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OURGAME INTERNATIONAL HOLDINGS LIMITED

聯眾國際控股有限公司*

(a company incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 6899)

DISCLOSEABLE TRANSACTION — AMENDMENTS TO TERMS OF CONVERTIBLE NOTES AND CONVERSIONS OVERSEAS REGULATORY ANNOUNCEMENT — FORM 8-K

THE TRANSACTION

On 22 May 2020 (Las Vegas time), AESE and Knighted, the holder of a Bridge Note in the original principal amount of US\$5 million, entered into a secured convertible note modification and conversion agreement No. 2, pursuant to which Knighted agreed to convert the remaining US\$3 million of outstanding principal under the Knighted Note into shares of AESE's common stock at a conversion price of US\$1.40 per share.

LISTING RULES IMPLICATIONS

The Conversions constitutes a Deemed Disposal. As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Conversions exceed 5% but all of them are less than 25%, the Conversions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

This announcement is issued pursuant to Rule 13.10B and Chapter 14 of the Listing Rules.

Please refer to the attached for the document which has been published by AESE on the website of the U.S. Securities and Exchange Commission on 22 May 2020 (U.S. time).

Reference is also made to the announcements of the Company dated 15 October 2018, 20 May 2019, 17 June 2019 and 3 May 2020. Unless the context otherwise requires, capitalized terms used in this announcement shall have the same meanings as those defined in these announcements.

INTRODUCTION

As previously disclosed, the former owners of certain of the AESE's subsidiaries issued a series of secured convertible promissory notes to several investors (the "**Bridge Note Holders**") on October 11, 2018 and May 15, 2019 in the aggregate original principal amount of US\$14 million (collectively, the "**Bridge Notes**"). The Bridge Notes were subsequently assumed by AESE, and payments were deferred until August 23, 2020 (the "**Bridge Maturity Date**").

On May 22, 2020 (Las Vegas time), AESE and Knighted, the holder of a Bridge Note in the original principal amount of US\$5 million (the "**Knighted Note**"), entered into a secured convertible note modification and conversion agreement No. 2 (the "**Knighted Amendment**"). Pursuant to the Knighted Amendment, Knighted agreed to convert the remaining US\$3 million of outstanding principal under the Knighted Note (the "**Conversion Amount**") into shares of AESE's common stock at a conversion price of US\$1.40 per share, and AESE issued to Knighted 2,142,858 shares of common stock (the "**Knighted Shares**").

The remaining provisions of the Knighted Note remain unchanged and in effect. Interest on the Conversion Amount will continue to accrue, and all accrued and unpaid interest under the Knighted Note (including interest accrued on the Conversion Amount) will be paid on the Bridge Maturity Date.

INFORMATION ABOUT THE COMPANY

The Company is incorporated in the Cayman Islands as a company with limited liability, the issued shares of which are listed on the Stock Exchange. The principal activity of the Company is investment holding. As at the date of this announcement, the Group is primarily engaged in the development and operation of PC and mobile card and board games in the PRC via its PRC subsidiaries and the operation of esports business and World Poker Tour via the Seller.

INFORMATION ABOUT AESE

AESE is a Delaware corporation and a non-wholly owned subsidiary of the Company. AESE is principally engaged in the operation of a premier public esports and entertainment company, consisting of (i) the Allied Esports business, an award-winning, innovative esports company comprised of a global network of dedicated esports properties and content production facilities; and (ii) the World Poker Tour business, a premier name in internationally televised gaming and entertainment with brand presence in land-based poker tournaments, television, online and mobile.

The table below sets out certain audited financial information of AESE for the years ended 31 December 2018 and 2019.

| | For the year ended 31 December 2018 US\$ | For the year ended 31 December 2019 US\$ |
|--------------------------|---|---|
| Net Loss | (31,019,725) | (16,738,729) |
| Total Comprehensive Loss | (30,731,614) | (16,741,413) |

As at 31 December 2019, the audited total assets of AESE was approximately US\$71.32 million.

INFORMATION ABOUT KNIGHTED

Knighted is a limited liability company incorporated in the State of California, the United States. The principal activity of Knighted is investment holding. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Knighted and its ultimate beneficial owner are third parties independent of the Company and connected persons of the Company.

REASONS FOR AND BENEFITS OF THE TRANSACTION

As the current trading price of AESE is significantly below the conversion price of the Bridge Notes, noteholders are unlikely to convert their Bridge Notes into common stock of AESE. As a result, it is likely that AESE will be required to redeem the Bridge Notes at maturity. The amendments will allow Knighted to convert the remaining US\$3 million of its Bridge Notes into AESE's shares and reduce the amount payable by AESE upon maturity of the Bridge Notes accordingly, thereby providing AESE with flexibility in relation to the deployment of the corresponding financial resources to fund its operations and working capital requirements. In light of the ongoing impact of COVID-19 on AESE's business and the uncertainty around how long that impact will continue, it is critical for AESE to maintain sufficient cash resources to operate its business. Without the amendment, AESE would have to apply substantial working capital to repay the outstanding Bridge Notes upon maturity and/or incur extra time and costs to re-finance the Bridge Notes, which may or may not be possible in the current market environment. Accordingly, the Directors consider that the amendments, which were arrived at after arm's length negotiations between the parties, are fair and reasonable, and is in the interests of the Company and its shareholders as a whole.

FINANCIAL EFFECTS OF THE DEEMED DISPOSAL

Knighted converted US\$2 million of outstanding principal under the Knighted Note in 29 April 2020 (the "**Prior Conversion**"). When aggregating the Prior Conversion and the conversion of the Conversion Amount, the equity interest of the Company in AESE will be diluted from 50.1% to 43.86% upon completion of the Conversions.

AESE will continue to be a non-wholly owned subsidiary of the Company upon completion of the Conversions and the financial results of AESE will continue to be consolidated with the financial statements of the Group. Accordingly, the Deemed Disposal will be accounted for as an equity transaction and is not expected to result in any gain or loss being accrued to the Group.

