

Introducing

# Nokota™ Gaming System



Nokota horses are sometimes known as Sitting Bull's war horses. Mentally they are also known as "problem solvers" who tend to think their way, quite independently, out of jams. They are also known to be highly interactive with "their" people. They may not be the fastest, but they are terrifically agile and strong, bred for battle and buffalo. We think this gaming system has many of the same qualities -- a little smarter and stronger, more interactive and agile enough to succeed in any market.



*Gaming Studio, Inc., Fargo, North Dakota*

# Finite Probability Electronic Games

A new universe in electronic gaming, with Nokota patent standing in the gateway.

Finite probability games are those for which there are a predetermined and fixed quantity of chances amongst which there are a predetermined and fixed quantity of winning chances, paying predetermined and fixed amounts as prizes. Each losing chance does increase the chances for a winning chance so long as any winning chances remain within the lot of chances.

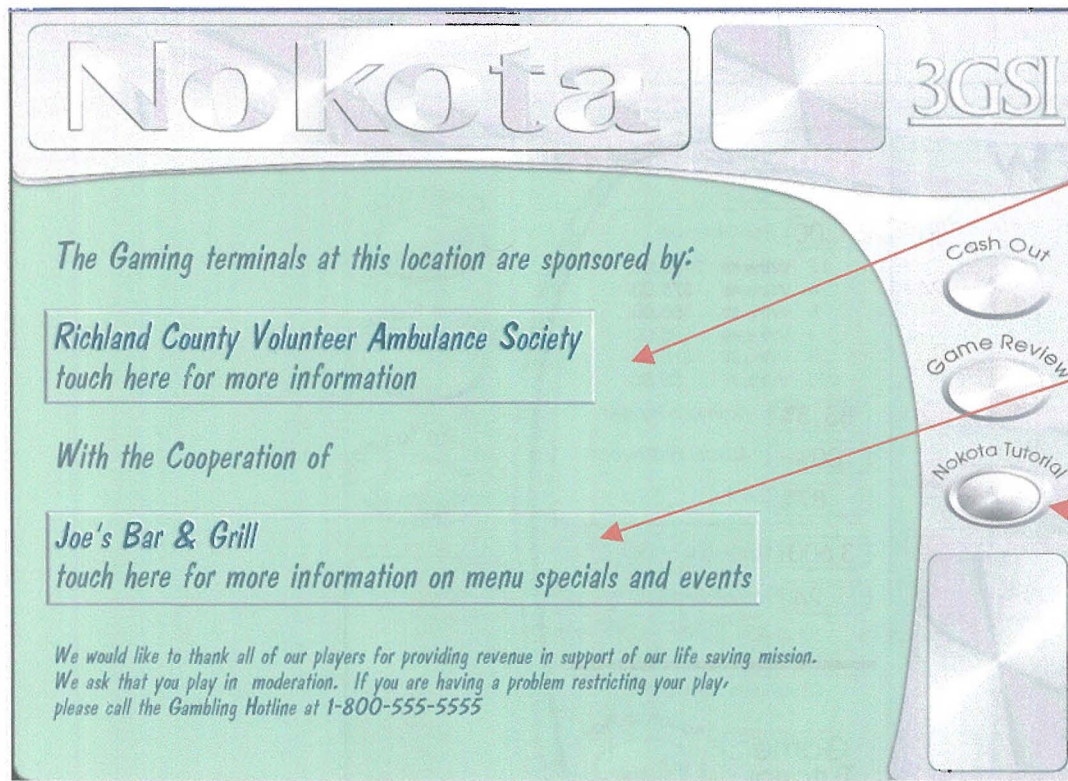
Slot machines and video poker devices are continuum probability games wherein there is no beginning or end. Each random event is a separate event having no bearing on future events.

We believe Nokota™ exploits the unique value that finite-probability has over continuum probability -- a great deal and intriguing amount of player information can be displayed with finite probability-based games. In the end, it is all a matter of math and while Nokota appears to be stunningly free with information, it can all be calculated to produce certain levels of profitability over a statistically significant quantity of deals or finite lots of chances.



# Nokota Sponsor Screen: Idle Screen 1: Public Gaming Sector Installations

This screen alternates with the Game Review Screen and possibly with an advertising screen while the device is waiting for input from a player or potential player. Information provided through this screen on the organization, the host site and tutorial is available at any time without acquiring a smart card.



Information on the organization might include major projects that have been and are planned to be supported through gaming revenue.

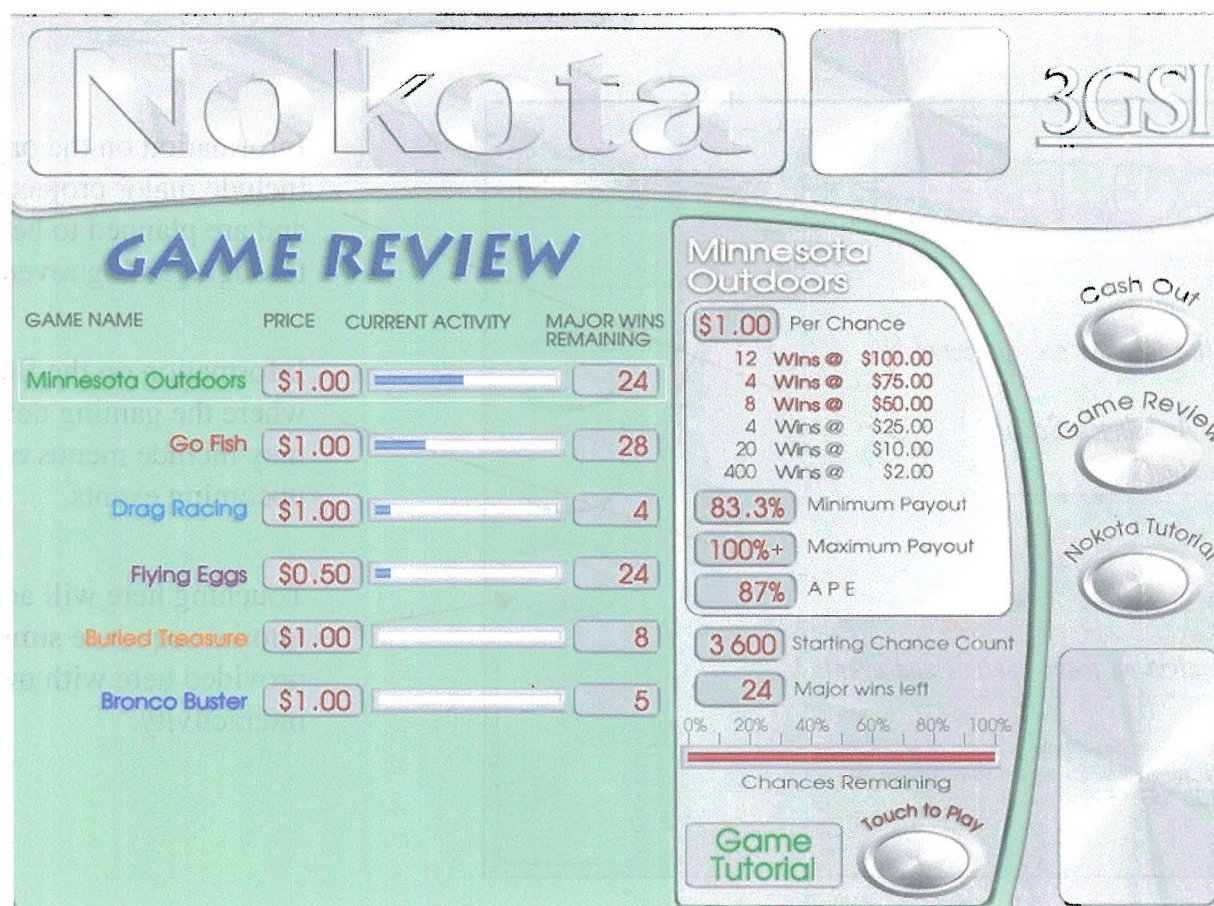
Information on the Bar & Grill where the gaming device is located may include menus or a calendar of upcoming events.

