

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

**FORM 10-Q**

(Mark One)

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

For the quarterly period ended April 30, 2023.

or

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 001-15687

**DIGERATI TECHNOLOGIES, INC.**

(Exact Name of Registrant as Specified in Its Charter)

**Nevada**

(State or Other Jurisdiction of  
Incorporation or Organization)

**74-2849995**

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

**8023 Vantage Dr, Suite  
660 San Antonio, Texas**

(Address of Principal Executive Offices)

**78230**

(Zip Code)

**(210) 614-7240**

(Registrant's Telephone Number, Including Area Code)

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

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
N/A	N/A	N/A

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 the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.:

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting Company	<input checked="" type="checkbox"/>
Emerging growth Company	<input type="checkbox"/>		

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 Securities Act.

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date.

Number of Shares	Class:	As of:
160,331,685	Common Stock \$0.001 par value	June 15, 2023

**DIGERATI TECHNOLOGIES, INC.**  
**QUARTERLY REPORT ON FORM 10-Q**  
**FOR THE QUARTER ENDED APRIL 30, 2023**

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**PART 1. FINANCIAL INFORMATION**

**ITEM 1. FINANCIAL STATEMENTS**  
**DIGERATI TECHNOLOGIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(In thousands, unaudited)

	<u>April 30,</u> <u>2023</u>	<u>July 31,</u> <u>2022</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 997	\$ 1,509
Accounts receivable, net	906	622
Prepaid and other current assets	578	383
Total current assets	<u>2,481</u>	<u>2,514</u>
<b>LONG-TERM ASSETS:</b>		
Intangible assets, net	12,925	15,188
Goodwill	19,380	19,380
Property and equipment, net	1,465	1,647
Other assets	554	273
Investment in Itellum	185	185
Right-of-use assets - financing	512	62
Right-of-use assets - operating	1,886	2,436
Total assets	<u>\$ 39,388</u>	<u>\$ 41,685</u>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 4,134	\$ 3,222
Accrued liabilities	9,481	9,627
Equipment financing	196	21
Convertible note payable, current, net of discount of \$1,851 and \$120, respectively	7,431	3,948
Note payable, current, related party, net of discount of \$10 and \$40, respectively	490	833
Note payable, current, net of discount of \$168 and \$181, respectively	35,533	870
Acquisition payable	1,000	1,000
Deferred income	1,277	931
Derivative liability	7,759	10,588
Operating lease liability, current	609	797
Total current liabilities	<u>67,910</u>	<u>31,837</u>
<b>LONG-TERM LIABILITIES:</b>		
Note payable, net of discount \$0 and \$313, respectively	-	33,335
Convertible note payable	-	500
Equipment financing	320	43
Operating lease liability, net of current portion	1,402	1,788
Total long-term liabilities	<u>1,722</u>	<u>35,666</u>
Total liabilities	<u>69,632</u>	<u>67,503</u>
<b>Commitments and contingencies</b>		
<b>STOCKHOLDERS' DEFICIT:</b>		
Preferred stock, \$0.001, 50,000,000 shares authorized		
Convertible Series A Preferred stock, \$0.001, 1,500,000 shares designated, 25,000 and 225,000 issued and outstanding, respectively	-	-
Convertible Series B Preferred stock, \$0.001, 1,000,000 shares designated, 425,442 and 425,442 issued and outstanding, respectively	-	-
Convertible Series C Preferred stock, \$0.001, 1,000,000 shares designated, 55,400 and 55,400 issued and outstanding, respectively	-	-
Series F Super Voting Preferred stock, \$0.001, 100 shares designated, 100 and 100 issued and outstanding, respectively	-	-
Common stock, \$0.001, 500,000,000 shares authorized, 158,438,352 and 142,088,039 issued and outstanding (86,000,000 and 45,000,000, respectively, reserved in Treasury)	158	142
Additional paid in capital	92,947	89,487
Accumulated deficit	(120,397)	(113,393)
Other comprehensive income	1	1
Total Digerati's stockholders' deficit	<u>(27,291)</u>	<u>(23,763)</u>
Noncontrolling interest	(2,953)	(2,055)
Total stockholders' deficit	<u>(30,244)</u>	<u>(25,818)</u>
Total liabilities and stockholders' deficit	<u>\$ 39,388</u>	<u>\$ 41,685</u>

See accompanying notes to unaudited consolidated financial statements

DIGERATI TECHNOLOGIES, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(In thousands, except per share amounts, unaudited)

	Three Months Ended April 30,		Nine Months Ended April 30,	
	2023	2022	2023	2022
<b>OPERATING REVENUES:</b>				
Cloud software and service revenue	\$ 7,837	\$ 8,163	\$ 23,908	\$ 15,959
Total operating revenues	<u>7,837</u>	<u>8,163</u>	<u>23,908</u>	<u>15,959</u>
<b>OPERATING EXPENSES:</b>				
Cost of services (exclusive of depreciation and amortization)	2,879	3,161	8,698	6,203
Selling, general and administrative expense	4,322	4,296	12,921	8,211
Legal and professional fees	681	756	2,311	2,505
Bad debt expense	37	36	106	51
Depreciation and amortization expense	993	1,540	2,912	2,514
Total operating expenses	<u>8,912</u>	<u>9,789</u>	<u>26,948</u>	<u>19,484</u>
OPERATING LOSS	<u>(1,075)</u>	<u>(1,626)</u>	<u>(3,040)</u>	<u>(3,525)</u>
<b>OTHER INCOME (EXPENSE):</b>				
Gain (loss) on derivative instruments	2,120	6,827	2,893	7,835
Gain (loss) on extinguishment of debt	55	-	55	(5,480)
Other income (expense)	(1)	2	455	-
Interest expense	(3,701)	(1,676)	(8,137)	(4,563)
Income tax expense	(51)	(167)	(128)	(285)
Total other income (expense)	<u>(1,578)</u>	<u>4,986</u>	<u>(4,862)</u>	<u>(2,493)</u>
NET INCOME (LOSS) INCLUDING NONCONTROLLING INTEREST	<u>(2,653)</u>	<u>3,360</u>	<u>(7,902)</u>	<u>(6,018)</u>
Less: Net loss attributable to the noncontrolling interests	409	546	898	1,306
NET INCOME (LOSS) ATTRIBUTABLE TO DIGERATI'S SHAREHOLDERS	<u>(2,244)</u>	<u>3,906</u>	<u>(7,004)</u>	<u>(4,712)</u>
Deemed dividend on Series A Convertible preferred stock	-	(4)	(8)	(14)
NET INCOME (LOSS) ATTRIBUTABLE TO DIGERATI'S COMMON SHAREHOLDERS	<u>\$ (2,244)</u>	<u>\$ 3,902</u>	<u>\$ (7,012)</u>	<u>\$ (4,726)</u>
INCOME (LOSS) PER COMMON SHARE - BASIC	<u>\$ (0.01)</u>	<u>\$ 0.03</u>	<u>\$ (0.05)</u>	<u>\$ (0.03)</u>
LOSS PER COMMON SHARE - DILUTED	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ (0.05)</u>	<u>\$ (0.03)</u>
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING - BASIC	<u>153,785,787</u>	<u>139,751,107</u>	<u>148,462,169</u>	<u>139,285,833</u>
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING - DILUTED	<u>153,785,787</u>	<u>254,167,793</u>	<u>148,462,169</u>	<u>139,285,833</u>

See accompanying notes to unaudited consolidated financial statements

DIGERATI TECHNOLOGIES, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT  
For the Nine Months Ended April 30, 2023  
(In thousands, except for share amounts, unaudited)

	Equity Digerati's Shareholders															
	Preferred															
	Convertible								Common		Additional	Accumulated	Other	Stockholders	Noncontrolling	Totals
	Series A Shares	Par	Series B Shares	Par	Series C Shares	Par	Series F Shares	Par	Shares	Par	Paid-in Capital	Deficit	Comprehensive Income	Equity	Interest	
BALANCE, July 31, 2022	225,000	-	425,442	-	55,400	-	100	-	142,088,039	\$ 142	\$ 89,487	\$ (113,393)	\$ 1	\$ (23,763)	\$ (2,055)	\$ (25,818)
Amortization of employee stock options	-	-	-	-	-	-	-	-	-	-	23	-	-	23	-	23
Common stock issued for conversion of Convertible Series A Preferred stock	(25,000)	-	-	-	-	-	-	-	105,723	-	7	-	-	7	-	7
Common stock issued for exercise of warrants	-	-	-	-	-	-	-	-	160,628	-	21	-	-	21	-	21
Common stock issued for debt extension	-	-	-	-	-	-	-	-	2,060,000	2	247	-	-	249	-	249
Common stock issued concurrent with convertible debt	-	-	-	-	-	-	-	-	650,000	1	94	-	-	95	-	95
Dividends accrued	-	-	-	-	-	-	-	-	-	-	(4)	-	-	(4)	-	(4)
Net Loss	-	-	-	-	-	-	-	-	-	-	-	(4,984)	-	(4,984)	(161)	(5,145)
BALANCE, October 31, 2022	200,000	-	425,442	-	55,400	-	100	-	145,064,390	145	\$ 89,875	\$ (118,377)	\$ 1	\$ (28,356)	\$ (2,216)	\$ (30,572)
Amortization of employee stock options	-	-	-	-	-	-	-	-	-	-	23	-	-	23	-	23
Common stock issued for conversion of Convertible Series A Preferred stock	(175,000)	-	-	-	-	-	-	-	749,327	1	49	-	-	50	-	50
Common stock issued for exercise of warrants	-	-	-	-	-	-	-	-	9,677	-	1	-	-	1	-	1
Common stock issued for debt extension	-	-	-	-	-	-	-	-	1,000,000	1	90	-	-	91	-	91
Common stock issued for debt conversion and settlement	-	-	-	-	-	-	-	-	1,500,000	1	74	-	-	75	-	75
Common stock issued concurrent with convertible debt	-	-	-	-	-	-	-	-	4,164,907	4	256	-	-	260	-	260
Dividends accrued	-	-	-	-	-	-	-	-	-	-	(4)	-	-	(4)	-	(4)
Warrant issued with debt - debt discount	-	-	-	-	-	-	-	-	-	-	667	-	-	667	-	667
Beneficial conversion feature on convertible debt - debt discount	-	-	-	-	-	-	-	-	-	-	1,275	-	-	1,275	-	1,275
Net Loss	-	-	-	-	-	-	-	-	-	-	-	224	-	224	(328)	(104)
BALANCE, January 31, 2023	25,000	-	425,442	-	55,400	-	100	-	152,488,301	\$ 152	\$ 92,306	\$ (118,153)	\$ 1	\$ (25,694)	\$ (2,544)	\$ (28,238)
Amortization of employee stock options	-	-	-	-	-	-	-	-	-	-	35	-	-	35	-	35
Common stock issued to employees	-	-	-	-	-	-	-	-	1,370,551	1	(1)	-	-	-	-	-
Common stock issued for	-	-	-	-	-	-	-	-	2,180,000	2	163	-	-	165	-	165



DIGERATI TECHNOLOGIES, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT  
For the Nine Months Ended April 30, 2022  
(In thousands, except for share amounts, unaudited)

Equity Digerati's Shareholders																
	Preferred						Common		Additional	Accumulated	Other	Stockholders	Noncontrolling	Totals		
	Convertible		Series C		Series F										Paid-in	Deficit
Series A	Par	Series B	Par	Series C	Par	Series F	Par	Shares	Par	Capital	Income	Equity	Interest	Totals		
BALANCE, July 31, 2021	225,000	-	425,442	-	55,400	-	100	-	138,538,039	\$139	\$ 89,100	\$ (105,380)	\$ 1	\$ (16,140)	\$ (714)	\$(16,854)
Amortization of employee stock options	-	-	-	-	-	-	-	-	-	-	24	-	-	24	-	24
Common stock issued concurrent with convertible debt	-	-	-	-	-	-	-	600,000	-	38	-	-	-	38	-	38
Dividends accrued	-	-	-	-	-	-	-	-	-	(5)	-	-	-	(5)	-	(5)
Net Loss	-	-	-	-	-	-	-	-	-	-	-	2,424	-	2,424	(158)	2,266
BALANCE, October 31, 2021	225,000	-	425,442	-	55,400	-	100	-	139,138,039	\$139	\$ 89,157	\$ (102,956)	\$ 1	\$ (13,659)	\$ (872)	\$(14,531)
Amortization of employee stock options	-	-	-	-	-	-	-	-	-	-	23	-	-	23	-	23
Common stock issued concurrent with convertible debt	-	-	-	-	-	-	-	600,000	-	-	-	-	-	-	-	-
Dividends accrued	-	-	-	-	-	-	-	-	-	(5)	-	-	-	(5)	-	(5)
Net Loss	-	-	-	-	-	-	-	-	-	-	-	(11,042)	-	(11,042)	(602)	(11,644)
BALANCE, January 31, 2022	225,000	-	425,442	-	55,400	-	100	-	139,738,039	\$139	\$ 89,175	\$ (113,998)	\$ 1	\$ (24,683)	\$ (1,474)	\$(26,157)
Amortization of employee stock options	-	-	-	-	-	-	-	-	-	-	28	-	-	28	-	28
Common stock issued for debt extension	-	-	-	-	-	-	-	250,000	-	34	-	-	-	34	-	34
Derivative liability resolved to APIC due to note conversion	-	-	-	-	-	-	-	-	-	76	-	-	-	76	-	76
Dividends accrued	-	-	-	-	-	-	-	-	-	(4)	-	-	-	(4)	-	(4)
Net Loss	-	-	-	-	-	-	-	-	-	-	-	3,906	-	3,906	(546)	3,360
BALANCE, April 30, 2022	225,000	-	425,442	-	55,400	-	100	-	139,988,039	\$139	\$ 89,309	\$ (110,092)	\$ 1	\$ (20,643)	\$ (2,020)	\$(22,663)

See accompanying notes to unaudited consolidated financial statements



DIGERATI TECHNOLOGIES, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(In thousands, unaudited)

	<b>Nine Months April 30,</b>	
	<b>2023</b>	<b>2022</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$ (7,902)	\$ (6,018)
Adjustments to reconcile net loss to cash (used in)/provided by operating activities:		
Depreciation and amortization expense	2,912	2,514
Stock compensation and warrant expense	81	75
Bad debt expense	106	51
Amortization of Right-of-Use Assets	624	214
Amortization of debt discount	2,104	1,943
(Gain) loss on derivative liabilities	(2,893)	(7,835)
(Gain) loss on extinguishment of debt	(55)	5,480
(Gain) on settlement of conversion premium on Notes	(466)	-
Accrued interest added to principal	-	-
Debt extension fee charged to interest expense	689	155
Common stock issued for debt extension charged to interest expense	505	34
Changes in operating assets and liabilities:		
Accounts receivable	(390)	(433)
Prepaid expenses and other current assets	(213)	(96)
Inventory	18	10
Other assets	(281)	23
Right of use operating lease liability	(574)	(268)
Accounts payable	883	1,385
Accrued expenses	1,406	1,003
Deferred income	346	22
Net cash used in operating activities	<u>(3,100)</u>	<u>(1,741)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Cash paid in acquisition of equipment	(467)	(193)
Proceeds from Nexogy	-	178
Acquisition of VoIP assets, net of cash received	-	(12,790)
Net cash used in investing activities	<u>(467)</u>	<u>(12,805)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Borrowings from convertible debt, net of original issuance cost and discounts	4,491	706
Borrowings from debt, net of original issuance cost and discounts	-	15,530
Proceeds from the exercise of warrants	22	-
Borrowings from related party notes, net of original issuance cost and discounts	250	-
Principal payments on debt, net	(548)	-
Principal payments on convertible debt, net	(520)	(175)
Principal payments on related party notes, net	(568)	(590)
Principal payment on equipment financing	(72)	(30)
Net cash provided by financing activities	<u>3,055</u>	<u>15,441</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(512)	895
CASH AND CASH EQUIVALENTS, beginning of period	<u>1,509</u>	<u>1,489</u>
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 997</u>	<u>\$ 2,384</u>
<b>SUPPLEMENTAL DISCLOSURES:</b>		
Cash paid for interest	<u>\$ 2,995</u>	<u>\$ 1,677</u>
<b>SUPPLEMENTAL DISCLOSURES OF NON-CASH INVESTING AND FINANCING ACTIVITIES</b>		
Accrued interest rolled into principal	<u>\$ 1,503</u>	<u>\$ 640</u>
Incentive earnout adjustment on Active PBX acquisition	<u>\$ -</u>	<u>\$ 120</u>
Debt discount from common stock issued with debt	<u>\$ 430</u>	<u>\$ 38</u>
Derivative liability resolved to APIC	<u>\$ -</u>	<u>\$ 76</u>
Debt discount from derivative liabilities	<u>\$ 64</u>	<u>\$ 60</u>
Debt discount from warrants issued with debt	<u>\$ 837</u>	<u>\$ -</u>
Beneficial conversion feature on convertible note	<u>\$ 1,401</u>	<u>\$ -</u>
Common stock issued for debt conversion and settlement	<u>\$ 151</u>	<u>\$ -</u>
Common Stock issued for the conversion of Preferred Stock Series A	<u>\$ 57</u>	<u>\$ -</u>

Dividends accrued	\$ 8	\$ 14
Day 1 (one) recognition of Right-of-use Assets	\$ 524	\$ -

See accompanying notes to unaudited consolidated financial statements

**DIGERATI TECHNOLOGIES, INC., AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(Unaudited)

**NOTE 1 – BASIS OF PRESENTATION**

***Description of Business***

Unless otherwise indicated or the context otherwise requires, references in this subsection to “we,” “us,” “our,” “the Company,” and other similar terms refer to Digerati and its subsidiaries.

Digerati Technologies, Inc., a Nevada corporation, through its operating subsidiaries in Texas, Florida, and California provides cloud services specializing in Unified Communications as a Service (“UCaaS”) and broadband connectivity solutions for the business market. Digerati’s product line includes a portfolio of Internet-based telephony products and services delivered through its cloud application platform and session-based communication network and network services including Internet broadband, fiber, mobile broadband, and cloud WAN solutions (SD WAN).

Digerati Technologies, Inc. currently has four (4) operating subsidiaries: (i) Verve Cloud, Inc., a Texas entity (this entity was formerly known as Shift8 Networks, Inc.); (ii) T3 Communications, Inc., a Florida entity; (iii) Nexogy, Inc., a Florida entity; and (iv) NextLevel Internet, Inc., a California entity. Each of these entities is a subsidiary of Verve Cloud, Inc., a Nevada entity (this entity was formerly known as T3 Communications, Inc.) formed on March 27, 2023. We expect the completion to be consolidated under one single entity during the quarter ending June 30, 2023.

Digerati provides enterprise-class, carrier-grade services to the small-to-medium-sized business (“SMB”) at cost-effective monthly rates. Digerati’s UCaaS or cloud communication services include fully hosted IP/PBX, video conferencing, mobile applications, Voice over Internet Protocol (“VoIP”) transport, SIP trunking, and customized VoIP services all delivered Only in the Cloud™. Digerati’s broadband connectivity solutions for the delivery of digital oxygen are designed for reliability, business continuity and to optimize bandwidth for businesses using Digerati’s cloud communication services and other cloud-based applications.

***Basis of presentation and consolidation***

The accompanying unaudited interim consolidated financial statements of Digerati Technologies, Inc. have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the United States Securities and Exchange Commission. In the opinion of management, these interim financial statements contain all adjustments, consisting of normal recurring adjustments necessary for a fair presentation of financial position and the results of operations for the interim periods presented. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. Notes to the consolidated financial statements, which would substantially duplicate the disclosure contained in the audited consolidated financial statements for the year ended July 31, 2022, contained in the Company’s Form 10-K filed on October 31, 2022, have been omitted.

***Reclassification***

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations or net assets of the Company.

***Earnings (Loss) Per Share***

Basic and diluted earnings (loss) per share is computed by dividing loss attributable to common stockholders by the weighted average number of shares of Common Stock outstanding during the period. Basic earnings (loss) per share is computed by dividing the net income (loss) available to common stockholders by the weighted-average number of shares of Common Stock outstanding during the respective period presented in the Company’s accompanying condensed consolidated financial statements. Fully-diluted earnings (loss) per share is computed similarly to basic income (loss) per share except that the denominator is increased to include the number of dilutive Common Stock equivalents using the treasury stock method for options and warrants and the if-converted method for convertible debt.

	Three months ended		Nine months ended	
	April 30,		April 30,	
	2023	2022	2023	2022
<b>(in thousands, except per share data)</b>				
<b>NUMERATOR:</b>				
NET INCOME (LOSS)	\$ (2,244)	\$ 3,902	\$ (7,012)	\$ (4,726)
<b>DENOMINATOR:</b>				
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING - BASIC	153,785,787	139,751,107	148,462,169	139,285,833
<b>LOSS PER COMMON SHARE - BASIC</b>	<b>\$ (0.01)</b>	<b>\$ 0.03</b>	<b>\$ (0.05)</b>	<b>\$ (0.03)</b>

	Three months ended		Nine months ended	
	April 30,		April 30,	
	2023	2022	2023	2022
<b>(in thousands, except per share data)</b>				
<b>NUMERATOR:</b>				
NET INCOME (LOSS)	\$ (2,244)	\$ 3,902	\$ (7,012)	\$ (4,726)
Less: adjustments to net income	\$ -	\$ (6,759)	\$ -	\$ -
NET INCOME (LOSS) - DILUTED SHARES OUTSTANDING CALCULATION	\$ (2,244)	\$ (2,857)	\$ (7,012)	\$ (4,726)

	Three months ended		Nine months ended	
	April 30,		April 30,	
	2023	2022	2023	2022
<b>DENOMINATOR:</b>				
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING - BASIC	153,785,787	139,751,107	148,462,169	139,285,833
Warrants and Options to purchase common stock	-	100,352,766	-	-
Convertible Debt	-	14,063,920	-	-
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING - DILUTED	153,785,787	254,167,793	148,462,169	139,285,833
<b>LOSS PER COMMON SHARE - DILUTED</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>	<b>\$ (0.05)</b>	<b>\$ (0.03)</b>

The Company excluded the following securities from the calculation of basic and diluted net loss per share as the effect would have been antidilutive

	Three months ended		Nine months ended	
	April 30,		April 30,	
	2023	2022	2023	2022
Convertible Preferred Shares	63,458,674	56,745,216	63,458,674	56,745,216
Convertible Debt	85,183,490	12,633,333	85,183,490	12,633,333
<b>Total</b>	<b>148,642,164</b>	<b>69,378,549</b>	<b>148,642,164</b>	<b>69,378,549</b>

### **Treasury Shares**

As a result of entering into various convertible debt instruments which contained a variable conversion feature with no floor, warrants with fixed exercise price, and convertible notes with fixed conversion price or with a conversion price floor, we reserved 104,000,000 treasury shares for consideration for future conversions and exercise of warrants, for convertible notes with fixed conversion price, notes with variable conversion feature with a floor and warrants with a conversion price floor. The Company will evaluate the reserved treasury shares on a quarterly basis, and if necessary, reserve additional treasury shares. As of April 30, 2023, we believe that the treasury shares reserved are sufficient for any future conversions of these instruments. As a result, these debt instruments and warrants are excluded from derivative consideration.

### **Customers and Suppliers**

We rely on various suppliers to provide services in connection with our VOIP and UCaaS offerings. Our customers include businesses in various industries including Healthcare, Banking, Financial Services, Legal, Real Estate, and Construction. We are not dependent upon any single supplier or customer.

During the nine months ended April 30, 2023 and 2022, the Company did not derive revenues of 10% or more from any single customer.

As of April 30, 2023 and July 31, 2022, the Company did not have outstanding accounts receivable of 10% or more from any single customer.

### **Sources of revenue:**

The Company recognizes cloud-based hosted services revenue, mainly from subscription services for its cloud telephony applications that includes hosted IP/PBX services, SIP trunking, call center applications, auto attendant, voice, and web conferencing, call recording, messaging, voicemail to email conversion, integrated mobility applications that are device and location agnostic, and other customized applications. Other services include enterprise-class data and connectivity solutions through multiple broadband technologies including cloud WAN or SD-WAN (Software-defined Wide Area Network), fiber, and Ethernet over copper. We also offer remote network monitoring, data backup and disaster recovery services. The Company applies a five-step approach in determining the amount and timing of revenue to be recognized: (i) identifying the contract with a customer, (ii) identifying the performance obligations in the contract, (iii) determining the transaction price, (iv) allocating the transaction price to the performance obligations in the contract and (v) recognizing revenue when the performance obligation is satisfied. Substantially all of the Company's revenue is recognized at the time control of the products transfers to the customer.

