

SECURITIES AND EXCHANGE COMMISSION

FORM 10QSB

Optional form for quarterly and transition reports of small business issuers under section 13 or 15(d)

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FILER

WINWIN GAMING INC

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SIC: 7990 Miscellaneous amusement & recreation

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

FORM 10-QSB

Quarterly Report
Under Section 13 or 15(d) of
the Securities Exchange Act of 1934

For the Quarterly Period Ended March 31, 2005
Commission File No. 000-21566

WINWIN GAMING, INC.

(Exact Name of Small Business Issuer as Specified in Its Charter)

Delaware ----- (State or Other Jurisdiction of Incorporation or Organization)	84-1219819 ----- (I.R.S. Employer Identification No.)
--	--

8687 West Sahara, Suite 201, Las Vegas, Nevada 89117

(Address of Principal Executive Offices)

(702) 212-4530

(Registrant's Telephone Number, Including Area Code)

The numbers of shares outstanding of each of the issuer's classes of
common equity, as of April 1, 2005, are as follows:

Class of Securities -----	Shares Outstanding -----
Common Stock, \$0.01 par value	45,421,607

Transitional Small Business Disclosure Format (check one): Yes ___ No X

WINWIN GAMING, INC.
(A Development Stage Company)

CONDENSED CONSOLIDATED BALANCE SHEET

MARCH 31, 2005
(UNAUDITED)

ITEM 1. FINANCIAL STATEMENTS

Assets

Current assets	
Cash and cash equivalents	\$ 1,048,621
Accounts receivable	3,133
Notes receivable	317,000
Prepaid expenses	56,158
Rental deposits	29,781
Other current assets	12,434

Total current assets	1,467,127

Property and equipment, net	308,870
Intangible assets, net	39,158
Other assets	7,642

Total assets	\$ 1,822,797
	=====
Liabilities and Stockholders' Equity	
Current liabilities	
Accounts payable	\$ 343,350
Accrued legal expenses	325,000
Accrued expenses	167,553
Due to officers - accrued compensation	369,000
Note payable	37,500

Total current liabilities	1,242,403

Commitments and contingencies (refer to note 6)	
Stockholders' equity	
Preferred stock, issuable in series, \$.01 par value, 10,000,000 authorized shares, none issued	--
Common stock - \$.01 par value, 300,000,000 shares authorized; 45,421,607 shares issued and outstanding	454,216
Additional paid-in-capital	12,778,974
Accumulated deficit from operations	(12,652,796)

Total stockholders' equity	580,394

Total liabilities and stockholders' equity	\$ 1,822,797
	=====

The accompanying notes are an integral part
of the condensed consolidated financial statements.

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WINWIN GAMING, INC.
(A Development Stage Company)

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

<TABLE>
<CAPTION>

	Three Months Ended March 31,		Cumulative Amounts Since May 10, 2002 (Inception) to March 31,
	2005	2004	2005
	----	----	----
<S>	<C>	<C>	<C>
Revenues	\$ 1,588	\$ 9,512	\$ 22,990
	-----	-----	-----

Selling, general and administrative expenses	973,171	432,997	5,572,226
Stock based compensation expense	--	--	6,192,811
	-----	-----	-----
Total Operating Expenses	973,171	432,997	11,765,037
	-----	-----	-----
Operating loss	(971,583)	(423,485)	(11,742,047)
	-----	-----	-----
Other income (expenses)			
Reorganization expense	--	--	(1,059,372)
Currency transaction gain	409	--	5,706
Interest income	592	--	11,896
Interest expense	(3,041)	(16,529)	(467,208)
	-----	-----	-----
Total other income (expenses)	(2,040)	(16,529)	(1,508,978)
	-----	-----	-----
Loss before extraordinary item	(973,623)	(440,014)	(13,251,025)
Extraordinary item - extinguishment of debt	--	--	598,229
	-----	-----	-----
Net Loss	\$ (973,623)	\$ (440,014)	\$ (12,652,796)
	=====	=====	=====
Basic and diluted net loss per share	\$ (.02)	\$ (.01)	
	=====	=====	
Weighted average number - shares outstanding	42,464,256	30,301,379	
	=====	=====	

</TABLE>

The accompanying notes are an integral part of the condensed consolidated financial statements.

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WINWIN GAMING, INC.
(A Development Stage Company)

CONDENSED CONSOLIDATED STATEMENTS CASH FLOWS
(UNAUDITED)

<TABLE>
<CAPTION>

	Three Months Ended March 31,		Cumulative Amounts Since May 10, 2002 (Inception) to March 31, 2005
	2005	2004	
	----	----	----
<S>	<C>	<C>	<C>
Cash flows from operating activities			
Net cash used in operations	\$ (1,275,603)	\$ (296,078)	\$ (5,848,386)
	-----	-----	-----
Cash flows from investing activities			
Purchase of equipment	(6,526)	(2,845)	(415,510)

Cash flows from financing activities			
Notes payable, net	--	(5,000)	822,500
Debentures issued	--	--	214,114
Proceeds from the exercise of warrants	4,000	--	26,500
Stock issued for cash	2,000,000	710,000	6,243,803
Proceeds from stock subscriptions receivable	--	4,600	5,600
Net cash provided by financing activities	2,004,000	709,600	7,312,517
Net increase in cash and cash equivalents	721,871	410,677	1,048,621
Cash and cash equivalents - beginning of period	326,750	350,334	--
Cash and cash equivalents - end of period	\$ 1,048,621	\$ 761,011	\$ 1,048,621
Supplemental cash flow information:			
Cash paid during the period for:			
Interest	\$ --	\$ --	\$ --
Income taxes	\$ --	\$ --	\$ --
Noncash activities:			
Conversion of debt to equity	\$ --	\$ 5,448,373	\$ 6,080,476
Cashless exercise of warrants for stock	\$ --	\$ --	\$ 40,427
Stock subscription receivable	\$ --	\$ 50,000	\$ 4,600

</TABLE>

The accompanying notes are an integral part
of the condensed consolidated financial statements.

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WINWIN GAMING, INC.
(A Development Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. ORGANIZATION AND NATURE OF OPERATIONS

UNAUDITED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-QSB and Regulation S-B. They do not include all information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. The interim unaudited consolidated financial

statements should be read in conjunction with the financial statements for the year ended December 31, 2004, which is included in the Company's Annual Report on Form 10-KSB filed with the Securities and Exchange Commission on March 21, 2005. In the opinion of management, all adjustments considered necessary for a fair presentation, consisting solely of normal recurring adjustments, have been made. Operating results for the three months ended March 31, 2005 are not necessarily indicative of the results that may be expected for the year ending December 31, 2005.

WINWIN GAMING, INC.

WinWin Gaming, Inc. (the "Company") a Delaware corporation, was incorporated on December 30, 1992

WIN WIN, INC.

Win Win, Inc., a Nevada corporation, (the "Operating Subsidiary") was incorporated on May 10, 2002. The Operating Subsidiary is a lottery and gaming company with international operations. The Operating Subsidiary offers a complete "turn-key" service providing funding, equipment, training, management, and marketing for lottery and gaming operations worldwide.

