

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

FORM 10-Q

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934
For quarterly period ended September 30, 2020

or

TRANSITION REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number 000-53952



(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction of incorporation or organization)

27-2345075
(I.R.S. Employer Identification No.)

1440 N. Union Bower, Irving, TX 75061
(Address of principal executive offices) (Zip Code)

Issuer's telephone Number: (214) 623-6055

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

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

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

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

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

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

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	ANFC	OTCQB

The number of shares of registrant's common stock outstanding as of November 10, 2020 was 2,743,759.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

BLACK RIDGE OIL & GAS, INC.
CONDENSED BALANCE SHEETS

ASSETS	September 30, 2020 (Unaudited)	December 31, 2019
Current assets:		
Cash	\$ 417,109	\$ 108,756
Investment in Allied Esports Entertainment, Inc. securities	2,242,207	6,982,300
Receivable from Allied Esports Entertainment, Inc.	–	505
Prepaid expenses	25,684	47,151
Total current assets	<u>2,685,000</u>	<u>7,138,712</u>
Property and equipment:		
Property and equipment	–	134,202
Less accumulated depreciation	–	(127,803)
Total property and equipment, net	<u>–</u>	<u>6,399</u>
Total assets	<u>\$ 2,685,000</u>	<u>\$ 7,145,111</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 110,569	\$ 35,727
Accrued expenses	262,532	14,220
Deferred compensation	–	1,396,460
Total current liabilities	<u>373,101</u>	<u>1,446,407</u>
Notes payable	<u>262,925</u>	<u>–</u>
Total liabilities	<u>636,026</u>	<u>1,446,407</u>
Commitments and contingencies	–	–
Stockholders' equity:		
Preferred stock, \$0.001 par value, 20,000,000 shares authorized, no shares issued and outstanding	–	–
Common stock, \$0.001 par value, 500,000,000 shares authorized, 1,600,424 shares issued and outstanding	1,600	1,600
Additional paid-in capital	37,825,774	37,054,503
Accumulated deficit	(35,778,400)	(31,357,399)
Total stockholders' equity	<u>2,048,974</u>	<u>5,698,704</u>
Total liabilities and stockholders' equity	<u>\$ 2,685,000</u>	<u>\$ 7,145,111</u>

See accompanying notes to unaudited condensed financial statements.

BLACK RIDGE OIL & GAS, INC.
CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	2019	2020	2019
Management fee income	\$ —	\$ 153,279	\$ —	\$ 153,279
Total revenues	<u>—</u>	<u>153,279</u>	<u>—</u>	<u>153,279</u>
Operating expenses:				
General and administrative expenses:				
Salaries and benefits	483,050	279,621	936,304	910,191
Stock-based compensation	322,888	2,836,920	393,831	2,892,738
Professional services	130,234	40,287	327,090	79,978
Other general and administrative expenses	45,001	69,157	186,380	185,035
Total general and administrative expenses	<u>981,173</u>	<u>3,225,985</u>	<u>1,843,605</u>	<u>4,067,942</u>
Depreciation and amortization	380	131	1,030	754
Total operating expenses	<u>981,553</u>	<u>3,226,116</u>	<u>1,844,635</u>	<u>4,068,696</u>
Net operating loss	<u>(981,553)</u>	<u>(3,072,837)</u>	<u>(1,844,635)</u>	<u>(3,915,417)</u>
Other income (expense):				
Gain on deconsolidation of subsidiary	—	26,322,687	—	26,322,687
Merger incentive expense	—	(5,874,000)	—	(5,874,000)
Interest expense, including \$0- and \$377,440 of warrants issued as a debt discount for the three and nine months ended September 30, 2020, respectively	(1,695)	—	(384,456)	—
Other income	14	—	16	51
Loss on disposal of property and equipment	(5,369)	—	(5,369)	—
Gain (loss) on investment in Allied Esports Entertainment, Inc. securities	(1,503,601)	2,094,690	(2,186,557)	2,094,690
Total other income (expense)	<u>(1,510,651)</u>	<u>22,543,377</u>	<u>(2,576,366)</u>	<u>22,543,428</u>
Net income (loss) before provision for income taxes	(2,492,204)	19,470,540	(4,421,001)	18,628,011
Provision for income taxes	—	—	—	—
Net income (loss) from continuing operations, net of tax	<u>(2,492,204)</u>	<u>19,470,540</u>	<u>(4,421,001)</u>	<u>18,628,011</u>
Net income from discontinued operations	—	(8,152,165)	—	(7,421,050)
Net income (loss) before non-controlling interest	<u>(2,492,204)</u>	<u>11,318,375</u>	<u>(4,421,001)</u>	<u>11,206,961</u>
Less net income attributable to redeemable non-controlling interest	—	(142,919)	—	(1,332,529)
Net income (loss) attributable to Black Ridge Oil & Gas, Inc.	<u>\$ (2,492,204)</u>	<u>\$ 11,175,456</u>	<u>\$ (4,421,001)</u>	<u>\$ 9,874,432</u>
Weighted average common shares outstanding - basic	<u>1,600,424</u>	<u>1,600,424</u>	<u>1,600,424</u>	<u>1,600,424</u>
Weighted average common shares outstanding - fully diluted	<u>1,600,424</u>	<u>1,601,241</u>	<u>1,600,424</u>	<u>1,601,337</u>
Net income per common share - basic	<u>\$ (1.56)</u>	<u>\$ 6.98</u>	<u>\$ (2.76)</u>	<u>\$ 6.17</u>
Net income per common share - fully diluted	<u>\$ (1.56)</u>	<u>\$ 6.98</u>	<u>\$ (2.76)</u>	<u>\$ 6.17</u>

See accompanying notes to unaudited condensed financial statements.

BLACK RIDGE OIL & GAS, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)

	For the Three Months Ended September 30, 2019				
	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance, June 30, 2019	1,600,424	\$ 1,600	\$ 37,009,795	\$ (36,788,926)	\$ 222,469
Common stock options granted for services to employees and directors	-	-	27,887	-	27,887
Net income attributable to Black Ridge Oil & Gas, Inc.	-	-	-	11,175,456	11,175,456
Balance, September 30, 2019	<u>1,600,424</u>	<u>\$ 1,600</u>	<u>\$ 37,037,682</u>	<u>\$ (25,613,470)</u>	<u>\$ 11,425,812</u>
	For the Three Months Ended September 30, 2020				
	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance, June 30, 2020	1,600,424	\$ 1,600	\$ 37,502,886	\$ (33,286,196)	\$ 4,218,290
Common stock options granted for services to employees and directors	-	-	322,888	-	322,888
Net loss attributable to Black Ridge Oil & Gas, Inc.	-	-	-	(2,492,204)	(2,492,204)
Balance, September 30, 2020	<u>1,600,424</u>	<u>\$ 1,600</u>	<u>\$ 37,825,774</u>	<u>\$ (35,778,400)</u>	<u>\$ 2,048,974</u>
	For the Nine Months Ended September 30, 2019				
	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance, December 31, 2018	1,600,424	\$ 1,600	\$ 36,953,977	\$ (35,487,902)	\$ 1,467,675
Common stock options granted for services to employees and directors	-	-	83,705	-	83,705
Net income attributable to Black Ridge Oil & Gas, Inc.	-	-	-	9,874,432	9,874,432
Balance, September 30, 2019	<u>1,600,424</u>	<u>\$ 1,600</u>	<u>\$ 37,037,682</u>	<u>\$ (25,613,470)</u>	<u>\$ 11,425,812</u>
	For the Nine Months Ended September 30, 2020				
	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance, December 31, 2019	1,600,424	\$ 1,600	\$ 37,054,503	\$ (31,357,399)	\$ 5,698,704
Common stock options granted for services to employees and directors	-	-	393,831	-	393,831
Common stock warrants granted to employees and directors for personal guaranty on debt	-	-	377,440	-	377,440
Net loss attributable to Black Ridge Oil & Gas, Inc.	-	-	-	(4,421,001)	(4,421,001)
Balance, September 30, 2020	<u>1,600,424</u>	<u>\$ 1,600</u>	<u>\$ 37,825,774</u>	<u>\$ (35,778,400)</u>	<u>\$ 2,048,974</u>

See accompanying notes to unaudited condensed financial statements.

BLACK RIDGE OIL & GAS, INC.
CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Nine Months Ended September 30,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss) attributable to Black Ridge Oil & Gas, Inc.	\$ (4,421,001)	\$ 9,874,432
Net income from discontinued operations	–	7,421,050
Net loss attributable to redeemable non-controlling interest	–	1,332,529
Adjustments to reconcile net loss attributable to Black Ridge Oil & Gas, Inc. to net cash used in operating activities:		
Gain on deconsolidation of subsidiary	–	(26,322,687)
Merger incentive expense	–	5,874,000
Depreciation and amortization	1,030	754
Loss on disposal of property and equipment	5,369	–
(Gain) Loss on investment in Allied Esports Entertainment, Inc. securities, net	2,186,557	(2,094,690)
Amortization of stock options	393,831	83,705
Amortization of stock warrants issued as a debt discount	377,440	–
Deferred compensation	–	2,809,033
Decrease (increase) in current assets:		
Accounts receivable	–	13
Accounts receivable, related party	505	(181,211)
Prepaid expenses	21,467	17,863
Increase (decrease) in current liabilities:		
Accounts payable	74,842	16,481
Accrued expenses	248,312	28,136
Net cash used in operating activities of continuing operations	(1,111,648)	(1,140,592)
Net cash used in operating activities of discontinued operations	–	(8,618,568)
Net cash used in operating activities	(1,111,648)	(9,759,160)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash disposed in deconsolidation	–	(9,991,684)
Purchase of property and equipment	–	(809)
Proceeds received from sale of investment in Allied Esports Entertainment, Inc. securities	1,157,076	–
Net cash provided by (used in) investing activities of continuing operations	1,157,076	(9,992,493)
Net cash provided by investing activities of discontinued operations	–	16,880,792
Net cash provided by investing activities	1,157,076	6,888,299
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds received from notes payable	802,025	–
Repayments on notes payable	(539,100)	–
Net cash provided by financing activities from continuing operations	262,925	–
Net cash provided by financing activities from discontinued operations	–	1,431,974
Net cash provided by financing activities	262,925	1,431,974
NET CHANGE IN CASH AND CASH EQUIVALENTS	308,353	(1,438,887)
CASH AT BEGINNING OF PERIOD	108,756	1,503,500
CASH AT END OF PERIOD	\$ 417,109	\$ 64,613
SUPPLEMENTAL INFORMATION:		
Interest paid	\$ 4,895	\$ –
Income taxes paid	\$ –	\$ 751,630
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Value of debt discounts attributable to warrants	\$ 377,440	\$ –
Value of investment in securities distributed to board members and employees	\$ 1,133,281	\$ –
Recognition of subsidiary equity upon deconsolidation	\$ –	\$ 8,498,212
BRAC Redemptions of redeemable preferred stock from trust account	\$ –	\$ 126,205,985
BRAC redeemable preferred stock transferred to equity	\$ –	\$ 15,865,798
BRAC stock issued in merger	\$ –	\$ 51,632,255
BRAC stock issued to settle intercompany debt	\$ –	\$ 19,300,000
BRAC loan and accrued interest assumed to settle intercompany debt	\$ –	\$ 10,992,877
BRAC stock issued to settle liabilities	\$ –	\$ 5,917,500

See accompanying notes to unaudited condensed financial statements.

BLACK RIDGE OIL & GAS, INC.
Notes to Condensed Financial Statements
(Unaudited)

Note 1 – Organization and Nature of Business

Effective April 2, 2012, Ante5, Inc. changed its corporate name to Black Ridge Oil & Gas, Inc., and continues to be quoted on the OTCQB under the trading symbol “ANFC”. Black Ridge Oil & Gas, Inc. (formerly Ante5, Inc.) (the “Company” and “BROG”) became an independent company in April 2010. We became a publicly traded company when our shares began trading on July 1, 2010. From October 2010 through August 2019, we had been engaged in the business of acquiring oil and gas leases and participating in the drilling of wells in the Bakken and Three Forks trends in North Dakota and Montana and /or managing similar assets for third parties.

On September 26, 2017, the Company finalized an equity raise utilizing a rights offering and backstop agreement, raising net proceeds of \$5,051,675 and issuing 1,439,400 shares. The proceeds were used to sponsor a special purpose acquisition company, discussed below, with the remainder for general corporate purposes.

On October 10, 2017, the Company’s sponsored special purpose acquisition company, Black Ridge Acquisition Corp. (“BRAC”), completed an IPO raising \$138,000,000 of gross proceeds (including proceeds from the exercise of an over-allotment option by the underwriters on October 18, 2017). In addition, the Company purchased 445,000 BRAC units at \$10.00 per unit in a private placement transaction for a total contribution of \$4,450,000 in order to fulfill its obligations in sponsoring BRAC, a blank check company formed for the purpose of entering into a merger, share exchange, asset acquisition, stock purchase, recapitalization, reorganization or other similar business combination with one or more businesses or entities. BRAC’s efforts to identify a prospective target business were not limited to a particular industry or geographic region. Following the IPO and over-allotment, BROG owned 22% of the outstanding common stock of BRAC and managed BRAC’s operations via a management services agreement. On December 19, 2018, BRAC entered into a business combination agreement, which subsequently closed on August 9, 2019.

On October 1, 2020 the Company completed its acquisition of S-FDF, LLC pursuant to an Asset Purchase Agreement detailed in Footnote 15, Subsequent Events. In connection with the closing of the Asset Purchase Agreement, the Company acquired \$2.5 million in cash and certain assets and agreements related to the Seller’s freeze-dried fruits and vegetables business for human consumption and entered into certain employment and registration rights agreements.

The Company currently owns 1,779,529 shares of Allied Esports Entertainment, Inc. (NASDAQ: AESE), the surviving entity after BRAC’s business combination (“Sponsor Shares”), after selling 368,871 shares for total proceeds of \$1,282,067, selling warrants to purchase 505,000 shares of AESE (NASDAQ: AESEW) (“Sponsor Warrants”) for total proceeds of \$73,668, and distributing 537,100 Sponsor Shares on August 9, 2020 to employees and directors under the 2018 Management Incentive Plan, dated March 6, 2018.

Note 2 – Basis of Presentation and Significant Accounting Policies

The interim condensed financial statements included herein, presented in accordance with United States generally accepted accounting principles and stated in US dollars, have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to not make the information presented misleading.

These statements reflect all adjustments, which in the opinion of management, are necessary for fair presentation of the information contained therein. Except as otherwise disclosed, all such adjustments are of a normal recurring nature. It is suggested that these interim condensed financial statements be read in conjunction with the audited financial statements for the year ended December 31, 2019, which were included in our Annual Report on Form 10-K/A. The Company follows the same accounting policies in the preparation of interim reports.

BLACK RIDGE OIL & GAS, INC.
Notes to Condensed Financial Statements
(Unaudited)

Reclassifications

In the prior year, the income, expense and cash flows from Black Ridge Acquisition Corp., a wholly-owned subsidiary formed on October 10, 2017, which was consolidated as a variable interest entity through August 9, 2019, the date that BRAC completed a business combination with Allied Esports Entertainment, Inc. (“AESE”), were consolidated and have been retrospectively classified as discontinued operations. In addition, prior period investment in Allied Esports Entertainment, Inc. securities of \$6,982,300 were reclassified from long term assets to current assets to conform to current period presentation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Environmental Liabilities

The Company was formerly a direct owner of assets in the oil and gas industry. Oil and gas companies are subject, by their nature, to environmental hazard and clean-up costs. At this time, management knows of no substantial losses from environmental accidents or events which would have a material effect on the Company.

Cash in Excess of FDIC Limits

The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) and the Securities Investor Protection Corporation (SIPC) up to \$250,000 and \$500,000, respectively, under current regulations. The Company didn’t have any cash in excess of SIPC insured limits at September 30, 2020, and has not experienced any losses in such accounts.

Income Taxes

The Company recognizes deferred tax assets and liabilities based on differences between the financial reporting and tax basis of assets and liabilities using the enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered. The Company provides a valuation allowance for deferred tax assets for which it does not consider realization of such assets to be more likely than not.