Touching here will activate the tutorial sequence similar to that provided here with more interactivity.



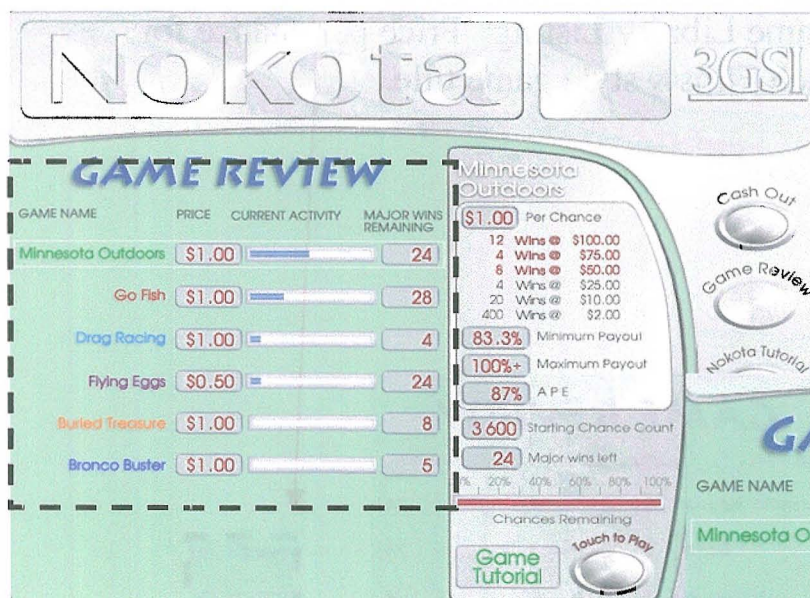
# Nokota Game Review Screen: Idle Screen 2

This screen alternates with the Sponsor Screen and possibly with an advertising screen while the device is waiting for input from a player or potential player and at anytime prior to or after a bet is made. This is the primary screen providing information on the status of the various games available through this player station. Since the game "Minnesota Outdoors" is selected the game status information on the right applies specifically to that game.



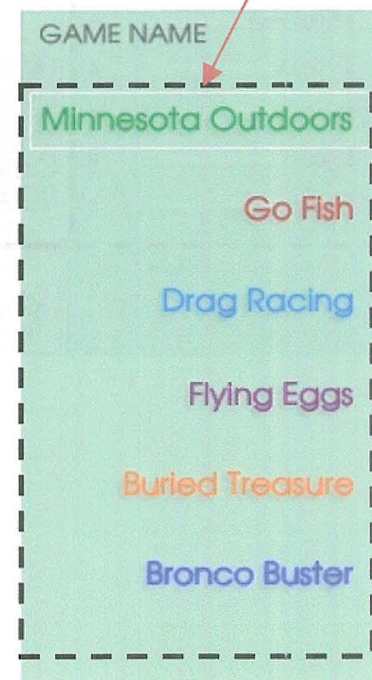
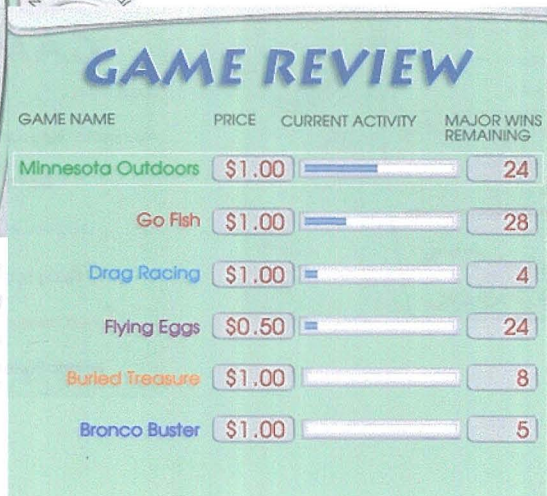


# Nokota Game Review Screen: Game Library Listing

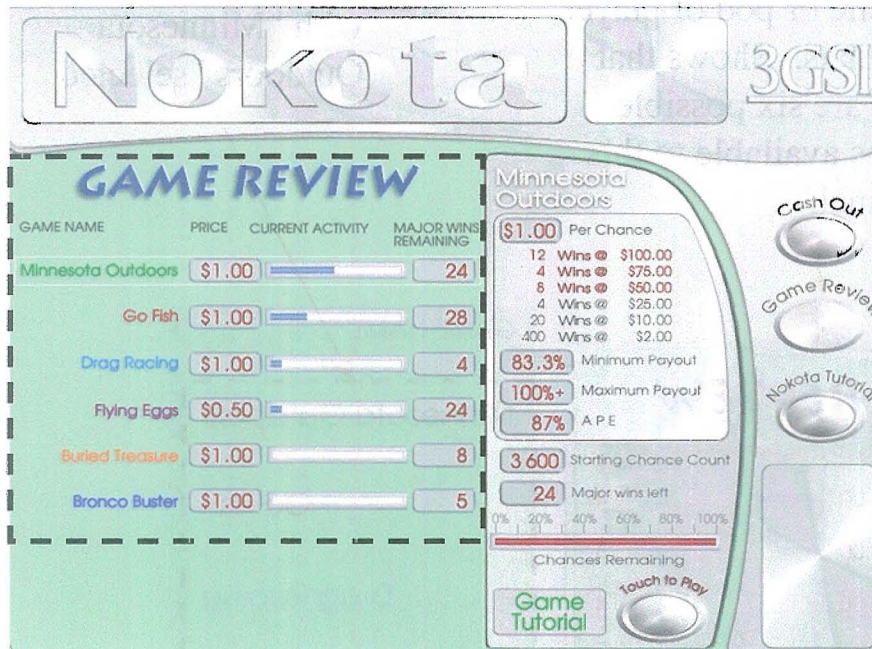


Game Library Listing for this site or pod of player terminals. Shows that there are six possible games available to this terminal.

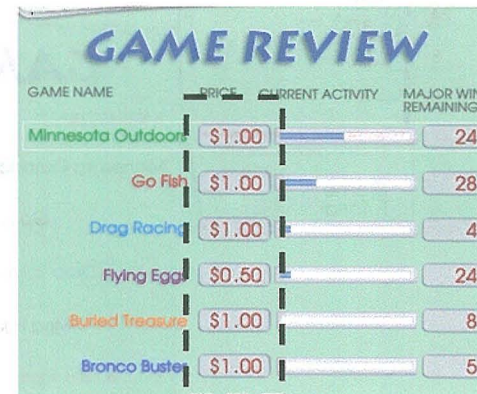
Game Names/Titles with "Minnesota Outdoors" selected.



# Nokota Game Review Screen: Game Chance Price



Game Library Listing: Price per chance for each Flips® style game title.

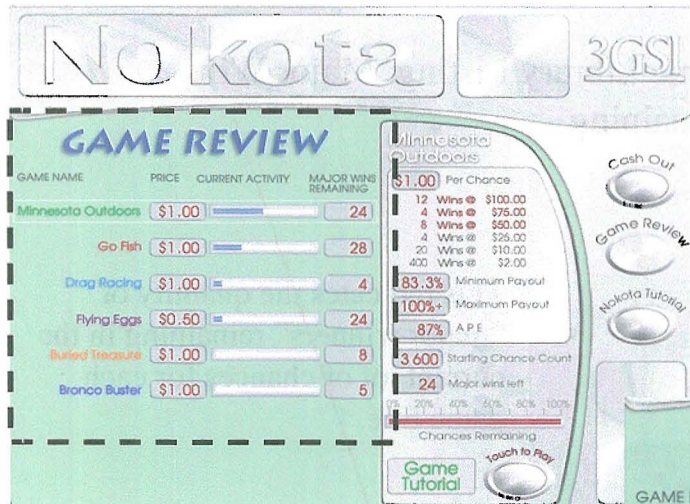


PRICE CU

\$1.00	
\$1.00	
\$1.00	
\$0.50	
\$1.00	
\$1.00	



# Nokota Game Review Screen: Game Activity Meter



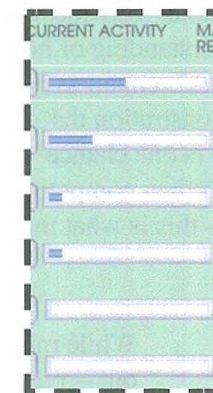
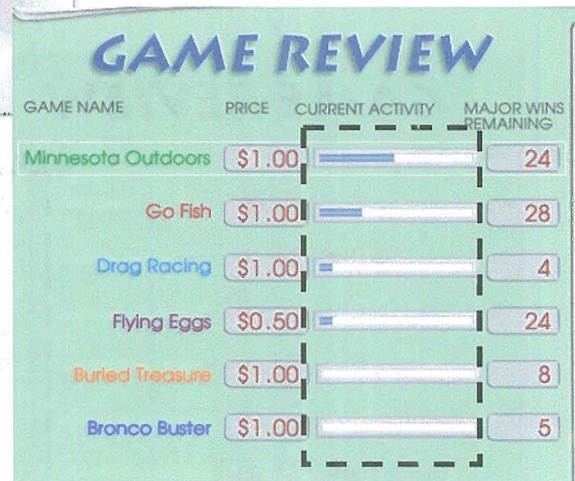
## Value of Feature