### **Service Revenue**

Service revenue from subscriptions to the Company's cloud-based technology platform is recognized over time on a ratable basis over the contractual subscription term beginning on the date that the platform is made available to the customer. Payments received in advance of subscription services being rendered are recorded as deferred revenue. Usage fees, either bundled or not bundled, are recognized when the Company has a right to invoice. Professional services for configuration, system integration, optimization, customer training and/or education are primarily billed on a fixed-fee basis and are performed by the Company directly. Alternatively, customers may choose to perform these services themselves or engage their own third-party service providers. Professional services revenue is recognized over time, generally as services are activated for the customer.

### **Product Revenue**

The Company recognizes product revenue for telephony equipment at a point-in-time, when transfer of control has occurred, which is generally upon delivery. Sales returns are recorded as a reduction to revenue estimated based on historical data.

### **Disaggregation of Cloud-based hosted revenues.**

Summary of disaggregated revenue is as follows (in thousands):

	<b>For the Three Months Ended April 30,</b>		<b>For the Nine Months Ended April 30,</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Cloud software and service revenue	\$ 7,777	\$ 8,092	\$ 23,694	\$ 15,677
Product revenue	60	71	214	282
<b>Total operating revenues</b>	<b>\$ 7,837</b>	<b>\$ 8,163</b>	<b>\$ 23,908</b>	<b>\$ 15,959</b>

### **Contract Assets**

Contract assets are recorded for those parts of the contract consideration not yet invoiced but for which the performance obligations are completed. The revenue is recognized when the customer receives services or equipment for a reduced consideration at the onset of an arrangement; for example, when the initial month's services or equipment are discounted. Contract assets are included in prepaid and other current assets in the consolidated balance sheets, depending on if their reduction is recognized during the succeeding 12-month period or beyond. Contract assets as of April 30, 2023 and July 31, 2022 was \$0 and \$6,701, respectively.

### ***Deferred Income***

Deferred income represents billings or payment received in advance of revenue recognition and is recognized upon transfer of control. Balances consist primarily of annual plan subscription services, for services not yet provided as of the balance sheet date. Deferred revenues that will be recognized during the succeeding 12-month period are recorded as current deferred revenues in the consolidated balance sheets, with the remainder recorded as other noncurrent liabilities in the consolidated balance sheets. Deferred income as of April 30, 2023 and July 31, 2022 was \$425,130 and \$66,167, respectively.

### ***Customer deposits***

The Company in some instances requires customers to make deposits for the last month of services, equipment, installation charges and training. As equipment is installed and training takes place, the deposits are then applied to revenue. The deposit for the last month of services is applied to any outstanding balances if services are cancelled. If the customer's account is paid in full, the Company will refund the full deposit in the month following service termination. As of April 30, 2023 and July 31, 2022, Digerati's customer deposits balance was \$852,141 and \$864,345, respectively. The customer deposit balance is included as part of deferred income on the consolidated balance sheets.

### ***Costs to Obtain a Customer Contract***

Direct incremental costs of obtaining a contract consisting of sales commissions are deferred and amortized over the estimated life of the customer, which currently averages 36 months. The Company calculates the estimated life of the customer on an annual basis. The Company classifies deferred commissions as prepaid expenses or other noncurrent assets based on the timing of when it expects to recognize the expense. As of April 30, 2023, the Company has \$663,661 in deferred commissions/contract costs. Sales commissions expensed for the nine months ended April 30, 2023 and 2022 were \$2,050,008 and 1,463,989, respectively. The costs to obtain customer contract balances are included as part of prepaid expenses and other assets on the consolidated balance sheets.

### ***Direct Costs - Cloud software and service***

We incur bandwidth and colocation charges in connection with our UCaaS or cloud communication services. The bandwidth charges are incurred as part of the connectivity between our customers to allow them access to our various services. We also incur costs from underlying providers for fiber, internet broadband, and telecommunication circuits in connection with our data and connectivity solutions.

### ***Derivative financial instruments.***

Digerati does not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risks. However, Digerati evaluates its convertible instruments and free-standing instruments such as warrants for derivative liability accounting.

For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date. Any changes in fair value are recorded as non-operating, non-cash income or expense for each reporting period. For derivative notes payable conversion options and warrants Digerati uses the Black-Scholes option-pricing model to value the derivative instruments.

The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument is probable within the next 12 months from the balance sheet date.

### Fair Value of Financial Instruments.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. A fair value hierarchy is used which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The fair value hierarchy based on the three levels of inputs that may be used to measure fair value are as follows:

*Level 1* – Quoted prices in active markets for identical assets or liabilities.

*Level 2* – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

*Level 3* – Unobservable inputs that are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

For certain of our financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued expenses, the carrying amounts approximate fair value due to the short maturity of these instruments. The carrying value of our long-term debt approximates its fair value based on the quoted market prices for the same or similar issues or the current rates offered to us for debt of the same remaining maturities.

Our derivative liabilities as of April 30, 2023 and July 31, 2022 were \$7,759,446 and \$10,587,717, respectively.

The following table provides the fair value of the derivative financial instruments measured at fair value using significant unobservable inputs:

Description	Fair Value	Fair value measurements at reporting date using.		
		Quoted prices in active markets for identical liabilities (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Derivative liability at July 31, 2022	\$ 10,587,717	-	-	\$ 10,587,717
Derivative liability at April 30, 2023	\$ 7,759,446	-	-	\$ 7,759,446

The fair market value of all derivatives during the year ended July 31, 2022 was determined using the Black-Scholes option pricing model which used the following assumptions:

Expected dividend yield	0.00 %
Expected stock price volatility	63.32% - 250.19%
Risk-free interest rate	0.03% - 2.98 %
Expected term	0.05 - 9.50 years

The fair market value of all derivatives during the nine months ended April 30, 2023 was determined using the Black-Scholes option pricing model which used the following assumptions:

Expected dividend yield	0.00%
Expected stock price volatility	93.12% - 198.87%
Risk-free interest rate	3.44% - 5.14%
Expected term	0.17 – 7.56 years

The following table provides a summary of the changes in fair value of the derivative financial instruments measured at fair value on a recurring basis using significant unobservable inputs:

Balance at July 31, 2022	\$ 10,587,717
Derivative from new convertible promissory notes recorded as debt discount	63,805
Derivative gain	(2,892,076)
Balance at April 30, 2023	\$ 7,759,446

### ***Noncontrolling interest***

The Company follows Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 810, *Consolidation*, which governs the accounting for and reporting of non-controlling interests (“NCIs”) in partially owned consolidated subsidiaries and the loss of control of subsidiaries. Certain provisions of this standard indicate, among other things, that NCIs be treated as a separate component of equity, not as a liability, that increases and decreases in the parent’s ownership interest that leave control intact be treated as equity transactions rather than as step acquisitions or dilution gains or losses, and that losses of a partially owned consolidated subsidiary be allocated to the NCI even when such allocation might result in a deficit balance. The net income (loss) attributed to the NCI is separately designated in the accompanying consolidated statements of operations.

On May 1, 2018, Verve Cloud, Inc. (f/k/a T3 Communications, Inc.) (“Verve Cloud”), a Nevada Corporation, entered into a Stock Purchase Agreement (“SPA”), whereby in an exchange for \$250,000, Verve Cloud agreed to sell to the buyers 199,900 shares of common stock equivalent to 19.99% of the issued and outstanding common shares of Verve Cloud. The \$250,000 of the cash received under this transaction was recognized as an adjustment to the carrying amount of the noncontrolling interest and as an increase in additional paid-in capital in Verve Cloud. At the option of the Company, and for a period of five years following the date of the SPA, the 199,900 shares of common stock in Verve Cloud may be converted into Common Stock of Digerati at a ratio of 3.4 shares of DTGI Common stock for every one (1) share of Verve Cloud at any time after the DTGI Common Stock has a current market price of \$1.50 or more per share for 20 consecutive trading days.

For the nine months ended April 30, 2023 and 2022, the Company accounted for a noncontrolling interest of approximately \$898,000 and \$1,306,000, respectively. Additionally, one of the buyers serves as a Board Member of T3 Communications, Inc., a Florida Corporation, one of our operating subsidiaries.

### ***Recently issued accounting pronouncements.***

Recent accounting pronouncements, other than below, issued by the FASB (including its Emerging Issues Task Force), the AICPA and the SEC did not, or are not, believed by management to have a material effect on the Company’s present or future financial statements.

In August 2020, the FASB issued “ASU 2020-06, Debt with Conversion and Other Options (Subtopic 47020) and Derivatives and Hedging—Contracts in Entity’s Own Equity (Subtopic 815-40)” which simplifies the accounting for convertible instruments. The guidance removes certain accounting models which separate the embedded conversion features from the host contract for convertible instruments. Either a modified retrospective method of transition or a fully retrospective method of transition is permissible for the adoption of this standard. Update No. 2020-06 is effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. The Company is currently evaluating the potential impact of this ASU on its financial statements.

In June 2016, the FASB issued “ASU 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments.” The standard’s main goal is to improve financial reporting by requiring earlier recognition of credit losses on financing receivables and other financial assets in scope. Update No. 2016-13 is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The Company is currently evaluating the potential impact of this ASU on its financial statements.



## NOTE 2 – GOING CONCERN

### *Financial Condition*

The Company's consolidated financial statements for the nine months ending April 30, 2023 have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. Since the Company's inception in 1993, the Company has incurred net losses and accumulated a deficit of approximately \$120,397,000 and a working capital deficit of approximately \$65,429,000 which raise substantial doubt about Digerati's ability to continue as a going concern.

### *Management Plans to Continue as a Going Concern*

Management believes that available resources as of April 30, 2023 will not be sufficient to fund the Company's operations and corporate expenses over the next 12 months. The Company's ability to continue to meet its obligations and to achieve its business objectives is dependent upon, and other things, raising additional capital, issuing stock-based compensation to certain members of the executive management team in lieu of cash, or generating sufficient revenue in excess of costs. At such time as the Company requires additional funding, the Company will seek to secure such best-efforts funding from various possible sources, including equity or debt financing, sales of assets, or collaborative arrangements. If the Company raises additional capital through the issuance of equity securities or securities convertible into equity, stockholders will experience dilution, and such securities may have rights, preferences, or privileges senior to those of the holders of common stock or convertible senior notes. If the Company raises additional funds by issuing debt, the Company may be subject to limitations on its operations, through debt covenants or other restrictions. If the Company obtains additional funds through arrangements with collaborators or strategic partners, the Company may be required to relinquish its rights to certain technologies. There can be no assurance that the Company will be able to raise additional funds or raise them on acceptable terms. If the Company is unable to obtain financing on acceptable terms, it may be unable to execute its business plan, the Company could be required to curtail its operations, and the Company may not be able to pay off its obligations, if and when they come due.

We are currently taking initiatives to reduce our overall cash deficiencies on a monthly basis. During fiscal 2023 certain members of our management team will continue to receive a portion of their compensation in common stock to reduce the depletion of our available cash. To strengthen our business, we intend to adopt best practices from or recent acquisitions and invest in a marketing and sales strategy to grow our monthly recurring revenue; we anticipate utilizing our value-added resellers and channel partners to tap into new sources of revenue streams; and we have also secured numerous agent agreements through our recent acquisitions that we anticipate will accelerate revenue growth. In addition, we will continue to focus on selling a greater number of comprehensive services to our existing customer base. Further, in an effort to increase our revenues, we will continue to evaluate the acquisition of various assets with emphasis in VoIP Services and Cloud Communication Services. As a result, during the due diligence process we anticipate incurring significant legal and professional fees.

We require cash to meet our interest payments to Post Road (as defined below), capital expenditure needs, and operational cash flow needs. The Company anticipates issuing additional equity or entering into additional Convertible Notes to secure the funding required to meet these cash needs. There can be no assurance that the Company will be able to raise additional funds or raise them on acceptable terms. If the Company is unable to obtain financing on acceptable terms, the Company may not be able to meet its interest payments, capital expenditures, and operational needs. As a result, the Company will be required to negotiate with its lender the terms of the current financing agreements, in addition to postponing the timing of deployment of its capital expenditures and extending the timing of the operational cash needs.

In November 2020, the Company and Verve Cloud, Inc. (a Nevada entity) ("Verve Cloud") and Verve Cloud's subsidiaries (Verve Cloud and its subsidiaries, collectively, "the Verve Cloud Nevada Parties") entered into a credit agreement (the "Credit Agreement") with Post Road Administrative LLC and its affiliate Post Road Special Opportunity Fund II LLP (collectively, "Post Road"). The Company is a party to certain sections of the Credit Agreement. Next Level Internet, Inc. became a Verve Cloud Nevada Party in February 2022.

The Credit Agreement contains customary representations, warranties, and indemnification provisions. The Credit Agreement also contains affirmative and negative covenants with respect to the operation of the business and properties of the loan parties as well as financial performance. Below are key financial covenant requirements (measured quarterly) for the fiscal quarter ended April 30, 2023:

- Maximum Allowed - Senior Leverage Ratio of 6.18 to 1.00
- Minimum Allowed - EBITDA of \$ (on an annualized basis) 4,565,009
- Minimum Allowed - Liquidity of \$2,000,000
- Minimum Allowed - Interest Coverage of 1.00 to 1.00

As of April 30, 2023, the Company was not in compliance with our financial covenants with Post Road, and as a result, the Notes were classified as current. The Company has requested that Post Road agree to forbear from exercising its remedies in connection with, among other things, the financial covenants that were not complied with during the quarter ended April 30, 2023. There can be no assurance that we will be able to restructure our financial covenants with Post Road. If the Company is not able to reach an agreement to restructure our financial covenants requirements and Post Road declares an event of default, it would have a material adverse effect on our business and financial condition, including the possibility of Post Road foreclosing on some or all of our assets.

On December 15, 2022, the lender agreed to forbear from exercising its remedies in connection with the financial covenants that were not complied with during the quarter ended October 31, 2022, as well as certain other specified defaults, until December 23, 2022.

On February 3, 2023, the Company, the Verve Cloud Nevada Parties, and Post Road entered into a Consent, Limited Waiver and Fourth Amendment to Credit Agreement and Amendment to Notes (the "Fourth Amendment"). The Fourth Amendment is effective as of December 23, 2022. Among other things, the Fourth Amendment conditionally revises each of the six financial covenants set forth in Section 11.12 of the Credit Agreement (related to maximum leverage, minimum liquidity, minimum EBITDA, maximum capital expenditures, minimum interest coverage (a provision that replaces the minimum fixed charge coverage ratio provision), and maximum churn). In addition, pursuant to the Fourth Amendment, none of the financial covenants contained in Section 11.12 of the Credit Agreement, as amended by the Fourth Amendment, were to be tested as of the January 31, 2023 fiscal quarter end date so long as no events of default had occurred, other than minimum liquidity of \$1,000,000, which was tested and met as of January 31, 2023. The Fourth Amendment provides that these revised financial covenants will be null and void if the Merger (as defined in Note 12) does not close by February 28, 2023 (the "Merger Outside Closing Date"), in which case the financial covenants in effect under Section 11.12 of the Credit Agreement shall automatically, and without notice to the Verve Cloud Nevada Parties, revert to those in effect immediately prior to the Fourth Amendment.

Pursuant to the Fourth Amendment, Post Road agreed to conditionally waive each and all of the Specified Defaults (as defined in the Fourth Amendment). Post Road's waiver of the Specified Defaults are contingent on the Merger closing on or before the Merger Outside Closing Date in accordance with the Business Combination Agreement (as defined in Note 12) and no events of default (other than the Specified Defaults) or any condition or event that, with the giving of notice or the lapse of time or both, would constitute an event of default, existing under the Credit Agreement on the Merger closing date.

The Fourth Amendment amends the Credit Agreement and the Notes to modify the interest rate payable by Verve Cloud.

On March 13, 2023, the Company, the Verve Cloud Nevada Parties, and Post Road entered into the Fifth Amendment to Credit Agreement, with an effective date of February 28, 2023, which specifically revises the Merger Outside Closing Date, replacing the "February 28, 2023" date with "April 28, 2023," without amending, supplementing or otherwise modifying any other terms, or any of the conditions, set forth in the Credit Agreement.

On April 3, 2023, the Company, the Verve Cloud Nevada Parties, and Post Road entered into a Sixth Amendment to its Credit Agreement (the “Sixth Amendment”). Pursuant to the Sixth Amendment, Post Road agreed to increase the aggregate net unpaid principal amount (i.e., less original issue discounts and transaction costs paid in cash by Company upon the closing thereof and disclosed in writing to Post Road) the Company is allowed to borrow in the form of convertible loans to \$3,500,000. This amount was increased from the \$3,000,000 agreed to by Post Road pursuant to the Fourth Amendment.

Pursuant to the Sixth Amendment, Post Road agreed to defer the cash interest otherwise due and payable on April 1, 2023 to the May 1, 2023 payment date.

On May 1, 2023, the Company, the Verve Cloud Nevada Parties, and Post Road entered into a Seventh Amendment to Credit Agreement (the “Seventh Amendment”). The Seventh Amendment is dated as of May 1, 2023, with an effective date of April 28, 2023. Pursuant to the Seventh Amendment, the Merger Outside Closing Date was amended to May 31, 2023, or such later date as agreed to in writing by Post Road in its sole discretion.

The Seventh Amendment also modified the negative covenants set forth in the Credit Agreement to add a new section on material nonpublic information (“MNPI”). The Seventh Amendment’s modifications to the Credit Agreement provide that if Post Road elects not to receive MNPI from the Company during any period during which the Company is obligated to deliver a notice to Post Road which notice would include MNPI, the Company will inform Post Road of its obligation to deliver the notice, and Post Road will inform the Company whether it elects to receive such notice. If Post Road elects to receive the notice of MNPI, the Company shall deliver such notice in accordance with the Credit Agreement, and if Post Road elects not to receive such notice, the Company shall not deliver the notice and Post Road shall have waived its rights to receive delivery of the notice. Any election by Post Road to waive their right to receive delivery of any notice of MNPI applies only with respect to the specific notice and not to any subsequent notice.

Pursuant to the Seventh Amendment, Post Road agreed to defer the cash interest otherwise due and payable on April 3, 2023 and May 1, 2023 to the June 1, 2023 payment date.

While Digerati, the parent company of Verve Cloud, is not subject to these financial covenants, it had, and will continue to have, a material impact on Verve Cloud’s expenditures and ability to raise funds.

In addition, our Term Loan C Note payable to Post Road with a maturity date of August 4, 2023, requires a full principal payment and accrued interest by the maturity date. We will work with our equity partners to secure additional financings to meet this obligation by the maturity date. In addition, we will work with our lender on the current terms to the Term Loan C Note, to extend the maturity date or restructure the terms of the note. There can be no assurance that the Company will be able to raise additional funds or raise them on acceptable terms to meet the cash payment requirements on the Term Loan C Note. In addition, there can be no assurance that we will be able to restructure the terms or extend the maturity date of the Term Loan C Note with Post Road. If the Company is not able to restructure the financing or repay the Term Loan C Note by the August 4th maturity date and Post Road declares an event of default, it would have a material adverse effect on our business and financial condition, including the possibility of Post Road foreclosing on some or all of our assets.

Verve Cloud’s obligations under the Credit Agreement are secured, in part, by a first-priority security interest in all of the assets of the Verve Cloud Nevada Parties and are guaranteed by Verve Cloud’s other subsidiaries pursuant to the Guaranty and Collateral Agreement, dated November 17, 2020, subsequently amended on December 31, 2021, February 4, 2022, December 15, 2022, and February 3, 2023 by and among Verve Cloud, the Company’s other subsidiaries, and Post Road Administrative LLC (the “Guaranty and Collateral Agreement”). In addition, Verve Cloud’s obligations under the Credit Agreement are, pursuant to a Pledge Agreement (the “Pledge Agreement”), secured by a pledge of a first priority security interest in Verve Cloud’s 100% equity ownership of each of Verve Cloud’s operating companies.

We have been successful in raising debt and equity capital in the past and as described in Notes 6, 7, 8, and 12. Although we have successfully completed financings and reduced expenses in the past, we cannot assure you that our plans to address these matters in the future will be successful.

The current Credit Agreement with Post Road will allow the Company to continue acquiring UCaaS service providers that meet the Company's acquisition criteria. Management anticipates that future acquisitions will provide additional operating revenues to the Company as it continues to execute on its consolidation strategy. There can be no guarantee that the planned acquisitions will close or that they will produce the anticipated revenues on the schedule anticipated by management.

The Company will continue to work with various funding sources to secure additional debt and equity financing. However, Digerati cannot offer any assurance that it will be successful in executing the aforementioned plans to continue as a going concern.

As described elsewhere herein, we are not generating sufficient cash from operations to pay for our corporate and ongoing operating expenses, or to pay our current liabilities. As of April 30, 2023, our total liabilities were approximately \$69,632,000, which included \$7,759,000 in derivative liabilities. We will continue to use our available cash on hand to cover our deficiencies in operating expenses.

The Company's consolidated financial statements as of April 30, 2023 do not include any adjustments that might result from the inability to implement or execute the Company's plans to improve our ability to continue as a going concern.

### NOTE 3 – INTANGIBLE ASSETS

Below are summarized changes in intangible assets at April 30, 2023 and July 31, 2022:

	Gross Carrying Value	Accumulated Amortization	Net Carrying Amount
<b>April 30, 2023</b>			
NetSapiens - license, 10 years	\$ 150,000	\$ (150,000)	\$ -
Customer relationships, 5 years	40,000	(40,000)	-
Customer relationships, 7 years	10,947,262	(3,630,483)	7,316,779
Trademarks, 7 & 10 years	7,148,000	(1,739,103)	5,408,897
Non-compete, 2 & 3 years	931,000	(732,083)	198,917
Marketing & Non-compete, 5 years	800,263	(799,981)	282
Total Definite-lived Intangible Assets	<u>20,016,525</u>	<u>(7,091,650)</u>	<u>12,924,875</u>
Goodwill	<u>19,380,080</u>	<u>-</u>	<u>19,380,080</u>
Balance, April 30, 2023	<u>\$ 39,396,605</u>	<u>\$ (7,091,650)</u>	<u>\$ 32,304,955</u>
<b>July 31, 2022</b>			
NetSapiens - license, 10 years	\$ 150,000	\$ (150,000)	\$ -
Customer relationships, 5 years	40,000	(36,684)	3,316
Customer relationships, 7 years	10,947,262	(2,573,052)	8,374,210
Trademarks, 7 & 10 years	7,148,000	(993,806)	6,154,194
Non-compete, 2 & 3 years	931,000	(394,583)	536,417
Marketing & Non-compete, 5 years	800,263	(679,980)	120,283
Total Definite-lived Intangible Assets	<u>20,016,525</u>	<u>(4,828,105)</u>	<u>15,188,420</u>
Goodwill	<u>19,380,080</u>	<u>-</u>	<u>19,380,080</u>
Balance, July 31, 2022	<u>\$ 39,396,605</u>	<u>\$ (4,828,105)</u>	<u>\$ 34,568,500</u>

Total amortization expense for the nine months ended April 30, 2023 and 2022 was \$2,263,546 and \$2,215,872, respectively.

#### NOTE 4 – STOCK-BASED COMPENSATION

In November 2015, the Company adopted the Digerati Technologies, Inc. 2015 Equity Compensation Plan (the “Plan”). The Plan authorizes the grant of up to 7.5 million stock options, restricted common shares, non-restricted common shares and other awards to employees, directors, and certain other persons. The Plan is intended to permit the Company to retain and attract qualified individuals who will contribute to the overall success of the Company. The Company’s Board of Directors determines the terms of any grants under the Plan. Exercise prices of all stock options and other awards vary based on the market price of the shares of common stock as of the date of grant. The stock options, restricted common stock, non-restricted common stock, and other awards vest based on the terms of the individual grant.

During the nine months ended April 30, 2023 and 2022, the Company did not issue any new stock options.