Basic and Diluted Earnings (Loss) Per Share

Basic earnings (loss) per share (“EPS”) are computed by dividing net income (the numerator) by the weighted average number of common shares outstanding for the period (the denominator). Diluted EPS is computed by dividing net income by the weighted average number of common shares and potential common shares outstanding (if dilutive) during each period. Potential common shares include stock options, warrants and restricted stock. The number of potential common shares outstanding relating to stock options, warrants and restricted stock is computed using the treasury stock method.

BLACK RIDGE OIL & GAS, INC.
Notes to Condensed Financial Statements
(Unaudited)

The reconciliation of the denominators used to calculate basic EPS and diluted EPS for the three and nine months ended September 30, 2020 and 2019 are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Weighted average common shares outstanding – basic	1,600,424	1,600,424	1,600,424	1,600,424
Plus: Potentially dilutive common shares:				
Common stock warrants	–	817	–	913
Weighted average common shares outstanding – diluted	<u>1,600,424</u>	<u>1,601,241</u>	<u>1,600,424</u>	<u>1,601,337</u>

For the three and nine months ended September 30, 2020, potential dilutive securities had an anti-dilutive effect and were not included in the calculation of diluted net loss per common share. Stock options and warrants excluded from the calculation of diluted EPS because their effect was anti-dilutive were 35,488 three and nine months ended September 30, 2019.

Fair Value of Financial Instruments

Under FASB ASC 820-10-05, the Financial Accounting Standards Board establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. This Statement reaffirms that fair value is the relevant measurement attribute. The adoption of this standard did not have a material effect on the Company's financial statements as reflected herein. The carrying amounts of cash, accounts payable and accrued expenses reported on the balance sheets are estimated by management to approximate fair value primarily due to the short-term nature of the instruments. The Company had no items that required fair value measurement on a recurring basis.

Property and Equipment

Property and equipment are recorded at cost and depreciated using the straight-line method over their estimated useful lives of three to seven years. Expenditures for replacements, renewals, and betterments are capitalized. Maintenance and repairs are charged to operations as incurred. Long-lived assets are evaluated for impairment to determine if current circumstances and market conditions indicate the carrying amount may not be recoverable. Depreciation expense was \$1,030 and \$754 for the nine months ended September 30, 2020 and 2019, respectively.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 606 — Revenue from Contracts with Customers. Under ASC 606, the Company recognized revenue from management services through our previously consolidated Special Purpose Acquisition Company (“SPAC”), Black Ridge Acquisition Corp. until December 31, 2019.

Revenue was primarily generated from BRAC in the form of management services performed within the state of Minnesota on a fixed fee basis. Revenue from the performance of those services was recognized upon completion of the services, at which time the services were delivered to the customer, and collectability of the fee was reasonably assured. We typically required payment within thirty days of the completion of services. Management estimates an allowance for doubtful accounts based on the aging of its receivables.

BLACK RIDGE OIL & GAS, INC.
Notes to Condensed Financial Statements
(Unaudited)

Stock-Based Compensation

The Company accounts for equity instruments issued to employees in accordance with the provisions of ASC 718 Stock Compensation (ASC 718) and Equity-Based Payments to Non-employees pursuant to ASC 2018-07 (ASC 2018-07). All transactions in which the consideration provided in exchange for the purchase of goods or services consists of the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable. The measurement date of the fair value of the equity instrument issued is the earlier of the date on which the counterparty's performance is complete or the date at which a commitment for performance by the counterparty to earn the equity instruments is reached because of sufficiently large disincentives for nonperformance. Stock-based compensation was \$393,831 and \$83,705, consisting entirely of expenses related to common stock options issued for services for the nine months ended September 30, 2020 and 2019, respectively, using the Black-Scholes options pricing model and an effective term of 6 to 6.5 years based on the weighted average of the vesting periods and the stated term of the option grants and the discount rate on 5 to 7 year U.S. Treasury securities at the grant date. In addition, \$377,440 of expenses related to the amortization of warrants issued in consideration of personal guarantees provided for debt financing for the nine months ended September 30, 2020, using the Black-Scholes options pricing model and an effective term of 5 years based on the weighted average of the vesting periods and the stated term of the warrant grants and the discount rate on 5 year U.S. Treasury securities at the grant date were recognized as interest expense for the nine months ended September 30, 2020.

Uncertain Tax Positions

In accordance with ASC 740, "Income Taxes" ("ASC 740"), the Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be capable of withstanding examination by the taxing authorities based on the technical merits of the position. These standards prescribe a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. These standards also provide guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

Various taxing authorities may periodically audit the Company's income tax returns. These audits include questions regarding the Company's tax filing positions, including the timing and amount of deductions and the allocation of income to various tax jurisdictions. In evaluating the exposures connected with these various tax filing positions, including state and local taxes, the Company records allowances for probable exposures. A number of years may elapse before a particular matter, for which an allowance has been established, is audited and fully resolved. Black Ridge Oil & Gas, Inc. has not yet undergone an examination by any taxing authorities.

The assessment of the Company's tax position relies on the judgment of management to estimate the exposures associated with the Company's various filing positions.

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board ("FASB") that are adopted by the Company as of the specified effective date. If not discussed below, management believes there have been no developments to recently issued accounting standards, including expected dates of adoption and estimated effects on our financial statements, from those disclosed in our Annual Report on Form 10-K/A for the year ended December 31, 2019.

In July 2018, the FASB issued ASU No. 2018-10, *Codification Improvements to Topic 842, Leases*. The amendments in ASU 2018-10 provide additional clarification and implementation guidance on certain aspects of the previously issued ASU No. 2016-02, *Leases (Topic 842)* ("ASU 2016-02") and have the same effective and transition requirements as ASU 2016-02. Upon the effective date, ASU 2018-10 will supersede the current lease guidance in ASC Topic 840, *Leases*. Under the new guidance, lessees will be required to recognize for all leases, with the exception of short-term leases, a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis. Concurrently, lessees will be required to recognize a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. ASU 2018-10 is effective for private companies and emerging growth public companies for interim and annual reporting periods beginning after December 15, 2019, with early adoption permitted. The guidance is required to be applied using a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative periods presented in the financial statements. The Company adopted this guidance effective January 1, 2019, and the standard did not have a material impact on the Company's financial statements and related disclosures until the closing of the asset purchase with S-FDF, LLC on October 1, 2020.

BLACK RIDGE OIL & GAS, INC.
Notes to Condensed Financial Statements
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Note 3 – Going Concern

As shown in the accompanying financial statements, as of September 30, 2020, the Company has incurred recurring losses from operations resulting in an accumulated deficit of \$35,778,400. As of September 30, 2020, the Company's cash on hand may not be sufficient to sustain operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. The Company is currently seeking sources of capital to fund the requirements of the Asset Purchase Agreement. The Company intends to sell its AESE shares to continue as a going concern, however, there can be no assurance the share price will be sufficient to sustain operations, therefore the Company may be dependent upon its ability to secure equity and/or debt financing and there are also no assurances that the Company will be successful; therefore, without sufficient financing it would be unlikely for the Company to continue as a going concern.

The financial statements do not include any adjustments that might result from the outcome of any uncertainty as to the Company's ability to continue as a going concern. The financial statements also do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

Note 4 – Related Party

Management Incentive Plan

On March 1, 2018, the Board of Directors (the "Board") of the Company approved and adopted the Black Ridge Gas, Inc. 2018 Management Incentive Plan (the "Plan") and the form of 2018 Management Incentive Plan Award Agreement (the "Award Agreement").

In connection with the approval of the Plan and Award Agreement, the Board approved the issuance of awards (the "Awards") to certain individuals including officers and directors (the "Grantees"), representing a percentage of the shares of BRAC held by the Company as of the date of closing of a business combination for the acquisition of a target business as described in the BRAC prospectus dated October 4, 2017, as follows:

Name	Percentage of BRAC Shares Owned by the Company Granted to the Grantee
Bradley Berman	1.6%
Lyle Berman	1.6%
Benjamin Oehler	1.6%
Joe Lahti	1.6%
Kenneth DeCubellis	4.0%
Michael Eisele	2.8%
James Moe	2.1%

Following the AESE merger on August 9, 2019, the Company owned 2,685,500 shares of AESE common stock and 505,000 warrants to purchase AESE (NASDAQ: AESEW). During the nine months ending September 30, 2020, the Company sold some of these securities, resulting in gross proceeds of \$1,157,076, consisting of 368,870 shares of common stock for total proceeds of \$1,083,408, and the sale of warrants to purchase 505,000 shares for total proceeds of \$73,668. The Company also distributed 537,101 Sponsor Shares on August 9, 2020 to employees and directors under the 2018 Management Incentive Plan. Employees and directors were required to remain in their positions for a one-year period from the AESE merger, with certain exceptions, to receive the granted shares. The AESE Plan Shares had a fair market value of \$1,133,281 on August 10, 2020, when the shares were distributed. The Company recognized \$1,396,460 of compensation expense related to the Plan during the year ended December 31, 2019. For the nine months ended September 30, 2020, the Company recognized a gain of \$263,179 related to the reduction in the value of the shares to be paid to employees on August 10, 2020, which was offset against the Company's loss on the investment in AESE shares due to changes in the AESE market price between December 31, 2019 and September 30, 2020.

Lease Agreement

Upon closing of the Asset Purchase Agreement, the Company assumed the Seller's obligations under a real property lease for its facility in Irving, Texas under which an entity owned entirely by Ira Goldfarb is the landlord.

BLACK RIDGE OIL & GAS, INC.
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Note 5 – Fair Value of Financial Instruments

Under FASB ASC 820-10-5, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The standard outlines a valuation framework and creates a fair value hierarchy in order to increase the consistency and comparability of fair value measurements and the related disclosures. Under GAAP, certain assets and liabilities must be measured at fair value, and FASB ASC 820-10-50 details the disclosures that are required for items measured at fair value.

The Company has cash and cash equivalents and a revolving credit facility that must be measured under the fair value standard. The Company's financial assets and liabilities are measured using inputs from the three levels of the fair value hierarchy. The three levels are as follows:

Level 1 - Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 - Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3 - Unobservable inputs that reflect our assumptions about the assumptions that market participants would use in pricing the asset or liability.

The following schedule summarizes the valuation of financial instruments at fair value on a recurring basis in the balance sheets as of September 30, 2020 and December 31, 2019:

	Fair Value Measurements at September 30, 2020		
	Level 1	Level 2	Level 3
Assets			
Cash	\$ 417,109	\$ –	\$ –
Investment in Allied Esports Entertainment, Inc. securities	2,242,207	–	–
Total assets	2,659,316	–	–
Liabilities			
Notes payable	–	(262,925)	–
Total liabilities	–	(262,925)	–
	\$ 2,659,316	\$ (262,925)	\$ –

BLACK RIDGE OIL & GAS, INC.
Notes to Condensed Financial Statements
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	Fair Value Measurements at December 31, 2019		
	Level 1	Level 2	Level 3
Assets			
Cash	\$ 108,756	\$ –	\$ –
Investment in Allied Esports Entertainment, Inc.	6,982,300	–	–
Total assets	7,091,056	–	–
Liabilities			
None	–	–	–
Total liabilities	–	–	–
	\$ 7,091,056	\$ –	\$ –

There were no transfers of financial assets or liabilities between Level 1 and Level 2 inputs for the nine months ended September 30, 2020.

Note 6 – Prepaid Expenses

Prepaid expenses consist of the following:

	September 30, 2020	December 31, 2019
Prepaid insurance costs	\$ 3,185	\$ 21,090
Prepaid employee benefits	8,082	11,587
Prepaid office and other costs	14,417	14,474
Total prepaid expenses	\$ 25,684	\$ 47,151

Note 7 – Property and Equipment

Property and equipment at September 30, 2020 and December 31, 2019, consisted of the following:

	September 30, 2020	December 31, 2019
Property and equipment	\$ –	\$ 134,202
Less: Accumulated depreciation and amortization	–	(127,803)
Total property and equipment, net	\$ –	\$ 6,399

On September 30, 2020, the Company disposed of computer equipment no longer in service. No proceeds were received on the disposal of the equipment, resulting in a loss on disposal of fixed assets of \$5,369, which represented the net book value at the time of disposal.

The Company recognized depreciation expense of \$1,030 and \$754 for the nine-month periods ended September 30, 2020 and 2019, respectively.

BLACK RIDGE OIL & GAS, INC.
Notes to Condensed Financial Statements
(Unaudited)

Note 8 – Investment in Allied Esports Entertainment, Inc.

Following the close of BRAC's merger, the Company retained 2,685,500 shares of Allied Esports Entertainment Inc. (NASDAQ: AESE) common stock with a value, based on the closing stock of \$4.45 on the merger, of \$11,950,475, and tradeable warrants to purchase 505,000 shares of AESE (NASDAQ: AESEW) ("Sponsor Warrants"), of which the Company currently owns 1,779,529 shares, after selling 368,870 shares for total proceeds of \$1,157,076, selling warrants to purchase 505,000 Sponsor Warrants for total proceeds of \$73,668, and distributing 537,101 Sponsor Shares on August 10, 2020 to employees and directors under the 2018 Management Incentive Plan. As noted in Note 4 - Related Party Transactions, 20% or 537,101, of the shares were distributed to employees, officers and directors one year from the date of the merger, or on August 10, 2020. After the distribution and recent sales, the Company still holds 1,799,529 shares of AESE common stock.

As of September 30, 2020, the market value of the Company's investment in AESE's common stock was \$2,242,207, based on the closing stock price of \$1.26 per share, resulting in gains and losses on our investment in securities, as follows:

Net loss on investment in Allied Esports Entertainment, Inc. securities for the nine months ended September 30, 2020	\$ (2,186,557)
Less: Net gains and losses recognized during 2020 on equity securities sold during the period	(198,012)
Unrealized losses recognized during 2020 on equity securities still held at September 30, 2020	<u>\$ (2,384,569)</u>

During the third quarter of 2020, the Company sold 51,902 of these shares for total proceeds of \$120,596, resulting in a loss on investment of \$14,352.

During the second quarter of 2020, the Company sold 316,968 of these shares for total proceeds of \$962,812, resulting in a gain on investment of \$363,813.

In accordance with a brokerage account agreement with RBC Capital Markets, LLC, 500,000 of these shares were used as collateral for a \$700,000 promissory note pursuant to a commercial pledge and security agreement, dated March 10, 2020, described below, which was subsequently repaid. Under this standard brokerage agreement, the Company will be able to borrow funds secured by the value of the AESE shares pursuant to a standard margin account arrangement.