WIN WIN CONSULTING (SHANGHAI) CO. LTD.

Win Win Consulting (Shanghai) Co. Ltd. ("Win Win Shanghai"), a corporation organized in the Peoples Republic of China ("PRC") on November 28, 2003, is a wholly-owned foreign subsidiary of the Operating Subsidiary conducting all of the Operating Subsidiary's PRC business.

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WINWIN GAMING, INC.
(A Development Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

CAPITAL RESOURCES AND BUSINESS RISKS ISSUES

The Company's future operations are subject to all of the risks inherent in the establishment of a new business enterprise.

Operations to date have been primarily financed by debt and equity transactions. As a result, future operations are dependent upon the identification and successful completion of permanent equity financing, the continued support of present and future stockholders and, ultimately, the achievement of profitable operations. Additionally, even if the Company continues to raise operating capital, there can be no assurance that the net proceeds will be sufficient to enable it to develop its business to a level where it will generate profits and positive cash flows. These financial statements do not include any adjustments related to recoverability and classification of recorded asset amounts nor to amounts and classification of liabilities that may be necessary should it be unable to continue as a going concern.

As discussed in Note 5, on February 25, 2005, the Company sold 4 million shares of its common stock for \$2 million. Also, as discussed in Note 4, in March 2005, the Company secured a revolving credit line from two stockholders, who are also directors of the Company, in the aggregate

amount of \$1 million.

On March 22, 2005, the Company signed a non-binding letter of intent, which set forth certain terms and conditions by which the Company proposes to acquire the stock of Pixiem, Inc. ("Pixiem"). The Company is currently negotiating the final terms to this acquisition.

We believe that our currently available working capital, after receiving the aggregate proceeds of our capital raising activities in the first quarter of 2005 and the \$1 million revolving credit line referred to above, should be adequate to sustain our current business operations at our current levels through the end of fiscal year 2005, assuming that we only make the investments contemplated by our current business plan. The estimate of the adequacy of our working capital does not take into account the acquisition of Pixiem (see note 6). Such acquisition would accelerate our need for capital.

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WINWIN GAMING, INC.
(A Development Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

SIGNIFICANT ESTIMATES AND CONTINGENT LIABILITIES

Several areas require management's estimates relating to uncertainties for which it is reasonably possible that there will be a material change in the near term. The more significant areas requiring the use of management estimates are related to the valuation of the Company's liabilities that were deemed acquired by the Operating Subsidiary in the reverse acquisition, the valuation of contingent liabilities and the valuation of the stock warrants and options issued and outstanding.

3. LOSS PER SHARE

Basic loss per common share ("LPS") is calculated by dividing net loss by the weighted average number of common shares outstanding during the period. Diluted earnings per common share are calculated by adjusting the weighted average of outstanding shares, assuming conversion of all potentially dilutive instruments. No diluted loss per share amounts are disclosed separately because their effect is antidilutive, due to the loss reported by the Company.

Common stock equivalents, including warrants totaling 7,091,181 at March 31, 2005, are not included in the diluted loss per share for the three months ended March 31, 2005 and 2004, as they are anti-dilutive. The warrants are generally exercisable 3-5 years from the issuance date at exercise prices ranging from \$.25 to \$.75 per share. Substantially all of the warrants expire on December 28, 2008.

4. RELATED PARTY TRANSACTIONS

On March 16, 2005, the Company entered into unsecured revolving line of credit note and agreements with two of the Company's directors. Pursuant to the revolving credit arrangements, the directors are obligated to loan the Company up to an aggregate of \$1,000,000 (\$500,000 each) until the loans mature on the earlier of (a) the first anniversary of the revolving credit arrangements or (b) the date that the Company is able to consummate an equity financing transaction in which the Company receives aggregate gross proceeds of at least \$1,000,000.

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WINWIN GAMING, INC.
(A Development Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

The directors are obligated under the revolving credit arrangements to make advances and re-advances up to an aggregate of \$1,000,000 (\$500,000 each) upon demand by the Company. All amounts outstanding under these arrangements bear interest at a simple rate of 12% with a default rate of interest at 16%. The Company would be in default under the revolving credit arrangements if it fails to make any payments when due or if a bankruptcy event occurs.

5. STOCK AND WARRANT TRANSACTIONS

On February 25, 2005, the Company entered into a Securities Purchase Agreement (the "SPA") and a Registration Rights Agreement (the "RRA") with the Van Wagoner Private Opportunities Fund L.P. (the "Investor"). Pursuant to the SPA, on February 25, 2005 the Investor acquired 4,000,000 shares of the Company's Common Stock for an aggregate purchase price of \$2,000,000.

The SPA permits the Company to allow additional investors reasonably approved by the Investor to acquire the Company's Common Stock on identical terms as those obtained by the Investor at subsequent closings that occur on or prior to May 16, 2005 (the "Subsequent Offering Period").

The Investor also has the right to acquire up to an additional 2,000,000 shares of the Company's Common Stock at the first of any such subsequent closings and, if no such subsequent closings occurs, then upon the expiration of the Subsequent Offering Period.

The Company also issued the Investor a Warrant (the "Warrant") pursuant to the SPA and would issue any subsequent investors a like Warrant. The Warrant gives the investor the right to purchase a number of shares of the Company's common stock equal to three percent of the aggregate number of shares of common stock acquired by an investor on the Closing Date or at any subsequent closing date for each month (pro rated for partial months) that a Trigger Event exists. A "Trigger Event" is defined as the inability, after August 31, 2005, of the holder of the Warrant to sell any of the shares of common stock acquired pursuant to the SPA or the shares issuable upon exercise of the Warrant because of the lack of an effective registration statement authorizing the resale of such shares.

The Warrant expires on February 25, 2010. The Warrants are exercisable at a price of \$0.50 per share and contain a net exercise or cashless exercise feature. The Warrants also contain a full ratchet anti-dilution feature that requires the company to reduce the exercise price of the Warrant to the lowest price that the Company sells its common stock (or is deemed to

have sold its common stock as the result of the issuance of an option or convertible security) after the Closing Date. The full ratchet anti-dilution feature does not apply to issuances of securities to (i) officers, directors, employees and consultants to the company pursuant to stock grants, option plans or similar programs, or (ii) in connection with the exercise or conversion of options or convertible securities that were outstanding on the Closing Date.

WINWIN GAMING, INC.
(A Development Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Pursuant to a registration rights agreement entered into with the Investor, the Company is obligated to file a registration statement on or before May 31, 2005 that covers the shares purchased pursuant to the SPA and all shares underlying Warrants issued pursuant to the SPA. The Company is obligated to cause the registration statement to become effective on or before August 31, 2005. The registration rights agreement contains customary indemnity and contribution provisions in favor of the Investor and the Company. The failure of the registration statement to be declared effective by such date or if sales cannot be made pursuant to the registration statement after it has been declared effective, then as a partial remedy for such events, a Trigger Event, as described above, would be deemed to occur under the Warrant which would entitle the investors to warrant shares as described above. The Company is responsible for paying the costs associated with the aforementioned registration statement.

