideration payable – related party	$	115,314

GMG Assets Acquisition

On October 17, 2022, effective August 1, 2022, the Company entered into a Stock Purchase Agreement (the "GMG Purchase Agreement"), to acquire a 100% ownership interest in GMG Assets Limited ("GMG Assets"), a private limited company formed under the laws of Northern Ireland from Aaron Johnston and Mark Weir, individuals, the owners of 100% of the ordinary issued share capital (100 Ordinary Shares) of GMG Assets. Aaron Johnston is a Board Member of GMGI, Mark Weir is a 10% Shareholder in RKings, of which GMGI owns 80% of, and as such are both related parties to GMGI.

Pursuant to the GMG Purchase Agreement, which was approved by the Company's Board of Directors and the Audit Committee of the Board of Directors, the Company would pay the Sellers 25,000 British pound sterling (GBP)(approximately $30,708) for 100% of GMG Assets, which represented the combined costs paid by the Sellers to form GMG Assets. GMG Assets was formed for the sole purpose of facilitating the Company's operation of RKings and to facilitate cash alternative offers for winners of prizes within RKings' business. As of October 31, 2022, the consideration has not been paid.

The calculation of the purchase price and the assets acquired and liabilities assumed in the GMG Purchase Agreement are as follows:

Calculation of Purchase Price Allocation		**Amount**
Purchase price of GBP £25,000 based on Exchange Rate on August 1, 2022	$	30,708
Assets acquired and liabilities assumed		
Receivable from shareholders of GMG Assets	$	30,708
Equity value of GMG Assets	$	30,708
Consideration payable – related party	$	30,708

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Third Party Business Acquisition

RKings Acquisition

On November 29, 2021, the Company entered into the Purchase Agreement, to acquire an 80% ownership interest in RKings from Mark Weir and Paul Hardman, individuals (each a "Seller" and collectively the "Sellers"), the owners of 100% of the ordinary issued share capital of RKings.

RKings is a United Kingdom based online competition company offering business-to-consumer tournaments whereby individuals can purchase entries for online prize drawings.

Pursuant to the Purchase Agreement, the Sellers agreed to sell the Company 80% of the outstanding capital stock of RKings (the "Purchase" and the "RKings Stock"). In consideration for the RKings Stock, we agreed to pay the Sellers, pro rata with their ownership of RKings:

(1) a cash payment of GBP £3,000,000 (USD $4,099,500);
(2) 666,250 restricted shares of the Company's common stock, valued at $7.60 per share (the "Closing Shares" and the "Initial Share Value"); and
(3) within seven days after the receipt of the audit of RKings (as required by Securities and Exchange Commission ("SEC") rules and regulations), an additional number (rounded to the nearest whole share) of restricted shares of Company common stock, equal to (i) 80% of RKings' net asset value (inventory on hand (minus allowances for reserve inventory and allocated goods and materials) plus RKings' total cash and cash equivalents on hand; less RKings' current and accrued liabilities, as described in greater detail in the Purchase Agreement) as of October 31, 2021, divided by (ii) the Initial Share Value (the "Post-Closing Shares"). On March 7, 2022, the Company issued 70,332 restricted shares of the Company's common stock in payment of 80% of RKings' net asset value as of October 31, 2021 (described above), in the amount of $562,650.

A total of GBP £1,000,000 (USD $1,366,500)(the "Holdback Amount") was retained by the Company following closing and was to be released to the Sellers, within six months after the closing date only to the extent that (A) RKings achieved revenue of at least USD $7,200,000 during the six full calendar months immediately following the closing date; and (B) the Sellers did not default in any of their obligations, covenants or representations under the Purchase Agreement or other transaction documents.

Additionally, in the event the (A) the Company determines, on or before the date on which the Company files its Annual Report on Form 10-K with the SEC for the Company's fiscal year ending October 31, 2022 (the "Filing Date"), that the increase (if any) between (1) RKings' twelve-month trailing EBITDA for the year ended

October 31, 2022, less (2) RKings' twelve-month trailing EBITDA for the year ended October 31, 2021, is at least GBP £1,250,000 during the twelve-month period ending October 31, 2022; and (B) the Sellers do not default in any of their obligations, covenants or representations under the Purchase Agreement or other transaction documents, then the Company is required to pay the Sellers GBP £4,000,000 (USD $5,330,000) (the "Earn-Out Consideration"), which is payable at the option of the Company in either (a) cash; or (b) shares of Company common stock valued at $8.00 per share of Company common stock (subject to equitable adjustment in accordance with dividends payable in stock on such Company Common Stock, stock splits, stock combinations, and other similar events affecting the Company Common Stock) (such shares of Company Common Stock, if any, the "Earn-Out Shares").

On December 6, 2021, the Company closed the Purchase, which had an effective date of November 1, 2021.

The Purchase Agreement also required that the Sellers and the Company enter into a Shareholders Agreement (the "Shareholders Agreement"), which was entered into and became effective on November 29, 2021.

In accordance with FASB ASC Section 805, "Business Combinations", the Company has accounted for the Purchase Agreement transaction as a business combination using the acquisition method. Due to the continuity of operations that will remain after the acquisition, the acquisition was considered the acquisition of a "business".

Goodwill is measured as a residual and calculated as the excess of the sum of (1) the purchase price to acquire 80% of RKings' shares, which was $11,092,150, and (2) the fair value of the 20% noncontrolling interest in RKings, which was estimated to be $2,705,000, over the net of the acquisition-date values of the identifiable assets acquired and the liabilities assumed.

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The Company accounts for business combinations in accordance with FASB ASC 805, "Business Combinations". The preliminary fair value of purchase consideration for the acquisition has been allocated to the assets acquired and liabilities assumed based on a preliminary valuation of their respective fair values and may change when the final valuation of the assets acquired and liabilities assumed is determined.

The assets and liabilities of RKings have been recorded at their fair value at the acquisition date, and are included in the Company's consolidated financial statements.

The calculation of the purchase price and the assets acquired and liabilities assumed in the Purchase Agreement are as follows:

Calculation of Purchase Price and Preliminary Estimated Purchase Price Allocation

Purchase price buildup	**Amount**
Closing cash consideration of GBP £3,000,000 based on Exchange Rate on November 1, 2020	$ 4,099,500
Fair value of contingent cash consideration of GBP £1,000,000 to be paid in six months based on Exchange Rate on November 1, 2020	1,366,500
Fair value of 666,250 restricted shares at $7.60 per share	5,063,500
Fair value of contingent shares consideration	562,650
Purchase price	**$ 11,092,150**
Fair value of non-controlling interest	2,705,000
Equity value	**$ 13,797,150**
Add: Current liabilities	960,753
Total equity and liabilities	**$ 14,757,903**
Allocation to assets	
Cash and cash equivalents	$ 758,047
Inventory, prizes	906,018
Property, Plant & Equipment, net	27,613
Total tangible assets	**$ 1,691,678**
Intangible assets	
Website development costs, net	$ 13,901
Trade Names and Trademarks	2,000,000
Non-Compete Agreements	600,000
Total intangible assets	**$ 2,613,901**
Goodwill	10,452,324
Total assets allocated	**$ 14,757,903**

RKings' results of operations have been included in our consolidated financial statements beginning November 1, 2021. RKings contributed revenues of $20,162,329 and net income attributable to GMGI of $1,176,265 for the period from the date of acquisition through October 31, 2022.

The following table summarizes the unaudited pro-forma consolidated results of operations for the periods ended October 31, 2022 and 2021, as if the acquisition had occurred on November 1, 2020.

	Year Ended October 31	
	2022	**2021**
Pro-forma total revenues	$ 36,034,856	$ 43,796,143
Pro-forma net income (loss) attributable to GMGI	$ (250,038)	$ 2,523,956

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The unaudited pro-forma consolidated results above are based on the historical financial statements of the Company and RKings and are not necessarily indicative of the results of operations that would have been achieved if the acquisition was completed at November 1, 2020, and are not indicative of the future operating results of the combined company. The pro-forma consolidated results of operations also include the effects of purchase accounting adjustments, including amortization charges related to the finite-lived intangible assets acquired, assuming that the business combination occurred on November 1, 2020. The values assigned to the assets acquired

and liabilities assumed are based on preliminary valuations, for the RKings acquisition, and are subject to change as the Company obtains additional information during the remaining measurement period.

RKings Notice of Breach

On June 1, 2022, the Company notified the Sellers that Sellers were in default under the Purchase Agreement and demanded that Sellers cease and desist from all activity in violation of the Purchase Agreement, including (1) use of Company confidential data in breach of the non-disclosure requirements of the Purchase Agreement, (2) tortious interference with the Company's business and customer relationships, and (3) exploitation of Company assets for personal gain. Also, Sellers had breached the Shareholders Agreement as well as their fiduciary duties as stipulated in the Shareholders Agreement dated November 29, 2021.

Based on the foregoing, and without limitation as to other breaches by either Seller, the Company notified the Sellers that they were in breach of the Purchase Agreement and demanded that each Seller cease and desist from further actions in breach of the Purchase Agreement or in violation of applicable law. In addition, the Company notified the Sellers of their indemnification obligations under the Purchase Agreement and the Company's decision to terminate the Sellers' right to receive the £1,000,000 Holdback Amount and the £4,000,000 Earn-Out Consideration. In addition, the Company has the right to set off any amounts which are the subject of an indemnification claim against such Holdback Amount and Earn-Out Consideration. Therefore, no contingent liability was recorded.

RKings Settlement & Release

On August 1, 2022, and effective on August 4, 2022, we entered into a Settlement and Mutual Release Agreement (the "Settlement Agreement") with Mark Weir, one of the two sellers of the 80% interest in RKings which we acquired effective on November 1, 2021, pursuant to the November 29, 2021 Sale and Purchase Agreement of Ordinary Issued Share Capital. The Settlement Agreement was entered into in order to partially settle certain breaches of the Purchase Agreement which the Sellers (Mr. Weir and Mr. Paul Hardman) were jointly and severally responsible for pursuant to the terms of the Purchase Agreement. Pursuant to the Settlement Agreement, (a) we agreed to make a payment to Mr. Weir in the amount of £450,000 (approximately $548,112), representing one-half of the £1,000,000 (approximately $1,218,027) Holdback Amount, less £50,000 (approximately $60,902) in excess salary payments made to Mr. Weir (the "Settlement Payment"); (b) Mr. Weir agreed to enter into an employment agreement with RKings; and (c) we and Mr. Weir, on behalf of ourselves and our affiliates and representatives, provided each other mutual releases, subject to certain customary exceptions. The Settlement Payment was in full satisfaction of all payments (including any portion of the Holdback Amount or Earn-Out Consideration), due to Mr. Weir under the Purchase Agreement. The Settlement Payment was paid in full on August 21, 2022. The Company's ongoing disputes and claims against Mr. Hardman, the other Seller, relating to breaches of the terms of the Purchase Agreement by Mr. Hardman, remain outstanding and the Company is continuing to pursue such claims.

RKings Notice of Buyout

On October 27, 2022, the Company exercised its Buyout Right by providing written notice to each of the Sellers. In connection with such exercise, the Company agreed to pay each Seller USD $661,773, which is equal to their pro rata portion of the Buyout Price, which will be satisfied by the issuance by the Company to each Seller of 82,722 shares of restricted common stock of the Company (with such shares being valued at $8.00 per share pursuant to the terms of the Shareholders Agreement)(an aggregate of 165,444 shares of common stock of the Company, the "Buyout Shares").

On November 30, 2022, the Company completed the purchase of 10% of RKings from each Seller (20% in aggregate) in consideration for the Buyout Shares and effective as of November 4, 2022, the Company owns 100% of RKings.

Golden Matrix MX Acquisition

On July 11, 2022, the Company entered into a Share Purchase Agreement to acquire 99.99% of the stock of Golden Matrix MX, a then newly formed shell company incorporated in Mexico for nominal consideration. Golden Matrix MX had no assets or operations and was formed for the benefit of the Company, for the sole purpose of operating an online casino in Mexico. The acquisition closed on September 7, 2022.

NOTE 8 – PROPERTY, PLANT and EQUIPMENT

Property, plant and equipment, net, consists of the following for the periods indicated:

	As of	
	October 31, 2022	October 31, 2021
Fixtures, fittings and equipment	$ 46,582	$ -
Computer and server	3,387	-
Leasehold improvements	33,750	-
Plant and machinery	21,070	-
Total property, plant and equipment	$ 104,789	$ -
Less accumulated depreciation	(32,378)	-
Property, plant and equipment, net	$ 72,411	$ -

NOTE 9 – INTANGIBLE ASSETS

On March 1, 2021, the Company entered into an Asset Purchase Agreement with Gamefish Global Pty Ltd, a company incorporated in Australia ("Gamefish"), pursuant to which the Company acquired an instance of certain intellectual property that consists of a fully functional Seamless Aggregation Platform ("Aggregation Platform"). As consideration for the acquisition, the Company agreed to pay Gamefish $174,000, payable pursuant to a schedule set forth in the agreement, and certain milestones being met with respect to the stability, functionality and operation of the Aggregation Platform. The Company also agreed to pay a minimum of three months of monthly fees to Gamefish in the amount of $13,050 per month, for ongoing support for the intellectual property. As part of the Asset Purchase Agreement, the Company entered into consulting agreements with two principals of Gamefish. On November 23, 2021, the Company terminated the consultants and the ongoing development work contemplated by the Asset Purchase Agreement with Gamefish, effective on November 30, 2021. The outstanding payable to Gamefish of $58,000 was written off and the intangible asset was written down by the same amount.

The website development costs to upgrade and enhance the functionality of RKings' website were capitalized which amount to $74,191 as of October 31, 2022.

Intangible assets related to software and website are amortized on a straight-line basis over their expected useful lives, estimated to be 3 years.

In connection with the acquisition of RKingsCompetition, Ltd, the Company recognized the definite-lived intangible assets consisting of $2,000,000 of trademarks and $600,000 of non-compete agreements. The trademark for RKings is amortized over 10 years and the non-compete agreement is amortized over 5 years.

In connection with operating online casino in Mexico, the Company applied for a gaming permit in Mexico through its subsidiary Golden Matrix MX in the amount of $223,725. The gaming permit is recognized as an intangible asset and is amortized over 6 years.

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Amortization expenses related to intangible assets were $384,588 and $38,737 for the twelve months ended October 31, 2022 and 2021, respectively. Accumulated amortization was $422,479 and $38,737 as of October 31, 2022 and October 31, 2021, respectively.

The following table details the carrying values of the Company's intangible assets excluding goodwill:

	As of	
	October 31, 2022	October 31, 2021
Definite-lived intangible assets		
Aggregation Platform	$ 116,000	$ 174,000
Gaming permit in Mexico	223,725	
Website Development Cost	89,829	-
Trademarks	2,000,000	-
Non-compete Agreements	600,000	-
Gross definite-lived intangible assets	**3,029,554**	**174,000**
Less: accumulated amortization		
Aggregation Platform	(73,047)	(38,737)
Gaming permit in Mexico	(3,062)	
Website Development Cost	(26,370)	-
Trademarks	(200,000)	-
Non-compete Agreements	(120,000)	-
Total accumulated amortization	**(422,479)**	**(38,737)**
Net definite-lived intangible assets	**$ 2,607,075**	**$ 135,263**

NOTE 10 – ACCOUNTS PAYABLE – RELATED PARTIES

The accounts payable to related parties include the accrued consulting fees and salaries payable to the Directors and management of the Company and also the accounts payable to Articulate Pty Ltd. ("Articulate"), which is wholly-owned by Anthony Brian Goodman, CEO of the Company and his wife, Marla Goodman. Accounts payable to related parties was $10,637 and $105,062 as of October 31, 2022 and October 31, 2021, respectively.

NOTE 11 – DEFERRED REVENUES

The payments for prize competitions received in advance of services being rendered are recorded as deferred revenue and recognized as revenue when control of the prize has been transferred to the winners of prize competitions. Deferred revenues were $182,444 and $0 as of October 31, 2022 and October 31, 2021, respectively.

NOTE 12 – CUSTOMER DEPOSITS

The Company has two sources of customer deposits.

One source of deposits is from the Company's customers participating in the Progressive Jackpot Games. The clients will be required to provide the Company with a minimum deposit amount of $5,000, which will serve as a deposit for the Progressive Contribution Fee. During the tenure of the client's operation, the deposit will not be used to deduct or offset any invoices, and when the client decides not to operate, the deposit will be fully refunded to the client. As of October 31, 2022 and October 31, 2021, customer deposits amounted to $69,016 and $32,886, respectively.

The other source of deposits is the payment from customers in advance of any usages of gaming content. As the gaming content is utilized by the customers, revenues are recognized. As of October 31, 2022 and October 31, 2021, a total of $40,312 and $35,749 of customer deposits are from this source.

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NOTE 13 – RELATED PARTY TRANSACTIONS

All related party transactions have been recorded at the exchange value which was the amount of consideration established and agreed to by the related parties.

Anthony Brian Goodman

On October 26, 2020, the Company entered into an Employment Agreement with Mr. Goodman, the Company's Chief Executive Officer and Chairman. Pursuant to the agreement, Mr. Goodman is to receive an annual salary of $144,000, plus a superannuation (compulsory payments required pursuant to Australian law made into a fund by an employee toward a future pension) of 9.5% of Mr. Goodman's salary. Beginning July 1, 2022, the superannuation increased to 10.5% of the salary pursuant to Australian law.

On September 16, 2022, the Company entered into a First Amended and Restated Employment Agreement with Mr. Goodman. The agreement amended and restated, effective as of September 16, 2022, the prior Employment Agreement entered into between the Company and Mr. Goodman dated October 26, 2020, to among other things, (a) extend the term thereof for four years, to August 20, 2026; (b) increase Mr. Goodman's base salary to $158,400 per year, plus a Superannuation as mandated by the Australian Government - Superannuation Guarantee (Administration) Act 1992; (c) provide for annual increases in Mr. Goodman's salary of no less than 10% per annum; (d) revise the non-compete language of the agreement to include prohibitions prohibiting Mr. Goodman from competing against the Company in connection with online raffles, lotteries, tournaments, competitions and sportsbook operations and technology, and provide for the non-compete to apply to both the United States and the United Kingdom; (e) include additional provisions allowing for Mr. Goodman's right to immediately terminate the agreement for good reason and amend certain provisions allowing for the Company to terminate Mr. Goodman for cause; (f) amend the terms of severance payments due to Mr. Goodman, and include the right for Goodman to be paid certain change of control severance payments; and (g) include the right of the Company to clawback amounts paid to Mr. Goodman to the extent necessary to comply with the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act or any Securities and Exchange Commission rule.

As of October 31, 2022 and October 31, 2021, total wages payable to Mr. Goodman were $0 and $0, respectively, and the superannuation payable was $5,229 and $14,205, respectively.

On June 29, 2021, the Company extended the expiration date of options to purchase 5,400,000 shares of common stock previously granted to Mr. Goodman, the Company's Chief Executive Officer, at an exercise price of $0.066 per share, which were to expire on June 30, 2021, until December 31, 2022.

On September 18, 2021, Mr. Goodman exercised options to purchase 2,700,000 shares of common stock in a cashless exercise pursuant to which 355,109 shares were surrendered to the Company to pay for the aggregated exercise price of the options ($2,450,250) and 2,344,891 shares were issued.

Effective March 10, 2022, Luxor Capital LLC (Luxor), the then sole shareholder of the Series B Voting Preferred Stock of the Company (the "Series B Preferred Stock"), which entity is wholly-owned by the Company's Chief Executive Officer and Chairman, Anthony Brian Goodman, transferred all 1,000 shares of Series B Preferred Stock which it held to Mr. Goodman for no consideration.

On September 16, 2022, the Company granted 750,000 restricted stock units to Mr. Goodman in consideration for services to be rendered by Mr. Goodman through October 2024. The restricted stock units are subject to vesting, to the extent that certain performance metrics are met by the Company. More details of the restricted stock units are covered in "NOTE 14 - EQUITY".

Weiting 'Cathy' Feng

On October 26, 2020, the Company entered into an Employment Agreement with Weiting 'Cathy' Feng, the Company's Chief Operating Officer and Director. Pursuant to the agreement, Ms. Feng is to receive an annual salary of $120,000, plus a superannuation (compulsory payments required pursuant to Australian law, made into a fund by an employee toward a future pension) of 9.5% of Ms. Feng's salary. Beginning July 1, 2022, the superannuation increased to 10.5% of the salary pursuant to Australian law.

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On September 16, 2022, we entered into a First Amended and Restated Employment Agreement with Ms. Feng. The agreement amended and restated, effective as of September 16, 2022, the prior Employment Agreement entered into between the Company and Ms. Feng dated October 26, 2020, to among other things, (a) extend the term thereof for four years, to August 20, 2026; (b) increase Ms. Feng's base salary to $132,000 per year, plus a Superannuation as mandated by the Australian Government - Superannuation Guarantee (Administration) Act 1992; (c) provide for annual increases in Ms. Feng's salary of no less than 10% per annum; (d) revise the non-compete language of the agreement to include prohibitions prohibiting Ms. Feng from competing against the Company in connection with online raffles, lotteries, tournaments, competition's and sportsbook operations and technology and include prohibits against competition in the United States and the United Kingdom; (e) include additional provisions allowing for Ms. Feng's right to immediately terminate the agreement for good reason and amend certain provisions allowing for the Company to terminate Ms. Feng for cause; (f) amend the terms of severance payments due to Ms. Feng, and include right to change of control severance payment; and (g) include the right of the Company to clawback amounts paid to Ms. Feng to the extent necessary to comply with the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act or any Securities and Exchange Commission rule.

As of October 31, 2022 and October 31, 2021, total wage payable to Ms. Feng was $0 and $0, respectively, and the superannuation payable was $4,358 and $11,838, respectively.

On June 29, 2021, the Company extended the expiration date of options to purchase 1,400,000 shares of common stock previously granted to Weiting Feng, the Company's Chief Operating Officer, at an exercise price of $0.06 per share, which were to expire on June 30, 2021, until December 31, 2022.

On September 18, 2021, Weiting Feng, exercised options to purchase 700,000 shares of common stock in a cashless exercise pursuant to which 83,696 shares were surrendered to the Company to pay for the aggregated exercise price of the options ($577,500) and 616,304 shares were issued.

On September 16, 2022, the Company granted 375,000 restricted stock units to Ms. Feng in consideration for services to be rendered by Ms. Feng through October 2024. The restricted stock units are subject to vesting, to the extent that certain performance metrics are met by the Company. More details of the restricted stock units are covered in "NOTE 14- EQUITY".

Thomas E. McChesney

On April 24, 2020, the Board of Directors appointed Mr. Thomas E. McChesney as a member of the Board of Directors of the Company. Mr. McChesney's appointment was effective on April 27, 2020. The Board of Directors agreed to compensate Mr. McChesney in the amount of $2,000 per month payable in arears and to grant Mr. McChesney options to purchase 100,000 shares of common stock (at $0.795 per share, expiring April 27, 2025) in connection with his appointment.

On September 29, 2021, the Board of Directors agreed to increase the compensation of Mr. McChesney to $3,000 per month, commencing November 1, 2021.

On January 28, 2022, Mr. McChesney exercised options to purchase 40,000 shares of common stock in a cashless exercise pursuant to which 4,977 shares were surrendered to the Company to pay for the aggregated exercise price of the options ($31,800) and 35,023 shares were issued.

On May 25, 2022, the Compensation Committee agreed to increase the monthly retainer payable to non-executive independent Board members from $3,000 to $5,000 per month effective immediately.

During the twelve months ended October 31, 2022 and 2021, total consulting fees paid to Mr. McChesney were $46,000 and $24,000, respectively. As of October 31, 2022 and October 31, 2021, the amount payable to Mr. McChesney was $0 and $0, respectively.

On September 16, 2022, the Company granted 150,000 restricted stock units to Mr. McChesney in consideration for services to be rendered by Mr. McChesney through October 2024. The restricted stock units are subject to vesting, to the extent that certain performance metrics are met by the Company. More details of the restricted stock units are covered in "NOTE 14- EQUITY".

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Murray G. Smith

On July 27, 2020, the Board of Directors appointed Mr. Murray G. Smith as a member of the Board of Directors of the Company. Mr. Smith's appointment was effective on August 1, 2020. The Board of Directors agreed to compensate Mr. Smith in the amount of $2,000 per month payable in arears and to grant Mr. Smith options to purchase 100,000 shares of common stock (at $2.67 per share, expiring August 1, 2025) in connection with his appointment.

On September 29, 2021, the Board of Directors agreed to increase the compensation of Mr. Smith to $3,000 per month, commencing November 1, 2021.

On May 25, 2022, the Compensation Committee agreed to increase the monthly retainer payable to non-executive independent Board members from $3,000 to $5,000 per month, effective immediately.

During the twelve months ended October 31, 2022 and 2021, total consulting fees paid to Mr. Smith were $46,000 and $24,000, respectively. As of October 31, 2022 and October 31, 2021, the amount payable to Mr. Smith was $0 and $0, respectively.

On September 16, 2022, the Company granted 150,000 restricted stock units to Mr. Smith in consideration for services to be rendered by Mr. Smith through October 2024. The restricted stock units are subject to vesting, to the extent that certain performance metrics are met by the Company. More details of the restricted stock units are covered in "NOTE 14 - EQUITY".

Aaron Richard Johnston

On August 13, 2020, the Board of Directors agreed to appoint Mr. Aaron Richard Johnston as a member of the Board of Directors of the Company subject to his acceptance. On August 23, 2020, the Company received Mr. Johnston's acceptance letter. The effective date of appointment was August 23, 2020. The Board of Directors agreed to compensate Mr. Johnston in the amount of $2,000 per month payable in arears and to grant Mr. Johnston options to purchase 100,000 shares of common stock (at $2.67 per share, expiring August 1, 2025) in connection with his appointment.

On September 29, 2021, the Board of Directors agreed to increase the compensation of Mr. Johnston to $3,000 per month, commencing November 1, 2021.

On May 25, 2022, the Compensation Committee agreed to increase the monthly retainer payable to non-executive independent Board members from $3,000 to $5,000 per month, effective immediately.

During the twelve months ended October 31, 2022 and 2021, total consulting fees paid to Mr. Johnston were $46,000 and $24,000, respectively. As of October 31, 2022 and October 31, 2021, the amount payable to Mr. Johnston was $0 and $2,000.

On September 16, 2022, the Company granted 150,000 restricted stock units to Mr. Smith in consideration for services to be rendered by Mr. Smith through October 2024. The restricted stock units are subject to vesting, to the extent that certain performance metrics are met by the Company. More details of the restricted stock units are covered in "NOTE 14- EQUITY".

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Brett Goodman

On May 1, 2020, the Company entered into a consultant agreement with Brett Goodman, the son of the Company's Chief Executive Officer, where Mr. Brett Goodman agreed to provide consulting services assisting the Company with building a Peer-to-Peer gaming system. The consultant will be paid $3,000 per month.

On September 16, 2022, and effective on September 1, 2022, the Company entered into an Employment Agreement with Mr. Brett Goodman. Pursuant to the employment agreement, Mr. Brett Goodman agreed to serve as the Vice President of Business Development for the Company for a term of three years (through September 1, 2025), subject to automatic one-year extensions of the agreement, if not terminated by either party at least three months prior to the renewal date.

The agreement provides for an annual salary of $60,000 per year, plus a 10.5% Superannuation, subject to annual increases in the discretion of the Audit Committee of the Company. Increases of salary are not required to be set forth in an amendment to the Employment Agreement. The Board of Directors (or Compensation Committee of the Board of Directors) may also grant Mr. Goodman bonuses from time to time in its discretion, in cash, stock or equity, including in the form of options, in amounts determined in the sole discretion of the Board of Directors (or Compensation Committee of the Board of Directors). The Board of Director or Compensation Committee may also increase Mr. Goodman's salary from time to time in their discretion.

The agreement contains standard confidentiality and indemnification obligations of the parties and provides for Mr. Goodman to receive three months of severance pay in the event Mr. Goodman's employment is terminated other than for cause or by Mr. Goodman without cause. Upon such qualifying termination, all options held by Mr. Goodman vest immediately and are exercisable for the later of the original stated expiration date thereof or 24 months after such termination date.

In connection with the entry into the employment agreement, the Company granted Mr. Brett Goodman options to purchase 50,000 shares of the Company's common stock, evidenced by a Notice of Grant of Stock Options and Stock Option Award Agreement (the "Option Agreement"), with an exercise price equal to $3.98 per share, the closing sales price of the Company on the Nasdaq Capital Market on the date the grant was approved by the Board of Directors of the Company. The options vest at the rate of 1/2 of such Options on each of August 22, 2023 and 2024, subject to Mr. Brett Goodman's continued service with the Company on such vesting dates and such options shall expire if unexercised on February 22, 2025. The options were granted under, and subject to the terms and conditions of, the Company's 2018 Equity Incentive Plan.

Marla Goodman

Marla Goodman is the wife of Anthony Brian Goodman, the Company's Chief Executive Officer. Marla Goodman owns 50% of Articulate Pty Ltd. (discussed below).

Articulate Pty Ltd

(a) Back Office Services:

On June 30, 2021, a Back Office Services Agreement, between the Company and Articulate Pty Ltd, which is wholly-owned by Anthony Brian Goodman, Chief Executive Officer and Chairman of the Company and his wife Marla Goodman, was cancelled. During the twelve months ended October 31, 2022 and 2021, general and administrative expenses related to the Back Office Services Agreement were $0 and $88,000, respectively. As of October 31, 2022 and October 31, 2021, the amount payable to Articulate for Back Office Services was $0 and $77,019, respectively.