The Company recognized approximately \$80,122 and \$74,466, respectively, in stock-based compensation expense for stock options to employees for the nine months ended April 30, 2023 and 2022. Unamortized compensation stock option cost totaled \$17,850 and \$125,653, respectively, as of April 30, 2023 and 2022.

A summary of the stock options outstanding as of April 30, 2023 and July 31, 2022, and the changes during the nine months ended April 30, 2023 are presented below:

	<b>Options</b>	<b>Weighted average exercise price</b>	<b>Weighted average remaining contractual term (years)</b>
Outstanding at July 31, 2022	9,130,000	\$ 0.17	2.39
Granted	-	-	-
Exercised	-	-	-
Forfeited and cancelled	(1,355,000)	0.35	-
Outstanding on April 30, 2023	7,775,000	\$ 0.12	1.99
Exercisable on April 30, 2023	7,287,634	\$ 0.12	1.96

The aggregate intrinsic value (the difference between the Company’s closing stock price on the last trading day of the period and the exercise price, multiplied by the number of in-the-money options) of the 7,775,000 and 9,130,000 stock options outstanding as of April 30, 2023 and July 31, 2022, was \$104,067 and \$191,722, respectively.

The aggregate intrinsic value of 7,287,634 and 7,551,179 stock options exercisable on April 30, 2023 and July 31, 2022 was \$93,245 and \$110,380, respectively.

#### NOTE 5 – WARRANTS

During the nine months ended April 30, 2023, the Company issued 17,241,721 warrants under promissory notes in which the warrants vested at the time of issuance. The warrants have an expiration term of five (5) years with an exercise price of \$0.1195. Under the Black-Scholes valuation method, the relative fair market value of the warrants at time of issuance was approximately \$837,000 and was recognized as a discount on the promissory notes. The Company will amortize the debt discount as interest expense over 12 months.

The Company did not issue any warrants during the nine months ended April 30, 2022.

A summary of the warrants outstanding as of April 30, 2023 and July 31, 2022, and the changes during the nine months April 30, 2023, are presented below:

	<b>Warrants</b>	<b>Weighted average exercise price</b>	<b>Weighted average remaining contractual term (years)</b>
Outstanding at July 31, 2022	108,841,179	\$ 0.01	8.21
Granted	17,241,721	0.12	4.72
Exercised	(170,298)	\$ 0.13	-
Forfeited and cancelled	(969,702)	\$ 0.30	-
Outstanding on April 30, 2023	<u>124,942,900</u>	<u>\$ 0.03</u>	<u>7.14</u>
Exercisable on April 30, 2023	<u>98,017,606</u>	<u>\$ 0.03</u>	<u>7.09</u>

The aggregate intrinsic value (the difference between the Company's closing stock price on the last trading day of the period and the exercise price, multiplied by the number of in-the-money warrants) of the 124,942,900 and 108,841,179 warrants outstanding as of April 30, 2023 and July 31, 2022, was \$6,451,301 and \$9,002,606, respectively.

The aggregate intrinsic value of 98,017,606 and 81,615,885 warrants exercisable on April 30, 2023 and July 31, 2022 was \$4,838,476 and \$6,757,037, respectively.

#### **NOTE 6 – NOTES PAYABLE NON-CONVERTIBLE**

On October 22, 2018, the Company issued a secured promissory note for \$50,000, bearing interest at a rate of 8% per annum, with maturity date of December 31, 2018. The maturity date was extended multiple times and on February 16, 2023, the lender agreed to extend the maturity until June 30, 2023. The promissory note is secured by a Pledge and Escrow Agreement, whereby the Company agreed to pledge rights to a collateral due under certain Agreement. The outstanding balance as of April 30, 2023 and July 31, 2022 was \$50,000.

##### Credit Agreement and Notes

Pursuant to the Credit Agreement (as defined in Note 2), Post Road provided Verve Cloud with a secured loan of up to \$20,000,000 (the "Loan"), with initial loans of \$10,500,000 pursuant to the issuance of a Term Loan A Note and \$3,500,000 pursuant to the issuance of a Term Loan B Note, each funded on November 17, 2020, and an additional \$6,000,000 in loans, in increments of \$1,000,000, as requested by Verve Cloud before the 18 month anniversary of the initial funding date to be lent pursuant to the issuance of a Delayed Draw Term Note. After payment of transaction-related expenses and closing fees of \$964,000, net proceeds to the Company from the Term Loan A Note and the Term Loan B Note totaled \$13,036,000. The Company recorded these discounts and cost of \$964,000 as a discount to the Notes and will be amortized as interest expense over the term of the notes.

During the nine months ended April 30, 2023, the total debt discount for the Term Loan A Note and the Term Loan B Note was fully amortized. The total debt discount outstanding on the notes as of April 30, 2023 and July 31, 2022 was \$0.

Term Loan A Note has a maturity date of November 17, 2024, and an interest rate of LIBOR (with a minimum rate of 1.5%) plus twelve percent (12%). Term Loan A is non-amortized (interest only payments) through the maturity date and contains an option for the Company to pay interest in kind (PIK) for up to five percent (5%) of the interest rate in year one, four percent (4%) in year two and three percent (3%) in year three.

Term Loan B had a maturity date of December 31, 2021, and an interest rate of LIBOR (with a minimum rate of 1.5%) plus twelve percent (12%). Term Loan B was non-amortized (interest only payments) through the maturity date and contained an option for the Company to pay interest in kind (PIK) for up to five percent (5%) of the interest rate in year one, four percent (4%) in year two and three percent (3%) in year three. Term Loan B was recapitalized under the revised A&R Term Loan A Note as indicated below.

On December 20, 2021, Verve Cloud and Post Road entered into an amendment to the Credit Agreement (the “First Amendment”) in connection with which Verve Cloud issued an Amended and Restated Term Loan A Note (the “A&R Term Loan A Note”) in replacement of the Term Loan A Note. Under the First Amendment, the \$3,500,000 outstanding principal balance of the Term Loan B Note accrued interest of \$187,442, and amendment fee of \$1,418,744 were recapitalized under the revised A&R Term Loan A Note.

Pursuant to the First Amendment, the additional proceeds of \$6,000,000 were used to fund the acquisition of the assets of Skynet Telecom LLC (“Skynet”) and for general corporate and working capital purposes as well as professional fees and other fees and expenses with respect to the transactions contemplated by the First Amendment. The Company evaluated the amendment and the recapitalization of the notes and accounted for these changes as an extinguishment of debt and recognized a loss on extinguishment of debt of \$5,479,865, the loss is composed of the full amortization debt discount of \$4,061,121, and the amendment fees of \$1,418,744.

The A&R Term Loan A Note has a maturity date of November 17, 2024, and an interest rate of Term SOFR (with a minimum rate of 3.5%) plus twelve percent (12%). The principal balance and accrued PIK interest outstanding on the A&R Term Loan was \$23,465,727 and \$22,168,515 as of April 30, 2023 and July 31, 2022, respectively, and had accrued PIK interest outstanding of \$1,297,212 and \$530,672, respectively.

On February 4, 2022, Verve Cloud and Post Road entered into a Joinder and Second Amendment to Credit Agreement (the “Joinder and Second Amendment”) in connection with which Verve Cloud issued a Term Loan C Note. Pursuant to the Joinder and Second Amendment, Post Road provided Verve Cloud with a secured loan of \$10,000,000. The proceeds of \$10,000,000 were used to fund the acquisition of Next Level Internet, Inc. (“Next Level” or “NLI”) and for general corporate and working capital purposes as well as professional fees and other fees and expenses with respect to the transactions contemplated by the Joinder and Second Amendment. At issuance the Company recognized \$250,000 in OID and \$220,000 in debt issuance. The total unamortized debt discount was \$78,335 and \$313,334 as of April 30, 2023 and July 31, 2022, respectively. The principal balance on the Term Loan C Note was \$10,935,640 and \$10,000,000 as of April 30, 2023 and July 31, 2022 and had accrued PIK interest outstanding of \$935,640 and \$199,413, respectively. The Term Loan C Note has a maturity date of August 4, 2023, and an interest rate of Term SOFR (with a minimum rate of 3.5%) plus twelve percent (12%).

For further details regarding the Credit Agreement, as amended through May 1, 2023, please see the section of Note 2 titled “Management Plans to Continue as a Going Concern.”

#### ***Promissory Notes – Next Level Internet Acquisition***

On February 4, 2022, as per the acquisition of Next Level, the Company entered into two unsecured promissory notes (the “Unsecured Adjustable Promissory Notes”) for \$1,800,000 and \$200,000, respectively. The notes are payable in eight equal quarterly installments in the aggregate amount of \$250,000 each commencing on June 4, 2022, through and including March 7, 2024, with a base annual interest rate of 0% and a default annual interest rate of 18%. The amount owed is subject to change based on certain revenue milestones required to be achieved by Next Level. At issuance, the Company fair valued the notes and recognized a debt discount of \$241,000 which is amortized over the term of the notes. The Company amortized \$90,375 to interest expense during the nine months ended April 30, 2023. Total unamortized debt discount on the notes as of April 30, 2023 and July 31, 2022 was \$90,375 and \$180,750, respectively. The total principal balance outstanding as of April 30, 2023 and July 31, 2022 on the Unsecured Adjustable Promissory Notes was \$1,250,000 and \$1,750,000, respectively.

On January 3, 2023, the Company amended its forbearance agreement with the Noteholders and agreed to pay the deferred payment, together with interest at the rate of 18% per annum (based upon the number of days elapsed between the date the deferred payment is scheduled for payment under the Notes and the date the deferred payment is actually paid and a year of 360 days) and extension fees of \$7,500 on or before February 28, 2023 (the period from the effective date through February 28, 2023). This deferral of payment resulted in an additional principal added to the balance of \$26,125, which consisted of the extension fee of \$7,500 and interest expense of \$18,625.

On February 28, 2023, the Company extended the payment date for the September 4, 2022 installment to be due by April 30, 2023 (forbearance amendment no. 2) in exchange for a \$15,000 amendment fee to be added to the outstanding principal balance. This deferral of payment resulted in an additional principal added to the balance of \$39,000, which consisted of the extension fee of \$15,000 and interest expense of \$24,000. The \$39,000 balance was paid on March 15, 2023.

On March 7, 2023, the Company extended the payment date for the March 7, 2023 installment to be due by April 30, 2023 in exchange for a \$7,500 amendment fee to be added to the outstanding principal balance. This deferral of payment resulted in an additional principal added to the balance of \$8,500, which consisted of the extension fee of \$7,500 and interest expense of \$1,000. The \$8,500 balance was paid on March 15, 2023.

On May 1, 2023, the Company extended the payment date for the September 4, 2022 installment to be due by May 31, 2023 (forbearance amendment no. 3) in exchange for payment of accrued interest between March 15, 2023 and April 30, 2023 of \$5,750.00 which was paid on May 10, 2023.

On May 1, 2023, the Company extended the payment date for the March 7, 2023 installment to be due by May 31, 2023 (forbearance amendment no. 1) in exchange for payment of accrued interest between March 15, 2023 and April 30, 2023 of \$5,750.00 which was paid on May 10, 2023.

On June 1, 2023, the Company and the Noteholders agreed to extend the due date for the principal payment along with accrued interest due on May 31, 2023 to June 30, 2023.

#### **NOTE 7 – RELATED PARTY TRANSACTIONS**

On December 29, 2022, the Company entered into a \$100,000 promissory note, with the Company's president, Derek Gietzen, with a maturity date of January 12, 2023, and annual interest rate of 12%. On January 17, 2023, the Company paid the total principal outstanding of \$100,000, plus accrued interest.

On October 4, 2022, the Company entered into a \$150,000 promissory note, with the Company's president, Derek Gietzen, with a maturity date of October 15, 2022, and annual interest rate of 11%. On October 17, 2022, the Company paid the total principal outstanding of \$150,000, plus accrued interest.

During the nine months ended April 30, 2023 and 2022, the Company provided VoIP Hosted and fiber services to a Company owned by one of the Board members of Verve Cloud (the Nevada entity) for \$118,619 and \$144,687, respectively.

On November 17, 2020, as a result of the of the acquisition of the assets of ActiveServe, Inc. ("ActiveServe"), the two sellers became related parties as they continued to be involved as consultants to manage the customer relationship, the Company paid on an annual basis \$90,000 to each of the consultants. These agreements expired, and the parties agreed not to extend. As of April 30, 2023, there's no balance outstanding under the consulting agreements. In addition, part of the Purchase Price is payable in 8 equal quarterly payments to the sellers. During the nine months ended April 30, 2023, the Company paid \$217,593 of the principal balance outstanding. It was determined during the quarter ended April 30, 2023, that the required revenue targets were not met. As a result, the Company recognized a gain on settlement of debt of \$54,907 which was the remaining accrued amount outstanding. The total principal outstanding on the notes as of April 30, 2023 and July 31, 2022 was \$0 and \$272,500, respectively.

On December 31, 2021, as a result of the of the acquisition of Skynet's assets, the two sellers became related parties as they continued to be involved as consultants for 12 months to manage the customer relationship. The Company will pay \$100,000 to each of the consultants on an annual basis. As of April 30, 2023, there were no outstanding balances owed to the consultants. Part of the Purchase Price of \$600,000 (the "Earn-out Amount") was retained by the Company and will be paid to sellers in six equal quarterly payments. An additional \$100,000 (the "Holdback Amount") was retained by the Company and will be paid to sellers in accordance with the Skynet asset purchase agreement. During the nine months ended April 30, 2023, the Company paid \$100,000 of the principal balance outstanding. The Company amortized \$29,764 and \$0 of debt discount as interest expense during the nine months ended April 30, 2023 and April 30, 2022, respectively. The total debt discount outstanding as of April 30, 2023 and July 31, 2022, was \$9,921 and \$39,686, respectively. The total balance outstanding on the Earn-out Amounts as of April 30, 2023 and July 31, 2022, was \$500,000 and \$600,000, respectively.



### Acquisition Payable – Skynet

As part of the acquisition of Skynet’s assets, the Company will pay to the seller a \$1,000,000 (the “Share Payment”) by issuance of restricted shares of the Company’s common stock to the owners. On September 1, 2022, the Company and the sellers amended the Asset Purchase Agreement. In accordance with the amended agreement, the Share Payment will be made via the issuance of shares on the earlier of (i) the effective date of that certain Registration Statement on Form S-1 filed by the Company with the Securities and Exchange Commission on August 11, 2021 (in which case the stock will be valued at the price set forth in the prospectus that is a part of such Registration Statement, without underwriter discounts) and (ii) April 30, 2023 (in which case the stock will be valued at the average of the last transaction price on the OTCQB for each of the 10 trading days immediately preceding such issuance date). On December 5, 2022 and March 9, 2023, the Asset Purchase Agreement was amended. The payments due will be extended until the closing of the merger with Minority Equality Opportunities Acquisition (“MEOA”) which is expected to close during the second quarter of calendar year 2023. The total principal balance outstanding on the acquisitions payable as of April 30, 2023 and July 31, 2022, was \$1,000,000.

### NOTE 8 – CONVERTIBLE NOTES PAYABLE

At April 30, 2023 and July 31, 2022, convertible notes payable consisted of the following:

<b>CONVERTIBLE NOTES PAYABLE NON-DERIVATIVE</b>	<b>April 30, 2023</b>	<b>July 31, 2022</b>
On October 13, 2020, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$330,000, an annual interest rate of 8%, and an original maturity date of October 13, 2021. In connection with the execution of the Note, the Company issued 1,000,000 shares of our Common Stock to the Noteholder, and recognized \$211,426 of debt discount related to the original issue discount, relative fair market value of shares, and the intrinsic value of the conversion feature of the Note, which was amortized over the term of the Note. The maturity date was extended multiple times and during the current quarter, the lender agreed to extend the maturity until July 31, 2023. (See below variable conversion terms No.1) (1) (2) (3)	<u>\$ 165,000</u>	<u>\$ 165,000</u>
On January 27, 2021, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$250,000, an annual interest rate of 8%, and a maturity date of January 27, 2022. In connection with the execution of the Note, the Company issued 500,000 shares of our Common Stock to the Noteholder, and at the time of issuance, the Company recognized the relative fair market value of the shares of \$24,368 as debt discount and \$44,368 as debt discount for the intrinsic value of the conversion feature, which both were amortized to interest expense during the term of the Note. The Noteholder may elect to convert up to 100% of the principal amount outstanding and any accrued interest on the Note into Common Stock at any time after 180 days of funding the Note. The conversion price shall be the greater of \$0.05 or 75% of the lowest daily volume weighted average price (“VWAP”) for the ten (10) trading day period immediately preceding the conversion date. The Noteholder shall, in its sole discretion, be able to convert any amounts due hereunder at a twenty-five percent (25%) discount to the per share price of the Qualified Uplisting Financing. The maturity date was extended multiple times. Most recently, on February 1, 2023, the lender agreed to extend the maturity until July 30, 2023. As consideration for the extension on the Note, the Company agreed to add \$50,000 to the principal amount outstanding and issued 300,000 shares of Common Stock with a market value of \$26,460, both of which, were charged to interest expense. The Company analyzed the Note and determined that it does not require to be accounted as a derivative instrument. (1) (2) (3)	<u>375,000</u>	<u>275,000</u>

On April 14, 2021, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$250,000, an annual interest rate of 8%, and a maturity date of April 14, 2022. In connection with the execution of the Note, the Company issued 500,000 shares of our Common Stock to the Noteholder, at the time of issuance, the Company recognized the relative fair market value of the shares of \$63,433 as debt discount, and it will be amortized to interest expense during the term of the Note. Additionally, the Company recognized \$96,766 as debt discount for the intrinsic value of the conversion feature, and it will be amortized to interest expense during the term of the Note. The Noteholder may elect to convert up to 100% of the principal amount outstanding and any accrued interest on the Note into Common Stock at any time after 180 days of funding the Note. The Conversion Price shall be the greater of \$0.15 or 75% of the lowest daily volume weighted average price (“VWAP”) for the ten (10) trading day period immediately preceding the conversion date. The maturity date has been extended multiple times. Most recently, on April 14, 2023, the lender agreed to extend the maturity until October 14, 2023. As consideration for the extension on the Note, the Company agreed to add \$50,000 to the principal amount outstanding and issued 300,000 shares of Common Stock with a market value of \$23,670, both of which, were charged to interest expense. (1) (2) (3)

	<u>375,000</u>	<u>275,000</u>
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On August 31, 2021, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$75,000, an annual interest rate of 8% (and a default interest rate of 20%), and a maturity date of August 31, 2022. In connection with the execution of the Note, the Company issued 150,000 shares of our Common Stock to the Noteholder, and at the time of issuance, the Company recognized the relative fair market value of the shares of \$13,635 as debt discount, which will be amortized to interest expense during the term of the promissory note. The Noteholder may elect to convert up to 100% of the principal amount outstanding and any accrued interest on the Note into Common Stock at any time after 180 days of funding the Note. The Conversion Price shall be the greater of \$0.15 or 75% of the lowest daily volume weighted average price (“VWAP”) for the ten (10) trading day period immediately preceding the conversion date. The Noteholder may elect to convert up to 100% of the principal plus accrued interest into the Common Stock into a qualified uplist financing at a 25% discount. The maturity date has been extended multiple times. Most recently, on February 28, 2023, the lender agreed to extend the maturity until August 31, 2023. As consideration for the extension on the Note, the Company agreed to add \$18,000 to the principal amount outstanding and issued 100,000 shares of Common Stock with a market value of \$8,200, both of which, were charged to interest expense. (1) (2) (3)

	<u>108,000</u>	<u>75,000</u>
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On September 29, 2021, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$75,000, an annual interest rate of 8%, a default interest rate of 20%, and a maturity date of September 29, 2022. In connection with the execution of the Note, the Company issued 150,000 shares of our Common Stock to the Noteholder, at the time of issuance, the Company recognized the relative fair market value of the shares of \$10,788 as debt discount, and it will be amortized to interest expense during the term of the promissory note. The Noteholder may elect to convert up to 100% of the principal amount outstanding and any accrued interest on the Note into Common Stock at any time after 180 days of funding the Note. The Conversion Price shall be the greater of \$0.15 or 75% of the lowest daily volume weighted average price (“VWAP”) for the ten (10) trading day period immediately preceding the conversion date. The Noteholder may elect to convert up to 100% of the principal plus accrued interest into the Common Stock into a qualified uplist financing at a 25% discount. The maturity date has been extended multiple times. Most recently, on March 29, 2023, the lender agreed to extend the maturity until September 29, 2023. As consideration for the extension on the Note, the Company agreed to add \$18,000 to the principal amount outstanding and issued 100,000 shares of Common Stock with a market value of \$7,970, both of which, were charged to interest expense. (1) (2) (3)

	<u>108,000</u>	<u>75,000</u>
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On October 22, 2021, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$150,000, an annual interest rate of 8% (and a default interest rate of 20%), and a maturity date of October 22, 2022. In connection with the execution of the Note, the Company issued 300,000 shares of our Common Stock to the note holder, and at the time of issuance, the Company recognized the relative fair market value of the shares of \$13,965 as debt discount, which will be amortized to interest expense during the term of the promissory note. The Noteholder may elect to convert up to 100% of the principal amount outstanding and any accrued interest on the Note into Common Stock at any time after 180 days of funding the Note. The Conversion Price shall be the greater of \$0.15 or 75% of the lowest daily volume weighted average price (“VWAP”) for the ten (10) trading day period immediately preceding the conversion date. The Noteholder may elect to convert up to 100% of the principal plus accrued interest into the Common Stock into a qualified uplist financing at a 25% discount. The maturity date has been extended multiple times. Most recently, on April 29, 2023, the lender agreed to extend the maturity until October 29, 2023. As consideration for the extension on the Note, the Company agreed to add \$30,000 to the principal amount outstanding and issued 180,000 shares of Common Stock with a market value of \$12,582, both of which, were charged to interest expense. (1) (2) (3)

210,000      150,000

On February 4, 2022, as part the acquisition of NLI, the Company entered into two unsecured convertible promissory notes (the “Unsecured Convertible Promissory Notes”) for \$1,800,000 and \$200,000, respectively. The Notes are payable in eight equal quarterly installments in the aggregate amount of \$250,000 with the first payment commencing on April 30, 2022, through and including January 31, 2024. The Notes have a base annual interest rate of 10% and a default annual interest rate of 18%. The lenders have a one-time right to convert all or a portion of the Convertible Notes commencing on the six-month anniversary of the notes being issued and ending 30 days after such six-month anniversary. The conversion price means an amount equal to the volume weighted average price per share of Stock on the Nasdaq Stock Market for the ten (10) consecutive trading days on which the conversion notice is received by the Company. However, if the stock is not then listed for trading on the Nasdaq Stock Market, the Conversion Price shall be the volume weighted average transaction price per share reported by the OTC Reporting Facility for the ten (10) consecutive trading days immediately preceding the date on which such Conversion Notice is received by the Company. At inception of the Notes, the Company recognized the fair market value of the conversion on the notes of \$2,382,736, and recognized \$117,264 in debt discount, which was amortized over the conversion period. As of the nine months ended April 30, 2023, the conversion option on the Notes ended, and the Company recognized \$466,086 as other income for the settlement of the conversion option. During the nine months ended April 30, 2023, the Company made two principal payments totaling of \$500,000. Most recently, on May 1, 2023, the lenders agreed to extend the principal payment of \$250,000 originally due on April 30, 2023 to May 31, 2023. On June 1, 2023, the Company and the Noteholders agreed to extend the due date for the principal payment along with accrued interest due on May 31, 2023 to June 30, 2023. (3)

1,265,250      2,250,000

On January 21, 2022, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$230,000, an annual interest rate of 8%, and a maturity date of October 21, 2022. After payment of transaction-related expenses and closing fees of \$26,300, net proceeds to the Company from the Note totaled \$203,700. Additionally, the Company recorded \$26,300 as a discount to the Note and amortized over the term of the Note. In connection with the execution of the Note, the Company issued 300,000 shares of our Common Stock to the Noteholder and recorded \$30,446 as debt discount and amortized over the term of the Note. Until the earlier of 6 months or the Company listing on Nasdaq or NYSE American, the Noteholder shall be entitled to convert any portion of the outstanding and unpaid Conversion Amount into fully paid and nonassessable shares of Common Stock. The Note Conversion Price shall equal the greater of \$0.15 (fifteen) or 25% discount to up-listing price or offering/underwriting price concurrent with the Company listing on Nasdaq or NYSE American, subject to adjustment as provided in the Note. Upon the occurrence of an Event of Default, the outstanding balance shall immediately increase to 125% of the Outstanding Balance immediately prior to the occurrence of the Event of Default and a daily penalty of \$500 will accrue until the default is remedied. The maturity date has been extended multiple times. Most recently, on January 30, 2023, the lender agreed to extend the maturity until May 30, 2023. In connection with the extension of the maturity date on the Note, the Company agreed to increase the principal balance by \$30,000 and issued 300,000 shares of Common Stock with a fair market value of \$26,910, both of which, were charged to interest expense. The Company is currently working with the lender to extend the maturity date beyond May 30, 2023. There can be no assurance that we will be able to extend the maturity date. (1) (2) (3)