LISTING RULES IMPLICATIONS

The Conversions constitutes a Deemed Disposal. As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Conversions exceed 5% but all of them are less than 25%, the Conversions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions have the meanings ascribed below:

| | |
|-----------------------|---|
| “AESE” | Allied Esports Entertainment, Inc. (formerly known as Black Ridge Acquisition Corp.), a Delaware corporation whose shares are listed on Nasdaq with ticker symbol AESE and a non-wholly owned subsidiary of the Company |
| “Board” | the board of directors of the Company |
| “Company” | Ourgame International Holdings Limited, an exempted company with limited liability incorporated in the Cayman Islands, whose issued Shares are listed on the Stock Exchange |
| “connected person(s)” | has the meaning ascribed thereto under the Listing Rules |
| “Conversions” | the Prior Conversion and the conversion of the Conversion Amount, on an aggregated basis |
| “Deemed Disposal” | the deemed disposal under Rule 14.29 of the Listing Rules through the dilution of the equity interest of the Company in the Seller from 50.1% to 43.86% as a result of the Conversions |
| “Director(s)” | director(s) of the Company |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Knighted” | Knighted Pastures LLC, a limited liability company incorporated in the State of California, the United States, and a third party independent of, and not connected with, the Company and its connected persons |

| | |
|------------------|--|
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| “PRC” | People’s Republic of China, which for the sole purpose of this announcement excludes Hong Kong, Macau and Taiwan |
| “Nasdaq” | National Association of Securities Dealers Automated Quotations |
| “Shareholder(s)” | holder(s) of the Share(s) of the Company from time to time |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “US\$” | United States dollar, the lawful currency of the United States |
| “U.S.” | United States of America |
| “%” | per cent. |

By order of the Board
Ourgame International Holdings Limited
Yang Eric Qing
Chairman and Chief Executive Officer

Beijing, 25 May 2020

As at the date of this announcement, the Board comprises Mr. Yang Eric Qing as executive Director; Mr. Liu Jiang, Ms. Fu Qiang, Mr. Chen Xian and Mr. Hu Wen as non-executive Directors; and Mr. Lu Zhong, Dr. Tyen Kan Hee Anthony and Professor Huang Yong as independent non-executive Directors.

* *For identification purpose only*

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

FORM 8-K
CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): May 18, 2020

ALLIED ESPORTS ENTERTAINMENT, INC.
(Exact Name of Registrant as Specified in Charter)

Delaware

(State or other jurisdiction
of incorporation)

001-38226

(Commission
File Number)

82-1659427

(I.R.S. Employer
Identification No.)

17877 Von Karman Avenue, Suite 300
Irvine, California, 92614
(Address of Principal Executive Offices) (Zip Code)

(949) 225-2600
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions
(see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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 | AESE | The NASDAQ Stock Market LLC |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

Item 1.01 Entry into a Material Definitive Agreement.

Secured Convertible Note Modification and Conversion Agreement No. 2 between Allied Esports Entertainment, Inc. (the “Company”) and Knighted Pastures LLC (“Knighted”)

As previously disclosed, the former owners of certain of the Company’s subsidiaries issued a series of secured convertible promissory notes to several investors (the “Bridge Note Holders”) on October 11, 2018 and May 15, 2019 in the aggregate original principal amount of \$14,000,000 (collectively, the “Bridge Notes”). The Bridge Notes were subsequently assumed by the Company, and payments were deferred until August 23, 2020 (the “Bridge Maturity Date”).

On May 22, 2020, the Company and Knighted, the holder of a Bridge Note in the original principal amount of \$5,000,000 (the “Knighted Note”), entered into a Secured Convertible Note Modification and Conversion Agreement No. 2 (the “Knighted Amendment”). Pursuant to the Knighted Amendment, Knighted agreed to convert the remaining \$3,000,000 of outstanding principal under the Knighted Note (the “Conversion Amount”) into shares of the Company’s common stock at a conversion price of \$1.40 per share, and the Company issued to Knighted 2,142,858 shares of common stock (the “Knighted Shares”).

The remaining provisions of the Knighted Note remain unchanged and in effect. Interest on the Conversion Amount will continue to accrue, and all accrued and unpaid interest under the Knighted Note (including interest accrued on the Conversion Amount) will be paid on the Bridge Maturity Date.

The Company previously registered for resale an aggregate of 588,236 shares of common stock upon conversion of the Knighted Note at \$8.50 per share, and is obligated to file by June 1, 2020 an amendment to the registration statement on Form S-1 filed May 1, 2020 to register for resale the remaining shares that have been issued to Knighted as a result of its conversion of the Knighted Note, including the shares issued pursuant to the Knighted Amendment and a previous amendment to the Knighted Note.

The foregoing summary description of the terms and conditions of the Knighted Amendment does not purport to be complete and is qualified in its entirety by reference to the Knighted Amendment, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Paycheck Protection Plan Loan

On May 18, 2020, the Company’s wholly-owned subsidiary WPT Enterprises Inc. (“WPT”) received an unsecured loan (the “PPP Loan”) in the amount of \$685,300, pursuant to the Paycheck Protection Program (the “PPP”) under the Coronavirus Aid, Relief, and Economic Security Act and applicable regulations (the “CARES Act”). The Loan was made by CommerceWest Bank and is evidenced by a Business Loan Agreement (the “PPP Loan Agreement”) and a Promissory Note (the “PPP Note”).

The PPP Note has a term of 2 years with a 1.0% per annum interest rate. Payments are deferred for 6 months from the date of the PPP Note and WPT can apply for forgiveness of the PPP Note after 60 days. Forgiveness of the PPP Note will be determined in accordance with the provisions of the CARES Act and applicable regulations. Any principal and interest amounts outstanding after the determination of amounts forgiven will be repaid on a monthly basis. WPT intends to use the entire loan amounts for designated qualifying expenses. However, no assurance can be given that WPT will obtain forgiveness of the PPP Loan in whole or in part.

The PPP Loan Agreement contains other terms, customary representations, warranties and covenants by WPT.

The foregoing summary description of the terms and conditions of the PPP Loan Agreement and the PPP Note does not purport to be complete and is qualified in its entirety by reference to the PPP Loan Agreement and the PPP Note, copies of which are filed as Exhibits 10.2 and 10.3, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

The information with respect to the PPP Loan in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

Pursuant to the transaction with Knighted described in Item 1.01 of this Current Report on Form 8-K, which description is incorporated herein by reference, the Company issued to Knighted the Knighted Shares in reliance on the exemption from registration afforded by Section 4(a)(2) of the Securities Act and/or Rule 506 of Regulation D promulgated under the Securities Act and corresponding provisions of state securities or “blue sky” laws, based on the Company’s belief that the offer and sale of such common stock did not involve a public offering. Accordingly, the Knighted Shares have not been 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.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| Exhibit No. | Description |
|--------------------|--|
| 10.1 | Secured Convertible Note Modification and Conversion Agreement No. 2 dated May 22, 2020 between the Company and Knighted |
| 10.2 | Business Loan Agreement dated May 18, 2020 between WPT and CommerceWest Bank |
| 10.3 | Promissory Note dated May 18, 2020 issued by WPT to CommerceWest Bank |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: May 22, 2020

ALLIED ESPORTS ENTERTAINMENT, INC.