BLACK RIDGE OIL & GAS, INC.
Notes to Condensed Financial Statements
(Unaudited)

Note 9 – Notes Payable

Notes payable consists of the following at September 30, 2020 and December 31, 2019, respectively:

	September 30, 2020	December 31, 2019
On June 16, 2020, the Company entered into a loan authorization and loan agreement with the United States Small Business Administration (the “SBA”), as lender, pursuant to the SBA’s Economic Injury Disaster Loan (“EIDL”) assistance program in light of the impact of the COVID-19 pandemic on the Company’s business (the “EIDL Loan Agreement”) encompassing a \$150,000 Promissory Note issued to the SBA (the “EIDL Note”)(together with the EIDL Loan Agreement, the “EIDL Loan”), bearing interest at 3.75% per annum. In connection with entering into the EIDL Loan, the Company also executed a security agreement, dated June 16, 2020, between the SBA and the Company (the “EIDL Security Agreement”) pursuant to which the EIDL Loan is secured by a security interest on all of the Company’s assets. Under the EIDL Note, the Company is required to pay principal and interest payments of \$731 every month beginning June 16, 2021. All remaining principal and accrued interest is due and payable on June 16, 2050. The EIDL Note may be repaid at any time without penalty.	\$ 150,000	\$ –
On April 24, 2020, the Company entered into a loan agreement with Kensington Bank (“Kensington”), as lender (the “Loan Agreement”) encompassing a \$112,925 Promissory Note issued to Kensington (the “PPP Note”) pursuant to Payroll Protection Program established as part of the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”), which provides loans to qualifying businesses and is administered by the U.S. Small Business Administration (the “SBA”). The PPP Note bears interest at 1.00% per annum, with interest payable monthly beginning November 24, 2020, and principal due in full on April 24, 2022. The PPP Note may be repaid at any time without penalty. Under the Payroll Protection Program, the Company will be eligible for loan forgiveness up to the full amount of the PPP Note and any accrued interest. The forgiveness amount will be equal to the amount that the Company spends during the 24-week period beginning April 24, 2020 on payroll costs, payment of rent on any leases in force prior to February 15, 2020 and payment on any utility for which service began before February 15, 2020. The maximum amount of loan forgiveness for non-payroll expenses is 40% of the amount of the PPP Note. No assurance is provided that the Company will obtain forgiveness under the PPP Note in whole or in part.	112,925	–
On November 25, 2019, the Company entered into a credit account agreement (“Margin Account”) with RBC Capital Markets, LLC (“RBC”). The Margin Account enables the Company to borrow against the Company’s AESE shares that are held in an account with RBC. The advances received on margin bear interest at rates of between 1.00% and 2.75% over the Base Lending Rate, depending on the average outstanding debit balance. The Base Lending Rate is internally determined by RBC using Broker Call, Prime Rate as determined by commercial banks utilized by RBC CM, Fed Funds, RBC CM’s cost of funds, and other commercially recognized rates of interest. The margin loans are collateralized by the underlying AESE shares. A total of \$122,100 was borrowed on the Margin Account over various dates between January 29, 2020 and March 6, 2020. The outstanding balance was repaid in full on, or about, March 12, 2020 out of the proceeds of the loan from Cadence Bank, described below.	–	–

BLACK RIDGE OIL & GAS, INC.
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(Unaudited)

On March 12, 2020, the Company entered into a business loan agreement with Cadence Bank, N.A. (“Cadence”), as lender encompassing a \$700,000 Promissory Note issued to Cadence (the “Note”), a Security Agreement by the Company in favor of Cadence and limited commercial guarantees by the Company’s Chief Executive Officer and Interim Chief Financial Officer, who is one in the same, and members of the Company’s Board of Directors (the “Guarantors”) (collectively, the “Cadence Loan”). The Note carried interest at a rate of 0.50 percentage points over the prime rate, as published in the Wall Street Journal, payable monthly, and was due on March 9, 2021. The Note could be repaid at any time without penalty. The Note was secured by all of the Company’s rights, title and interests in and to 500,000 shares of the common stock of Allied Esports Entertainment Inc. (NASDAQ: AESE) currently owned by the Company and held in the Company’s brokerage account with RBC Capital Markets, LLC. On March 26, 2020, the Company subsequently entered into a separate letter agreement with the Guarantors (the “Letter Agreement”), which provides that if the Company defaults or fails to make any payment due under the Cadence Loan and the Guarantors are required to make payment to Cadence pursuant to the Guarantees, then the Company agrees to issue additional equity interests or rights to Guarantors reflecting ninety-five percent (95%) of the outstanding equity of the Company at the time of such default to participating Guarantors who have made the payments to Cadence. All equity issuances will be subject to any third party or shareholder approvals required at the time of issuance. A total of \$417,000 was advanced on the loan and subsequently repaid in full on June 30, 2020.

	—	—
Total notes payable	262,925	—
Less unamortized derivative discounts:	—	—
Notes payable	262,925	—
Less: current maturities	—	—
Notes payable, less current maturities	\$ 262,925	\$ —

The Company recorded total discounts of \$377,440, consisting of debt discounts on warrants granted to four officers and directors for warrants issued in consideration of personal guarantees provided for debt financing incurred during the nine months ended September 30, 2020. The discounts were amortized to stock-based compensation expense over the term of the note, until repayment, using the straight-line method, which closely approximated the effective interest method. The Company recorded \$377,440 of stock-based compensation expense pursuant to the amortization of note discounts during the nine months ended September 30, 2020.

The Company recognized \$384,456 of interest expense, consisting of \$7,016 of interest and \$377,440 of stock-based warrant expense pursuant to the amortization of the debt discount on the business loans during the nine months ended September 30, 2020.

Note 10 – Changes in Stockholders’ Equity

Reverse Stock Split

On February 21, 2020, the Company effected a 1-for-300 reverse stock split (the “Reverse Stock Split”). No fractional shares were issued. Instead, the Company issued the following to any stockholder who otherwise would have received a fractional share as a result of the Reverse Stock Split:

- Stockholders owning 300 or more shares of Common Stock received (1) one share of Common Stock for every 300 shares owned and (2) cash in lieu of fractional shares upon the surrender of such stockholder’s shares;
- Stockholders owning between 25 and 300 shares of Common Stock had their ownership of shares of Common Stock rounded up to one share; and
- Stockholders owning fewer than 25 shares of Common Stock received cash in lieu of fractional shares upon the surrender of such stockholders’ shares and no longer own shares of Common Stock.

BLACK RIDGE OIL & GAS, INC.
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Any cash payment in lieu of fractional shares were based on the volume weighted average of the closing sales prices of the Company's Common Stock on the OTCQB operated by OTC Markets Group Inc. (the "OTCQB") during regular trading hours for the five consecutive trading days immediately preceding the Effective Date, which was \$0.018 per share prior to the effects of the reverse stock split.

The Company was authorized to issue 500,000,000 shares of common stock prior to the Reverse Stock Split, which remains unaffected. The Reverse Stock Split did not have any effect on the stated par value of the common stock, or the Company's authorized preferred stock. Unless otherwise stated, all share and per share information in this Interim Report has been retroactively adjusted to reflect the Reverse Stock Split.

Preferred Stock

The Company has 20,000,000 authorized shares of \$0.001 par value preferred stock. No shares have been issued to date.

Common Stock

The Company has 500,000,000 authorized shares of \$0.001 par value common stock. As of September 30, 2020, and December 31, 2019, a total of 1,600,424 shares of common stock have been issued.

Note 11 – Options

The 2020 Equity Plan was approved by written consent of a majority of shareholders of record as of November 12, 2019 and adopted by the Board on December 5, 2019, as provided in the definitive information statement filed with Securities and Exchange Commission on January 10, 2020 (the "DEF 14C"). The description of the 2020 Equity Plan is qualified in its entirety by the text of the 2020 Equity Plan, a copy of which was attached as Annex C to the DEF 14C.

Outstanding Options

Options to purchase an aggregate total of 273,871 shares of common stock at a weighted average strike price of \$16.32, exercisable over a weighted average life of 8.75 years were outstanding as of September 30, 2020.

Options Granted

On February 26, 2020, the Company's Board of Directors granted an aggregate amount of 240,000 stock options pursuant to the 2020 Equity Plan to purchase shares of the Company's common stock to several officers, directors, and employees at an exercise price of \$5.41 per share, which represents the closing price of the Company's shares on the OTCQB marketplace on February 20, 2020. The officers and directors receiving grants and the amounts of such grants were as follows:

Name and Title	Stock Option Shares Granted
Ken DeCubellis, Chief Executive Officer and Interim Chief Financial Officer	60,377
Michael Eisele, Chief Operating Officer	42,264
Bradley Berman, Chairman of the Board and Director	24,151
Joseph Lahti, Director	24,151
Benjamin Oehler, Director	24,151
Lyle Berman, Director	24,151
Total:	199,245

All of the stock options granted under the 2020 Equity Plan presented in the table above will vest in five equal installments, commencing one year from the date of grant on February 26, 2021, and continuing for the next four anniversaries thereof until fully vested, with the exception of 83,019 options that were awarded to four employees, whose vesting periods were accelerated to be fully vested as of September 30, 2019, pursuant to severance agreements.

No options were granted during the nine months ended September 30, 2019.

The Company recognized a total of \$393,831, and \$83,705 of compensation expense during the nine months ended September 30, 2020 and 2019, respectively, related to common stock options issued to Employees and Directors that are being amortized over the implied service term, or vesting period, of the options. The remaining unamortized balance of these options is \$517,070 as of September 30, 2020.

BLACK RIDGE OIL & GAS, INC.
Notes to Condensed Financial Statements
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Options Exercised

No options were exercised during the nine months ended September 30, 2020 and 2019.

Options Forfeited

A total of 333 options with a weighted average exercise price of \$90, and 457 options with a weighted average exercise price of \$9.83 expired and were forfeited during the nine months ended September 30, 2020 and 2019, respectively.

Note 12 – Warrants

Outstanding Warrants

Warrants to purchase an aggregate total of 106,300 shares of common stock at a \$3.99 strike price, exercisable over a weighted average life of 9.36 years were outstanding as of September 30, 2020.

Warrants Granted

In consideration for four officers and director's willingness to serve as guarantors of the Cadence Loan, the Company issued warrants to each of the Guarantors (the "Guarantor Warrants") for the purchase of the Company's common stock on March 12, 2020. The Guarantor Warrants entitle each Guarantor to purchase 26,250 shares of the Company's common stock (the "Warrant Shares") at an exercise price of \$4.00 per share. The Guarantor Warrants expire on March 12, 2030. No warrants were granted during the comparative nine months ended September 30, 2019. The officers and directors receiving grants and the amounts of such grants were as follows:

Name and Title	Stock Warrant Shares Granted
Ken DeCubellis, Chief Executive Officer and Interim Chief Financial Officer	26,250
Bradley Berman, Chairman of the Board and Director	26,250
Lyle Berman, Director	26,250
Benjamin Oehler, Director	26,250
Total:	<u>105,000</u>

Warrants Exercised

No warrants were exercised during the nine months ended September 30, 2020 and 2019.

BLACK RIDGE OIL & GAS, INC.
Notes to Condensed Financial Statements
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Note 13 – Income Taxes

The Company accounts for income taxes under ASC Topic 740, *Income Taxes*, which provides for an asset and liability approach of accounting for income taxes. Under this approach, deferred tax assets and liabilities are recognized based on anticipated future tax consequences, using currently enacted tax laws, attributed to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts calculated for income tax purposes.

Losses incurred during the period from April 9, 2011 (inception) to September 30, 2020 could be used to offset future tax liabilities. Accounting standards require the consideration of a valuation allowance for deferred tax assets if it is “more likely than not” that some component or all of the benefits of deferred tax assets will not be realized. As of September 30, 2020, net deferred tax assets were \$7,013,057, with no deferred tax liability, primarily related to net operating loss carryforwards. A valuation allowance of approximately \$7,013,057 was applied to the net deferred tax assets. Therefore, BROG has no tax expense for 2020 to date.

In accordance with FASB ASC 740, the Company has evaluated its tax positions and determined there are no significant uncertain tax positions as of any date on, or before September 30, 2020.

Note 14 – Commitments

The Company from time to time may be involved in various inquiries, administrative proceedings and litigation relating to matters arising in the normal course of business. The Company is not aware of any inquiries or administrative proceedings and is not currently a defendant in any material litigation and is not aware of any threatened litigation that could have a material effect on the Company.

The Company periodically maintains cash balances at banks in excess of federally insured amounts. The extent of loss, if any, to be sustained as a result of any future failure of a bank or other financial institution is not subject to estimation at this time.

Note 15 – Subsequent Events

The Company evaluates events that have occurred after the balance sheet date through the date these financial statements were issued.

Asset Purchase

On October 1, 2020, the Company completed its acquisition of S-FDF, LLC, a Texas limited liability company, pursuant to an Asset Purchase Agreement, between the Company and the Seller, dated June 9, 2020, as subsequently amended effective October 1, 2020. In connection with the closing of the Asset Purchase Agreement, the Company acquired \$2.5 million in cash and certain assets and agreements related to the Seller’s freeze-dried fruits and vegetables business for human consumption and entered into certain employment and registration rights agreements. The Company did not assume any liabilities of Seller or any liabilities, liens, or encumbrances pertaining to or encumbering the Purchased Assets except for those related to agreements or arrangements specified in the Asset Purchase Agreement. The Seller transferred the Purchased Assets to the Company in exchange for the issuance of 1,120,000 shares of the Company’s common stock to the Seller, representing 41.18% of the Company’s issued and outstanding common stock. The number of Seller Shares to be issued is subject to adjustment, as specified in the Asset Purchase Agreement, based on the extent to which the amount of cash proceeds held by the Company, as derived from the sale of the Company’s holdings of Sponsor Shares, are less than \$5 million or greater than \$6 million on the date specified in the Asset Purchase Agreement.

The Final Determination Date will be the first anniversary of the closing of the Asset Purchase Agreement and the Company has contributed \$4 million to the business in the form of proceeds from either the sale of Sponsor Shares after October 1, 2020, proceeds from a financing secured by the AESE Shares after June 9, 2020, proceeds from an equity or convertible debt financing, legal fees paid in connection with the Asset Purchase Agreement, expenses incurred by the Company after August 1, 2020 (except for severance related to change in control payments made to the Company’s employees), and the Company’s cash as of October 1, 2020 (the “Company Contribution”). If the Company Contribution is less than \$4 million on January 1, 2021, then the Final Determination Date will be January 1, 2021.

BLACK RIDGE OIL & GAS, INC.
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Pursuant to its obligations under the Asset Purchase Agreement, on the Closing Date the Company, (a) created three new seats on the Company's Board of Directors and appointed the Seller's principals, Ira Goldfarb and Claudia Goldfarb, and a third person designated by the Goldfarbs, Greg Creed, as directors, (b) entered into employment agreements with Ira Goldfarb and Claudia Goldfarb, (c) delivered a registration rights agreement with respect to the Seller Shares and any shares of common stock delivered as part of the employment compensation for Ira Goldfarb or Claudia Goldfarb, and (d) amended the Company's 2020 Stock Incentive Plan to increase the number of shares of common stock reserved thereunder. At closing, the Company also assumed the Seller's obligations under a real property lease for its facility in Irving, Texas under which an entity owned entirely by Ira Goldfarb is the landlord.

Adoption of Non-Employee Director Compensation Plan

On October 1, 2020, the Company adopted a Non-Employee Director Compensation Plan. Pursuant to the Plan, each non-employee director will receive annual compensation of \$25,000 to be paid in cash or common stock, at the Company's election, each October 1, beginning with October 1, 2020. On October 1, 2020, the Company issued 4,167 shares to Mr. Bradley Berman, Mr. Lyle Berman, Mr. Joseph Lahti, Mr. Benjamin Oehler, and Mr. Creed under the Non-Employee Director Compensation Plan. In addition, the plan provides for annual compensation of \$15,000 to be paid in cash or common stock, at the Company's election, each October 1, beginning with October 1, 2020, to Board committee chairs. On October 1, 2020, the Company issued 2,500 shares to Mr. Benjamin Oehler as its Audit Committee Chair.

Amendment to 2020 Stock Incentive Plan

As a condition to closing on the Asset Purchase Agreement, the Board approved an increase in the number of shares of common stock reserved under the 2020 Stock Incentive Plan adopted in January 2020, from 320,000 shares to a total of 514,150 shares. The increase remains subject to shareholder approval, to be provided, if at all, by October 1, 2021.

Option Grants

On October 1, 2020, Mr. Creed was granted options to purchase 24,151 shares of the Company's common stock at an exercise price of \$6.00 per share, which represented the closing price of the Company's shares on the OTCQB marketplace on October 1, 2020. These options will vest 60% as of January 1, 2024 and 20% each anniversary thereafter until fully vested.

On October 2, 2020, the Company's Board of Directors also granted an aggregate amount of 115,250 stock options pursuant to the 2020 Equity Plan to purchase shares of the Company's common stock to several officers, directors, and employees at an exercise price of \$5.25 per share, which represents the closing price of the Company's shares on the OTCQB marketplace on October 2, 2020. The options are exercisable over a ten-year term, and vest 60% on the 3rd anniversary of the grant date and 20% each anniversary thereafter, until fully vested. The officers and directors receiving grants and the amounts of such grants were as follows:

Name and Title	Stock Option Shares Granted
Ira Goldfarb, Chairman of the Board and Director	50,000
Claudia Goldfarb, Chief Executive Officer	50,000
Total:	100,000

Management Changes

Ken DeCubellis stepped down from his roles as the Company's Chief Executive Officer and interim Chief Financial Officer on September 30, 2020, and will serve as a transition resource employee and assist with the integration of the Seller's freeze-dried fruit business into the Company's existing operations through December 15, 2020, or the earlier termination of his employment.