(b) License Agreement:

On March 1, 2018, the Company entered into a License Agreement with Articulate, in which Articulate received a license from the Company to use the GM2 Asset technology, and agreed to pay the Company a usage fee calculated as a certain percentage of the monthly content and software usage within the GM2 Asset system.

During the twelve months ended October 31, 2022 and 2021, revenues from Articulate were $862,373 and $2,140,266, respectively. As of October 31, 2022 and October 31, 2021, the amount receivable from Articulate was $413,714 and $1,306,896, respectively.

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(c) Prepaid deposit paid to Skywind Services IOM Ltd ("Skywind") by Articulate on behalf of Global Technology Pty Ltd ("GTG"):

Articulate had a prepaid deposit in favor of Skywind in the amount of $43,569 (35,928 EUR) as of February 18, 2021. Articulate allowed GTG to utilize the prepaid deposits in order that GTG would be able to operate and utilize certain Progressive Jackpot games of Skywind. On February 18, 2021, the Company recorded an accounts payable of $43,569 to Articulate. On July 29, 2021, the Company paid the equivalent of $42,464 to Articulate to settle the accounts payable based on the exchange rate on the same date.

(d) Offset accounts payable with accounts receivable

On October 14, 2022, the Company and Articulate reached an agreement, and entered into a memorandum dated as of the same date, to offset accounts payable with accounts receivable in the amount of $77,019.

Mr. Omar Jimenez

On April 22, 2021, the Company entered into a Consulting Agreement with Omar Jimenez, who was appointed as Chief Financial Officer/Chief Compliance Officer on the same date. The Consulting Agreement provides for Mr. Jimenez to be paid $12,500 per month (which may be increased from time to time with the mutual consent of Mr. Jimenez and the Company and which salary was increased to $25,000 per month on January 26, 2022, effective January 1, 2022), to be granted options to purchase 50,000 shares of common stock (at $9.910 per share, expiring April 23, 2023), granted under the Company's 2018 Equity Compensation Plan, of which options to purchase 25,000 shares vested on April 22, 2021, and options to purchase 25,000 shares vested on October 22, 2021. Mr. Jimenez may also receive discretionary bonuses from time to time in the discretion of the Board of Directors in cash, stock or options.

During the twelve months ended October 31, 2022 and 2021, total consulting fees paid to Mr. Jimenez were $275,000 and $78,750, respectively. As of October 31, 2022 and October 31, 2021, the amount payable to Mr. Jimenez was $0 and $0, respectively.

NOTE 14 – EQUITY

Preferred Stock

The Company has 20,000,000 shares of $0.00001 par value preferred stock authorized.

Effective March 10, 2022, Luxor, the then sole shareholder of the Series B Voting Preferred Stock of the Company (the "Series B Preferred Stock"), which entity is wholly-owned by the Company's Chief Executive Officer and Chairman, Anthony Brian Goodman, transferred all 1,000 shares of Series B Preferred Stock which it held to Mr. Goodman for no consideration.

On March 11, 2022, the Company's Board of Directors and Mr. Goodman, as the then sole shareholder of the Company's Series B Preferred Stock (pursuant to a written consent to action without meeting of the sole Series B Preferred Stock shareholder), approved the adoption of, and filing of, an Amended and Restated Certificate of Designation of Golden Matrix Group, Inc. Establishing the Designation, Preferences, Limitations and Relative Rights of its Series B Voting Preferred Stock (the "Amended and Restated Designation").

The Amended and Restated Designation, which was filed with, and became effective with, the Secretary of State of Nevada on March 11, 2022, amended the Certificate of Designation of the Series B Preferred Stock, previously filed by the Corporation with the Secretary of State of Nevada on August 18, 2015, to, among other things:

(a) include the right of the holder of the Series B Preferred Stock to convert each share of the Series B Preferred Stock into 1,000 shares of the Company's common stock at the holder's option from time to time after May 20, 2022;

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(b) provide for the automatic conversion of all outstanding shares of Series B Preferred Stock into common stock of the Company, on a 1,000 for 1 basis, on the date that the aggregate beneficial ownership of the Company's common stock, calculated without regard to any shares of common stock issuable upon conversion of the Series B Preferred Stock, nor any voting rights associated with such Series B Preferred Stock, of Mr. Goodman, falls below 10% of the Company's common stock then outstanding, or the first business day thereafter that the Company becomes aware of such;

(c) provide that each share of Series B Preferred Stock entitles the holder to 7,500 votes on all matters presented to the Company's shareholders for a vote of shareholders, whether such vote is taken in person at a meeting or via a written consent (7,500,000 votes in aggregate for all outstanding shares of Series B Preferred Stock);

(d) require the consent of the holders of at least a majority of the issued and outstanding shares of Series B Preferred Stock to (i) amend any provision of the Amended and Restated Designation, (ii) increase or decrease (other than by redemption or conversion) the total number of authorized shares of Series B Preferred Stock, (iii) adopt or authorize any new designation of any preferred stock or amend the Articles of Incorporation of the Company in a manner which adversely affects the rights, preferences and privileges of the Series B Preferred Stock, (iv) effect an exchange, or create a right of exchange, cancel, or create a right to cancel, of all or any part of the shares of another class of shares into shares of Series B Preferred Stock, (v) issue any additional shares of Series B Preferred Stock, or (vi) alter or change the rights, preferences or privileges of the shares of Series B Preferred Stock so as to affect adversely the shares of Series B Preferred Stock;

(e) provide that the shares of Series B Preferred Stock are not transferrable by Mr. Goodman; and

(f) clarify that the Series B Preferred stock is not entitled to any dividend rights, preemptive rights, redemption rights, or liquidation preference.

As of October 31, 2022 and October 31, 2021, 1,000 Series B preferred shares of par value $0.00001 were designated and outstanding and 19,999,000 shares of preferred stock remained undesignated.

Common Stock

Corporate Action regarding Common Stock and Common Stock Transactions

(a) Reverse Stock Split

On April 27, 2020, we filed a Certificate of Change Pursuant to NRS with the Nevada Secretary of State pursuant to which we affected a reverse stock split of our authorized and issued and outstanding common stock in a ratio of 1-for-150. As a result of such filing, our authorized shares of common stock decreased from 6 billion to 40 million and our issued and outstanding shares of common stock decreased in a ratio of 1-for-150. All fractional shares of common stock remaining after the reverse split were rounded up to the nearest whole share. Pursuant to Section 78.207(1) of the Nevada Revised Statutes ("NRS"), shareholder approval was not required for this transaction. The Certificate of Change was effective with the Financial Industry Regulatory Authority (FINRA) on June 26, 2020. The reverse stock split had no effect on the par value of the common stock. The number of authorized shares of common stock was reduced to 40,000,000. 1 150 outstanding. All fractional shares were rounded up to the next whole number. As a result, 3,639 shares of common stock were issued due to the rounding up of fractional shares.

(b) Stock Purchase Agreement

On August 10, 2020, the Company entered into a Stock Purchase Agreement with Brett Goodman, the son of the Company's Chief Executive Officer, and Jason Silver (collectively, the "Partnership"). The Company agreed to issue 4,000 shares to the Partnership (2,000 to each of Brett Goodman and Jason Silver) as compensation for their service provided to assist the Company in developing a betting application. As a result, a $14,840 expense was recognized during the fiscal year ended January 31, 2021. The shares were issued on March 24, 2021.

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(c) August 2020 Private Placement and Subsequent Warrant Exercise

From August 14, 2020 to August 20, 2020, the Company offered for purchase to a limited number of accredited and offshore investors up to an aggregate of 900,000 units, each consisting of one share of common stock and one warrant to purchase one share of common stock for $3.40 per unit. The warrants have an exercise price of $4.10 per share (and no cashless exercise rights) and are exercisable until the earlier of (a) August 20, 2022, and (b) the 30th day after the Company provides the holder of the warrants notice that the closing sales price of the Company's common stock has closed at or above $6.80 per share for a period of ten consecutive trading days. The Company sold 527,029 Units in total to 11 investors, raising cash of $1,791,863. The shares included in the Units purchased have been issued.

From November 23, 2020, to December 7, 2020 (ten consecutive trading days), the closing sales price of the Company's common stock closed at or above $6.80 per share, and on December 8, 2020, the Company provided notice to the holders of the Warrants that they had until January 7, 2021 to exercise such Warrants, or such Warrants would expire pursuant to their terms.

From December 9, 2020, to January 7, 2021, ten holders of Warrants to purchase an aggregate of 409,029 shares of the Company's common stock exercised such Warrants and paid an aggregate exercise price of $1,677,019 to the Company. In connection with such exercises the Company issued such Warrant holders an aggregate of 409,029 shares of restricted common stock. The remaining warrants expired unexercised.

(d) January 2021 Private Placement and Subsequent Warrant Exercise and Warrant Amendment

On January 20, 2021, the Company sold an aggregate of 1,000,000 units to one investor, with each unit consisting of one share of restricted common stock and one warrant to purchase one share of common stock, at a price of $5.00 per unit. The Warrants have an exercise price of $6.00 per share (and no cashless exercise rights) and are exercisable until the earlier of (a) January 14, 2023, and (b) the 30th day after the Company provides the holder of the Warrants notice that the closing sales price of the Company's common stock has closed at or above $10.00 per share for a period of ten consecutive trading days. The shares included in the Units purchased have been issued.

From April 26, 2021, to May 7, 2021 (ten consecutive trading days), the closing sales price of the Company's common stock closed at or above $10.00 per share. On May 11, 2021, the Company agreed to provide the holder 61 days from the Triggering Date to exercise the warrants, and as a result the holder had until July 11, 2021 to exercise such Warrants.

On July 9, 2021, the holder exercised a portion of the warrants to purchase 170,000 shares of the Company's common stock at $6.00 per share and on July 14, 2021, the holder paid to the Company $1,020,000 (less $18 in bank charges). The Company issued the holder 170,000 shares of common stock in connection with such exercise.

On July 14, 2021, and effective on June 6, 2021, the Company and the holder of the remaining 830,000 warrants (the original 1,000,000 shares less the 170,000 warrants exercised on July 9, 2021) entered into an Agreement to Amend and Restate Common Stock Purchase Warrant, whereby, in consideration for the holder exercising warrants to purchase 170,000 shares of common stock (as described above), the parties agreed to enter into an Amended and Restated Common Stock Purchase Warrant, effective as of June 6, 2021, amending, restating and replacing the prior Warrant Agreement, and evidencing the right of the holder to purchase 830,000 shares of common stock of the Company to remove the trigger event (i.e., ten consecutive trading days when the closing sales price of the Company's common stock closed at or above $10.00 per share) and to fix the expiration date thereof as of November 11, 2022. The other terms of the prior Warrant Agreement were not changed.

(e) Business Consultant Agreements

On March 1, 2021, the Company entered into two Business Consultant Agreements with Ontario Inc. and ANS Advisory. Pursuant to the agreements, Vladislav Slava Aizenshtat, acting on behalf of Ontario Inc. and Aaron Neill-Stevens, acting on behalf of ANS Advisory will each be issued $3,000 of shares of common stock per month beginning on March 1, 2021, payable in arrears, based on the 7-day average price of the stock leading up to the end of the calendar month and to be issued within 7 days of month end. The Company also agreed to grant Vladislav Slava Aizenshtat, acting on behalf of Ontario Inc., warrants to purchase 120,000 shares of common stock and Aaron Neill-Stevens, acting on behalf of ANS Advisory, warrants to purchase 120,000 shares of common stock. On March 22, 2021, the warrants were granted. The warrants have an exercise price of $5.50 per share (and no cashless exercise rights) and are exercisable until the earlier of (a) March 22, 2023, and (b) the 20th day after the Company provides the holder of the warrants notice that the closing sales price of the Company's common stock has closed at or above $11.00 per share for a period of ten consecutive trading days. On November 23, 2021, the two previously mentioned Business Consulting Agreements were terminated.

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During the twelve months ended October 31, 2022, 808 shares of restricted common stock, with a value of $6,000, were issued to two consultants for IT consultation services provided in connection with the maintenance and development of the Company's GM-Ag system. During the twelve months ended October 31, 2021, 12,491 shares of restricted common stock, with a value of $76,440, were issued for services provided in connection with investor relations services, development of peer-to-peer betting application and maintenance and development of GM-Ag system.

(f) Public Offering

On October 25, 2021, the Company entered into a Securities Purchase Agreement (the "SPA") with certain institutional investors (the "Purchasers") for the sale by the Company in a registered direct offering (the "Offering") of an aggregate of 496,429 shares of common stock of the Company (the "Shares"), together with warrants to purchase 496,429 shares of common stock (the "Warrants"), at $7.00 per combined Share and Warrant, for aggregate gross proceeds of $3,475,003, before deducting the placement agent fees and related offering expenses. The Offering closed on October 27, 2021.

The Company used the net proceeds from the offering for general corporate purposes and working capital.

EF Hutton, division of Benchmark Investments, LLC acted as placement agent (the "Placement Agent") on a "reasonable best efforts" basis, in connection with the Offering. The Company entered into a Placement Agency Agreement, dated as of October 25, 2021, by and between the Company and the Placement Agent (the "Placement Agency Agreement"). Pursuant to the Placement Agency Agreement, the Placement Agent received an aggregate cash fee of 6% of the gross proceeds in the Offering, a non-accountable expense reimbursement of 1% of the gross proceeds in the Offering, the reimbursement of certain of the Placement Agent's expenses not to exceed $60,000, and the reimbursement of certain other expenses.

(g) Certificate of Amendment

On November 23, 2021, Luxor Capital LLC, which entity is beneficially owned and controlled by Anthony Brian Goodman, the President, Chief Executive Officer and Chairman of the Board of Directors of the Company, which beneficially owned an aggregate of 109,121,634,483 total voting shares, representing approximately 99.982% of the Company's then voting stock as of such date, including (a) 7,470,483 shares of common stock, representing 27.4% of the Company's outstanding shares of common stock, and (b) 1,000 shares of the Company's Series B Voting Preferred Voting Stock, representing 100% of the Company's issued and outstanding Series B Voting Preferred Voting Stock, which Series B Voting Preferred Voting Stock shares each vote four times the number of shares of the Company's common stock outstanding (27,278,541 shares), executed a written consent in lieu of a special meeting of shareholders, approving the following matter, which had previously been approved by the Board of Directors of the Company on November 22, 2021: the filing of a Certificate of Amendment to the Company's Articles of Incorporation to increase the Company's authorized number of shares of Common Stock from forty million (40,000,000) shares to two hundred and fifty million (250,000,000) shares and to restate Article 3, Capital Stock thereof, to reflect such amendment, and clarify the Board of Director's ability to designate and issue 'blank check' preferred stock (the "Amendment"). The Amendment was filed with the Secretary of State of Nevada and became effective on December 16, 2021.

As of October 31, 2022 and October 31, 2021, 250,000,000 and 40,000,000 shares of common stock, par value $0.00001 per share, were authorized, of which 28,182,575 and 27,231,401 shares were issued and outstanding, respectively.

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(h) Share consideration issued to acquire 80% interest in RKings

On November 29, 2021, the Company entered into a Sale and Purchase Agreement of Ordinary Issued Share Capital to purchase 80% of the outstanding capital stock of RKings.

Pursuant to the Purchase Agreement, on November 29, 2021, the Company issued 666,250 restricted shares of the Company's common stock to the sellers, with an agreed value of GBP £4,000,000 (USD $5,330,000), or $8.00 per share and a market value of $5,063,500 or $7.60 per share of Company common stock. On March 7, 2022, the Company issued 70,332 restricted shares of the Company's common stock to the sellers, equal to 80% of RKings' net asset value as of October 31, 2021, in the amount of $562,650.

Option Extension

On June 29, 2021, the Company agreed to extend the exercise period of certain stock options granted to Anthony Brian Goodman, the Company's Chief Executive Officer, Weiting Feng, the Company's Chief Operating Officer, and an external consultant of the Company (collectively the "Optionees"), which options would have expired on June 30, 2021. The Company extended the expiration date of the options granted to the Optionees until December 31, 2022, which covered options to purchase 466,667 shares of common stock previously granted to the external consultant at an exercise price of $0.06 per share, options to purchase 5,400,000 shares of common stock previously granted to Anthony Brian Goodman at an exercise price of $0.066 per share, and options to purchase 1,400,000 shares of common stock previously granted to Weiting Feng at an exercise price of $0.06 per share. The Company recorded a total of $2,069 of expenses due to the option extension.

2018 Equity Incentive Plan

On January 3, 2018, the Company adopted a stock option plan: the 2018 Equity Incentive Plan. The fair value of stock options was measured using the Black-Scholes option pricing model. The Black-Scholes valuation model takes into consideration the share price of the Company, the exercise price of the option, the amount of time before the option expires, and the volatility of share price. Compensation expense will be charged to operations through the vesting period. The amount of cost will be calculated based on the new accounting standard ASU 2018-07. All option awards described below were granted under the 2018 Equity Incentive Plan. All shares and prices per share have been adjusted for a 1 share-for-150 shares reverse stock split that took effect on June 26, 2020:

During the twelve months ended October 31, 2022, options to purchase 100,000 shares of common stock were granted, 66,666 options expired, and none forfeited.

During the twelve months ended October 31, 2022, options to purchase 156,666 shares of common stock were exercised in a cashless exercise pursuant to which 9,548 shares were surrendered to pay for the aggregate price of the options ($66,050) and 147,118 shares were issued.

During the twelve months ended October 31, 2022, 66,666 shares of common stock were issued upon the cash exercise of the options, pursuant to which the $32,000 aggregate exercise price of the options was paid to the Company.

The total compensation cost related to stock options granted was $568,957 and $1,614,905 for the twelve months ended October 31, 2022 and 2021, respectively.

The following table represents stock option activity for the twelve months ended October 31, 2022:

Options	Number Outstanding	Weighted Average Exercise Price
Options Outstanding as of October 31, 2021	8,616,664	$ 0.45
Options granted	100,000	$ 4.10
Options forfeited	-	$ -
Options expired	(66,666)	$ 0.12
Options exercised	(223,332)	$ 0.44
Options Outstanding as of October 31, 2022	8,426,666	$ 0.50

Options Exercisable as of October 31, 2022	8,109,999	$	0.34

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2022 Equity Incentive Plan

On May 5, 2022, the Company's Board of Directors and majority stockholders approved the adoption of the Company's 2022 Equity Incentive Plan (the "2022 Plan"). The 2022 Plan provides an opportunity for any employee, officer, director or consultant of the Company, subject to limitations provided by federal or state securities laws, to receive (i) incentive stock options (to eligible employees only); (ii) nonqualified stock options; (iii) restricted stock; (iv) restricted stock units, (v) stock awards; (vi) shares in performance of services; (vii) other stock-based awards; or (viii) any combination of the foregoing. In making such determinations, the Board of Directors may take into account the nature of the services rendered by such person, his or her present and potential contribution to the Company's success, and such other factors as the board of directors of the Company in its discretion shall deem relevant. The 2022 Plan became effective on June 29, 2022.

Grant of Restricted Stock Units to Management and the Independent Directors (Related Parties)

Effective on September 16, 2022, the Compensation Committee and the Board of Directors approved the grant, effective on the same date, of an aggregate of 1,575,000 restricted stock units to the officers and directors of the Company listed below (the "RSU Recipients"), in consideration for services to be rendered by such officers and directors through October 2024 (the "RSUs"):

Recipient	Position with Company	Number of RSUs
Anthony Brian Goodman	President, Chief Executive Officer (Principal Executive Officer), Secretary, Treasurer, and Chairman of the Board of Directors	750,000
Weiting 'Cathy' Feng	Chief Operating Officer and Director of the Company	375,000
Murray G. Smith	Independent Director	150,000
Aaron Richard Johnston	Independent Director	150,000
Thomas E. McChesney	Independent Director	150,000
		1,575,000

The RSUs are subject to vesting, and vest to the RSU Recipients, to the extent and in the amounts set forth below, to the extent the following performance metrics are met by the Company as of the dates indicated (the "Performance Metrics" and the "Performance Metrics Schedule"):

	Revenue Targets		EBITDA Targets	
Performance Period	**Target Goal**	**RSUs Vested**	**Target Goal**	**RSUs Vested**
Year ended October 31, 2022	$21,875,000	*	$3,250,000	*
Year ended October 31, 2023	FY 2022 x 1.1	*	FY 2022 x 1.1	*
Year ended October 31, 2024	FY 2023 x 1.1	*	FY 2023 x 1.1	*

** 1/6th of the total RSUs granted to each RSU Recipient above.*

For purposes of the calculations above, (a) "EBITDA" means net income before interest, taxes, depreciation, amortization and stock-based compensation; (b) "Revenue" means annual revenue of the Company; and (c) "FY 2022" means actual Revenue or EBITDA, as the case may be achieved during the 12 month period from November 1, 2021 to October 31, 2022, and "FY 2023" means actual Revenue or EBITDA as the case may be for the 12 month period from November 1, 2022 to October 31, 2023, in each as set forth in the Company's audited year-end financial statements (the "Target Definitions"). Both Revenue and EBITDA, and the determination of whether or not the applicable Revenue and EBITDA targets above have been met are to be determined based on the audited financial statements of the Company filed with the Securities and Exchange Commission in the Company's Annual Reports on Form 10-K for the applicable year ends above, and determined on the date such Annual Reports on Form 10-K are filed publicly with the Securities and Exchange Commission (the "Dates of Determination").

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The Company also entered into a Restricted Stock Grant Agreement with each of the RSU Recipients above to evidence such grants of the RSUs.

The RSUs were granted pursuant to, and subject in all cases to, the terms of the Company's 2022 Equity Incentive Plan.

Total revenues and EBITDA for the twelve months ended October 31, 2022 were $36,034,856 and $3,526,543, respectively. The performance metrics were met by the Company for the year ended October 31, 2022. Total expenses of $2,089,500 were recognized for the twelve months ended October 31, 2022. There were no expenses related to RSUs for the twelve months ended October 31, 2021.

Effective on December 8, 2022, the Board of Directors, with the recommendation of the Compensation Committee of the Board of Directors, granted Phillip Daniel Moyes, 100,000 RSUs, which vest, if at all, at the rate of $1/4^{th}$ of such RSUs upon the Company reaching the same EBITDA and revenue targets for the years ended October 31, 2023 and 2024, above, as part of the November 2022 director grants.

Grant of Restricted Stock Units to Employees (Non-related Parties)

During the twelve months ended October 31, 2022, 6,000 RSUs were granted to employees. The RSUs granted to employees were subject to the employees' continued performance of services for the Company through each vesting date.

The total compensation cost related to the RSUs granted to employees was $764 and $0 for the twelve months ended October 31, 2022, and 2021, respectively.

NOTE 15 – SEGMENT REPORTING AND GEOGRAPHIC INFORMATION

We operate our business in two operating segments i.e., B2B for charges for usage of the Company's software, and royalties charged on the use of third-party gaming content, and the B2C segment which is related to the charges to enter prize competitions in the UK.

All operating segments have been aggregated due to their inter-dependencies, commonality of long-term economic characteristics, products and services, the production processes, class of customer, and distribution processes.

For geographical revenue reporting, revenues are attributed to the geographic location in which the distributors are located. Long-lived assets consist of property, plant and equipment, net, intangible assets, operating lease right-of-use assets, and goodwill, and are attributed to the geographic region in which they are located.

The following is a summary of revenues by geographic region, for the indicated periods (as a percentage of total revenues):

	For the Twelve Months Ended			
Description	**October 31, 2022**		**October 31, 2021**	
Revenues:				
Asia Pacific	$ 14,848,259	41%	$ 11,285,731	100%
UK	21,186,597	59%	-	-
Total	$ 36,034,856	100%	$ 11,285,731	100%

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The following is a summary of revenues by products for the indicated periods (as a percentage of total revenues):

	For the Twelve Months Ended			
Description	**October 31, 2022**		**October 31, 2021**	
Revenues:				
B2B	$ 14,848,259	41%	$ 11,285,731	100%
B2C	21,186,597	59%	-	-
Total	$ 36,034,856	100%	$ 11,285,731	100%

The following is a summary of cost of goods sold (COGS) by geographic region, for the indicated periods (as a percentage of total cost of goods sold):

	For the Twelve Months Ended			
Description	**October 31, 2022**		**October 31, 2021**	
COGS:				
Asia Pacific	$ 10,915,671	41%	$ 7,006,022	100%
UK	15,956,558	59%	-	-
Total	$ 26,872,229	100%	$ 7,006,022	100%

The following is a summary of cost of goods sold by products for the indicated periods (as a percentage of total cost of goods sold):

	For the Twelve Months Ended			
Description	**October 31, 2022**		**October 31, 2021**	
COGS:				
B2B	$ 10,915,671	41%	$ 7,006,022	100%
B2C	15,956,558	59%	-	-
Total	$ 26,872,229	100%	$ 7,006,022	100%

Long-lived assets by geographic region as of the dates indicated below were as follows:

Description	**As of October 31, 2022**	**As of October 31, 2021**
Long-lived assets:		
Asia Pacific	$ 222,690	$ 415,446
UK	12,837,095	-
Latin America	222,678	
Total	$ 13,282,463	$ 415,446

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NOTE 16 – INCOME TAXES

United States (U.S.)

The U.S. corporate income tax rate was reduced to 21% as a result of the Tax Cuts and Jobs Act (TCJA). A reconciliation of income tax expense to the amount computed at the statutory rates is as follows:

	October 31, 2022	**October 31, 2021**	**January 31, 2021**	**January 31, 2020**
Operating profit for the periods ended	$ (44,028)	$ (648,072)	$ (398,080)	$ (966,774)
Average statutory tax rate	21%	21%	21%	21 %
Deferred tax liability attributable to net operating loss carry-forwards	$ (9,246)	$ (136,095)	$ (83,597)	$ (203,023)

Significant components of the Company's deferred tax assets and liabilities as of October 31, 2022, October 31, 2021, January 31, 2021 and 2020, after applying enacted corporate income tax rates, are as follows:

	October 31, 2022	**October 31, 2021**	**January 31, 2020**	**January 31, 2019**
Deferred tax liability attributable to net operating loss carry-forwards	(9,246)	(136,095)	(83,597)	(203,023)
Less: valuation allowance	(1,205,548)	(1,341,643)	(1,425,240)	(1,628,262)
Tax benefit	1,196,302	1,205,548	1,341,643	1,425,240

Valuation allowance	(1,196,302)	(1,205,548)	(1,341,643)	(1,425,240)
Net deferred income tax assets	-	-	-	-

United Kingdom (UK)

For the twelve months ended October 31, 2022, the Company had income tax expense in the amount of $419,049 attributable to its operations of RKings in the United Kingdom.

The Company, through RKings, conducts a significant amount of its businesses in the United Kingdom and is subject to tax in this jurisdiction. As a result of its business activities, the Company files tax returns that are subject to examination by the local tax authority. Although the operations in its segments outside of the United Kingdom generate net income, the Company has sufficient tax net operating losses to offset the current net income which results in $0 tax liability for the non-United Kingdom operations.

The Company, through RKings, is subject to a statutory tax rate of approximately 19% of net income generated in the United Kingdom.

As a result of the acquisition of RKings, the Company assumed the income tax liability of RKings as of November 1, 2021 of $602,628.

Balance November 1, 2021	$	602,628
Income Tax November 1, 2021 through October 31, 2022		419,049
Tax paid		(549,697)
Currency Adjustment		(147,833)
Income Tax Liability	$	324,147

As of October 31, 2022, the Company had UK income tax payable of $324,147 attributable to the operations of RKings for the twelve-month period ending October 31, 2022. As of October 31, 2021, there was no income tax payable.

Overall, the Company has U.S. net operating losses carried forward to October 31, 2023 of approximately $1,582,000 for tax purposes which may be recognized through July 31, 2038.

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NOTE 17 - COMMITMENTS AND CONTINGENCIES

Legal Matters

The Company may be involved, from time to time, in litigation or other legal claims and proceedings involving matters associated with or incidental to our business, including, among other things, matters involving breach of contract claims, and other related claims and vendor matters; however, none of the aforementioned matters are currently pending. The Company believes that we are not exposed to matters that will individually or in the aggregate have a material adverse effect on our financial condition or results of operations.

Notwithstanding the above, the outcome of litigation is inherently uncertain. If one or more legal matters were resolved against the Company in a reporting period for amounts in excess of management's expectations, the Company's financial condition and operating results for that reporting period could be materially adversely affected.

The Company is in dispute with Mr. Paul Hardman (one of the sellers of the 80% interest in RKings) with regards to the Holdback Amount of $573,000 that he has alleged is still owed to him. That amount is accrued and included in the Company's liabilities as of October 31, 2022. The Company's dispute and claims against Mr. Hardman stem from breaches of the terms of the Purchase Agreement by Mr. Hardman. The Company is vigorously pursuing the claim of breach of the Purchase Agreement against Mr. Hardman; however, at this point, no formal legal action has been initiated by either party to date.

Operating Lease Commitments:

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). Under such guidance, lessees are required to recognize all leases (with the exception of short-term leases) on the balance sheet as a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The new standard was effective for annual reporting periods beginning after December 15, 2018, including interim periods within that reporting period, with early application permitted. The new standard was adopted using a modified retrospective approach.

On June 1, 2021, the Company (through GTG) entered into a three-year term lease agreement for office space and two parking spaces which commenced on June 1, 2021. The Company has the option to renew the lease for a period of three years. The rent is $117,857 ($167,338 AUD) per year (subject to a 4% annual increase).

The Company does not have any finance leases. The operating lease cost for the twelve months ended October 31, 2022 was $109,527.