By: /s/ Anthony Hung
Anthony Hung
Chief Financial Officer

EXHIBIT INDEX

| <u>Exhibit No.</u> | <u>Description</u> |
|---------------------------|---|
| 10.1 | <u>Secured Convertible Note Modification and Conversion Agreement No. 2 dated May 22, 2020 between the Company and Knighted</u> |
| 10.2 | <u>Business Loan Agreement dated May 18, 2020 between WPT and CommerceWest Bank</u> |
| 10.3 | <u>Promissory Note dated May 18, 2020 issued by WPT to CommerceWest Bank</u> |

SECURED CONVERTIBLE NOTE
MODIFICATION AND CONVERSION AGREEMENT NO. 2

This Secured Convertible Note Modification and Conversion Agreement No. 2 (this “Agreement”) is dated effective as of May 22, 2020, among Allied Esports Entertainment, Inc., a Delaware corporation formerly known as Black Ridge Acquisition Corp. (“Borrower”), certain undersigned direct and indirect subsidiaries of Borrower (the “Borrower Parties”) and Knighted Pastures LLC (the “Purchaser”) and collectively with Borrower and the Borrower Parties, the “Parties”).

A. Certain purchasers purchased Secured Convertible Promissory Notes (the “First Bridge Notes”) in a \$10,000,000 private placement offering (the “First Bridge”) of Ourgame International Holdings Limited, a Cayman Islands corporation (“Ourgame”), pursuant to the terms and conditions of that certain Convertible Note Purchase Agreement, dated as of October 11, 2018 (the “First Purchase Agreement”), between Ourgame and such purchasers.

B. Certain purchasers purchased Secured Convertible Promissory Notes (the “Second Bridge Notes,” together with the First Bridge Notes, collectively, the “Notes”) in a \$4,000,000 private placement offering (the “Second Bridge,” together with the First Bridge, collectively, the “Bridge Transactions”) of Noble Link Global Limited, a British Virgin Islands entity (“Noble”), pursuant to the terms and conditions of that certain Convertible Note Purchase Agreement, dated as of May 17, 2019 (the “Second Purchase Agreement”), between Noble and such purchasers. The First Purchase Agreement and Second Purchase Agreement, together with the Notes, security agreements, share pledge security agreements, guarantees and other documents executed in connection therewith or contemplated thereby are each referred to herein as a “Bridge Document,” and collectively as the “Bridge Documents.”

C. In order to facilitate the closing of the SPAC Transaction (as defined in the First Purchase Agreement and Second Purchase Agreement), the purchasers of the Notes entered into an Amendment and Acknowledgement Agreement dated as of August 5, 2019 (the “Amendment and Acknowledgement Agreement”) pursuant to which all obligations of Ourgame and Noble under the Notes were assigned to and became the sole obligations of Borrower, and the purchasers agreed to, among other things, temporarily extend the maturity date of their respective Notes (the “Maturity Date”) until August 23, 2020 (the 380th day following the closing of the SPAC Transaction).

D. Each Note holder has an option, during the period commencing as of the effective time of the SPAC Transaction and ending on the Maturity Date (the “Conversion Period”), to convert all, but not less than all, the remaining unpaid principal amount of such holder’s Note (but not any accrued interest), into a number of common shares of Borrower (“Borrower Common Stock”) equal to (i) the principal amount of such holder’s Note, divided by (ii) \$8.50 (the “Conversion Price”).

E. The Parties previously entered into that certain Secured Convertible Note Modification and Conversion Agreement dated effective as of April 29, 2020 (the Prior Amendment”), pursuant to which the Purchaser converted \$2,000,000 of the principal amount of its Note into 1,250,000 shares of Borrower Common Stock at a reduced Conversion Price of \$1.60 per share.

F. Borrower desires that the Purchaser convert all \$3,000,000 of remaining principal under its Note into Borrower Common Stock on the date hereof (such portion, as set forth on the Conversion Notice attached to this Agreement, is referred to as the “Conversion Amount”), and to induce the Purchaser to do so, Borrower has offered to reduce the Conversion Price as it relates to the Conversion Amount.

G. The Purchaser has agreed to convert the Conversion Amount at such reduced Conversion Price upon the terms and conditions set forth in this Agreement.

For good and valuable consideration, the Parties hereby acknowledge, declare and agree as follows:

1. Conversion Price Reduction. Borrower hereby reduces the Conversion Price as it relates to the Conversion Amount from \$8.50 to \$1.40 per share.
2. Conversion. Contemporaneously with the execution and delivery of this Agreement, the Purchaser is delivering the Conversion Notice to Borrower pursuant to which the Purchaser is converting the Conversion Amount into Borrower Common Stock. The Conversion Amount will fully cancel the outstanding principal on the Purchaser’s Note.
3. Interest. Interest on the Conversion Amount (including interest on the “Conversion Amount” as set forth in the Prior Amendment) shall continue to accrue, as if such principal amount with respect to the Conversion Amount (including the principal amount with respect to the “Conversion Amount” set forth in the Prior Amendment) of the Purchaser’s Note was not converted under this Agreement or the Prior Amendment, and all accrued and unpaid interest under the Note (including interest accrued on the “Conversion Amount” as set forth in both this Agreement and the Prior Amendment through the maturity date) and “Minimum Interest” (as such term is defined in the Amendment and Acknowledgement Agreement) shall become due and payable on August 23, 2020. On or before August 23, 2020, Borrower shall pay such accrued interest under Purchaser’s Note in the amount of \$1,421,096 to Purchaser by wire transfer of immediately available funds. Notwithstanding the conversion of the full outstanding principal amount on the Purchaser’s Note, with respect to such interest due and payable, the Bridge Documents related to Purchaser’s Note shall continue to be in effect, and Purchaser shall continue to have all rights, and Borrower and the Borrower Parties shall continue to have all obligations, under the Bridge Documents (as amended by this Agreement and the Prior Amendment).