Effective October 1, 2020, in connection with closing of the Asset Purchase Agreement, Ira Goldfarb was appointed as the Company's Executive Chairman and Chairman of the Board, and Claudia Goldfarb was appointed as the Company's Chief Executive Officer.

Effective October 5, 2020, Brad Burke was appointed and agreed to serve on an interim basis as the Company's Chief Financial Officer.

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

Cautionary Statements

We are including the following discussion to inform our existing and potential security holders generally of some of the risks and uncertainties that can affect our company and to take advantage of the "safe harbor" protection for forward-looking statements that applicable federal securities law affords.

From time to time, our management or persons acting on our behalf may make forward-looking statements to inform existing and potential security holders about our company. All statements other than statements of historical facts included in this report regarding our financial position, business strategy, plans and objectives of management for future operations and industry conditions are forward-looking statements. When used in this report, forward-looking statements are generally accompanied by terms or phrases such as "estimate," "project," "predict," "believe," "expect," "anticipate," "target," "plan," "intend," "seek," "goal," "will," "should," "may" or other words and similar expressions that convey the uncertainty of future events or outcomes. Items making assumptions regarding actual or potential future sales, market size, collaborations, trends or operating results also constitute such forward-looking statements.

Forward-looking statements involve inherent risks and uncertainties, and important factors (many of which are beyond our control) that could cause actual results to differ materially from those set forth in the forward-looking statements include the following:

- the effect of the coronavirus ("COVID-19") pandemic on our ability to obtain funding through various financing transactions or arrangements;
- volatility or decline of our stock price;
- low trading volume and illiquidity of our common stock, and possible application of the SEC's penny stock rules;
- potential fluctuation in quarterly results;
- low trading volume and price of our investment in AESE Shares;
- inability to maintain adequate liquidity to meet our financial obligations;
- failure to timely launch our freeze-dried fruit product offerings and obtain sufficient sales and distributions;
- litigation, disputes and legal claims involving outside parties; and
- risks related to our ability to be traded on the OTCQB and meeting trading requirements

We have based these forward-looking statements on our current expectations and assumptions about future events. While our management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks and uncertainties, most of which are difficult to predict and many of which are beyond our control. Accordingly, results actually achieved may differ materially from expected results in these statements. Forward-looking statements speak only as of the date they are made.

Readers are urged not to place undue reliance on these forward-looking statements. We assume no obligation to update any forward-looking statements in order to reflect any event or circumstance that may arise after the date of this report, other than as may be required by applicable law or regulation. Readers are urged to carefully review and consider the various disclosures made by us in our reports filed with the United States Securities and Exchange Commission (the "SEC") which attempt to advise interested parties of the risks and factors that may affect our business, financial condition, results of operation and cash flows. If one or more of these risks or uncertainties materialize, or if the underlying assumptions prove incorrect, our actual results may vary materially from those expected or projected.

Overview and Outlook

Effective April 2, 2012, we changed our name to Black Ridge Oil & Gas, Inc. Our common stock is still quoted on the OTCQB under the trading symbol “ANFC.”

As the sponsor and manager of Black Ridge Acquisition Corp. beginning in May of 2017, the Company was focused on identifying and closing a business combination for BRAC, which closed on August 9, 2019. Upon BRAC (renamed Allied Esports Entertainment, Inc. following the merger or “AESE”, and hereafter named as such following the merger) completing its business combination, we continued to provide additional management services to BRAC until December 31, 2019.

Following the close of the Merger, the Company commenced a strategic review to identify, review and explore alternatives for the Company, including a merger, acquisition, or a business combination. The result of that review is the transaction with S-FDF described below. The Company currently owns 1,779,529 shares of Allied Esports Entertainment, Inc. (NASDAQ: AESE), the surviving entity after BRAC’s business combination, after selling 368,870 shares for total proceeds of \$1,083,408, selling warrants to purchase 505,000 shares of AESE (NASDAQ: AESEW) for total proceeds of \$73,668, and distributing 537,101 Sponsor Shares on August 10, 2020 to employees and directors under the 2018 Management Incentive Plan.

On October 1, 2020, the Company completed its acquisition of S-FDF, LLC, as detailed in Footnote 15, Subsequent Events.

Going Concern Uncertainty

As of September 30, 2020, the Company has incurred recurring losses from operations resulting in an accumulated deficit of \$35,778,400, and as of September 30, 2020, the Company’s cash on hand may not be sufficient to sustain operations. These factors raise substantial doubt about the Company’s ability to continue as a going concern. The Company is currently seeking sources of capital to fund the requirements of the Asset Purchase Agreement including selling its shares of AESE or other sources of capital. The Company intends to sell its AESE shares to continue as a going concern, however, there can be no assurance the share price will be sufficient to sustain operations, therefore the Company may be dependent upon its ability to secure equity and/or debt financing and there are also no assurances that the Company will be successful; therefore, without sufficient financing it would be unlikely for the Company to continue as a going concern.

We continue to pursue sources of additional capital through various financing transactions or arrangements, including joint venturing of projects, equity or debt financing or other means. We may not be successful in identifying suitable funding transactions in a sufficient time period or at all, and we may not obtain the capital we require by other means. If we do not succeed in raising additional capital, our resources may not be sufficient to fund our business.

The report of the Company’s independent registered public accounting firm that accompanies its audited consolidated financial statements in the Company’s Annual Report on Form 10-K/A contains an explanatory paragraph regarding the substantial doubt about the Company’s ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of the going concern uncertainty.

Results of Operations for the Three Months Ended September 30, 2020 and 2019.

The following table summarizes selected items from the statement of operations for the three months ended September 30, 2020 and 2019, respectively.

	Three Months Ended September 30,		Increase / (Decrease)
	2020	2019	
Management fee income	\$ —	\$ 153,279	\$ (153,279)
Total revenues:	<u>—</u>	<u>153,279</u>	<u>(153,279)</u>
Operating expenses:			
General and administrative expenses:			
Salaries and benefits	483,050	279,621	203,429
Stock-based compensation	322,888	2,836,920	(2,514,032)
Professional services	130,234	40,287	89,947
Other general and administrative expenses	45,001	69,157	(24,156)
Total general and administrative expenses	981,173	3,225,985	(2,244,812)
Depreciation and amortization	380	131	249
Total operating expenses	<u>981,553</u>	<u>3,226,116</u>	<u>(2,244,563)</u>
Net operating loss	<u>(981,553)</u>	<u>(3,072,837)</u>	<u>(2,091,284)</u>
Other income (expense)			
Gain on deconsolidation of subsidiary	—	26,322,687	(26,322,687)
Merger incentive expense	—	(5,874,000)	(5,874,000)
Interest expense	(1,695)	—	1,695
Other income	14	—	14
Loss on disposal of property and equipment	(5,369)	—	5,369
Gain (loss) on investment in Allied Esports Entertainment, Inc. securities	(1,503,601)	2,094,690	(3,598,291)
Total other income (expense)	<u>(1,510,651)</u>	<u>22,543,377</u>	<u>(24,054,028)</u>
Net income (loss) from continuing operations, net of tax	<u>(2,492,204)</u>	<u>19,470,540</u>	<u>(21,962,744)</u>
Provision for income taxes	<u>—</u>	<u>—</u>	<u>—</u>
Net income (loss) from continuing operations, net of tax	<u>(2,492,204)</u>	<u>19,470,540</u>	<u>(21,962,744)</u>
Net income from discontinued operations	<u>—</u>	<u>(8,152,165)</u>	<u>(8,142,165)</u>
Net income (loss) before non-controlling interest	<u>(2,492,204)</u>	<u>11,318,375</u>	<u>(13,810,579)</u>
Less: Net loss attributable to redeemable non-controlling interest	<u>—</u>	<u>(142,919)</u>	<u>(142,919)</u>
Net income (loss) attributable to Black Ridge Oil & Gas, Inc.	<u>\$ (2,492,204)</u>	<u>\$ 11,175,456</u>	<u>\$ (13,667,660)</u>

Management fee income

The Company did not earn any management fees from its management agreement with BRAC during the three months ended September 30, 2020, compared to \$153,279 during the three months ended September 30, 2019. The decrease is attributable to the termination of the agreement subsequent to the merger between BRAC and AESE on August 9, 2019.

General and administrative expenses

Salaries and benefits

Salaries and benefits for the three months ended September 30, 2020 were \$483,050, compared to \$279,621 for the three months ended September 30, 2019, an increase of \$203,429, or 73%. The increase in salaries and benefits was primarily due to payroll taxes on the distribution of AESE shares to employees in the current period pursuant to the Management Incentive Plan and accrued severance pay to former officers and employees.

Stock-based compensation

Stock-based compensation expense for the three months ended September 30, 2020 was \$322,888, compared to \$2,836,920 for the three months ended September 30, 2019, a decrease of \$2,514,032, or 89%. Stock-based compensation consisted of stock options expense in both periods, and \$2,809,033 of expense related to the 2018 Management Incentive Plan (the "2018 Plan") in the prior period. Amortization of stock options increased as new options were granted toward the end of February 2020, with a five-year vesting period, and the vesting period was accelerated pursuant to separation agreements entered into on September 30, 2020.

Professional services

General and administrative expenses related to professional services were \$130,234 for the 2020 period, compared to \$40,287 for the 2019 period, an increase of \$89,947, or 223%. The increase was primarily due to professional services related to our asset purchase agreement with S-FDF, LLC.

Other general and administrative expenses

Other general and administrative expenses for the three months ended September 30, 2020 was \$45,001, compared to \$69,157 for the three months ended September 30, 2019, a decrease of \$24,156, or 35%. The decrease is primarily attributable to decreased administrative activity as we focused on completing the asset purchase with S-FDF, LLC.

Depreciation

Depreciation expense for the three months ended September 30, 2020 was \$380, compared to \$131 for the three months ended September 30, 2019, an increase of \$249, or 190%. The increase is attributable to the addition of new computer equipment in 2020.

Other income (expense)

In the three months ended September 30, 2020, other expense was \$1,510,651, consisting of \$1,695 of interest expense derived from the operating loans the Company received from the PPP and EIDL programs, a loss on the disposal of equipment of \$5,369, and a net loss on investments in Allied Esports Entertainment, Inc. securities of \$1,503,601, as offset by \$14 of interest income. During the comparative three months ended September 30, 2019, other income was \$22,543,377, consisting of the gain upon deconsolidation of BRAC of \$26,322,687 and an offsetting merger incentive expense of \$5,874,000 to recognize the cost related to transferring shares of AESE stock to the former owners of Allied Esports and WPT and other investors as an incentive to participate in the merger, and a gain of \$2,094,690 on the investment in Allied Esports Entertainment, Inc. pursuant to the change in fair market value of the AESE shares.

Provision for income taxes

The Company had no income tax expense in the 2020 or 2019 periods, as the Company continues to reserve against any deferred tax assets due to the uncertainty of realization of any benefit.

Net income from discontinued operations

Net income from discontinued operations relates to the income and expenses of BRAC during the periods prior to deconsolidation. Net income from discontinued operations for the three months ended September 30, 2019 was \$8,152,165.

Results of Operations for the Nine Months Ended September 30, 2020 and 2019.

The following table summarizes selected items from the statement of operations for the nine months ended September 30, 2020 and 2019, respectively.

	Nine Months Ended September 30,		Increase / (Decrease)
	2020	2019	
Management fee income	\$ —	\$ 153,279	\$ (153,279)
Total revenues:	<u>—</u>	<u>153,279</u>	<u>(153,279)</u>
Operating expenses:			
General and administrative expenses:			
Salaries and benefits	936,304	910,191	26,113
Stock-based compensation	393,831	2,892,738	(2,498,907)
Professional services	327,090	79,978	247,112
Other general and administrative expenses	186,380	185,035	1,345
Total general and administrative expenses	<u>1,843,605</u>	<u>4,067,942</u>	<u>(2,224,337)</u>
Depreciation and amortization	1,030	754	276
Total operating expenses	<u>1,844,635</u>	<u>4,068,696</u>	<u>(2,224,061)</u>
Net operating loss	<u>(1,844,635)</u>	<u>(3,915,417)</u>	<u>(2,070,782)</u>
Other income (expense)			
Gain on deconsolidation of subsidiary	—	26,322,687	(26,322,687)
Merger incentive expense	—	(5,874,000)	(5,874,000)
Interest expense, including \$377,440 of warrants issued as a debt discount	(384,456)	—	384,456
Other income	16	51	(35)
Loss on disposal of property and equipment	(5,369)	—	5,369
Gain (loss) on investment in Allied Esports Entertainment, Inc. securities	(2,186,557)	2,094,690	(4,281,247)
Total other income (expense)	<u>(2,576,366)</u>	<u>22,543,428</u>	<u>(25,119,794)</u>
Net income (loss) from continuing operations, net of tax	<u>(4,421,001)</u>	<u>18,628,011</u>	<u>(23,049,012)</u>
Provision for income taxes	<u>—</u>	<u>—</u>	<u>—</u>
Net loss from continuing operations, net of tax	<u>(4,421,001)</u>	<u>18,628,011</u>	<u>(23,049,012)</u>
Net income from discontinued operations	<u>—</u>	<u>(7,421,050)</u>	<u>(7,421,050)</u>
Net loss before non-controlling interest	<u>(4,421,001)</u>	<u>11,206,961</u>	<u>(15,627,962)</u>
Less: Net loss attributable to redeemable non-controlling interest	<u>—</u>	<u>(1,332,529)</u>	<u>(1,332,529)</u>
Net loss attributable to Black Ridge Oil & Gas, Inc.	<u>(4,421,001)</u>	<u>\$ 9,874,432</u>	<u>\$ (14,295,433)</u>

Management fee income

The Company did not earn any management fees from its management agreement with BRAC during the nine months ended September 30, 2020, compared to \$153,279 during the nine months ended September 30, 2019. The decrease is attributable to the termination of the agreement subsequent to the merger between BRAC and AESE on August 9, 2019.

General and administrative expenses*Salaries and benefits*

Salaries and benefits for the nine months ended September 30, 2020 were \$936,304, compared to \$910,191 for the nine months ended September 30, 2019, an increase of \$26,113, or 3%. The increase in salaries and benefits was primarily due to payroll taxes on the distribution of AESE shares to employees in the current period pursuant to the Management Incentive Plan and accrued severance pay to former officers and employees.

Stock-based compensation

Stock-based compensation expense for the nine months ended September 30, 2020 was \$393,831, compared to \$2,892,738 for the nine months ended September 30, 2019, a decrease of \$2,498,907, or 86%. Stock-based compensation consisted of stock options expense in both periods, and \$2,809,033 of expense related to the 2018 Management Incentive Plan in the prior period. Amortization of stock options increased as new options were granted toward the end of February 2020, with a five-year vesting period, and the vesting period was accelerated pursuant to separation agreements entered into on September 30, 2020.

Professional services

General and administrative expenses related to professional services were \$327,090 for the 2020 period, compared to \$79,978 for the 2019 period, an increase of \$247,112, or 309%. The increase was primarily due to professional services related to our asset purchase agreement with S-FDF, LLC.

Other general and administrative expenses

Other general and administrative expenses for the nine months ended September 30, 2020 was \$186,380, compared to \$185,035 for the nine months ended September 30, 2019, an increase of \$1,345, or 1%.

Depreciation

Depreciation expense for the nine months ended September 30, 2020 was \$1,030, compared to \$754 for the nine months ended September 30, 2019, an increase of \$276, or 37%. The increase is attributable to the addition of new computer equipment in 2020.

Other income (expense)

In the nine months ended September 30, 2020, other expense was \$2,576,366, consisting of \$384,456 of interest expense derived from the business loans the Company received from Cadence Bank, N.A, RBC Capital Markets, LLC and additional operating loans from the PPP and EIDL programs, including \$377,440 of expense related to the amortization of warrants issued in consideration of personal guarantees provided for debt financing, a loss on the disposal of equipment of \$5,369, along with a net loss on investments in Allied Esports Entertainment, Inc. of \$2,186,557, as offset by \$16 of interest income, compared to other income of \$22,543,428 during the nine months ended September 30, 2019, consisting of the \$26,322,687 gain upon deconsolidation of BRAC and an offsetting merger incentive expense of \$5,874,000 to recognize the cost related to transferring shares of AESE stock to the former owners of Allied Esports and WPT and other investors as incentive to participate in the merger, interest income of \$51 and a gain of \$2,094,690 on the investment in Allied Esports Entertainment, Inc. pursuant to the change in fair market value the AESE shares.