Unique to Nokota. It heightens the sensation of competing with other players and can add a social element not otherwise found on electronic gaming terminals.

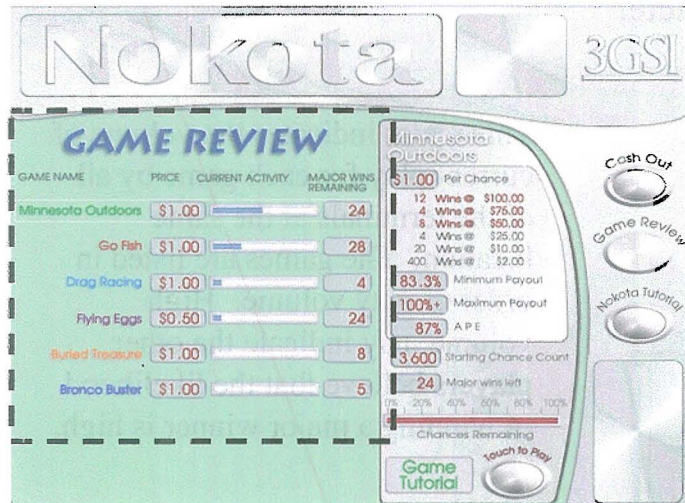
## Game Library Listing: Current Activity Meter

### Unique Feature

This meter indicates the volume of current play for each game by all of the terminals at the same location. The games are listed in order of play volume. High volume may indicate the other players believe that the likelihood of winning a major winner is high.



# Nokota Game Review Screen: Major Wins Remaining



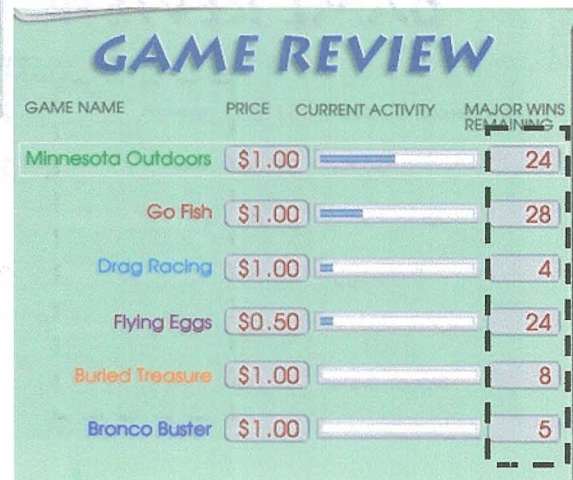
## Value of Feature

Unique to Flips/Nokota. Provides the players with an understanding of how many “major winners” remain to go after. This is a demonstration that every losing chance is one chance closer to a winner. When competing with other players -- this is what they are going after.

While many view this as providing players with so much information that the games will stall out -- providing this information has been proven of value in real play. This may even provide an attractive advantage over continuum-based slot machines.

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## Game Library Listing: Major Wins Remaining



This indicates the quantity of “major winners” remaining in the current lot of chances for each game title.



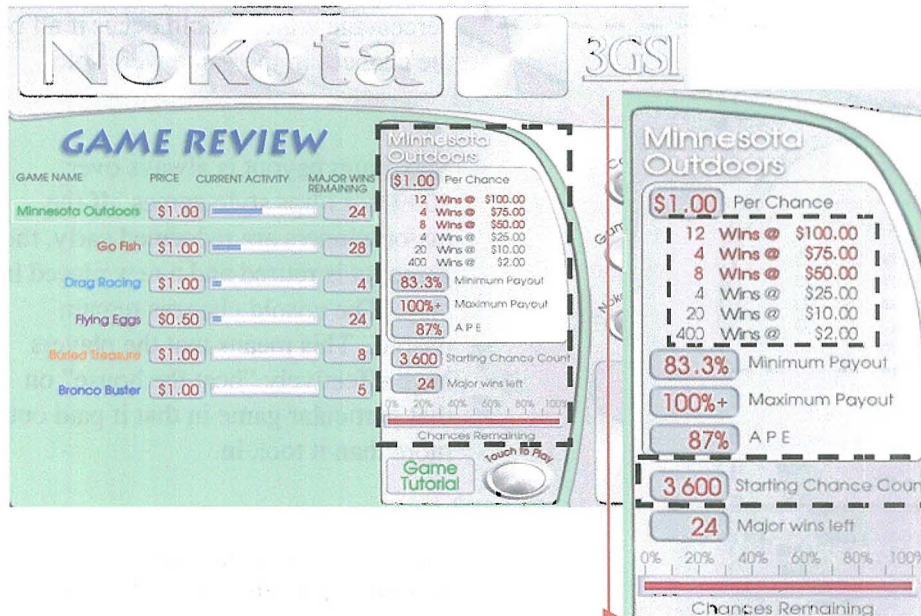
“Major winners” are all wins that award at least 50 times the price per chance or above.



# Nokota Game Review Screen: Selected Game Statistics

## Value of Feature

Together with the “chances remaining” meter at the bottom of this selection, it gives the players a sense of their odds. Providing a great deal of information allows increased player loyalty as some become engaged in developing “systems” that they enjoy sharing with other players. Books can be written about this game and various strategies - it doesn’t change underlying probabilities.



This game statistic panel changes according to the game title selected at the left.

## Payout Configuration/Table

12 Wins @	\$100.00
4 Wins @	\$75.00
8 Wins @	\$50.00
4 Wins @	\$25.00
20 Wins @	\$10.00
400 Wins @	\$2.00

The payout configuration informs players of the quantity of winning chances and amount each awards when the game is new. Those listed in red are considered “major winners.”

## Starting Quantity of Chances - Chance Count

3 600 Starting Chance Count

## Unique Feature

The starting chance counts is the number of chances contained in the game prior to any play. For the game Minnesota Outdoors, each “set” or “lot” of chances is 3600.

Players can compare the payout configuration and size of each game.