4. Registration Rights. Borrower previously registered for resale shares of Borrower Common Stock issuable upon conversion of the Purchaser's Note at the Conversion price of \$8.50 per share. Reasonably promptly following the date hereof, but in any event no later than June 1, 2020, Borrower shall file an amendment to the registration statement filed May 1, 2020 (the "New Registration Statement") registering, among other things, the resale of any additional shares of Borrower Common Stock issuable upon conversion of the Conversion Amount (and the conversion of the "Conversion Amount" set forth in the Prior Amendment) that exceeds the amount of shares of Borrower Common Stock registered for resale under the existing registration statement, and shall use Borrower's best efforts to cause the New Registration Statement to be declared effective as promptly as practicable thereafter. For the avoidance of doubt, all of the shares of Borrower Common Stock issued or issuable upon conversion of the Purchaser's Note shall not be subject to any lock-up or other prohibitions on transfer other than such transfer restrictions imposed by applicable law (and not by any contract).
5. Compliance with Securities Laws and Principal Market Rules; Beneficial Ownership Limitation Notwithstanding anything in this Agreement to the contrary, Borrower shall not issue, and the Purchaser shall not acquire, shares of Borrower Common Stock upon conversion of the Note if such shares proposed to be issued, when aggregated with all other shares of Borrower Common Stock then owned beneficially (as calculated pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended, and Rule 13d-3 promulgated thereunder) by the Purchaser and its affiliates would result in the beneficial ownership by the Purchaser and its affiliates of more than 19.99% of the then issued and outstanding shares of Borrower Common Stock unless (i) such ownership or voting power would not be the largest ownership position in Borrower, or (ii) Borrower stockholder approval is obtained for such ownership in excess of 19.99% in accordance with the rules of The Nasdaq Stock Market.
6. Amendments. The Bridge Documents related to the Purchaser's Note, as amended by the Prior Amendment, are deemed amended by the terms of this Agreement effective as of the date hereof. Except as otherwise expressly modified by this Agreement, all terms, provisions, covenants and agreements contained in such Bridge Documents, as amended by the Prior Amendment, shall remain unmodified and in full force and effect.
7. Governing Law; Venue. This Agreement shall be governed by the laws of the State of California without regard to its conflicts-of-law principles. The Parties expressly acknowledge and agree that any judicial action to enforce any right of any Party under this Agreement may be brought and maintained in the State of California, and the Parties consent to the jurisdiction of the courts of the State of California, County of Orange, and the federal courts located in the Central District of the State of California. Accordingly, the Parties hereby submit to the process, jurisdiction and venue of any such court. Each Party hereby waives, and agrees not to assert, any claim that it is not personally subject to the jurisdiction of the foregoing courts in the State of California or that any action or other proceeding brought in compliance with this Section is brought in an inconvenient forum.
8. Counterparts. This Agreement may be executed in counterparts, all of which taken together shall constitute one agreement binding on the Parties. Facsimile and electronically transmitted signatures (such as, for example, DocuSign) shall be valid and binding to the same extent as original signatures. In making proof of this Agreement, it will be necessary to produce only one copy signed by the Party to be charged.

The remainder of this page is intentionally left blank.

IN WITNESS WHEREOF, the Parties have executed and delivered this Secured Convertible Note Modification and Conversion Agreement No. 2 as of the date first set forth above.

Purchaser Name: Knighted Pastures LLC

Signature: /s/ Roi Choi

Name: Roi Choi

Title: Manager

IN WITNESS WHEREOF, the Parties have executed and delivered this Secured Convertible Note Modification and Conversion Agreement No. 2 as of the date first set forth above.

ALLIED ESPORTS ENTERTAINMENT, INC.

By: /s/ Frank Ng
Name: Frank Ng
Its: CEO of AESE

PEERLESS MEDIA LIMITED

By: /s/ Frank Ng
Name: Frank Ng
Its: CEO of AESE

ESPORTS ARENA LAS VEGAS, LLC

By: /s/ Frank Ng
Name: Frank Ng
Its: CEO of AESE

ELC GAMING GMBH

By: /s/ Frank Ng
Name: Frank Ng
Its: CEO of AESE

CLUB SERVICES, INC.

By: /s/ Frank Ng
Name: Frank Ng
Its: CEO of AESE

WPT ENTERPRISES, INC.

By: /s/ Frank Ng
Name: Frank Ng
Its: CEO of AESE

ALLIED ESPORTS MEDIA, INC.

By: /s/ Frank Ng
Name: Frank Ng
Its: CEO of AESE

ALLIED ESPORTS INTERNATIONAL, INC.

By: /s/ Frank Ng
Name: Frank Ng
Its: CEO of AESE

PEERLESS MEDIA HOLDING CO.

By: /s/ Frank Ng
Name: Frank Ng
Its: CEO of AESE

CONVERSION NOTICE

To Whom It May Concern:

Reference is made to that certain Secured Convertible Promissory Note dated October 11, 2018 (as amended, modified, supplemented or restated from time to time, and including any replacements thereof, the "Note") issued by Allied Esports Entertainment, Inc., a Delaware corporation formerly known as Black Ridge Acquisition Corp., as successor maker of Ourgame International Holdings Limited ("Maker") in favor of Knighted Pastures LLC (including its assigns, "Holder") in the original principal amount of \$5,000,000. Capitalized terms used in this Notice shall have the respective meanings set forth in the Note.

Holder hereby exercises the option to convert all or a portion of the principal amount of the Note into the shares of common stock of Maker as identified below (the "Conversion Shares"), in accordance with the terms of the Note, and directs that such Conversion Shares be issued in the name of, and if certificated, delivered, to Holder unless a different name has been indicated below. If this conversion involves fractional Conversion Shares, please issue the related check to the same person entitled to receive the Conversion Shares.

Dated: May 22, 2020

Amount of Note to be converted: \$ 3,000,000

If Conversion Shares are to be issued to anyone other than Holder, please provide the

Tax Identification Number of the transferee: _____

Knighted Pastures LLC

Signature: /s/ Roi Choi

Name: Roi Choi

Title: Manager

Name and address of Holder for future notices:

BUSINESS LOAN AGREEMENT

| Principal | Loan Date | Maturity | Loan No | Call / Coll | Account | Officer | Initials |
|--|------------|------------|----------|-------------|---------|---------|----------|
| \$685,300.00 | 05-18-2020 | 05-18-2022 | 10017173 | | | NW1 | |
| References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations. | | | | | | | |

Borrower: WPT Enterprises Inc
17877 Von Karman Ave
Irvine, CA 92614

Lender: CommerceWest Bank
Corporate Lending Group
2111 Business Center Drive, Suite 100
Irvine, CA 92612
(949) 251-6959

THIS BUSINESS LOAN AGREEMENT dated May 18, 2020, is made and executed between WPT Enterprises Inc ("Borrower") and CommerceWest Bank ("Lender") on the following terms and conditions. Borrower has received prior commercial loans from Lender or has applied to Lender for a commercial loan or loans or other financial accommodations, including those which may be described on any exhibit or schedule attached to this Agreement. Borrower understands and agrees that: (A) in granting, renewing, or extending any Loan, Lender is relying upon Borrower's representations, warranties, and agreements as set forth in this Agreement; (B) the granting, renewing, or extending of any Loan by Lender at all times shall be subject to Lender's sole judgment and discretion; and (C) all such Loans shall be and remain subject to the terms and conditions of this Agreement.

TERM. This Agreement shall be effective as of May 18, 2020, and shall continue in full force and effect until such time as all of Borrower's Loans in favor of Lender have been paid in full, including principal, interest, costs, expenses, attorneys' fees, and other fees and charges, or until such time as the parties may agree in writing to terminate this Agreement.