Provision for income taxes

The Company had no income tax expense in the 2020 or 2019 periods, as the Company continues to reserve against any deferred tax assets due to the uncertainty of realization of any benefit.

Net income from discontinued operations

Net income from discontinued operations relates to the income and expenses of BRAC during the periods prior to deconsolidation. Net income from discontinued operations of \$7,421,050 during the nine months ended September 30, 2019.

Liquidity and Capital Resources

The following table summarizes our total current assets, liabilities and working capital at September 30, 2020 and December 31, 2019, respectively.

	September 30, 2020	December 31, 2019
Current Assets	<u>\$ 2,685,000</u>	<u>\$ 7,138,712</u>
Current Liabilities	<u>\$ 373,101</u>	<u>\$ 1,446,407</u>
Working Capital	<u>\$ 2,311,899</u>	<u>\$ 5,692,305</u>

As of September 30, 2020, we had working capital of \$2,311,899.

The following table summarizes our cash flows during the nine-month periods ended September 30, 2020 and 2019, respectively.

	Nine Months Ended September 30,	
	2020	2019
Net cash used in operating activities	\$ (1,111,648)	\$ (9,759,160)
Net cash provided by investing activities	1,157,076	6,888,299
Net cash provided by financing activities	262,925	1,431,974
Net change in cash and cash equivalents	\$ 308,353	\$ (1,438,887)

Net cash used in operating activities was \$1,111,648 and \$9,759,160 for the nine months ended September 30, 2020 and 2019, respectively, a period over period improvement of \$8,647,512. The decrease was primarily due to a decrease of \$8,618,568 in net losses in discontinued operations of BRAC. Changes in working capital from continuing operating activities resulted in a decrease in cash of \$169,715 in the nine months ended September 30, 2020, as compared to a decrease in cash of \$181,718 for the same period in the previous year.

Net cash provided by investing activities were \$1,157,076 and \$6,888,299 for the nine months ended September 30, 2020 and 2019, respectively. Cash provided by investing activities were comprised of proceeds of \$1,157,076 from the sale of Allied Esports Entertainment, Inc. securities during the nine months ended September 30, 2020. In the comparative period ended September 30, 2019, virtually all the cash was provided from discontinued operations and was the result of transfers and withdrawals from the Trust Account.

Net cash provided by financing activities was \$262,925 and \$1,431,974 for the nine months ended September 30, 2020 and 2019, respectively. All of the 2020 activity was the result of \$802,025 of net proceeds from notes payable, as offset by \$539,100 of repayments, compared to \$1,431,974 of cash provided by financing activities from discontinued operations in the comparative nine months ended September 30, 2019.

Satisfaction of our cash obligations for the next 12 months

As of September 30, 2020, our balance of cash was \$417,109 and we had total working capital of \$2,311,899. We expect to incur significant costs related to the freeze-dried fruit Asset Purchase Agreement which closed on October 1, 2020, which will put a strain on our cash resources. Our plan for satisfying our cash requirements for the next twelve months is through cash on hand and the sale of its AESE shares, however, there can be no assurance the share price will be sufficient to cover our cash obligations for the next 12 months, therefore, additional financing in the form of equity or debt may be needed. The Company realized \$1,157,076 of proceeds on the sale of 469,968 shares of AESE stock and 505,000 AESEW warrants, and received proceeds of \$112,925 on a PPP loan and \$150,000 of proceeds on an EIDL loan to be used as working capital to alleviate economic injury caused by COVID-19 during the second quarter of 2020. Pursuant to the Asset Purchase Agreement we entered into with S-FDF, LLC on June 9, 2020, we will need to contribute \$4 million to the business in the form of proceeds from either the sale of Sponsor Shares after October 1, 2020, proceeds from a financing secured by the AESE Shares after June 9, 2020, proceeds from an equity or convertible debt financing, legal fees paid in connection with the Asset Purchase Agreement, expenses incurred by the Company after August 1, 2020 (except for severance related to change in control payments made to the Company's employees), and the Company's cash as of October 1, 2020 (the "Company Contribution"). If the Company Contribution is less than \$4 million on January 1, 2021, then the Final Determination Date will be January 1, 2021. The net fair value of the Sponsor Shares is approximately \$1.8 million currently, however, there can be no assurance we will be able to realize these proceeds upon the sale of the securities.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements.

Critical Accounting Policies and Estimates

Our management's discussion and analysis of financial conditions and results of operations is based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States, or GAAP. The preparation of these financial statements required us to make estimates and judgments that affect the reported amounts of assets, liabilities and expenses. On an ongoing basis, we evaluate these estimates and judgments. We base our estimates on our historical experience and on various other assumptions that we believe to be reasonable under the circumstances. These estimates and assumptions form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results and experiences may differ materially from these estimates.

Our critical accounting policies are more fully described in Note 2 of the footnotes to our financial statements appearing elsewhere in this Form 10-Q, and Note 2 of the footnotes to the financial statements provided in our Annual Report on Form 10-K/A for the fiscal year ended December 31, 2019.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a "smaller reporting company" as defined by Item 10 of Regulation S-K, the Company is not required to provide the information required by this Item

ITEM 4. CONTROLS AND PROCEDURES.

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed by the Company is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission.

Our management, under the direction of our Chief Executive Officer and Interim Chief Financial Officer has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as such terms are defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of September 30, 2020. As part of such evaluation, management considered the matters discussed below relating to internal control over financial reporting. Based on this evaluation our management, including the Company's Chief Executive Officer and Interim Chief Financial Officer, has concluded that the Company's disclosure controls and procedures were effective as of September 30, 2020 to ensure that the information required to be disclosed in our Exchange Act reports was recorded, processed, summarized and reported on a timely basis.

There have been no changes in the Company's internal control over financial reporting during the nine-month period ended September 30, 2020 that materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

Other than routine legal proceedings incident to our business, there are no material legal proceedings to which we are a party or to which any of our property is subject.

ITEM 1A . RISK FACTORS.

Risks Due to COVID-19

The outbreak of the coronavirus (“COVID-19”) has negatively impacted and could continue to negatively impact the global economy. In addition, the COVID-19 pandemic could disrupt or otherwise negatively impact global credit markets, our operations and our efforts to identify, review and explore opportunities for the Company.

The significant outbreak of COVID-19 has resulted in a widespread health crisis, which has negatively impacted and could continue to negatively impact the global economy. In addition, the global and regional impact of the outbreak, including official or unofficial quarantines and governmental restrictions on activities taken in response to such event, could have a negative impact on our operations and our ability to identify, review and explore alternatives for the Company. More broadly, the outbreak could potentially reduce the value of the AESE Shares that we own and impact the shares of the Company that we may be required to issue to Sellers under the Asset Purchase Agreement.

The COVID-19 outbreak could disrupt or otherwise negatively impact credit and equity markets, which could adversely affect the availability and cost of capital. Such impacts could limit our ability to obtain additional funding through various financing transactions or arrangements, including equity or debt financing or other means.

Social distancing, travel bans and quarantines have limited access in certain respects to our management, support staff, professional advisors and our independent auditors. These factors, in turn, may not only impact our operations, financial condition and our overall ability to react timely to mitigate the impact of this event. Also, it may hamper our efforts to comply with our filing obligations with the Securities and Exchange Commission. In addition, it could impact the ability to complete construction and commence operations of the S-FDF business.

The extent and potential short and long-term impact of the COVID-19 outbreak on our business will depend on future developments, including the duration, severity and spread of the virus, actions that may be taken by governmental authorities and the impact on the financial markets, all of which are highly uncertain and cannot be predicted. These and other potential impacts of an epidemic, pandemic or other health crisis, such as COVID-19, could therefore materially and adversely affect our business, financial condition and results of operations.

Risks Related to Our Business

Our freeze-dried foods business is essentially a start-up, and does not have any meaningful history of operations.

The assets we purchased under the Asset Purchase Agreement were of a development stage business without any major customers or history of operations upon which to forecast future business trends. We cannot guarantee that we will become profitable. As a developing company, we will need to adopt and implement a plan to increase awareness of our products, secure distribution channels, and foster and strengthen our supply, manufacturing and distribution relationships. It is likely our strategic priorities will need to evolve over time and our business would be materially and adversely effected if we do not properly adapt our strategies to our changing needs and changes in the market.

As our operations develop and grow, we expect to experience significant increases in our working capital requirements. These conditions raise doubt over our ability to meet all of our obligations over the next twelve months if we are unable to obtain additional capital. Even if we obtain additional capital and achieve profitability, given the competitive and evolving nature of the industry in which we operate, we may be unable to sustain or increase profitability and our failure to do so would adversely affect the Company’s business, including our ability to raise additional funds.

We have very limited internal distribution and marketing capabilities and are only in the early stages of building our distribution network.

We have not yet launched our freeze-dried food products commercially. In order to be successful, we will need to establish a direct to consumer platform and/or relationships with numerous retail outlets through which our products can be sold. While our products have been introduced into a limited number of potential consumers and customers on a trial basis, to date, we have not entered into any relationships with distributors and retail outlets for the sale of our products and have not yet generated revenues through sales. We have extremely limited internal marketing and distribution capabilities and resources. There can be no assurance that we will be successful in establishing a meaningful distribution network or direct to consumer platform or that if the same is established that such network or platform will result in profitable sales of our products.

We may need additional financing in the future, which may not be available when needed or may be costly and dilutive.

We may require additional financing to support our working capital needs in the future. The amount of additional capital we may require, the timing of our capital needs and the availability of financing to fund those needs will depend on a number of factors, including our strategic initiatives and operating plans, the performance of our business and the market conditions for debt or equity financing. Additionally, the amount of capital required will depend on our ability to meet our sales goals and otherwise successfully execute our operating plan. Although we believe various debt and equity financing alternatives will be available to us to support our working capital needs, financing arrangements on acceptable terms may not be available to us when needed. Additionally, these alternatives may require significant cash payments for interest and other costs or could be highly dilutive to our existing shareholders. Any such financing alternatives may not provide us with sufficient funds to meet our long-term capital requirements.

A worsening of economic conditions or a decrease in consumer spending may adversely impact our ability to implement our business strategy.

Our success depends to a significant extent on discretionary consumer spending, which is influenced by general economic conditions and the availability of discretionary income. There is no certainty regarding economic conditions in the United States, and credit and financial markets and confidence in economic conditions could deteriorate at any time. Accordingly, we may experience declines in revenue during economic turmoil or during periods of uncertainty. Any material decline in the amount of discretionary spending, leading cost-conscious consumers to be more selective in food products purchased, could have a material adverse effect on our revenue, results of operations, business and financial condition.

Fluctuations in various food and supply costs, particularly related to fruit, could adversely affect our operating results.

Supplies and prices of the ingredients that we are going to use to can be affected by a variety of factors, such as weather, seasonal fluctuations, demand, politics and economics in the producing countries.

These factors subject us to shortages or interruptions in product supplies, which could adversely affect our revenue and profits. In addition, the price of fruit, which is currently our main ingredient in our products, can be highly volatile. The fruit of the quality we seek tends to trade on a negotiated basis, depending on supply and demand at the time of the purchase. An increase in pricing of any fruit that we are going to use in our products could have a significant adverse effect on our profitability. We cannot assure you that we will be able to secure our fruit supply.

Our success depends on our ability to correctly predict, identify, and interpret changes in consumer preferences and demand, to offer new products to meet those changes, and to respond to competitive innovation.

Consumer preferences for food and beverage products change continually and rapidly. Our success depends on our ability to predict, identify, and interpret the tastes and dietary habits of consumers and to offer products that appeal to consumer preferences, including with respect to health and wellness. If we do not offer products that appeal to consumers, our sales and market share will decrease, which could materially and adversely affect our product sales, financial condition, and operating results.

We must distinguish between short-term trends and long-term changes in consumer preferences. If we do not accurately predict which shifts in consumer preferences will be long-term, or if we fail to introduce new and improved products to satisfy those preferences, our sales could decline.

Our business depends substantially on the continuing efforts of our senior management and other key personnel, and our business may be severely disrupted if we lose their services.

Our future success heavily depends on the continued service of our senior management and other key employees. If one or more of our senior executives is unable or unwilling to continue to work for us in his or her present position, we may have to spend a considerable amount of time and resources searching, recruiting, and integrating a replacement into our operations, which would substantially divert management's attention from our business and severely disrupt our business. This may also adversely affect our ability to execute our business strategy.

Our senior management's limited experience managing a publicly traded company may divert management's attention from operations and harm our business.

Our senior management team has relatively limited experience managing a publicly traded company and complying with federal securities laws, including compliance with recently adopted disclosure requirements on a timely basis. Our management will be required to design and implement appropriate programs and policies in responding to increased legal, regulatory compliance and reporting requirements, and any failure to do so could lead to the imposition of fines and penalties and harm our business.

We may be unable to attract and retain qualified, experienced, highly skilled personnel, which could adversely affect the implementation of our business plan.

Our success depends to a significant degree upon our ability to attract, retain and motivate skilled and qualified personnel. As we become a more mature company in the future, we may find recruiting and retention efforts more challenging. If we do not succeed in attracting, hiring and integrating excellent personnel, we may be unable to grow effectively. The loss of any key employee, including members of our senior management team, and our inability to attract highly skilled personnel with sufficient experience in our industries could harm our business.

Our ability to maintain and expand our distribution network and attract consumers, distributors, retailers and brokers will depend on a number of factors, some of which are outside our control.

Some of these factors include:

- the level of demand for our brands and products types;
- our ability to price our products at levels competitive with those of competing products; and
- our ability to deliver products in the quantity and at the time ordered by consumers, distributors, retailers and brokers.

We may not be able to successfully manage all or any of these factors in any of our current or prospective geographic areas of distribution. Our inability to achieve success with regards to any of these factors in a geographic distribution area will have a material adverse effect on our relationships in that particular geographic area, thus limiting our ability to maintain or expand our market, which will likely adversely affect our revenues and financial results.

If we do not adequately manage our inventory levels, our operating results could be adversely affected.

We will need to maintain adequate inventory levels to be able to deliver products on a timely basis. Our inventory supply depends on our ability to correctly estimate demand for our products. Our ability to estimate demand for our products is imprecise, particularly for new products. If we materially underestimate demand for our products or are unable to maintain sufficient inventory of raw materials, we might not be able to satisfy demand on a short-term basis. If we overestimate demand for our products, we may end up with too much inventory, resulting in higher storage costs and increased trade spend. If we fail to manage our inventory to meet demand, we could damage our relationships with our customers and retailers and could delay or lose sales opportunities, which would unfavorably impact our future sales and adversely affect our operating results.

Risks Related to Our Industry

The challenges of competing with other freeze-dried fruit businesses may result in reductions in our revenue and operating margins.

We will compete with many companies on the basis of taste, quality and price of product offered, and customer service. Our success depends, in part, upon the popularity of our products and our ability to develop new items that appeal to a broad range of consumers. Shifts in consumer preferences away from products like ours, our inability to develop new items that appeal to a broad range of consumers, or changes in our offerings that eliminate products popular with some consumers could harm our business. We compete with other manufacturers of freeze-dried fruit, frozen fruits, convenience foods, health foods and packaged goods. Many of our competitors or potential competitors have substantially greater financial and other resources than we do, which may allow them to react to changes in the market quicker than we can. In addition, aggressive pricing by our competitors or the entrance of new competitors into our markets, could reduce our revenue and operating margins. We also compete with other employers in our markets for workers and may become subject to higher labor costs as a result of such competition.

Concerns over food safety and public health may affect our operations by increasing our costs and negatively impacting demand for our products.

We could be adversely affected by diminishing confidence in the safety and quality of certain food products or ingredients. As a result, we may elect or be required to incur additional costs aimed at increasing consumer confidence in the safety of our products. Our success depends on our ability to maintain the quality of our existing and new products. Product quality issues, real or imagined, or allegations of product contamination, even if false or unfounded, could tarnish the image of our brands and may cause consumers to choose other products.

Product liability exposure may expose us to significant liability.