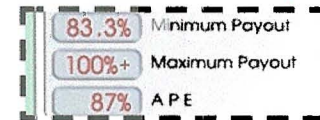
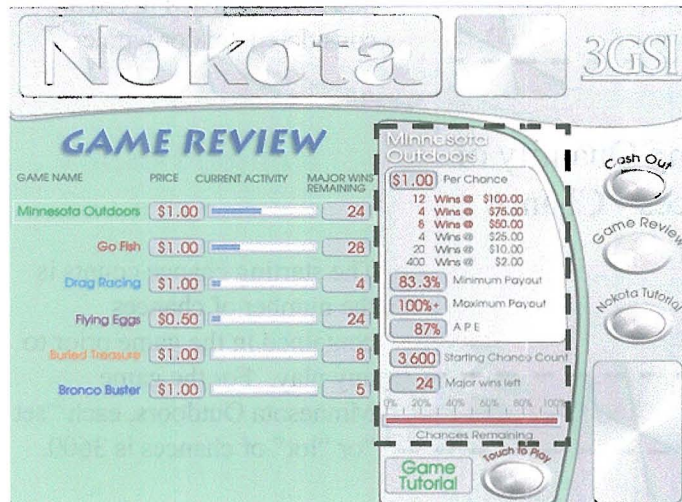
# Nokota Game Review Screen: Selected Game Statistics

## Value of Feature

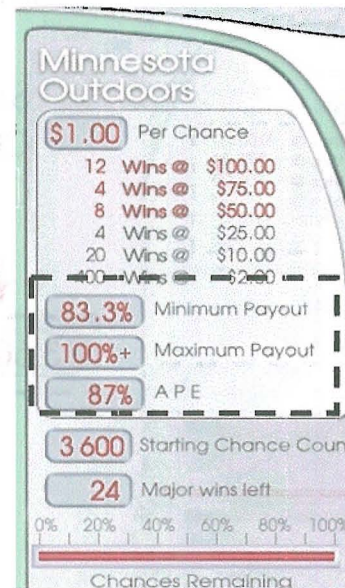
As with pulltab games as played in Minnesota and North Dakota, the “payout percentage” given is almost always understated when a lot of chances are pulled after the last remaining “major winner” is redeemed. We turn that statistically attractive fact into a game asset.

## Game Statistics: Payout Parameters & Average Payout Experience

### Unique Feature



Minimum payout is the payout percentage which would occur if all of the chances in the game were sold.



Maximum payout is always over 100% for Flips style games. If the major winners are redeemed early, the game lot is retired and a new placed in play. The unsold chances remain unsold. This means that the players have effectively “beat the house” on that particular game in that it paid out more than it took in.

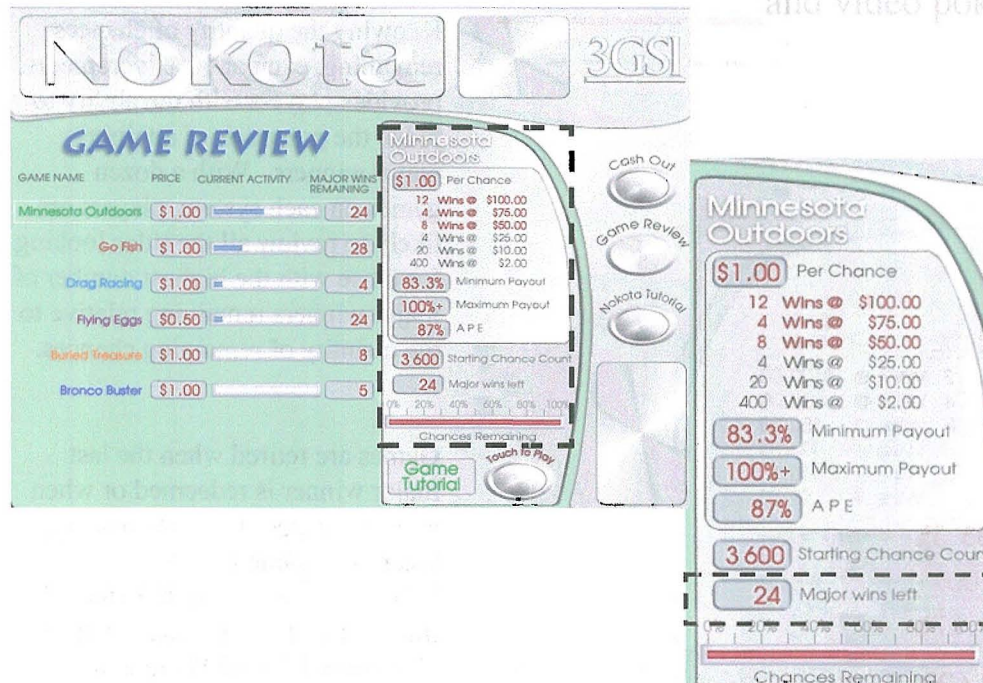
“APE” is the average payout expectancy for the first 20 lots of chances and after 20 lots are played, APE means average payout experience, the average payout percentage for all of the lots played.

The only electronic wagering game where players can “beat the house.”



# Nokota Game Review Screen: Selected Game Statistics

## Game Statistics: Major Wins Left



## Unique Feature

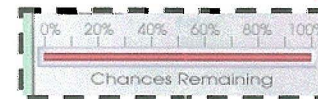
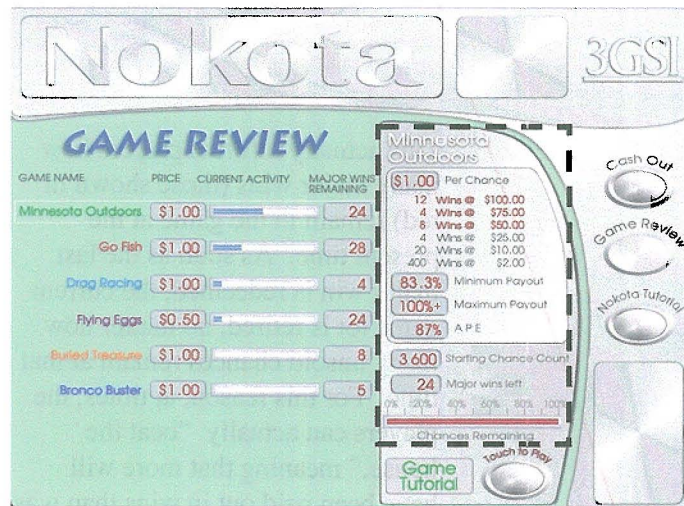
This actually informs players how many major wins (those shown in red) remain in the game at the present time. As soon as the last major win is redeemed, the current game lot is retired, no matter how many unsold chances remain at that time. For this reason, at times, the players can actually “beat the house,” meaning that more will have been paid out in wins than was received from selling chances.

Savvy players will review the quantity of major wins left along with the chances remaining to ascertain the odds of receiving a major win. If half the major wins remain while only a quarter of the chances remain, the game is probably a great bet.

Informing players of the quantity of remaining major wins will accelerate play when the quantity of chances remaining are also low. This accelerated play will more than make up for the slow play that is likely to occur when there are few major wins to many chances.