CONDITIONS PRECEDENT TO EACH ADVANCE. Lender's obligation to make the initial Advance and each subsequent Advance under this Agreement shall be subject to the fulfillment to Lender's satisfaction of all of the conditions set forth in this Agreement and in the Related Documents.

Loan Documents. Borrower shall provide to Lender the following documents for the Loan: (1) the Note; (2) together with all such Related Documents as Lender may require for the Loan; all in form and substance satisfactory to Lender and Lender's counsel.

Borrower's Authorization. Borrower shall have provided in form and substance satisfactory to Lender properly certified resolutions, duly authorizing the execution and delivery of this Agreement, the Note and the Related Documents. In addition, Borrower shall have provided such other resolutions, authorizations, documents and instruments as Lender or its counsel, may require.

Payment of Fees and Expenses. Borrower shall have paid to Lender all fees, charges, and other expenses which are then due and payable as specified in this Agreement or any Related Document.

Representations and Warranties. The representations and warranties set forth in this Agreement, in the Related Documents, and in any document or certificate delivered to Lender under this Agreement are true and correct.

No Event of Default. There shall not exist at the time of any Advance a condition which would constitute an Event of Default under this Agreement or under any Related Document.

REPRESENTATIONS AND WARRANTIES. Borrower represents and warrants to Lender, as of the date of this Agreement, as of the date of each disbursement of loan proceeds, as of the date of any renewal, extension or modification of any Loan, and at all times any Indebtedness exists:

Organization. Borrower is a corporation for profit which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of Borrower's state of incorporation. Borrower is duly authorized to transact business in all other states in which Borrower is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which Borrower is doing business. Specifically, Borrower is, and at all times shall be, duly qualified as a foreign corporation in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. Borrower has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. Borrower maintains an office at 17877 Von Karman Ave, Irvine, CA 92614. Unless Borrower has designated otherwise in writing, the principal office is the office at which Borrower keeps its books and records including its records concerning the Collateral. Borrower will notify Lender prior to any change in the location of Borrower's state of organization or any change in Borrower's name. Borrower shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to Borrower and Borrower's business activities.

Assumed Business Names. Borrower has filed or recorded all documents or filings required by law relating to all assumed business names used by Borrower. Excluding the name of Borrower, the following is a complete list of all assumed business names under which Borrower does business: **None.**

Authorization. Borrower's execution, delivery, and performance of this Agreement and all the Related Documents have been duly authorized by all necessary action by Borrower and do not conflict with, result in a violation of, or constitute a default under (1) any provision of (a) Borrower's articles of incorporation or organization, or bylaws, or (b) any agreement or other instrument binding upon Borrower or (2) any law, governmental regulation, court decree, or order applicable to Borrower or to Borrower's properties.

Financial Information. Each of Borrower's financial statements supplied to Lender truly and completely disclosed Borrower's financial condition as of the date of the statement, and there has been no material adverse change in Borrower's financial condition subsequent to the date of the most recent financial statement supplied to Lender. Borrower has no material contingent obligations except as disclosed in such financial statements.

Legal Effect. This Agreement constitutes, and any instrument or agreement Borrower is required to give under this Agreement when delivered will constitute legal, valid, and binding obligations of Borrower enforceable against Borrower in accordance with their respective terms.

Properties. Except as contemplated by this Agreement or as previously disclosed in Borrower's financial statements or in writing to Lender and as accepted by Lender, and except for property tax liens for taxes not presently due and payable, Borrower owns and has good title to all of Borrower's properties free and clear of all Security Interests, and has not executed any security documents or financing statements relating to such properties. All of Borrower's properties are titled in Borrower's legal name, and Borrower has not used or filed a financing statement under any other name for at least the last five (5) years.

Hazardous Substances. Except as disclosed to and acknowledged by Lender in writing, Borrower represents and warrants that: (1) During the period of Borrower's ownership of the Collateral, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from any of the Collateral. (2) Borrower has no knowledge of, or reason to believe that there has been (a) any breach or violation of any Environmental Laws; (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Collateral by any prior owners or occupants of any of the Collateral; or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters. (3) Neither Borrower nor any tenant, contractor, agent or other authorized user of any of the Collateral shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from any of the Collateral; and any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations, and ordinances, including without limitation all Environmental Laws. Borrower authorizes Lender and its agents to enter upon the Collateral to make such inspections and tests as Lender may deem appropriate to determine compliance of the Collateral with this section of the Agreement. Any inspections or tests made by Lender shall be at Borrower's expense and for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Borrower or to any other person. The representations and warranties contained herein are based on Borrower's due diligence in investigating the Collateral for hazardous waste and Hazardous Substances. Borrower hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Borrower becomes liable for cleanup or other costs under any such laws, and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Agreement or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release of a hazardous waste or substance on the Collateral. The provisions of this section of the Agreement, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the termination, expiration or satisfaction of this Agreement and shall not be affected by Lender's acquisition of any interest in any of the Collateral, whether by foreclosure or otherwise.

Litigation and Claims. No litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Borrower is pending or threatened, and no other event has occurred which may materially adversely affect Borrower's financial condition or properties, other than litigation, claims, or other events, if any, that have been disclosed to and acknowledged by Lender in writing.

Taxes. To the best of Borrower's knowledge, all of Borrower's tax returns and reports that are or were required to be filed, have been filed, and all taxes, assessments and other governmental charges have been paid in full, except those presently being or to be contested by Borrower in good faith in the ordinary course of business and for which adequate reserves have been provided.

Lien Priority. Unless otherwise previously disclosed to Lender in writing, Borrower has not entered into or granted any Security Agreements, or permitted the filing or attachment of any Security Interests on or affecting any of the Collateral directly or indirectly securing repayment of Borrower's Loan and Note, that would be prior or that may in any way be superior to Lender's Security Interests and rights in and to such Collateral.

Binding Effect. This Agreement, the Note, all Security Agreements (if any), and all Related Documents are binding upon the signers thereof, as well as upon their successors, representatives and assigns, and are legally enforceable in accordance with their respective terms.

AFFIRMATIVE COVENANTS. Borrower covenants and agrees with Lender that, so long as this Agreement remains in effect, Borrower will:

Notices of Claims and Litigation. Promptly inform Lender in writing of (1) all material adverse changes in Borrower's financial condition, and (2) all existing and all threatened litigation, claims, investigations, administrative proceedings or similar actions affecting Borrower or any Guarantor which could materially affect the financial condition of Borrower or the financial condition of any Guarantor.

Financial Records. Maintain its books and records in accordance with GAAP, applied on a consistent basis, and permit Lender to examine and audit Borrower's books and records at all reasonable times.