We may face an inherent business risk of exposure to product liability and other claims and lawsuits in the event that the development or use of our technology or prospective products is alleged to have resulted in adverse effects. We may not be able to avoid significant liability exposure. Although we believe our insurance coverage to be adequate, we may not have sufficient insurance coverage, and we may not be able to obtain sufficient coverage at a reasonable cost. An inability to obtain product liability insurance at acceptable cost or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of our products. A product liability claim could hurt our financial performance. Even if we ultimately avoid financial liability for this type of exposure, we may incur significant costs in defending ourselves that could hurt our financial performance and condition.

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

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS.

Exhibit	Description
3.1	Certificate of Incorporation (incorporated by reference to Exhibit 3.1 of the Form 8-K filed with the Securities and Exchange Commission by Black Ridge Oil & Gas, Inc. on December 12, 2012)
3.2	Bylaws (incorporated by reference to Exhibit 3.2 of the Form 8-K filed with the Securities and Exchange Commission by Black Ridge Oil & Gas, Inc. on December 12, 2012)
3.3	Certificate of Amendment to Articles of Incorporation (incorporated by reference to Exhibit 3.1 of the Form 8-K filed with the Securities and Exchange Commission by Black Ridge Oil & Gas, Inc. on February 21, 2020)
10.1	Business Loan Agreement dated March 10, 2020, between Cadence Bank, N.A. and Black Ridge Oil & Gas, Inc. (incorporated by reference to Exhibit 10.1 of the Form 10-Q filed with the Securities and Exchange Commission by Black Ridge Oil & Gas, Inc. on May 15, 2020)
10.2	Promissory Note dated March 10, 2020, between Cadence Bank, N.A. and Black Ridge Oil & Gas, Inc. (incorporated by reference to Exhibit 10.2 of the Form 10-Q filed with the Securities and Exchange Commission by Black Ridge Oil & Gas, Inc. on May 15, 2020)
10.3	Commercial Pledge and Security Agreement dated March 10, 2020, between Cadence Bank, N.A. and Black Ridge Oil & Gas, Inc. (incorporated by reference to Exhibit 10.3 of the Form 10-Q filed with the Securities and Exchange Commission by Black Ridge Oil & Gas, Inc. on May 15, 2020)
10.4	Form of Commercial Guaranty dated March 10, 2020, between Cadence Bank, N.A. and Black Ridge Oil & Gas, Inc. (incorporated by reference to Exhibit 10.4 of the Form 10-Q filed with the Securities and Exchange Commission by Black Ridge Oil & Gas, Inc. on May 15, 2020)
10.5	Asset Purchase Agreement dated June 9, 2020, between S-FDF, LLC and Black Ridge Oil & Gas, Inc. (incorporated by reference to Exhibit 10.2 of the Form SC 13D/A filed with the Securities and Exchange Commission by Black Ridge Oil & Gas, Inc. on June 17, 2020)
10.6	Amendment to Asset Purchase Agreement dated October 1, 2020, between S-FDF, LLC and Black Ridge Oil & Gas, Inc. (incorporated by reference to Exhibit 2.1 of the Form 8-K filed with the Securities and Exchange Commission by Black Ridge Oil & Gas, Inc. on October 6, 2020)
10.7	Promissory Note dated April 24, 2020, between Kensington Bank and Black Ridge Oil & Gas, Inc. (incorporated by reference to Exhibit 10.6 of the Form 10-Q filed with the Securities and Exchange Commission by Black Ridge Oil & Gas, Inc. on August 11, 2020)
10.8	Promissory Note dated June 16, 2020, between the U.S. Small Business Administration and Black Ridge Oil & Gas, Inc. (incorporated by reference to Exhibit 10.7 of the Form 10-Q filed with the Securities and Exchange Commission by Black Ridge Oil & Gas, Inc. on August 11, 2020)
10.9	Security Agreement dated June 16, 2020, between the U.S. Small Business Administration and Black Ridge Oil & Gas, Inc. (incorporated by reference to Exhibit 10.8 of the Form 10-Q filed with the Securities and Exchange Commission by Black Ridge Oil & Gas, Inc. on August 11, 2020)
10.10	Loan Authorization & Agreement dated June 16, 2020, between the U.S. Small Business Administration and Black Ridge Oil & Gas, Inc. (incorporated by reference to Exhibit 10.9 of the Form 10-Q filed with the Securities and Exchange Commission by Black Ridge Oil & Gas, Inc. on August 11, 2020)
10.11*	Amended and Restated Employment Agreement dated September 30, 2020, between Kenneth DeCubellis and Black Ridge Oil & Gas, Inc.
10.12*	Separation Agreement and Release dated September 30, 2020, between Michael Eisele and Black Ridge Oil & Gas, Inc.
31.1*	Section 302 Certification of Chief Executive Officer
31.2*	Section 302 Certification of Interim Chief Financial Officer
32.1*	Section 906 Certification of Chief Executive Officer
32.2*	Section 906 Certification of Interim Chief Financial Officer
101.INS*	XBRL Instance Document
101.SCH*	XBRL Schema Document
101.CAL*	XBRL Calculation Linkbase Document
101.DEF*	XBRL Definition Linkbase Document
101.LAB*	XBRL Labels Linkbase Document
101.PRE*	XBRL Presentation Linkbase Document

*Filed herewith

SIGNATURES

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

BLACK RIDGE OIL & GAS, INC.

Dated: November 12, 2020

By: /s/ Claudia Goldfarb
Claudia Goldfarb, Chief Executive Officer (Principal Executive Officer)

By: /s/ Brad Burke
Interim Chief Financial Officer (Principal Financial Officer)

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This **AMENDED AND RESTATED EMPLOYMENT AGREEMENT** (“Agreement”) is made and entered into as of September 30, 2020 (the “Agreement Date”), by and among Black Ridge Oil & Gas, Inc., a Nevada corporation (the “Company”), and Kenneth DeCubellis (“DeCubellis”). Company and DeCubellis are each a “Party” and collectively are the “Parties.”

RECITALS

WHEREAS, the Company and DeCubellis have previously entered into an Employment Agreement dated September 24, 2019;

WHEREAS, as of 11:59 p.m. on the Agreement Date, the Parties intend that DeCubellis will no longer continue to serve as the Chief Executive Officer and the Interim Chief Financial Officer of the Company but rather, will continue employment with the Company starting on October 1, 2020 (the “Start Date”) in a new role as a Transition Resource employee for the Company until such employment ends pursuant to the terms of this Agreement; and

WHEREAS, Company desires to set forth the compensation and other terms for which DeCubellis shall be employed as a Transition Resource employee for the Company.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed by and between the undersigned Parties, as follows:

1. Employment Term. The Company agrees to employ DeCubellis as a Transition Resource employee and DeCubellis agrees to be so employed by the Company pursuant to the terms of this Agreement from the Start Date through December 15, 2020, or such earlier termination date that may arise in accordance with Section 2 of this Agreement with such period of actual employment of DeCubellis being the “Employment Term” and his final day of employment, no matter the reason for the end of his employment, being the “Separation Date.”

2. Catch Up Pay Due DeCubellis. On or after the Start Date, but no later than September 30, 2020, the Company shall pay DeCubellis \$50,000.00 gross pay, in cash, less applicable federal, state, and FICA tax and other withholdings, as “Catch-Up Pay” for work performed by DeCubellis for the Company from August 1, 2020, through the Agreement Date but for which the Company has not yet paid DeCubellis as of the Agreement Date.

3. Compensation During The Employment Term. During the Employment Term, the Company shall pay DeCubellis a “Base Salary” at an annual rate of \$300,000.00 gross (*i.e.*, \$11,538.46 gross per payroll check that, net of applicable federal, state and FICA tax and other withholdings, shall be the “Bi-Weekly Net Payroll Amount”), from the Start Date through the duration of the Employment Term on each of the Company's normal payroll periods during the Employment Term, subject to the further payment options of the Company set forth below. Such “Base Salary” will be paid, at the Company's election, either in (A) cash, (B) the transfer of a number of shares of common stock of Allied Esports Entertainment, Inc. (“AESE”) (the “AESE Stock”) equal to the Bi-Weekly Net Payroll Amount based on the weighted average of AESE's closing stock price for the previous ten (10) business days preceding the due date for the payment of the Bi-Weekly Net Payroll Amount or (C) a combination of cash and AESE Stock provided; however, for the period from the Start Date through November 12, 2020, the Bi-Weekly Net Payroll Amount shall be paid in cash. After November 12, 2020, at the Company's election, it may choose to transfer AESE Stock to DeCubellis in advance to compensate him for one or more future Bi-Weekly Net Payroll Amounts that occur after November 12, 2020, due him during the Employment Term. If such shares of AESE Stock are transferred to DeCubellis in advance of one or more Bi-Weekly Net Payroll Amounts due him, then no further compensation shall be due for any such Bi-Weekly Net Payroll Amounts paid in advance. All payments elected to be paid via AESE Stock will be paid by transfer from the Company to DeCubellis of the specified number of shares of AESE Stock as determined according to this Section.

If DeCubellis becomes "Disabled" during the Employment Term and cannot work, DeCubellis dies during the Employment Term, the Company terminates DeCubellis' employment without "Cause" prior to December 15, 2020, or DeCubellis completes the Employment Term with his final day of employment with the Company being December 15, 2020, and provided DeCubellis (or his estate, as applicable) timely executes a Separation and Release Agreement in the form substantially similar to that attached hereto as **Exhibit A** (the "Release Agreement"), following the Separation Date, the Company shall pay DeCubellis or his estate, as applicable, the Separation Pay and provide such other benefits, including the accelerated vesting of DeCubellis' Company options, as set forth in the Release Agreement. On the other hand, if DeCubellis voluntarily terminates his employment with the Company prior to December 15, 2020, or the Company terminates DeCubellis' employment for "Cause" prior to December 15, 2020, he shall be entitled to no further payments pursuant to this Agreement or pursuant to the Release Agreement following the Separation Date.

For purposes of this Agreement, "Disabled" shall mean DeCubellis' inability, due to a physical or mental impairment, to perform the essential functions of his position, with or without reasonable accommodation. For purposes of this Agreement, "Cause" shall mean termination of DeCubellis' employment due to (i) a plea of guilty or no contest by DeCubellis to a felony or a conviction of DeCubellis to a felony, (ii) any acts or acts of dishonesty by DeCubellis intended to result in personal enrichment to DeCubellis at the expense of the Company, or (iii) failure to follow the lawful instructions of the Board of Directors of the Company (which for purposes hereof shall consist of the lawful instructions by Bradley Berman, Lyle Berman, Benjamin Oehler, and Joseph Lahti collectively). Nothing in this Agreement shall limit the right of the Company to terminate the employment of DeCubellis without Cause prior to December 15, 2020.

4. **Miscellaneous.**

4.1 **Assignment.** Neither this Agreement nor any of the rights, benefits or obligations hereunder may be assigned or delegated (whether by operation of law or otherwise) by DeCubellis without the prior written consent of the Company, which consent shall not be unreasonably withheld.

4.2 **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties with respect to the subject matter herein and supersedes any and all prior or contemporaneous understandings, negotiations or agreements between the Parties including, but not limited to, the Change of Control Agreement dated April 5, 2013 and the Employment Agreement dated September 24, 2019 and shall be binding upon and inure to the benefit of the Parties hereto and their respective legal representatives and permitted successors and assigns; provided, however, at all times, DeCubellis shall continue to be bound by the terms of the October 26, 2011, Employee Agreement regarding Proprietary Information, Confidentiality, Loyalty and Noninterference entered into between the Company and DeCubellis as modified in the Release Agreement if executed by DeCubellis.

4.3 **Amendments and Waiver.** Any amendment, supplement, variation, alteration or modification to the Agreement must be made in writing and duly executed by an authorized representative or agent of each of the Parties.

4.4 **Severability.** Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

4.5 **Counterparts.** This Agreement may be executed by one or more of the Parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile transmission, electronic signature and/or via email/PDF shall be effective as delivery of an original executed counterpart.

4.6 **Governing Law.** This Agreement and the rights and obligations of the Parties pursuant to this agreement shall be governed by and interpreted, construed and enforced in accordance with, the law of the state of Minnesota. The Parties irrevocably submit to the exclusive jurisdiction of the state and federal courts of Minnesota, and each Party irrevocably agrees that all claims in respect of such dispute, controversy or claim may be heard and determined in such courts. The Parties hereby irrevocably waive, to the fullest extent permitted by applicable laws, any objection that they may now or hereafter have to the laying of venue of any such dispute, controversy or claim brought in any such court or any defense of inconvenient forum for the maintenance of such dispute, controversy or claim. Each Party agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable law.

4.7 **Waiver Of Jury Trial.** Each of the Parties irrevocably and unconditionally waives trial by jury in any legal action or proceeding relating to this Agreement or any related agreement and for any counterclaim therein.

4.8 **Further Assurances.** The Parties agree to take such actions and execute and deliver such other documents or agreements as may be necessary or desirable for the implementation of this Agreement and the consummation of the transactions contemplated hereby and thereby.

4.9 **Titles and Subtitles.** The article and section headings contained in this Agreement are inserted for convenience only and will not affect in any way the meaning or interpretation of this Agreement.

4.10 **Construction.** The Parties have jointly participated in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the Parties and no presumption or burden of proof will arise favoring or disfavoring any Party because of the authorship of any provision of this Agreement.

4.11 **Survival.** All covenants, agreements, representations and warranties made in this Agreement shall survive the execution and delivery of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement effective as of the Agreement Date first written above.

Dated: September 30, 2020

BLACK RIDGE OIL & GAS, INC.

By: _____

Name: _____

Title: _____

Dated: September 30, 2020

/s/ Kenneth DeCubellis
KENNETH DECUBELLIS

EXHIBIT A
SEPARATION AND RELEASE AGREEMENT

This SEPARATION AND RELEASE AGREEMENT ("Agreement") is made and entered into by and between Ken DeCubellis ("DeCubellis") and Black Ridge Oil & Gas, Inc. (the "Company") on the latest date this Agreement is signed by DeCubellis and the Company (the "Agreement Date") with the Company agreeing to sign this Agreement no later than two (2) business days after DeCubellis signs this Agreement.

1. **Separation Payment and Vesting of Options.** In consideration for the mutual promises exchanged herein and subject to the conditions in the Amended and Restated Employment Agreement between DeCubellis and the Company (the "Employment Agreement") and the conditions in this Agreement, and provided DeCubellis has not exercised his rescission right under Section 8 below, following the Separation Date as defined in the Employment Agreement, the Company shall pay DeCubellis "Separation Pay" equivalent to an annual "Base Salary" of \$300,000.00 gross (*i.e.*, \$11,538.46 gross per payroll check that, net of applicable federal, state and FICA tax and other withholdings, shall be the "Bi-Weekly Net Payroll Amount"), from the day immediately following the Separation Date through September 30, 2021 (the "Severance Period"), on each of the Company's normal payroll periods during the Severance Period, subject to the further payment options of the Company set forth below. In addition, options the Company granted to DeCubellis under the stock option agreements listed on **Exhibit 1** hereto that would otherwise be forfeited upon DeCubellis' separation from the Company shall fully vest (the "Accelerated Vesting") effective as of Effective Date as defined below.

Such Separation Pay will be paid, at the Company's election, either in (A) cash, (B) the transfer of a number of shares of common stock of Allied Esports Entertainment, Inc. ("AESE") (the "AESE Stock") equal to the Bi-Weekly Net Payroll Amount based on the weighted average of AESE's closing stock price for the previous ten (10) business days preceding the due date for the payment of the Bi-Weekly Net Payroll Amount or (C) a combination of cash and AESE Stock provided; however, for the period from the Separation Date through November 12, 2020, if applicable, the Bi-Weekly Net Payroll Amount shall be paid in cash. After November 12, 2020, at the Company's election, it may choose to transfer AESE Stock to DeCubellis in advance to compensate him for one or more future Bi-Weekly Net Payroll Amounts that occur after November 12, 2020, due him during the Severance Period. If such shares of AESE Stock are transferred to DeCubellis in advance of one or more Bi-Weekly Net Payroll Amounts due him during the Severance Period, then no further compensation shall be due for any such Bi-Weekly Net Payroll Amounts paid in advance for payments due during the Severance Period. All payments elected to be paid via AESE Stock will be paid by transfer from the Company to DeCubellis of the specified number of shares of AESE Stock as determined according to this Section.