As of October 31, 2022, the Company recognized $150,653 of operating lease right-of-use asset and $95,085 of current operating lease liability and $59,778 of non-current operating lease liability. The discount rate related to the Company's lease liabilities as of October 31, 2022 was 6.25%. The discount rates are generally based on estimates of the Company's incremental borrowing rate, as the discount rates implicit in the Company's leases cannot be readily determined.

NOTE 18 - SUBSEQUENT EVENTS

Consulting Agreement with Mr. Aaron Richard Johnston

On October 27, 2022, the Company entered into a Consulting Agreement with Mr. Aaron Richard Johnston, a member of the Board of Directors of the Company, who resigned effective November 1, 2022.

Pursuant to the Consulting Agreement, Mr. Johnston agreed to provide a minimum of 30 hours of service to the Company per week in connection with (a) assistance and guidance as requested from time to time by the Company's Chief Executive Officer, senior management and the Board of Directors; (b) help with identifying, evaluating, and recommending merger and acquisition candidates to the Company; (c) assistance to the Company in corporate expansion objectives; (d) assistance with mergers and acquisitions, to develop and execute the evaluation, financial, and operational strategy for mergers, acquisitions, and divestiture projects; (e) advising and evaluating potential transactions (M&A), helping provide financial projections, risk assessment, and financial implications; and (f) visiting RKingsCompetitions Ltd in Ireland on a regular basis and assisting the Company with day-to-day management of RKingsCompetitions Ltd, as well as assisting with any other operating businesses the Company may have in the UK and Europe.

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During the term of the agreement, for all services rendered by Mr. Johnston under the agreement, the Company agreed to pay Mr. Johnston: $12,000 per month, which may be increased from time to time with the consent of the Company and Mr. Johnston; a cash sign up bonus of $36,000; an equity sign up bonus of 100,000 shares of Restricted Common Stock of the Company (the "Stock Compensation") which vests to Mr. Johnston at the rate of 50,000 of such shares on November 1, 2022 and 50,000 of such shares on February 1, 2023; the right to earn up to 50,000 Restricted Stock Units ("Board RSUs") which were previously granted to Mr. Johnston on September 16, 2022 in consideration for services as a member of the Board of Directors of the Company; 300,000 new Restricted Stock Units (RSU's), with the same incentive targets as the Board RSUs, with 150,000 RSUs vesting each of the years ended October 31, 2023 and 2024; and 300,000 RSUs which shall vest to Mr. Johnston, upon the closing of a transaction that, on a pro forma basis, doubles the Company's revenues for the fiscal quarter prior to the closing of the acquisition provided the transaction closes prior to November 1, 2023. Each RSU shall evidence the right to receive, upon vesting thereof, one share of common stock. Mr. Johnston is also eligible under the Consulting Agreement for discretionary bonuses in cash or equity, from time to time, at the discretion of the Board of Directors.

The Consulting Agreement contains customary indemnification and confidentiality obligations, and a one-year non-competition prohibition restricting Mr. Johnston's ability to compete against the Company following the termination of the agreement.

Resignation of Director

On October 27, 2022, Mr. Aaron Richard Johnston notified the Board of Directors of the Company, of his resignation as a member of the Board of Directors of the Company, effective upon the earlier of (1) November 1, 2022; and (2) the date his replacement is appointed as a member of the Board of Directors. Mr. Johnston's resignation is not a result of any disagreement with the Company, relating to the Company's operations, policies, or practices, or otherwise. Mr. Aaron Richard Johnston resigned effective November 1, 2022.

RKings Buyout

On November 30, 2022, RKings filed a confirmation statement with UK's Companies House pursuant to which the 20% minority shares of RKings were transferred to the Company effective on November 4, 2022.

Appointment of New Director

Effective on December 3, 2022, the Board of Directors of the Company with the recommendation of the Nominating and Governance Committee of the Board of Directors, appointed Philip Daniel Moyes as a member of the Board of Directors and as a member of the Audit Committee of the Board of Directors, with such appointment to take effect immediately.

Software License Agreement between Elray Resources Inc. and Golden Matrix Group, Inc

Effective on December 7, 2022, the Company entered into a Software License Agreement (the "License Agreement") with Elray Resources Inc. ("Elray"). Mr. Anthony Brian Goodman, Chief Executive Officer, President, Secretary, Treasurer and Chairman of the Company and Weiting 'Cathy' Feng, Chief Operating Officer and director of the Company, currently serve as Chief Executive Officer, President, Chief Financial Officer, Secretary and Director (Goodman) and Treasurer and Director (Feng) of Elray.

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Elray operates, manages, and maintains a blockchain online gaming operation and provides blockchain currency technology to licensed casino operators.

Pursuant to the License Agreement, which was effective as of December 1, 2022, the Company granted Elray a non-exclusive, non-licensable, non-sublicensable, non-assignable and non-transferable license for the use and further distribution of certain of the Company's online games (as such games may be expanded from time to time), subject to certain exceptions, and in certain approved territories where the Company or Elray holds required licenses and/or certifications, which list of approved territories may be updated from time to time. The license provides Elray the right to use the online games solely for the purpose of running an online blockchain casino enterprise.

The License Agreement also includes a right of first refusal for the Company to provide certain branded gaming content to Elray during the term of the agreement.

Pursuant to the License Agreement we are required to maintain all permits for the use of the licensed games and operate the platform on which the games will be integrated.

The License Agreement has an initial term of 24 months, commencing from the Go-Live Date, and continues thereafter indefinitely unless or until either party has provided the other at least six months written notice of termination, provided that the agreement can be terminated earlier by a non-breaching party upon the material breach of the agreement by the other party, subject to a 15 day cure right; by one party if the other party enters into bankruptcy proceedings; or in the event Elray loses rights to any required permits or licenses. Additionally, we may immediately terminate the License Agreement if Elray is unable to comply with certain due diligence requirements set forth in the agreement on a timely basis; if there is threatened or instigated enforcement proceedings or actions against the Company in connection with the agreement or a governmental or governing body orders, notifies or recommends that the Company prevent Elray from using the licensed games; or if the continuation of the agreement will have a detrimental impact on the Company.

The License Agreement contains customary representations, warranties and covenants of the parties, including confidentiality obligations; customary limitations of liability (which total liability under the agreement of each party is limited to 100,000 Euros); and restrictions on Elray's ability to distribute and reverse engineer the licensed games. As part of the License Agreement, we and Elray entered into a customary Service Level Agreement to govern the management and maintenance of the licensed games.

In consideration for licensing the online games to Elray, Elray agreed to pay the Company a monthly license fee equal to 125% of the Company's costs of such games. Elray also agreed to pay the Company a 10,000 Euro deposit under the agreement, paid no later than the date of integration of the licensed software. The deposit is refundable upon the termination of the agreement. For participation in the progressive jackpot games, Elray is required to make an advance payment of 5,000 Euros.

The Company's entry into the License Agreement was approved by the Board of Directors of the Company, with Mr. Goodman and Ms. Feng abstaining from such vote, and the Company's Audit Committee, which is made up of independent directors, which committee is tasked with approving related party transactions of the Company.

Issuances of securities subsequent to the twelve months ended October 31, 2022

On November 1, 2022, 100,000 shares of Restricted Common Stock of the Company (the "Stock Compensation") were issued to Mr. Aaron Richard Johnston, as a bonus award pursuant to his Consulting Agreement with the Company. Mr. Johnston was a member of the Board of Directors of the Company, who resigned effective November 1, 2022. The Stock Compensation vests to Mr. Johnston at the rate of 50,000 of such shares on November 1, 2022 and 50,000 of such shares on February 1, 2023, subject to Mr. Johnston's continued service to the Company on such dates, subject in all cases to the 2022 Equity Incentive Plan, and the Notice of Restricted Stock Grant and Restricted Stock Grant Agreement entered into by the Company to evidence such award.

On November 4, 2022, the Company issued 165,444 shares of restricted common stock with an agreed value of $1,323,552, or $8.00 per share, to the minority shareholders of RKings, representing the non-controlling interest of 20% of RKings, as consideration for the purchase of their 20% capital stock of RKings, pursuant to the terms of the Shareholders Agreement.

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On November 21, 2022, two consultants exercised options to purchase 533,332 shares of common stock in a cashless exercise pursuant to which 24,491 shares were surrendered to the Company to pay for the aggregate exercise price of the options ($60,000) and 508,841 shares were issued. These shares were issued pursuant to the terms of the 2018 Equity Incentive Plan.

On December 1, 2022, Weiting Feng, the Company's Chief Operating Officer and Director, exercised options to purchase 1,400,000 shares of common stock in a cashless exercise pursuant to which 35,594 shares were surrendered to the Company to pay for the aggregate exercise price of the options ($84,000) and 1,364,406 shares were issued. These shares were issued pursuant to the terms of the 2018 Equity Incentive Plan.

On December 1, 2022, Anthony Goodman, the Company's Chief Executive Officer and Chairman, exercised options to purchase 5,400,000 shares of common stock in a cashless exercise pursuant to which 151,017 shares were surrendered to the Company to pay for the aggregate exercise price of the options ($356,400) and 5,248,983 shares were issued. These shares were issued pursuant to the terms of the 2018 Equity Incentive Plan.

On December 8, 2022, 4,277 shares of restricted common stock were issued to a consultant in consideration for investor relation and press release services rendered to the Company over the past years.

Meridian Purchase Agreement

On January 11, 2023, the Company entered into a Sale and Purchase Agreement of Share Capital (the "Meridian Purchase Agreement") with Aleksandar Milovanovic, Zoran Milosevic ("Milosevic") and Snezana Bozovic (collectively, the "Meridian Sellers"), the owners of Meridian Tech Društvo Sa Ograničenom Odgovornošću Beograd, a private limited company formed and registered in and under the laws of the Republic of Serbia ("Meridian Serbia"); Društvo Sa Ograničenom Odgovornošću "Meridianbet" Društvo Za Proizvodnju, Promet Roba I Usluga, Export Import Podgorica, a private limited company formed and registered in and under the laws of Montenegro; Meridian Gaming Holdings Ltd., a company formed and registered in the Republic of Malta; and Meridian Gaming (Cy) Ltd, a company formed and registered in the republic of Cyprus (collectively, the "Meridian Companies").

Pursuant to the Meridian Purchase Agreement, the Meridian Sellers agreed to sell us 100% of the outstanding capital stock of each of the Meridian Companies in consideration for (a) a cash payment of $50 million, due at the initial closing of the acquisition; (b) 56,999,000 restricted shares of the Company's common stock (the "Phase 1 Closing Shares"), with an agreed upon value of $3.50 per share; (c) 1,000 shares of a to be designated series of Series C preferred stock of the Company, discussed in greater detail below (the "Series C Voting Preferred Stock"); (d) $10,000,000 in cash and 4,285,714 restricted shares of Company common stock (the "Post-Closing Shares") within five business days following the six month anniversary of the Phase 1 Closing (defined below) if (and only if) the Company has determined that: the Meridian Sellers and their affiliates are not then in default in any of their material obligations, covenants or representations under the Meridian Purchase Agreement, or any of the other transaction documents entered into in connection therewith (the "Post-Closing Consideration"); (e) a promissory note in the amount of $10,000,000 (the "Promissory Note"), due nine months after the Phase 1 Closing; and (f) 4,000,000 shares of the Company's restricted common stock payable at the Phase 2 Closing (defined below)(the "Phase 2 Shares"). The Phase 1 Closing Shares, Series C Preferred Stock, Post-Closing Shares and Phase 2 Shares, are collectively defined herein as the "Purchase Shares".

The Purchase is contemplated to close in two phases, with phase 1 being the purchase of 100% of each of the Meridian Companies other than Meridian Serbia, together with 90% of Meridian Serbia ("Phase 1 Closing"); and phase 2 being the purchase of the remaining 10% of Meridian Serbia ("Phase 2 Closing"). The Phase 1 Closing is required to occur prior to June 30, 2023 and the Phase 2 Closing is required to occur prior to October 31, 2023, unless extended by the mutual consent of the parties.

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The closing of the Purchase is subject to certain closing conditions (some of which apply only for the Phase 1 Closing and some of which apply for both the Phase 1 Closing and Phase 2 Closing). The Meridian Purchase Agreement can be terminated (a) by the written agreement of the parties; (b) by the Company or the Meridian Sellers if the Company has not obtained a loan commitment or other long-form term sheet from a third-party lender approved by Meridian Sellers (in their reasonable discretion) to provide at least $50 million of financing required for the Company to complete the Purchase (the "Required Financing"), on terms and conditions acceptable to Meridian Sellers in their reasonable discretion, prior to May 31, 2023 (or such other date as the parties may mutually agree), unless such failure is due to the such party that proposes to terminate the agreement not using commercially reasonable efforts to satisfy such condition or the breach by such party of a provision of the Meridian Purchase Agreement; (c) by the Company if the Shareholder Agreements are not entered into within 45 days after the date of the Meridian Purchase Agreement, unless such failure is due to such party that proposes to terminate the agreement not using commercially reasonable efforts to satisfy such condition or the breach by such party of a provision of the Meridian Purchase Agreement; (d) by the Company or the Meridian Sellers if the Phase 1 Closing has not been completed by June 30, 2023 (unless such date is extended with the mutual consent of the parties)(the "Required Closing Date") unless such failure is due to such party that proposes to terminate the agreement not using commercially reasonable efforts to satisfy such condition or the breach by such party of a provision of the Meridian Purchase Agreement; (e) by the Company or the Meridian Sellers, if a condition to closing has become incapable of fulfilment and not been waived by Purchaser; (f) by the Company or the Meridian Sellers pursuant to the Due Diligence Termination Right (defined below); (g) by either the Company or the Meridian Sellers if any updated schedule required to be disclosed pursuant to the terms of the Meridian Purchase Agreement could reasonably result in a material adverse effect on the disclosing party; (h) by either the Company or the Meridian Sellers if more than 90 days have elapsed since the date the initial required notices are provided under the HSR Act, to the extent required, and HSR Act approval has not been received as of such date, and the Company or Meridian Sellers, as applicable, has made the reasonable, good faith determination that HSR Act approval will be so costly and time consuming to such party that it does not make commercially reasonable sense for such party to continue to seek such HSR Act approval; or (i) by either the Meridian Sellers or the Company, if there has been a breach of any material representation, warranty, covenant, agreement, or undertaking made by the other party in a transaction document, which breach, if curable, is not cured within 30 calendar days after notice by the non-breaching party (provided, however, that if the cure reasonably requires more than 30 days to complete, then the breaching party shall have an additional 15 days, provided it timely commences the cure and continues diligently prosecuting the cure to completion).

The Meridian Purchase Agreement may also be terminated by the Meridian Sellers or the Company at any time prior to the Phase 1 Closing Date if: (i) there shall be any actual action or proceeding which value is more than 1% of the Purchase Price, before any court or any governmental entity which shall seek to restrain, prohibit, or invalidate the transactions contemplated by the Meridian Purchase Agreement and which, in the judgment of the Meridian Sellers or the Company, made in good faith and based upon the advice of its legal counsel, makes it inadvisable to proceed with the Purchase; or (ii) any of the transactions contemplated by the Meridian Purchase Agreement are disapproved by any regulatory authority whose governmental approval is required to consummate such transactions (which does not include the Securities and Exchange Commission (SEC)) or in the judgment of the Meridian Sellers or the Company, made in good faith and based on the advice of counsel, there is substantial likelihood that any such governmental approval will not be obtained by the Required Closing Date) or will be obtained only on a condition or conditions which would be unduly and materially burdensome, making it inadvisable to proceed with the Purchase.

In the event of termination of the Meridian Purchase Agreement, no obligation, right or liability shall arise, and each party shall bear all of the expenses incurred by it in connection with the negotiation, drafting, and execution of the Meridian Purchase Agreement and the transactions contemplated thereby, except in connection with the Break-Fee (discussed below).

Additionally, we have agreed to issue $3 million in restricted stock units to employees of the Meridian Companies (and their subsidiaries) within 30 days following the Phase 1 Closing in order to incentive such employees to continue to provide services to such entities following the Phase 1 Closing (the "Post-Closing Equity Awards"). The Post-Closing Equity Awards will be issued under a shareholder approved equity plan. Included in Post-Closing Equity Awards will be the award of Restricted Stock Units to the directors nominated for appointment to the Board of Directors by the holders of the Company's Series C Voting Preferred Stock, as described in greater detail in the Meridian Purchase Agreement.

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Pursuant to the Meridian Purchase Agreement we agreed to file a proxy statement with the SEC (the "Proxy Statement") to seek shareholder approval for the issuance of the Purchase Shares, under applicable rules of the Nasdaq Capital Market, and adoption of amended and restated Articles of Incorporation (the "Amended and Restated Articles") to remove our classified board of directors and amend certain other provisions of our Articles of Incorporation (collectively, the "Charter Amendments"), promptly after the Meridian Sellers have delivered the financial statements required by Regulation S-X for filing in such Proxy Statement, and to hold a stockholders meeting promptly thereafter (subject to applicable law), to seek shareholder approval of the Charter Amendments and the issuance of the Purchase Shares. We are also required to hold a shareholders meeting to seek shareholder approval for the issuance of the Purchase Shares and Charter Amendments promptly after the SEC has confirmed that it has no comments on such Proxy Statement (the "Shareholder Approval").

The Meridian Purchase Agreement includes a 60 day due diligence period during which the Company has the right, at the Company's election, in its reasonable discretion, to terminate the Meridian Purchase Agreement if the Company determines in good faith, that such due diligence has revealed information which would constitute a material adverse effect on the Meridian Companies, or results in any of the representations or warranties of the Meridian Sellers set forth in the Meridian Purchase Agreement not being materially correct and true and the Meridian Sellers have the same right (the "Due Diligence Termination Right").

To the extent that any term sheet, letter of intent or other agreement or understanding relating to the Required Financing includes any break-fee, termination fee, or other expenses payable by the Company upon termination thereof, to the proposed lender, financier, investment bank or agent (each a "Break-Fee"), despite the parties' best efforts to avoid such a requirement, each of the Company and Meridian Sellers shall be responsible for 50% of any such Break-Fee, including any amounts required to be escrowed in connection therewith.

Promissory Note

The $10 million Promissory Note will accrue interest at 7% per annum (18% upon the occurrence of an event of default), with monthly interest payments of accrued interest due on the first day of each calendar month until its maturity date; and have a maturity date nine months after the Phase 1 Closing. The Promissory Note will include customary events of default and require us to indemnify the holders thereof against certain claims.

Series C Voting Preferred Stock

The Series C Voting Preferred Stock is expected to have the following rights to be set forth in a designation of the Series C Voting Preferred Stock filed with the Secretary of State of Nevada prior to the Phase 1 Closing (the "Series C Designation"):

Voting Rights. The holders of the Series C Voting Preferred Stock, voting as a class, vote together with the holders of the Company's common stock on all shareholder matters. At each vote, each share of Series C Voting Preferred Stock entitles the holder 7,500 votes on all matters presented to the Company's shareholders for a vote of shareholders, whether such vote is taken in person at a meeting or via a written consent (7,500,000 votes in aggregate for all outstanding shares of Series C Preferred Stock).

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Additionally, for so long as the Company's Board of Directors has at least five members and for so long as the Series C Preferred Stock is outstanding, the Series C Voting Preferred Stock, voting separately, will have the right to appoint two members to the Company's Board of Directors. If the Company's Board of Directors shall have less than five members, the Series C Voting Preferred Stock, voting separately, will have the right to appoint one member to the Board of Directors. The holders of the Series C Voting Preferred Stock will also have the sole right to remove such persons solely appointed by the Series C Voting Preferred Stock and to fill vacancies in such appointees.

The Series C Preferred Stock will also require the consent of the holders of at least a majority of the issued and outstanding shares of Series C Preferred Stock to (i) amend any provision of the designation of the Series C Preferred Stock, (ii) increase or decrease (other than by redemption or conversion) the total number of authorized shares of any preferred stock of the Company, (iii) adopt or authorize any new designation of any preferred stock, (iv) amend the Articles of Incorporation of the Company in a manner which adversely affects the rights, preferences and privileges of the Series C Preferred Stock, (v) effect an exchange, or create a right of exchange, cancel, or create a right to cancel, of all or any part of the shares of another class of shares into shares of Series C Preferred Stock, (vi) issue any additional shares of preferred stock, or (vii) alter or change the rights, preferences or privileges of the shares of Series C Preferred Stock so as to affect adversely the shares of Series C Preferred Stock.

Conversion Rights. The holders of the Series C Preferred Stock will have the right to convert each share of the Series C Preferred Stock into one share of the Company's common stock at any time. The Series C Preferred Stock also provides for the automatic conversion of all outstanding shares of Series C Preferred Stock into common stock of the Company, on a 1 for 1 basis, on the date that the aggregate beneficial ownership of the Company's common stock (calculated pursuant to Rule 13d-3 of the Securities Exchange Act of 1934, as amended), calculated without regard to any shares of common stock issuable upon conversion of the Series C Preferred Stock, of the Meridian Sellers (collectively), falls below 10% of the Company's common stock then outstanding, without taking into account the shares of common stock issuable upon conversion of the Series C Preferred Stock, or the first business day thereafter that the Company becomes aware of such.

Transfer Rights. The Series C Preferred Stock is not transferrable by the Meridian Sellers.

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Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Disclosure controls and procedures

The Company's Chief Executive Officer (the principal executive officer) and Chief Financial Officer (principal financial/accounting officer) have evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of October 31, 2022. Based upon such evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that, as of October 31, 2022, the Company's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in our reports filed with the Commission pursuant to the Exchange Act, is recorded properly, processed, summarized and reported within the time periods specified in the rules and forms of the Commission and that such information is accumulated and communicated to our management, including our CEO and CFO, to allow timely decisions regarding required disclosures.

Management's Annual Report on Internal Control over Financial Reporting

The management of the Company is responsible for the preparation of the consolidated financial statements and related financial information appearing in this Annual Report on Form 10-K. The consolidated financial statements and notes have been prepared in conformity with accounting principles generally accepted in the United States of America. The management of the Company is also responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. A company's internal control over financial reporting is defined as a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the issuer are being made only in accordance with authorizations of management and directors of the Company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

With the participation of the Chief Executive Officer (the principal executive officer) and the Company's Chief Financial Officer/Chief Compliance Officer (the principal financial/accounting officer), our management evaluated the effectiveness of the Company's internal control over financial reporting as of October 31, 2022, the end of the period covered by this Report, based upon the framework in Internal Control –Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO 2013). Based on that evaluation, our management has concluded that our internal control over financial reporting was effective as of October 31, 2022.

This annual report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to rules of the SEC that permit us to provide only management's report in this annual report. On July 21, 2010, President Obama signed the Dodd-Frank Wall Street Reform and Consumer Protection Act. Included in the Act is a provision that permanently exempts smaller public companies that qualify as either a Non-Accelerated Filer or Smaller Reporting Company from the auditor attestation requirement of Section 404(b) of the Sarbanes-Oxley Act of 2002.

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Changes in Internal Control over Financial Reporting

Except as discussed below, there have been no changes in our internal control over financial reporting during the three months ended October 31, 2022, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

We have implemented upgraded technology and stronger accounting controls at RKings' tournament platform to improve the performance tracking and inventory management.

We plan to continue to evaluate and monitor our internal control over financial reporting.

Limitations on the Effectiveness of Controls

In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Item 9B. Other Information.

None.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

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PART III

Item 10. Directors, Executive Officers and Corporate Governance

Executive Officers and Directors

The following table sets forth information with respect to persons who are serving as directors and executive officers of the Company as of January 30, 2023.

Name of Executive Officer/ Director	Age	Position	Date First Appointed as Director
Anthony Brian Goodman	64	President, Chief Executive Officer (Principal Executive Officer), Secretary, Treasurer, and Chairman of the Board of Directors	February 2016
Omar Jimenez	61	Chief Financial Officer (Principal Financial/Accounting Officer) and Chief Compliance Officer	—
Weiting 'Cathy' Feng	39	Chief Operating Officer and Director	February 2016
Thomas E. McChesney	76	Director	April 2020
Murray G. Smith	51	Director	August 2020
Philip Daniel Moyes	50	Director	December 2022

Classified Board of Directors

The Board of Directors is divided into three classes. At each annual general meeting of stockholders, the successors to directors whose terms then expire will be elected to serve from the time of election and qualification until the third annual meeting following the election. The directors are divided among the three classes as follows:

Director Class	Director Names
Class I (terms expiring at 2023 Annual Meeting)	Weiting "Cathy" Feng and Philip Daniel Moyes
Class II (terms expiring at 2024 Annual Meeting)	Thomas E. McChesney and Murray G. Smith
Class III (terms expiring at 2025 Annual Meeting)	Anthony Brian Goodman

Any additional directorships resulting from an increase in the number of directors will be apportioned into those three classes as provided above, provided that pursuant to the Nevada Revised Statutes, at least one-fourth of our directors are required to be elected at each annual meeting of shareholders.

Business Experience

The following is biographical information on the members of our Board of Directors:

Anthony Brian Goodman: Mr. Goodman was appointed as Chief Executive Officer and Chairman of the Board in February 2016. Mr. Goodman is also currently Managing Director of Articulate Pty Ltd. an Australian technology and customer support company which he founded in January 1990. Mr. Goodman has served as Chief Executive Officer and director of Elray Resources, Inc. ("Elray"), which runs an online casino, a company which was previously reporting with the SEC until April 2019 (provided Elray has recently started a Regulation A offering), since February 23, 2011. Mr. Goodman is also the managing member of two Nevada domiciled limited liability companies, (1) Luxor Capital LLC (which managing member position he has held since October 2015; and (2) Goodman Capital Group LLC ("Goodman"), a company that owns a family property in New York City (which entity's sole purpose is to hold title to such property). Mr. Goodman also serves as the managing director of Global Technology Group Pty Ltd, a position which he has held since September 2019. Prior to immigrating to Australia, Mr. Goodman lived in South Africa where he served as VP of marketing and sales at Allergan Pharmaceuticals in South Africa from January 1982 to February 1984 and owned and operated a successful group of retail drug stores under the brand name Daelite Pharmacy Group from February 1984 to January 1990.

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Mr. Goodman is a qualified Pharmacist graduating from the University of Witwatersrand in Johannesburg South Africa in 1981 with a Bachelor of Pharmacy degree and subsequently re-qualifying as a Pharmacist in Australia in 1989.

In his more than 30 years of senior management and corporate roles, Mr. Goodman has established an international reputation for his expertise in this industry and has a wide network of senior executive contacts in the gaming industry as well as a keen insight into the development of the information technology (IT) industry as a whole. He has experience in senior corporate planning. His roles have been entrepreneurial and include CEO and senior management positions in smaller organizations, which he founded or in which he held equity, as well as multinational organizations. He has a successful track record of implementing comprehensive business and project plans, meeting deadlines and expense forecasts as well as exceeding projections.

On September 30, 2016, the SEC instituted a cease-and-desist proceeding pursuant to Section 12C of the Exchange Act against Elray, in connection with an offer of settlement relating to an administrative proceeding previously brough against Elray. The administrative proceeding and settlement related to Elray's sale of common stock in unregistered offering transactions in January 2014, from August 2014 to October 2014, and from January 2015 to February 2015, which financing transactions required Elray to issue a significant number of its shares of outstanding common stock and for which Elray failed to file Current Reports on Form 8-K pursuant to the requirements of Item 1.01 and Item 3.02 thereof, in violation of Section 13(a) of the Exchange Act and Rules 13a-11, 13a-13 and 12b-20 thereunder. The administrative order required Elray to pay civil penalties of $50,000 to the SEC, which were timely paid. The administrative order and settlement only related to Elray and did not relate to, or implicate, Mr. Goodman (who serves as Chief Executive Officer and director of Elray) or Weiting 'Cathy' Feng (who served, and continues to serve, as a director of Elray).

Omar Jimenez: Mr. Jimenez has served as our Chief Financial Officer (Principal Financial/Accounting Officer) and Chief Compliance Officer since April 30, 2021. Since April 2020, Mr. Jimenez has also served as Chief Financial Officer and Chief Operating Officer of Alfadan, Inc. a pre-startup that will provide a series of marine specific engines ranging from 450 horsepower (HP) to 1,050 HP when the research and development on such engines is completed. From September 2016 to January 2020 and from January 2016 to January 2020, Mr. Jimenez served as Treasurer and Secretary and Chief Financial Officer and Chief Operating Officer, respectively, of NextPlay Technologies, Inc. (f/k/a Monaker Group, Inc.) (NXTP:NASDAQ), a travel services company. Mr. Jimenez also served as a member of the Board of Directors of NextPlay Technologies, Inc. (then known as Monaker Group, Inc.) from January 2017 to August 2019. Mr. Jimenez has held a variety of senior financial management positions during his career. From May 2009 to January 2016, he served as the founder of MARMEL International, Inc., a company that provides accounting and consulting services. In addition, from June 2004 to May 2009 he served as President and Chief Financial Officer at American Leisure Holdings, Inc.

(AMLH:OTC & ALG:AIM), focusing on leisure and business travel, hospitality & hotels, call centers and real estate development. Mr. Jimenez also served from April 2002 to June 2004 as Director of Operations for US Installation Group, Inc., a selling and installation group for The Home Depot, and CFO and VP of Onyx Group, Inc., a conglomerate with 700 employees and annual revenues exceeding $400 million. Mr. Jimenez is a Certified Public Accountant (CPA), Chartered Global Management Accountant (CGMA), Chartered Property Casualty Underwriter (CPCU), a Member of the AICPA and FICPA. Mr. Jimenez holds a B.B.A in Accounting and a B.B.A in Finance from the University of Miami and an M.B.A from Florida International University.