Financial Statements. Furnish Lender with such financial statements and other related information at such frequencies and in such detail as Lender may reasonably request.

Additional Information. Furnish such additional information and statements, as Lender may request from time to time.

Insurance. Maintain fire and other risk insurance, public liability insurance, and such other insurance as Lender may require with respect to Borrower's properties and operations, in form, amounts, coverages and with insurance companies acceptable to Lender. Borrower, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Borrower or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest for the Loans, Borrower will provide Lender with such lender's loss payable or other endorsements as Lender may require.

Insurance Reports. Furnish to Lender, upon request of Lender, reports on each existing insurance policy showing such information as Lender may reasonably request, including without limitation the following: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the properties insured; (5) the then current property values on the basis of which insurance has been obtained, and the manner of determining those values; and (6) the expiration date of the policy. In addition, upon request of Lender (however not more often than annually), Borrower will have an independent appraiser satisfactory to Lender determine, as applicable, the actual cash value or replacement cost of any Collateral. The cost of such appraisal shall be paid by Borrower.

Other Agreements. Comply with all terms and conditions of all other agreements, whether now or hereafter existing, between Borrower and any other party and notify Lender immediately in writing of any default in connection with any other such agreements.

Loan Proceeds. Use all Loan proceeds solely for Borrower's business operations, unless specifically consented to the contrary by Lender in writing.

Taxes, Charges and Liens. Pay and discharge when due all of its indebtedness and obligations, including without limitation all assessments, taxes, governmental charges, levies and liens, of every kind and nature, imposed upon Borrower or its properties, income, or profits, prior to the date on which penalties would attach, and all lawful claims that, if unpaid, might become a lien or charge upon any of Borrower's properties, income, or profits. Provided however, Borrower will not be required to pay and discharge any such assessment, tax, charge, levy, lien or claim so long as (1) the legality of the same shall be contested in good faith by appropriate proceedings, and (2) Borrower shall have established on Borrower's books adequate reserves with respect to such contested assessment, tax, charge, levy, lien, or claim in accordance with GAAP.

Performance. Perform and comply, in a timely manner, with all terms, conditions, and provisions set forth in this Agreement, in the Related Documents, and in all other instruments and agreements between Borrower and Lender. Borrower shall notify Lender immediately in writing of any default in connection with any agreement.

Operations. Maintain executive and management personnel with substantially the same qualifications and experience as the present executive and management personnel; provide written notice to Lender of any change in executive and management personnel; conduct its business affairs in a reasonable and prudent manner.

Environmental Studies. Promptly conduct and complete, at Borrower's expense, all such investigations, studies, samplings and testings as may be requested by Lender or any governmental authority relative to any substance, or any waste or by-product of any substance defined as toxic or a hazardous substance under applicable federal, state, or local law, rule, regulation, order or directive, at or affecting any property or any facility owned, leased or used by Borrower.

Compliance with Governmental Requirements. Comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the conduct of Borrower's properties, businesses and operations, and to the use or occupancy of the Collateral, including without limitation, the Americans With Disabilities Act. Borrower may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Borrower has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Collateral are not jeopardized. Lender may require Borrower to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Inspection. Permit employees or agents of Lender at any reasonable time to inspect any and all Collateral for the Loan or Loans and Borrower's other properties and to examine or audit Borrower's books, accounts, and records and to make copies and memoranda of Borrower's books, accounts, and records. If Borrower now or at any time hereafter maintains any records (including without limitation computer generated records and computer software programs for the generation of such records) in the possession of a third party, Borrower, upon request of Lender, shall notify such party to permit Lender free access to such records at all reasonable times and to provide Lender with copies of any records it may request, all at Borrower's expense.

Environmental Compliance and Reports. Borrower shall comply in all respects with any and all Environmental Laws; not cause or permit to exist, as a result of an intentional or unintentional action or omission on Borrower's part or on the part of any third party, on property owned and/or occupied by Borrower, any environmental activity where damage may result to the environment, unless such environmental activity is pursuant to and in compliance with the conditions of a permit issued by the appropriate federal, state or local governmental authorities; shall furnish to Lender promptly and in any event within thirty (30) days after receipt thereof a copy of any notice, summons, lien, citation, directive, letter or other communication from any governmental agency or instrumentality concerning any intentional or unintentional action or omission on Borrower's part in connection with any environmental activity whether or not there is damage to the environment and/or other natural resources.

Additional Assurances. Make, execute and deliver to Lender such promissory notes, mortgages, deeds of trust, security agreements, assignments, financing statements, instruments, documents and other agreements as Lender or its attorneys may reasonably request to evidence and secure the Loans and to perfect all Security Interests.

RECOVERY OF ADDITIONAL COSTS. If the imposition of or any change in any law, rule, regulation, guideline, or generally accepted accounting principle, or the interpretation or application of any thereof by any court, administrative or governmental authority, or standard-setting organization (including any request or policy not having the force of law) shall impose, modify or make applicable any taxes (except federal, state or local income or franchise taxes imposed on Lender), reserve requirements, capital adequacy requirements or other obligations which would (A) increase the cost to Lender for extending or maintaining the credit facilities to which this Agreement relates, (B) reduce the amounts payable to Lender under this Agreement or the Related Documents, or (C) reduce the rate of return on Lender's capital as a consequence of Lender's obligations with respect to the credit facilities to which this Agreement relates, then Borrower agrees to pay Lender such additional amounts as will compensate Lender therefor, within five (5) days after Lender's written demand for such payment, which demand shall be accompanied by an explanation of such imposition or charge and a calculation in reasonable detail of the additional amounts payable by Borrower, which explanation and calculations shall be conclusive in the absence of manifest error.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Borrower fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Borrower's failure to discharge or pay when due any amounts Borrower is required to discharge or pay under this Agreement or any Related Documents, Lender on Borrower's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on any Collateral and paying all costs for insuring, maintaining and preserving any Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Borrower. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity.

CESSATION OF ADVANCES. If Lender has made any commitment to make any Loan to Borrower, whether under this Agreement or under any other agreement, Lender shall have no obligation to make Loan Advances or to disburse Loan proceeds if: (A) Borrower or any Guarantor is in default under the terms of this Agreement or any of the Related Documents or any other agreement that Borrower or any Guarantor has with Lender; (B) Borrower or any Guarantor dies, becomes incompetent or becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged a bankrupt; (C) there occurs a material adverse change in Borrower's financial condition, in the financial condition of any Guarantor, or in the value of any Collateral securing any Loan; or (D) any Guarantor seeks, claims or otherwise attempts to limit, modify or revoke such Guarantor's guaranty of the Loan or any other loan with Lender; or (E) Lender in good faith deems itself insecure, even though no Event of Default shall have occurred.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Payment Default. Borrower fails to make any payment when due under the Loan.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Defective Collateralization. This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the Loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Change in Ownership. Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the Loan is impaired.