290,000      230,000

On January 21, 2022, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$230,000, an annual interest rate of 8%, and a maturity date of October 21, 2022. After payment of transaction-related expenses and closing fees of \$26,300, net proceeds to the Company from the Note totaled \$203,700. Additionally, the Company recorded \$26,300 as a discount to the Note and amortized over the term of the note. In connection with the execution of the Note, the Company issued 300,000 shares of our Common Stock to the note holder and recorded \$30,446 as debt discount and amortized over the term of the Note. Until the earlier of 6 months or the Company listing on Nasdaq or NYSE American, the Noteholder shall be entitled to convert any portion of the outstanding and unpaid Conversion Amount into fully paid and nonassessable shares of Common Stock. The Note Conversion Price shall equal the greater of \$0.15 or 25% discount to up-listing price or offering/underwriting price concurrent with the Company listing on Nasdaq or NYSE American, subject to adjustment as provided in the Note. The outstanding Balance shall immediately increase to 125% of the Outstanding Balance immediately prior to the occurrence of the Event of Default and a daily penalty of \$500 will accrue until the default is remedied. The maturity date has been extended multiple times. Most recently, on January 30, 2023, the lender agreed to extend the maturity until May 30, 2023. In connection with the extension of the maturity date on the Note, the Company agreed to increase the principal balance by \$30,000 and issued 300,000 shares of Common Stock with a fair market value of \$26,910, both of which, were charged to interest expense. The Company is currently working with the lender to extend the maturity date beyond May 30, 2023. There can be no assurance that we will be able to extend the maturity date. (1) (2) (3)

	<u>290,000</u>	<u>230,000</u>
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On July 27, 2022, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$165,000, an annual interest rate of 8%, and a maturity date of April 27, 2023. After payment of transaction-related expenses and closing fees of \$19,500, net proceeds to the Company from the Note totaled \$145,500. Additionally, the Company issued 300,000 shares of our Common Stock to the Noteholder. The Company recorded the \$19,500 and the relative fair market value of the shares of \$22,093 as debt discount and amortized to interest expense over the term of the Note. Until the earlier of 6 months or the Company listing on Nasdaq or NYSE American, the Noteholder shall be entitled to convert any portion of the outstanding and unpaid conversion amount into fully paid and nonassessable shares of Common Stock. The Note conversion price shall equal the greater of \$0.10 or 25% discount to up-listing price or offering/underwriting price concurrent with the Company listing on Nasdaq or NYSE American, subject to adjustment as provided in the Note. The maturity date has been extended multiple times. Most recently, on April 25, 2023, the lender agreed to extend the maturity until July 31, 2023. In connection with the extension of the maturity date on the Note, the Company agreed to increase the principal balance by \$30,000 and issued 300,000 shares of Common Stock with a fair market value of \$21,000, both of which, were charged to interest expense. (1) (2) (3)

	<u>195,000</u>	<u>119,500</u>
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On September 12, 2022, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$75,000, an annual interest rate of 8%, and a maturity date of September 12, 2023. In connection with the execution of the Note, the Company issued 150,000 shares of our Common Stock to the note holder, at the time of issuance, the Company recognized the relative fair market value of the shares of \$15,880 as debt discount, and it will be amortized to interest expense during the term of the promissory Note. The Noteholder may elect to convert up to 100% of the principal amount outstanding and any accrued interest on the Note into Common Stock at any time after 180 days of funding the Note. The Conversion Price shall be the greater of \$0.15 or 75% of the lowest daily volume weighted average price ("VWAP") for the ten (10) trading day period immediately preceding the conversion date. The Noteholder may elect to convert up to 100% of the principal plus accrued interest into shares of Common Stock into a qualified uplist financing at a 25% discount. (1) (3)

	<u>75,000</u>	<u>-</u>
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<p>On October 3, 2022, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$165,000, an annual interest rate of 8%, and a maturity date of July 3, 2023. After payment of transaction-related expenses and closing fees of \$19,500, net proceeds to the Company from the Note totaled \$145,500. Additionally, the Company issued 300,000 shares of our Common Stock to the Noteholder. The Company recorded the \$19,500 and the relative fair market value of the shares of \$32,143 as debt discount and amortized to interest expense over the term of the Note. The Company recognized \$117,857 debt discount related to beneficial conversion feature and will be amortized to interest expense over the term of Note. Until the earlier of 6 months or the Company listing on Nasdaq or NYSE American, the Noteholder shall be entitled to convert any portion of the outstanding and unpaid conversion amount into fully paid and nonassessable shares of Common Stock. The Note conversion price shall equal the greater of \$0.10 or 25% discount to up-listing price or offering/underwriting price concurrent with the Company listing on Nasdaq or NYSE American, subject to adjustment as provided in the Note. (1) (3)</p>	165,000	-
<p>On October 27, 2022, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$38,500, an annual interest rate of 8%, and a maturity date of July 26, 2023. After payment of transaction-related expenses and closing fees of \$3,500, net proceeds to the Company from the Note totaled \$25,000. Until the earlier of 6 months or the Company listing on Nasdaq or NYSE American, the Noteholder shall be entitled to convert any portion of the outstanding and unpaid conversion amount into fully paid and nonassessable shares of Common Stock. The Note conversion price shall equal the greater of \$0.10 or 25% discount to up-listing price or offering/underwriting price concurrent with the Company listing on Nasdaq or NYSE American, subject to adjustment as provided in the Note. (1) (3)</p>	38,500	-
<p>On October 27, 2022, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$71,500, an annual interest rate of 8%, and a maturity date of July 26, 2023. After payment of transaction-related expenses and closing fees of \$6,500, net proceeds to the Company from the Note totaled \$65,000. Until the earlier of 6 months or the Company listing on Nasdaq or NYSE American, the Noteholder shall be entitled to convert any portion of the outstanding and unpaid conversion amount into fully paid and nonassessable shares of Common Stock. The Note conversion price shall equal the greater of \$0.10 or 25% discount to up-listing price or offering/underwriting price concurrent with the Company listing on Nasdaq or NYSE American, subject to adjustment as provided in the Note. (1) (3)</p>	71,500	-
<p>On October 31, 2022, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$350,000, an annual interest rate of 14%, and a maturity date of February 28, 2023. Net proceeds to the Company from the Note totaled \$350,000. In the event that any payment is not made when due, either of principal or interest, and whether upon maturity or as a result of acceleration, interest shall thereafter accrue at the rate per annum equal to the lesser of (a) the maximum non-usurious rate of interest permitted by the laws of the State of Texas or the United States of America, whichever shall permit the higher rate or (b) twenty percent (20%) per annum, from such date until the entire balance of principal and accrued interest on this Note has been paid. At any time after sixty (60) days following the date hereof, Payee may elect to convert a percentage of the amount of principal and accrued interest outstanding on the Note into common stock of Debtor, in accordance with the following terms: (i) If prior to uplist to Nasdaq or NYSE, Payee may convert up to 50% of the amount outstanding on the Note into Common Stock. In such event, the price per share of Common Stock applicable to such conversion (the "Applicable Conversion Price") shall be the greater of: (a) the Variable Conversion Price or (b) the Fixed Conversion Price. The "Variable Conversion Price" shall be equal to a 20% discount to the average closing price for Common Stock for the five (5) Trading Day period immediately preceding the Conversion Date. The Fixed Conversion Price shall equal \$0.10; and (ii) If following the Uplist, Payee may convert up to 100% of the amount outstanding on the Note into shares of Common Stock. In such event, the Applicable Conversion Price shall be the greater of: (a) the post-Uplist Variable Conversion Price (i.e., if less than 5 days after the Uplist, then the average of the days available since the Uplist up to 5) or (b) the Fixed Conversion Price. On March 30, 2023, the maturity date was extended to May 30, 2023. In connection with the extension, the Company issued 2,500,000 warrant shares to the Noteholder and recognized the relative fair market value of the warrant shares of \$107,006 as debt discount. Additionally, the Company recognized \$77,710 as debt discount for the intrinsic value of the conversion feature. All debt discount will be amortized to interest expense during the term of the promissory note. The Company is currently working with the lender to extend the maturity date beyond May 30, 2023. There can be no assurance that we will be able to extend the maturity date. (1) (3)</p>	350,000	-

On November 22, 2022, the Company entered into a convertible promissory note with an aggregate principal amount of \$1,670,000, an annual interest rate of 10%, and a maturity date of November 22, 2023. The Company recorded \$90,975 in transaction-related expenses and closing fees and \$250,500 of original issue discount to the Note. After payment of transaction-related expenses and closing fees and original issue discount, net proceeds to the Company from the Note totaled \$1,328,525. In connection with the execution of the Note, the Company issued 2,100,000 shares of our Common Stock and 10,500,000 warrant shares to the Noteholder at the time of issuance. The Company recognized the relative fair market value of the shares of Common Stock and warrant shares of \$640,877 as debt discount. Additionally, the Company recognized \$687,648 as debt discount for the intrinsic value of the conversion feature. All debt discount will be amortized to interest expense during the term of the Note. As amended on March 24, 2023, the Noteholder shall have the right, on or before the earlier of (i) the closing of the Merger (as defined in Note 12) or (ii) May 31, 2023, to convert all or any portion of the Principal Amount and interest (including any Default Interest) into fully paid and non-assessable shares of Common Stock. The Note conversion price shall equal \$0.0956 subject to adjustment as provided in the note. On April 24, 2023, the Noteholder agreed to extend the due date for the first principal payment to May 22, 2023. In connection with the extension of the due date of the first principal payment on the Note, the Company agreed to increase the principal balance by \$20,000. (1) (3)

1,670,000 -

On December 12, 2022, the Company entered into a convertible promissory note with an aggregate principal amount of \$117,647, annual interest rate of 10% and a maturity date of December 12, 2023. The Company recorded \$17,647 as original issue discount to the Note, which resulted in net proceeds of \$100,000, and amortized to interest expense over the term of the note. In connection with the execution of the note, the Company issued 148,295 shares of our Common Stock and 741,475 warrant shares to the Noteholder at the time of issuance. The Company recognized the relative fair market value of the Common Stock and warrant shares of \$41,685 as debt discount, and it will be amortized to interest expense during the term of the Note. Additionally, the Company recognized \$58,315 as debt discount for the intrinsic value of the conversion feature. All debt discount will be amortized to interest expense during the term of the Note. The Noteholder shall have the right, on any calendar day, at any time on or following the earlier of (i) April 12, 2023 or (ii) sixty (60) calendar days after the closing date of the Merger (as defined in Note 12), to convert all or any portion of the Principal Amount and interest (including any Default Interest) into fully paid and non-assessable shares of Common Stock. The Note conversion price shall equal \$0.0956, subject to adjustment as provided in the Note. On May 24, 2023, the lender agreed to extend the due date for the first principal payment to June 12, 2023, which was originally due on March 12, 2023, and later extended to May 12, 2023. (1) (3)

117,647 -

On December 20, 2022, the Company entered into a convertible promissory note with an aggregate principal amount of \$176,471, an annual interest rate of 10%, and a maturity date of December 20, 2023. The Company recorded \$5,000 in deferred finance costs and \$26,471 of original issue discount to the Note. After payment of transaction-related expenses, net proceeds to the Company from the Note totaled \$145,500. In connection with the execution of the Note, the Company issued 221,909 shares of our Common Stock and 1,109,545 warrant shares to the Noteholder at the time of issuance. The Company recognized the relative fair market value of the Common Stock and warrant shares of \$59,374 as debt discount. Additionally, the Company recognized \$79,014 as debt discount for the intrinsic value of the conversion feature. All debt discount will be amortized to interest expense during the term of the Note. The Noteholder shall have the right, on any calendar day, at any time on or following the earlier of (i) April 12, 2023 or (ii) sixty (60) calendar days after the closing date of the Merger (as defined in Note 12), to convert all or any portion of the Principal Amount and interest (including any Default Interest) into fully paid and non-assessable shares of Common Stock. The Note conversion price shall equal \$0.0956, subject to adjustment as provided in the Note. On March 17, 2023, the Noteholder agreed to extend the maturity date until May 20, 2023 or the closing of the Merger. (1) (3)

176,471 -

On December 22, 2022, the Company entered into a convertible promissory note with an aggregate principal amount of \$188,235, annual interest rate of 10% and a maturity date of December 22, 2023. The Company recorded \$10,000 in transaction-related expenses and closing fees and \$28,235 of original issue discount to the Note. After payment of transaction-related expenses and closing fees and original issue discount, net proceeds to the Company from the Note totaled \$150,000. In connection with the execution of the note, the Company issued 236,703 shares of our Common Stock and 1,183,515 warrant shares to the Noteholder at the time of issuance. The Company recognized the relative fair market value of the Common Stock and warrant shares of \$66,679 as debt discount. Additionally, the Company recognized \$83,321 as debt discount for the intrinsic value of the conversion feature. All debt discount will be amortized to interest expense during the term of the promissory note. The Noteholder shall have the right, on any calendar day, at any time on or following the earlier of (i) April 22, 2023 or (ii) sixty (60) calendar days after the closing date of the Merger (as defined in Note 12), to convert all or any portion of the Principal Amount and interest (including any Default Interest) into fully paid and non-assessable shares of Common Stock. The Note conversion price shall equal \$0.0956, subject to adjustment as provided in the Note. On March 17, 2023, the Noteholder agreed to extend the maturity date until May 22, 2023 or the closing of the Merger. (1) (3)

188,235

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On January 13, 2023, the Company entered into a convertible promissory note with an aggregate principal amount of \$110,000, an annual interest rate of 10%, and a maturity date of October 13, 2023. The Company recorded \$10,000 in original issue discount to the Note. After payment of the original issue discount, net proceeds to the Company from the Note totaled \$100,000. In connection with the execution of the Note, the Company issued 138,000 shares of our Common Stock shares to the Noteholder at the time of issuance. The Company recognized the relative fair market value of the shares of Common Stock of \$11,177 as debt discount. Additionally, the Company recognized \$21,507 as debt discount for the intrinsic value of the conversion feature. All debt discount will be amortized to interest expense during the term of the Note. The Noteholder shall have the right, on any calendar day, at any time on or following the earlier of (i) May 12, 2023 or (ii) sixty (60) calendar days after listing on Nasdaq or the New York Stock Exchange to convert any portion of the outstanding and unpaid Conversion into fully paid and nonassessable shares of Common Stock, at the Conversion Price. The Note conversion price shall equal \$0.10, subject to adjustment as provided in the Note. (1) (3)

110,000

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On January 24, 2023, the Company entered into a convertible promissory note with an aggregate principal amount of \$660,000, an annual interest rate of 10%, and a maturity date of May 24, 2023. The Company recorded \$60,000 in original issue discount to the Note. After payment of the original issue discount, net proceeds to the Company from the Note totaled \$600,000. In connection with the execution of the Note, the Company issued 660,000 shares of our Common Stock shares to the Noteholder at the time of issuance. The Company recognized the relative fair market value of the shares of Common stock of \$53,850 as debt discount. Additionally, the Company recognized \$104,610 as debt discount for the intrinsic value of the conversion feature. All debt discount will be amortized to interest expense during the term of the promissory note. The Payee may elect to convert up to 100% of the Principal Amount outstanding on the Note into Common Stock of Debtor or any shares of capital stock or other securities of the Debtor into which such Common Stock shall hereafter be changed or reclassified at any time on the earlier of (i) one hundred and twenty (120) calendar days following the funding of this Note or (ii) sixty (60) calendar days after the closing date of the Merger (as defined in Note 12). The Note conversion price shall equal \$0.10, subject to adjustment as provided in the Note. On June 1, 2023, the Company amended its agreement with the Noteholder, which extends the maturity date from May 24, 2023, to the earlier of June 30, 2023 or the closing of the Business Combination with MEOA in exchange for 165,000 shares of Common Stock. (1) (3)

660,000

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<p>On January 24, 2023, the Company entered into a convertible promissory note with an aggregate principal amount of \$660,000, an annual interest rate of 10%, and a maturity date of May 24, 2023. The Company recorded \$60,000 in original issue discount to the Note. After payment of the original issue discount, net proceeds to the Company from the Note totaled \$600,000. In connection with the execution of the Note, the Company issued 660,000 shares of our Common Stock shares to the Noteholder at the time of issuance. The Company recognized the relative fair market value of the shares of Common stock of \$53,850 as debt discount. Additionally, the Company recognized \$104,610 as debt discount for the intrinsic value of the conversion feature. All debt discount will be amortized to interest expense during the term of the promissory note. The Payee may elect to convert up to 100% of the Principal Amount outstanding on the Note into Common Stock of Debtor or any shares of capital stock or other securities of the Debtor into which such Common Stock shall hereafter be changed or reclassified at any time on the earlier of (i) one hundred and twenty (120) calendar days following the funding of this Note or (ii) sixty (60) calendar days after the closing date of the Merger (as defined in Note 12). The Note conversion price shall equal \$0.10, subject to adjustment as provided in the Note. On June 1, 2023, the Company amended its agreement with the Noteholder, which extends the maturity date from May 24, 2023 to the earlier of June 30, 2023 or the closing of the Business Combination with MEOA in exchange for 165,000 shares of Common Stock. (1) (3)</p>	660,000	-
<p>On March 7, 2023, the Company entered into a convertible promissory note with an aggregate principal amount of \$110,000, annual interest rate of 10% and a maturity date of December 7, 2024. The Company recorded \$10,000 of original issue discount to the Note. After payment of original issue discount, net proceeds to the Company from the Note totaled \$100,000. In connection with the execution of the Note, the Company issued 300,000 shares of our Common Stock at the time of issuance. The Company recognized the relative fair market value \$38,850 for shares of Common Stock to debt discount, which will be amortized to interest expense during the term of the Note. The Noteholder shall have the right, on any calendar day, at any time on or following the earlier of (i) July 7, 2023 or (ii) sixty (60) calendar days after listing on Nasdaq or the New York Stock Exchange to convert any portion of the outstanding and unpaid Conversion Amount into fully paid and nonassessable shares of Common Stock at the Conversion Price of \$0.10, subject to adjustment as provided in the Note. (1) (3)</p>	110,000	-
<p>On March 17, 2023, the Company entered into a convertible promissory note with an aggregate principal amount of \$192,000, annual interest rate of 10% and a maturity date of March 17, 2024. The Company recorded \$17,160 in transaction-related expenses and closing fees and \$28,800 of original issue discount to the Note. After payment of transaction-related expenses and closing fees and original issue discount, net proceeds to the Company from the Note totaled \$146,040. In connection with the execution of the note, the Company issued 241,500 shares of our Common Stock and 1,207,186 warrant shares to the Noteholder at the time of issuance. The Company recognized the relative fair market value \$8,140 for the common shares and \$62,481 for the warrant shares, both of which, were considered to be debt discount. Additionally, the Company recognized \$47,806 as debt discount for the intrinsic value of the conversion feature. All debt discount will be amortized to interest expense during the term of the promissory note. The Holder shall have the right, on any calendar day, at any time on or following the earlier of (i) July 17, 2023 or (ii) sixty (60) calendar days after the closing date of Merger (as defined in Note 12), to convert all or any portion of the then outstanding and unpaid Principal Amount and interest (including any Default Interest) into fully paid and non-assessable shares of Common Stock, as such Common Stock exists on the Issue Date. The Note conversion price shall equal \$0.0956, subject to adjustment as provided in the Note. (1) (3)</p>	192,000	-
<p>On April 14, 2023, the Company entered into a convertible promissory note with an aggregate principal amount of \$275,000, an annual interest rate of 10%, and a maturity date of October 11, 2023. The Company recorded \$25,000 in original issue discount to the Note. After payment of the original issue discount, net proceeds to the Company from the Note totaled \$250,000. In connection with the execution of the Note, the Company issued 358,000 shares of our Common Stock shares to the Noteholder at the time of issuance. The Company recognized the relative fair market value of the common shares of \$28,354 as debt discount. All debt discount will be amortized to interest expense during the term of the promissory note. The Noteholder may elect to convert up to 50% of the principal amount outstanding and any accrued interest on the Note into Common Stock, on the date of the debtor's up-list transaction on the NASDAQ. The Note conversion price shall equal \$0.10 subject to adjustment as provided in the Note. (1) (3)</p>	275,000	-
<b>Total convertible notes payables non-derivative:</b>	<b>\$ 8,240,603</b>	<b>\$ 3,844,500</b>



## CONVERTIBLE NOTES PAYABLE - DERIVATIVE

On July 27, 2020, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$275,000, an annual interest rate of 8%, and a maturity date of March 27, 2021. After payment of transaction-related expenses and closing fees of \$35,000, net proceeds to the Company from the Note totaled \$240,000. The Company recorded these discounts and cost of \$35,000 as a discount to the Note and amortized over the term of the Note. In connection with the execution of the note, the Company issued 500,000 shares of our Common Stock to the note holder, at the time of issuance, the Company recognized the relative fair market value of the shares of \$11,626 as debt discount, and it will be amortized to interest expense during the term of the promissory note. On January 17, 2023, the Note was amended so that the Noteholder shall be entitled, at any time, to convert any portion of the outstanding and unpaid Conversion Amount into fully paid and nonassessable shares of Common Stock the Note Conversion Price shall equal the greater of \$0.05 (five) or 25% discount to up-listing price or offering/underwriting price concurrent with the Company listing on Nasdaq or NYSE American, subject to adjustment as provided in this Note. If an Event of Default occurs, the Conversion Price shall be the lesser of (a) \$0.05 or (b) 75% of the lowest traded price in the prior fifteen trading days immediately preceding the Notice of Conversion. The Company recognized \$61,678 of derivative liability and directly amortized all associated debt discount of \$61,678 as interest expense. The maturity date has been extended multiple times. Most recently, on March 30, 2023, the lender agreed to extend the maturity date until June 30, 2023. In connection with the extension of the maturity date on the Note, the Company agreed to increase the principal balance by \$30,000, which was charged to interest expense, and issued 250,000 shares of Common Stock with a market value of \$19,225. The Company evaluated the amendment and accounted for these changes as an extinguishment of debt. (2) (4)

390,000

480,000

On January 31, 2021, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$80,235, annual interest rate of 8% and a maturity date of February 17, 2022. Until the earlier of 6 months or the Company listing on Nasdaq or NYSE American, the Noteholder shall be entitled to convert any portion of the outstanding and unpaid Conversion Amount into fully paid and nonassessable shares of Common Stock the Note Conversion Price shall equal the greater of \$0.05 (five) or seventy-five percent (75%) of the lowest daily volume weighted average price ("VWAP") over the ten (10) consecutive trading day period ending on the trading day immediately prior to the applicable conversion date (the "Variable Conversion Price"); provided, however, that the Holder shall, in its sole discretion, be able to convert any amounts due hereunder at a twenty-five percent (25%) discount to the per share price of the Qualified Uplisting Financing of over \$4MM. If, no later than December 31, 2021, the Borrower shall fail to uplist to any tier of the NASDAQ Stock Market, the New York Stock Exchange or the NYSE MKT, the conversion price under the Note (and the Exchange Note) will be adjusted to equal the lesser of (i) \$0.05 per share; or (ii) seventy-five percent (75%) of the lowest VWAP (as defined in the Note and Exchange Note) in the preceding twenty (20) consecutive Trading Days. As a result, the Company recognized derivative liability for the convertible note of \$59,413. During the most recent quarter, the holder agreed to extend the maturity date until July 31, 2023. (2) (4)