Weiting 'Cathy' Feng: Ms. Feng was appointed as Chief Financial Officer in February 2016, and served in such role until April 2021, when she was appointed as Chief Operating Officer of the Company. Ms. Feng has also been the director of Etrader Enterprise Pty Ltd, an Australian technology consulting company, since January 2014. Ms. Feng has served as a member of the Board of Directors of Elray since April 2015. See also the discussion of the September 30, 2016, cease-and-desist proceeding against Elray, and related information regarding Elray, included above under Mr. Goodman's biographical information. She has been working in the financial area for more than ten years. Ms. Feng has extensive experience in financial reporting for U.S. public companies, including preparation of all financial statements, budgets, forecasts, cost allocations, investor disclosure, management financial reports, as well as significant experience in dealing with compliance and regulations with particular respect to the SEC and FINRA. Ms. Feng has the ability to maintain accurate financial management systems and processes, and analyze and present financial related information to facilitate the business decisions to grow business and resolve complex problems. Ms. Feng obtained a Bachelor of Science degree from Fundan University in Shanghai, China and a Master of Commerce degree from the University of Sydney in Sydney, Australia.

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Thomas E. McChesney: Mr. McChesney has extensive financial and entrepreneurial experience as an executive and board member in the financial services industry. He served as lead independent director of VidBid, Inc., an early-stage technology-driven company helping contractors and home owners find each other in a more efficient manner, from April 2020 to February 2021. From 1995 through March 2016, he served as a Director of TrueBlue Inc., a $2.3B revenue NYSE-listed enterprise (TBI), and is the former Chair of its Compensation Committee and former member of its Audit Committee.

Mr. McChesney served as Senior Vice President and Syndicate Manager at Paulson Investment Company ("Paulson") and was later appointed President of Paulson. He had joined Paulson in 1980 and left in 1995 to join Blackwell Donaldson Company, where he served as Director of Investment Banking from 1998 to 2005. He also served as a director of Nations Express Incorporated from 2004 to 2009.

Murray G. Smith: Mr. Smith is a licensed Certified Public Accountant in the State of Oregon, with over twenty-seven years' accounting and finance leadership experience. Mr. Smith is also a Certified Fraud Examiner. Mr. Smith has operated his own consulting practice focusing on financial process improvement, client training to perform accounting procedures, Sarbanes-Oxley compliance and internal audit outsourcing, MGS Consulting, LLC, since March 2008. Since June 2020, Mr. Smith has also served as President and Founder of Complete Freedom Beverage, LLC d/b/a Cascadia Can Company, an Aluminum can brokering and mobile canning service company. Mr. Smith served as the Divisional Chief Financial Officer and corporate controller of Craft Canning + Bottling, LLC, a wholly-owned subsidiary of Eastside Distilling, Inc. (NASDAQ:EAST), a NASDAQ company, from October 2016 to September 2020. From February 2018 to March 2019, Mr. Smith served as Chief Financial Officer of Genesis Financial, Inc. (an OTC listed company) in the financial technology space. He also served as the Chief Financial Officer for Jewett-Cameron Trading Company, Ltd. (NASDAQ:JCTCF), a NASDAQ company, from September 2009 to June 2015. Mr. Smith previously served as the Chief Financial Officer for Paulson Capital Corp. (NASDAQ:PLCC), a NASDAQ company, from 2006-2014 where he co-led a reverse merger transaction of the parent company, while navigating the regulatory hurdles of the SEC, NASDAQ & FINRA in simultaneously spinning out the Broker-Dealer subsidiary to a new ownership group and creating a $10 Million liquidating trust. Mr. Smith's other previous employers have included positions with Intel Corporation (Accounting Management), Arthur Andersen (CPA and Consulting Services) and Allegheny Teledyne, Inc. (Internal Audit). He is a graduate of the University of Washington, with a Bachelor of Arts degree awarded in 1993 in Business Administration with a concentration in Accounting. Mr. Smith also previously held the following FINRA Licenses: Series 7, 27 and 66.

Philip Daniel Moyes: Mr. Moyes has served as a director of Carbon Logic Ltd, a consulting company to the gaming industry since May 2017. Since October 2021, he has also served as the Chief Executive Officer of Ultimate Platform Technology Ltd., a technology platform provider to the Gaming industry. From February 2018 to November 2018, Mr. Moyes has served as the Group Chief Information Officer of Rank Group PLC, an online and retail gaming company. From July 2007 to March 2017, Mr. Moyes served as Group Chief Information Officer of William Hill Organization PLC, which is in the online and retail gaming industry. From January 2006 to June 2007, Mr. Moyes served as IT Director for Tote, an online and retail gaming company. Mr. Moyes received a bachelor's degree in Business Administration (with honors) and a Master of Business Administration from Heriot-Watt University, Edinburgh, Scotland.

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Corporate Governance

Director Qualifications

The Board believes that each of our directors is highly qualified to serve as a member of the Board. Each of the directors has contributed to the mix of skills, core competencies and qualifications of the Board. When evaluating candidates for election to the Board, the Board seeks candidates with certain qualities that it believes are important, including integrity, an objective perspective, good judgment, and leadership skills. Our directors are highly educated and have diverse backgrounds and talents and extensive track records of success in what we believe are highly relevant positions.

Family Relationships amongst Directors and Officers

There are no family relationships among our directors, executive officers, or persons nominated or chosen by the Company to become directors or executive officers.

Arrangements between Officers and Directors

To our knowledge, there is no arrangement or understanding between any of our officers and any other person, including directors, pursuant to which the officer was selected to serve as an officer.

Other Directorships

No directors of the Company are also directors of issuers with a class of securities registered under Section 12 of the Exchange Act (or which otherwise are required to file periodic reports under the Exchange Act, except that Mr. Goodman and Ms. Feng are directors of Elray which recently started a Regulation A offering).

Involvement in Certain Legal Proceedings

To the best of our knowledge, none of our executive officers or directors has been involved in any of the following events during the past ten years: (1) any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two

years prior to that time; (2) any conviction in a criminal proceeding or being a named subject to a pending criminal proceeding (excluding traffic violations and minor offenses); (3) being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; (4) being found by a court of competent jurisdiction (in a civil action), the SEC or the Commodities Futures Trading Commission to have violated a federal or state securities or commodities law; (5) being the subject of, or a party to, any Federal or State judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of (i) any Federal or State securities or commodities law or regulation; (ii) any law or regulation respecting financial institutions or insurance companies, including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order, or (iii) any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or (6) being the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act), any registered entity (as defined in Section (1a)(40) of the Commodity Exchange Act), or any equivalent exchange, association, entity, or organization that has disciplinary authority over its members or persons associated with a member.

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Committees of the Board of Directors

Board Committee Membership

	Independent	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
Anthony Brian Goodman (1)				
Weiting (Cathy) Feng				
Thomas E. McChesney	☒	M	C	C
Murray G. Smith	☒	C	M	M
Philip Daniel Moyes	☒	M		

(1) Chairman of Board of Directors.
C - Chairman of Committee.
M - Member.

Audit Committee

The Audit Committee, which is comprised exclusively of independent directors, has been established by the Board to oversee our accounting and financial reporting processes and the audits of our financial statements.

The Board has selected the members of the Audit Committee based on the Board's determination that the members are financially literate and qualified to monitor the performance of management and the independent auditors and to monitor our disclosures so that our disclosures fairly present our business, financial condition and results of operations.

The Board has also determined that Mr. Smith is an "audit committee financial expert" (as defined in the SEC rules) because he has the following attributes: (i) an understanding of generally accepted accounting principles in the United States of America ("GAAP") and financial statements; (ii) the ability to assess the general application of such principles in connection with accounting for estimates, accruals and reserves; (iii) experience analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by our financial statements; (iv) an understanding of internal control over financial reporting; and (v) an understanding of audit committee functions. Mr. Smith has acquired these attributes by means of having held various positions that provided relevant experience, as described in his biographical above.

The Audit Committee has the sole authority, at its discretion and at our expense, to retain, compensate, evaluate and terminate our independent auditors and to review, as it deems appropriate, the scope of our annual audits, our accounting policies and reporting practices, our system of internal controls, our compliance with policies regarding business conduct and other matters. In addition, the Audit Committee has the authority, at its discretion and at our expense, to retain special legal, accounting or other advisors to advise the Audit Committee. The Audit Committee is also tasked with reviewing related party transactions.

The Audit Committee's responsibilities also include (1) reviewing the disclosures made by the Chief Executive Officer and the Chief Financial Officer in connection with their required certifications accompanying the Company's periodic reports to be filed with the SEC, including disclosures to the Committee of (a) significant deficiencies in the design or operation of internal controls, (b) significant changes in internal controls, and (c) any fraud involving management or other employees who have a significant role in the Company's internal controls; (2) reviewing and discussing the Company's quarterly financial results and related press releases, if any, with management and the independent auditors prior to the release of such information to the public; (3) reviewing with the management the proposed scope and plan for conducting internal audits of Company operations and obtaining reports of significant findings and recommendations, together with management's corrective action plans; (4) seeking to ensure the corporate audit function has sufficient authority, support and access to Company personnel, facilities and records to carry out its work without restrictions or limitations; (5) reviewing the corporate audit function of the Company, including its charter, plans, activities, staffing and organizational structure; (6) reviewing progress of the internal audit program, key findings and management's action plans to address findings; (7) periodically reviewing the Company's policies with respect to legal compliance, conflicts of interest and ethical conduct; (8) seeking to ensure the adequacy of procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting control or auditing matters, including the confidential submission of complaints by employees regarding such matters; and (9) recommending to the Board any changes in ethics or compliance policies that the Committee deems appropriate.

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The Audit Committee was formed on August 13, 2020.

The Audit Committee Charter is filed as Exhibit 99.2 to the Company's Current Report on Form 8-K which the Company filed with the Securities and Exchange Commission on August 27, 2020.

Compensation Committee

The Compensation Committee, which is comprised exclusively of independent directors, is responsible for the administration of our stock compensation plans, approval, review and evaluation of the compensation arrangements for our executive officers and directors and oversees and advises the Board on the adoption of policies that govern the Company's compensation and benefit programs. In addition, the Compensation Committee has the authority, at its discretion and at our expense, to retain special legal, accounting or other advisors to advise the Compensation Committee.

Specifically, the principal responsibilities and functions of the Compensation Committee are as follows: (1) review the competitiveness of the Company's executive compensation programs to ensure (a) the attraction and retention of executives, (b) the motivation of executives to achieve the Company's business objectives, and (c) the alignment of the interests of key leadership with the long-term interests of the Company's stockholders. Assist the Board of Directors in establishing CEO annual goals and objectives; (2) review trends in executive compensation, oversee the development of new compensation plans, and, when necessary, approve the revision of existing plans; (3) review and approve the compensation structure for executives; (4) oversee an evaluation of the performance of the Company's executive officers and approve the annual compensation, including salary, bonus, incentive and equity compensation, for the executive officers. Review and approve compensation packages for new executive officers and termination packages for executive officers; (5) review and make recommendations concerning long-term incentive compensation plans, including the use of equity-based plans; (6) periodically review the compensation paid to non-employee directors and make recommendations to the Board for any adjustments. No member of the Committee will act to fix his or her own compensation except for uniform compensation to directors for their services as a director; (7) review periodic reports from management on matters relating to the Company's compensation practices; (8) produce an annual report of the Compensation Committee on executive compensation for the Company's annual proxy statement in compliance with and to the extent required by applicable SEC rules and regulations and any relevant listing authority; (9) obtain or perform an annual evaluation of the Committee's performance and make applicable recommendations about, among other things, changes to the charter of the Committee; and (10) take other actions that the Board shall reasonably request.

The Compensation Committee was formed on August 13, 2020.

The Compensation Committee Charter is filed as Exhibit 99.3 to the Company's Current Report on Form 8-K which the Company filed with the Securities and Exchange Commission on August 27, 2020.

Nominating and Governance Committee

The Nominating and Governance Committee, which is comprised exclusively of independent directors, is responsible for identifying prospective qualified candidates to fill vacancies on the Board, recommending director nominees (including chairpersons) for each of our committees, developing and recommending appropriate corporate governance guidelines and overseeing the self-evaluation of the Board.

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In considering individual director nominees and Board committee appointments, our Nominating and Governance Committee seeks to achieve a balance of knowledge, experience and capability on the Board and Board committees and to identify individuals who can effectively assist the Company in achieving our short-term and long-term goals, protecting our shareholders' interests and creating and enhancing value for our shareholders. In so doing, the Nominating and Governance Committee considers a person's diversity attributes (e.g., professional experiences, skills, background, race and gender) as a whole and does not necessarily attribute any greater weight to one attribute. Moreover, diversity in professional experience, skills and background, and diversity in race and gender, are just a few of the attributes that the Nominating and Governance Committee takes into account. In evaluating prospective candidates, the Nominating and Governance Committee also considers whether the individual has personal and professional integrity, good business judgment and relevant experience and skills, and whether such individual is willing and able to commit the time necessary for Board and Board committee service.

While there are no specific minimum requirements that the Nominating and Governance Committee believes must be met by a prospective director nominee, the Nominating and Governance Committee does believe that director nominees should possess personal and professional integrity, have good business judgment, have relevant experience and skills, and be willing and able to commit the necessary time for Board and Board committee service. Furthermore, the Nominating and Governance Committee evaluates each individual in the context of the Board as a whole, with the objective of recommending individuals that can best perpetuate the success of our business and represent shareholder interests through the exercise of sound business judgment using their diversity of experience in various areas. We believe our current directors possess diverse professional experiences, skills and backgrounds, in addition to (among other characteristics) high standards of personal and professional ethics, proven records of success in their respective fields and valuable knowledge of our business and our industry.

The Nominating and Governance Committee uses a variety of methods for identifying and evaluating director nominees. The Nominating and Governance Committee also regularly assesses the appropriate size of the Board and whether any vacancies on the Board are expected due to retirement or other circumstances. In addition, the Nominating and Governance Committee considers, from time to time, various potential candidates for directorships. Candidates may come to the attention of the Nominating and Governance Committee through current Board members, professional search firms, shareholders or other persons. These candidates may be evaluated at regular or special meetings of the Nominating and Governance Committee and may be considered at any point during the year.

The Committee evaluates director nominees at regular or special Committee meetings pursuant to the criteria described above and reviews qualified director nominees with the Board. The Committee selects nominees that best suit the Board's current needs and recommends one or more of such individuals for election to the Board.

The Committee will consider candidates recommended by shareholders, provided the names of such persons, accompanied by relevant biographical information, and other information as required by the Company's Bylaws, are properly submitted in writing to the Secretary of the Company in accordance with the Bylaws and applicable law. The Secretary will send properly submitted shareholder recommendations to the Committee. Individuals recommended by shareholders in accordance with these procedures will receive the same consideration received by individuals identified to the Committee through other means. The Committee also may, in its discretion, consider candidates otherwise recommended by shareholders without accompanying biographical information, if submitted in writing to the Secretary.

The Nominating and Governance Committee was formed on August 13, 2020.

The Nominating and Governance Committee Charter is filed as Exhibit 99.4 to the Company's Current Report on Form 8-K which the Company filed with the Securities and Exchange Commission on August 27, 2020.

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Board Leadership Structure

Our Board of Directors has the responsibility for selecting the appropriate leadership structure for the Company. In making leadership structure determinations, the Board of Directors considers many factors, including the specific needs of the business and what is in the best interests of the Company's shareholders. Our current leadership structure is comprised of a combined Chairman of the Board and Chief Executive Officer ("CEO"), Mr. Goodman. The Board of Directors believes that this leadership structure is the most effective and efficient for the Company at this time. Mr. Goodman possesses detailed and in-depth knowledge of the issues, opportunities, and challenges facing the Company, and is thus best positioned to develop agendas that ensure that the Board of Directors' time and attention are focused on the most critical matters. Combining the Chairman of the Board and CEO roles promotes decisive leadership, fosters clear accountability and enhances the Company's ability to communicate its message and strategy clearly and consistently to our shareholders, particularly during periods of turbulent economic and industry conditions. The Board

believes that its programs for overseeing risk, as described below, would be effective under a variety of leadership frameworks and therefore do not materially affect its choice of structure.

Risk Oversight

Effective risk oversight is an important priority of the Board of Directors. Because risks are considered in virtually every business decision, the Board of Directors discusses risk throughout the year generally or in connection with specific proposed actions. The Board of Directors' approach to risk oversight includes understanding the critical risks in the Company's business and strategy, evaluating the Company's risk management processes, allocating responsibilities for risk oversight, and fostering an appropriate culture of integrity and compliance with legal responsibilities. The directors exercise direct oversight of strategic risks to the Company.

Board of Directors Meetings

During the twelve months ended October 31, 2022, the Board held three formal meetings of the Board, and took various actions via the unanimous written consents of the Board. All members of the Board of Directors attended at least 75 percent of the aggregate of (i) the total number of meetings of the Board of Directors held during the twelve months ended October 31, 2022; and (ii) the total number of meetings held by all Committees of the Board of Directors on which he served during the twelve months ended October 31, 2022. The Company did not hold an annual meeting in 2021, and took action via a written consent in lieu of the 2022 annual meeting. Each director of the Company is encouraged to be present at annual meetings of shareholders, absent exigent circumstances that prevent their attendance. Where a director is unable to attend an annual meeting in person but is able to do so by electronic conferencing, the Company will arrange for the director's participation by means where the director can hear, and be heard, by those present at the meeting.

Shareholder Communications with the Board

In connection with all other matters other than the nomination of members of our Board of Directors (as described above), our shareholders and other interested parties may communicate with members of the Board of Directors by submitting such communications in writing to our Secretary, 3651 Lindell Road, Suite D131, Las Vegas, Nevada 89103, who, upon receipt of any communication other than one that is clearly marked "Confidential," will note the date the communication was received, open the communication, make a copy of it for our files and promptly forward the communication to the director(s) to whom it is addressed. Upon receipt of any communication that is clearly marked "Confidential," our Secretary will not open the communication, but will note the date the communication was received and promptly forward the communication to the director(s) to whom it is addressed. If the correspondence is not addressed to any particular member of the Board of Directors, the communication will be forwarded to a Board member to bring to the attention of the Board.

Potential Conflicts of Interest

Although Mr. Goodman and Ms. Feng work with other technology companies, and we do not have written procedures in place to address conflicts of interest that may arise between our business and the future business activities of Mr. Goodman and Ms. Feng, we do adhere to requirements that any deemed conflict is discussed at Board of Director meetings and with the Company's legal counsel.

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Code of Business Conduct and Ethics

On August 13, 2020, the Company's Board of Directors adopted a Code of Business Conduct and Ethics. The Code of Business Conduct and Ethics applies to all officers, directors and employees and includes compliance and reporting requirements, procedures for conflicts of interest, public disclosures, requirements for the compliance with laws, rules and regulations and requirements relating to employment practices, duties relating to corporate opportunities, confidentiality, fair dealing, and the use of Company assets.

We intend to disclose any amendments or future amendments to our Code of Business Conduct and Ethics and any waivers with respect to our Code of Business Conduct and Ethics granted to our principal executive officer, our principal financial officer, or any of our other employees performing similar functions on our corporate website within four business days after the amendment or waiver. In such case, the disclosure regarding the amendment or waiver will remain available on our website for at least 12 months after the initial disclosure. There have been no waivers granted with respect to our Code of Business Conduct and Ethics to any such officers or employees to date.

Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank")

Dodd-Frank requires public companies to provide shareholders with an advisory vote on compensation of the most highly compensated executives, which are sometimes referred to as "say on pay," as well as an advisory vote on how often the company will present say on pay votes to its shareholders. The Company's shareholders voted on say-on-pay matters in 2022 and approved a three year-frequency for future "say on pay" votes, with the next such vote being held at the Company's 2025 annual meeting.

Director Independence

Our common stock is listed on the Nasdaq Capital Market under the symbol "GMGI.". Nasdaq requires us to have independent members of our Board of Directors. Notwithstanding that, our Board of Directors has determined that each of Thomas E. McChesney, Murray G. Smith and Aaron Richard Johnston is an independent director as defined under the Nasdaq rules governing members of boards of directors and as defined under Rule 10A-3 of the Exchange Act.

In assessing director independence, the Board considers, among other matters, the nature and extent of any business relationships, including transactions conducted, between the Company and each director and between the Company and any organization for which one of our directors is a director or executive officer or with which one of our directors is otherwise affiliated.

Policy on Equity Ownership

The Company does not have a policy on equity ownership at this time. However, as illustrated in the "Beneficial Ownership Table" in "Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters", all Named Executive Officers (defined below in "Item 11. Executive Compensation") and directors are beneficial owners of stock of the Company.

Compensation Recovery and Clawback Policies

Under the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), in the event of misconduct that results in a financial restatement that would have reduced a previously paid incentive amount, we can recoup those improper payments from our Chief Executive Officer and Chief Financial Officer (if any). The SEC also recently adopted rules which direct national stock exchanges to require listed companies to implement policies intended to recoup bonuses paid to executives if the company is found to have misstated its financial results. We plan to implement a clawback policy in the future, once required, although we have not yet implemented such policy.

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Insider Trading/Anti-Hedging Policies

All employees, officers and directors of, and consultants and contractors to, us or any of our subsidiaries are subject to our Insider Trading Policy. The policy prohibits the unauthorized disclosure of any nonpublic information acquired in the workplace, the misuse of material nonpublic information in securities trading. The policy also includes specific anti-hedging provisions.

To ensure compliance with the policy and applicable federal and state securities laws, all individuals subject to the policy must refrain from the purchase or sale of our securities except in designated trading windows or pursuant to preapproved 10b5-1 trading plans. Even during a trading window period, certain identified insiders, which include the named executive officers and directors, must comply with our designated pre-clearance policy prior to trading in our securities. The anti-hedging provisions prohibit all employees, officers and directors from engaging in "short sales" of our securities.

Delinquent Section 16(a) Reports

Section 16(a) of the Exchange Act requires our executive officers and directors and persons who own more than 10% of a registered class of our equity securities to file with the SEC initial statements of beneficial ownership, reports of changes in ownership and annual reports concerning their ownership in our common stock and other equity securities, on Form 3, 4 and 5 respectively. Executive officers, directors and greater than 10% stockholders are required by the SEC regulations to furnish our company with copies of all Section 16(a) reports they file.

Based solely on our review of the copies of such reports received by us and on written representation by our officers and directors regarding their compliance with the applicable reporting requirements under Section 16(a) of the Exchange Act, we believe that all filings required to be made under Section 16(a) during the twelve months ending October 31, 2022 were timely made, except that Aaron Richard Johnson, our former director, failed to timely file one Form 4 and as a result a total of four transactions were not timely disclosed; Thomas E. McChesney, our director, failed to timely file one Form 4 and as a result two transactions were not timely disclosed; Anthony Brian Goodman, our Chief Executive Officer and director, failed to timely file one Form 4, which related to transactions completed in 2021 and 2022, and as a result two transactions were not timely disclosed; and Weiting 'Cathy' Feng, our Chief Operating Officer, failed to timely file one Form 4, which related to transactions completed in 2021, and as a result one transaction was not timely disclosed.

Item 11. Executive Compensation

Summary Executive Compensation Table

The following table sets forth certain information concerning compensation earned by or paid to certain persons who we refer to as our "Named Executive Officers" for services provided for the twelve months ended October 31, 2022, the nine months ended October 31, 2021, the twelve months ended January 31, 2021, and six months ended January 31, 2020. Our Named Executive Officers include persons who (i) served as our principal executive officer or acted in a similar capacity for the twelve months ended October 31, 2022, the nine months ended October 31, 2021, the twelve months ended January 31, 2021, and six months ended January 31, 2020 (ii) were serving at twelve month period ending October 31, 2022 as our two most highly compensated executive officers, other than the principal executive officer, whose total compensation exceeded $100,000, and (iii) if applicable, up to two additional individuals for whom disclosure would have been provided as a most highly compensated executive officer, but for the fact that the individual was not serving as an executive officer at fiscal year-end.

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Name and Principal Position	Fiscal Year Ended	Salary ($)	Bonus ($)	Stock Awards ($)#	Option Awards ($)#	All Other Compensation ($)	Total ($)
Anthony B. Goodman	2022	145,800	-	2,985,000(£)	-	14,829(2)	3,145,629
CEO and President	2021-T(1)	108,231	-	-	43,115,180(4)	10,522(2)	43,233,933
	2021	106,663	-	-	-	3,683(2)	110,346
	2020-T(3)	40,986	-	-	1,236,381	-	1,277,367
Weiting 'Cathy' Feng	2022	121,500	-	1,492,500(£)	-	12,358(2)	1,626,358
COO and former CFO	2021-T(1)	90,192	-	-	11,186,368(5)	8,768(2)	11,285,328
	2021	100,202	-	-	-	3,069(2)	103,271
	2020-T(3)	40,986	-	-	332,446	-	373,432
Omar Jimenez	2022	275,000	-	-	-	-	275,000
Chief Financial Officer and Chief Compliance Officer (Principal Financial/Accounting Officer)	2021-T(1)	78,750	-	-	243,911	-	322,661
	2021		-	-	-	-	-
	2020-T(3)		-	-	-	-	-

* Does not include perquisites and other personal benefits, or property, unless the aggregate amount of such compensation is more than $10,000. No executive officer earned any non-equity incentive plan compensation or nonqualified deferred compensation during the periods reported above.

The fair value of stock- based compensation issued for services computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 on the date of grant. Please see **NOTE 2 – SUMMARY OF ACCOUNTING POLICIES, Share-Based Compensation** for a description of the compensation expense. The fair value of options granted computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 on the date of grant. These amounts do not correspond to the actual value that will be recognized by the named individuals from these awards.

£ Represents 750,000 restricted stock units (RSUs) granted to Mr. Goodman and 375,000 RSUs granted to Ms. Feng on September 16, 2022. The RSUs vest at the rate of 1/6th of such RSUs based on the Company meeting certain revenue and EBITDA targets for the years ended October 31, 2022, 2023 and 2024. The RSUs are settled in shares of common stock. As described in detail in **NOTE 14 – EQUITY, Common Stock, 2022 Equity Incentive Plan, t**he RSUs are subject to vesting, and vest to the RSU Recipients, to the extent and in the amounts set forth below, to the extent the following performance metrics are met by the Company as of the dates indicated (the "Performance Metrics" and the "Performance Metrics Schedule"):

	Revenue Targets		EBITDA Targets	
Performance Period	**Target Goal**	**RSUs Vested**	**Target Goal**	**RSUs Vested**
Year ended October 31, 2022	$21,875,000	*	$3,250,000	*
Year ended October 31, 2023	FY 2022 x 1.1	*	FY 2022 x 1.1	*
Year ended October 31, 2024	FY 2023 x 1.1	*	FY 2023 x 1.1	*

** 1/6th of the total RSUs granted to each RSU Recipient above.*

For purposes of the calculations above, (a) "EBITDA" means net income before interest, taxes, depreciation, amortization and stock-based compensation; (b) "Revenue" means annual revenue of the Company; and (c) "FY 2022" means actual Revenue or EBITDA, as the case may be achieved during the 12 month period from November 1, 2021 to October 31, 2022, and "FY 2023" means actual Revenue or EBITDA as the case may be for the 12 month period from November 1, 2022 to October 31, 2023, in each case as set forth in the Company's audited year-end financial statements (the "Target Definitions").

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(1) Refers to the transition period from February 1, 2021 to October 31, 2021.

(2) All other compensation only includes the superannuation amount paid pursuant to Australian law. As of October 31, 2022 and October 31, 2021, the superannuation payable to Mr. Goodman was $5,229 and $14,205, respectively. As of October 31, 2022 and October 31, 2021, total superannuation payable to Ms. Feng was $4,358 and $11,838, respectively.

(3) Refers to the transition period from August 1, 2019 to January 31, 2020.

(4) On June 29, 2021, the Company extended the expiration date of options to purchase 5,400,000 shares of common stock previously granted to Anthony Brian Goodman, the Company's Chief Executive Officer, at an exercise price of $0.066 per share, which were to expire on June 30, 2021, until December 31, 2022.

(5) On June 29, 2021, the Company extended the expiration date of options to purchase 1,400,000 shares of common stock previously granted to Weiting Feng, the Company's Chief Operating Officer, at an exercise price of $0.06 per share, which were to expire on June 30, 2021, until December 31, 2022.

Outstanding Equity Awards at Fiscal Year-End

	Option awards					Stock awards			
Name	**Number of securities underlying unexercised options(#) exercisable**	**Number of securities underlying unexercised options (#) unexercisable**	**Equity incentive plan awards: Number of securities underlying unexercised unearned options (#)**	**Option exercise price ($)**	**Option expiration date**	**Number of shares or units of stock that have not vested (#)**	**Market value of shares of units of stock that have not vested ($)**	**Equity incentive plan awards: Number of unearned shares, units or other rights that have not vested (#)**	**Equity incentive plan awards: Market or payout value of unearned shares, units or other rights that have not vested ($)**
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Anthony B. Goodman	5,400,000(1)			0.066	12/31/2022				
Anthony B. Goodman								750,000(2)(3)	$1,875,000(4)
Weiting 'Cathy' Feng	1,400,000(1)			0.06	12/31/2022				
Weiting 'Cathy' Feng								375,000(2)(3)	$937,500(4)
Omar Jimenez	50,000(1)			9.91	4/23/2023				

(1) Fully vested.

(2) Represents restricted stock units (RSUs). Each RSU represents the contingent right to receive, at settlement, one share of common stock.