Insecurity. Lender in good faith believes itself insecure.

EFFECT OF AN EVENT OF DEFAULT. If any Event of Default shall occur, except where otherwise provided in this Agreement or the Related Documents, all commitments and obligations of Lender under this Agreement or the Related Documents or any other agreement immediately will terminate (including any obligation to make further Loan Advances or disbursements), and, at Lender's option, all Indebtedness immediately will become due and payable, all without notice of any kind to Borrower, except that in the case of an Event of Default of the type described in the "Insolvency" subsection above, such acceleration shall be automatic and not optional. In addition, Lender shall have all the rights and remedies provided in the Related Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower or of any Grantor shall not affect Lender's right to declare a default and to exercise its rights and remedies.

AUTHORIZATION TO PULL CREDIT. The undersigned specifically acknowledges and agrees that (1) one or more credit reports may be obtained on each of the undersigned, without further notice, in connection with this (a) loan, (b) any renewal, modification, or extension of the Loan, or (c) any review or collection of the Loan; (2) the undersigned has a continuing obligation to (a) amend and /or supplement the information provided in or given in connection with this Loan Agreement or Commercial Guaranty if any of the material facts which have been given in connection with this Loan change, and (b) immediately update all financial information should more current information become available; (3) in the event payments on the Loan become delinquent, the Lender may report the names and account information of the undersigned to a credit reporting agency; and (4) ownership, administration, or servicing of the Loan may be transferred without notice.

SBA LANGUAGE. This loan is made under the Small Business Administration Paycheck Protection Program, approval date being 5/06/2020, with a 100% guaranty with SBA Loan # 26699574-01. The Promissory Note associated with this loan is enforceable and assignable in the event that it would ever have to be assigned to the U.S. Small Business Administration.

APPLICABLE LAW. "The Loan secured by this lien was under a United States Small Business Administration (SBA) nationwide program which uses tax dollars to assist small business owners. If the United States is seeking to enforce this document, then under SBA regulations;

- a) When SBA is the holder of the Note, this document and all documents evidencing or securing this loan will be construed in accordance with the federal law.
- b) Lender or SBA may use local or state procedure for purposes such as filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using these procedures, SBA does not waive any federal immunity from local or state control, penalty, tax or liability. Not Borrower or Guarantor may claim or assert against SBA any local or state law to deny any obligation of Borrower, or defeat any claim of SBA with respect to this Law.

Any clause in this document requiring arbitration is not enforceable when SBA is the holder of the Note secured by this Instrument".

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. Borrower agrees to pay upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Borrower shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Borrower also shall pay all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Consent to Loan Participation. Borrower agrees and consents to Lender's sale or transfer, whether now or later, of one or more participation interests in the Loan to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any limitation whatsoever, to any one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Loan, and Borrower hereby waives any rights to privacy Borrower may have with respect to such matters. Borrower additionally waives any and all notices of sale of participation interests, as well as all notices of any repurchase of such participation interests. Borrower also agrees that the purchasers of any such participation interests will be considered as the absolute owners of such interests in the Loan and will have all the rights granted under the participation agreement or agreements governing the sale of such participation interests. Borrower further waives all rights of offset or counterclaim that it may have now or later against Lender or against any purchaser of such a participation interest and unconditionally agrees that either Lender or such purchaser may enforce Borrower's obligation under the Loan irrespective of the failure or insolvency of any holder of any interest in the Loan. Borrower further agrees that the purchaser of any such participation interests may enforce its interests irrespective of any personal claims or defenses that Borrower may have against Lender.

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of California without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of California.

Choice of Venue. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Orange County, State of California.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, or between Lender and any Grantor, shall constitute a waiver of any of Lender's rights or of any of Borrower's or any Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Borrower agrees to keep Lender informed at all times of Borrower's current address. Unless otherwise provided or required by law, if there is more than one Borrower, any notice given by Lender to any Borrower is deemed to be notice given to all Borrowers.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Subsidiaries and Affiliates of Borrower. To the extent the context of any provisions of this Agreement makes it appropriate, including without limitation any representation, warranty or covenant, the word "Borrower" as used in this Agreement shall include all of Borrower's subsidiaries and affiliates. Notwithstanding the foregoing however, under no circumstances shall this Agreement be construed to require Lender to make any Loan or other financial accommodation to any of Borrower's subsidiaries or affiliates.

Successors and Assigns. All covenants and agreements by or on behalf of Borrower contained in this Agreement or any Related Documents shall bind Borrower's successors and assigns and shall inure to the benefit of Lender and its successors and assigns. Borrower shall not, however, have the right to assign Borrower's rights under this Agreement or any interest therein, without the prior written consent of Lender.

Survival of Representations and Warranties. Borrower understands and agrees that in making the Loan, Lender is relying on all representations, warranties, and covenants made by Borrower in this Agreement or in any certificate or other instrument delivered by Borrower to Lender under this Agreement or the Related Documents. Borrower further agrees that regardless of any investigation made by Lender, all such representations, warranties and covenants will survive the making of the Loan and delivery to Lender of the Related Documents, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's Indebtedness shall be paid in full, or until this Agreement shall be terminated in the manner provided above, whichever is the last to occur.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

Waive Jury. To the extent permitted by applicable law, all parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

Counterparts. This Agreement may be executed in any number of counterparts each of which shall be deemed an original, but all such counterparts together shall constitute but one Agreement.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code. Accounting words and terms not otherwise defined in this Agreement shall have the meanings assigned to them in accordance with generally accepted accounting principles as in effect on the date of this Agreement:

Advance. The word “Advance” means a disbursement of Loan funds made, or to be made, to Borrower or on Borrower’s behalf on a line of credit or multiple advance basis under the terms and conditions of this Agreement.

Agreement. The word “Agreement” means this Business Loan Agreement, as this Business Loan Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Business Loan Agreement from time to time.

Borrower. The word “Borrower” means WPT Enterprises Inc and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word “Collateral” means all property and assets granted as collateral security for a Loan, whether real or personal property, whether granted directly or indirectly, whether granted now or in the future, and whether granted in the form of a security interest, mortgage, collateral mortgage, deed of trust, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor’s lien, equipment trust, conditional sale, trust receipt, lien, charge, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise.

Environmental Laws. The words “Environmental Laws” mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. (“CERCLA”), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 (“SARA”), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., Chapters 6.5 through 7.7 of Division 20 of the California Health and Safety Code, Section 25100, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words “Event of Default” mean any of the events of default set forth in this Agreement in the default section of this Agreement.