142,735

80,235

On April 15, 2021, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$113,000, an annual interest rate of 8%, and a maturity date of January 15, 2022. After payment of transaction-related expenses and closing fees of \$13,000, net proceeds to the Company from the Note totaled \$100,000. Additionally, the Company recorded \$13,000 as a discount to the Note and amortized over the term of the note. In connection with the execution of the Note, the Company issued 100,000 shares of our Common Stock to the note holder, at the time of issuance, the Company recognized the relative fair market value of the shares of \$14,138 as debt discount, and it will be amortized to interest expense during the term of the promissory note. Until the earlier of 6 months or the Company listing on Nasdaq or NYSE American, the Noteholder shall be entitled to convert any portion of the outstanding and unpaid Conversion Amount into fully paid and nonassessable shares of Common Stock. The Note Conversion Price shall equal the greater of \$0.15 (fifteen) or 25% discount to up-listing price or offering/underwriting price concurrent with the Company listing on Nasdaq or NYSE American., subject to adjustment as provided in the Note. If an Event of Default occurs, the Conversion Price shall be the lesser of (a). \$0.15 or (b). seventy-five percent of the lowest traded price in the prior fifteen (15) consecutive trading day period ending on the trading day immediately prior to the applicable conversion date (the "Variable Conversion Price"). The outstanding Balance shall immediately increase to 125% of the Outstanding Balance immediately prior to the occurrence of the Event of Default and a daily penalty of \$500 will accrue until the default is remedied. The Company recognized derivative liability for the convertible note of \$64,561, of which \$42,822 was recorded as debt discount and amortized over the term of the Note. The maturity date has been extended multiple times. Most recently, the lender agreed to extend the maturity until June 30, 2023. In connection with the extension of the maturity date on the Note, the Company agreed to increase the principal balance by \$25,000, which was charged to interest expense, and issued 150,000 shares of Common Stock with a market value of \$11,995. (2) (4)

233,000

163,000

On October 10, 2022, the Company entered into a variable convertible promissory note with an aggregate principal amount of \$275,000, annual interest rate of 8% and a maturity date of April 10, 2023. After payment of transaction-related expenses and closing fees of \$25,000, net proceeds to the Company from the note totaled \$250,000. The Company recorded the \$25,000 as debt discount and amortized to interest expense over the term of the Note. Until the earlier of 6 months or the Company listing on Nasdaq or NYSE American, the Noteholder shall be entitled to convert any portion of the outstanding and unpaid conversion amount into fully paid and nonassessable shares of Common Stock. The note conversion price shall equal the greater of \$0.15 or 25% discount to up-listing price or offering/underwriting price concurrent with the Company listing on Nasdaq or NYSE American, subject to adjustment as provided in the note. Any Principal Amount or interest on this Note which is not paid when due shall bear interest at the rate the lesser of (a) twenty-four percent (24%) per annum from the due date thereof until the same is paid (“Default Interest”); or (b) the maximum rate allowed by law. During the most recent quarter, the holder agreed to extend the maturity date until July 31, 2023. (4)

	275,000	-
<b>Total convertible notes payable - derivative:</b>	<b>\$ 1,040,735</b>	<b>\$ 723,235</b>
<b>Total convertible notes payable derivative and non-derivative</b>	<b>9,281,338</b>	<b>4,567,735</b>
<b>Less: debt discount</b>	<b>(1,850,931)</b>	<b>(119,764)</b>
<b>Total convertible notes payable, net of discount</b>	<b>7,430,407</b>	<b>4,447,971</b>
<b>Less: current portion of convertible notes payable</b>	<b>(7,430,407)</b>	<b>(3,947,971)</b>
<b>Long-term portion of convertible notes payable</b>	<b>\$ -</b>	<b>\$ 500,000</b>

**Additional terms No.1 :** The Holder of the Note originally dated October 13, 2020 with a balance of \$165,000 as of April 30, 2023, shall have the right to convert any portion of the outstanding and unpaid principal balance into fully paid and nonassessable shares of Common Stock. The conversion price (the “Conversion Price”) shall equal \$0.05 (subject to equitable adjustments for stock splits, stock dividends or rights offerings by the Borrower relating to the Borrower’s securities or the securities of any subsidiary of the Borrower, combinations, recapitalization, reclassifications, extraordinary distributions, and similar events).

The total unamortized discount on the convertible notes as of April 30, 2023 and July 31, 2022 was \$1,850,931 and \$119,764, respectively. The total principal balance outstanding as of April 30, 2023 and July 31, 2022 was \$9,281,338 and \$4,567,735 respectively. During the nine months ended April 30, 2023 and 2022, the Company amortized \$1,749,307 and \$311,148, respectively, of debt discount as interest expense.

- (1) The Company determines at each reporting period if any default provisions and other requirements triggered a variable conversion price and if the note needs to be classified as a derivative instrument.
- (2) The Company evaluated the amendment(s) and accounted for these changes as an extinguishment of debt.
- (3) The Company analyzed the Note and determined that it does not require to be accounted as a derivative instrument.
- (4) The Company analyzed the note for derivative accounting consideration and determined that the embedded conversion option qualified as a derivative instrument, due to the variable conversion price.

## NOTE 9 – LEASES

The leased properties have a remaining lease term of three to sixty months as of April 30, 2023. At the option of the Company, it can elect to extend the term of the leases. See table below:

Location	Annual Rent	Lease Expiration Date	Business Use	Approx. Sq. Ft.
8023 Vantage Dr., Suite 660, San Antonio, Texas 78230	\$ 49,136	Sep-27	Executive offices	2,843
10967 Via Frontera, San Diego, CA 92127	\$ 369,229	Mar-26	Office space	18,541
1610 Royal Palm Avenue, Suite 300, Fort Myers, FL 33901	\$ 83,260	Dec-25	Office space and network facilities	6,800
2121 Ponce de Leon Blvd., Suite 200, Coral Gables FL 33134	\$ 106,553	Dec-27	Office space & wireless internet network	4,623
7218 McNeil Dr., FL-1, Austin, TX 78729	\$ 21,000	Mar-24	Network facilities	25
9701 S. John Young Parkway, Orlando, FL 32819	\$ 25,440	May-23	Network facilities	540
50 NE 9th St, Miami, FL 3313	\$ 41,300	May-23	Network facilities	25
350 NW 215 St., Miami Gardens, FL 33169	\$ 29,254	May-23	Wireless internet network	100
8333 NW 53rd St, Doral, FL 33166	\$ 14,021	Jul-25	Wireless internet network	100
100 SE 2nd Street, Miami, FL 33131	\$ 36,466	Jan-24	Wireless internet network	100
9055 SW 73rd Ct, Miami, FL 33156	\$ 8,787	Dec-23	Wireless internet network	100
9517 Fontainebleau Blvd., Miami, FL 33172	\$ 11,907	Aug-24	Wireless internet network	100

The Company has not entered into any sale and leaseback transactions during the nine months ended April 30, 2023.

On May 17, 2022, the Company extended the office and wireless internet network leases in Coral Gables, Florida. The Company accounted for the extension as a lease modification. The Company used the discount rate of 5% and recognized \$482,865 as a day one ROU asset and liability. These leases are identified in the table above. The leases expire in December 2027, and at the option of the Company, the leases can be extended for various periods ranging from one to five years, with a base rent at the prevailing market rate at the time of the renewal.

In February 2022, as part of the acquisition of NLI, the Company secured an office lease, with a monthly base lease payment of \$30,222. The lease expires in March 2026. At the option of the Company, the lease can be extended for two additional five-year terms, with a base rent at the prevailing market rate at the time of the renewal. The Company is not reasonably certain that it will exercise the renewal option.

In December 2021, as part of the acquisition of Skynet Telecom LLC's assets, the Company assumed an office lease in San Antonio, Texas. In May 2022, the lease was extended until September 2027, and at the option of the Company, the lease can be extended for a period of five years, with a base rent at the prevailing market rate at the time of the renewal. The Company accounted for the extension as a lease modification.

Amounts recognized as of July 31, 2022 and April 30, 2023 for operating leases are as follows:

ROU Asset	July 31, 2022	\$ 2,436,035
Amortization		\$ (549,702)
Addition - Asset		\$ -
ROU Asset	April 30, 2023	\$ 1,886,333
Lease Liability	July 31, 2022	\$ 2,584,865
Payments		\$ (573,450)
Addition - Liability		\$ -
Lease Liability	April 30, 2023	\$ 2,011,415
Lease Liability	Short term	\$ 608,774
Lease Liability	Long term	\$ 1,402,641
Lease Liability	Total:	\$ 2,011,415
Operating lease cost:		\$ 599,955
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cashflow from operating leases:		\$ 599,955
Weighted-average remain lease term-operating lease:		3.5 years
Weighted-average discount rate		5.0%

The future minimum lease payment under the operating leases are as follows:

<b>Period Ending July 31,</b>	<b>Lease Payments</b>
2023 (three months remaining)	180,680
2024	650,734
2025	603,439
2026	431,377
2027	176,771
Total:	<u>\$ 2,043,001</u>
Less: amounts representing interest	<u>31,586</u>
Present value of net minimum operating lease payments	<u>\$ 2,011,415</u>

#### NOTE 10 – EQUIPMENT FINANCING

The Company entered into various financing agreements for equipment purchased. Under the term of the agreements, assets with a cost of approximately \$586,408, were financed under various financing agreements during the nine months ended April 30, 2023. The equipment financing is net of costs associated with the assets such as maintenance, insurance and property taxes are for the account of the Company. The equipment financing agreements are between twelve (12) months and sixty (60) months, with the first payments starting July 1, 2022, and monthly principal and interest payments of up to \$3,600. The interest rate under the financing agreement is 5.0% per annum.

Amounts recognized as of July 31, 2022 and April 30, 2023 for equipment financing are as follows:

ROU Asset	July 31, 2022	\$ 62,263
Amortization		\$ (73,673)
Addition - Asset		<u>\$ 524,145</u>
ROU Asset	April 30, 2023	<u>\$ 512,735</u>
Equipment Financing	July 31, 2022	\$ 62,263
Payments		\$ (77,972)
Addition - Equipment Financing		<u>\$ 530,928</u>
Equipment Financing	April 30, 2023	<u>\$ 515,219</u>
Equipment Financing	Short term	\$ 195,740
Equipment Financing	Long term	\$ 319,479
Equipment Financing	Total:	<u>\$ 515,219</u>

The future payments under the equipment financing agreements are as follows:

<b>Year</b>	<b>Amount</b>
2023 (three months remaining)	\$ 59,842
2024	203,789
2025	193,663
2026	84,334
2027	4,600
2028	1,533
<b>Total future payments:</b>	<u>\$ 547,761</u>

Less: amounts representing interest	32,542
Present value of net minimum equipment financing payments	\$ 515,219
Lease cost:	
Amortization of ROU assets	\$ 73,673
Interest on lease liabilities	18,306
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cashflow from equipment financing:	\$ 18,306
Financing cashflow from equipment financing:	73,673
Weighted-average remaining lease term - equipment financing:	2.9 years
Weighted-average discount rate	5.0%

#### NOTE 11 – EQUITY

During the nine months ended April 30, 2023, the Company issued 5,714,407 shares of common stock in connection with new convertible promissory notes. At the time of issuance, the Company recognized the relative fair market value of the commons shares of approximately \$430,000 as debt discount, and it will be amortized to interest expense during the term of the promissory notes.

During the nine months ended April 30, 2023, the Company issued 5,240,000 shares of common stock as consideration for the extension of maturity dates for the convertible promissory notes. The Company recognized the fair market value of the common shares of approximately \$505,000 which was recognized as interest at the time of each extension.

During the nine months ended April 30, 2023, the Company issued 170,305 shares of common stock to various individuals for the exercise of 170,305 warrants, with an exercise price of \$0.13 per warrant and secured \$22,139 in proceeds.

During the nine months ended April 30, 2023, the Company issued 3,000,000 shares of common stock in connection with the conversion of \$150,000 of convertible promissory notes.

During the nine months ended April 30, 2023, the Company issued 855,050 shares of common stock to various Series A Preferred Shareholders who converted 200,000 Series A Convertible Preferred Stock shares and \$56,516 of accrued dividends.

During the nine months ended April 30, 2023, the Company issued 1,370,551 shares of common stock in conjunction with incentive plan accomplishments.

#### NOTE 12 – SUBSEQUENT EVENTS

##### Amendment to MEOA Business Combination

As previously disclosed, on August 30, 2022, the Company entered into a Business Combination Agreement (as it may be amended, supplemented or otherwise modified from time to time, the “Business Combination Agreement”), by and among the Company, MEOA, and MEOA Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of MEOA (“Merger Sub”).

The Business Combination Agreement provides, among other things, that Merger Sub will merge with and into Digerati, with Digerati as the surviving company in the merger and, after giving effect to such merger, Digerati shall be a wholly-owned subsidiary of MEOA (the “Merger”). Digerati after the Merger is referred to in this Note 12 as the “Surviving Company.”

On May 1, 2023, the Company and MEOA amended the Business Combination Agreement (amendment no. 3), in which Section 7.1(d) of the Business Combination Agreement eliminates the date of “April 28, 2023” as the Termination Date and replaced it with “May 30, 2023” as the Termination Date.

On May 30, 2023, the Company and MEOA amended its Business Combination Agreement (amendment no. 4), in which Section 7.1(d) of the Business Combination Agreement eliminates the date of “May 30, 2023” as the Termination Date and replaced with “June 15, 2023” as the Termination Date.

#### Securities Purchase Agreement and Promissory Notes

On May 9, 2023, the Company entered into a securities purchase agreement (the “SPA”) with Lucas Ventures, LLC, (the “Investor”). Pursuant to the SPA, the Investor purchased, and the Company issued, an unsecured promissory note (the “Note”) in the aggregate principal amount totaling approximately \$55,000 (the “Principal Amount”) with an original issue discount of \$5,000 and interest on the unpaid Principal Amount hereof at the rate of eight percent (8%). The gross proceeds the Company received prior to payment of transaction expenses were \$50,000. The Note’s maturity date is February 9, 2024. The Company also issued 300,000 shares of restricted Common Stock to the Investor.

On May 10, 2023, the Company amended its Asset Purchase Agreement (amendment no. 4) with Skynet Telecom, LLC, Verve Cloud, Inc, a Texas entity (f/ka/ Shift8 Networks, Inc.); Digerati Technologies, Inc.; and Paul Golibart and Jerry Ou. The amendment states that \$1,000,000 shall be paid to the seller by issuance of shares of restricted common stock of MEOA within five business days following the closing of the Merger.

On May 17, 2023, the Company amended its agreement (amendment no. 2) with Platinum Point Capital, LLC, which extends the maturity date from February 28, 2023 to July 31, 2023 in exchange for \$8,250 to be added to the principal amount outstanding.

On May 17, 2023, the Company amended its agreement (amendment no. 1) with Platinum Point Capital, LLC, which extends the maturity date from April 10, 2023 to July 31, 2023 in exchange for \$13,750 to be added to the principal amount outstanding.

On May 17, 2023, the Company amended its agreement (amendment no. 2) with Platinum Point Capital, LLC, which extends the maturity date from February 28, 2023 to July 31, 2023 in exchange for \$7,137 to be added to the principal amount outstanding.

On May 24, 2023, the Company amended its agreement with ClearThink Capital Partners, LLC (“ClearThink”), which extends the due date of the principal payment balance to June 12, 2023 and adds \$750 to the principal balance due.

On June 1, 2023, the Company amended its agreement (amendment no. 1) with Graham A. Gardner, which extends the maturity date from May 24, 2023 to the earlier of June 23, 2023 or the closing of the Merger in exchange for 165,000 shares of Common Stock.

On June 1, 2023, the Company amended its agreement (amendment no. 1) with Blue Ocean Investments, LLC which extends the maturity date from May 24, 2023 to the earlier of June 24, 2023 or the closing of the Merger in exchange for 165,000 shares of Common Stock.

#### Amendment to the 2015 Equity Compensation Plan (the “Plan”)

On May 27, 2023, the Board of Directors of the Company approved the amendment to the Plan where it amends the following: to allow for the grant of options to purchase up to 15,000,000 shares of Common Stock rather than 7,500,000 shares of Common Stock.

The Company granted 1,635,000 option shares for certain expired grant options; 1,825,000 option shares for the retirement and cancellation of certain outstanding options previously granted (in exchange for the issuance of new options); and 5,895,000 options to certain eligible participants. The granted options mentioned above have an exercise price of \$0.095 per share, which has a vesting start date of June 1, 2023 and an expiration date of December 1, 2027.

#### Issuance of Common Stock

On May 10, 2023, the Company issued 1,180,000 shares of common stock to a former employee of the company who exercised his right to purchase the option shares for approximately \$50,000.

On May 19, the Company issued 83,333 shares of common stock to a Series A Preferred Shareholders who converted 25,000 Series A Convertible Preferred Stock shares.

## Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

*This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. “Forward-looking statements” are those statements that describe management’s beliefs and expectations about the future. We have identified forward-looking statements by using words such as “anticipate,” “believe,” “could,” “estimate,” “may,” “expect,” “plan,” and “intend.” Although we believe these expectations are reasonable, our operations involve a number of risks and uncertainties. Some of these risks include the availability and capacity of competitive data transmission networks and our ability to raise sufficient capital to continue operations. Additional risks are included in our Annual Report on Form 10-K for the fiscal year ended July 31, 2022, filed with the Securities and Exchange Commission on October 31, 2022.*

*The following is a discussion of the unaudited interim consolidated financial condition and results of operations of Digerati for the three months and nine months ended April 30, 2023 and 2022. It should be read in conjunction with our audited Consolidated Financial Statements, the Notes thereto, and the other financial information included in the Company’s Annual Report on Form 10-K for the fiscal year ended July 31, 2022, filed with the Securities and Exchange Commission on October 31, 2022. For purposes of the following discussion, fiscal 2023 or 2023 refers to the year that will end on July 31, 2023, and fiscal 2022 or 2022 refers to the year ended July 31, 2022.*

### Overview

Digerati Technologies, Inc., a Nevada corporation (including our subsidiaries, “we,” “us,” “Company” or “Digerati”), through its operating subsidiaries in Texas, Florida, and California provides cloud services specializing in Unified Communications as a Service (“uCaaS”) and broadband connectivity solutions for the business market. Our product line includes a portfolio of Internet-based telephony products and services delivered through our cloud application platform and session-based communication network and network services including Internet broadband, fiber, mobile broadband, and cloud WAN solutions (SD WAN).

Digerati Technologies, Inc. currently has four (4) operating subsidiaries: (i) Verve Cloud, Inc., a Texas entity (this entity was formerly known as Shift8 Networks, Inc.); (ii) T3 Communications, Inc., a Florida entity; (iii) Nexogy, Inc., a Florida entity; and (iv) NextLevel Internet, Inc., a California entity. Each of these entities is a subsidiary of Verve Cloud, Inc., a Nevada entity (this entity was formerly known as T3 Communications, Inc.).

We provide enterprise-class, carrier-grade services to the small-to-medium-sized business (“SMB”) at cost-effective monthly rates. Our uCaaS or cloud communication services include fully hosted IP/PBX, video conferencing, mobile applications, Voice over Internet Protocol (“VoIP”) transport, SIP trunking, and customized VoIP services all delivered Only in the Cloud™. Our broadband connectivity solutions for the delivery of digital oxygen are designed for reliability, business continuity and to optimize bandwidth for businesses using the Company’s cloud communication services and other cloud-based applications.

As a provider of cloud communications solutions to the SMB, we are seeking to capitalize on the migration by businesses from the legacy telephone network to the Internet Protocol (“IP”) telecommunication network and the migration from hardware-based on-premise telephone systems to software-based communication systems in the cloud. Most SMBs are lagging in technical capabilities and advancement and seldom reach the economies of scale that their larger counterparts enjoy, due to their achievement of a critical mass and ability to deploy a single solution to a large number of workers. SMBs are typically unable to afford comprehensive enterprise solutions and, therefore, need to integrate a combination of business solutions to meet their needs. Cloud computing has revolutionized the industry and opened the door for businesses of all sizes to gain access to enterprise applications with affordable pricing. This especially holds true for cloud telephony applications, but SMBs are still a higher-touch sale that requires customer support for system integration, network installation, cabling, and troubleshooting. We have placed a significant emphasis on that “local” touch when selling, delivering, and supporting our services which we believe will differentiate us from the national providers that are experiencing high attrition rates due to poor customer support.

The adoption of cloud communication services is being driven by the convergence of several market trends, including the increasing costs of maintaining installed legacy communications systems, the fragmentation resulting from use of multiple on-premise systems, and the proliferation of personal smartphones used in the workplace. Today, businesses are increasingly looking for an affordable path to modernizing their communications system to improve productivity, business performance and customer experience. Modernization has also led to businesses adopting other cloud-based business applications, including CRM, payroll, and accounting software, placing an even more important emphasis on reliable Internet connectivity.

Our cloud solutions offer the SMB reliable, robust, and full-featured services at affordable monthly rates that eliminates high-cost capital expenditures and provides for integration with other cloud-based systems. By providing a variety of comprehensive and scalable solutions, we can cater to businesses of different sizes on a monthly subscription basis, regardless of the stage of development for the business.

## **Recent Developments**

### *MEOA Business Combination*

On August 30, 2022, the Company entered into a Business Combination Agreement (as it may be amended, supplemented or otherwise modified from time to time, the “Business Combination Agreement”), by and among Digerati, Minority Equality Opportunities Acquisition Inc., a Delaware corporation (“MEOA”), and MEOA Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of MEOA (“Merger Sub”).

The Business Combination Agreement provides, among other things, that Merger Sub will merge with and into Digerati, with Digerati as the surviving company in the merger and, after giving effect to such merger, Digerati shall be a wholly-owned subsidiary of MEOA (the “Merger”). In addition, following the consummation of the Merger, MEOA will be renamed Verve Technologies Corporation. Digerati after the Merger is referred to as the “Surviving Company.”

As previously disclosed, in November and December 2022, Digerati issued the following securities to four (4) bridge lenders including Mast Hill Fund, L.P. (the “Bridge Lenders”): (a) unsecured promissory notes that are convertible into shares of Digerati’s common stock under certain circumstances; and (b) warrants to purchase shares of Digerati’s common stock. As used herein, “Bridge Loan Warrants” means those certain warrants to purchase up to 13,534,535 shares of Digerati’s common stock that Digerati issued to the Bridge Lenders. In March 2023, the Company issued other promissory notes with the some of the same lenders and, in connection with such notes, the Company issued certain warrants to purchase up to 3,707,186 shares of Digerati’s common stock.

As used herein, “New Digerati” refers to MEOA following the consummation of the Merger and “New Digerati Common Stock” means the common stock, par value \$0.0001 per share, of New Digerati.

On February 14, 2023, the parties to the Business Combination Agreement amended the Business Combination Agreement (the “February Amendment”) to increase the implied equity value of Digerati from \$68,680,807 to \$71,080,810 to give effect to the issuance by Digerati to Maxim Group LLC (“Maxim”), immediately prior to the closing of the Merger, of such number of shares of Digerati’s common stock as would be exchanged for an aggregate of 240,000 shares of New Digerati Common Stock upon the closing of the Merger as partial compensation for financial advisory services that Maxim provided to Digerati in connection with the Business Combination. The February Amendment also clarified that the shares of Digerati common stock underlying the Bridge Loan Warrants would not be part of the calculation of the implied equity value of Digerati of \$71,080,810, and it clarified that none of the shares underlying any of the convertible promissory notes of Digerati that are outstanding upon the closing of the Merger are part of the calculation of the implied equity value of Digerati of \$71,080,810.

In connection with the Merger, MEOA has filed with the Securities and Exchange Commission (the “SEC”) a registration statement on Form S-4 containing the proxy statement/prospectus relating to the BCA (the “Registration Statement”), which the SEC has declared effective. On May 3, 2023, MEOA filed a definitive proxy statement/final prospectus relating to the Merger, and thereafter MEOA mailed that definitive proxy statement/final prospectus and other relevant documents to its stockholders. On May 12, 2023, Digerati filed a definitive proxy statement in connection with Digerati’s solicitation of proxies for its special meeting of stockholders to be held to approve the Merger (and related matters) and thereafter Digerati mailed that definitive proxy statement and other relevant documents to its stockholders. This communication is not a substitute for the Registration Statement, the definitive proxy statement/final prospectus, the definitive proxy statement or any other document that Digerati has sent to its stockholders in connection with the Merger.