In the event the Company fails to make a timely Bi-Weekly Net Payroll Amount payment to DeCubellis, DeCubellis shall provide written notice of the Company's default to Company within five (5) business days of the default. Thereafter, the Company shall have ten (10) business days from receipt of the notice of default from DeCubellis to cure the default. If the Company fails to cure timely the default after notice thereof, such missed Bi-Weekly Net Payroll amount and all future Bi-Weekly Net Payroll amounts, if any, through the duration of the Separation Period shall become immediately due and payable in lump sum within 30 calendar days of the Company's receipt of DeCubellis' original notice of default.

The Separation Pay and Accelerated Vesting are being provided in full, complete, and final settlement of any and all claims, actions, and causes of action that DeCubellis could bring against the Company and the other persons and entities released herein. No Bi-Weekly Net Payroll Amount nor Accelerated Vesting shall occur until the Effective Date; provided however, if a Bi-Weekly Net Payroll Amount would have been due following the Separation Date but before the Effective Date, such missed Bi-Weekly Net Payroll Amount shall be paid along with any other Bi-Weekly Net Payroll Amount due on the first payroll date following the Effective Date.

DeCubellis understands, acknowledges, and agrees that the Separation Pay and Accelerated Vesting exceed what DeCubellis is otherwise entitled to receive on separation from employment from the Company, and that such Separation Pay and benefits are being given as consideration in exchange for executing this Agreement, including the general release and restrictive covenants contained in it. DeCubellis further acknowledges that he is not entitled to any additional payment or consideration not specifically referenced in this Agreement.

2. **Release of Claims.** In exchange for the Separation Pay and benefits provided in this Agreement, DeCubellis, on behalf of himself, his agents, representatives, attorneys, assignees, heirs, executors, and administrators, hereby covenants that he will not sue and hereby releases and forever discharges the Company, and its past and present employees, agents, insurers, officials, officers, directors, divisions, parents, subsidiaries, predecessors and successors, and all affiliated entities and persons, and all of their respective past and present employees, agents, insurers, officials, officers, and directors from any and all claims and causes of action of any type arising, or which may have arisen, out of or in connection with his/her employment or the separation of his/her employment with the Company that have arisen through the date of DeCubellis' signature below (the "Release"). The Release includes, without limitation, claims, demands or actions arising under the National Labor Relations Act, Title VII of the Civil Rights Act of 1964, the Employee Retirement Income Security Act of 1974, the Age Discrimination in Employment Act of 1967 as amended by the Older Workers Benefit Protection Act, the Equal Pay Act, 42 U.S.C. § 1981, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Fair Credit Reporting Act, the Vocational Rehabilitation Act, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, the Fair Labor Standards Act, the Lily Ledbetter Fair Pay Act of 2009, the Americans with Disabilities Act, the Rehabilitation Act of 1973, the Genetic Information Nondiscrimination Act, the Immigration Reform and Control Act of 1986, the Civil Rights Act of 1991, the Occupational Safety and Health Act, the Consumer Credit Protection Act, the American Recovery and Reinvestment Act of 2009, the Asbestos Hazard Emergency Response Act, Employee Polygraph Protection Act, the Uniformed Services Employment and Reemployment Rights Act, the Minnesota Human Rights Act, the Minnesota Equal Pay for Equal Work Law, the Minnesota Fair Labor Standards Act, the Minnesota Labor Relations Act, the Minnesota Occupational Safety and Health Act, the Minnesota Criminal Background Check Act, the Minnesota Lawful Consumable Products Law, the Minnesota Smokers' Rights Law, the Minnesota Parental Leave Act, the Minnesota Adoptive Parent Leave Law, the Minnesota Whistleblower Act, the Minnesota Drug and Alcohol Testing in the Workplace Act, the Minnesota Consumer Reports Law, the Minnesota Victim of Violent Crime Leave Law, the Minnesota Domestic Abuse Leave Law, the Minnesota Bone Marrow Donation Leave Law, the Minnesota Military and Service Leave Law, the Minnesota Minimum Wage Law, the Minnesota Drug and Alcohol Testing in the Workplace Act, Minn. Stat. § 176.82, Minnesota Statutes Chapter 181, the Minnesota Constitution, Minnesota common law, and all other applicable state, county and local ordinances, statutes and regulations. DeCubellis further understands that this discharge of claims extends to, but is not limited to, all claims that he may have as of the Effective Date based upon statutory or common law claims for defamation, libel, slander, assault, battery, negligent or intentional infliction of emotional distress, negligent hiring or retention, breach of contract, retaliation, whistleblowing, promissory estoppel, fraud, wrongful discharge, or any other theory, whether legal or equitable, and any and all claims for wages, salary, bonuses, commissions, damages, attorney's fees or costs. DeCubellis acknowledges that this Release includes all claims that he is legally permitted to release but, as such, does not apply to any vested rights under the Company's retirement plans, stock option plans or other company benefits plans nor does it preclude him from seeking to enforce the terms of this Agreement nor does it preclude him from filing a Government Report as described below. The Release also does not release any claims that cannot be released as a matter of law (e.g., claims for unemployment compensation benefits).

3. **Separation From Employment.** DeCubellis' employment with the Company ended on [_____], 2020 (i.e., "Separation Date"). DeCubellis is not eligible to sign this Agreement until after the Separation Date. During the Severance Period, DeCubellis will make himself available, as reasonably requested by the Company at mutually agreeable times, to assist the Company in transition of DeCubellis' duties or to provide other requested information regarding the Company. The Company expects it will seek only minimal, if any, transition assistance from DeCubellis during the Severance Period.

4. **Confidential Information Acquired During Employment.** DeCubellis agrees that he will continue to treat, as private and privileged, any information, data, figures, projections, estimates, marketing plans, customer lists, lists of contract workers, tax records, personnel records, accounting procedures, formulas, contracts, business partners, alliances, ventures and all other confidential information that DeCubellis acquired while working for the Company. DeCubellis agrees that he will not release any such information to any person, firm, corporation or other entity at any time, except as may be required by law, or as agreed to in writing by the Company. DeCubellis acknowledges that any violation of this non-disclosure provision shall entitle the Company to appropriate injunctive relief and to any damages that it may prove due to the improper disclosure. DeCubellis agrees to abide by the Company's insider trading policy or other applicable securities laws or restrictions on trading of any shares of the Company or of any shares of AESE.

Immunity from Liability: The Defend Trade Secrets Act ("DTSA") provides DeCubellis shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, and is made solely for the purpose of reporting or investigating a suspected violation of law. The DTSA provides the same immunity for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Under the DTSA, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

5. **Confidentiality, No Disparaging Remarks.** The Parties represent and agree that they will keep the terms and facts of this Agreement completely confidential, and that they will not disclose any information concerning this Agreement to anyone, except to their counsel, tax accountants and advisors, spouse (as applicable) or except as may be required by law or agreed to in writing by the Parties or as otherwise required for the Parties to enforce or defend their respective rights hereunder. Further, subject to Section 11 below, DeCubellis shall not make any disparaging remarks of any sort or otherwise communicate any disparaging comments about the Company, its managers, officers or directors, or about any of the other released persons or entities identified in Section 2 to any other person or entity. Reciprocally, the Company's Board and its Officers agree not to make any disparaging remarks of any sort or otherwise communicate any disparaging comments about DeCubellis.

6. **Cooperation and Certification.** At the request of the Company following the Separation Date and subject to Section 11 below, DeCubellis will cooperate with the Company in any claims or lawsuits where DeCubellis has knowledge of the facts. Nothing in this Agreement prevents DeCubellis from testifying at an administrative hearing, arbitration, deposition or in court in response to a lawful and properly served subpoena (provided DeCubellis provides written notice of the service of the subpoena to the Company within 72 hours of receipt), nor does it preclude DeCubellis from filing an administrative charge with a government agency or cooperating with a government agency in connection with an administrative charge (though he may not recover damages or receive any relief from the Company if he does file such a charge as noted in Section 2 above). Finally, DeCubellis certifies, warrants and represents that he has faithfully discharged his role with the Company at all times during his employment. DeCubellis further certifies, warrants, and represents that as of the Separation Date he is unaware of any actual or potential violations of law by the Company and that he has not filed any charges, complaints, lawsuits, or any similar claims against the Company.

The Company will defend, indemnify and hold DeCubellis harmless from costs, expenses, damages and other liability incurred by DeCubellis as a result of performing services within the scope of his duties as an officer of the Company in good faith, subject to the limitations and other terms and conditions of applicable Minnesota and Nevada statutes, the Company's Articles of Incorporation or Bylaws and any insurance policies through which the Company fulfills its duties pursuant to this Section.

7. **No Wrongdoing.** DeCubellis and the Company agree and acknowledge that the consideration exchanged herein does not constitute, and shall not be construed as, an admission of liability or wrongdoing on the part of DeCubellis, the Company or any entity or person, and shall not be admissible in any proceeding as evidence of liability or wrongdoing by anyone.

8. **Rescission.** This Agreement contains a release of certain legal rights that DeCubellis may have. DeCubellis is advised to consult with an attorney regarding such release and other aspects of this Agreement before signing this Agreement. DeCubellis understands that he may nullify and rescind this Agreement at any time within the next fifteen (15) calendar days from the date of his signature below by indicating his desire to do so in writing and delivering that writing to by email to bberman@ksg.com and jill.radloff@stinson.com. DeCubellis further understands that if he rescinds this Agreement, the Company will not be bound by the terms of this Agreement, DeCubellis will have to repay in full any monies received pursuant to this Agreement and DeCubellis will not be eligible to receive the Accelerated Vesting. If DeCubellis does not rescind this Agreement pursuant to this Section 8, the "Effective Date" of this Agreement shall become the sixteenth day following the date of his signature below.

9. **Return of Company Property.** Except for the laptop computer, monitors and peripherals that the Company has agreed to allow DeCubellis to retain with all Company information removed, DeCubellis covenants, warrants and represents that he has returned any and all Company property that was ever in his possession or under his control to the Company prior to his signature on this Agreement, and this covenant, warranty and representation expressly extends to (but is not limited to) security card, keys, codes, materials, books, files, cell phones and documents, including all copies.

10. **Minnesota Law, Forum and Merger.** The terms of this Agreement shall be governed by the laws of the State of Minnesota, and shall be construed and enforced thereunder. Any dispute arising under this Agreement shall be determined exclusively by a Minnesota court of appropriate jurisdiction, and the Parties acknowledge the existence of sufficient contacts to the State of Minnesota to confer exclusive jurisdiction upon courts in that state. This Agreement supersedes and replaces all prior oral and written agreements, understandings, and representations between DeCubellis and the Company (with the exception of the Employment Agreement and the October 26, 2011, Proprietary Information, Confidentiality, Loyalty and Noninterference entered into between the Company and DeCubellis, which shall remain in full force and effect following the execution of this Agreement), provided that the Company has agreed that the non-competition/non-solicitation provisions contained therein shall be limited to prohibiting DeCubellis from competition against the freeze-dried food business of the Company or seeking to solicit customers of the Company's freeze-dried food business to do business with competitors of the Company.

11. **Administrative Charges, Investigations, and Proceedings.** Nothing in this Agreement prohibits DeCubellis from reporting possible violations of federal or state law or regulation to the government, including but not limited to the EEOC, Department of Justice, Securities and Exchange Commission, Congress, and any agency inspector general, or filing a charge with or participating in an investigation or proceeding conducted by the EEOC or a comparable state or local agency (collectively, any such activity shall be referred to as a "Government Report"). DeCubellis does not need prior authorization of the Company to make a Government Report and is not required to notify the Company that he has made a Government Report. The restrictions in Sections 4-6 above regarding confidentiality, non-disparagement and cooperation do not apply in connection with a Government Report. Notwithstanding the provisions of this Section 11, DeCubellis' release of claims in Section 2 above waives any alleged right to recover any monetary damages, receive payment for attorneys' fees, costs or disbursements or receive any relief in connection with a Government Report, but this Agreement does not limit any right of DeCubellis to receive a reward from the government for providing it information in connection with a Government Report.

12. **Section 409A.** This Agreement is intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended (Section 409A), including the exceptions thereto, and shall be construed and administered in accordance with such intent. Notwithstanding any other provision of this Agreement, payments provided under this Agreement may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service, as a short-term deferral, or as a settlement payment pursuant to a bona fide legal dispute shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, any installment payments provided under this Agreement shall each be treated as a separate payment. To the extent required under Section 409A, any payments to be made under this Agreement in connection with a termination of employment shall only be made if such termination constitutes a "separation from service" under Section 409A and, if DeCubellis is a "specified employee," as defined in Section 409A, and to the extent any payment is considered "nonqualified deferred compensation" under Code Section 409A payable on account of a "separation from service," such payment or benefit shall not be made or provided until the date that is the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service" of the DeCubellis, or (B) as applicable, the date of the DeCubellis' death. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement comply with Section 409A and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest, or other expenses that may be incurred by DeCubellis on account of non-compliance with Section 409A.

13. **Construction of this Agreement and Severability.** Should this Agreement require judicial interpretation, the court shall not construe the Agreement more strictly against any Party, including the Party who prepared it. Any portions of this Agreement found by a court of competent jurisdiction to be invalid, illegal, overly broad or unenforceable in any respect shall be revised to the minimum amount necessary in order to be valid and enforceable.

14. **DeCubellis Understands the Terms of this Agreement.** Other than stated herein, DeCubellis warrants that: (a) no promise or inducement has been offered for this Agreement; (b) this Agreement is executed without reliance upon any statement or representation of the Company or its representatives concerning the nature and extent of any claims or liability therefor, if any; (c) DeCubellis is legally competent to execute this Agreement and accepts full responsibility therefor; (d) DeCubellis signs voluntarily of his own free will without duress; (e) the Company has advised and hereby advises DeCubellis to consult with an attorney, and DeCubellis has had a sufficient opportunity to consult with an attorney; (f) the Company has allowed DeCubellis until [] to consider whether to sign this proposed Agreement, which is more than twenty-one (21) days from the date DeCubellis first received a copy of this Agreement; and (g) DeCubellis fully understands this Agreement and has been advised by counsel (or has consciously chosen not to seek counsel) of the consequences of signing this Agreement. The Parties acknowledge and agree that if DeCubellis has not signed this proposed Agreement by [], then the offer of this Agreement shall expire by its own terms and be of no further force or effect without any further action required on the part of the Company.

Dated: _____, 2021

BLACK RIDGE OIL & GAS, INC.

By: _____

Name: _____

Title: _____

Dated: _____, 2021

/s/ Kenneth DeCubellis
KENNETH DECUBELLIS

EXHIBIT 1

Stock Option Agreements

Grant Date	Name	Plan	Document	# of Options	Strike Price ***
9/25/2012	Kenneth T. DeCubellis	2012	ISO Options (orig. issuances cancelled & reissued)	3,333	81.00
1/24/2013	Kenneth T. DeCubellis	2012	ISO Options (employment bonus)	1,333	168.00
12/12/2013	Kenneth T. DeCubellis	2012	ISO Options (employment bonus)	2,500	195.00
12/22/2014	Kenneth T. DeCubellis	2012	ISO Options (employment bonus)	193	84.00
9/30/2015	Kenneth T. DeCubellis	2012	ISO Options (employment bonus)	667	51.60
12/12/2016	Kenneth T. DeCubellis	2016	NSO Options (employment bonus)	4,013	12.00
2/26/2020	Kenneth T. DeCubellis	2020	ISO Options (employment bonus)	60,377	5.41

***reverse-split adjusted

SEPARATION AGREEMENT AND RELEASE

This SEPARATION AGREEMENT AND RELEASE (“Agreement”) is made and entered into by and between Michael Eisele (“Employee”) and Black Ridge Oil & Gas, Inc. (the “Company”).