# Nokota Game Review Screen: Selected Game Statistics

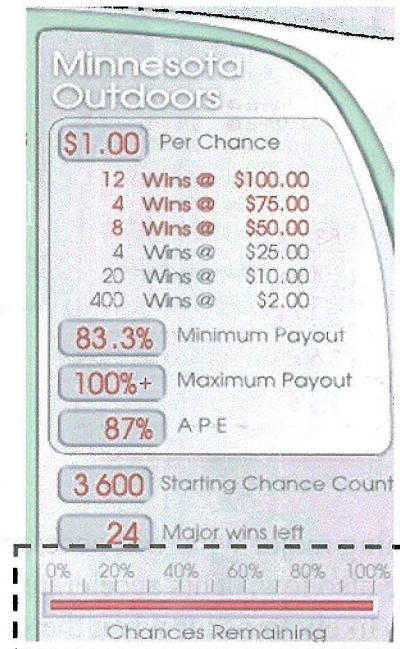
## Game Statistics: Chances Remaining



### Unique Feature

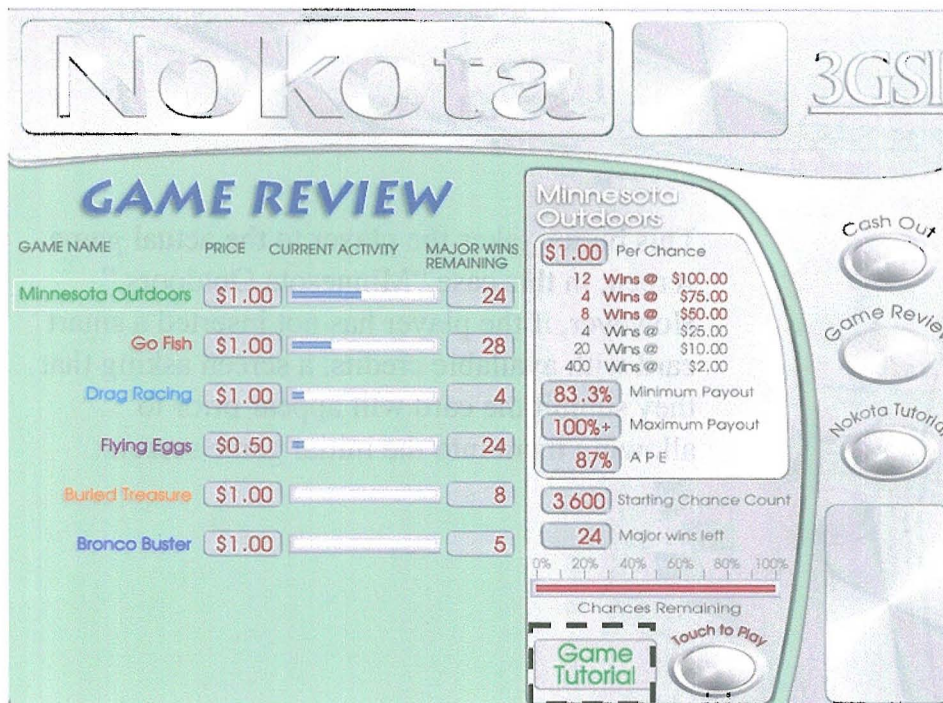
Knowing the quantity of chances remaining, even at 10% increments, provides players with the ability to judge the potential of attaining major winners. With a dozen games on each system, players are likely to review all the titles looking for those with the highest number of major winners remaining relative to the quantity of remaining chances.

Games are retired when the last major winner is redeemed or when a pre-set trigger has been reached whereby a game has received too little play over a certain period of time. The likelihood that all of the chances will be sold is remote since the very last chance would have to be a major winner.



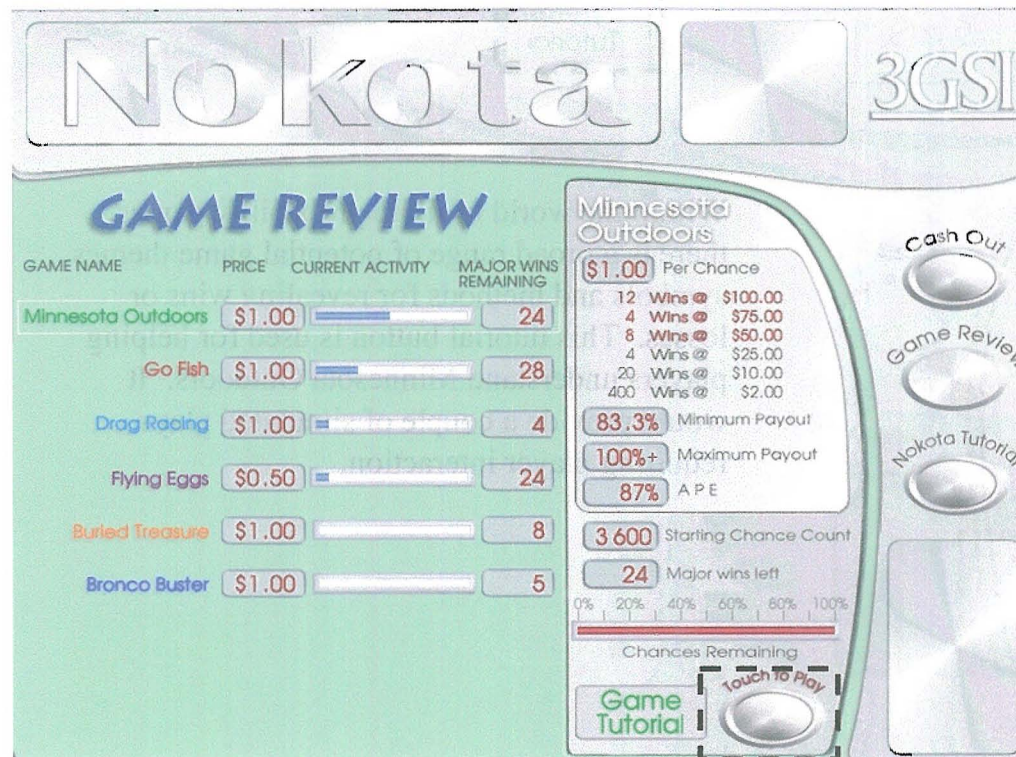


# Nokota Game Review Screen: Game Tutorial



Within the world of finite probability games, there is a broad range of potential game themes, symbols and methods for revealing wins or losses. This tutorial button is used for helping players understand Minnesota Outdoors. It would provide a couple of simulated plays requiring player interaction.

# Nokota Game Review Screen: Game Play Button

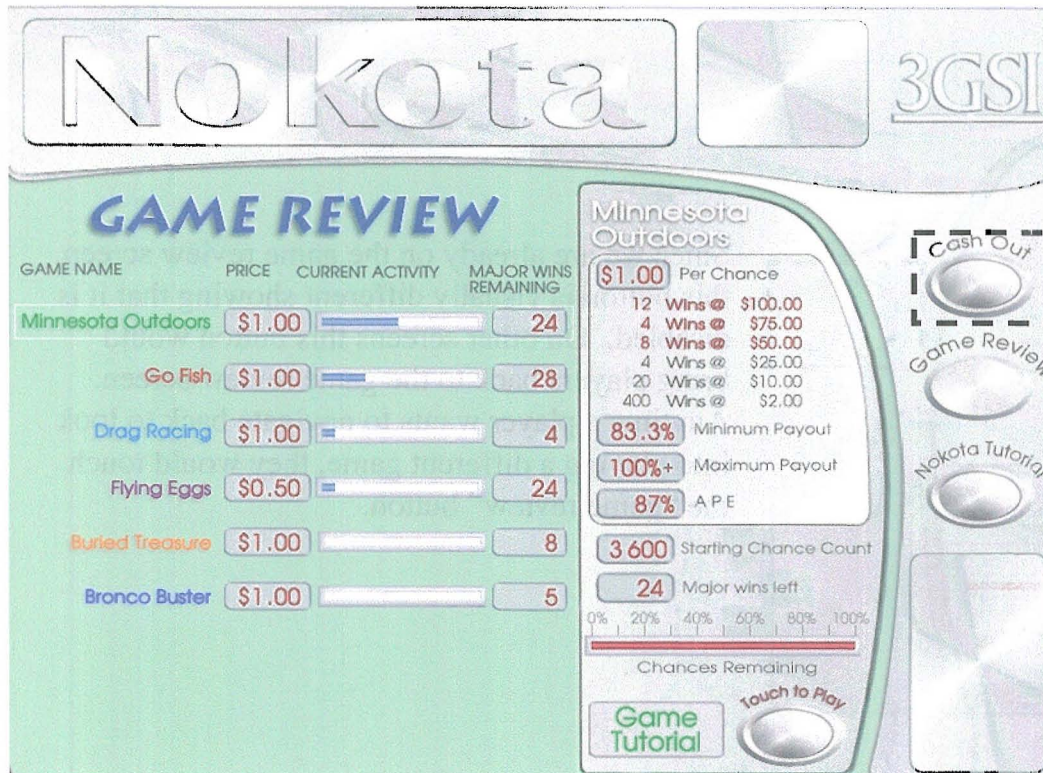


This button takes the player to the actual game screen, in this case "Minnesota Outdoors." However, if the player has not inserted a smart card with available credits, a screen asking that they submit the card will appear prior to allowing them into the initial game screen.