(3) Subject to the terms of the award agreements, the RSUs vest, if all, at the rate of 1/6th of such RSUs, upon the Company meeting certain (1) revenue and (2) EBITDA targets, as of the end of fiscal 2022, 2023 and 2024, and upon the public disclosure of such operating results in the Company's subsequently filed Annual Reports on Form 10-K, subject to the holders continued service through the applicable vesting date. RSUs do not expire; they either vest or are canceled prior to vesting date. The revenue and EBITDA goals for the twelve months ended October 31, 2022 were met and the RSUs for the year ended December 31, 2022 vest as of the filing of this Report, and as such 1/3rd of such RSUs will vest upon the filing of this Report.

(4) Calculated by multiplying the closing market price of the Company's common stock on October 31, 2022, $2.50, by the number of units set forth in column (i).

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Employment and Consulting Agreements

Employment Agreement with Mr. Anthony Brian Goodman

On September 16, 2022, the Company entered into a First Amended and Restated Employment Agreement with Mr. Goodman, the Company's Chief Executive Officer and director. The agreement amended and restated, effective as of September 16, 2022, the prior Employment Agreement entered into between the Company and Mr. Goodman dated October 26, 2020. The agreement, as amended and restated, is described below:

The agreement, which provides for Mr. Goodman to serve as the Chief Executive Officer of the Company, was effective October 26, 2020, and remains in effect until August 20, 2026, unless terminated earlier pursuant to its terms, provided that the term of the agreement continues year-to-year thereafter unless either party provides

notice to the other of its intent not to renew the agreement at least three months prior to the end of the initial term or any renewal term. Notwithstanding the above, the agreement may be terminated at any time by either party with or without cause. The agreement does not restrict Mr. Goodman's ability to provide services to Luxor Capital, LLC ("Luxor"), Elray Resources, or Articulate.

Pursuant to the agreement, Mr. Goodman is to receive an annual salary of $158,400, plus a superannuation (an employee funded pension required by the Government of Australia), which is currently equal to 10% of Mr. Goodman's salary, and pursuant to Australian law is to increase by 0.5% per year, beginning June 30, 2021 (when it increased from 9.5% to 10% and continuing on June 30, 2022, when it increased to 10.5%), until it reaches 12% in 2025 (the "Superannuation"), payable every two weeks. Mr. Goodman's salary is required to be increased annually in an amount of no less than 10% per annum and may be increased by the Compensation Committee of the Board of Directors annually, or from time to time, in connection with increases in the cost of living, the responsibilities of Mr. Goodman and/or his performance. Increases of salary are not required to be set forth in an amendment to the Employment Agreement. Pursuant to the agreement, the Board of Directors has discretion to establish a cash bonus plan payable to Mr. Goodman and to set forth goals in connection with such plan, provided no plan has been established to date. The Board of Directors (or Compensation Committee of the Board of Directors) may also grant Mr. Goodman bonuses from time to time in its discretion, in cash, stock or other equity, including in the form of options, in amounts determined in the sole discretion of the Board of Directors (or Compensation Committee of the Board of Directors).

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Pursuant to the agreement, Mr. Goodman is eligible to participate in all benefit programs offered by the Company to its senior executives. Mr. Goodman is entitled to holidays and annual leave in conformity with Australian law, along with seven additional days of leave pursuant to the terms of the agreement and up to 14 days per year of sick leave.

The agreement contains standard confidentiality and indemnification requirements. The agreement prohibits Mr. Goodman from competing against the Company in connection with the business of marketing of gaming intellectual property, tool bar technology, adware and ad serving products, online raffles, lotteries, tournaments, competitions and sportsbook operations and technology, in the United States and the United Kingdom, for a period of one year from the date of termination of the agreement.

The agreement may be terminated by the Company (a) with not less than 2 weeks' notice to Mr. Goodman of him being adjudicated disabled due to illness or accident; or (b) immediately if he (i) commits any act which may detrimentally affect the Company or its related companies, including any act of dishonesty, fraud, willful disobedience, misconduct or breach of duty; (ii) breaches any terms of the non-compete; (iii) materially breaches the Employment Agreement, and fails to cure such breach within 14 days after notice thereof is provided to Mr. Goodman; or (iv) is of unsound mind, each as determined in the reasonable discretion of the independent members of the Board of Directors acting in good faith (without the vote of Mr. Goodman). Mr. Goodman may terminate the agreement (a) within thirty days of the Company going into bankruptcy; (b) if the Company does not pay any amount owed to him under the agreement within 14 days after notice of such non-payment is provided to the Company; (c) if without his consent, his position or duties are modified by the Company to such an extent that his duties are no longer consistent with the position of CEO of the Company; (d) if there has been a material breach by the Company of a material term of the agreement or he reasonably believes that the Company is violating any law which would have a material adverse effect on the Company's operations and such violation continues uncured following thirty (30) days after such breach and after notice thereof has been provided to the Company by him, or (e) if his compensation as set forth hereunder is reduced without his consent, or the Company fails to pay to him any compensation due to him under the agreement upon 15 days written notice from him informing the Company of such failure.

Additionally, if Mr. Goodman is involuntarily terminated, any unvested options vest immediately and are exercisable until the later of the original termination date thereof and 24 months after such termination date.

In the event the Company terminates the agreement other than for cause (defined as his gross negligence or willful misconduct which has a material adverse effect on the Company or his ability to perform his duties under the agreement) or by Mr. Goodman for good reason, Mr. Goodman is due (a) a lump sum cash severance payment equal to the sum of (i) 18 months of Mr. Goodman's then current annual basic salary plus (ii) an amount equal to his targeted bonus for the year of termination (such total payment referred to herein as the "Severance Payment"); (b) a lump sum cash bonus payment based on prior service in an amount equal to the sum of (i) any unpaid bonus for the prior year that would have been paid had he not been terminated prior to such payment plus (ii) his targeted bonus for the year of termination multiplied by the number of days in such year preceding the termination date, divided by 365; additionally and notwithstanding anything to the contrary in any equity award agreement, any unvested stock options or other equity compensation (including, but not limited to restricted stock units (RSUs)) previously granted to Mr. Goodman will vest immediately upon such termination and in the case of stock options, shall be exercisable by Mr. Goodman until the earlier of (A) one (1) year from the date of termination and (B) the latest date upon which such stock options or equity would have expired by their original terms under any circumstances.

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Except as set forth above, upon the termination of the agreement, Mr. Goodman is entitled to salary accrued through the termination date and no other benefits other than as required under the terms of employee benefit plans in which he was participating as of the termination date. Additionally, any unvested stock options or unvested equity compensation held by Mr. Goodman shall immediately terminate and be forfeited (unless otherwise provided in the applicable award agreement) and any previously vested stock options (or if applicable equity compensation) shall be subject to terms and conditions set forth in the applicable equity plan, or award agreement, as such may describe the rights and obligations upon termination of employment.

In the event that Mr. Goodman's employment is terminated (a) by the Company for any reason other than cause or due to his illness or death, or (b) by Mr. Goodman for good reason, during the twelve month period following a Change of Control (as defined below) or in anticipation of a Change of Control, the Company is required to pay Mr. Goodman, within 60 days following the later of (i) the date of such Change of Control termination; and (ii) the date of such Change of Control, a cash severance payment in a lump sum in an amount equal to 3.0 times the sum of (a) the current annual base salary of Mr. Goodman (less any actual payments made in connection with any severance payments already paid); and (b) the amount of the most recent bonus paid to Mr. Goodman for the last completed fiscal year, if any (less any actual payments made in connection with any other severance payments, the "Change of Control Payment"). If Mr. Goodman's employment ends due to a Change of Control termination within six months prior to a Change of Control, it will be deemed to be "in anticipation of a Change of Control" for purposes of the agreement. In addition, in the event of a Change of Control, all of Mr. Goodman's equity-based compensation (including options and equity subject to vesting) shall immediately vest regardless of whether Mr. Goodman is retained by the Company or successor following the Change of Control. Additionally, in the event of a Change of Control termination, unvested equity benefits and awards (including options, unvested RSU's or unvested equity awards) will vest immediately upon such termination and in the case of stock options, shall be exercisable by Mr. Goodman until the earlier of (A) one (1) year from the date of termination and (B) the latest date upon which such stock options or equity would have expired by their original terms under any circumstances.

For purposes of the employment agreement, a "Change of Control" is deemed to occur if (a) any person or entity is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing more than 50% of the total voting power represented by the Company's then outstanding voting securities; (b) a merger or consolidation of the Company whether or not approved by the Board of Directors of the Company, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted or into voting securities of the surviving entity) at least 50% of the total voting power represented by the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, or the shareholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale

or disposition by the Company of all or substantially all of the Company's assets; or (c) as a result of the election of members to the Board of Directors, a majority of the Board of Directors consists of persons who are not members of the Board of Directors as of August 20, 2022, except in the event that such slate of directors is proposed by the Nominating Committee. Notwithstanding the foregoing, if the definition of "Change of Control" in the Company's Stock Incentive Plans or Equity Compensation Plans (each as amended from time to time) is more favorable to Mr. Goodman, then such definition shall be controlling for purposes of the agreement.

Employment Agreement with Ms. Weiting 'Cathy' Feng

Weiting 'Cathy' Feng, the Company's former Chief Financial Officer, and current Chief Operating Officer and director is party to an Employment Agreement with the Company in substantially similar form as Mr. Goodman's employment agreement as discussed above, which was originally entered into on October 26, 2020, and amended and restated on September 16, 2022, except that the agreement: (a) provides for Ms. Feng to serve as the Chief Operating Officer of the Company; (b) entities Ms. Feng to continue providing services to Elray Resources, Etrader Enterprise Pty Ltd, and Articulate Pty Ltd.; (c) provides for an annual salary of $132,000; and (d) reduces the cash Severance Payment to six months of salary, plus any unpaid bonus for the prior year and the pro rata portion of the targeted bonus for the current year.

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Consulting Agreement with Mr. Omar Jimenez

On April 22, 2021, the Company entered into a Consulting Agreement with Omar Jimenez, who was appointed as Chief Financial Officer/Chief Compliance Officer on the same date. The Consulting Agreement provides for Mr. Jimenez to be paid $12,500 per month (which may be increased from time to time with the mutual consent of Mr. Jimenez and the Company and which salary was increased to $25,000 per month on January 26, 2022, effective January 1, 2022), to be granted options to purchase 50,000 shares of common stock (with an exercise price of $9.910 per share, expiring April 23, 2023), granted under the Company's 2018 Equity Compensation Plan, of which options to purchase 25,000 shares vested on April 22, 2021, and options to purchase 25,000 shares vested on October 22, 2021. Mr. Jimenez may also receive discretionary bonuses from time to time in the discretion of the Board of Directors in cash, stock or other equity awards.

The Consulting Agreement has customary assignment of invention and work for hire language, confidentiality and indemnification requirements and requires Mr. Jimenez to devote at least 20 hours per week to the Company, which may be increased from time to time with the mutual approval of Mr. Jimenez and the Chief Executive Officer of the Company.

The Consulting Agreement requires Mr. Jimenez to provide services to the Company as Chief Financial Officer and Chief Compliance Officer (CCO), as are customary for these positions in public corporations of similar size as the Company.

Director Compensation

We pay our Board members monthly cash compensation and grant our Board members stock-based compensation from time to time, as consideration for their services to the Board. Our executive officers are not paid any consideration for their service to the Board separate from the consideration they are paid as executive officers of the Company, as shown above.

The following table sets forth summary information concerning the compensation we paid to non-executive directors during the twelve months ended October 31, 2022:

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($) (1)(2)	All other compensation	Total ($)
Thomas E. McChesney	46,000	597,000	—	643,000
Murray G. Smith	46,000	597,000	—	643,000
Aaron Richard Johnston[3]	46,000	597,000	—	643,000

* The table above does not include the amount of any expense reimbursements paid to the above directors. No directors received any Option Awards, Non-Equity Incentive Plan Compensation, or Nonqualified Deferred Compensation Earnings during the period presented. Does not include perquisites and other personal benefits, or property, unless the aggregate amount of such compensation is more than $10,000.

(1) Represents the fair value of the grant of RSUs calculated in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718.
(2) As of October 31, 2022, the following RSUs were outstanding and held by each of the above non-executive directors Thomas E. McChesney – 150,000; Murray G. Smith – 150,000; Aaron Richard Johnston – 650,000. Each RSU represents the contingent right to receive, at settlement, one share of common stock. No non-executive director held any options as of October 31, 2022.
(3) Resigned as a member of the Board of Directors effective November 1, 2022.

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Directors received $2,000 per month in consideration for their services on the Board of Directors until October 31, 2021. On September 29, 2021, the Board of Directors agreed to increase the compensation of all Independent Directors to $3,000 per month, commencing November 1, 2021. On May 25, 2022, the Compensation Committee agreed to increase the monthly retainer payable to non-executive independent Board members from $3,000 to $5,000 per month, effective immediately.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Beneficial Ownership Table

The following table sets forth certain information regarding the beneficial ownership of our common stock as of January 30, 2023 (the "Date of Determination") by (i) each Named Executive Officer, as such term is defined above under "Item 11. Executive Compensation", (ii) each member of our Board of Directors, (iii) each person deemed to be the beneficial owner of more than five percent (5%) of our common stock, and (iv) all of our executive officers and directors as a group. Unless otherwise indicated, each person named in the following table is assumed to have sole voting power and investment power with respect to all shares of our common stock listed as owned by such person. The address of each person is deemed to be the address of the Company unless otherwise noted.

Beneficial ownership is determined in accordance with the rules of the SEC and includes voting and/or investing power with respect to securities. These rules generally provide that shares of common stock subject to options, warrants or other convertible securities that are currently exercisable or convertible, or exercisable or convertible within 60 days of the Date of Determination, are deemed to be outstanding and to be beneficially owned by the person or group holding such options, warrants or other convertible securities for the purpose of computing the percentage ownership of such person or group, but are not treated as outstanding for the purpose of

computing the percentage ownership of any other person or group. The percentages are based upon 36,099,526 shares of our common stock outstanding as of the Date of Determination, which assumes the issuance of the Vesting RSUs discussed below.

To our knowledge, except as indicated in the footnotes to this table and pursuant to applicable community property laws, as of the Date of Determination, (a) the persons named in the table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them, subject to applicable community property laws; and (b) no person owns more than 5% of our common stock. Unless otherwise indicated, the address for each of the officers or directors listed in the table below is 3651 Lindell Road,, Suite D131, Las Vegas, Nevada 89103. The below assumes the vesting of 525,000 contingent Restricted Stock Units granted to the officers and certain directors of the Company, a portion of which vests upon the Company meeting certain revenue and EBITDA targets as of October 31, 2022, which targets have been met, and which Restricted Stock Units vest upon the filing of this Report and will be settled by the issuance of 525,000 shares of common stock which will be issued shortly after the filing date of this Report (the "Vesting RSUs").

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Name of Beneficial Owner	Common Stock Beneficially Owned	Percent of Common Stock Beneficially Owned	Series B Voting Preferred Stock Beneficially Owned (1)	Percent of Series B Voting Preferred Stock Beneficially Owned	Total Voting Shares (2)	Percent of Total Voting Shares
Named Executive Officers and Directors:						
Anthony B. Goodman (3)	16,999,562	45.8%	1,000	100%	23,499,562	53.9%
Omar Jimenez	50,000(4)	*	-	-	-	-
Weiting 'Cathy' Feng	2,790,915(5)	7.7%	-	-	2,790,915	6.4%
Thomas E. McChesney	276,397(6)	*%	-	-	216,397	*
Murray G. Smith	150,000(7)	*	-	-	50,000	*
Philip Moyes	-	-	-	-	-	-
All directors and executive officers as a group (six persons)	20,266,874	54.3%	1,000	100%	26,556,874	60.9%
Greater Than 5% Shareholders:						
None.						

* Under 1%.

(1) Each share of Series B Voting Preferred Stock entitles the holder to 7,500 votes on all matters presented to the Company's shareholders for a vote of shareholders, whether such vote is taken in person at a meeting or via a written consent (7,500,000 votes in aggregate for all outstanding shares of Series B Preferred Stock).

(2) Based on 43,599,526 total voting shares, including 36,099,526 shares voted by the common stock and 7,500,000 shares voted by the Series B Voting Preferred Stock, which outstanding shares takes into account the Vesting RSUs.

(3) Ownership includes 8,529,079 shares of common stock (including 250,000 shares of common stock which are part of the Vesting RSUs), and 1,000 shares of Series B Voting Preferred Stock individually and 7,470,483 shares of common stock beneficially owned by Luxor Capital, LLC, which entity, and shares, Mr. Goodman is deemed to beneficially own. Also includes 1,000,000 shares which may be issuable to Mr. Goodman upon the conversion of the 1,000 shares of Series B Preferred Stock which he holds.

(4) Includes 50,000 shares which may be purchased by Mr. Jimenez pursuant to stock options that are exercisable within 60 days of the Date of Determination.

(5) Includes 125,000 shares of common stock which are part of the Vesting RSUs.

(6) Includes options to purchase 60,000 shares of the Company's common stock at an exercise price of $0.795 per share, which are vested in full and exercisable within 60 days of the Date of Determination. Includes 50,000 shares of common stock which are part of the Vesting RSUs.

(7) Includes options to purchase 100,000 shares of the Company's common stock at an exercise price of $2.67 per share, which are vested in full and exercisable within 60 days of the Date of Determination. Includes 50,000 shares of common stock which are part of the Vesting RSUs.

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Change of Control

The Company is not aware of any arrangements which may at a subsequent date result in a change of control of the Company.

Equity Compensation Plan Information

The following table provides information as of October 31, 2022 with respect to securities that may be issued under our equity compensation plans.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding

			securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders[(1)]	8,426,666	$ 0.50	22,534,558
Equity compensation plans not approved by security holders	-	-	-
Total	8,426,666	$ 0.50	22,534,558

(1) Represents awards made under, and available for future awards under, the 2018 Equity Incentive Plan and 2022 Equity Incentive Plan, each discussed below.

2018 Equity Incentive Plan

On January 3, 2018, the Board of Directors of the Company and the stockholders of the Company approved the 2018 Equity Incentive Plan (the "2018 Plan"). The 2018 Plan became effective on January 3, 2018.

The 2018 Plan provides an opportunity for any employee, director or consultant of the Company, subject to limitations provided by federal or state securities laws and the terms of the 2018 Plan, to receive incentive stock options or nonqualified stock options. In making such determinations, the Board of Directors (the "Board", which term may also apply to any member of the Board, if authorized to administer the 2018 Plan) may consider the nature of the services rendered by such person, his or her present and potential contribution to the Company's success, and such other factors as the Board in its discretion shall deem relevant.

Subject to adjustment for stock splits and recapitalizations, a total of 33,333,333 shares of Common Stock are eligible to be issued under the 2018 Plan. Shares repurchased by the Company pursuant to any repurchase right will not be available for future grants of awards under the 2018 Plan. If an award granted under the 2018 Plan entitles you to receive or purchase shares of our common stock, then on the date of grant of the award, the number of shares covered by the award (or to which the award relates) will be counted against the total number of shares available for granting awards under the 2018 Plan. As a result, the shares available for granting future awards under the 2018 Plan will be reduced as of the date of grant. However, certain shares that have been counted against the total number of shares authorized under the 2018 Plan in connection with awards previously granted under such 2018 Plan will again be available for awards under the 2018 Plan as follows: If an award should expire or become unexercisable for any reason without having been exercised in full, the unpurchased shares that were subject thereto shall, unless the 2018 Plan shall have been terminated, become available for future grant under the 2018 Plan. In addition, any shares of common stock which are retained by the Company upon exercise of an award in order to satisfy the exercise price for such award or any withholding taxes due with respect to such exercise shall be treated as not issued and shall continue to be available under the 2018 Plan.

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As of October 31, 2021, a total of 19,115,558 shares of common stock remained eligible for awards under the 2018 Plan.

2022 Equity Incentive Plan

On May 5, 2022, the Board of Directors adopted, subject to the ratification by the majority stockholders of the Company, which ratification occurred on May 5, 2022, the Company's 2022 Equity Incentive Plan (the "2022 Plan").

The 2022 Plan provides an opportunity for any employee, officer, director or consultant of the Company, subject to limitations provided by federal or state securities laws, to receive (i) incentive stock options (to eligible employees only); (ii) nonqualified stock options; (iii) restricted stock; (iv) restricted stock units, (v) stock awards; (vi) shares in performance of services; (vii) other stock-based awards; or (viii) any combination of the foregoing. In making such determinations, the Board of Directors may take into account the nature of the services rendered by such person, his or her present and potential contribution to the Company's success, and such other factors as the Board of Directors in its discretion shall deem relevant.

Subject to adjustment in connection with the payment of a stock dividend, a stock split or subdivision or combination of the shares of common stock, or a reorganization or reclassification of the Company's common stock, the aggregate number of shares of common stock which may be issued pursuant to awards under the 2022 Plan is the sum of (i) 5,000,000 shares, and (ii) an annual increase on May 1st of each calendar year, beginning in 2023 and ending in 2032, in each case subject to the approval of the Board of Directors or the compensation committee of the Company (if any) on or prior to the applicable date, equal to the lesser of (A) ten percent (10%) of the total shares of common stock of the Company outstanding on the last day of the immediately preceding fiscal year; (B) 1,000,000 shares of common stock; and (C) such smaller number of shares as determined by the Board of Directors or compensation committee of the of the Company (if any)(the "Share Limit"), also known as an "evergreen" provision. Notwithstanding the foregoing, shares added to the Share Limit are available for issuance as incentive stock options only to the extent that making such shares available for issuance as incentive stock options would not cause any incentive stock option to cease to qualify as such. In the event that the Board of Directors or the compensation committee (if any) does not take action to affirmatively approve an increase in the Share Limit on or prior to the applicable date provided for under the plan, the Share Limit remains at its then current level. Notwithstanding the above, no more than 10,000,000 total awards and 10,000,000 incentive stock options may be granted pursuant to the terms of the 2022 Plan.

The maximum number of shares subject to awards granted during a single calendar year to any non-employee director, taken together with any cash fees paid during the compensation year to the non-employee director, in respect of the director's service as a member of the Board during such year (including service as a member or chair of any committees of the Board), will not exceed $750,000 in total value (calculating the value of any such awards based on the grant date fair value of such awards for financial reporting purposes). Compensation will count towards this limit for the calendar year in which it was granted or earned, and not later when distributed, in the event it is deferred.

On or after the date of grant of an award under the 2022 Plan, the Board of Directors may (i) accelerate the date on which any such award becomes vested, exercisable or transferable, as the case may be, (ii) extend the term of any such award, including, without limitation, extending the period following a termination of a participant's employment during which any such award may remain outstanding, or (iii) waive any conditions to the vesting, exercisability or transferability, as the case may be, of any such award; provided, that the Administrator shall not have any such authority to the extent that the grant of such authority would cause any tax to become due under Section 409A of the Internal Revenue Code.

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No awards are issuable by the Company under the 2022 Plan (a) in connection with services associated with the offer or sale of securities in a capital-raising transaction; or (b) where the services directly or indirectly promote or maintain a market for the Company's securities.

The 2022 Plan will automatically terminate on the 10th anniversary of original approval date of the 2022 Plan (May 5, 2032). However, prior to that date, the Company's Board of Directors may amend or terminate the 2022 Plan as it deems advisable, but it cannot adopt an amendment if it would (1) without a grantee's consent,

materially and adversely affect that grantee's award; or (2) without stockholder approval, increase the number of shares of the Company's common stock that can be awarded under the 2022 Plan, except as provided for therein.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Except as discussed below or otherwise disclosed above under "Item 11. Executive Compensation", which information is incorporated by reference where applicable in this "Item 13. Certain Relationships and Related Transactions, and Director Independence" section, the following sets forth a summary of all transactions since January 1, 2020, or any currently proposed transaction, in which the Company was to be a participant and the amount involved exceeded or exceeds the lesser of $120,000 or one percent of the average of the Company's total assets at October 31, 2022 or 2021, and in which any officer, director, or any shareholder owning greater than five percent (5%) of our outstanding voting shares, nor any member of the above referenced individual's immediate family, had or will have a direct or indirect material interest (other than compensation described above under "Item 11. Executive Compensation"). We believe the terms obtained or consideration that we paid or received, as applicable, in connection with the transactions described below were comparable to terms available or the amounts that would be paid or received, as applicable, in arm's-length transactions.

Related Party Transactions

Luxor Capital, LLC

On February 22, 2016, the Company entered into an Asset Purchase Agreement with Luxor Capital, LLC, a Nevada limited liability corporation, which is wholly-owned by the Company's Chief Executive Officer, Anthony Brian Goodman. The Company purchased certain Gaming IP, along with the "know how" of that Gaming IP from Luxor. In consideration for the purchase, the Company agreed to issue 74 shares of the Company's Common Stock and a Convertible Promissory Note in the amount of $2,374,712. On February 26, 2016, 60 shares of common stock were issued to Luxor Capital, LLC.

On March 1, 2016, the Company entered into a convertible promissory note with Luxor Capital, LLC in the amount of $2,374,712. The promissory note is unsecured, bears interest at 6% per annum, and matured on March 1, 2017.

On September 10, 2018, the Company entered into a Settlement Agreement with Luxor whereby the parties agreed to release each other from any, and all liabilities relating to the Convertible Promissory Note. Pursuant to the Settlement Agreement, the Company agreed to pay out the remaining balance of the note totaling $649,414, by converting $209,414 into common stock at a conversion price of $0.15 per share, by making a payment of $150,000 and by entering into an interest free loan for the balance of $290,000, such loan to be repaid in two equal instalments of $145,000 on September 10, 2019 and September 10, 2020. No discount was recorded for the settlement amount. On September 10, 2018, 1,396,094 shares of common stock were issued for the conversion of $209,414. The loan was fully repaid during the fiscal year ended January 31, 2021.

On February 28, 2018, the Company entered into an Asset Purchase Agreement with Luxor. Pursuant to the Asset Purchase Agreement, the Company purchased certain Intellectual Property and Know-how relating to a proprietary social gaming solution from Luxor (the "GM2 Asset"), in consideration for 4,166,667 shares of common stock, and a promissory note calculated at 50% of the revenues generated by the GM2 Asset during the 12-month period from March 1, 2018 to February 28, 2019. The promissory note was required to be issued to Luxor before April 30, 2019, was to bear interest at the rate of 4% per annum, and be convertible into shares of the Company's common stock at a conversion price equal to the average of the seven trading days closing prices on the date prior to conversion. The GM2 Asset included all source code and documentation.

On April 1, 2019, the Company issued the promissory note, which final note terms provided for the amount owed under the note to bear 6% interest per annum.

On April 1, 2019, Luxor proposed a 10% discount on the payable amount, which the Company agreed to.

Pursuant to the promissory note, 20% of the total value was required to be paid upon signing the agreement, 40% on October 1, 2019, and 40% on April 1, 2020.

During the year ended January 31, 2021, the Company paid $290,000 to Luxor against the settlement payable. As of January 31, 2021, all of the outstanding balance has been fully repaid. Although Luxor did not charge interest on its loan to the Company, it was treated as an in-kind contribution, as a result, an imputed interest expense of 6% was recorded.

Anthony Brian Goodman

On December 22, 2020, the Company entered into a Share Purchase Agreement with Mr. Goodman, the sole director and owner of Global Technology Group Pty Ltd, a company incorporated in Australia (GTG). Under the agreement, Mr. Goodman agreed to sell 100% of the shares in GTG to the Company for total consideration of 85,000 GBP (approximately $113,000). On January 19, 2021, the Company acquired the shares in GTG and became the holding company of GTG. On March 22, 2021, the Company paid Mr. Goodman $115,314 USD (equivalent to 85,000 GBP), for the acquisition of GTG.

During the year ended January 31, 2021, the Company received a loan of $99 from Mr. Goodman, the Company's Chief Executive Officer, to open a new bank account for its subsidiary in Australia. As of January 31, 2021, the balance of the loan was $99. The loan from the officer is due on demand, unsecured with no interest. The loan was repaid as of October 31, 2021.

On June 29, 2021, the Company extended the expiration date of options to purchase 5,400,000 shares of common stock previously granted to Mr. Goodman, at an exercise price of $0.066 per share, which were to expire on June 30, 2021, until December 31, 2022.

On November 8, 2021, Mr. Goodman loaned $200 to the Company to open two bank accounts. The loan from Mr. Goodman is due on demand, unsecured with no interest. As of January 31, 2022, the balance of the loan was $200.

On March 11, 2022, the Company's Board of Directors and Mr. Goodman, as the then sole stockholder of the Company's Series B Preferred Stock (pursuant to a written consent to action without meeting of the sole Series B Preferred Stock stockholder), approved the adoption of, and filing of, an Amended and Restated Certificate of Designation of Golden Matrix Group, Inc. Establishing the Designation, Preferences, Limitations and Relative Rights of its Series B Voting Preferred Stock (the "Amended and Restated Designation").

The Amended and Restated Designation, which was filed with, and became effective with, the Secretary of State of Nevada on March 11, 2022, amended the Certificate of Designation of the Series B Preferred Stock, previously filed by the Corporation with the Secretary of State of Nevada on August 18, 2015, to, among other things: (a) include the right of the holder of the Series B Preferred Stock to convert each share of the Series B Preferred Stock into 1,000 shares of the Company's common stock at the holder's option from time to time after May 20, 2022; (b) provide for the automatic conversion of all outstanding shares of Series B Preferred Stock into common stock of the Company, on a 1,000 for 1 basis, on the date that the aggregate beneficial ownership of the Company's common stock (calculated pursuant to Rule 13d-3 of the Securities Exchange Act of 1934, as amended), calculated without regard to any shares of common stock issuable upon conversion of the Series B Preferred Stock, nor any voting rights associated with such Series B Preferred Stock, of Mr. Goodman, falls below 10% of the Company's common stock then outstanding (Mr.