1. Separation Payment and Vesting of Options. In consideration for the mutual promises exchanged herein and subject to the conditions in this Agreement and provided Employee has not exercised his/her rescission right under Section 8 below, the Company will pay to Employee an amount equal to the base salary that Employee would have received for a twelve month period (the “Payment Period”). Such cash payment shall be payable in accordance with the Company’s regular pay period schedule over the Payment Period and shall be paid less applicable withholdings (the “Separation Payment”) and provide for the accelerated vesting of all shares of the Company granted to Employee under the stock option agreements listed on Exhibit B hereto that would otherwise be forfeited upon Employee’s separation from the Company (the “Accelerated Vesting”). The Separation Payment and Accelerated Vesting are being provided in full, complete, and final settlement of any and all claims, actions, and causes of action against the Company and the other persons and entities released herein. The Separation Payment will commence on the first payroll in accordance with the Company’s regular payroll schedule after the expiration of the revocation period set forth below on the condition that Employee did not exercise Employee’s right to revoke and the first payment shall include amounts for any payroll periods between the Termination Date and the date of the first payment; the Accelerated Vesting shall occur promptly thereafter. Employee may avail himself/herself of his/her COBRA rights as of the Separation Date with or without this Agreement.

2. Discharge of Claims. In exchange for the benefits provided in this Agreement, Employee, on behalf of himself/herself, his/her agents, representatives, attorneys, assignees, heirs, executors, and administrators, hereby covenants that he/she will not sue and hereby releases and forever discharges the Company, and its past and present employees, agents, insurers, officials, officers, directors, divisions, parents, subsidiaries, predecessors and successors, and all affiliated entities and persons, and all of their respective past and present employees, agents, insurers, officials, officers, and directors from any and all claims and causes of action of any type arising, or which may have arisen, out of or in connection with his/her employment or the separation of his/her employment with the Company that have arisen through the date of Employee’s signature below (the “Release”). The Release includes, without limitation, claims, demands or actions arising under the National Labor Relations Act, Title VII of the Civil Rights Act of 1964, the Employee Retirement Income Security Act of 1974, the Age Discrimination in Employment Act of 1967 as amended by the Older Workers Benefit Protection Act, the Equal Pay Act, 42 U.S.C. § 1981, the Sarbanes-Oxley Act, the Dodd–Frank Wall Street Reform and Consumer Protection Act, the Fair Credit Reporting Act, the Vocational Rehabilitation Act, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, the Fair Labor Standards Act, the Lily Ledbetter Fair Pay Act of 2009, the Americans with Disabilities Act, the Rehabilitation Act of 1973, the Genetic Information Nondiscrimination Act, the Immigration Reform and Control Act of 1986, the Civil Rights Act of 1991, the Occupational Safety and Health Act, the Consumer Credit Protection Act, the American Recovery and Reinvestment Act of 2009, the Asbestos Hazard Emergency Response Act, Employee Polygraph Protection Act, the Uniformed Services Employment and Reemployment Rights Act, the Minnesota Human Rights Act, the Minnesota Equal Pay for Equal Work Law, the Minnesota Fair Labor Standards Act, the Minnesota Labor Relations Act, the Minnesota Occupational Safety and Health Act, the Minnesota Criminal Background Check Act, the Minnesota Lawful Consumable Products Law, the Minnesota Smokers’ Rights Law, the Minnesota Parental Leave Act, the Minnesota Adoptive Parent Leave Law, the Minnesota Whistleblower Act, the Minnesota Drug and Alcohol Testing in the Workplace Act, the Minnesota Consumer Reports Law, the Minnesota Victim of Violent Crime Leave Law, the Minnesota Domestic Abuse Leave Law, the Minnesota Bone Marrow Donation Leave Law, the Minnesota Military and Service Leave Law, the Minnesota Minimum Wage Law, the Minnesota Drug and Alcohol Testing in the Workplace Act, Minn. Stat. 176.82, Minnesota Statutes Chapter 181, the Minnesota Constitution, Minnesota common law, and all other applicable state, county and local ordinances, statutes and regulations. Employee further understands that this discharge of claims extends to, but is not limited to, all claims which he/she may have as of the date of this Agreement based upon statutory or common law claims for defamation, libel, slander, assault, battery, negligent or intentional infliction of emotional distress, negligent hiring or retention, breach of contract, retaliation, whistleblowing, promissory estoppel, fraud, wrongful discharge, or any other theory, whether legal or equitable, and any and all claims for wages, salary, bonuses, commissions, damages, attorney’s fees or costs. Employee acknowledges that this Release includes all claims that he/she is legally permitted to release, and as such, does not apply to any vested rights under the Company’s retirement plans, nor does it preclude him/her from filing Government Report as described below.

3. Separation From Employment. Employee's employment with the Company ended on September 30, 2020 ("Separation Date"). Employee is not eligible to sign this Agreement until after his/her employment has actually ended on the Separation Date.

4. Confidential Information Acquired During Employment. Employee agrees that he/she will continue to treat, as private and privileged, any information, data, figures, projections, estimates, marketing plans, customer lists, lists of contract workers, tax records, personnel records, accounting procedures, formulas, contracts, business partners, alliances, ventures and all other confidential information which Employee acquired while working for the Company. Employee agrees that he/she will not release any such information to any person, firm, corporation or other entity at any time, except as may be required by law, or as agreed to in writing by the Company. Employee acknowledges that any violation of this non-disclosure provision shall entitle the Company to appropriate injunctive relief and to any damages which it may sustain due to the improper disclosure.

Immunity from Liability: The Defend Trade Secrets Act ("DTSA") provides Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, and is made solely for the purpose of reporting or investigating a suspected violation of law. The DTSA provides the same immunity for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Under the DTSA, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

5. Confidentiality, No Disparaging Remarks. Employee represents and agrees that he/she will keep the terms and facts of this Agreement completely confidential, and that he/she will not disclose any information concerning this Agreement to anyone, except for his/her counsel, tax accountant, spouse or except as may be required by law or agreed to in writing by the Company or as otherwise required for Employee to enforce or defend his/her rights hereunder. Further, subject to Section 11 below, Employee shall not make any disparaging remarks of any sort or otherwise communicate any disparaging comments about the Company, its managers, officers or directors, or about any of the other released persons or entities identified in Section 2 to any other person or entity. Reciprocally, the Company's Board and its officers agree not to make any disparaging remarks of any sort or otherwise communicate any disparaging comments about Employee.

6. Cooperation and Certification. At the request of the Company following the Separation Date and subject to Section 11 below, Employee will cooperate with the Company in any claims or lawsuits where Employee has knowledge of the facts. If Company requests or requires Employee's assistance in furnishing information, reviewing documents, testifying, or otherwise cooperating in any matter or proceeding involving Company or its affiliates, Company shall provide Employee with reasonable advance notice, endeavor to minimize the disruption to any other vocation or employment engaged in by Employee, and reimburse Employee for all reasonable travel, lodging, meals, and out-of-pocket expenses related thereto with appropriate documentation and preapproval for amounts in excess of \$500. The Company will also agree to pay Employee at an hourly rate commiserate with his annual compensation as of September 30, 2020 subject to local rules and regulations pertaining to the action. Nothing in this Agreement prevents Employee from testifying at an administrative hearing, arbitration, deposition or in court in response to a lawful and properly served subpoena (provided Employee provides written notice of the service of the subpoena to the Company within twenty-four (24) hours of receipt), nor does it preclude Employee from filing an administrative charge with a government agency or cooperating with a government agency in connection with an administrative charge (though he/she may not recover damages or receive any relief from the Company if he/she does file such a charge as noted in Section 2 above). Finally, Employee certifies, warrants and represents that he/she has faithfully discharged his/her role with the Company at all times during his/her employment. Employee further certifies, warrants, and represents that he/she is unaware of any actual or potential violations of law by the Company and that he/she has not filed any charges, complaints, lawsuits, or any similar claims against the Company. The Company agrees that the nothing in this Agreement shall limit Employee's right to indemnification and/or defense under Company's articles, bylaws, operating agreement, corporate governance documents, policies of insurance, applicable law, or otherwise.

7. No Wrongdoing. Employee and the Company agree and acknowledge that the consideration exchanged herein does not constitute, and shall not be construed as, an admission of liability or wrongdoing on the part of Employee, the Company or any entity or person, and shall not be admissible in any proceeding as evidence of liability or wrongdoing by anyone.

8. Rescission. This Agreement contains a release of certain legal rights which Employee may have. Employee is advised to consult with an attorney regarding such release and other aspects of this Agreement before signing this Agreement. Employee understands that he/she may nullify and rescind this Agreement at any time within the next fifteen (15) calendar days from the date of signature below by indicating his/her desire to do so in writing and delivering that writing to by email to bberman@ksg.com and jill.radloff@stinson.com. If the fifteenth day falls on a Saturday, Sunday or federal holiday, the rescission period shall be extended to the next day that is not a Saturday, Sunday or federal holiday. Employee further understands that if he/she rescinds this Agreement, the Company will not be bound by the terms of this Agreement, Employee will have to repay in full any monies received pursuant to this Agreement and Employee will not be eligible to receive the Accelerated Vesting.

9. Return of Company Property. Except for the laptop computer, monitors and peripherals that the Company has agreed to allow Eisele to retain with all Company information removed, Employee covenants, warrants and represents that he/she has returned any and all Company property that was ever in his/her possession or under his/her control to the Company prior to his/her signature of this Agreement, and this covenant, warranty and representation expressly extends to (but is not limited to) security card, keys, codes, materials, books, files, laptop computers, cell phone and documents, including all copies.

10. Minnesota Law, Forum and Merger. The terms of this Agreement shall be governed by the laws of the State of Minnesota, and shall be construed and enforced thereunder. Any dispute arising under this Agreement shall be determined exclusively by a Minnesota court of appropriate jurisdiction, and the parties acknowledge the existence of sufficient contacts to the State of Minnesota to confer exclusive jurisdiction upon courts in that state. This Agreement supersedes and replaces all prior oral and written agreements, understandings, and representations between Employee and the Company (with the exception of the Employment Agreement Regarding Proprietary Information, Confidentiality, Loyalty and Noninterference dated 9/14/2012 which shall remain in full force and effect following the execution of this Agreement), provided that the Company has agreed that the non-competition agreement contained therein shall be limited to competition against the freeze-dried food business of the Company. Further, Employee understands and agrees that, except as provided in this Agreement, all claims which he/she has or may have against the Company and the other released parties are fully released and discharged by this Agreement. The only claim which Employee may hereafter assert against the Company or any of the other released parties is limited to an alleged breach of this Agreement.

11. Administrative Charges, Investigations, and Proceedings. Nothing in this Agreement prohibits Employee from reporting possible violations of federal or state law or regulation to the government, including but not limited to the EEOC, Department of Justice, Securities and Exchange Commission, Congress, and any agency inspector general, or filing a charge with or participating in an investigation or proceeding conducted by the EEOC or a comparable state or local agency (collectively, any such activity shall be referred to as a "Government Report"). Employee does not need prior authorization of the Company to make a Government Report and is not required to notify the Company that he/she has made a Government Report. The restrictions in Sections 4-6 above regarding confidentiality, non-disparagement and cooperation do not apply in connection with a Government Report. Notwithstanding the provisions of this Section 11, Employee's release of claims in Section 2 above waives any alleged right to recover any monetary damages, receive payment for attorneys' fees, costs or disbursements or receive any relief in connection with any matter, including a Government Report, but this Agreement does not limit any right of Employee to receive a reward from the government for providing it information in connection with a Government Report.

12. Construction of this Agreement and Severability. Should this Agreement require judicial interpretation, the court shall not construe the Agreement more strictly against any party, including the party who prepared it. Any portions of this Agreement found by a court of competent jurisdiction to be invalid, illegal, overly broad or unenforceable in any respect shall be revised to the minimum amount necessary in order to be valid and enforceable.

13. Employee Understands the Terms of this Agreement. Other than stated herein, Employee warrants that (a) no promise or inducement has been offered for this Agreement; (b) this Agreement is executed without reliance upon any statement or representation of the Company or its representatives concerning the nature and extent of any claims or liability therefor, if any; (c) Employee is legally competent to execute this Agreement and accepts full responsibility therefor; (d) Employee signs voluntarily of Employee's own free will without duress; (e) the Company has advised and hereby advises Employee to consult with an attorney, and Employee has had a sufficient opportunity to consult with an attorney; (f) the Company has allowed Employee until November 16, 2020 to consider whether to sign this proposed Agreement, which is more than forty (45) days from the date Employee first received a copy of this Agreement; (g) the Company has provided the disclosure attached to this Agreement as Exhibit A; and (h) Employee fully understands this Agreement and has been advised by counsel (or has consciously chosen not to seek counsel) of the consequences of signing this Agreement. The parties acknowledge and agree that if Employee has not signed this proposed Agreement by November 16, 2020, then the offer of this Agreement shall expire by its own terms and be of no further force or effect without any further action required on the part of the Company.

EMPLOYEE

Dated: _____

Michael Eisele

Dated: _____

COMPANY

BLACK RIDGE OIL & GAS, INC.

By /s/ Bradley Berman _____

Name: Bradley Berman

Title: Chairman, Board of Directors

EXHIBIT A
TO SEPARATION AGREEMENT AND RELEASE

Pursuant to federal law, the Company is providing you with the following list of the job titles and ages of the employees in the Company sorted by whether the employee was selected for the Company's September 30, 2020 workforce reduction (the "RIF").

The following information pertains to employees whose employment with the Company is ending as a result of the RIF, and therefore are eligible to receive a separation payment pursuant to the terms of a Separation Agreement and Release.

<u>Job Title</u>	<u>Age</u>
COO	38
VP – Land	36
Accountant	42
Accountant	37

The following information pertains to employees who were not selected for the RIF and, therefore, are ineligible to receive a separation payment:

<u>Job Title</u>	<u>Age</u>
CEO	53

The information on this disclosure form is effective as of September 30, 2020.

The Company made its RIF determinations on a company-wide basis and thus the entire Company was the decisional unit. In making its selections for the RIF, the Company assessed its lack of a need for employees located in Minnesota on a going forward basis.

EXHIBIT B

Stock Option Agreements

**Options Outstanding
September 17, 2020**

Grant Date	Name	Plan	Document	# of Options***	Strike Price ***
8/10/2012	Michael Eisele	2012	ISO Options (received upon employment)	500	84.00
1/24/2013	Michael Eisele	2012	ISO Options (employment bonus)	550	168.00
8/1/2013	Michael Eisele	2012	ISO Options (employment bonus)	550	192.00
12/12/2013	Michael Eisele	2012	ISO Options (employment bonus)	833	195.00
12/22/2014	Michael Eisele	2012	ISO Options (employment bonus)	133	84.00
9/30/2015	Michael Eisele	2012	ISO Options (employment bonus)	667	51.60
12/12/2016	Michael Eisele	2016	NSO Options (employment bonus)	1,667	12.00
2/26/2020	Michael Eisele	2020	ISO Options (employment bonus)	42,264	5.41

***reverse-split adjusted

CERTIFICATION

I, Claudia Goldfarb, certify that:

1. I have reviewed this report on Form 10-Q of Black Ridge Oil & Gas, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Dated: November 12, 2020

/s/ Claudia Goldfarb

Claudia Goldfarb, Chief Executive Officer (Principal Executive Officer)

CERTIFICATION

I, Brad Burke, certify that:

1. I have reviewed this report on Form 10-Q of Black Ridge Oil & Gas, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Dated: November 12, 2020

/s/ Brad Burke

Brad Burke, Interim Chief Financial Officer (Principal Financial Officer)

EXHIBIT 32.1

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

In connection with the Quarterly Report of Black Ridge Oil & Gas, Inc. (the "Company") on Form 10-Q for the period ending September 30, 2020 (the "Report") I, Claudia Goldfarb, Chief Executive Officer of the Company, certify, pursuant to 18 USC Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge and belief:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 12, 2020

/s/ Claudia Goldfarb

Claudia Goldfarb,
Chief Executive Officer (Principal Executive Officer)

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

EXHIBIT 32.2

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

In connection with the Quarterly Report of Black Ridge Oil & Gas, Inc. (the "Company") on Form 10-Q for the period ending September 30, 2020 (the "Report") I, Brad Burke, Interim Chief Financial Officer of the Company, certify, pursuant to 18 USC Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge and belief:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 12, 2020

/s/ Brad Burke

Brad Burke,
Interim Chief Financial Officer (Principal Financial Officer)

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.