On February 24, 2023, the Company and MEOA amended its Business Combination Agreement (amendment #2), among other things, amended the following:

- Section 7.1(d) eliminates the date of “February 25, 2023” as the termination date and replaces it with a termination date of “April 28, 2023.”
- The Company waives the requirement set forth in Section 5.7 of the Business Combination Agreement that MEOA have filed the Registration Statement on Form S-4 no later than 45 days following the date of the Business Combination Agreement and acknowledges that the aforementioned Registration Statement was subsequently filed on November 30, 2022.
- MEOA waives the following:
  - the requirement set forth in Section 5.17 of the Business Combination Agreement that the Company have delivered, by no later than September 15, 2022, certain audited and unaudited financial statements, and acknowledges that the aforementioned financial statements for its fiscal year ending July 31, 2022 were delivered on October 31, 2022
  - the requirement set forth in Section 5.22 of the Business Combination Agreement that the Company shall have caused Post Road Administrative LLC and its affiliate Post Road Special Opportunity Fund II LLP (collectively, “Post Road”), on or prior to October 15, 2022, to enter into the PRG Resolution Agreement, and acknowledges delivery of the executed PRG Resolution Agreement on February 7, 2023.

On May 1, 2023, the Company and MEOA amended its Business Combination Agreement (amendment #3), in which Section 7.1(d) of the Business Combination Agreement eliminates the date of “April 28, 2023” as the Termination Date and replaced with “May 30, 2023” as the Termination Date.

On May 30, 2023, the Company and MEOA amended its Business Combination Agreement (amendment #4) which extends the Termination Date from May 30, 2023 to June 15, 2023.

***Key Performance indicators:***

EBITDA from operations, as adjusted is a non-GAAP measure and should be considered in addition to, not as a substitute for, net income (loss), cash flow and other measures of financial performance reported in accordance with GAAP. In addition, this measure does not reflect cash available to fund requirements and excludes items, such as corporate expenses, transactional legal expenses, stock option expense, and depreciation and amortization, which are significant components in assessing the Company’s financial performance. The Company believes that the presentation of EBITDA from operations, as adjusted provides useful information regarding the Company’s operations and other factors that affect the Company’s reported results. Specifically, the Company believes that by excluding certain one-time or non-cash items such as transactional legal fees and depreciation and amortization, as well as potential distortions between periods caused by factors such as financing and capital structures, the Company provides users of its consolidated financial statements with insight into both its operations as well as the factors that affect reported results between periods but which the Company believes are not representative of its operations. As a result, users of the Company’s consolidated financial statements are better able to evaluate changes in the financial consolidated results of the Company across different periods.

The following tables provide information regarding certain key performance indicators for Digerati for the three and nine months ended April 30, 2023 and 2022. Management utilizes these metrics to track and forecast revenue trends and expected results from operations:

### Reconciliation of Net Loss to Adjusted EBITDA

	Three months ended April 30,				Nine months ended April 30,			
	2023	2022	Variances	%	2023	2022	Variances	%
<b>OPERATING REVENUES:</b>								
Cloud-based hosted services	\$ 7,837	\$ 8,163	\$ (326)	-4%	\$ 23,908	\$ 15,959	\$ 7,949	50%
<b>Total operating revenues</b>	<b>7,837</b>	<b>8,163</b>	<b>(326)</b>	<b>-4%</b>	<b>23,908</b>	<b>15,959</b>	<b>7,949</b>	<b>50%</b>
<b>Cost of services (exclusive of depreciation and amortization)</b>								
Selling, general and administrative expense	4,299	4,268	31	1%	12,852	8,136	4,716	58%
Stock compensation expense	23	28	(5)	-18%	69	75	(6)	-8%
Legal and professional fees	681	756	(75)	-10%	2,311	2,505	(194)	-8%
Bad debt	37	36	1	3%	106	51	55	108%
Depreciation and amortization expense	993	1,540	(547)	-36%	2,912	2,514	398	16%
<b>Total operating expenses</b>	<b>8,912</b>	<b>9,789</b>	<b>(877)</b>	<b>-9%</b>	<b>26,948</b>	<b>19,484</b>	<b>7,464</b>	<b>38%</b>
<b>OPERATING LOSS</b>	<b>(1,075)</b>	<b>(1,626)</b>	<b>551</b>	<b>-34%</b>	<b>(3,040)</b>	<b>(3,525)</b>	<b>485</b>	<b>-14%</b>
<b>OTHER INCOME (EXPENSE):</b>								
Gain (loss) on derivative instruments	2,120	6,827	(4,707)	-69%	2,893	7,835	(4,942)	-63%
Gain (loss) on extinguishment of debt	55	-	55	100%	55	(5,480)	5,535	-101%
Other income (expense)	(1)	2	(3)	-150%	455	-	455	100%
Interest expense	(3,701)	(1,676)	(2,025)	121%	(8,137)	(4,563)	(3,574)	78%
Income tax expense	(51)	(167)	116	-69%	(128)	(285)	157	-55%
<b>Total other income (expense)</b>	<b>(1,578)</b>	<b>4,986</b>	<b>(6,564)</b>	<b>-132%</b>	<b>(4,862)</b>	<b>(2,493)</b>	<b>(2,369)</b>	<b>95%</b>
<b>NET INCOME (LOSS) INCLUDING NONCONTROLLING INTEREST</b>	<b>(2,653)</b>	<b>3,360</b>	<b>(6,013)</b>	<b>-179%</b>	<b>(7,902)</b>	<b>(6,018)</b>	<b>(1,884)</b>	<b>31%</b>
Less: Net loss attributable to the noncontrolling interests	409	546	(137)	-25%	898	1,306	(408)	-31%
<b>NET INCOME (LOSS) ATTRIBUTABLE TO DIGERATI'S SHAREHOLDERS</b>	<b>\$ (2,244)</b>	<b>\$ 3,906</b>	<b>\$ (6,150)</b>	<b>-157%</b>	<b>\$ (7,004)</b>	<b>\$ (4,712)</b>	<b>\$ (2,292)</b>	<b>49%</b>
Deemed dividend on Series A Convertible preferred stock	-	(4)	4	-100%	(8)	(14)	6	-43%
<b>NET INCOME (LOSS) ATTRIBUTABLE TO DIGERATI'S COMMON SHAREHOLDERS</b>	<b>\$ (2,244)</b>	<b>\$ 3,902</b>	<b>\$ (6,146)</b>	<b>-158%</b>	<b>\$ (7,012)</b>	<b>\$ (4,726)</b>	<b>\$ (2,286)</b>	<b>48%</b>
<b>Reconciliation of Net Income (Loss) to Adjusted EBITDA - OPCO, Net of Non-Cash Expenses &amp; Transactional Costs.</b>								
<b>NET INCOME (LOSS) ATTRIBUTABLE TO DIGERATI'S SHAREHOLDERS, as reported</b>	<b>\$ (2,244)</b>	<b>\$ 3,906</b>	<b>\$ (6,150)</b>	<b>-157%</b>	<b>\$ (7,004)</b>	<b>\$ (4,712)</b>	<b>\$ (2,292)</b>	<b>49%</b>
<b>EXCLUDING NON-CASH ITEMS TRANSACTIONAL COSTS &amp; CORP EXP ADJUSTMENTS:</b>								
Stock compensation & warrant expense	23	28	(5)	-18%	69	75	(6)	-8%
Corp Expenses (Net of stock compensation, Legal fees & Transactional cost)	378	255	123	48%	1,043	657	386	59%
Legal, professional fees & transactional costs	680	862	(182)	-21%	2,308	2,730	(422)	-15%
Depreciation and amortization expense	993	1,540	(547)	-36%	2,912	2,514	398	16%
<b>OTHER ADJUSTMENTS</b>								
Gain (loss) on derivative instruments	(2,120)	(6,827)	4,707	-69%	(2,893)	(7,835)	4,942	-63%
Gain (loss) on extinguishment of debt	(55)	-	(55)	100%	(55)	5,480	(5,535)	-101%
Other income (expense)	1	(2)	3	-150%	(455)	-	(455)	100%
Interest expense	3,701	1,676	2,025	121%	8,137	4,563	3,574	78%
Income tax expense	51	167	(116)	-69%	128	285	(157)	-55%
Less: Net loss attributable to the noncontrolling interests	(409)	(546)	137	-25%	(898)	(1,306)	408	-31%
<b>ADJUSTED EBITDA - OPCO</b>	<b>\$ 999</b>	<b>\$ 1,059</b>	<b>\$ (60)</b>	<b>-6%</b>	<b>\$ 3,292</b>	<b>\$ 2,451</b>	<b>\$ 841</b>	<b>34%</b>
<b>ADD-BACKS Expenses</b>								
Corp Expenses (Net of stock compensation & Transactional cost)	378	255	123	48%	1,043	657	386	59%
<b>ADJUSTED EBITDA - INCOME</b>	<b>\$ 621</b>	<b>\$ 804</b>	<b>\$ (183)</b>	<b>-23%</b>	<b>\$ 2,249</b>	<b>\$ 1,794</b>	<b>\$ 455</b>	<b>25%</b>

<b>Other Key Metrics</b>	Three months ended April 30,				Nine months ended April 30,			
	2023	2022	Variances	%	2023	2022	Variances	%
Total Customers	4,446	3,963	483	12%	4,446	3,963	483	12%

### **Three Months ended April 30, 2023 as Compared to the Three Months ended April 30, 2022.**

Cloud software and service revenue decreased by \$326,000, or 4%, from the three months ended April 30, 2022 as compared to the three months April 30, 2023. Our gross margin decreased by \$44,000 from the three months ended April 30, 2022 as compared to the three months ended April 30, 2023.

EBITDA from operations, as adjusted, decreased from \$1,059,000 from the three months ended April 30, 2022 to \$999,000 for the three months ended April 30, 2023. See table above for the adjustments to Net Income (Loss) attributable to Digerati shareholders.

### ***Nine months ended April 30, 2023 as Compared to the Nine months ended April 30, 2022.***

Cloud software and service revenue increased by \$7,949,000, or 50%, from the nine months ended April 30, 2022 as compared to the nine months April 30, 2023. In addition, our gross margin increased by \$5,454,000, or 56%, from the nine months ended April 30, 2022 as compared to the nine months ended April 30, 2023. The increase in revenue and gross margin between years is primarily attributed to the increase in total customers between periods due to the acquisitions of Skynet Telecom LLC (“Skynet”) and Next Level.

EBITDA from operations, as adjusted, increased from \$2,451,000 from the nine months ended April 30, 2022 to \$3,292,000 for the nine months ended April 30, 2023. See table above for the adjustments to Net Income (Loss) attributable to Digerati shareholders.

EBITDA from operations, as adjusted is not intended to represent cash flows for the periods presented, nor have they been presented as an alternative to operating income or as an indicator of operating performance and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

Our total customers increased from 3,963 at April 30, 2022 as compared to 4,446 at April 30, 2023. The increase in customers is attributed to the acquisitions and consolidation of Skynet and NextLevel during fiscal year ended July 31, 2022. Going forward, absent further acquisitions, we expect a net increase in our number of customers of 1% to 5% each fiscal year.

### ***Sources of revenue:***

Cloud Software and Service Revenue: We provide UCaaS or cloud communication services and managed cloud-based solutions to small and medium size enterprise customers and to other resellers. Our Internet-based services include fully hosted IP/PBX services, SIP trunking, call center applications, auto attendant, voice and web conferencing, call recording, messaging, voicemail to email conversion, integrated mobility applications that are device and location agnostic, and other customized IP/PBX features in a hosted or cloud environment. Other services include enterprise-class data and connectivity solutions through multiple broadband technologies including cloud WAN or SD-WAN (Software-defined Wide Area Network), fiber, mobile broadband, and Ethernet over copper. We also offer remote network monitoring, data backup and disaster recovery.

### ***Direct Costs:***

Cloud Software and Service: We incur bandwidth and colocation charges in connection with our UCaaS or cloud communication services. The bandwidth charges are incurred as part of the connectivity between our customers to allow them access to our various services. We also incur costs from underlying providers for fiber, Internet broadband, and telecommunication circuits in connection with our data and connectivity solutions.

### **Results of Operations**

#### ***Three Months ended April 30, 2023 as Compared to the Three Months ended April 30, 2022.***

*Cloud Software and Service Revenue.* Cloud software and service revenue decreased by \$326,000, or 4%, from the three months ended April 30, 2022 as compared to the three months ended April 30, 2023. Although our revenue decreased, our total number of customers increased from 3,963 for the three months ended April 30, 2022 to 4,446 customers for the three months ended April 30, 2023. As part of the acquisitions, our primary emphasis is on integrating the secured customers base, consolidating products and services, retaining the monthly recurring revenue, and providing exceptional customer support.

*Cost of Services (exclusive of depreciation and amortization).* The cost of services decreased by \$282,000, or 9%, from the three months ended April 30, 2022 as compared to the three months ended April 30, 2023, which is consistent with the decrease in revenue mentioned above. Although our cost of services decreased, our total number of customers increased from 3,963 for the three months ended April 30, 2022 to 4,446 customers for the three months ended April 30, 2023. Our consolidated gross margin remained flat at approximately \$5.0 million for the quarters ended April 30, 2022 and 2023. We are not aware of any events that are reasonably likely to cause a material change in the relationship between our costs and our revenues.

*Selling, General and Administrative (SG&A) Expenses (exclusive of legal and professional fees and stock compensation expense).* SG&A expenses decreased by \$26,000, or 1%, from the three months ended April 30, 2022 as compared to the three months ended April 30, 2023.

*Stock Compensation expense.* Stock compensation expense decreased by \$5,000, or 18%, from the three months ended April 30, 2022 as compared to the three months ended April 30, 2023.

*Legal and professional fees.* Legal and professional fees decreased by \$75,000, or 10%, from the three months ended April 30, 2022 as compared to the three months ended April 30, 2023, which include legal and professional fees that relate to due diligence, audits for the acquisitions, purchase price allocation, legal fees paid to counsel for Post Road Administrative LLC and its affiliate Post Road Special Opportunity Fund II LLP (collectively, "Post Road"), and investor relations.

*Bad debt.* Bad debt increased by \$1,000, or 3%, from the three months ended April 30, 2022 as compared to the three months ended April 30, 2023. The increase is attributed to the recognition of \$37,000 in bad debt for accounts deemed uncollectible three the nine months ended April 30, 2023. During the nine months ended April 30, 2022, the Company recognized \$36,000 in bad debt.

*Depreciation and amortization.* Depreciation and amortization decreased by \$547,000, or 36%, from the three months ended April 30, 2022 as compared to the three months ended April 30, 2023.

*Operating loss.* The Company reported an operating loss of \$1,626,000 from the three months ended April 30, 2022 as compared to an operating loss of \$1,075,000 for the three months ended April 30, 2023. The decrease in operating loss of \$551,000 or 34%, between periods was primarily due to decreases of depreciation and amortization expense of \$547,000, legal and professional fees of \$75,000, and gross margin of \$44,000, offset by increases to SG&A of \$31,000 and \$1,000 for bad debts.

*Gain on derivative instruments.* For the three months ended April 30, 2022, the gain on derivative instruments was \$6,827,000 as compared to a gain of \$2,120,000 for the three months April 30, 2023, resulting in a decrease in value of \$4,707,000, or 69%. We are required to re-measure all derivative instruments at the end of each reporting period and adjust those instruments to market, as a result of the re- measurement of all derivative instruments we recognized a gain or loss between periods.

*Gain on extinguishment of debt.* For the three months ended April 30, 2023, the gain on extinguishment of debt was \$55,000. There was no gain (loss) for the extinguishment of debt for the three months April 30, 2022.

*Other income (expense).* Other expense was \$1,000 for the three months April 30, 2023 as compared to other income of \$2,000 for the three months ended April 30, 2022.

*Income tax expense.* During the three months ended April 30, 2023, the Company recognized an income tax expense of \$51,000. During the three months ended April 30, 2022, the Company recognized an income tax expense of \$167,000.

*Interest Income (expense).* Interest expense increased by \$2,025,000, or 121%, from the three months ended April 30, 2022 as compared to the three months ended April 30, 2023. During the quarter ended April 30, 2023, the Company recognized amortization of debt discount of \$1,254,000 related to the adjustment to the present value of various convertible notes and debt. Additionally, the Company recognized \$1,051,000 in interest cash payments to Post Road, accrual of \$179,000 for interest expense for various promissory notes and \$131,000 fair value of shares issued as well as \$1,088,000 added to the principal balance of various promissory notes, all charged to interest expense as consideration for extension of the maturity dates.

*Net income (loss) including noncontrolling interest.* Net loss including noncontrolling interest for the three months ended April 30, 2023 was of \$2,653,000 compared to the net income of \$3,360,000 for the three months ending April 30, 2022. The net income (loss) including noncontrolling interest between periods is primarily due to the increases and decreases mentioned above.

*Net income (loss) attributable to the noncontrolling interest.* During the three months ended April 30, 2023 and 2022, the consolidated entity recognized a net income in noncontrolling interest of \$409,000 and a net loss of \$546,000, respectively. The noncontrolling interest is presented as a separate line item in the Company's stockholders equity section of the balance sheet.

*Net income (loss) attributable to Digerati's shareholders.* Net loss for the three months ended April 30, 2023 was \$2,244,000 as compared to a net income for the three months ended April 30, 2022 of \$3,906,000.

*Deemed dividend on Series A Convertible Preferred Stock.* Dividend accrued on convertible preferred stock for the three months ended April 30, 2023 and 2022 was \$0 and \$4,000, respectively.

*Net income (loss) attributable to Digerati's common shareholders.* Net income for the three months April 30, 2023 was \$2,244,000 as compared to a net loss for the three months ended April 30, 2022 of \$3,902,000.

***Nine months ended April 30, 2023 as Compared to the Nine months ended April 30, 2022.***

*Cloud Software and Service Revenue.* Cloud software and service revenue increased by \$7,949,000, or 50%, from the nine months ended April 30, 2022 as compared to the nine months ended April 30, 2023. The increase in revenue is primarily attributed to the increase in total customers between periods due to the acquisitions of Skynet in December 2021 and the acquisition of Next Level Internet in February 2022. Our total number of customers increased from 3,963 for the nine months ended April 30, 2022 to 4,446 customers for the nine months ended April 30, 2023. As part of the acquisitions, our primary emphasis is on integrating the secured customers base, consolidating products and services, retaining the monthly recurring revenue, and providing exceptional customer support.

*Cost of Services (exclusive of depreciation and amortization).* The cost of services increased by \$2,495,000, or 40%, from the nine months ended April 30, 2022 as compared to the nine months ended April 30, 2023. The increase in cost of services is primarily attributed to the consolidation of various networks as part of the increase in total customers between periods due to the acquisition of Skynet in December 2021 and the acquisition of Next Level Internet in February 2022. Our total number of customers increased from 3,963 for the nine months ended April 30, 2022 to 4,446 customers for the nine months ended April 30, 2023. Our consolidated gross margin improved by \$5,454,000, or 56%, from the nine months ended April 30, 2022 as compared to the nine months ended April 30, 2023. We are not aware of any events that are reasonably likely to cause a material change in the relationship between our costs and our revenues.

*Selling, General and Administrative (SG&A) Expenses (exclusive of legal and professional fees and stock compensation expense).* SG&A expenses increased by \$4,710,000, or 57%, from the nine months ended April 30, 2022 as compared to the nine months ended April 30, 2023. The increase in SG&A is attributed to the acquisition of Skynet in December 2021 and the acquisition of Next Level Internet in February 2022; the Company absorbed all of the employees responsible for service delivery for the customer base, technical support, sales, customer service, and administration.

*Stock Compensation expense.* Stock compensation expense decreased by \$6,000 from the nine months ended April 30, 2022 as compared to the nine months ended April 30, 2023.

*Legal and professional fees.* Legal and professional fees decreased by \$194,000, or 8%, from the nine months ended April 30, 2022 as compared to the nine months ended April 30, 2023, which include legal and professional fees that relate to due diligence, audits for the acquisitions, purchase price allocation, legal fees paid to counsel for Post Road Group, and investor relations.

*Bad debt.* Bad debt increased by \$55,000, or 108%, from the nine months ended April 30, 2022 as compared to the nine months ended April 30, 2023. The increase is attributed to the recognition of \$106,000 in bad debt for accounts deemed uncollectible during the nine months ended April 30, 2023. During the nine months ended April 30, 2022, the Company recognized \$51,000 in bad debt.

*Depreciation and amortization.* Depreciation and amortization increased by \$398,000, or 16%, from the nine months ended April 30, 2022 as compared to the nine months ended April 30, 2023. The increase is primarily attributed to the acquisitions and related amortization for intangible assets and the additional depreciation related to the assets acquired from Skynet and NextLevel.

*Operating loss.* The Company reported an operating loss of \$3,040,000 from the nine months ended April 30, 2023 as compared to an operating loss of \$3,525,000 for the nine months ended April 30, 2022. The decrease in operating loss of \$485,000, or 14%, between periods is primarily due to net increases in SG&A for \$4,710,000, cost of services (exclusive of depreciation and amortization) for \$2,495,000, \$55,000 for bad debt, and \$398,000 for depreciation and amortization expense, offset by the improvement in gross margin of \$5,454,000 and the reduction in legal and professional fees of \$194,000.

*Gain on derivative instruments.* The gain on derivative instruments decreased by \$4,942,000 from the nine months ended April 30, 2022 as compared to the nine months ended April 30, 2023. We are required to re-measure all derivative instruments at the end of each reporting period and adjust those instruments to market, as a result of the re-measurement of all derivative instruments we recognized a gain or loss between periods.

*Gain (loss) on extinguishment of debt.* For the nine months ended April 30, 2023, the gain on extinguishment of debt was \$55,000. For the nine months ended April 30, 2022, the loss on extinguishment of debt was \$5,480,000. On December 20, 2021, Verve Cloud, Inc., a Nevada entity (“Verve Cloud”) and Post Road entered into an amendment to the Credit Agreement (the “Amendment”) in connection with which Verve Cloud issued an Amended and Restated Term Loan A Note (the “A&R Term Loan A Note”) in replacement of the Term Loan A Note. Under the First Amendment, the Term Loan B Note principal of \$3,500,000, accrued interest of \$187,442, and amendment fee of \$1,418,744 were recapitalized under the revised A&R Term Loan A Note. Pursuant to the First Amendment, the additional proceeds of \$6,000,000 were used to fund the acquisition of Skynet Telecom LLC’s assets and for general corporate and working capital purposes as well as professional fees and other fees and expenses with respect to the transactions contemplated by the Amendment. The Company evaluated the amendment and the recapitalization of the notes and accounted for these changes as an extinguishment of debt and recognized a loss on extinguishment of debt of \$5,480,000, which is comprised of the full amortization debt discount of \$4,061,000 and amendment fees of \$1,419,000.

*Other income (expense).* Other income (expense) improved by \$455,000 from the nine months ended April 30, 2022 as compared to the nine months ended April 30, 2023. The improvement in other income is mostly due to the recognition of a gain on a settlement of conversion premium of \$466,000 from a convertible note.

*Interest expense.* Interest expense increased by \$3,574,000 from the nine months ended April 30, 2022 as compared to the nine months ended April 30, 2023. During the nine months ended April 30, 2023, the Company recognized amortization of debt discount of \$2,044,000 related to the adjustment to the present value of various convertible notes and debt. Additionally, the Company recognized \$2,995,000 in interest cash payments to Post Road, accrual of \$417,000 for interest expense for various promissory notes and \$471,000 fair value of shares issued as well as \$2,227,000 added to the principal balance of various promissory notes, all charged to interest expense as consideration for extension of the maturity dates.

*Income tax benefit (expense).* During the nine months ended April 30, 2023, the Company recognized an income tax expense of \$128,000. During the nine months ended April 30, 2022 the Company recognized an income tax expense of \$285,000.

*Net loss including noncontrolling interest.* Net loss including noncontrolling interest for the nine months ended April 30, 2022 was \$6,018,000 as compared to the net loss of \$7,902,000 for the nine months ended April 30, 2023. The net loss including noncontrolling interest between periods is primarily due to the increases and decreases mentioned above.

*Net loss attributable to the noncontrolling interest.* During the nine months ended April 30, 2023 and 2022, the consolidated entity recognized a net income in noncontrolling interest of \$898,000 and a net loss of \$1,306,000 respectively. The noncontrolling interest is presented as a separate line item in the Company’s stockholders equity section of the balance sheet.