6. COMMITMENTS AND CONTINGENCIES

LEGAL PROCEEDINGS

A former Chief Executive Officer, President and director, ("prior CEO") who was the largest stockholder of the Company prior to March 31, 2003, which is the date on which there was a change in control and our current management began operating the Company under a new business plan, has filed several civil actions against the Company and others in the Superior Court of the State of California for the County of Los Angeles (Central District), and in the County of Orange, California. The complaints, for corporate actions that had occurred prior to March 31, 2003, allege a breach of an employment contract, unauthorized removal from the board of directors, and other breach of fiduciary duty, breach of covenant of good faith and fair dealing, breach of a \$1 million promissory note, intentional and negligent interference with prospective business and economic advantage, and seek damages in excess of \$3,000,000 and other relief. The Company is vigorously contesting all these civil actions.

The Company has filed counter-claims against the prior CEO for fraud and misappropriation of corporate assets, and is seeking damages.

LOAN COMMITMENTS

On March 22, 2005, the Company entered into a Loan and Security Agreement ("Loan Agreement") with Pixiem Inc. ("Pixiem"). Pursuant to the Loan Agreement, the Company agreed to lend to Pixiem up to \$650,000 over a three-month period. Pixiem is obligated under the Loan Agreement to pay interest at a rate of 12% on all outstanding advances and at a rate of 15% after default, if any. The balance due from Pixiem at March 31, 2005 was \$317,000. The total balance due from Pixiem is now approximately \$491,500.

The loan matures on June 22, 2005 or sooner upon the occurrence of specified events. Accordingly, there is a high credit risk associated with this loan and if Pixiem is not acquired by the Company as contemplated by the letter of intent, then it is likely that we will have to foreclose on the security interest that we obtained in connection with granting the credit facility to Pixiem.

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WINWIN GAMING, INC.
(A Development Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

The Company's obligation to lend the undisbursed portion under the Loan Agreement will terminate if, in the Company's reasonable sole discretion, there has been an Event of Default, or any other event or occurrence that may materially adversely affect Pixiem's ability to repay any existing or future obligations.

Pixiem granted the Company a security interest in all of Pixiem's assets as collateral for amounts due or to become due to the Company under the Loan Agreement. In addition, the major stockholders of Pixiem guaranteed the loan on a nonrecourse basis and pledged their equity in Pixiem as collateral security for such guaranty pursuant to a Guarantee and Pledge Agreement.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Forward-Looking Statements

This report contains forward-looking statements and information relating to us that are based on the beliefs of our management as well as assumptions made by, and information currently available to, our management. When used in this report, the words "anticipate", "believe", "estimate", "expect", "intend", "plan" and similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. These statements reflect management's current view of us concerning future events and are subject to certain risks, uncertainties and assumptions, including among many others: the risk factors described below under "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations - Risk Factors that May Affect Future Operating Results," our potential inability to raise additional capital, our potential inability to obtain licenses to develop lottery programs in our target markets or to exploit the licenses currently held by us, our potential inability to compete with other lottery companies that may be more experienced and better capitalized than we are, changes in domestic and foreign laws, regulations and taxes, changes in economic conditions, uncertainties related to the legal systems in our target markets, including China's legal system and economic, political and social events in China and other target markets; a general economic downturn; a downturn in the securities markets; Securities and Exchange Commission regulations which affect trading in the securities of "penny stocks"; and other risks and uncertainties. Should any of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this report as anticipated, estimated or expected.

When used in this report, the terms "Company", "we", "our" and "us" refer to WinWin Gaming, Inc. and its consolidated subsidiaries, including the operating subsidiaries of Win Win, Inc. and Win Win Consulting (Shanghai) Co. Ltd. Also, we have assumed a conversion rate of \$1 to 0.12 Chinese Yuan Renminbi ("RMB") throughout this quarterly report in all instances where such currency conversion is required.

Overview

The following discussion of our financial condition and results of operations should be read in connection with our condensed consolidated financial statements and the notes thereto appearing above.

Since our inception on May 10, 2002, we have been engaged in obtaining licenses to operate lotteries and gaming operations throughout the world, including directing and supporting marketing and sales of lottery tickets in foreign countries. Currently the focus of our operations is in the People's Republic of China ("PRC"). The market for instant lottery tickets in the PRC, for example, is several billion U.S. dollars. Obtaining the right to operate, even in partnership with another local PRC entity, is not an easy task. However, we have been thus far successful in pursuing a partnership with the Shanghai Welfare Lottery Issuing Center ("SWLIC") and we are optimistic that the start up work that we conducted as a development stage company and the business associations established by us during this period, will result in revenues for us in 2005.

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Currently, our only source of revenues is from consulting services that we provide to the SWLIC in connection with the Shanghai Welfare Lottery. The SWLIC is our only client at this time and any revenues we currently generate result from the services we provide to the SWLIC and the Shanghai Welfare Lottery. Approximately 30%-35% of the proceeds from the sale of lottery tickets in Shanghai is used for charitable and humanitarian purposes; approximately 50% of such proceeds is disbursed to the winning lottery ticket holder(s) and the remaining 15% to 20% is disbursed to all third parties who provide services to the SWLIC in order to effectuate the Shanghai lottery, including us. Our current percentage of the total lottery ticket revenues in Shanghai is in the range of approximately 1.65% to 8.6%. If we sell the tickets directly, we can earn higher commission rates of up to 8.6%. During the period from July 11, 2004 (the launch of the Slam Dunk Lottery in Shanghai) through March 31, 2005, we generated \$6,063 in revenues as a result of the consulting services we provide to SWLIC in connection with the Shanghai Welfare Lottery. We are currently negotiating with the Chinese government to increase our consulting revenue percentage from the present 1.65% rate, and to have a more defined role in the distribution and promotion of the tickets for future welfare lotteries that we may launch in other provinces in the PRC.

There are several other areas where revenues could potentially be generated from our operations. To date, we have not generated any revenues from these potential revenue sources. These areas include television production and commercial time sales in the PRC, product placement fees, and corporate sponsorships. Also revenues could potentially be derived from the operation and sale of Video Lottery Terminals, the management of land based casinos and the sale and distribution of wireless games.

Our ability to move forward with our operations in the PRC as well as other venues will be dependent on our ability to attract sufficient additional funds to allow us to design, market, promote, broadcast and sell lottery tickets and produce and televise our game show programs linked to those tickets.

With a population over 1.4 billion, China can potentially be the single most lucrative lottery market in the world. 2004 China welfare lottery sales were

estimated to be \$2.7 billion dollars (up from \$2.4 billion in 2003).

SWLIC is seeking to recruit investors who may be willing to invest in the capital equipment necessary to deploy our Slam Dunk game in exchange for a percentage of the lottery revenue. The potential for a quick return on investment for this equipment could be high, especially since SWLIC has recently revised its policy to allow such equipment to also dispense other lottery tickets, such as lotto, through these machines. We are presently considering making such investment as well, especially in view of the incremental revenue that such investment might bring to our revenue portfolio.

In order for us to succeed in Shanghai, there must be a sufficient number of lottery ticket distribution outlets that will sell our Slam Dunk lottery tickets.