# Nokota Game Review Screen: Nokota System Controls

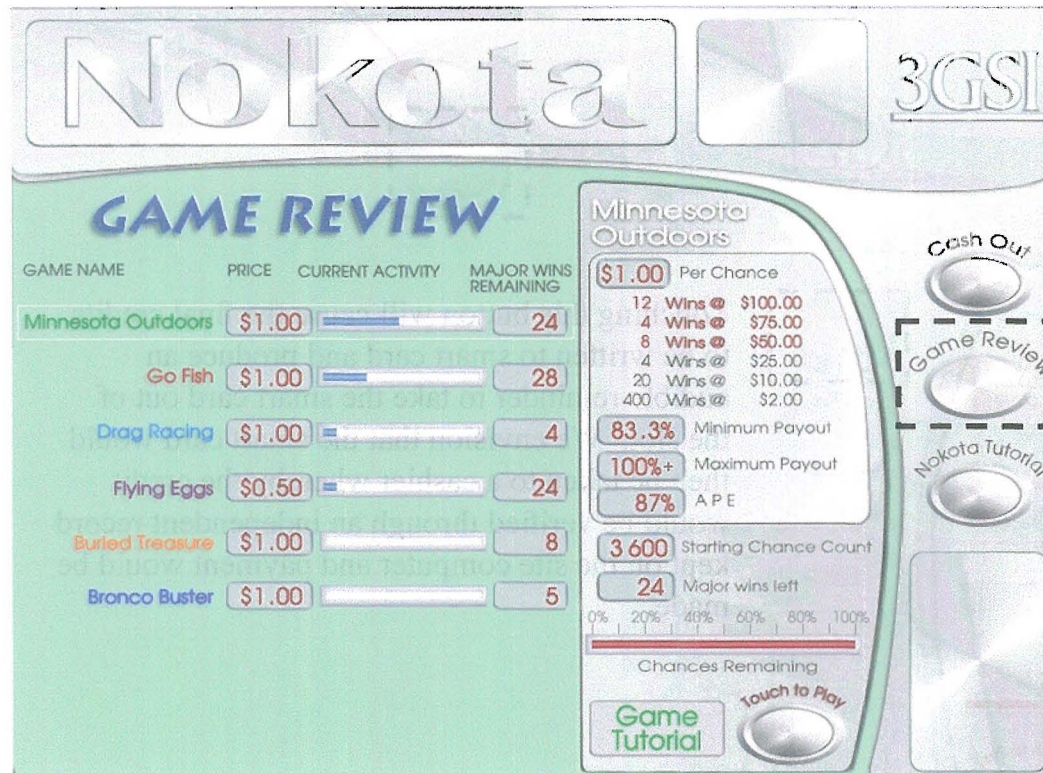
## Nokota System Controls: Cash Out



Touching this button will cause the final credits to be written to smart card and produce an audible reminder to take the smart card out of the slot. We envision that the smart card would then be taken to a cashier whereby the credit would be verified through an independent record kept on the site computer and payment would be made.

# Nokota Game Review Screen: Nokota System Controls

## Nokota System Controls: Game Review

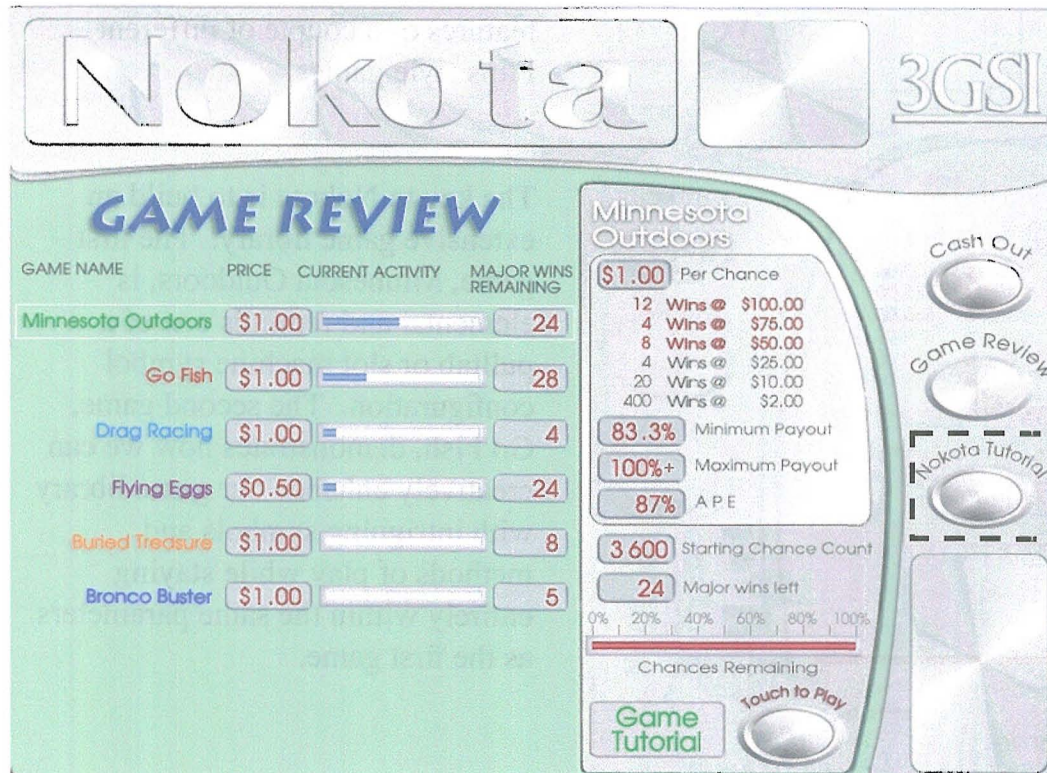


Since we are already on the game review screen, this button is visually different showing that it is disabled. On other screens this button would bring players back to the game review screen. Anytime a player wants to navigate back to look into playing a different game, they would touch the “game review” button.



# Nokota Game Review Screen: Nokota System Controls

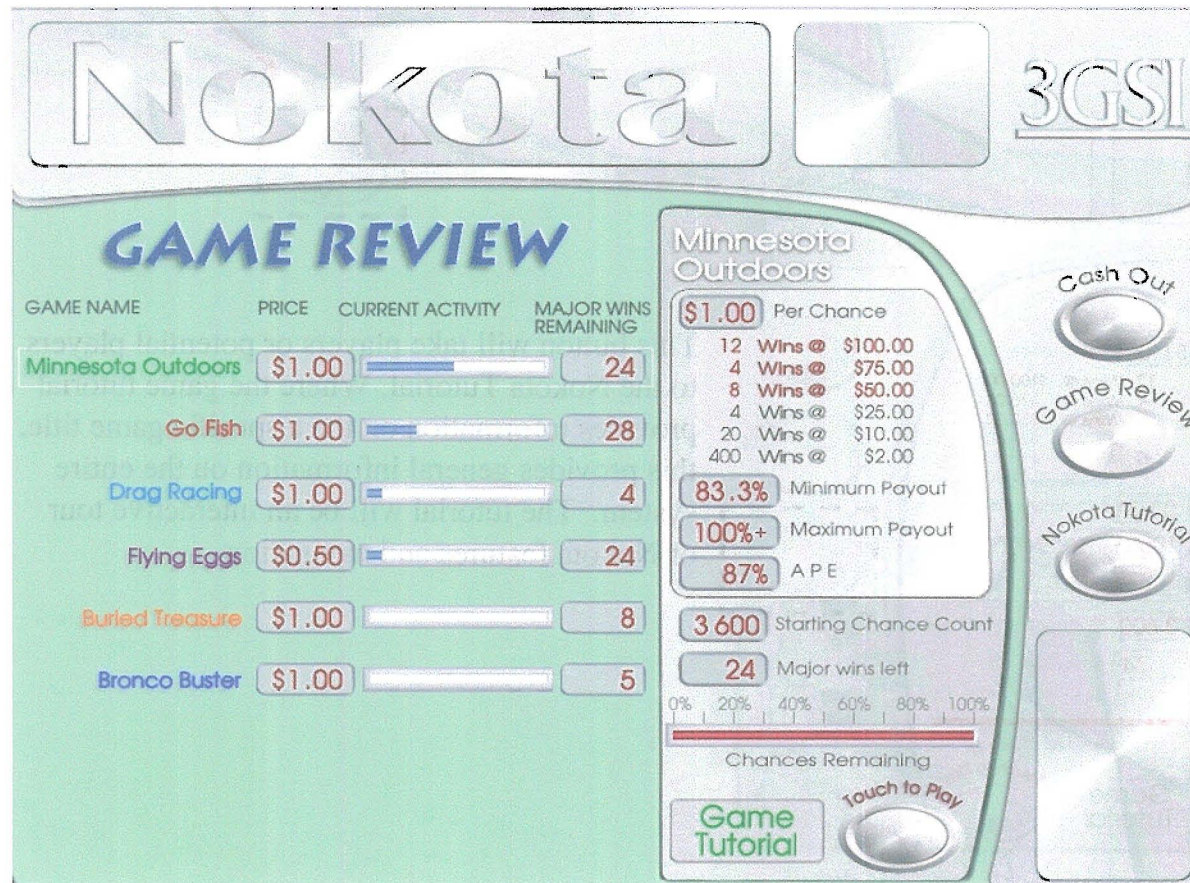
## Nokota System Controls: Nokota Tutorial



This button will take players or potential players to the Nokota Tutorial. Where the game tutorial provides information on the a specific game title, this provides general information on the entire system. The tutorial will be an interactive tour of Nokota features and navigation.