GAAP. The word “GAAP” means generally accepted accounting principles.

Grantor. The word “Grantor” means each and all of the persons or entities granting a Security Interest in any Collateral for the Loan, including without limitation all Borrowers granting such a Security Interest.

Guarantor. The word “Guarantor” means any guarantor, surety, or accommodation party of any or all of the Loan.

Guaranty. The word “Guaranty” means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words “Hazardous Substances” mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words “Hazardous Substances” are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term “Hazardous Substances” also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Indebtedness. The word “Indebtedness” means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Borrower is responsible under this Agreement or under any of the Related Documents.

Lender. The word “Lender” means CommerceWest Bank, its successors and assigns.

Loan. The word “Loan” means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced, including without limitation those loans and financial accommodations described herein or described on any exhibit or schedule attached to this Agreement from time to time.

Note. The word “Note” means the Note dated May 18, 2020 and executed by WPT Enterprises Inc in the principal amount of \$685,300.00, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Related Documents. The words “Related Documents” mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.

Security Agreement. The words “Security Agreement” mean and include without limitation any agreements, promises, covenants, arrangements, understandings or other agreements, whether created by law, contract, or otherwise, evidencing, governing, representing, or creating a Security Interest.

Security Interest. The words “Security Interest” mean, without limitation, any and all types of collateral security, present and future, whether in the form of a lien, charge, encumbrance, mortgage, deed of trust, security deed, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor’s lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever whether created by law, contract, or otherwise.

BORROWER ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS BUSINESS LOAN AGREEMENT AND BORROWER AGREES TO ITS TERMS. THIS BUSINESS LOAN AGREEMENT IS DATED MAY 18, 2020.

BORROWER:

WPT ENTERPRISES INC

By: /s/ Adam Pliska,
CEO of WPT Enterprises Inc

LENDER:

COMMERCEWEST BANK

By: /s/ Eddie Sung,
Authorized Officer

PROMISSORY NOTE

| Principal | Loan Date | Maturity | Loan No | Call / Coll | Account | Officer | Initials |
|--|------------|------------|----------|-------------|---------|---------|----------|
| \$685,300.00 | 05-18-2020 | 05-18-2022 | 10017173 | | | NW1 | |
| References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations. | | | | | | | |

Borrower: WPT Enterprises Inc
17877 Von Karman Ave
Irvine, CA 92614

Lender: CommerceWest Bank
Corporate Lending Group
2111 Business Center Drive, Suite 100
Irvine, CA 92612
(949) 251-6959

Principal Amount: \$685,300.00

Date of Note: May 18, 2020

PROMISE TO PAY. WPT Enterprises Inc ("Borrower") promises to pay to CommerceWest Bank ("Lender"), or order, in lawful money of the United States of America, the principal amount of Six Hundred Eighty-five Thousand Three Hundred & 00/100 Dollars (\$685,300.00), together with interest on the unpaid principal balance from May 18, 2020, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 1.000%, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

PAYMENT. Borrower will pay this loan in 17 payments of \$38,573.87 each payment and an irregular last payment estimated at \$38,573.87. Borrower's first payment is due December 18, 2020, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on May 18, 2022, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any escrow or reserve account payments as required under any mortgage, deed of trust, or other security instrument or security agreement securing this Note; then to any late charges; and then to any unpaid collection costs. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method. This calculation method results in a higher effective interest rate than the numeric interest rate stated in this Note.

PREPAYMENT. Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. **All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: CommerceWest Bank, 2111 Business Center Drive, Suite 100 Irvine, CA 92612.**

LATE CHARGE. If a payment is 15 days or more late, Borrower will be charged **6.000% of the unpaid portion of the regularly scheduled payment or \$5.00, whichever is greater.**

INTEREST AFTER DEFAULT. Upon default, the interest rate on this Note shall, if permitted under applicable law, immediately become 20.000%.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

Change In Ownership. Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Insecurity. Lender in good faith believes itself insecure.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. Borrower also will pay any court costs, in addition to all other sums provided by law.

JURY WAIVER. To the extent permitted by applicable law, Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of California without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of California.

CHOICE OF VENUE. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Orange County, State of California.

DISHONORED ITEM FEE. Borrower will pay a fee to Lender of \$41.29 if Borrower makes a payment on Borrower's loan and the check or preauthorized charge with which Borrower pays is later dishonored.

COLLATERAL. This loan is unsecured.

AGREEMENT TO PROVIDE ADDITIONAL DOCUMENTS. Borrower agrees to execute and acknowledge such additional documents as may be necessary or desirable in order to carry out the intent and purpose of this Instrument and the other Loan Documents, to confirm or establish the lien hereof, or to correct any clerical errors or legal deficiencies. Without limiting the foregoing, Borrower agrees to execute a replacement Note in the event the Note is lost or destroyed and to execute a corrected and restated substitute Note to correct any clerical or other errors which may be discovered in the original Note. Failure of Borrower to comply with any request by Lender pursuant to this Section within ten (10) days after written request by Lender shall constitute a material Event of Default hereunder.

COUNTERPARTS. This Agreement may be executed in any number of counterparts each of which shall be deemed an original, but all such counterparts together shall constitute but one Agreement.

SBA LANGUAGE. This loan is made under the Small Business Administration Paycheck Protection Program, approval date being 5/06/2020, with a 100% guaranty with SBA Loan # 26699574-01. The Promissory Note associated with this loan is enforceable and assignable in the event that it would ever have to be assigned to the U.S. Small Business Administration.

APPLICABLE LAW. "The Loan secured by this lien was under a United States Small Business Administration (SBA) nationwide program which uses tax dollars to assist small business owners. If the United States is seeking to enforce this document, then under SBA regulations;

a) When SBA is the holder of the Note, this document and all documents evidencing or securing this loan will be construed in accordance with the federal law.

b) Lender or SBA may use local or state procedure for purposes such as filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using these procedures, SBA does not waive any federal immunity from local or state control, penalty, tax or liability. Not Borrower or Guarantor may claim or assert against SBA any local or state law to deny any obligation of Borrower, or defeat any claim of SBA with respect to this Law.

Any clause in this document requiring arbitration is not enforceable when SBA is the holder of the Note secured by this Instrument”.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower’s heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. Borrower may notify Lender if Lender reports any inaccurate information about Borrower’s account(s) to a consumer reporting agency. Borrower’s written notice describing the specific inaccuracy(ies) should be sent to Lender at the following address: CommerceWest Bank 2111 Business Center Drive, Suite 100 Irvine, CA 92612.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive any applicable statute of limitations, presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender’s security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

WPT ENTERPRISES INC

By: /s/ Adam Pliska,
CEO of WPT Enterprises Inc