To date, the SWLIC has not been able to provide us with a sufficient number of distribution outlets and as a result we have generated only marginal revenues (\$4,475 in fiscal year 2004 and \$1,588 in the first quarter of 2005) in Shanghai. One reason that the SWLIC failed to fully deploy sufficient distribution outlets relates to a new technology (new to the Shanghai Welfare Lottery) that we utilized in our Slam Dunk game. This technology is bar code scanning technology that ensures authenticity of lottery tickets in order to bring integrity back to the welfare lottery market in the PRC. This new technology requires distribution outlets to acquire bar code equipment that was not necessary with prior Shanghai Welfare Lottery tickets that were not developed by us. As a result many distribution outlets that previously distributed lottery tickets for the SWLIC were unwilling to make the capital expenditure necessary to acquire such equipment and were, therefore, unable to distribute our bar coded Slam Dunk tickets.

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In order for us to breakeven in fiscal year 2005 based on our current projected overhead expenses and anticipated revenue sharing percentage for 2005, we estimate that the Shanghai Welfare Lottery and lotteries in other provinces in the PRC that we expect to be involved in, each distribution outlet must sell in 2005 a daily average of 360 tickets through at least 2,200 lottery distribution outlets. Presently the Shanghai Welfare Lottery sells through only approximately 200 distribution outlets. We expect that the number of distribution outlets in Shanghai to increase in 2005, but we do not expect the number of outlets to increase enough for us to breakeven. It is difficult to project how many distribution outlets will open in 2005 and how many tickets will be sold by such outlets. During the first quarter of 2005 no significant number of new distribution outlets opened in Shanghai.

We are working on designing new lottery games, and designing new lottery tickets for the new game, Slam Dunk II. We currently anticipate entering into agreements to deploy our new games to distribution outlets in other PRC provinces where PRC lottery officials have represented to us that the capital equipment infrastructure is already in place. Some of these provinces already have over 5,000 outlets up and running and hence the barriers to increasing the number of outlets could be low. We would require additional licenses in order to manage lotteries in these other provinces.

Because of the present development stage status of our company and our current welfare lottery activities and other factors, we will need to arrange additional financing through the sale of our stock or make other arrangements in 2005, if our current business model develops in the PRC or if we make any business acquisitions.

In evaluating our financial condition and operating performance, we began an initiative to critically reassess our current and long-term business plan and

capital requirements. While the validation of our current business plan is ongoing, we have identified and begun to implement some of the plan's critical components:

1) We have strengthened our financial position with the receipt of an aggregate of \$2,000,000 in private equity financing on February 25, 2005.

2) We further enhanced our liquidity position by entering into one year revolving credit arrangements with two of our directors, which aggregate \$1,000,000 (\$500,000 each) on March 16, 2005.

3) We took steps to implement our multi-phased business plan for wireless games and the wireless lottery market. We are currently negotiating the acquisition of Pixiem, a wireless gaming company. The PRC is the largest lottery market in the world and we believe there is a significant opportunity for us to generate revenues through wireless games and future wireless lotteries.

4) We resolved outstanding liabilities from our predecessor business Junum Incorporated, thereby removing a total potential liability of more than \$598,229 in 2004.

5) We will be looking to reduce our operating overhead costs incurred in the PRC and our Las Vegas offices in 2005.

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6) We have applied for 8 different trademarks in China during 2004 (4 in English and 4 in Chinese). We expect these intangible assets to have a value in excess of their recorded amounts on the accompanying financial statements to this Form 10-QSB filing.

Pixiem Credit Facility and Proposed Acquisition

We have entered into a non-binding letter of intent to acquire the capital stock of Pixiem, Inc. ("Pixiem") a global developer and publisher of wireless entertainment games. The acquisition of Pixiem would have a significant impact on our short-term liquidity. This acquisition would provide us with immediate access to the global wireless entertainment game market.

In connection with the proposed acquisition of Pixiem, on March 22, 2005, we entered into a Loan and Security Agreement with Pixiem. Pursuant to the Loan Agreement, we agreed to lend to Pixiem up to \$650,000 over a three-month period. Pixiem is obligated under the Loan Agreement to pay interest at a rate of 12% on all outstanding advances and at a rate of 15% after default. The balance due from Pixiem at March 31, 2005 was \$317,000.

Our obligation to lend the undisbursed portion under the Loan Agreement will terminate if, in our reasonable sole discretion, there has been an event of default, or any other event or occurrence that may materially adversely affect Pixiem's ability to repay any existing or future Obligations.

Pixiem granted us a security interest in all of Pixiem's assets as collateral for amounts due or to become due to us under the Loan Agreement. In addition, the major stockholders of Pixiem guaranteed the loan on a nonrecourse basis and pledged their equity in Pixiem to us as collateral security for such guaranty pursuant to a guarantee and pledge agreement.

Results of Operations

Income Statement Items

The following table summarizes the results of our operations during the three

months ended March 31, 2005 and 2004 and provides information regarding the dollar and percentage increase or (decrease) from the current fiscal year to the prior fiscal year:

<TABLE>
<CAPTION>

Line Item	3/31/05	3/31/04	Increase (Decrease)	Percentage Increase (Decrease)
-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>
Revenues	\$ 1,588	\$ 9,512	\$ (7,924)	(83)%
Selling, General and Administrative Expenses	973,171	432,997	540,174	125 %
Other (income) expense	2,040	16,529	(14,489)	(88)%
Total Expenses	975,211	449,526	525,685	117 %
Net Loss	\$(973,623)	\$(440,014)	\$ 533,609	121 %
Earnings (loss) per share of common stock	\$ (.02)	\$ (.01)	\$.01	100 %

</TABLE>

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During the three months ended March 31, 2005, we incurred a net loss of \$973,623 as compared to a net loss of \$440,014 for the prior year. This represents a 121% increase in net loss from last year to this year. During the period from inception (May 10, 2002) through the end of the period 2005, we have incurred a loss of \$12,652,796.

Total expenses for the three months ended March 31, 2005 increased by \$525,685 or 117%, of which \$252,196 related to expenses incurred by Win Win Shanghai in 2005 compared to \$74,368 in 2004. The other components that attributed to the increase in operating expenses for the three-month period ended March 31, 2005 compared to March 31, 2004 consist primarily of the following:

- o increased payroll expenses and related fringe benefits expenses in the U.S. of approximately \$163,000 in 2005 compared to \$70,000 in 2004;
- o increased professional fee expense of \$152,000 in 2005 compared to \$87,960 in 2004;
- o increased office expenses, travel, business development and public relations expenses of approximately \$228,500 in 2005 compared to \$69,395 in 2004; and

Net sales for the three month period ended March 31, 2005 were \$1,588 as compared to \$9,512 for the same period in the prior year. This represents an 83% decrease in revenues compared to last year. We experienced lower-than-anticipated sales in 2005 and 2004 due to the inability of the SWLIC to provide sufficient lottery ticket sales outlets throughout Shanghai. The failure of SWLIC to provide sufficient lottery distribution outlets for the sale of Slam Dunk tickets was due primarily to the fact that new bar code security technology was introduced in connection with the Slam Dunk game and many of the current distribution outlets did not have the equipment necessary for this new technology and were unwilling to make the capital expenditure necessary to acquire such equipment.