Goodman beneficially owns 47.4% of the Company's outstanding common stock pursuant to Rule 13d-3 of the Exchange Act as of the date of this information statement), or the first business day thereafter that the Company becomes aware of such; (c) provide that each share of Series B Preferred Stock entitles the holder to 7,500 votes on all matters presented to the Company's stockholders for a vote of stockholders, whether such vote is taken in person at a meeting or via a written consent (7,500,000 votes in aggregate for all outstanding shares of Series B Preferred Stock); (d) require the consent of the holders of at least a majority of the issued and outstanding shares of Series B Preferred Stock to (i) amend any provision of the Amended and Restated Designation, (ii) increase or decrease (other than by redemption or conversion) the total number of authorized shares of Series B Preferred Stock, (iii) adopt or authorize any new designation of any preferred stock or amend the Articles of Incorporation of the Company in a manner which adversely affects the rights, preferences and privileges of the Series B Preferred Stock, (iv) effect an exchange, or create a right of exchange, cancel, or create a right to cancel, of all or any part of the shares of another class of shares into shares of Series B Preferred Stock, (v) issue any additional shares of Series B Preferred Stock, or (vi) alter or change the rights, preferences or privileges of the shares of Series B Preferred Stock so as to affect adversely the shares of Series B Preferred Stock; (e) provide that the shares of Series B Preferred Stock shares are not transferrable by Mr. Goodman; and (e) clarify that the Series B Preferred stock is not entitled to any dividend rights, preemptive rights, redemption rights, or liquidation preference.

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The Board of Directors determined that the inclusion of the conversion right set forth above was fair and reasonable due to the fact that Mr. Goodman, pursuant to the Amended and Restated Designation, was giving up a non-dilutive voting right of over 99.975% of the Company's voting stock as a result of such Amended and Restated Designation, which had the principal effects of (1) lowering the voting rights of such Series B Preferred Stock from a non-dilutive 99.975% interest to a dilutive 21.1% interest (currently); and (2) providing for the right at the option of Mr. Goodman, or automatically upon certain events discussed above, for such 1,000 shares of Series B Preferred Stock, to convert into 1,000,000 shares of common stock (previously such Series B Preferred Stock had no conversion rights).

As of October 31, 2022 and October 31, 2021, total wages payable to Mr. Goodman were $0 and $0, respectively, and the superannuation payable was $5,229 and $14,205, respectively.

Elray Resources Inc.

Effective on December 3, 2022, the Company entered into a Software License Agreement (the "License Agreement") with Elray Resources Inc. ("Elray"). Mr. Anthony Brian Goodman, Chief Executive Officer, President, Secretary, Treasurer and Chairman of the Company and Weiting 'Cathy' Feng, Chief Operating Officer and director of the Company, currently serve as Chief Executive Officer, President, Chief Financial Officer, Secretary and Director (Goodman) and Treasurer and Director (Feng) of Elray.

Elray operates, manages, and maintains a blockchain online gaming operation and provides blockchain currency technology to licensed casino operators.

Pursuant to the License Agreement, which was effective as of December 1, 2022, the Company granted Elray a non-exclusive, non-licensable, non-sublicensable, non-assignable and non-transferable license for the use and further distribution of certain of the Company's online games (as such games may be expanded from time to time), subject to certain exceptions, and in certain approved territories where the Company or Elray holds required licenses and/or certifications, which list of approved territories may be updated from time to time. The license provides Elray the right to use the online games solely for the purpose of running an online blockchain casino enterprise.

The License Agreement also includes a right of first refusal for the Company to provide certain branded gaming content to Elray during the term of the agreement..

Pursuant to the License Agreement we are required to maintain all permits for the use of the licensed games and operate the platform on which the games will be integrated.

The License Agreement has an initial term of 24 months, commencing from the Go-Live Date (i.e., the date the systems are fully operational and debugged and they are open to the public), and continues thereafter indefinitely unless or until either party has provided the other at least six months written notice of termination, provided that the agreement can be terminated earlier by a non-breaching party upon the material breach of the agreement by the other party, subject to a 15 day cure right; by one party if the other party enters into bankruptcy proceedings; or in the event Elray loses rights to any required permits or licenses. Additionally, we may immediately terminate the License Agreement if Elray is unable to comply with certain due diligence requirements set forth in the agreement on a timely basis; if there is threatened or instigated enforcement proceedings or actions against the Company in connection with the agreement or a governmental or governing body orders, notifies or recommends that the Company prevent Elray from using the licensed games; or if the continuation of the agreement will have a detrimental impact on the Company.

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The License Agreement contains customary representations, warranties and covenants of the parties, including confidentiality obligations; customary limitations of liability (which total liability under the agreement of each party is limited to 100,000 Euros); and restrictions on Elray's ability to distribute and reverse engineer the licensed games. As part of the License Agreement, we and Elray entered into a customary Service Level Agreement to govern the management and maintenance of the licensed games.

In consideration for licensing the online games to Elray, Elray agreed to pay the Company a monthly license fee equal to 125% of the Company's costs of such games. Elray also agreed to pay the Company a 10,000 Euro deposit under the agreement, paid no later than the date of integration of the licensed software. The deposit is refundable upon the termination of the agreement. For participation in the progressive jackpot games, Elray is required to make an advance payment of 5,000 Euros.

The Company's entry into the License Agreement was approved by the Board of Directors of the Company, with Mr. Goodman and Ms. Feng abstaining from such vote, and the Company's Audit Committee, which is made up of independent directors, which committee is tasked with approving related party transactions of the Company.

Weiting 'Cathy' Feng

On June 29, 2021, the Company extended the expiration date of options to purchase 1,400,000 shares of common stock previously granted to Ms. Feng at an exercise price of $0.06 per share, which were to expire on June 30, 2021, until December 31, 2022.

As of October 31, 2022 and October 31, 2021, total wage payable to Ms. Feng was $0 and $0, respectively, and the superannuation payable was $4,358 and $11,838, respectively.

Articulate Pty Ltd

On March 1, 2018, the Company entered into a License Agreement (the "License Agreement") with Articulate. Pursuant to the License Agreement, Articulate received a license from the Company to use the GM2 Asset technology in East Asia to support social gaming activity on mobile and desktop devices. Articulate agreed to

pay the Company a usage fee calculated as a certain percentage of the monthly content and software usage within the GM2 Asset system (adjusted for U.S. dollars) in consideration for the use of the GM2 Asset technology. Specifically, the Company is due 0.25% of the monthly fees generated by the GM2 Asset in the event such fees are less than $100,000,000; 0.2% of the monthly fees generated by the GM2 Asset in the event such fees are over $100,000,000 and less than $200,500,000 and 0.15% of the monthly fees generated by the GM2 Asset in the event such fees are over $200,500,001.

Any amount of fees not paid when due accrues interest at the lesser of 3% per annum above LIBOR or the highest rate permitted by law. The License Agreement had an initial term of 12 months and automatically renews thereafter for additional 12-month terms, provided that the License Agreement may be terminated at any time with 30 days prior notice.

For the twelve months ended January 31, 2021, general and administrative expense related to back office service was $132,000. For the six months ended January 31, 2020, general and administrative expense related to the back office service was $66,000. As of January 31, 2021, the Company had a $33,000 payable to Articulate Pty Ltd.

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For the nine months ended October 31, 2021, general and administrative expense related to back office service was $55,000. For the twelve months ended January 31, 2021, general and administrative expense related to back office service was $132,000. For the six months ended January 31, 2020, general and administrative expense related to the back office service was $66,000. As of October 31, 2021, the Company had a $77,019 payable to Articulate Pty Ltd.

Revenues from related party were $862,373, $2,140,266, $1,525,091, $1,633,702, $2,248,877 and $2,167,773, for the twelve and nine months ended October 31, 2022 and 2021, for the nine months ended October 31, 2021 and 2020, the twelve months ended January 31, 2021 and 2020, respectively. Revenues from related party were from Articulate.

On October 31, 2020, the Company and Articulate reached an agreement, and entered into a memorandum dated as of the same date, to offset accounts payable with accounts receivable. Before the offset, the Company had $410,045 accounts payable to Articulate and $1,456,326 of accounts receivable from Articulate. After the offset, the Company had no accounts payable to Articulate and $1,046,280 of accounts receivable from Articulate. On December 31, 2020, the Company, Articulate and Hopestar Technology Service Co., Ltd ("Hopestar")(a customer of the Company) entered into an agreement. Pursuant to the agreement, Hopestar, which held certain credits which are issued to players who win slot game jackpots distributed by the Company (which are specific to Playtech, who the Company distributes gaming content for), agreed to reduce $500,000 of amounts owed by the Company to Hopestar, Articulate agreed to offer Hopestar $500,000 of gaming credits for alternative content (i.e., games distributed by companies other than Playtech), and Articulate agreed to reduce $500,000 of amounts owed by the Company to Articulate. As of January 31, 2021, the Company had $656,805 of accounts receivable from Articulate and $33,000 accounts payable to Articulate.

As of October 31, 2022 and 2021, the Company had an account receivable of $413,714 and $1,306,896, respectively, from Articulate.

Accounts receivable - related party are carried at their estimated collectible amounts. Accounts receivable-related party are periodically evaluated for collectability based on past credit history and their current financial condition. The Company has accounts receivable from Articulate of $1,306,896 and $656,805, as of October 31, 2021 and January 31, 2021, respectively. As of October 31, 2021, the amount receivable from Articulate was $413,714.

Articulate had a prepaid deposit in favor of Skywind Services IOM Ltd ("Skywind") in the amount of $43,569 (35,928 EUR) as of February 18, 2021. Articulate allowed GTG to utilize the prepaid deposits in order that GTG be able to operate and utilize certain Progressive Jackpot games of Skywind. On February 18, 2021, the Company recorded an accounts payable of $43,569 to Articulate. On July 29, 2021, the Company paid an equivalent of $42,464 to Articulate to settle the accounts payable based on the exchange rate on the same date.

On October 14, 2022, the Company and Articulate reached an agreement, and entered into a memorandum dated as of the same date, to offset accounts payable with accounts receivable in the amount of $77,019.

Brett Goodman

On May 1, 2020, the Company entered into a consultant agreement with Brett Goodman, the son of the Company's Chief Executive Officer, where Mr. Brett Goodman will provide consulting services assisting the Company with building Peer to Peer gaming system. The consultant was paid a total of $30,000 for the financial year October 31, 2021, and will be paid $3,000 per month.

On August 10, 2020, the Company entered into a Stock Purchase Agreement with Brett Goodman, the son of the Company's Chief Executive Officer, and Jason Silver, who was then subject to a partnership agreement with Brett Goodman. Mr. Goodman and Mr. Silver had previously engaged a third-party company to develop a Peer-to-Peer betting application and the parties determined it was in the Company's best interests to assume ownership of the Peer-to-Peer betting application development program, and to engage Mr. Goodman and Mr. Silver for management of the project. Pursuant to the agreement, we agreed to issue each of Mr. Goodman and Mr. Silver 2,000 shares of restricted common stock (4,000 shares in aggregate) (which shares were issued on March 24, 2021), and as a result, a $14,840 expense was recorded. Additionally, each of Mr. Goodman and Mr. Silver agreed to manage the project. We also agreed to reimburse Mr. Goodman and Mr. Silver for the costs of the project; however, there have been no expenses to date.

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On September 16, 2022, and effective on September 1, 2022, the Company entered into an Employment Agreement with Mr. Brett Goodman. Pursuant to the employment agreement, Mr. Brett Goodman agreed to serve as the Vice President of Business Development for the Company for a term of three years (through September 1, 2025), subject to automatic one-year extensions of the agreement, if not terminated by either party at least three months prior to the renewal date.

The agreement provides an annual salary of $60,000 per year, plus a 10.5% Superannuation, subject to annual increases in the discretion of the Audit Committee of the Company. Increases of salary are not required to be set forth in an amendment to the Employment Agreement. The Board of Directors (or Compensation Committee of the Board of Directors) may also grant Mr. Goodman bonuses from time to time in its discretion, in cash, stock or equity, including in the form of options, in amounts determined in the sole discretion of the Board of Directors (or Compensation Committee of the Board of Directors). The Board of Director or Compensation Committee may also increase Mr. Goodman's salary from time to time in their discretion.

The agreement contains standard confidentiality and indemnification obligations of the parties and provides for Mr. Goodman to receive three months of severance pay in the event Mr. Goodman's employment is terminated other than for cause or by Mr. Goodman without cause. Upon such qualifying termination, all options held by Mr. Goodman vest immediately and are exercisable for the later of the original stated expiration date thereof or 24 months after such termination date.

In connection with the entry into the employment agreement, the Company granted Mr. Brett Goodman options to purchase 50,000 shares of the Company's common stock, evidenced by a Notice of Grant of Stock Options and Stock Option Award Agreement (the "Option Agreement"), with an exercise price equal to $3.98 per

share, the closing sales price of the Company on the Nasdaq Capital Market on the date the grant was approved by the Board of Directors of the Company. The options vest at the rate of 1/2 of such Options on each of August 22, 2023 and 2024, subject to Mr. Brett Goodman's continued service with the Company on such vesting dates and such options shall expire if unexercised on February 22, 2025. The options were granted under, and subject to the terms and conditions of, the Company's 2018 Equity Incentive Plan.

Consulting Agreement with Mr. Aaron Richard Johnston

On October 27, 2022, the Company entered into a Consulting Agreement with Mr. Aaron Richard Johnston, a member of the Board of Directors of the Company, who resigned effective November 1, 2022.

Pursuant to the Consulting Agreement, Mr. Johnston agreed to provide a minimum of 30 hours of service to the Company per week in connection with (a) assistance and guidance as requested from time to time by the Company's Chief Executive Officer, senior management and the Board of Directors; (b) help with identifying, evaluating, and recommending merger and acquisition candidates to the Company; (c) assistance to the Company in corporate expansion objectives; (d) assistance with mergers and acquisitions, to develop and execute the evaluation, financial, and operational strategy for mergers, acquisitions, and divestiture projects; (e) advising and evaluating potential transactions (M&A), helping provide financial projections, risk assessment, and financial implications; and (f) visiting RKingsCompetitions Ltd in Ireland on a regular basis and assisting the Company with day-to-day management of RKingsCompetitions Ltd, as well as assisting with any other operating businesses the Company may have in the UK and Europe.

During the term of the agreement, for all services rendered by Mr. Johnston under the agreement, the Company agreed to pay Mr. Johnston: $12,000 per month, which may be increased from time to time with the consent of the Company and Mr. Johnston; a cash sign up bonus of $36,000; an equity sign up bonus of 100,000 shares of Restricted Common Stock of the Company (the "Stock Compensation") which vests to Mr. Johnston at the rate of 50,000 of such shares on November 1, 2022 and 50,000 of such shares on February 1, 2023; the right to earn up to 50,000 Restricted Stock Units ("Board RSUs") which were previously granted to Mr. Johnston on September 16, 2022 in consideration for services as a member of the Board of Directors of the Company; 300,000 new Restricted Stock Units (RSU's), with the same incentive targets as the Board RSUs, with 150,000 RSUs vesting each of the years ended October 31, 2023 and 2024; and 300,000 RSUs which shall vest to Mr. Johnston, upon the closing of a transaction that, on a pro forma basis, doubles the Company's revenues for the fiscal quarter prior to the closing of the acquisition provided the transaction closes prior to November 1, 2023. Each RSU shall evidence the right to receive, upon vesting thereof, one share of common stock. Mr. Johnston is also eligible under the Consulting Agreement for discretionary bonuses in cash or equity, from time to time, at the discretion of the Board of Directors.

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The Consulting Agreement contains customary indemnification and confidentiality obligations, and a one-year non-competition prohibition restricting Mr. Johnston's ability to compete against the Company following the termination of the agreement.

Other

On October 17, 2022, effective August 1, 2022, the Company entered into a Stock Purchase Agreement (the "GMG Purchase Agreement"), to acquire an 100% ownership interest in GMG Assets Limited ("GMG Assets"), a private limited company formed under the laws of Northern Ireland from Aaron Johnston and Mark Weir, individuals, the owners of 100% of the ordinary issued share capital (100 Ordinary Shares) of GMG Assets. Aaron Johnston is a Board Member of GMGI, Mark Weir is a 10% Shareholder in RKings, of which GMGI owned 80% of, and as such are both related parties to GMGI.

Pursuant to the GMG Purchase Agreement, which was approved by the Company's Board of Directors and the Audit Committee of the Board of Directors, the Company would pay the Sellers 25,000 British pound sterling (GBP)(approximately $30,708) for 100% of GMG Assets, which represented the combined costs paid by the Sellers to form GMG Assets. GMG Assets was formed for the sole purpose of facilitating the Company's operation of RKings and to facilitate cash alternative offers for winners of prizes within RKings' business. As of October 31, 2022 and the date of this filing, the consideration has not been paid.

Related party transactions are also disclosed in "NOTE 13 – RELATED PARTY TRANSACTIONS" to the consolidated financial statements included herein under "Item 8. Financial Statements and Supplementary Data".

Review, Approval and Ratification of Related Party Transactions

The Audit Committee of the board of directors of the Company is tasked with reviewing and approving any issues relating to conflicts of interests and all related party transactions of the Company ("Related Party Transactions"). The Audit Committee, in undertaking such review and will analyze the following factors, in addition to any other factors the Audit Committee deems appropriate, in determining whether to approve a Related Party Transaction: (1) the fairness of the terms for the Company (including fairness from a financial point of view); (2) the materiality of the transaction; (3) bids / terms for such transaction from unrelated parties; (4) the structure of the transaction; (5) the policies, rules and regulations of the U.S. federal and state securities laws; (6) the policies of the Committee; and (7) interests of each related party in the transaction.

The Audit Committee will only approve a Related Party Transaction if the Audit Committee determines that the terms of the Related Party Transaction are beneficial and fair (including fair from a financial point of view) to the Company and are lawful under the laws of the United States. In the event multiple members of the Audit Committee are deemed a related party, the Related Party Transaction will be considered by the disinterested members of the board of directors in place of the Committee.

In addition, our Code of Business Conduct and Ethics (described above under "Item 10. Directors, Executive Officers and Corporate Governance—Code of Business Conduct and Ethics"), which is applicable to all of our employees, officers and directors, requires that all employees, officers and directors avoid any conflict, or the appearance of a conflict, between an individual's personal interests and our interests.

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Director Independence

Our common stock is currently quoted on the Nasdaq Capital Market. Nasdaq requires that a majority of our Board of Directors be independent. Notwithstanding that, our Board of Directors has determined that each of Thomas E. McChesney, Murray G. Smith and Philip Daniel Moyes is an independent director as defined under the Nasdaq rules governing members of boards of directors and as defined under Rule 10A-3 of the Exchange Act.

In assessing director independence, the Board considers, among other matters, the nature and extent of any business relationships, including transactions conducted, between the Company and each director and between the Company and any organization for which one of our directors is a director or executive officer or with which one of our directors is otherwise affiliated.

Item 14. Principal Accounting Fees and Services

Our independent public accounting firm is M&K CPAs, PLLC, Houston, Texas, PCAOB Auditor ID 2738.

The following table sets forth the fees billed by our principal independent accountants, M&K CPAS, PLLC, for the twelve months ended October 31, 2022, the nine months ended October 31, 2021, the twelve months ended January 31, 2021, and six months ended January 1, 2020 for the categories of services indicated.

	Twelve Months Ended October 31, 2022	Nine Months Ended October 31, 2021	Year Ended January 31, 2021	Transition Period from August 1, 2019 to January 31, 2020
Audit Fees	$ 152,000	$ 76,000	$ 34,810	$ 14,800
Audit Related Fees	$ 5,000	$ 20,000	$ 2,500	—
Tax Fees	$ 1,800	$ 4,500	—	—
All Other Fees	$ -	-	—	—
Total	**$ 158,800**	**$ 100,500**	**$ 37,310**	**$ 14,800**

Audit fees. Consists of fees billed for the audit of our annual financial statements and review of our interim financial information and services that are normally provided by the accountant in connection with year-end and quarter-end statutory and regulatory filings or engagements.

Audit-related fees. Consists of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements and are not reported under "Audit Fees", review of our Forms 8-K filings and services that are normally provided by the accountant in connection with non-year-end statutory and regulatory filings or engagements. The $5,000 was for the review of our Form S-3 registration and Form S-8 registration statements, provided during the twelve months ended October 31, 2022.

Tax fees. Consists of professional services rendered by our principal accountant for tax compliance, tax advice and tax planning.

Other fees. Other services provided by our accountants.

Pre-Approval Policies

It is the policy of our board of directors that all services to be provided by our independent registered public accounting firm, including audit services and permitted audit-related and non-audit services, must be pre-approved by our board of directors. Our board of directors pre-approved all services, audit and non-audit, provided to us by M&K CPAS, PLLC, for the twelve months ended October 31, 2022, the nine months ended October 31, 2021, the twelve months ended January 31, 2021 and transition period from August 1, 2019 to January 31, 2020.

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PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) Documents filed as part of this Report:

(1) Financial Statements

(2) Financial Statement Schedules:

Except as provided above, all financial statement schedules have been omitted, since the required information is not applicable or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the consolidated financial statements and notes thereto included in this Form 10-K.

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(3) Exhibits required by Item 601 of Regulation S-K

			Incorporated by Reference			
Exhibit Number	**Description of Exhibit**	**Filed/ Furnished Herewith**	**Form**	**Exhibit**	**Filing Date/Period End Date**	**File Number**
2.1+	Sale and Purchase Agreement of Ordinary Issued Share Capital dated November 29, 2021, by and between Golden Matrix Group, Inc., as Purchaser, and Mark Weir and Paul Hardman, as Shareholders of RKingsCompetitions Ltd, a Private Limited Company Formed and Registered in and Under the Laws of Northern Ireland, as Sellers		8-K	2.1	12/3/2021	000-54840
2.2£	Sale and Purchase Agreement of Share Capital dated January 11, 2023 by		8-K	2.1	01/12/2023	001-41326

	and between Golden Matrix Group, Inc., as purchaser and the shareholders of: Meridian Tech Društvo Sa Ograničenom Odgovornošću Beograd, a private limited company formed and registered in and under the laws of the Republic of Serbia, Društvo Sa Ograničenom Odgovornošću "Meridianbet" Društvo Za Proizvodnju, Promet Roba I Usluga, Export Import Podgorica, a private limited company formed and registered in and under the laws of Montenegro, Meridian Gaming Holdings Ltd., a company formed and registered in the Republic of Malta, and Meridian Gaming (Cy) Ltd, a company formed and registered in the Republic of Cyprus, as sellers					
3.1	Articles of Incorporation Since Formation		10-KT/A	3.1	10/28/2020	000-54840
3.2	Amended and Restated Certificate of Designation of Golden Matrix Group, Inc. Establishing the Designation, Preferences, Limitations and Relative Rights of its Series B Voting Preferred Stock as filed with the Secretary of State of Nevada on March 11, 2022		8-K	10.1	3/14/2022	000-54840
3.3	Certificate of Correction (correcting Certificate of Change filed with the Secretary of State of Nevada on April 27, 2020) filed with the Secretary of State of Nevada on October 26, 2020		8-K	3.2	10/28/2020	000-54840
3.4	Certificate of Amendment to Articles of Incorporation, as filed with the Secretary of State of Nevada on December 16, 2021		8-K	3.1	12/16/2021	000-54840
3.5	Bylaws of the Company		S-1	3.2	10/7/2008	333-153881
4.1	Form of Common Stock Purchase Warrant (October 2021 Placement Agent Offering)		8-K	4.1	10/27/2021	000-54840
4.2	Description of Securities of the Registrant	x				
10.1	License Agreement, by and between Golden Matrix Group, Inc. and Articulate Pty. Ltd., dated March 1, 2018		8-K	10.2	3/2/2018	000-54840
10.2	License Agreement between Golden Matrix Group, Inc. and Red Label Technology Pte Ltd. dated July 1, 2018		10-KT/A	10.4	10/28/2020	000-54840
10.3***	Consulting Services Agreement dated February 22, 2016, between the Company and Brian Anthony Goodman		10-KT/A	10.11	10/28/2020	000-54840
10.4***	Consulting Services Agreement dated February 22, 2016, between the Company and Weiting Feng		10-KT/A	10.12	10/28/2020	000-54840
10.5***	Golden Matrix Group, Inc. 2018 Equity Incentive Plan		10.1	S-8	10/15/2019	333-234192
10.6	Form of Subscription Agreement (August 2020 Private Offering)		8-K	10.1	8/27/2020	000-54840
10.7	Form of Common Stock Purchase Warrant (August 2020 Private Offering)		8-K	10.2	8/27/2020	000-54840

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10.8***	Employment Agreement between Golden Matrix Group, Inc. and Anthony Brian Goodman dated October 26, 2020	8-K	10.1	10/28/2020	000-54840
10.9***	Employment Agreement between Golden Matrix Group, Inc. and Weiting Feng dated October 26, 2020	8-K	10.2	10/28/2020	000-54840
10.10#	Sportsbook Software Licence and Services Agreement dated October 21, 2020 (and effective October 28, 2020), by and between Golden Matrix Group, Inc. and Amelco UK Limited	8-K	10.1	11/2/2020	000-54840
10.11	Distribution Agreement effective November 18, 2020, by and between Golden Matrix Group, Inc. and Playtech Software Limited	8-K	10.1	11/23/2020	000-54840
10.12	October 31, 2020, Memorandum between Golden Matrix Group, Inc. and Articulate Pty Ltd	10-Q	10.21	12/11/2020	000-54840
10.13	Share Purchase Agreement effective December 22, 2020, by and between Golden Matrix Group, Inc. and Global Technology Group Pty Ltd	8-K	10.1	12/28/2020	000-54840
10.14	Form of Subscription Agreement (January 2021 Private Offering)	8-K	10.1	1/26/2021	000-54840
10.15	Form of Common Stock Purchase Warrant (January 2021 Private Offering)	8-K	10.2	1/26/2021	000-54840
10.16	Asset Purchase Agreement effective March 1, 2021, by and between Golden Matrix Group, Inc. and Gamefish Global Pty Ltd	8-K	10.1	3/8/2021	000-54840
10.17	Purchase Agreement, effective August 10, 2020, by and between Golden Matrix Group, Inc. and Articulate Pty Ltd and Brett Goodman and Jason Silver	10-K	10.25	4/30/2021	000-54840
10.18	December 31, 2020, Agreement between Golden Matrix Group, Inc., Hopestar Technology Service Co., Ltd and Articulate Pty Ltd	10-K	10.26	4/30/2021	000-54840
10.19	Consultant Agreement between Golden Matrix Group, Inc. and ANS Advisory dated March 1, 2021	10-K	10.27	4/30/2021	000-54840
10.20	Consultant Agreement between Golden Matrix Group, Inc. and Ontario Inc dated March 1, 2021	10-K	10.28	4/30/2021	000-54840
10.21	Common Stock Purchase Warrant to purchase 120,000 shares of common stock issued to Aaron Neill-Stevens dated March 22, 2021	10-K	10.29	4/30/2021	000-54840
10.22	Common Stock Purchase Warrant to purchase 120,000 shares of common stock issued to Vladislav Slava Aizenshtat dated March 22, 2021	10-K	10.30	4/30/2021	000-54840
10.23	Consulting Agreement dated April 22nd, 2021, by and between Omar Jimenez and Golden Matrix Group, Inc.	8-K	10.1	4/23/2021	000-54840
10.24	Omar Jimenez Stock Option Agreement to Purchase 50,000 shares of common stock (April 22nd, 2021)	8-K	10.2	4/23/2021	000-54840
10.25***	Amendment to Employment Agreement between Golden Matrix Group, Inc. and Weiting Feng dated April 27, 2021	10-K	10.33	4/30/2021	000-54840
10.26	Software Licensing Agreement dated June 4, 2021 (and effective June 28, 2021), by and between Golden Matrix Group, Inc. and Fantasma Games AB	8-K	10.1	6/29/2021	000-54840

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10.27	Agreement to Amend and Restate Common Stock Purchase Warrant, dated July	8-K	10.1	7/15/2021	000-54840

	14, 2021, and effective June 6, 2021, by and among Golden Matrix Group, Inc. and Knutsson Holdings AB					
10.28	Amended and Restated Common Stock Purchase Warrant to purchase 830,000 shares of common stock dated July 14, 2021, and effective June 6, 2021		8-K	10.2	7/15/2021	000-54840
10.29+	Placement Agency Agreement, dated October 25, 2021, by and between Golden Matrix Group, Inc. and EF Hutton, division of Benchmark Investments, LLC		8-K	4.1	10/27/2021	000-54840
10.30	Form of Securities Purchase Agreement, dated October 25, 2021, by and between Golden Matrix Group, Inc. and the investors party thereto		8-K	4.1	10/27/2021	000-54840
10.31	Form of Lock-Up Agreement (October 2021 Offering)		8-K	4.1	10/27/2021	000-54840
10.32	Shareholders Agreement dated November 29, 2021, by and between Golden Matrix Group, Inc. and Mark Weir and Paul Hardman		8-K	10.1	12/3/2021	000-54840
10.33	Golden Matrix Group, Inc. 2022 Equity Incentive Plan		8-K	10.1	5/11/2022	001-41326
10.34+	Settlement and Mutual Release Agreement dated August 1, 2022, by and between Golden Matrix Group, Inc. and Mark Weir*	x				
10.35***	First Amended and Restated Employment Agreement effective September 16, 2022, between Golden Matrix Group, Inc. and Anthony Brian Goodman		8-K	10.1	9/20/2022	001-41326
10.36***	First Amended and Restated Employment Agreement effective September 16, 2022, between Golden Matrix Group, Inc. and Weiting 'Cathy' Feng		8-K	10.2	9/20/2022	001-41326
10.37***	Form of Golden Matrix Group, Inc. Notice of Restricted Stock Grant and Restricted Stock Grant Agreement (2022 Equity Incentive Plan)(officer and employee awards – September 2022)		8-K	10.3	9/20/2022	001-41326
10.38***	Employment Agreement effective September 1, 2022, between Golden Matrix Group, Inc. and Brett Goodman		8-K	10.4	9/20/2022	001-41326
10.39***	Form of Stock Option Agreement – Brett Goodman (2018 Equity Incentive Plan)		8-K	10.5	9/20/2022	001-41326
10.40	Share Purchase Agreement dated October 17, 2022, and effective October 24, 2022, by and between Golden Matrix Group, Inc. and the Shareholders of GMG Assets Limited		8-K	10.1	10/27/2022	001-41326
10.41***	Consulting Agreement dated October 27, 2022, by and between Golden Matrix Group, Inc. and Aaron Richard Johnston		8-K	10.1	11/1/2022	001-41326
10.42***	Golden Matrix Group, Inc. RSU Award Grant Notice and RSU Award Agreement dated October 27, 2022 (2022 Equity Incentive Plan)(Aaron Richard Johnston, Consulting Agreement - October 2022)		8-K	10.2	11/1/2022	001-41326
10.43***	Golden Matrix Group, Inc. Notice of Restricted Stock Grant and Restricted Stock Grant Agreement dated October 27, 2022 (2022 Equity Incentive Plan)(Aaron Richard Johnston, Consulting Agreement - October 2022)		8-K	10.3	11/1/2022	001-41326
10.44***	Software License Agreement between Elray Resources Inc. and Golden Matrix Group, Inc., effective December 1, 2022		8-K	10.1	12/12/2022	001-41326
10.45***	Memorandum between Articulate Pty Ltd and Golden Matrix Group, Inc., dated October 14, 2022*	x				
14.1	Code of Business Conduct and Ethics		8-K	14.1	10/28/2020	001-41326

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21.1	Subsidiaries*	x				
23.1	Consent of M&K CPAS, PLLC*	x				
24.1	Power of Attorney (included on the Signatures page of this Report on Form 10-K).*					
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act*	x				
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act*	x				
32.1	Certification of Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act**	x				
32.2	Certification of Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act**	x				
99.1	Audit Committee Charter		8-K	99.1	1/28/2021	000-54840
99.2	Compensation Committee Charter		8-K	99.3	8/27/2020	000-54840
99.3	Nominating and Corporate Governance Committee Charter		8-K	99.4	8/27/2020	000-54840
99.4	Corporate Disclosure Policy		8-K	99.1	4/23/2021	000-54840
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document	x				
101.SCH*	XBRL Taxonomy Extension Schema Document	x				
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document	x				
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document	x				
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document	x				
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document	x				
104*	Inline XBRL for the cover page of this Transition Report on Form 10-K, included in the Exhibit 101 Inline XBRL Document Set	x				

* Filed herewith.
** Furnished herewith.
*** Indicates management contract or compensatory plan or arrangement.
# Certain confidential portions of this Exhibit were omitted by means of marking such portions with brackets ("[****]") because the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.
+ A copy of any omitted schedule or Exhibit will be furnished supplementally to the Securities and Exchange Commission upon request; provided, however that Golden Matrix Group, Inc. may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, for any schedule or Exhibit so furnished.
£ Certain schedules and exhibits have been omitted pursuant to Item 601(b)(2)(ii) of Regulation S-K. A copy of any omitted schedule or Exhibit will be furnished supplementally to the Securities and Exchange Commission upon request; provided, however that Golden Matrix Group, Inc. may request confidential treatment pursuant

to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, for any schedule or Exhibit so furnished. Certain personal information which would constitute an unwarranted invasion of personal privacy has been redacted from this exhibit pursuant to Item 601(a)(6) of Regulation S-K.