*Net income (loss) attributable to Digerati's shareholders.* Net loss for the nine months ended April 30, 2023 was \$7,004,000 as compared to a net loss for the nine months ended April 30, 2022 of \$4,712,000.

*Deemed dividend on Series A Convertible Preferred Stock.* Dividend accrued on convertible preferred stock for the nine months ended April 30, 2023 and 2022 was \$8,000 and \$14,000, respectively.

*Net income (loss) attributable to Digerati's common shareholders.* Net loss for the nine months ended April 30, 2023 was \$7,012,000 compared to a net income for the nine months ended April 30, 2022 of \$4,726,000.

### **Liquidity and Capital Resources**

*Cash Position:* We had a consolidated cash balance of approximately \$997,000 as of April 30, 2023. Net cash used in operating activities during the nine months ended April 30, 2023 was approximately \$3,100,000. The net cash used by operating activities resulted primarily from the net loss incurred during the nine months ended April 30, 2023 as a result of operating expenses, that included \$81,000 in stock compensation and warrant expense, bad debt expense of \$106,000, amortization of right-of-use assets for \$624,000, gain on settlement of conversion premium for \$466,000, amortization of debt discount of \$2,104,000, gain on derivative liability of \$2,893,000, gain on extinguishment of debt of \$55,000, depreciation and amortization expense of \$2,912,000, debt extension fee charged to interest expense for \$689,000, and common stock issued for debt extension charged to interest expense for \$505,000. The change in operating assets and liabilities resulted in a net increase of \$1,196,000.

Cash used in investing activities during the nine months ended April 30, 2023 was \$467,000, which was used for the acquisition of equipment.

Cash provided by financing activities during the nine months ended April 30, 2023 was \$3,055,000. The net increase in cash provided by financing was primarily due to the Company securing \$4,491,000 from convertible notes, net of issuance costs and discounts and securing \$250,000 from debt financing from a related party, net of issuance costs and discounts, proceeds from the exercise of warrants of \$22,000, offset by principal payments of \$520,000 on various convertible notes, principal payments of \$548,000 on debt, principal payments on related party notes of \$568,000, and \$72,000 in principal payments on equipment financing.

Overall, our net operating, investing, and financing activities during the nine months ended April 30, 2023 resulted in a net decrease in cash and cash equivalents for \$512,000.

Digerati's consolidated financial statements for the nine months ended April 30, 2023 have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. Since the Company's inception in 1993, Digerati has incurred net losses and accumulated a deficit of approximately \$120,397,000 and a working capital deficit of approximately \$65,429,000 which raises doubt about Digerati's ability to continue as a going concern.

We are currently taking initiatives to reduce our overall cash deficiencies on a monthly basis. During fiscal 2023 certain members of our management team will continue to receive a portion of their compensation in common stock to reduce the depletion of our available cash. To strengthen our business, we intend to adopt best practices from or recent acquisitions and invest in a marketing and sales strategy to grow our monthly recurring revenue; we anticipate utilizing our value-added resellers and channel partners to tap into new sources of revenue streams; and we have also secured numerous agent agreements through our recent acquisitions that we anticipate will accelerate revenue growth. In addition, we will continue to focus on selling a greater number of comprehensive services to our existing customer base. Further, in an effort to increase our revenues, we will continue to evaluate the acquisition of various assets with emphasis in VoIP Services and Cloud Communication Services. As a result, during the due diligence process we anticipate incurring significant legal and professional fees.

Our cash requirements to meet our interest payments to Post Road, capital expenditure needs, and operational cash flow needs over the next 18 months are estimated to be approximately \$3,500,000. The Company anticipates issuing additional equity or entering into additional Convertible Notes to secure the funding required meet these cash needs. There can be no assurance that the Company will be able to raise additional funds or raise them on acceptable terms. If the Company is unable to obtain financing on acceptable terms, the Company may not be able to meet its interest payments, capital expenditures and operational needs. As a result, the Company will be required to negotiate with its lender the terms of the current financing agreements, in addition to postponing the timing of deployment of its capital expenditures and extending the timing of the operational cash needs.

The Credit Agreement contains customary representations, warranties, and indemnification provisions. The Credit Agreement also contains affirmative and negative covenants with respect to operation of the business and properties of the loan parties as well as financial performance. Below are key financial covenant requirements, (measured quarterly) for the fiscal quarter ended April 30, 2023:

- Maximum–Allowed - Senior Leverage Ratio of 6.18 to 1.00
- Minimum–Allowed – EBITDA (on an annualized basis) of \$4,565,009
- Minimum–Allowed - Liquidity of \$2,000,000
- Minimum–Allowed - Interest Coverage of 1.00 to 1.00

As of April 30, 2023, the Company was not in compliance with our financial covenants with Post Road, and as a result, the Notes were classified as current. The Company has requested that Post Road agree to forbear from exercising its remedies in connection with, among other things, the financial covenants that were not complied with during the quarter ended April 30, 2023. There can be no assurance that we will be able to restructure our financial covenants with Post Road. If the Company is not able to reach an agreement to restructure our financial covenants requirements and Post Road declares an event of default, it would have a material adverse effect on our business and financial condition, including the possibility of Post Road foreclosing on some or all of our assets.

On December 15, 2022, the lender agreed to forbear from exercising its remedies in connection with the financial covenants that were not complied with during the quarter ended October 31, 2022, as well as certain other specified defaults, until December 23, 2022.

On February 3, 2023, the Company, the Verve Cloud Nevada Parties (as defined in Note 2 to the financial statements), and Post Road entered into a Consent, Limited Waiver and Fourth Amendment to Credit Agreement and Amendment to the Notes (the “Fourth Amendment”). The Fourth Amendment is effective as of December 23, 2022. Among other things, the Fourth Amendment conditionally revises each of the six financial covenants set forth in Section 11.12 of the Credit Agreement (related to maximum leverage, minimum liquidity, minimum EBITDA, maximum capital expenditures, minimum interest coverage (a provision that replaces the minimum fixed charge coverage ratio provision), and maximum churn). In addition, pursuant to the Fourth Amendment, none of the financial covenants contained in Section 11.12 of the Credit Agreement, as amended by the Fourth Amendment, were to be tested as of the January 31, 2023 fiscal quarter end date so long as no events of default had occurred, other than minimum liquidity of \$1,000,000, which was tested and met as of January 31, 2023. The Fourth Amendment provides that these revised financial covenants will be null and void if the Merger (as defined in Note 12) does not close by February 28, 2023 (the “Merger Outside Closing Date”), in which case the financial covenants in effect under Section 11.12 of the Credit Agreement shall automatically, and without notice to the Verve Cloud Nevada Parties, revert to those in effect immediately prior to the Fourth Amendment.

Pursuant to the Fourth Amendment, Post Road agreed to conditionally waive each and all of the Specified Defaults (as defined in the Fourth Amendment). Post Road’s waiver of the Specified Defaults are contingent on the Merger closing on or before the Merger Outside Closing Date in accordance with the Business Combination Agreement (as defined in Note 12) and no events of default (other than the Specified Defaults) or any condition or event that, with the giving of notice or the lapse of time or both, would constitute an event of default, existing under the Credit Agreement on the Merger closing date.



The Fourth Amendment amends the Credit Agreement and the Notes to modify the interest rate payable by Verve Cloud.

On March 13, 2023, the Company, the Verve Cloud Nevada Parties, and Post Road entered into the Fifth Amendment to Credit Agreement, with an effective date of February 28, 2023, which specifically revises the Merger Outside Closing Date, replacing the “February 28, 2023” date with “April 28, 2023,” without amending, supplementing or otherwise modifying any other terms, or any of the conditions, set forth in the Credit Agreement.

On April 3, 2023, the Company, the Verve Cloud Nevada Parties, and Post Road entered into a Sixth Amendment to its Credit Agreement (the “Sixth Amendment”). Pursuant to the Sixth Amendment, Post Road agreed to increase the aggregate net unpaid principal amount (i.e., less original issue discounts and transaction costs paid in cash by Company upon the closing thereof and disclosed in writing to Post Road) the Company is allowed to borrow in the form of convertible loans to \$3,500,000. This amount was increased from the \$3,000,000 agreed to by Post Road pursuant to the Fourth Amendment.

Pursuant to the Sixth Amendment, Post Road agreed to defer the cash interest otherwise due and payable on April 1, 2023 to the May 1, 2023 payment date.

On May 1, 2023, the Company, the Verve Cloud Nevada Parties, and Post Road entered into a Seventh Amendment to Credit Agreement (the “Seventh Amendment”). The Seventh Amendment is dated as of May 1, 2023, with an effective date of April 28, 2023. Pursuant to the Seventh Amendment, the Merger Outside Closing Date was amended to May 31, 2023, or such later date as agreed to in writing by Post Road in its sole discretion.

The Seventh Amendment also modified the negative covenants set forth in the Credit Agreement to add a new section on material nonpublic information (“MNPI”). The Seventh Amendment’s modifications to the Credit Agreement provide that if Post Road elects not to receive MNPI from the Company during any period during which the Company is obligated to deliver a notice to Post Road which notice would include MNPI, the Company will inform Post Road of its obligation to deliver the notice, and Post Road will inform the Company whether it elects to receive such notice. If Post Road elects to receive the notice of MNPI, the Company shall deliver such notice in accordance with the Credit Agreement, and if Post Road elects not to receive such notice, the Company shall not deliver the notice and Post Road shall have waived its rights to receive delivery of the notice. Any election by Post Road to waive their right to receive delivery of any notice of MNPI applies only with respect to the specific notice and not to any subsequent notice.

Pursuant to the Seventh Amendment, Post Road agreed to defer the cash interest otherwise due and payable on April 1, 2023 and May 1, 2023 to the June 1, 2023 payment date.

While Digerati, the parent company of Verve Cloud, is not subject to these financial covenants, they have had and will continue to have a material impact on Verve Cloud’s expenditures and ability to raise funds.

In addition, our Term Loan C Note payable to Post Road with a maturity date of August 4, 2023, requires a full principal payment and accrued interest by the maturity date. We will work with our equity partners to secure additional financings to meet this obligation by the maturity date. In addition, we will work with our lender on the current terms to the Term Loan C Note, to extend the maturity date or restructure the terms of the note. There can be no assurance that the Company will be able to raise additional funds or raise them on acceptable terms to meet the cash payment requirements on the Term Loan C Note. In addition, there can be no assurance that we will be able to restructure the terms or extend the maturity date of the Term Loan C Note with Post Road. If the Company is not able to restructure the financing or repay the Term Loan C Note by the August 4th maturity date and Post Road declares an event of default, it would have a material adverse effect on our business and financial condition, including the possibility of Post Road foreclosing on some or all of our assets.

Verve Cloud’s obligations under the Credit Agreement are secured, in part, by a first-priority security interest in all of the assets of the Verve Cloud Nevada Parties and are guaranteed by Verve Cloud’s other subsidiaries pursuant to the Guaranty and Collateral Agreement, dated November 17, 2020, subsequently amended on December 31, 2021, February 4, 2022, December 15, 2022, and February 3, 2023 by and among Verve Cloud, the Company’s other subsidiaries, and Post Road Administrative LLC (the “Guaranty and Collateral Agreement”). In addition, Verve Cloud’s obligations under the Credit Agreement are, pursuant to a Pledge Agreement (the “Pledge Agreement”), secured by a pledge of a first priority security interest in Verve Cloud’s 100% equity ownership of each of Verve Cloud’s operating companies.

We have been successful in raising debt and equity capital in the past and as described in Notes 6, 7, 8, and 12. We have financing efforts in place to continue to raise cash through debt and equity offerings. Although we have successfully completed financings and reduced expenses in the past, we cannot assure you that our plans to address these matters in the future will be successful.

The current Credit Agreement with Post Road will allow the Company to continue acquiring UCaaS service providers that meet the Company’s acquisition criteria. Management anticipates that future acquisitions will provide additional operating revenues to the Company as it continues to execute on its consolidation strategy. There can be no guarantee that the planned acquisitions will close or that they will produce the anticipated revenues on the schedule anticipated by management.

The Company will continue to work with various funding sources to secure additional debt and equity financings. However, Digerati cannot offer any assurance that it will be successful in executing the aforementioned plans to continue as a going concern.

Management believes that available resources as of April 30, 2023, will not be sufficient to fund the Company's operations, debt service and corporate expenses over the next 12 months. The Company's ability to continue to meet its obligations and to achieve its business objectives is dependent upon, and other things, raising additional capital, issuing stock-based compensation to certain members of the executive management team in lieu of cash, or generating sufficient revenue in excess of costs. At such time as the Company requires additional funding, the Company will seek to secure such best-efforts funding from various possible sources, including equity or debt financing, sales of assets, or collaborative arrangements. If the Company raises additional capital through the issuance of equity securities or securities convertible into equity, stockholders will experience dilution, and such securities may have rights, preferences, or privileges senior to those of the holders of common stock or convertible senior notes. If the Company raises additional funds by issuing debt, the Company may be subject to limitations on its operations, through debt covenants or other restrictions. If the Company obtains additional funds through arrangements with collaborators or strategic partners, the Company may be required to relinquish its rights to certain technologies. There can be no assurance that the Company will be able to raise additional funds or raise them on acceptable terms. If the Company is unable to obtain financing on acceptable terms, it may be unable to execute its business plan, the Company could be required to curtail its operations, and the Company may not be able to pay off its obligations, if and when they come due.

Our current cash expenses are expected to be approximately \$1,300,000 per month, including wages, rent, utilities, corporate expenses, and legal professional fees associated with potential acquisitions. As described elsewhere herein, we are not generating sufficient cash from operations to pay for our corporate and ongoing operating expenses, or to pay our current liabilities. As of April 30, 2023, our total liabilities were approximately \$69,632,000, which included \$7,759,000 in derivative liabilities. We will continue to use our available cash on hand to cover our deficiencies in operating expenses.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risks.**

Not Applicable.

### **Item 4. Controls and Procedures.**

#### ***(a) Evaluation of Disclosure Controls and Procedures***

In connection with the preparation of this quarterly report on Form 10-Q for the quarter ended April 30, 2023, our Principal Executive Officer ("PEO") and Principal Financial Officer ("PFO") evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, our PEO and PFO concluded that our disclosure controls and procedures as of the end of the period covered by this report were not effective such that the information required to be disclosed by us in reports filed under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to our Chief Executive Officer and Principal Financial Officer, as appropriate to allow timely decisions regarding disclosure. A controls system cannot provide absolute assurance, however, that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

#### ***(b) Changes in Internal Controls over Financial Reporting***

There were no changes in our internal control over financial reporting, as defined in Rule 13a-15(f) or 15d-15(f) under the Securities Exchange Act of 1934, during our most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting, as there has been no implementation to date of processes and/or procedures to remedy internal control weaknesses and deficiencies.

## PART II - OTHER INFORMATION

### Item 1. Legal Proceedings.

On September 21, 2021, T3 Communications, Inc. (“T3”), a subsidiary of the Company, entered into a settlement agreement with Carolina Financial Securities, LLC (“CFS”). Under the settlement agreement the parties agreed to resolve all issues and claims related to the lawsuit. Pursuant to the settlement agreement, T3 agreed to pay CFS a total of \$300,000, payable as follows: \$100,000 by October 15, 2021, and \$200,000 payable in 15 monthly installments of \$13,333.33 beginning November 15, 2021. As of April 30, 2023 and July 31, 2022, the outstanding balances were \$0 and \$80,000, respectively.

### Item 1A. Risk Factors.

Not Applicable

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

There were no unregistered sales of the Company’s equity securities during the quarter ended April 30, 2023 that were not previously reported in a Current Report on Form 8-K except as follows. The sales and issuances of the securities described below were made pursuant to the exemptions from registration contained into Section 4(a)(2) of the Securities Act and Regulation D under the Securities Act. Each purchaser represented that such purchaser’s intention to acquire the shares for investment only and not with a view toward distribution. We requested our stock transfer agent to affix appropriate legends to the stock certificate issued to each purchaser and the transfer agent affixed the appropriate legends. Each purchaser was given adequate access to sufficient information about us to make an informed investment decision. Except as described in this prospectus, none of the securities were sold through an underwriter and accordingly, there were no underwriting discounts or commissions involved.

During the three months ended April 30, 2023, the Company issued 899,500 shares of common stock in connection with new convertible promissory notes. At the time of issuance, the Company recognized the relative fair market value of the common shares of approximately \$75,000 as debt discount, and it will be amortized to interest expense during the term of the promissory notes.

During the three months ended April 30, 2023, the Company issued 2,180,000 shares of common stock as consideration for the extension of maturity dates for the convertible promissory notes. The Company recognized the fair market value of the common shares of approximately \$165,000 which was recognized as interest at the time of each extension.

During the three months ended April 30, 2023, the Company issued 1,500,000 shares of common stock in connection with the conversion of \$75,000 of convertible promissory notes.

During the three months ended April 30, 2023, the Company issued 1,370,551 shares of common stock in conjunction with incentive plan accomplishments.

### Item 3. Defaults Upon Senior Securities.

None

### Item 4. Mine Safety Disclosures.

Not Applicable

### Item 5. Other Information.

None

**Item 6. Exhibits**

<b>Number</b>	<b>Description</b>
2.1	<a href="#"><u>Amendment No. 1 to Business Combination Agreement, dated as of February 14, 2023 (filed as Exhibit 2.1 to the Current Report on Form 8-K filed on February 17, 2023).</u></a>
2.2	<a href="#"><u>Amendment No. 2 to Business Combination Agreement, dated as of February 24, 2023 (filed as Exhibit 2.1 to the Current Report on Form 8-K filed on March 1, 2023).</u></a>
4.1	<a href="#"><u>Convertible Promissory Note for \$110,000 with LGH Investments, LLC dated March 7, 2023 (filed as Exhibit 4.1 to the Current Report on Form 8-K filed on April 6, 2023).</u></a>
4.2*	<a href="#"><u>Convertible Promissory Note for \$192,000 with Mast Hill Fund, L.P. dated March 17, 2023.</u></a>
4.3	<a href="#"><u>Convertible Promissory Note for \$275,000 with MGR Limited Partnership dated April 14, 2023 (filed as Exhibit 4.1 to the Current Report on Form 8-K filed on May 15, 2023).</u></a>
4.4*	<a href="#"><u>Amendment 3 to Convertible Promissory Note for \$50,000 with Tysadco Partners, LLC, dated February 1, 2023 (extension of maturity date).</u></a>
4.5*	<a href="#"><u>Amendment 3 to Convertible Promissory Note for \$50,000 with Tysadco Partners, LLC, dated April 14, 2023 (extension of maturity date).</u></a>
4.6*	<a href="#"><u>Amendment 5 to Convertible Promissory Note for \$25,000 with Lucas Ventures, LLC dated March 30, 2023 (extension of maturity date).</u></a>
4.7*	<a href="#"><u>Amendment 2 to Convertible Promissory Note for \$18,000 with Tysadco Partners, LLC dated February 28, 2023 (extension of maturity date).</u></a>
4.8*	<a href="#"><u>Amendment 2 to Convertible Promissory Note for \$18,000 with Tysadco Partners, LLC dated March 29, 2023 (extension of maturity date).</u></a>
4.9*	<a href="#"><u>Amendment 2 to Convertible Promissory Note for \$30,000 with Tysadco Partners, LLC dated April 29, 2023 (extension of maturity date).</u></a>
4.10*	<a href="#"><u>Amendment 2 to Convertible Promissory Note for \$30,000 with Lucas Ventures, LLC dated April 25, 2023 (extension of maturity date).</u></a>
4.11	<a href="#"><u>Form of Promissory Note issued by Digerati Technologies, Inc. to the Three December Investors, dated December 12th, 20th, and 22nd, 2022 (filed as Exhibit 4.2 to the Current Report on Form 8-K filed on February 7, 2023).</u></a>
4.12*	<a href="#"><u>Form of Warrant Agreement with Mast Hill Fund, L.P. dated March 17, 2023.</u></a>
4.13*	<a href="#"><u>Form of Warrant Agreement with 3BRT Investments, LP dated March 30, 2023.</u></a>
4.14*	<a href="#"><u>Amendment 3 to Convertible Promissory Note for \$117,467 with ClearThink Capital Partners, LLC dated May 24, 2023 (extension of first principal payment).</u></a>
4.15*	<a href="#"><u>Amendment 1 to Convertible Promissory Note for \$660,000 with Graham A. Gardner dated June 1, 2023 (extension of maturity date).</u></a>
4.16*	<a href="#"><u>Amendment 1 to Convertible Promissory Note for \$660,000 with Blue Ocean Investments, LLC dated June 1, 2023 (extension of maturity date).</u></a>
4.17	<a href="#"><u>Convertible Promissory Note for \$55,000 with Lucas Ventures, LLC dated May 9, 2023 (filed as Exhibit 4.2 to the Current Report on Form 8-K filed on May 15, 2023).</u></a>

10.1	<a href="#"><u>Securities Purchase Agreement for \$110,000 LGH Investments dated March 7, 2023 (filed as Exhibit 10.1 to the Current Report on Form 8-K filed on April 6, 2023).</u></a>
10.2*	<a href="#"><u>Securities Purchase Agreement for \$192,000 Mast Hill dated March 17, 2023.</u></a>
10.3*	<a href="#"><u>Amendment 4 to the Securities Purchase Agreement by Skynet Telecom, LLC dated May 10, 2023.</u></a>
10.4*	<a href="#"><u>Amendment to the Company's 2015 Equity Compensation Plan dated May 25, 2023 (increases the number of Common Shares available for Stock Option grants).</u></a>
10.5*	<a href="#"><u>Forbearance Agreement to Equity Purchase Agreement by T3 Communications, Inc. and The Jerry and Lisa Morris Revocable Trust dated May 1, 2023.</u></a>
10.6*	<a href="#"><u>Forbearance Agreement to Equity Purchase Agreement by T3 Communications, Inc. and Jeffery Posner dated May 1, 2023.</u></a>
10.7	<a href="#"><u>Consent, Limited Waiver and Fourth Amendment to Credit Agreement and Amendment to Notes by and among T3 Communications, Inc., the Subsidiaries of T3 Communications (including Next Level Internet, Inc.), Post Road Special Opportunity Fund II LP, and Post Road Administrative LLC, dated as of February 3, 2023 (filed as Exhibit 10.1 to the Current Report on Form 8-K filed on February 9, 2023).</u></a>
10.8	<a href="#"><u>Fifth Amendment to Credit Agreement by and among T3 Communications, Inc., the Subsidiaries of T3 Communications (including Next Level Internet, Inc.), Post Road Special Opportunity Fund II LP, and Post Road Administrative LLC, dated as of March 13, 2023 (filed as Exhibit 10.11 to the Quarterly Report on Form 10-Q filed on March 17, 2023).</u></a>
10.9	<a href="#"><u>Sixth Amendment to Credit Agreement and Amendment to Notes by and among T3 Communications, Inc., the Subsidiaries of T3 Communications (including Next Level Internet, Inc.), Post Road Special Opportunity Fund II LP and Post Road Administrative LLC, dated as of April 3, 2023 (filed as Exhibit 10.2 to the Current Report on Form 8-K filed on April 6, 2023).</u></a>
10.10	<a href="#"><u>Securities Purchase Agreement for \$55,000 with Lucas Ventures, LLC dated May 9, 2023 (filed as Exhibit 10.1 to the Current Report on Form 8-K filed on May 15, 2023).</u></a>
31.1*	<a href="#"><u>Certification of our President and Chief Executive Officer, under Section 302 of the Sarbanes-Oxley Act of 2002.</u></a>
31.2*	<a href="#"><u>Certification of our Chief Financial Officer, under Section 302 of the Sarbanes-Oxley Act of 2002.</u></a>
32.1**	<a href="#"><u>Certification of our President and Chief Executive Officer, under Section 906 of the Sarbanes-Oxley Act of 2002.</u></a>
32.2**	<a href="#"><u>Certification of our Chief Financial Officer, under Section 906 of the Sarbanes-Oxley Act of 2002.</u></a>
101.INS*	Inline XBRL Instance Document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

\* Filed herewith

\*\* Furnished herewith

**SIGNATURES**

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

**DIGERATI TECHNOLOGIES, INC.**

Date: June 15, 2023

By: /s/ Arthur L. Smith  
Name: Arthur L. Smith  
Title: President and  
Chief Executive Officer  
(Duly Authorized Officer and  
Principal Executive Officer)

Date: June 15, 2023

By: /s/ Antonio Estrada Jr.  
Name: Antonio Estrada Jr.  
Title: Chief Financial Officer  
(Duly Authorized Officer and  
Principal Financial Officer)

NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE CONVERTIBLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH MAY BE THE LEGAL COUNSEL OPINION (AS DEFINED IN THE PURCHASE AGREEMENT)), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144, RULE 144A OR REGULATION S UNDER SAID ACT OR OTHER APPLICABLE EXEMPTION. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

Principal Amount: \$192,000.00

Issue Date: March 17, 2023

Actual Amount of Purchase Price: \$163,200.00

#### PROMISSORY NOTE

FOR VALUE RECEIVED, DIGERATI TECHNOLOGIES, INC., a Nevada corporation (hereinafter called the “Borrower” or the “Company”) (Trading Symbol: DTGI), hereby promises to pay to the order of **MAST HILL FUND, L.P.**, a Delaware limited partnership, or registered assigns (the “Holder”), in the form of lawful money of the United States of America, the principal sum of \$192,000.00, which amount is the \$163,200.00 actual amount of the purchase price (the “Consideration”) hereof plus an original issue discount in the amount of \$28,800.00 (the “OID”) (subject to adjustment herein) (the “Principal Amount”) and to pay interest on the unpaid Principal Amount hereof at the rate of ten percent (10%) (the “Interest Rate”) per annum from the date hereof (the “Issue Date”) until the same becomes due and payable, whether at maturity or upon acceleration or by prepayment or otherwise, as further provided herein. The maturity date shall be twelve (12) months from the Issue Date (the “Maturity Date”), and is the date upon which the Principal Amount (which includes the OID) and any accrued and unpaid interest and other fees, shall be due and payable.