Balance Sheet Items

We had total current assets of \$1,467,127 as of March 31, 2005, of which \$1,048,621 was cash. Our total assets as of March 31, 2005 were \$1,822,797. We

had total current liabilities of \$1,242,403 as of March 31, 2005. Our total stockholders' equity as of March 31, 2005 was \$580,394

We had total deferred tax assets of \$4,428,479 as of March 31, 2005. We have taken a 100% valuation allowance against this asset, as management believes that it is very likely that substantially all the deferred tax assets, which is primarily our net operating loss carryforwards, will not be realized in future periods. The change in the valuation allowance, based on a 35% effective tax rate, in 2004 was \$340,768.

Cash Flows

We used \$1,275,603 in cash from our operating activities during the three-month period ended March 31, 2005 as compared to \$296,078 used in the prior year. The difference of \$979,525, or a 330% increase, is attributable to the following factors:

- o expenses relating to being in the development stage with respect to the establishment of operations in China,
- o increased overhead expenses in our Las Vegas office,
- o increases in professional fees and travel and business development expenses.

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We used \$6,526 in cash from our investing activities during the three-month period ended March 31, 2005 as compared to \$2,845 used in the prior year. This increase is due primarily to the purchase of equipment in 2005.

We received \$2,004,000 from financing activities during the three-month period ended March 31, 2005 as compared to \$709,600 during the prior year. This increase is due primarily to an increase in sales of our securities through private placements in 2005.

Liquidity and Capital Resources

We had \$1,048,621 in cash and cash equivalents as of March 31, 2005. As of such date, we also had total assets of \$1,822,797, we have accumulated deficit from operations of \$12,652,796.

On February 25, 2005 we raised \$2,000,000 in capital through the private placement of 4,000,000 shares of our common stock to an accredited investor.

On March 16, 2005, we entered into a revolving line of credit note and agreement with Art Petrie and a separate revolving line of credit note and agreement with John Gronvall, each of whom are our directors. Pursuant to each of the revolving credit arrangements, the lender (either Mr. Petrie or Mr. Gronvall, as applicable) is obligated to loan us up to \$500,000 (for an aggregate of \$1,000,000 under both revolving credit facilities) until the loan matures on the earlier of (a) the first anniversary of the revolving credit arrangement or (b) the date that we are able to consummate an equity financing transaction in which we receive gross proceeds of at least \$1,000,000. Each lender is obligated to make advances and re-advances under this revolving credit arrangement up to \$500,000 upon demand by us. All amounts outstanding under these arrangements bear interest at a simple rate of 12% with a default rate of interest at 16%. We would be in default under the revolving credit arrangements if we fail to make any payments when due or if a bankruptcy event occurs.

We believe that our currently-available working capital, after receiving the aggregate proceeds of our capital raising activities in the first quarter of

2005 and receiving all the proceeds from the revolving credit arrangements referred to above, should be adequate to sustain our operations at our current activity levels through the end of fiscal year 2005, assuming that we only make the investments contemplated by our current business plan for our Chinese and United States operations. The estimate of the adequacy of our working capital does not take into account the acquisition of Pixiem. Such acquisition would accelerate our need for working capital in 2005.

Our present projected cash requirements for our China operations under our current business plan, are approximately \$900,000 a year or approximately \$75,000 per month. Our present projected cash requirements under our current business plan for our United States operations are approximately \$2,100,000 a year or approximately \$175,000 per month. We will need to arrange additional financing or make other arrangements in 2005 to fund our 2006 and future United States and China operations.

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Our financial statements have been prepared on the basis that we will continue as a going concern, which contemplates the realization and satisfaction of our pre-existing liabilities and existing liabilities and commitments in the normal course of business.

Operations to date have been primarily financed by stockholder debt and equity transactions. As a result, our future operations are dependent upon the identification and successful completion of permanent equity financing, the continued support of shareholders and ultimately, the achievement of profitable operations. Our financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to amounts and classification of liabilities that may be necessary should we be unable to continue as a going concern.

Critical Accounting Policies

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires our management to make assumptions, estimates and judgments that affect the amounts reported in the financial statements, including the notes thereto, and related disclosures of commitments and contingencies, if any. We consider our critical accounting policies to be those that require the more significant judgments and estimates in the preparation of financial statements, including the following:

- o accounting for expenses in connection with stock options and warrants by using the Black Scholes option pricing method;
- o valuation of contingent liabilities, including those from Junum Incorporated

Management relies on historical experience, legal advice and on assumptions believed to be reasonable under the circumstances in making its judgment and estimates. Actual results could differ materially from those estimates.

The consolidated financial statements include the accounts of Win Win, Inc., prior to the business combination with WinWin Gaming Inc. and its subsidiaries, including some wholly-owned and majority-owned subsidiaries that were inactive and do not have any assets or liabilities.

Off-Balance Sheet Arrangements

We have an off-balance sheet arrangement or commitment that will have a current effect on our financial condition and changes in financial condition in 2005.

On March 22, 2005, we entered into the Loan Agreement with Pixiem. Pursuant to the Loan Agreement, we agreed to lend to Pixiem up to \$650,000 over a three-month period. Pixiem is obligated under the Loan Agreement to pay interest at a rate of 12% on all outstanding advances and at a rate of 15% after default, if any. The balance due from Pixiem at March 31, 2005 was \$317,000. Our obligation to lend the undisbursed portion under the Loan Agreement will terminate if, in our reasonable sole discretion, there has been an event of default, or any other event or occurrence that may materially adversely affect Pixiem's ability to repay any existing or future obligations.

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Inflation

We believe that inflation has not had a material impact on our results of operations for the quarters ended March 31, 2005 or March 31, 2004.

Seasonality

We may experience seasonal variations in revenues and operating costs due to seasonality, however, we do not believe that these variations will be material.

Risk Factors That May Affect Future Operating Results

You should carefully consider the risks described below before making an investment decision. The risks and uncertainties described below are the material risks that apply to our business, operations, financial condition and prospects.

Our business is difficult to evaluate because we have a limited operating history.

We have a limited operating history. You must consider the risks and difficulties frequently encountered by development stage companies in new and rapidly evolving markets, particularly those involved in the lottery and gaming industries. We expect our operating expenses to increase significantly, especially in the areas of development, marketing and promotion.

We have suffered losses since our formation and we anticipate that we will lose money in the foreseeable future. Accordingly, we may not be able to achieve profitable operations.

Our losses from the inception of Win Win Inc. through March 31, 2005 are \$12,652,796. We expect to encounter difficulties as a development stage company in the rapidly evolving lottery and gaming markets. We expect to incur significant operating and capital expenditures and, as a result, we expect significant net losses in the future. We will need to generate significant revenues to achieve and maintain profitability. We may not be able to achieve profitable operations.

We have liabilities resulting from predecessor business operations that could have an adverse effect on us.

We are responsible for the liabilities that were incurred by prior management as they operated businesses other than our current lottery and gaming business. We are unsure of the extent of these liabilities. These liabilities could adversely affect our financial condition and operations in 2005. In addition, we may incur significant costs in connection with defending lawsuits involving such liabilities being disputed.