Item 16. Form 10–K Summary

None.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Golden Matrix Group, Inc.

Date: January 30, 2023

By: */s/ Anthony Brian Goodman*
Anthony Brian Goodman
President, Chief Executive Officer, Secretary, Treasurer and Chairman
(Principal Executive Officer)

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Anthony Brian Goodman, his or her attorneys-in-fact, with the power of substitution, for him or her in any and all capacities, to sign any amendments to this Annual Report on Form 10-K, and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact, or his substitute or substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Name	Title	Date
/s/ Anthony Brian Goodman Anthony Brian Goodman	President, Chief Executive Officer (Principal Executive Officer), Secretary, Treasurer, and Chairman of the Board of Directors	January 30, 2023
/s/ Omar Jimenez Omar Jimenez	Chief Financial Officer and Chief Compliance Officer (Principal Financial/Accounting Officer)	January 30, 2023
/s/ Weiting 'Cathy' Feng Weiting 'Cathy' Feng	Chief Operating Officer and Director	January 30, 2023
/s/ Thomas E. McChesney Thomas E. McChesney	Director	January 30, 2023
/s/ Murray G. Smith Murray G. Smith	Director	January 30, 2023
/s/ Philip Daniel Moyes Philip Daniel Moyes	Director	January 30, 2023

EXHIBIT 4.2

DESCRIPTION OF SECURITIES
REGISTERED PURSUANT TO SECTION 12 OF
THE SECURITIES EXCHANGE ACT OF 1934

The following summary describes the common stock of Golden Matrix Group, Inc., a Nevada corporation ("Golden Matrix" or the "Company"), which is registered pursuant to Section 12(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Only the Company's common stock is registered under Section 12 of the Exchange Act.

DESCRIPTION OF COMMON STOCK

The following description of our common stock is a summary and is qualified in its entirety by reference to our Articles of Incorporation, as amended and our Bylaws, as amended, which are incorporated by reference as exhibits to this Annual Report on Form 10-K, and by applicable law. For purposes of this description, references to "Golden Matrix," "we," "our" and "us" refer only to Golden Matrix.

Authorized Capitalization

We have authorized capital stock consisting of 250,000,000 shares of common stock, $0.00001 par value per share and 20,000,000 shares of preferred stock, $0.00001 par value per share. We have 1,000 shares of designated Series B Voting Preferred Stock. The preferred stock is not described herein as it is not registered pursuant to Section 12.

Common Stock

Voting Rights. Each share of our common stock is entitled to one vote on all stockholder matters. Shares of our common stock do not possess any cumulative voting rights.

Except for the election of directors, if a quorum is present, an action on a matter is approved if it receives the affirmative vote of the holders of a majority of the voting power of the shares of capital stock present in person or represented by proxy at the meeting and entitled to vote on the matter, unless otherwise required by applicable law, Nevada law, our Articles of Incorporation, as amended or Bylaws, as amended. The election of directors will be determined by a plurality of the votes cast in respect of the shares present in person or represented by proxy at the meeting and entitled to vote, meaning that the nominees with the greatest number of votes cast, even if less than a majority, will be elected. The rights, preferences and privileges of holders of common stock are subject to, and may be impacted by, the rights of the holders of shares of any series of preferred stock that we have designated, or may designate and issue in the future.

Dividend Rights. Each share of our common stock is entitled to equal dividends and distributions per share with respect to the common stock when, as and if declared by our Board of Directors, subject to any preferential or other rights of any outstanding preferred stock.

Liquidation and Dissolution Rights. Upon liquidation, dissolution or winding up, our common stock will be entitled to receive pro rata on a share-for-share basis, the assets available for distribution to the stockholders after payment of liabilities and payment of preferential and other amounts, if any, payable on any outstanding preferred stock.

Other Matters. No holder of any shares of our common stock has a pre-emptive right to subscribe for any of our securities, nor are any shares of our common stock subject to redemption or convertible into other securities.

Anti-Takeover Provisions Under The Nevada Revised Statutes

Business Combinations

Sections 78.411 to 78.444 of the Nevada revised statues (the "NRS") prohibit a Nevada corporation from engaging in a "combination" with an "interested stockholder" for three years following the date that such person becomes an interested stockholder and place certain restrictions on such combinations even after the expiration of the three-year period. With certain exceptions, an interested stockholder is a person or group that owns 10% or more of the corporation's outstanding voting power (including stock with respect to which the person has voting rights and any rights to acquire stock pursuant to an option, warrant, agreement, arrangement, or understanding or upon the exercise of conversion or exchange rights) or is an affiliate or associate of the corporation and was the owner of 10% or more of such voting stock at any time within the previous three years.

A Nevada corporation may elect not to be governed by Sections 78.411 to 78.444 by a provision in its articles of incorporation. We have such a provision in our Articles of Incorporation, as amended, pursuant to which we have elected to opt out of Sections 78.411 to 78.444; therefore, these sections do not apply to us.

Control Shares

Nevada law also seeks to impede "unfriendly" corporate takeovers by providing in Sections 78.378 to 78.3793 of the NRS, commonly referred to as the "Control Share Act", that an "acquiring person" shall only obtain voting rights in the "control shares" purchased by such person to the extent approved by the other stockholders at a meeting. With certain exceptions, an acquiring person is one who acquires or offers to acquire a "controlling interest" in the corporation, defined as one-fifth or more of the voting power. Control shares include not only shares acquired or offered to be acquired in connection with the acquisition of a controlling interest, but also all shares acquired by the acquiring person within the preceding 90 days. The statute covers not only the acquiring person but also any persons acting in association with the acquiring person. The NRS control share statutes only apply to issuers that have 200 or more stockholders of record, at least 100 of whom have had addresses in Nevada appearing on the stock ledger of the corporation at all times during the 90 days immediately preceding such date; and whom do business in Nevada directly or through an affiliated corporation. At this time, we do not believe we have 100 shareholders of record who have addresses in Nevada and we do not conduct business in Nevada directly or through an affiliated corporation. Therefore, the provisions of the Control Share Act are believed not to apply to acquisitions of our shares and will not until such time as these requirements have been met. At such time as they may apply, the provisions of the Control Share Act may discourage companies or persons interested in acquiring a significant interest in or control of us, regardless of whether such acquisition may be in the interest of our shareholders.

A Nevada corporation may elect to opt out of the provisions of Sections 78.378 to 78.3793 of the NRS. We do not have a provision in our Articles of Incorporation pursuant to which we have elected to opt out of Sections 78.378 to 78.3793; therefore, these sections do apply to us (subject to the limitations summarized above).

Removal of Directors

Section 78.335 of the NRS provides that 2/3rds of the voting power of the issued and outstanding shares of the Company are required to remove a Director from office. As such, it may be more difficult for stockholders to remove Directors due to the fact the NRS requires greater than majority approval of the stockholders for such removal.

EXHIBIT 10.34

SETTLEMENT AND MUTUAL RELEASE AGREEMENT

This Settlement and Mutual Release Agreement (this "**Agreement**") dated August 1, 2022 and effective on the Binding Agreement Date (except as otherwise expressly provided below)(the "**Effective Date**"), is by and between **GOLDEN MATRIX GROUP, INC.**, a Nevada corporation ("**GMGI**"), **RKINGSCOMPETITIONS LTD**, a private limited company formed under the laws of Northern Ireland (the "**Company**"), and **MARK WEIR**, an individual resident of the United Kingdom of Great Britain and Northern Ireland ("**Weir**"), each a "**Party**" and collectively the "**Parties.**"

W I T N E S S E T H:

WHEREAS, GMGI, Weir, and Paul Hardman, an individual resident of the United Kingdom of Great Britain and Northern Ireland ("**Hardman**", and together with Weir, the "**Sellers**"), are party to (i) that certain Sale and Purchase Agreement of Ordinary Issued Share Capital dated November 29, 2021 (the "**Purchase Agreement**")[1], pursuant to which GMGI acquired from the Sellers an 80% interest in the ordinary share capital of the Company, and (ii) that certain Shareholders Agreement dated as of November 29, 2021 (the "**Shareholders Agreement**"), relating to the respective rights and obligations of GMGI and the Sellers as shareholders of the Company (collectively the "**Transaction Agreements**");

WHEREAS, GMGI's acquisition of 80% of the ordinary share capital of the Company from the Sellers closed on December 6, 2021 (the "**Closing**");

WHEREAS, The Sellers have materially violated the joint and several duties, covenants, and obligations of the Sellers pursuant to the Transaction Agreements on a continuous basis following Closing and has materially harmed the Company and GMGI as a result of such breaches (collectively, the "**Breaches**");

WHEREAS, GMGI has previously provided written notice of such Breaches to each of Weir and Hardman, and as a result, pursuant to the terms of the Transaction Agreements, GMGI has the legal right to hold back the Holdback Amount and exercise its Holdback Amount Termination Right and to terminate the right to the Earn-Out Consideration, and exercise the Earn-Out Termination Right (each of which terms are defined in the Purchase Agreement);

WHEREAS, Weir recognizes and agrees that the Breaches, while associated with the actions of Hardman, apply equally to him, as the Sellers' obligations under the Transaction Agreements were joint and several;

WHEREAS, the Purchase Agreement provides for One Million Pounds (GBP £1,000,000) (the "**Holdback Amount**") to be retained by GMGI following Closing and to be released to Weir and Hardman in equal £500,000 parts if, and only if, (i) GMGI determines within six (6) months after Closing that the Company has achieved the equivalent of $7,200,000 of revenue during such six (6) month period, and (ii) the Sellers do not default in any of the obligations, covenants, or representation under the Transaction Agreements;

[1] https://www.sec.gov/Archives/edgar/data/1437925/000147793221008950/gmgi_ex21.htm

WHEREAS, the Purchase Agreement provides that in the event (A) GMGI determines, on or before the date on which GMGI files its Annual Report on Form 10-K with the SEC for GMGI's fiscal year ending October 31, 2022 (the "**Filing Date**"), that the increase (if any) between (1) the Company's twelve-month trailing EBITDA for the year ended October 31, 2022, less (2) the Company's twelve-month trailing EBITDA for the year ended October 31, 2021, is at least GBP £1,250,000 during the twelve-month period ending October 31, 2022; and (B) the Sellers do not default in any of their obligations, covenants or representations under the Purchase Agreement or other transaction documents, then GMGI is required to pay the Sellers GBP £4,000,000 (the "**Earn-Out Consideration**"); and

WHEREAS, the Company, GMGI and Weir desire to enter into this Agreement to (i) provide for Weir's continued service to the Company in accordance with the terms of an employment agreement to be entered into simultaneously herewith in the form attached hereto as **Exhibit A** (the "**Employment Agreement**"), (ii) provide for the payment of £450,000 by GMGI to Weir in full satisfaction of GMGI's and the Company's obligations to Weir under the Transaction Agreements, and (iii) provide for the Releases as set forth below.

NOW THEREFORE, on the stated premises and for and in consideration of the mutual covenants and agreements hereinafter set forth and the mutual benefits to the Parties to be derived herefrom, the receipt, adequacy and sufficiency of which is hereby acknowledged and confessed, it is hereby agreed as set forth below.

CERTAIN CAPITALIZED TERMS USED BELOW ARE DEFINED IN SECTION 4.1.3 BELOW.

1. Payment to Weir; Entry into Employment Agreement; Confirmations

1.1 In full and complete satisfaction of all payment obligations of GMGI and the Company to Weir, whether under the Transaction Agreements or any employment agreement or other understanding between them, written or oral, other than the Employment Agreement, the Company agrees, subject to the terms of this Agreement, to pay an aggregate of £450,000 (the "**Payment**"), representing one-half of the aggregate Holdback Amount under the Purchase Agreement less an estimate of £50,000 in excess salary paid to Weir prior to the date of this Agreement. The Payment shall be made in one (1) installment of £450,000, with the payment due on August 3, 2022.

1.2 GMGI's obligation to make the Payment is subject to (i) Weir's ongoing compliance with the terms and conditions of (i) the Employment Agreement, (ii) the Shareholders Agreement, (iii) Articles III, IV, IX, and XI, and Sections 13.5, 13.6, 13.7, and 13.13 of the Purchase Agreement, and (iv) this Agreement (collectively, (i) through (iv), the "**Surviving Obligations**"). Further, the terms of Section 2.3 of the Purchase Agreement shall apply to the Payment and are hereby incorporated by reference as if fully set forth herein.

1.3 By his entry into this Agreement, Weir confirms and acknowledges that no prior employment agreements (other than the Employment Agreement) existed between himself and the Company and any such prior agreements were never executed or binding on the Company ("**Prior Agreements**"). Notwithstanding the foregoing, in the event that any Prior Agreements were binding or effective, such Prior Agreements are hereby terminated in their entirety, with no continuing obligations to either party thereto, on the Binding Agreement Date.

1.4 The Payment shall be in full and complete satisfaction of any of the Company's or GMGI's obligations to Weir under the Transaction Agreements, whether in connection with the Holdback Amount or Earn-Out Consideration, and any other of the Company's or GMGI's obligations under the Purchase Agreement.

2. Releases.

2.1 Effective as of the later of (a) the Binding Agreement Date; and (b) the date the executed Employment Agreement is delivered to the Company by Weir, and in consideration for the Payment and releases provided by the Company and GMGI below, and for GMGI agreeing to enter into and to be bound by the terms and conditions of this Agreement and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged by Weir, on behalf of himself and his Affiliates, officers, directors, employees, investors, shareholders, members, managers, administrators, predecessor and successor corporations, attorneys, affiliates, agents, and assigns, hereby releases, acquits and forever discharges GMGI and the Company, and their current, past and future Affiliates, officers, directors, employees, investors, shareholders, members, managers, administrators, predecessor and successor corporations, attorneys, affiliates, agents, and assigns (collectively, each as applicable, the "**GMGI and Company Released Parties**") from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, covenants, controversies, agreements, promises, variances, trespasses, damages, judgments, claims and demands, whether asserted or unasserted, whether known or unknown, suspected or unsuspected, which they ever had or now have, upon or by reason of any manner, cause, causes or thing whatsoever, arising from the beginning of time to the date of this Agreement, in law or equity and all rights, obligations, claims, demands, whether in contract, tort, or state and/or federal law (each a "**Claim**") arising from or relating to, or associated with the Transaction Agreements, the Holdback Amount, the Earnout Consideration, GMGI's obligations under Sections 2.1.4 and 2.2 of the Purchase Agreement, and any other Claims whatsoever that Weir has against any GMGI and Company Released Parties as of the date of this Agreement, except for Claims relating to the failure of any GMGI and Company Released Parties to comply with the Surviving Obligations (the "**Weir Release**").

2.2 Effective as of the later of (a) the Binding Agreement Date; and (b) the date the executed Employment Agreement is delivered to the Company by Weir, and in consideration for Weir entering into the Employment Agreement, the confirmations of Weir and the Wier Release, and for Wier agreeing to enter into and to be bound by the terms and conditions of this Agreement and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged by GMGI and the Company, GMGI and the Company, each, on behalf of themselves and each of their Affiliates, officers, directors, employees, investors, shareholders, members, managers, administrators, predecessor and successor corporations, attorneys, affiliates, agents, and assigns, hereby release, acquit and forever discharge Weir and his current, past and future Affiliates, officers, directors, employees, investors, shareholders, members, managers, administrators, predecessor and successor corporations, attorneys, affiliates, agents, and assigns (each as applicable, the "**Weir Released Parties**" and collectively with the GMGI and Company Released Parties, the "**Released Parties**") from all Claims arising from or relating to, or associated with the Breaches, which release shall have no effect on Weir's requirement to continue to comply with the terms of the Purchase Agreements and/or the Surviving Obligations (the "**GMGI and Company Release**" and together with the Weir Release, the "**Releases**").

2.3 Each of Weir, as to the Weir Release and the Company and GMGI, as to the GMGI and Company Release (as applicable, a "**Releasing Party**" and collectively, the "**Releasing Parties**") acknowledge that there is a risk that, after execution of this Agreement, they may discover, incur or suffer claims that were unknown or unanticipated at the time of this Agreement, including, but not limited to, unknown or unanticipated claims that arise from, are based upon, or are related to, any facts underlying the releases set forth above in Sections 2.1 and 2.2, as applicable (the "**Released Claims**"), which had they been known or more fully understood, may have affected the Releasing Parties' decisions to execute the Agreement as it currently is written. Each Releasing Party knowingly and expressly assumes the risk of these unknown and unanticipated claims and agrees that this Agreement and the general releases set forth within it apply to all such unknown, unanticipated or potential claims. Furthermore, it is the intention of the Releasing Parties, by entering into this Agreement, to settle and release fully, finally and forever all Released Claims and any and all claims that now exist, or may have at any time existed or shall come to exist in connection with the Released Claims. In furtherance of the Releasing Parties' intention, the releases given within this Agreement shall be and remain in effect as full and complete releases and discharges of the Released Claims and of any related matters notwithstanding the discovery by any Releasing Party of the existence of any additional or different claims or the facts relative to any such claims. In furtherance of the Releases, each Releasing Party waives any right such may have under any statutes and regulations, which state, in substance:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

2.4 The Releasing Parties are not aware of any claims not being released herein against them.

2.5 Notwithstanding the terms of the GMGI and Company Release above, the foregoing GMGI and Company Release does not affect any Claim against Hardman by the Company or GMGI with respect to any matter whatsoever, including, but not limited to, the Surviving Obligations and any other matters which may arise or be discovered with respect to the Transaction Agreements, all of which are reserved by the Company and GMGI.

3. Covenant Not to Sue.

3.1 Subject to the excepted matters set forth herein (including, but not limited to the Surviving Obligations and Confidentiality Requirements), the Releasing Parties agree that they will forever refrain and forbear from commencing, instituting or prosecuting any lawsuit, action or other proceeding, in law, equity or otherwise, against the Released Parties, in any way arising out of or relating to the Released Claims.

3.2 The Releasing Parties each acknowledge and agree that monetary damages alone are inadequate to compensate the other Party (or their assigns) for injury caused or threatened by a breach of this "**Covenant Not to Sue**" and that preliminary and permanent injunctive relief restraining and prohibiting the prosecution of

any action or proceeding brought or instituted in violation of this Covenant Not to Sue is a necessary and appropriate remedy in the event of such a breach. Nothing contained in this Section, however, shall be interpreted or construed to prohibit or in any way to limit the right of a non-breaching Released Party or of any of its assigns to obtain, in addition to injunctive relief, an award of monetary damages against any person or entity breaching this Covenant Not to Sue and Agreement.

3.3 Notwithstanding the foregoing, any action or proceeding brought for breach of or to interpret or enforce the terms of this Agreement or the Surviving Obligations and Confidentiality Requirements is excepted from each of the Covenants Not to Sue set forth above.

3.4 The Releasing Parties understand, acknowledge and agree that the releases set forth above may be pleaded as a full and complete defense and may be used as a basis for an injunction against any action, claim, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of such releases. Similarly, the Releasing Parties agree that no fact, event, circumstance, evidence or transaction which could now be asserted or which may hereafter be discovered relating to the subject matter discussed above, shall affect in any manner the final, absolute and unconditional nature of the release set forth above.

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4. Mutual Representations, Covenants and Warranties.

4.1 Each of the Parties, for themselves and for the benefit of each of the other Parties hereto, represents, covenants and warranties that:

4.1.1 Such Party has all requisite power and authority, corporate or otherwise, to execute and deliver this Agreement and to consummate the transactions contemplated hereby and thereby. This Agreement constitutes the legal, valid and binding obligation of such Party enforceable against such Party in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and general equitable principles;

4.1.2 The execution and delivery by such Party and the consummation of the transactions contemplated hereby and thereby do not and shall not, by the lapse of time, the giving of notice or otherwise: (i) constitute a violation of any law; or (ii) constitute a breach of any provision contained in, or a default under, any of such Party's Governing Documents, or any governmental approval, any writ, injunction, order, judgment or decree of any governmental authority or any contract to which such Party is bound or affected; and

4.1.3 Any individual executing this Agreement on behalf of an entity has authority to act on behalf of such entity and has been duly and properly authorized to sign this Agreement on behalf of such entity.

5. Representations and Warranties of Weir. Weir acknowledges that the Sellers have materially breached the joint and several obligations of the Sellers under the Transaction Agreements. Weir represents and warranties to GMGI and the Company that (i) Weir has not participated in, facilitated, or enabled any breaches of the Transaction Agreements at any time; and (ii) Weir will fully comply with the Surviving Obligations, the Transaction Agreements and this Agreement, at all times following the date hereof. To the extent reasonably requested by the Company or GMGI, Weir will assist, at no cost to the Company or GMGI, any action or claim brought seeking damages for the Breaches.

6. Definitions. In addition to other terms defined throughout this Agreement, the following terms have the following meanings when used herein:

6.1 "**Affiliate**" means (x) any Person directly or indirectly controlling, controlled by or under common control with another Person, (y) any manager, director, officer, partner or employee of a Person, or (z) any spouse, spousal equivalent or other cohabitant occupying a relationship generally equivalent to that of a spouse, father, mother, brother, sister or descendant of a Person; a Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through ownership of voting securities, by contract, or otherwise.

6.2 "**Binding Agreement Date**" means the date that this Agreement has been signed by all Parties hereto and that a signed copy hereof has been delivered to each of the Parties hereto.

6.3 "**Governing Documents**" of an entity shall mean the (i) articles or certificate of incorporation or association, certificate of formation, articles of organization or certificate of limited partnership or similar instrument under which an entity is formed; and (ii) the other documents or agreements, including bylaws, partnership agreements of partnerships, operating agreements of limited liability companies, or similar documents, adopted by the entity to govern the formation and internal affairs of the entity.

6.4 "**Loss**" means all losses, damages, liabilities (including, without limitation, tax liabilities), claims, demands, causes of action, judgments, settlements, fines, penalties, costs and expenses (including, without limitation, court costs and reasonable attorney's and experts' fees) of any and every kind or character, known or unknown, fixed or contingent, lost work hours (at regular billing rates) and other out-of-pocket costs and expenses and lost time.

6.5 "**Person**" means any natural person, corporation, general partnership, limited partnership, limited liability company, limited liability partnership, proprietorship, business or statutory trust, trust, union, association, instrumentality, governmental authority or other entity, enterprise, authority, or unincorporated entity.

7. No Prior Assignments. The Parties hereto represent that each has not assigned, in whole or in part, any claim, demand and/or causes of action against any other Party, or their Affiliates, agents, officers, directors, servants, representatives, successors, employees, attorneys, or assigns to any person or entity prior to such Party's execution of this Agreement.

8. No Presumption from Drafting. This Agreement has been negotiated at arm's-length between persons knowledgeable in the matters set forth within this Agreement. Accordingly, given that all Parties have had the opportunity to draft, review and/or edit the language of this Agreement, no presumption for or against any Party arising out of drafting all or any part of this Agreement will be applied in any action relating to, connected with or involving this Agreement. In particular, any rule of law, legal decisions, or common law principles of similar effect that would require interpretation of any ambiguities in this Agreement against the Party that has drafted it, is of no application and is hereby expressly waived.

9. No Admission of Liability. Each Party acknowledges and agrees that this Agreement is a compromise and neither this Agreement, nor any consideration provided pursuant to this Agreement, shall be taken or construed to be an admission or concession by either Party of any kind with respect to any fact, liability, or fault except as may be expressly set forth herein.

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10. Fees and Expenses. Each of the Parties shall pay the fees and expenses of its advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such Party incident to the negotiation, preparation, execution, delivery and performance of this Agreement.

11. Binding Effect. This Agreement shall not be binding on any Party unless and until it is executed by, and delivered to, all Parties, and upon such execution and delivery, shall be binding on and inure to the benefit of each of the Parties and their respective heirs, successors, assigns, directors, officers, agents, employees and personal representatives.

12. Choice of Law. This Agreement shall be governed by and construed according to the laws of the State of Nevada, without giving effect to its choice of law principles. Any actions and proceedings arising out of or relating directly or indirectly to this Agreement or any ancillary agreement or any other related obligations shall be litigated solely and exclusively in the state or federal courts located in Nevada and those such courts are convenient forums. Each Party hereby submits to the personal jurisdiction of such courts for purposes of any such actions or proceedings.

13. Further Assurances. The Parties agree that, from time to time, each of them will take such other action and to execute, acknowledge and deliver such contracts, deeds, or other documents as may be reasonably requested and necessary or appropriate to carry out the purposes and intent of this Agreement and the transactions contemplated herein.

14. Binding Effect. This Agreement shall not be binding on any Party unless and until it is executed by all Parties, and upon such execution shall be binding on and inure to the benefit of each of the Parties and their respective heirs, successors, assigns, directors, officers, agents, employees and personal representatives.

15. Modification. This Agreement may be modified only by a writing signed by the Party against whom enforcement of the modification is sought.

16. Entire Agreement. This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the Parties in connection with the subject matter hereof.

17. Severability. Every provision of this Agreement is intended to be severable. If, in any jurisdiction, any term or provision hereof is determined to be invalid or unenforceable, (a) the remaining terms and provisions hereof shall be unimpaired, (b) any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such term or provision in any other jurisdiction, and (c) the invalid or unenforceable term or provision shall, for purposes of such jurisdiction, be deemed replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision.