# Samples of Two Different Nokota Style Games



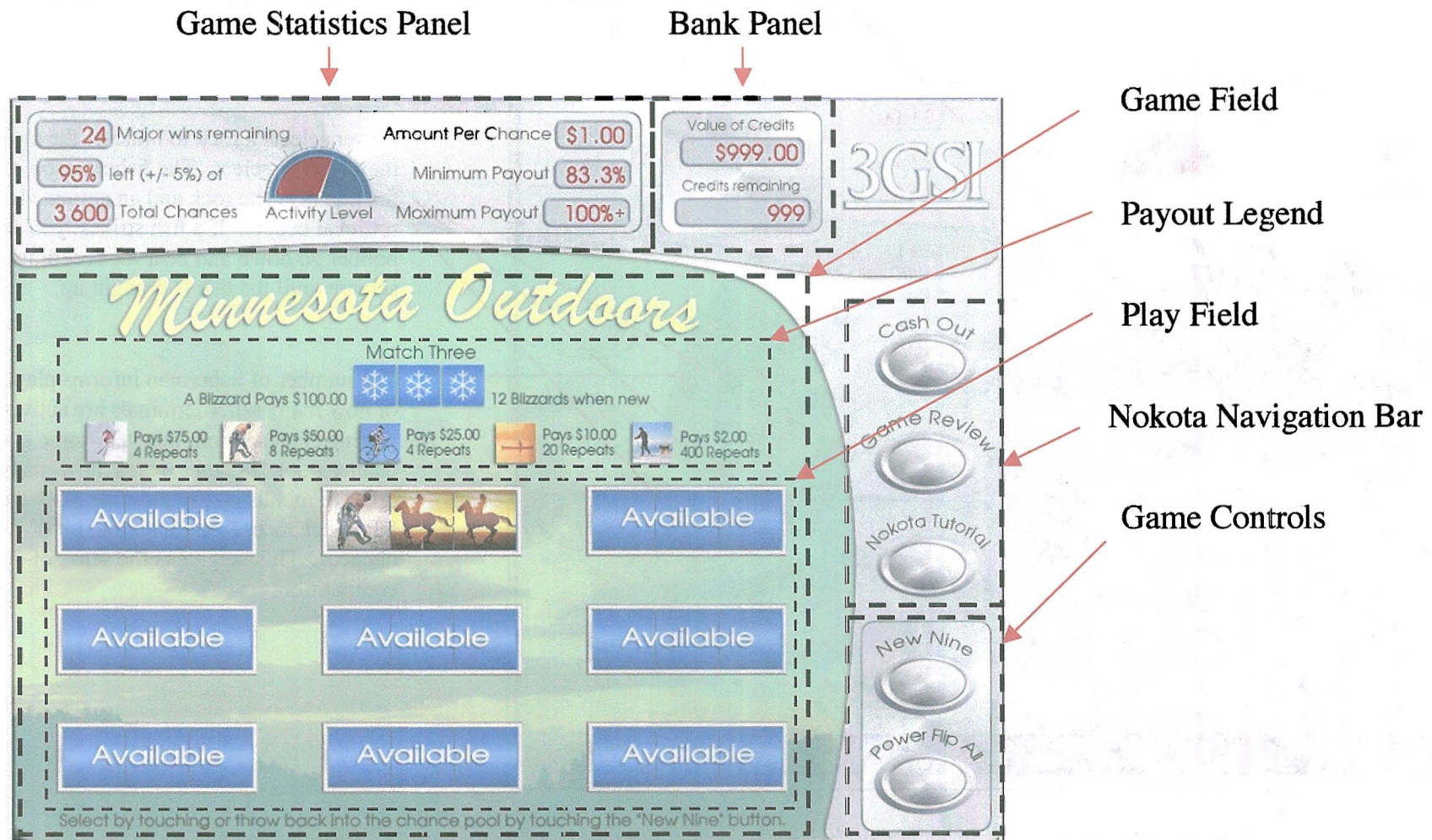
Next we will take you through the features of a couple of different Flips style games.

The key to Nokota is to build an extensive game library. The first game, Minnesota Outdoors, is elemental and reminds one of a pulltab or slot machine symbol configuration. The second game, Go Fish, demonstrates how we can creatively enhance our game library with intriguing symbols and methods of play while staying entirely within the same parameters as the first game.



# Minnesota Outdoors - Game Screen

This is a more traditional and typical style game. While being a finite probability game, it has an appearance of being like a slot machine in that winning symbols are comprised of matching up three of the same symbols within each of the blue boxes.

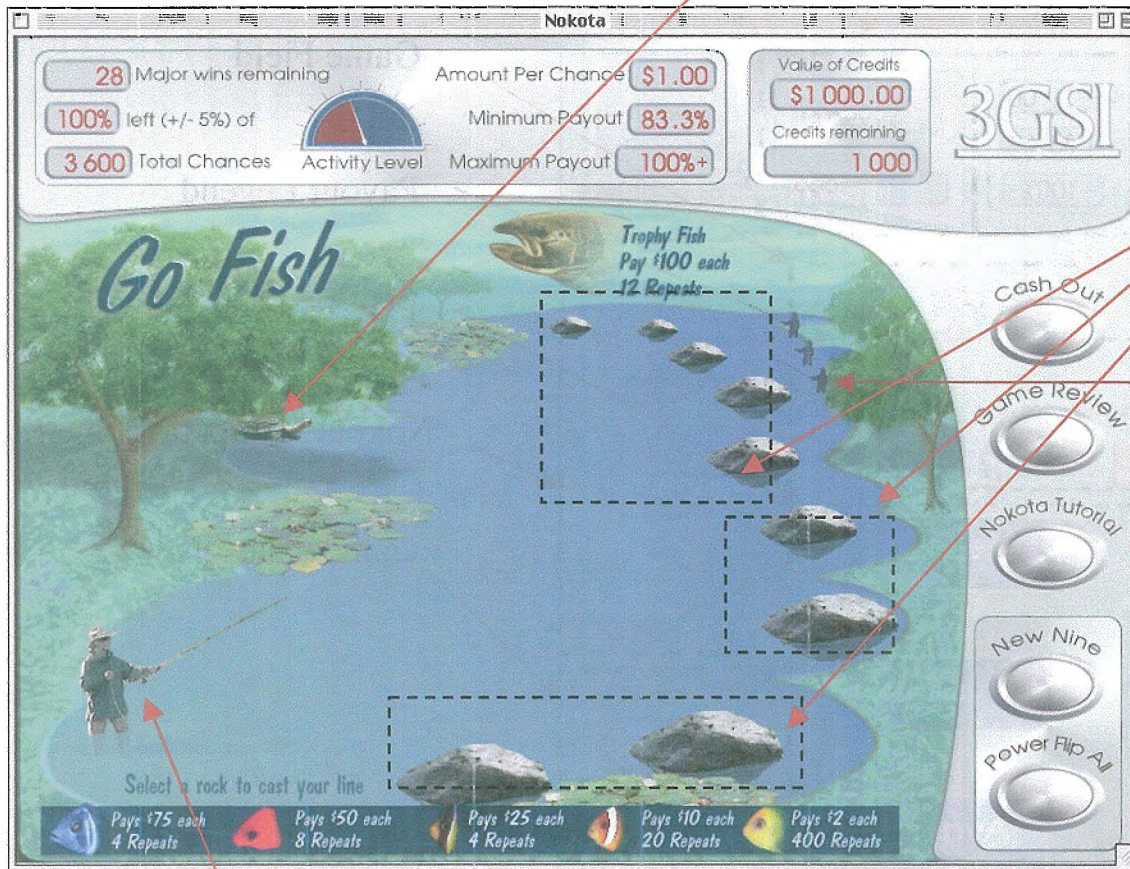




# Go Fish - Game Screen

This is an example of future Nokota games that are entertaining yet within the small-lot finite probability parameters.