We face extensive regulation from gaming and other government authorities.

The lottery and gaming industry is a highly-regulated industry and is subject to numerous statutes, rules and regulations administered by the gaming commissions or similar regulatory authorities of each jurisdiction that we operate. Generally, companies that seek to introduce gaming products or concepts into such jurisdictions may be required to submit applications relating to their activities or products (including detailed background information concerning controlling persons within their organization), which are then reviewed for approval. In this regard, we may incur significant expenses in seeking to obtain licenses for our lottery and gaming products and concepts, and no assurance can be given that our games and products will be approved in any particular jurisdiction. The failure to obtain such approval in any jurisdiction in which we may seek to introduce our products or concepts could have a material adverse effect on our business. In addition, any change to the applicable statutes, rules and regulations that restricts or prevents our ability to operate could have an adverse effect on us.

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Our operations are subject to intense competition.

There are many companies with substantially more resources than we have that are seeking to develop lotteries in our target markets. Most of our potential competitors have substantially greater capital, marketing and development capabilities and human resources than we have and will likely represent significant competition for us. The foregoing conditions create a rigorous competitive climate for us and increase the risk that we fail to obtain licenses in jurisdictions where we plan to operate lotteries or we are unable to compete successfully with other potential lottery and gaming companies in our target markets.

Our largest target market is in China and there are several significant risks relating to conducting operations in China.

Our largest target market is in China. Therefore, our business, financial condition and results of operations are to a significant degree subject to economic, political and social events in China.

Governmental policies in China could impact our business.

Since 1978, China's government has been and is expected to continue reforming its economic and political systems. These reforms have resulted in and are expected to continue to result in significant economic and social development in China. Many of the reforms are unprecedented or experimental and may be subject to change or readjustment due to a number of political, economic and social factors. We believe that the basic principles underlying the political and economic reforms will continue to be implemented and provide the framework for China's political and economic system. New reforms or the readjustment of previously implemented reforms could have a significant negative effect on our operations. Changes in China's political, economic and social conditions and governmental policies which could have a substantial impact on our business include:

- * new laws and regulations or new interpretations of those laws and regulations;
- * the introduction of measures to control inflation or stimulate growth;
- * changes in the rate or method of taxation;
- * the imposition of additional restrictions on currency conversion and remittances abroad; and
- * any actions which limit our ability to conduct lottery operations in China.

Economic policies in China could negatively impact our business.

The economy of China differs from the economies of most countries belonging to the Organization for Economic Cooperation and Development in various respects, such as structure, government involvement, level of development, growth rate, capital reinvestment, allocation of resources, self-sufficiency, rate of inflation and balance of payments position. In the past, the economy of China has been primarily a planned economy subject to one- and five-year state plans adopted by central government authorities and largely implemented by provincial and local authorities. These plans set production and development targets.

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Since 1978, increasing emphasis had been placed on decentralization and the utilization of market forces in the development of China's economy. Economic reform measures adopted by China's government may be inconsistent or ineffectual, and we may not in all cases be able to capitalize on any reforms. Further, these measures may be adjusted or modified in ways that could result in economic liberalization measures that are inconsistent from time to time, from industry to industry or across different regions of the country. China's economy has experienced significant growth in the past decade. This growth, however, has been accompanied by imbalances in China's economy and has resulted in significant fluctuations in general price levels, including periods of inflation. China's government has implemented policies from time to time to increase or restrain the rate of economic growth, control periods of inflation or otherwise regulate economic expansion. While we may be able to benefit from the effects of some of these policies, these policies and other measures taken by China's government to regulate the economy could also have a significant negative impact on economic conditions in China with a resulting negative impact on our business.

China's entry into the WTO creates uncertainty.

China formally became the 143rd member of the World Trade Organization (WTO), the multilateral trade body, on December 11, 2001. Entry into the WTO will require China to further reduce tariffs and eliminate other trade restrictions. While China's entry into the WTO and the related relaxation of trade restrictions may lead to increased foreign investment, it may also lead to increased competition in China's markets from international companies. The impact of China's entry into the WTO on China's economy and our business is uncertain.

Uncertainty relating to China's legal system could negatively affect us.

China has a civil law legal system. Decided court cases do not have binding legal effect on future decisions. Since 1979, many new laws and regulations covering general economic matters have been promulgated in China. Despite this activity to develop the legal system, China's system of laws is not yet complete. Even where adequate law exists in China, enforcement of contracts based on existing law may be uncertain and sporadic and it may be difficult to obtain swift and equitable enforcement, or to obtain enforcement of a judgment by a court of another jurisdiction. The relative inexperience of China's judiciary in many cases creates additional uncertainty as to the outcome of any litigation. Further, interpretation of statutes and regulations may be subject to government policies reflecting domestic political changes.

We must reach agreements with third parties to obtain licenses and the loss of access to these third parties could cause our future customers and distribution base for our lottery tickets and other products to suffer, which, in turn, could decrease our revenues and increase our costs.

We have certain contemplated strategic relationships that will be critical to

our strategy. We cannot assure you that these relationships can be maintained or obtained on terms favorable to us or at all. Our success depends substantially on obtaining and maintaining relationships with strategic partners. If we are unable to obtain or maintain our relationship with strategic partners, our business, prospects, financial condition and results of operations will be materially adversely affected.

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You will likely suffer significant dilution. We do not intend to pay any dividends for the foreseeable future.

We will likely need to issue additional shares of our capital stock in the near future in order to raise capital to fulfill our business plans and initiatives. Upon the issuance of these shares, you will experience dilution in the net tangible book value of your common stock. We have never paid dividends and do not intend to pay any dividends in the foreseeable future.

A limited public market exists for the trading of our securities.

Our common stock is quoted on the NASD Over-the-Counter Bulletin Board. As a result, investors may find it difficult to dispose of or to obtain accurate quotations of the price of our securities. This lack of information limits the liquidity of our common stock, and likely will have an adverse effect on the market price of our common stock and on our ability to raise additional capital.

Our stock is a penny stock and there are significant risks related to buying and owning penny stocks.

Rule 15c-9 under the Securities Exchange Act of 1934 imposes additional sales practice requirements on broker-dealers that sell non-Nasdaq listed securities except in transactions exempted by the rule, including transactions meeting the requirements of Rule 506 of Regulation D under the Securities Act and transactions in which the purchaser is an institutional accredited investor (as defined) or an established customer (as defined) of the broker or dealer. For transactions covered by this rule, a broker-dealer must make a special suitability determination for the purchaser and have received the purchaser's written consent to the transaction prior to sale. Consequently, this rule may adversely affect the ability of broker-dealers to sell our securities and may adversely affect your ability to sell any of the securities you own.

The Securities and Exchange Commission regulations define a "penny stock" to be any non-Nasdaq equity security that has a market price (as defined in the regulations) of less than \$5.00 per share or with an exercise price of less than \$5.00 per share, subject to some exceptions. For any transaction by a broker-dealer involving a penny stock, unless exempt, the rules require delivery, prior to any transaction in a penny stock, of a disclosure schedule prepared by the SEC relating to the penny stock market. Disclosure is also required to be made about commissions payable to both the broker-dealer and the registered representative and current quotations for the securities. Finally, monthly statements are required to be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks. Our market liquidity could be severely adversely affected by these rules on penny stocks.