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18. Construction. When used in this Agreement, unless a contrary intention appears: (i) a term has the meaning assigned to it; (ii) "**or**" is not exclusive; (iii) "**including**" means including without limitation; (iv) words in the singular include the plural and words in the plural include the singular, and words importing the masculine gender include the feminine and neuter genders; (v) any agreement, instrument or statute defined or referred to herein or in any instrument or certificate delivered in connection herewith means such agreement, instrument or statute as from time to time amended, modified or supplemented and includes (in the case of agreements or instruments) references to all attachments thereto and instruments incorporated therein; (vi) the words "**hereof**", "**herein**" and "**hereunder**" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision hereof; (vii) references contained herein to Article, Section, Schedule, Appendix and Exhibit, as applicable, are references to Articles, Sections, Schedules, Appendixes and Exhibits in this Agreement unless otherwise specified and any such Schedules, Appendixes and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein; (viii) references to "**writing**" include printing, typing, lithography and other means of reproducing words in a visible form, including, but not limited to email; (ix) references to "**dollars**", "**Dollars**" or "**$**" in this Agreement shall mean United States dollars; (x) reference to a particular statute, regulation or law means such statute, regulation or law as amended or otherwise modified from time to time; (xi) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein); (xii) unless otherwise stated in this Agreement, in the computation of a period of time from a specified date to a later specified date, the word "**from**" means "**from and including**" and the words "**to**" and "**until**" each mean "**to but excluding**"; (xiii) references to "**days**" shall mean calendar days; and (xiv) the paragraph headings contained in this Agreement are for convenience only, and shall in no manner be construed as part of this Agreement.

19. Review of Agreement; Voluntarily Entering Into Agreement. Each Party herein expressly represents and warrants to all other Parties hereto that (a) before executing this Agreement, said Party has fully informed itself of the terms, contents, conditions and effects of this Agreement; (b) said Party has relied solely and completely upon its own judgment in executing this Agreement; (c) said Party has had the opportunity to seek and has obtained the advice of its own legal, tax and business advisors before executing this Agreement; (d) said Party has acted voluntarily and of its own free will in executing this Agreement; and (e) this Agreement is the result of arm's length negotiations conducted by and among the Parties and their respective counsel.

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20. Confidentiality. Weir (the "**Receiving Party**") confirms that GMGI and the Company (collectively, the "**Disclosing Parties**") have disclosed confidential and proprietary information to him , relating to such Disclosing Parties' business, including, but not limited to ideas, prospects, business transactions, concepts, strategies, corporate and financing structures, data, spreadsheets, summaries, reports, drawings, charts, specifications, forms, materials, or agreements (collectively, "**Confidential Information**"). Receiving Party agrees not to divulge any such Confidential Information to any third party, except as may be required or requested to be disclosed by order of a court, administrative agency or governmental body or self-regulatory organization, or by any rule, law or regulation, or by subpoena or any other legal or administrative process, or as requested by any regulator or self-regulatory organization. Notwithstanding the foregoing, the Parties agree that Confidential Information shall not include information which (a) was known by the Receiving Party prior to its disclosure by the Disclosing Party and is not subject to other confidentiality obligation, (b) is or becomes publicly known through no breach of this Agreement, (c) is received from a third party without a breach of any confidentiality obligation known to the Receiving Party, (d) is independently developed by the Receiving Party or (e) is disclosed with the Disclosing Party's prior written consent. Notwithstanding the above, nothing contained in this Agreement limits Receiving Party's ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission ("**Government Agencies**"). Receiving Party further understands that this Agreement does not limit Receiving Party's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. This Agreement does not limit Receiving Party's right to receive an award for information provided to any Government Agencies. The obligations set forth in this Section 19 shall be defined herein as the "**Confidentiality Requirements**", and such Confidentiality Requirements shall survive the consummation of the transactions contemplated by this Agreement and continue to bind the Parties in perpetuity.

21. Execution. This Agreement and any signed agreement or instrument entered into in connection with this Agreement, and any amendments hereto or thereto, may be executed in one or more counterparts, all of which shall constitute one and the same instrument. Any such counterpart, to the extent delivered by means of a facsimile machine or by .pdf, .tif, .gif, .jpeg or similar attachment to electronic mail (any such delivery, an "**Electronic Delivery**") shall be treated in all manner and respects as an original executed counterpart and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any Party, each other Party shall re execute the original form of this Agreement and deliver such form to all other Parties. No Party shall raise the use of Electronic Delivery to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery as a defense to the formation of a contract, and each such Party forever waives any such defense, except to the extent such defense relates to lack of authenticity.

[Remainder of page left intentionally blank. Signature page(s) follows.]

IN WITNESS WHEREOF, intending to be legally bound, the Parties hereto have executed this Agreement on the date set forth above, to be effective as of the Effective Date, except as otherwise provided above.

*("**GMGI**")*

Golden Matrix Group, Inc.

By: ***/s/ Anthony Brian Goodman***

Its: CEO

Printed Name: Anthony Goodman

("Company")

RKingsCompetitions Ltd.

By: ***/s/ Aaron Johnston***

Its: Director

Printed Name: Aaron Johnston

("Weir")

/s/ Mark Weir

Mark Weir

EXHIBIT A

Employment Agreement

EMPLOYMENT CONTRACT

THIS EMPLOYMENT CONTRACT (the "Agreement") dated this 1st August 2022

BETWEEN:

EMPLOYER	**EMPLOYEE**
Rkings competitions limited Unit 2, Richbrook Industrial Estate, Bessbrook, BT357DT (the "Employer")	Mark Weir 27 Main Street Bessbrook BT357DJ

BACKGROUND:

A. The Employer is of the opinion that the Employee has the necessary qualifications, experience and abilities to assist and benefit the Employer in its business.

B. The Employer desires to employ the Employee and the Employee has agreed to accept and enter such employment upon the terms and conditions set out in this Agreement.

IN CONSIDERATION OF the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, the parties to this Agreement agree as follows:

PARTICULARS OF EMPLOYMENT

1. As required by the *Employment Rights Act 1996*, s. 1, the particulars of the Employee's employment are set out in Schedule 1 of this Agreement.

COMMENCEMENT DATE AND TERM

2. The Employee will commence permanent full-time employment with the Employer on the 1st August, 2022 (the "Commencement Date").

JOB TITLE AND DESCRIPTION

3. The initial job title of the Employee will be the following: Business Manager.

4. The Employee agrees to be employed on the terms and conditions set out in this Agreement. The Employee agrees to be subject to the general supervision of and act pursuant to the orders, advice and direction of the Employer.

5. The Employee will perform any and all duties as requested by the Employer that are reasonable and that are customarily performed by a person holding a similar position in the industry or business of the Employer.

6. The Employer may make changes to the job title or duties of the Employee where the changes would be considered reasonable for a similar position in the industry or business of the Employer. The Employee's job title or duties may be changed by agreement and with the approval of both the Employee and the Employer or after a notice period required under law.

7. The Employee agrees to abide by the Employer's rules, regulations, policies and practices, including those concerning work schedules, annual leave and sick leave, as they may from time to time be adopted or modified.

8. The Employee warrants that the Employee is legally allowed to work in the country of Northern Ireland.

EMPLOYEE REMUNERATION

9. Remuneration paid to the Employee for the services rendered by the Employee as required by this Agreement (the "Remuneration") will consist of a salary of £130,000 (pounds) per year.

10. This Remuneration will be payable every month while this Agreement is in force. The Employer is entitled to deduct from the Employee's Remuneration, or from any other remuneration in whatever form, any applicable deductions and remittances as required by law.

11. The Employee understands and agrees that any additional remuneration paid to the Employee in the form of bonuses or other similar incentive remuneration will rest in the sole discretion of the Employer however any bonuses would be paid monthly and that the Employee will not earn or accrue any right to incentive remuneration by reason of the Employee's employment.

12. The Employer will reimburse the Employee for all reasonable expenses, in accordance with the Employer's lawful policies as in effect from time to time, including but not limited to, any travel and entertainment expenses incurred by the Employee in connection with the business of the Employer. Expenses will be paid within a reasonable time after submission of acceptable supporting documentation.

PLACE OF WORK

13. The Employee's primary place of work will be at the following location:

- R.Kings HQ

14. The Employee will also be required to work at the following place or places:

- Employee will mostly work at R.Kings HQ but may be required to attend various work and meetings in throughout Ireland.

15. The Employer will inform the Employee in advance of the Employee being required to work at other locations.

TIME OF WORK

16. The Employee's normal hours of work, including breaks, ("Normal Hours of Work") are as follows: Available Mon - Sat 8am-6pm.

17. However, the Employee will, on receiving reasonable notice from the Employer, work additional hours and/or hours outside of the Employee's Normal Hours of Work as deemed necessary by the Employer to meet the business needs of the Employer.

EMPLOYEE BENEFITS

18. The Employee will be entitled to only those additional benefits that are currently available as described in the lawful provisions of the Employer's employment booklets, manuals, and policy documents or as required by law.

19. Employer discretionary benefits are subject to change, without compensation, upon the Employer providing the Employee with 60 days written notice of that change and providing that any change to those benefits is taken generally with respect to other employees and does not single out the Employee.

HOLIDAYS

20. The Holiday year will commence on 1st day of August and run for one year (the "Holiday Year").

21. During each Holiday Year, the Employee is entitled to the following paid leave, such entitlement accruing on a pro rata basis:

- 28 days pro rata.

Bank and Public Holidays to be excluded from and in addition to the Employee's stated paid annual leave.

BONUS and INCENTIVES

22. The Company may decide to pay bonuses and Incentives from time to time

23. The Company may with the express agreement of the Employee, satisfy any bonus payment by the granting of shares or other interests in the Company (or any other company acceptable to the Employee).

24. The times and dates for any holidays will be determined by mutual agreement between the Employer and the Employee.

25. Upon termination of employment, the Employer will pay compensation to the Employee for any accrued but unused holiday days.

SICKNESS AND DISABILITY

26. If the Employee is unable to perform the Employee's duties as a result of illness or injury, the Employee will inform the Employer of the reason for the Employee's absence no later than At least one hour before start time on the day of the absence or as soon as is reasonably possible. If the absence extends beyond 7 days, the Employee will obtain and provide the Employer with a certificate or note from the Employee's doctor corroborating such illness or injury.

27. During such absence the Employer will not pay the Employee any amount beyond the minimum statutory sick pay specified in the Social Security Contributions and Benefits Act 1992 and any successor legislation.

28. Any statutory sick pay will be calculated on the basis of the Employee's usual work days, being Available Monday - Sunday.

DUTY TO DEVOTE FULL TIME

29. The Employee agrees to devote full-time efforts, as an employee of the Employer, to the employment duties and obligations as described in this Agreement.

CONFLICT OF INTEREST

30. During the term of the Employee's active employment with the Employer, it is understood and agreed that any business opportunity relating to or similar to the Employer's actual or reasonably anticipated business opportunities including sporting, gaming, competitions and skill games (with the exception of personal investments in less than 5% of the equity of a business, investments in established family businesses, real estate, or investments in stocks and bonds traded on public stock exchanges) coming to the attention of the Employee, is an opportunity belonging to the Employer. Therefore, the Employee will advise the Employer of the opportunity and cannot pursue the opportunity, directly or indirectly, without the written consent of the Employer.

31. During the term of the Employee's active employment with the Employer, the Employee will not, directly or indirectly, engage or participate in any other business activities that the Employer, in its reasonable discretion, determines to be in conflict with the best interests of the Employer without the written consent of the Employer.

NON-COMPETITION

32. The Employee agrees that during the Employee's term of active employment with the Employer and for a period of five (5) years after the end of that term, the Employee will not, directly or indirectly, as employee, owner, sole proprietor, partner, director, member, consultant, agent, founder, co-venturer or otherwise, solely or jointly with others engage in any business that is in competition with the business of the Employer within any geographic area in or around UK and Ireland, in which the Employer conducts its business, or give advice or lend credit, money or the Employee's reputation to any natural person or business entity engaged in a competing business in any geographic area in which the Employer conducts its business.

NON-SOLICITATION

33. The Employee understands and agrees that any attempt on the part of the Employee to induce other employees or contractors to leave the Employer's employ, or any effort by the Employee to interfere with the Employer's relationship with its other employees and contractors would be harmful and damaging to the Employer. The Employee agrees that during the Employee's term of employment with the Employer and for a period of five (5) years after the end of that term, the Employee will not in any way, directly or indirectly:

a. Induce or attempt to induce any employee or contractor of the Employer to quit employment or retainer with the Employer;

b. Otherwise interfere with or disrupt the Employer's relationship with its employees and contractors;

c. Discuss employment opportunities or provide information about competitive employment to any of the Employer's employees or contractors; or

d. Solicit, entice, or hire away any employee or contractor of the Employer for the purpose of an employment opportunity that is in competition with the Employer.

34. This non-solicitation obligation as described in this section will be limited to employees or contractors who were employees or contractors of the Employer during the period that the Employee was employed by the Employer.

35. During the term of the Employee's active employment with the Employer, and for five (5) years thereafter, the Employee will not divert or attempt to divert from the Employer any business the Employer had enjoyed, solicited, or attempted to solicit, from its customers, prior to termination or expiration, as the case may be, of the Employee's employment with the Employer.

CONFIDENTIAL INFORMATION

36. The Employee acknowledges that, in any position the Employee may hold, in and as a result of the Employee's employment by the Employer, the Employee will, or may, be making use of, acquiring or adding to information which is confidential to the Employer (the "Confidential Information") and the Confidential Information is the exclusive property of the Employer.

37. The Confidential Information will include all data and information relating to the business and management of the Employer, including but not limited to, proprietary and trade secret technology and accounting records to which access is obtained by the Employee, including Work Product, Computer Software, Other Proprietary Data, Business Operations, Marketing and Development Operations, and Customer Information.

38. The Confidential Information will also include any information that has been disclosed by a third party to the Employer and is governed by the Data Protection Act or by a non-disclosure agreement entered into between that third party and the Employer.

39. The Confidential Information will not include information that:

a. Is generally known in the industry of the Employer;

b. Is now or subsequently becomes generally available to the public through no wrongful act of the Employee;

c. Was rightfully in the possession of the Employee prior to the disclosure to the Employee by the Employer;

d. Is independently created by the Employee without direct or indirect use of the Confidential Information; or

e. The Employee rightfully obtains from a third party who has the right to transfer or disclose it.

40. The Confidential Information will also not include anything developed or produced by the Employee during the Employee's term of employment with the Employer, including but not limited to, any intellectual property, process, design, development, creation, research, invention, know-how, trade name, trade-mark or copyright that:

a. Was developed without the use of equipment, supplies, facility or Confidential Information of the Employer;

b. Was developed entirely on the Employee's own time;

c. Does not result from any work performed by the Employee for the Employer; and

d. Does not relate to any actual or reasonably anticipated business opportunity of the Employer.

DUTIES AND OBLIGATIONS CONCERNING CONFIDENTIAL INFORMATION

41. The Employee agrees that a material term of the Employee's contract with the Employer is to keep all Confidential Information absolutely confidential and protect its release from the public. The Employee agrees not to divulge, reveal, report or use, for any purpose, any of the Confidential Information which the Employee has obtained or which was disclosed to the Employee by the Employer as a result of the Employee's employment by the Employer. The Employee agrees that if there is any question as to such disclosure then the Employee will seek out senior management of the Employer prior to making any disclosure of the Employer's information that may be covered by this Agreement.

42. The Employee agrees and acknowledges that the Confidential Information is of a proprietary and confidential nature and that any disclosure of the Confidential Information to a third party in breach of this Agreement cannot be reasonably or adequately compensated for in money damages, would cause irreparable injury to Employer, would gravely affect the effective and successful conduct of the Employer's business and goodwill, and would be a material breach of this Agreement.

43. The obligations to ensure and protect the confidentiality of the Confidential Information imposed on the Employee in this Agreement and any obligations to provide notice under this Agreement will survive the expiration or termination, as the case may be, of this Agreement and will continue indefinitely from the date of such

expiration or termination.

44. The Employee may disclose any of the Confidential Information:

a. To a third party where Employer has consented in writing to such disclosure; or

b. To the extent required by law or by the request or requirement of any judicial, legislative, administrative or other governmental body after providing reasonable prior notice to the Employer.

45. If the Employee loses or makes unauthorised disclosure of any of the Confidential Information, the Employee will immediately notify the Employer and take all reasonable steps necessary to retrieve the lost or improperly disclosed Confidential Information.

OWNERSHIP AND TITLE TO CONFIDENTIAL INFORMATION

46. The Employee acknowledges and agrees that all rights, title and interest in any Confidential Information will remain the exclusive property of the Employer. Accordingly, the Employee specifically agrees and acknowledges that the Employee will have no interest in the Confidential Information, including, without limitation, no interest in know-how, copyright, trade-marks or trade names, notwithstanding the fact that the Employee may have created or contributed to the creation of the Confidential Information.

47. The Employee waives any moral rights that the Employee may have with respect to the Confidential Information.

48. The Employee agrees to immediately disclose to the Employer all Confidential Information developed in whole or in part by the Employee during the Employee's term of employment with the Employer and to assign to the Employer any right, title or interest the Employee may have in the Confidential Information. The Employee agrees to execute any instruments and to do all other things reasonably requested by the Employer, both during and after the Employee's employment with the Employer, in order to vest more fully in the Employer all ownership rights in those items transferred by the Employee to the Employer.

RETURN OF CONFIDENTIAL INFORMATION

49. The Employee agrees that, upon request of the Employer or upon termination or expiration, as the case may be, of this employment, the Employee will turn over to the Employer all Confidential Information belonging to the Employer, including but not limited to, all documents, plans, specifications, disks or other computer media, as well as any duplicates or backups made of that Confidential Information in whatever form or media, in the possession or control of the Employee that:

a. May contain or be derived from ideas, concepts, creations, or trade secrets and other proprietary and Confidential Information as defined in this Agreement; or

b. Is connected with or derived from the Employee's employment with the Employer.

CONTRACT BINDING AUTHORITY

50. Notwithstanding any other term or condition expressed or implied in this Agreement to the contrary, the Employee will not have the authority to enter into any contracts or commitments for or on the behalf of the Employer without first obtaining the express written consent of the Employer.

TERMINATION DUE TO DISCONTINUANCE OF BUSINESS

51. Notwithstanding any other term or condition expressed or implied in this Agreement, in the event that the Employer will discontinue operating its business at the location where the Employee is employed, then, at the Employer's sole option, and as permitted by law, this Agreement will terminate as of the last day of the month in which the Employer ceases operations at such location with the same force and effect as if such last day of the month were originally set as the Termination Date of this Agreement.

TERMINATION OF EMPLOYMENT

52. Where there is just cause for termination, the Employer may terminate the Employee's employment without notice, as permitted by law.

53. The Employer may terminate employee for no reason and as such the Employee and the Employer agree that reasonable and sufficient notice of termination ofemployment by the Employer is the greater of four (4) weeks or any minimum notice required by law.

54. If the Employee wishes to terminate this employment with the Employer, the Employee will provide the Employer with the greater of four (4) weeks and the minimum required by law. As an alternative, if the Employee co-operates with the training and development of a replacement, then sufficient notice is given if it is sufficient notice to allow the Employer to find and train the replacement.

55. The Termination Date specified by either the Employee or the Employer may expire on any day of the month and upon the Termination Date the Employer will forthwith pay to the Employee any outstanding portion of the remuneration including any accrued annual leave and banked time, if any, calculated to the Termination Date.

56. Once notice has been given by either party for any reason, the Employee and the Employer agree to execute their duties and obligations under this Agreement diligently and in good faith through to the end of the notice period. The Employer may not make any changes to remuneration or any other term or condition of this Agreement between the time termination notice is given through to the end of the notice period.

REMEDIES

57. In the event of a breach or threatened breach by the Employee of any of the provisions of this Agreement, the Employee agrees that the Employer is entitled to a permanent injunction, in addition to and not in limitation of any other rights and remedies available to the Employer at law or in equity, in order to prevent or restrain any such breach by the Employee or by the Employee's partners, agents, representatives, servants, employees, and/or any and all persons directly or indirectly acting for or with the Employee.

SEVERABILITY

58. The Employer and the Employee acknowledge that this Agreement is reasonable, valid and enforceable. However, if any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, it is the parties' intent that such provision be changed in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable and the remainder of the provisions of this Agreement will in no way be affected, impaired or invalidated as a result.

NOTICES

59. Any notices, deliveries, requests, demands or other communications required here will be deemed to be completed when, electronic mailed (emailed), hand-delivered, delivered by agent, or seven (7) days after being placed in the post, postage prepaid, to the parties at the following addresses or as the parties may later designate in writing:

- Employer:

	Name:	Rkings competitions limited
	Address:	Unit 2, Richbrook Industrial Estate, Bessbrook, BT357DT
	Email	brian@goldenmatrix.com

- Employee:

	Name:	Mark Weir
	Address:	27 Main Street, Bessbrook, BT357DJ
	Email	Markweir3300ci@gmail.com

MODIFICATION OF AGREEMENT

60. Any amendment or modification of this Agreement or additional obligation assumed by either party in connection with this Agreement will only be binding if evidenced in writing signed by each party or an authorised representative of each party.

GOVERNING LAW

61. This Agreement will be construed in accordance with and governed by the laws of the country of Northern Ireland.

DEFINITIONS

62. For the purpose of this Agreement the following definitions will apply:

a. 'Overtime Hours' means the total hours worked in a day or week in excess of the maximum allowed, as defined by local statute, for a work day or a work week.

b. 'Work Product' means work product information, including but not limited to, work product resulting from or related to work or projects performed or to be performed for the Employer or for clients of the Employer, of any type or form in any stage of actual or anticipated research and development.

c. 'Computer Software' means computer software resulting from or related to work or projects performed or to be performed for the Employer or for clients of the Employer, of any type or form in any stage of actual or anticipated research and development, including but not limited to, programs and program modules, routines and subroutines, processes, algorithms, design concepts, design specifications (design notes, annotations, documentation, flowcharts, coding sheets, and the like), source code, object code and load modules, programming, program patches and system designs.

d. 'Other Proprietary Data' means information relating to the Employer's proprietary rights prior to any public disclosure of such information, including but not limited to, the nature of the proprietary rights, production data, technical and engineering data, test data and test results, the status and details of research and development of products and services, and information regarding acquiring, protecting, enforcing and licensing proprietary rights (including patents, copyrights and trade secrets).

e. 'Business Operations' means operational information, including but not limited to, internal personnel and financial information, vendor names and other vendor information (including vendor characteristics, services and agreements), purchasing and internal cost information, internal services and operational manuals, and the manner and methods of conducting the Employer's business.

f. 'Marketing and Development Operations' means marketing and development information, including but not limited to, marketing and development plans, price and cost data, price and fee amounts, pricing and billing policies, quoting procedures, marketing techniques and methods of obtaining business, forecasts and forecast assumptions and volumes, and future plans and potential strategies of the Employer which have been or are being considered.

g. 'Customer Information' means customer information, including but not limited to, names of customers and their representatives, contracts and their contents and parties, customer services, data provided by customers and the type, quantity and specifications of products and services purchased, leased, licensed or received by customers of the Employer.

h. 'Termination Date' means the date specified in this Agreement or in a subsequent notice by either the Employee or the Employer to be the last day of employment under this Agreement. The parties acknowledge that various provisions of this Agreement will survive the Termination Date.

GENERAL PROVISIONS

63. Time is of the essence in this Agreement.

64. Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.

65. No failure or delay by either party to this Agreement in exercising any power, right or privilege provided in this Agreement will operate as a waiver, nor will any single or partial exercise of such rights, powers or privileges preclude any further exercise of them or the exercise of any other right, power or privilege provided in this Agreement.

66. This Agreement will inure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns, as the case may be, of the Employer and the Employee.

67. This Agreement may be executed in counterparts. Facsimile signatures are binding and are considered to be original signatures.

68. If, at the time of execution of this Agreement, there is a pre-existing employment agreement still in effect between the parties to this Agreement, then in consideration of and as a condition of the parties entering into this Agreement and other valuable consideration, the receipt and sufficiency of which consideration is acknowledged, this Agreement will supersede any and all pre-existing employment agreements between the Employer and the Employee. Any duties, obligations and liabilities still in effect from any pre-existing employment agreement are void and no longer enforceable after execution of this Agreement.

69. This Agreement constitutes the entire agreement between the parties and there are no further items or provisions, either oral or written. The parties to this Agreement stipulate that neither of them has made any representations with respect to the subject matter of this Agreement except such representations as are specifically set forth in this Agreement.

IN WITNESS WHEREOF, the parties have duly affixed their signatures under hand and seal on this 1st day of August 2022

Rkings Competitions limited

/s/ Aaron Johnston
Aaron Johnston (Director)

/s/ Mark Weir
Mark Weir

Schedule 1: Particulars of Employment

EMPLOYER DETAILS

1. Employer Name: Rkings competitions limited

2. Employer Address: Unit 2, Richbrook Industrial Estate, Bessbrook, BT357DT

3. Place of Work: Unit 2, Richbrook Industrial Estate, BT35 7DT.

EMPLOYEE DETAILS

4. Employee Name: Mark Weir

5. Employee Address: 27 Main Street, Bessbrook, BT357DJ

EMPLOYMENT DETAILS

6. Job Title: Business Manager
Job Description: Vehicle sourcing & managing all aspects of the business.

7. Date Employment will start: August 1, 2022
Employment is: permanent full-time

8. Hours of work: 40
Normal hours of work are: Available 8am-6pm

9. Holiday entitlement and holiday pay: The Holiday Year commences on the 1st day of

10. August runs for one year. The Employee will be entitled to 28 days pro rata of paid

11. annual leave, such entitlement accruing on a pro rata basis, with Bank and Public Holidays to be

12. excluded from and in addition to the Employee's 28 days pro rata of paid annual leave.

13. Pay Period: The Employee will be paid: Monthly

OTHER DETAILS

14. Sick leave and sick pay entitlement: The Employee will not be paid any contractual sick pay for sick days.

15. Notice of termination details: Upon completion of the probationary period, the employee is entitled to four (4) weeks notice. The Employee will give the Employer four (4) weeks notice before quitting.

16. Details of relevant collective agreements: There is no collective agreement in place.

EXHIBIT 10.45

Memorandum

Friday October 14, 2022

Purpose

The purpose of this Memorandum is to clarify that both parties in this Memorandum agree to offset Accounts payable with Accounts receivable.

Background

As of September 30, 2022, Golden Matrix Group, Inc. has an accounts receivable of $596,739.32 from Articulate Pty Ltd and accounts payable of $77,018.94 to Articulate Pty Ltd.

To avoid the transaction expenses to settle the accounts payable, both parties agree that it is beneficial for both parties to offset the accounts payable with accounts receivable.

Therefore, after the offsetting, Golden Matrix Group, Inc. has no accounts payable to Articulate Pty Ltd., and the balance of accounts receivable due from Articulate amounts to $519,720.38 as of September 30, 2022.

Golden Matrix Group, Inc.

By: */s/ Omar Jimenez*

Chief Financial Officer: Omar Jimenez

Articulate Pty Ltd

By: */s/ Anthony Brian Goodman*

Director: Anthony Brian Goodman

EXHIBIT 21.1

SUBSIDIARIES OF GOLDEN MATRIX GROUP, INC.

Name	Place of Organization	Ownership
Global Technology Group Pty Ltd	Sydney, New South Wales, Australia	100% Owned
RKingsCompetitions Ltd	Northern Ireland	80% Owned*
Golden Matrix MX, S.A. DE C.V.	Mexico	99.99% Owned
GMG Assets Limited	Northern Ireland	100% Owned

* On October 27, 2022, the Company exercised its Buyout Right to acquire the remaining 20% interest in RKingsCompetitions Ltd (RKings) for a total consideration of $1,323,552, which was satisfied by the issuance by the Company to the sellers 165,444 restricted shares of the Company's common stock, valued at $8.00 per share. The 165,444 restricted shares were issued to the sellers on November 4, 2022. On November 30, 2022, RKings filed a confirmation statement with UK's Companies House pursuant to which the 20% minority shares of RKings were transferred to the Company effective on November 4, 2022.

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in:

(a) the Registration Statement on Form S-8 of Golden Matrix Group, Inc. (File No. 333-266562);

(b) the Registration Statement on Form S-8 of Golden Matrix Group, Inc. (File No. 333-234192);

(c) the Registration Statement on Form S-3 of Golden Matrix Group, Inc. (File No 333-264446); and

(d) the Registration Statement on Form S-3 of Golden Matrix Group, Inc. (File No. 333-260044),

of our report dated January 30, 2023, relating to the audited consolidated financial statements which appear in this Report on Form 10-K, of Golden Matrix Group, Inc. for the year ended October 31, 2022.

/s/ M&K CPA's, PLLC

Houston, Texas
January 30, 2023

EXHIBIT 31.1

CERTIFICATION

I, Anthony Brian Goodman, certify that:

1. I have reviewed this Report on Form 10-K for the year ended October 31, 2022, of Golden Matrix Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: January 30, 2023

/s/ Anthony Brian Goodman
Anthony Brian Goodman
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, Omar Jimenez, certify that:

1. I have reviewed this Report on Form 10-K for the year ended October 31, 2022, of Golden Matrix Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: January 30, 2023

/s/ Omar Jimenez
Omar Jimenez
Chief Financial Officer & Chief Compliance Officer
(Principal Financial/Accounting Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Golden Matrix Group, Inc. (the "Company") on Form 10-K for the year ended October 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Anthony Brian Goodman, Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief: (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

January 30, 2023

/s/ Anthony Brian Goodman
Anthony Brian Goodman
Chief Executive Officer
(Principal Executive Officer)

The foregoing certification is not deemed filed with the Securities and Exchange Commission for purposes of Section 18 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing. A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Golden Matrix Group, Inc. (the "Company") on Form 10-K for the year ended October 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Omar Jimenez, Principal Financial/Accounting Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief: (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

January 30, 2023

/s/ Omar Jimenez
Omar Jimenez
Chief Financial Officer and
Chief Compliance Officer
(Principal Financial/Accounting Officer)

The foregoing certification is not deemed filed with the Securities and Exchange Commission for purposes of Section 18 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing. A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.