The turtle makes random rounds throughout the pond. This adds to player fun and speculation as to any possible meaning. We will do the same with a gull who may whiten a rock now and then.



Player selects a rock to indicate the chance they wish to select. The fisherperson casts the line near the rock and an animated retrieval occurs. If a fish strikes, you see the bobber go down and hear the reel drag scream until the fish is brought up.

The number of fisherman informs players of how many other terminals are actively pulling chances from this very same game chance pool. In other words, how many other terminals on the same network are buying chances from this finite lot of chances. This heightens the sense of competition.

Represents the player.



## Summary of Values for Nokota:

- The only electronic gaming terminal that provides for players “beating the house.”
- The only electronic gaming terminal that allows players to compete with each other for wins.
- Provides more player - game status information than any electronic gaming terminal in use, increasing player fun, player intensity and the ability to be “system play” the games while also not deceiving anyone (problem gamers) as to the chance of winning.
- Virtually thousands of potential game titles within the patented parameters of Nokota.
- Multiple terminals on a single network within a single location provides for high volume play.
- Can use cashless system using smart cards upon which credits are loaded at a single cashier’s station.
- Reduces slippage (theft), counterfeiting of winning tickets, time and resources spent in hand counts and can provide instant regulatory reports and in-service monitoring.
- Environmentally benign -- not adding paper to landfills for mere milliseconds of gaming pleasure. Doesn’t require each chance to be trucked into state warehouses, then to organizations, then to vending site, and finally to landfills.
- Aimed to be more acceptable and of less problem/pathological gaming impact than video pokers and slots.

*Nokota: leading the evolution*

## Essence

Slots and video poker electronic gaming devices operate on continuum based probability structures. Nokota games operate on finite probability game structures. This means that unlike slots and video poker devices, the games have a predetermined quantity of chances amongst which there are a predetermined quantity of winning chances delivering a predetermined value and a predetermined quantity of losing chances.

With finite probability game structures you can provide players with a plethora of statistics that can not be provided in continuum based probability games. This information provides player value that otherwise is not available to players of slot and video poker devices. Nokota informs players how many "major winning chances" (those that provide a prize  $\geq 50x$  the value of a chance) remain among all of the remaining chances in a given game lot. When the last of remaining "major win" is redeemed the entire lot, including all unsold chances, is retired out of play. Maintaining profitability is a function of having many major winning chances relative to the overall quantity of chances in each game lot. This means a trade off - more lower level major wins than you might have in a slot or video poker device in trade for knowing how many remain. This trade off comes with the advantage of being less attractive to "income players" or those who are "chasing their losses," making Nokota more attractive to those concerned over the negative social impact often associated with slots and video pokers or, put another way, more acceptable especially for use in the public segment of the gaming market - lottery and charitable sectors. Thus, while many players in the casino market are likely to respond positively, the games are most ripe for statewide deployment as video lottery terminals.

### Contacts with cell phones:

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Regular Number: 701-239-4848

# Gaming Studio, Inc.

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## "Nokota"

Granted Patents

United States 5,042,809

Australia 654,977

Japan 3,096,330

Brazil PI 9104206-02

Venezuela 52,739

Mexico 175,664

Canada 2,049,776

Provisional Patent Application

United States 60973272 Filed September '07



## Comparing Games

Media:	Electronic		Paper		
Probability Basis:	Continuum - Probability	Finite - Probability	Pseudo-Finite		
Game Type:	Slots	Video Poker	Nokota	Pulltabs*	Ltty - Scratch
<b>Player Information</b>	Little	Little	Much	Much	Little
Players See:	No	No	Yes	Yes	No
how many chances remain	No	No	Yes	Yes	No
how many "major wins" remain	No	No	Yes	Yes	No
how many players are playing game	No	No	Yes	Yes	No
how fast chances are being sold	No	No	Yes	Yes	No
POS Actual/Statistical Payout Percentage	No	No	Yes	Yes	No
"Best the House" Concept	No	No	Yes	Yes	No
<b>Costs (Relative)</b>	Low	Low	Low	High	Moderate
Cost of Post Game Accounting	Low	Low	Low	High	Moderate
Cost of Shipping Chances	Low	Low	Low	High	High
Cost of Vending Chances	Low	Low	Low	High	High
Cost of Storing Chances	Low	Low	Low	High	High
Associated Capital Costs	High	High	High	Low	Low
Cost of Regulatory Audits	Low	Low	Low	High	Medium
<b>Security</b>	Strong	Strong	Strong	Low	Moderate
Exposure to Counterfeit Wins	Low	Low	Low	High	Low - Mod
Exposure to seller theft	Low	Low	Low	High	Low - Mod
Exposure to vendor miscounts	Low	Low	Low	High	High
Exposure to backroom embezzlement	Low - Mod	Low - Mod	Can be Lowest	High	Moderate
Timeliness of auditing - Problem Detection	Fast	Fast	Fast	Slow	Moderate
Timeliness of Regulatory Authority Reports	Fast	Fast	Fast	Slow	Moderate
Payout Percentages	High	High	Targeted	Moderate	Low
Perceived Player Engagement	Low - Mod	Moderate	Mod - High	Moderate	Low - Mod
<b>Environmental Impact (relative rank)</b>	Low	Low	Low	High	High
Energy in Shipping Chances	Low	Low	Low	High	High
Energy in Storing Chances	Low	Low	Low	Moderate	Moderate
Energy in Vending Chances	Moderate	Moderate	Moderate	Low	Low
Disposing of Spent Chances	None	None	None	High	High
<b>Perceived Social Impact (relative rank)</b>	High	High	Low - Mod	Moderate	Low - Mod
Has Income Level Prizes	Yes	Yes	No	No	Yes
Has Qualifying Tiers	Some	Some	No	No	Unusual
Has Natural Pause/ Stop Points	No	No	Yes	Yes	No

\* As played in Minnesota and North Dakota

## Qualities/Values

1. **Player Information:** enough player information to provide for sophisticated "system play" theories while also being a game easy to play on an elemental level. The game has depth.
2. **Public Gaming Segment Cost Advantages:** Nokota disconnects the cost associated with each chance vended (as with paper ticket based chances) allowing for greater flexibility in payout structures. Eliminates hand counts, audits and payouts.
3. **Greater Security for Public Gaming Segment:** eliminates player and backroom counterfeit winning tickets production and vendor miscounts. Marked reduction in cash handling while greatly reducing the time taken for reconciling records.
4. **Regulatory:** quicker and more accurate records can be transferred to the regulatory agencies allowing them to make more timely analysis enabling them to direct further investigation in a more time sensitive fashion. Reduces regulatory costs while increasing their effectiveness. Eliminates most of the tracking of chances from warehouse to warehouse and then to gaming site and back into storage for audit retention.
5. **Environmental:** eliminates the need to transport chances from manufacturer to in-state distributor warehouses and then out to the actual sites for play followed by transport to disposal site. Eliminates the need for heated warehousing/storage. Ends or helps end the high amount of energy expended throughout the process of manufacturing, distributing and retaining paper chances, including the office space required for secure hand counts.
6. **Social:** provides natural stopping or pausing points wherein a player knows that they have won or lost on any particular lot - doesn't lead players on to thinking that the very next chance is going to redeem all past losses. Lower high wins means less attractive to desperate players looking for the "Hail Mary Win" that will make up for all past losses. Provides players with the information allowing them to "know" what the rough probability is of their winning before they invest in play.
7. Just as profitable as any other game.