We are effectively controlled by our principal shareholders and management, which may limit your ability to influence shareholder matters or to receive a premium for your shares through a change in control.

As a result, the minority shareholders may not be able to effectively control us and direct our affairs, and have significant influence in the election of directors and approval of significant corporate transactions, like the sale of

all or substantially all of our assets, a merger, amendments to our certificate of incorporation, the issuance of additional shares and other material corporate actions. The interests of these shareholders may conflict with those of the principal shareholders. This concentration of ownership may also delay, defer or prevent a change in control of our company and some transactions may be more difficult or impossible without the support of these principal shareholders.

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We are dependent on certain key personnel.

We are primarily dependent upon the services of Patrick Rogers, our Chief Executive Officer, and Peter Pang, our Executive Vice President and General Counsel, The loss of services of either of these two individuals (or other key members of the management team) could impair our ability to complete the rollout of our products and services or to bring our product offerings to a significant level of consumer acceptance and could have a material adverse effect on our business, financial condition and results of operations.

ITEM 3. CONTROLS AND PROCEDURES

An evaluation was carried out under the supervision and with the participation of our management, including Patrick Rogers, our Chief Executive Officer and Larry Goldman, our Chief Financial Officer and Treasurer regarding the effectiveness of our disclosure controls and procedures. Disclosure controls and procedures are procedures that are designed with the objective of ensuring that information required to be disclosed in our reports filed under the Securities Exchange Act of 1934, such as this Form 10-QSB, is recorded, processed, summarized and reported within the time period specified in the Securities and Exchange Commission's rules and forms. Based on that evaluation, management concluded that as of March 31, 2005 and as of the date that the evaluation of the effectiveness of our disclosure controls and procedures was completed, our disclosure controls and procedures were effective to satisfy the objectives for which they are intended.

There were no changes in our internal control over financial reporting identified in connection with the evaluation performed that occurred during the fiscal quarter covered by this report that have materially affected or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See Item 3 "Legal Proceedings" of Part I of our annual report on Form 10-KSB for the fiscal year ended December 31, 2004, for a discussion of legal proceedings involving us. No material developments to any legal proceedings occurred during the first quarter of 2005.

ITEM 2. UNREGISTERED SHARES OF EQUITY SECURITIES AND USE OF PROCEEDS

We have not sold any equity securities during the fiscal quarter ended March 31, 2005 that were not previously disclosed in a current report on Form 8-K that was filed during the quarter.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to our security holders during the first fiscal quarter of 2005.

ITEM 5. OTHER MATTERS

None.

ITEM 6. EXHIBITS

- 10.1 Amendment No. 1 to Securities Purchase Agreement, dated April 13, 2005, between the Company and the Investor.
- 10.2 Amendment No. 1 to Registration Rights Agreement, dated April 13, 2005, between the Company and the Investor.
- 31.1 Certification of Principal Executive Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2 Certification of Chief Financial Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 32 Certification of Principal Executive Officer and Chief Financial Officer furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WINWIN GAMING, INC.

Date: May 2, 2005

By: /s/ Patrick O. Rogers

 Patrick O. Rogers
 Chief Executive Officer
 Principal Executive Officer

By: /s/ Larry Goldman

 Larry Goldman
 Chief Financial Officer and
 Treasurer

EXHIBIT INDEX

Exhibit

No.	Description
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- 10.1 Amendment No. 1 to Securities Purchase Agreement, dated April 13, 2005, between the Company and the Investor.

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- 31.1 Certification of Principal Executive Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2 Certification of Chief Financial Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32 Certification of Principal Executive Officer and Chief Financial Officer furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

AMENDMENT NO. 1 TO SECURITIES PURCHASE AGREEMENT

AMENDMENT NO. 1 TO SECURITIES PURCHASE AGREEMENT, dated as of April __, 2005 (this "Amendment"), by and among WINWIN GAMING, INC., a Delaware corporation (the "Company") and the Buyer executing this Amendment who is the holder of a majority of the Offered Shares. Capitalized terms used, but not otherwise defined, herein have the meanings ascribed to such terms in that certain Securities Purchase Agreement, dated February 25, 2005, among the Company and the Buyers (the "Agreement").

BACKGROUND

The Parties are parties to the Agreement, pursuant to which the Buyer acquired 4,000,000 Offered Shares for \$2,000,000. In connection with the Agreement, on February 25, 2005, the Buyer also entered into a Registration Rights Agreement with the Company (the "Registration Rights Agreement"), pursuant to which the Company agreed to register the Buyer's Offered Shares for re-sale within a specified period of time. Pursuant to Section 1(b)(ii) of the Agreement, the Company was permitted to sell additional Offered Shares on the terms specified in the Agreement for a period of thirty days following the Closing Date and prior to the filing of the registration statement contemplated by the Registration Rights Agreement; provided that the Buyer would have the right to acquire up to 2,000,000 Offered Shares at the first Subsequent Closing or upon the expiration of the thirty day period. Such thirty day period has now expired and the parties desire to extend such period as specified below.

Section 9(e) of the Agreement provides that the Agreement may be amended by an instrument in writing signed by the Company and the holders of a majority of the Offered Shares. This Amendment satisfies the requirements of Section 9(e) and is effective to amend the Agreement.

NOW, THEREFORE, the parties hereto, intending to be legally bound and in consideration of the mutual agreements and covenants contained herein and for such other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, agree as follows:

1. Amendment to Section 1(b)(ii) of the Agreement. The Agreement is hereby amended to delete Section 1(b)(ii) thereof in its entirety and in lieu thereof to insert the following new Section 1(b)(ii):

" ii. Subsequent Closings. It is anticipated that new investors reasonably approved by the initial Buyer hereunder (the "New Buyers") may not be purchasing Offered Shares at the initial Closing, but may acquire Offered Shares in an aggregate amount (taken together with the Offered Shares acquired by the initial

Buyer) not to exceed Fourteen Million (14,000,000) shares of Common Stock at additional closings to occur on or before May 16, 2005 (each a "Subsequent Closing," and together with the Initial Closing, the "Closings"; with the date of any Initial Closing or Subsequent Closing, as applicable, being referred to herein as a "Closing Date"), provided however, that Van Wagoner Private Opportunities Fund L.P. shall have the right to acquire up to 2,000,000 Offered Shares at the first Subsequent Closing of at least 1,000,000 Offered Shares to New Buyers, or if no such Subsequent Closing occurs, on May 16, 2005. Any such Offered Shares Van Wagoner Private Opportunities Fund L.P. elects not to purchase at the first Subsequent Closing shall thereafter be available for sale as

otherwise provided in this Section 1.b.ii. Any sales of Offered Shares and Warrants at Subsequent Closings shall be made on the terms and conditions set forth in this Agreement and shall be considered to have been issued pursuant hereto. The Schedule of Buyers shall be amended at each Subsequent Closing, without the need to obtain the consent of any party hereto, to reflect the name and address of each New Purchaser participating in such Subsequent Closing, the number of Offered Shares issued at such Subsequent Closings and the other information required by the Schedule of Buyers. Each New Purchaser who participates in a Subsequent Closing shall execute and deliver to the Company a counterpart signature page or joinder to this Agreement pursuant to which each such New Purchaser agrees to be bound by the terms and provisions hereof. The Company shall deliver to each such New Purchaser at each Subsequent Closing a Compliance Certificate executed by an executive officer of the Company, dated the Subsequent Closing Date, and certifying (i) that the representations and warranties made by the Company in Section 3 of this Agreement were true and correct when made, and are true and correct in all material respects as of the Subsequent Closing Date and (ii) that all covenants, agreements, and conditions contained in this Agreement to be performed by the Company on or prior to the Subsequent Closing have been fully performed or complied with in all material respects."

2. Agreement Remains in Force. Except as expressly set forth in this Amendment, the Agreement remains unmodified and in full force and effect.

3. Miscellaneous. This Amendment and the Agreement constitute the entire understanding among the parties hereto with respect to the subject matter hereof and may not be further amended, modified or supplemented except as specified in the Agreement. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original and enforceable against the Parties actually executing such counterpart, and all of which, when taken together, shall constitute one instrument. Facsimile execution and delivery of this Agreement is legal, valid and binding execution and delivery for all purposes.

[signature page follows]

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IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first set forth above.

WINWIN GAMING, INC.

By: /s/ Patrick Rogers

Name: Patrick Rogers

Title: Chief Executive Officer

VAN WAGONER PRIVATE OPPORTUNITIES FUND, L.P.

By: /s/ Garrett Van Wagoner

Garrett Van Wagoner, General partner

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AMENDMENT NO. 1 TO REGISTRATION RIGHTS AGREEMENT

AMENDMENT NO. 1 TO REGISTRATION RIGHTS AGREEMENT, dated as of April __, 2005 (this "Amendment"), by and among WINWIN GAMING, INC., a Delaware corporation (the "Company") and the Buyer executing this Amendment who is the holder of a majority of the Registrable Securities. Capitalized terms used, but not otherwise defined, herein have the meanings ascribed to such terms in that certain Registration Rights Agreement, dated February 25, 2005, among the Company and the Buyers (the "Agreement").

BACKGROUND

The Parties are parties to a Securities Purchase Agreement (the "SPA"), pursuant to which the Buyer acquired 4,000,000 shares of Common Stock for \$2,000,000. In connection with the SPA, on February 25, 2005, the Buyer also entered into the Agreement with the Company, pursuant to which the Company agreed to (i) file a registration statement covering the resale of the Registered Securities as soon as possible but in no event later than 45 days following the date of the Agreement (i.e., April 11, 2005) and (ii) cause the registration statement to be declared effective by the SEC as soon as possible, but in no event later than 120 days after the date of the Agreement (i.e., June 25, 2005). The Parties desire to amend the agreement to extend the Filing Deadline and the Effectiveness Deadline in order to provide the Company with additional time to find other investors for its private placement, prepare and file the registration statement and cause it to become effective.

Section 10 of the Agreement provides that the Agreement may be amended by the written consent of the Company and Major Investors who then hold a majority of the Registrable Securities represented by the Major Investors. This Amendment satisfies the requirements of Section 10 and is effective to amend the Agreement.

NOW, THEREFORE, the parties hereto, intending to be legally bound and in consideration of the mutual agreements and covenants contained herein and for such other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, agree as follows:

1. Amendment to Section 2(a) of the Agreement. The Agreement is hereby amended to delete Section 2(a) thereof in its entirety and in lieu thereof to insert the following new Section 2(a):

"(a) Mandatory Registration. The Company shall prepare and, as soon as possible but in no event later than May 31, 2005 (the "Filing Deadline"), file with the SEC a Registration Statement or Registration Statements (as is necessary) on Form SB-2 covering the resale of all of the Registrable Securities. In the event

that Form SB-2 is unavailable for such a registration, the Company shall use such other form as is available for such a registration, subject to the provisions of Section 2(d). The initial Registration Statement prepared pursuant hereto shall register for resale all the Registrable Securities. The Registration Statement shall be declared effective by the SEC as soon as possible, but in no event later than August 31, 2005 (the "Effectiveness Deadline")."

2. Acknowledgement Regarding Absence of Trigger Event. The Buyer hereby waives any past failure of the Company to comply with Section 2(a) prior to the date hereof and confirms that no Trigger Event has occurred as of the date hereof.

3. Agreement Remains in Force. Except as expressly set forth in this Amendment, the Agreement remains unmodified and in full force and effect.

4. Miscellaneous. This Amendment and the Agreement constitute the entire understanding among the parties hereto with respect to the subject matter hereof and may not be further amended, modified or supplemented except as specified in the Agreement. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original and enforceable against the Parties actually executing such counterpart, and all of which, when taken together, shall constitute one instrument. Facsimile execution and delivery of this Agreement is legal, valid and binding execution and delivery for all purposes.

[signature page follows]

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IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first set forth above.

WINWIN GAMING, INC.

By: /s/ Patrick Rogers

Name: Patrick Rogers

Title: Chief Executive Officer

VAN WAGONER PRIVATE OPPORTUNITIES FUND, L.P.

By: /s/ Garrett Van Wagoner

CERTIFICATION

I, Patrick O. Rogers, certify that:

I have reviewed this quarterly report on Form 10-QSB of WINWIN GAMING, INC.;

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;

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 small business issuer as of, and for, the periods presented in this report;

The small business issuer'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)) for the small business issuer 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 small business issuer, 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) Evaluated the effectiveness of the small business issuer'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

(c) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer'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 small business issuer'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: May 2, 2005

/s/ Patrick O. Rogers

Patrick O. Rogers
Principal Executive Officer

CERTIFICATION

I, Larry Goldman, certify that:

I have reviewed this quarterly report on Form 10-QSB of WINWIN GAMING, INC.;

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;

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 small business issuer as of, and for, the periods presented in this report;

The small business issuer'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)) for the small business issuer 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 small business issuer, 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) Evaluated the effectiveness of the small business issuer'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

(c) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer'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 small business issuer'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: May 2, 2005

/s/ Larry Goldman

Larry Goldman
Chief Financial Officer/Treasurer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Patrick O. Rogers, the Chief Executive Officer and Larry Goldman, the Chief Financial Officer and Treasurer of WINWIN GAMING, INC. (the "Company"), DO HEREBY CERTIFY that:

1. The Company's Quarterly Report on Form 10-QSB for the quarter ended March 31, 2005 (the "Report"), fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

2. Information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

IN WITNESS WHEREOF, each of the undersigned has executed this statement this 2nd day of May 2005.

/s/ Patrick O. Rogers

Patrick O. Rogers
Chief Executive Officer
(Principal Executive Officer)

/s/ Larry Goldman

Larry Goldman
Chief Financial Officer and Treasurer

A signed original of this written statement required by Section 906 has been provided to WinWin Gaming, Inc. and will be retained by WinWin Gaming, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.