This Note may not be prepaid or repaid in whole or in part except as otherwise explicitly set forth herein.

Any Principal Amount or interest on this Note which is not paid when due shall bear interest at the rate of the lesser of (i) sixteen percent (16%) per annum and (ii) the maximum amount permitted by law from the due date thereof until the same is paid (“Default Interest”). Interest and Default Interest shall be computed on the basis of a 365-day year and the actual number of days elapsed.

All payments due hereunder (to the extent not converted into shares of common stock, \$0.001 par value per share, of the Borrower (the “Common Stock”) in accordance with the terms hereof) shall be made in lawful money of the United States of America. All payments shall be made at such address as the Holder shall hereafter give to the Borrower by written notice made in accordance with the provisions of this Note. Whenever any amount expressed to be due by the terms of this Note is due on any day which is not a business day, the same shall instead be due on the next succeeding day which is a business day.

Each capitalized term used herein, and not otherwise defined, shall have the meaning ascribed thereto in that certain Securities Purchase Agreement, dated as of the Issue Date, pursuant to which this Note was originally issued (the “Purchase Agreement”). As used in this Note, the term “business day” shall mean any day other than a Saturday, Sunday or a day on which commercial banks in the city of New York, New York are authorized or required by law or executive order to remain closed. As used herein, the term “Trading Day” means any day that shares of Common Stock are listed for trading or quotation on the Principal Market (as defined in the Purchase Agreement), provided, however, that if the Common Stock is not then listed or quoted on any Principal Market, then any calendar day.

This Note is free from all taxes, liens, claims and encumbrances with respect to the issue thereof and shall not be subject to preemptive rights or other similar rights of shareholders of the Borrower and will not impose personal liability upon the holder thereof.

The following terms shall also apply to this Note:

## ARTICLE I. CONVERSION RIGHTS

1.1 Conversion Right. The Holder shall have the right, on any calendar day, at any time on or following the earlier of (i) July 17, 2023 or (ii) sixty (60) calendar days after the Closing Date (as defined in that certain business combination agreement between the Company, Minority Equality Opportunities Acquisition Inc., and MEOA Merger Sub, Inc. dated on or around August 30, 2022 (the “SPAC Agreement”, and the transaction contemplated under the SPAC Agreement, the “SPAC Transaction”), to convert all or any portion of the then outstanding and unpaid Principal Amount and interest (including any Default Interest) into fully paid and non-assessable shares of Common Stock, as such Common Stock exists on the Issue Date, or any shares of capital stock or other securities of the Borrower into which such Common Stock shall hereafter be changed or reclassified, at the Conversion Price (as defined below) determined as provided herein (a “Conversion”), by submitting to the Borrower or Borrower’s transfer agent a Notice of Conversion (as defined in this Note) by facsimile, e-mail or other reasonable means of communication dispatched on the Conversion Date prior to 11:59 p.m., New York, New York time; *provided, however*, that notwithstanding anything to the contrary contained herein, the Holder shall not have the right to convert any portion of this Note, pursuant to Section 1 or otherwise, to the extent that after giving effect to such issuance after conversion as set forth on the applicable Notice of Conversion, the Holder (together with the Holder’s affiliates (the “Affiliates”), and any other Persons (as defined below) acting as a group together with the Holder or any of the Holder’s Affiliates (such Persons, “Attribution Parties”), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and Attribution Parties shall include the number of shares of Common Stock issuable upon conversion of this Note with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (i) conversion of the remaining, nonconverted portion of this Note beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 1.1, beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Holder is solely responsible for any schedules required to be filed in accordance therewith. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 1.1, in determining the number of outstanding shares of Common Stock, the Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company’s most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of the Holder, the Company shall within two Trading Days confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Note, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding shares of Common Stock was reported. The “Beneficial Ownership Limitation” shall be 4.99% of the number of shares of the Common Stock outstanding at the time of the respective calculation hereunder. “Person” and “Persons” means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and any governmental entity or any department or agency thereof. The limitations contained in this paragraph shall apply to a successor holder of this Note. The number of Conversion Shares to be issued upon each conversion of this Note shall be determined by dividing the Conversion Amount (as defined below) by the applicable Conversion Price then in effect on the date specified in the notice of conversion, in the form attached hereto as Exhibit A (the “Notice of Conversion”), delivered to the Borrower or Borrower’s transfer agent by the Holder in accordance with the terms of this Note; provided that the Notice of Conversion is submitted by facsimile or e-mail (or by other means resulting in, or reasonably expected to result in, notice) to the Borrower or Borrower’s transfer agent before 11:59 p.m., New York, New York time on such conversion date (the “Conversion Date”). The term “Conversion Amount” means, with respect to any conversion of this Note, the sum of (1) the Principal Amount of this Note to be converted in such conversion plus (2) at the Holder’s option, accrued and unpaid interest, if any, on such Principal Amount at the Interest Rate to the Conversion Date, plus (3) at the Holder’s option, Default Interest, if any, on the amounts referred to in the immediately preceding clauses (1) and/or (2).



## 1.2 Conversion Price.

(a) Calculation of Conversion Price. The per share conversion price into which Principal Amount and interest (including any Default Interest) under this Note shall be convertible into shares of Common Stock hereunder as further described in this Note (the "Conversion Price") shall equal \$0.0956, subject to adjustment as provided in this Note. If at any time the Conversion Price as determined hereunder for any conversion would be less than the par value of the Common Stock, then at the sole discretion of the Holder, the Conversion Price hereunder may equal such par value for such conversion and the Conversion Amount for such conversion may be increased to include Additional Principal, where "Additional Principal" means such additional amount to be added to the Conversion Amount to the extent necessary to cause the number of conversion shares issuable upon such conversion to equal the same number of conversion shares as would have been issued had the Conversion Price not been adjusted by the Holder to the par value price. Holder shall be entitled to deduct \$1,750.00 from the conversion amount in each Notice of Conversion to cover Holder's fees associated with each Notice of Conversion. All such Conversion Price determinations are to be appropriately adjusted for any stock dividend, stock split, stock combination, rights offerings, reclassification or similar transaction that proportionately decreases or increases the Common Stock. If the Company, at any time while this Note is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions payable in shares of Common Stock on shares of Common Stock or any Common Stock Equivalents, (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of a reverse stock split) outstanding shares of Common Stock into a smaller number of shares or (iv) issues, in the event of a reclassification of shares of the Common Stock, any shares of capital stock of the Company, then the Conversion Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding any treasury shares of the Company) outstanding immediately before such event, and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event. Any adjustment made pursuant to the immediately preceding sentence shall become effective immediately after the record date for the determination of shareholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification. "Common Stock Equivalents" means any securities of the Company or the Company's subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

1.3 Authorized and Reserved Shares. The Borrower covenants that at all times until the Note is satisfied in full, the Borrower will reserve from its authorized and unissued Common Stock a sufficient number of shares, free from preemptive rights, to provide for the issuance of a number of Conversion Shares equal to the greater of: (a) 6,025,105 shares of Common Stock or (b) the sum of (i) the number of Conversion Shares issuable upon the full conversion of this Note (assuming no payment of Principal Amount or interest) at the time of such calculation (taking into consideration any adjustments to the Conversion Price as provided in this Note) multiplied by (ii) three (3) (the "Reserved Amount"). The Borrower represents that upon issuance, the Conversion Shares will be duly and validly issued, fully paid and non-assessable. The Borrower (i) acknowledges that it has irrevocably instructed its transfer agent to issue certificates for the Conversion Shares or instructions to have the Conversion Shares issued as contemplated by Section 1.4(f) hereof, and (ii) agrees that its issuance of this Note shall constitute full authority to its officers and agents who are charged with the duty of executing stock certificates or cause the Company to electronically issue shares of Common Stock to execute and issue the necessary certificates for the Conversion Shares or cause the Conversion Shares to be issued as contemplated by Section 1.4(f) hereof in accordance with the terms and conditions of this Note. Notwithstanding the foregoing, the Holder shall instruct the Company's transfer agent to release the Reserved Amount, if requested by the Company in connection with the closing of the SPAC Transaction; provided that this Note shall be repaid in the entirety within three (3) calendar days of the Closing Date (as defined in the SPAC Agreement) of the SPAC Transaction if such request is made. If the Company fails to repay this Note in the entirety within three (3) calendar days of the Closing Date (as defined in the SPAC Agreement) of the SPAC Transaction as provided in the immediately preceding sentence, then it shall be an Event of Default under Section 3.1 of the Note and the Reserved Amount shall be returned to the Holder's share reserve within one (1) calendar day of Holder's request.

If, at any time, the Borrower does not maintain the Reserved Amount, it will be considered an Event of Default (as defined in this Note) under this Note.

#### 1.4 Method of Conversion.

(a) [Intentionally Omitted].

(b) Surrender of Note Upon Conversion. Notwithstanding anything to the contrary set forth herein, upon conversion of this Note in accordance with the terms hereof, the Holder shall not be required to physically surrender this Note to the Borrower unless the entire unpaid Principal Amount is so converted. The Holder and the Borrower shall maintain records showing the Principal Amount so converted and the dates of such conversions or shall use such other method, reasonably satisfactory to the Holder and the Borrower, so as not to require physical surrender of this Note upon each such conversion. In the event of any dispute or discrepancy, such records of the Holder shall, *prima facie*, be controlling and determinative in the absence of manifest error. Notwithstanding the foregoing, if any portion of this Note is converted as aforesaid, the Holder may not transfer this Note unless the Holder first physically surrenders this Note to the Borrower, whereupon the Borrower will forthwith issue and deliver upon the order of the Holder a new Note of like tenor, registered as the Holder (upon payment by the Holder of any applicable transfer taxes) may request, representing in the aggregate the remaining unpaid Principal Amount of this Note. The Holder and any assignee, by acceptance of this Note, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of a portion of this Note, the unpaid and unconverted Principal Amount of this Note represented by this Note may be less than the amount stated on the face hereof.

(c) Payment of Taxes. The Borrower shall not be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of shares of Common Stock or other securities or property on conversion of this Note in a name other than that of the Holder (or in street name), and the Borrower shall not be required to issue or deliver any such shares or other securities or property unless and until the person or persons (other than the Holder or the custodian in whose street name such shares are to be held for the Holder's account) requesting the issuance thereof shall have paid to the Borrower the amount of any such tax or shall have established to the satisfaction of the Borrower that such tax has been paid.

(d) Delivery of Common Stock Upon Conversion. Upon receipt by the Borrower or Borrower's transfer agent from the Holder of a facsimile transmission or e-mail (or other reasonable means of communication) of a Notice of Conversion meeting the requirements for conversion as provided in this Section 1.4, the Borrower shall issue and deliver or cause to be issued and delivered to or upon the order of the Holder certificates for the Conversion Shares (or cause the electronic delivery of the Conversion Shares as contemplated by Section 1.4(f) hereof) within one (1) Trading Day after such receipt (the "Deadline") (and, solely in the case of conversion of the entire unpaid Principal Amount and interest (including any Default Interest) under this Note, surrender of this Note). If the Company shall fail for any reason or for no reason to issue to the Holder on or prior to the Deadline a certificate for the number of Conversion Shares or to which the Holder is entitled hereunder and register such Conversion Shares on the Company's share register or to credit the Holder's balance account with DTC (as defined below) for such number of Conversion Shares to which the Holder is entitled upon the Holder's conversion of this Note (a "Conversion Failure"), then, in addition to all other remedies available to the Holder, (i) the Company shall pay in cash to the Holder on each day after the Deadline and during such Conversion Failure an amount equal to 2.0% of the product of (A) the sum of the number of Conversion Shares not issued to the Holder on or prior to the Deadline and to which the Holder is entitled and (B) the closing sale price of the Common Stock on the Trading Day immediately preceding the last possible date which the Company could have issued such Conversion Shares to the Holder without violating this Section 1.4(d); and (ii) the Holder, upon written notice to the Company, may void all or any portion of such Notice of Conversion; provided that the voiding of all or any portion of a Notice of Conversion shall not affect the Company's obligations to make any payments which have accrued prior to the date of such notice. In addition to the foregoing, if on or prior to the Deadline the Company shall fail to issue and deliver a certificate to the Holder and register such Conversion Shares on the Company's share register or credit the Holder's balance account with DTC for the number of Conversion Shares to which the Holder is entitled upon the Holder's exercise hereunder or pursuant to the Company's obligation pursuant to clause (ii) below, and if on or after such Trading Day the Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Holder of shares of Common Stock issuable upon such exercise that the Holder anticipated receiving from the Company, then the Company shall, within two (2) Trading Days after the Holder's request and in the Holder's discretion, either (i) pay cash to the Holder in an amount equal to the Holder's total purchase price (including brokerage commissions and other reasonable and customary out-of-pocket expenses, if any) for the shares of Common Stock so purchased (the "Buy-In Price"), at which point the Company's obligation to deliver such certificate (and to issue such Conversion Shares) or credit such Holder's balance account with DTC for such Conversion Shares shall terminate, or (ii) promptly honor its obligation to deliver to the Holder a certificate or certificates representing such Conversion Shares or credit such Holder's balance account with DTC and pay cash to the Holder in an amount equal to the excess (if any) of the Buy-In Price over the product of (A) such number of shares of Common Stock, times (B) the closing sales price of the Common Stock on the date of exercise. Nothing shall limit the Holder's right to pursue any other remedies available to it hereunder, at law or in equity, including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver certificates representing the Conversion Shares (or to electronically deliver such Conversion Shares) upon the conversion of this Note as required pursuant to the terms hereof.

(e) Obligation of Borrower to Deliver Common Stock. At the time that the Holder submits the Notice of Conversion to the Borrower or Borrower's transfer agent, the Holder shall be deemed to be the holder of record of the Conversion Shares issuable upon such conversion, the outstanding Principal Amount and the amount of accrued and unpaid interest (including any Default Interest) under this Note shall be reduced to reflect such conversion, and, unless the Borrower defaults on its obligations under this Article I, all rights with respect to the portion of this Note being so converted shall forthwith terminate except the right to receive the Common Stock or other securities, cash or other assets, as herein provided, on such conversion. If the Holder shall have given a Notice of Conversion as provided herein, the Borrower's obligation to issue and deliver the certificates for the Conversion Shares (or cause the electronic delivery of the Conversion Shares as contemplated by Section 1.4(f) hereof) shall be absolute and unconditional, irrespective of the absence of any action by the Holder to enforce the same, any waiver or consent with respect to any provision thereof, the recovery of any judgment against any person or any action to enforce the same, any failure or delay in the enforcement of any other obligation of the Borrower to the holder of record, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder of any obligation to the Borrower, and irrespective of any other circumstance which might otherwise limit such obligation of the Borrower to the Holder in connection with such conversion. The Conversion Date specified in the Notice of Conversion shall be the Conversion Date so long as the Notice of Conversion is sent to the Borrower or Borrower's transfer agent before 11:59 p.m., New York, New York time, on such date.

(f) Delivery of Conversion Shares by Electronic Transfer. In lieu of delivering physical certificates representing the Conversion Shares issuable upon conversion hereof, provided the Borrower is participating in the Depository Trust Company ("DTC") Fast Automated Securities Transfer or Deposit/Withdrawal at Custodian programs, upon request of the Holder and its compliance with the provisions contained in Section 1.1 and in this Section 1.4, the Borrower shall use its best efforts to cause its transfer agent to electronically transmit the Conversion Shares issuable upon conversion hereof to the Holder by crediting the account of Holder's Prime Broker with DTC through its Deposit Withdrawal Agent Commission system.

1.5 Concerning the Shares. The Conversion Shares issuable upon conversion of this Note may not be sold or transferred unless (i) such shares are sold pursuant to an effective registration statement under the 1933 Act or (ii) the Borrower or its transfer agent shall have been furnished with an opinion of counsel (which opinion shall be the Legal Counsel Opinion (as defined in the Purchase Agreement)) to the effect that the shares to be sold or transferred may be sold or transferred pursuant to an exemption from such registration or (iii) such shares are sold or transferred pursuant to Rule 144, Rule 144A, Regulation S, or other applicable exemption, or (iv) such shares are transferred to an "affiliate" (as defined in Rule 144) of the Borrower who agrees to sell or otherwise transfer the shares only in accordance with this Section 1.5 and who is an Accredited Investor (as defined in the Purchase Agreement). Except as otherwise provided in the Purchase Agreement (and subject to the removal provisions set forth below), until such time as the Conversion Shares have been registered under the 1933 Act or otherwise may be sold pursuant to Rule 144, Rule 144A, Regulation S, or other applicable exemption without any restriction as to the number of securities as of a particular date that can then be immediately sold, each certificate for the Conversion Shares that has not been so included in an effective registration statement or that has not been sold pursuant to an effective registration statement or an exemption that permits removal of the legend, shall bear a legend substantially in the following form, as appropriate:

**"NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH MAY BE THE LEGAL COUNSEL OPINION (AS DEFINED IN THE PURCHASE AGREEMENT)), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144, RULE 144A, REGULATION S UNDER SAID ACT, OR OTHER APPLICABLE EXEMPTION. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES."**

The legend set forth above shall be removed and the Company shall issue to the Holder a certificate for the applicable Conversion Shares without such legend upon which it is stamped or (as requested by the Holder) issue the applicable Conversion Shares by electronic delivery by crediting the account of such holder's broker with DTC, if, unless otherwise required by applicable state securities laws: (a) such Conversion Shares are registered for sale under an effective registration statement filed under the 1933 Act or otherwise may be sold pursuant to Rule 144, Rule 144A, Regulation S, or other applicable exemption without any restriction as to the number of securities as of a particular date that can then be immediately sold, or (b) the Company or the Holder provides the Legal Counsel Opinion (as contemplated by and in accordance with Section 4(m) of the Purchase Agreement) to the effect that a public sale or transfer of such Conversion Shares may be made without registration under the 1933 Act, which opinion shall be accepted by the Company so that the sale or transfer is effected. The Company shall be responsible for the fees of its transfer agent and all DTC fees associated with any such issuance. The Holder agrees to sell all Conversion Shares, including those represented by a certificate(s) from which the legend has been removed, in compliance with applicable prospectus delivery requirements, if any. In the event that the Company does not accept the opinion of counsel provided by the Holder with respect to the transfer of Conversion Shares pursuant to an exemption from registration, such as Rule 144, Rule 144A, Regulation S, or other applicable exemption, at the Deadline, notwithstanding that the conditions of Rule 144, Rule 144A, Regulation S, or other applicable exemption, as applicable, have been met, it will be considered an Event of Default under this Note.

#### 1.6 Effect of Certain Events.

(a) Effect of Merger, Consolidation, Etc. At the option of the Holder, the sale, conveyance or disposition of all or substantially all of the assets of the Borrower, or the consolidation, merger or other business combination of the Borrower with or into any other Person (as defined below) or Persons when the Borrower is not the survivor shall either: (i) be deemed to be an Event of Default pursuant to which the Borrower shall be required to pay to the Holder upon the consummation of and as a condition to such transaction an amount equal to the Default Amount (as defined in this Note) or (ii) be treated pursuant to Section 1.6(b) hereof. "Person" shall mean any individual, corporation, limited liability company, partnership, association, trust or other entity or organization. For the avoidance of doubt, this Section 1.6(a) shall not apply to the SPAC transaction so long as the Borrower is the survivor entity and the Common Stock is not exchanged into shares of another class or classes of stock or securities of the Borrower or another entity.

(b) Adjustment Due to Merger, Consolidation, Etc. If, at any time when this Note is issued and outstanding and prior to conversion of all of this Note, there shall be any merger, consolidation, exchange of shares, recapitalization, reorganization, or other similar event, as a result of which shares of Common Stock of the Borrower shall be changed into the same or a different number of shares of another class or classes of stock or securities of the Borrower or another entity, or in case of any sale or conveyance of all or substantially all of the assets of the Borrower other than in connection with a plan of complete liquidation of the Borrower, then the Holder of this Note shall thereafter have the right to receive upon conversion of this Note, upon the basis and upon the terms and conditions specified herein and in lieu of the shares of Common Stock immediately theretofore issuable upon conversion, such stock, securities or assets which the Holder would have been entitled to receive in such transaction had this Note been converted in full immediately prior to such transaction (without regard to any limitations on conversion set forth herein), and in any such case appropriate provisions shall be made with respect to the rights and interests of the Holder of this Note to the end that the provisions hereof (including, without limitation, provisions for adjustment of the Conversion Price and of the number of shares issuable upon conversion of the Note) shall thereafter be applicable, as nearly as may be practicable in relation to any securities or assets thereafter deliverable upon the conversion hereof. The Borrower shall not effectuate any transaction described in this Section 1.6(b) unless (a) it first gives, to the extent practicable, at least thirty (30) days prior written notice (but in any event at least fifteen (15) days prior written notice) of the record date of the special meeting of shareholders to approve, or if there is no such record date, the consummation of, such merger, consolidation, exchange of shares, recapitalization, reorganization or other similar event or sale of assets (during which time the Holder shall be entitled to convert this Note) and (b) the resulting successor or acquiring entity (if not the Borrower) assumes by written instrument the obligations of this Section 1.6(b). The above provisions shall similarly apply to successive consolidations, mergers, sales, transfers or share exchanges. For the avoidance of doubt, this Section 1.6(b) shall not apply to the SPAC transaction so long as the Borrower is the survivor entity and the Common Stock is not exchanged into shares of another class or classes of stock or securities of the Borrower or another entity.

(c) Adjustment Due to Distribution. If the Borrower shall declare or make any distribution of its assets (or rights to acquire its assets) to holders of Common Stock as a dividend, stock repurchase, by way of return of capital or otherwise (including any dividend or distribution to the Borrower's shareholders in cash or shares (or rights to acquire shares) of capital stock of a subsidiary (i.e., a spin-off)) (a "Distribution"), then the Holder of this Note shall be entitled, upon any conversion of this Note after the date of record for determining shareholders entitled to such Distribution, to receive the amount of such assets which would have been payable to the Holder with respect to the shares of Common Stock issuable upon such conversion had such Holder been the holder of such shares of Common Stock on the record date for the determination of shareholders entitled to such Distribution.

(d) Purchase Rights. If, at any time when all or any portion of this Note is issued and outstanding, the Borrower issues any convertible securities or rights to purchase stock, warrants, securities or other property (the "Purchase Rights") pro rata to the record holders of any class of Common Stock, then the Holder of this Note will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which such Holder could have acquired if such Holder had held the number of shares of Common Stock acquirable upon complete conversion of this Note (without regard to any limitations on conversion contained herein) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights.

(e) Dilutive Issuance. If the Borrower, at any time while this Note or any amounts due hereunder are outstanding, issues, sells or grants (or has issued, sold or granted as of the Issue Date, as the case may be) any option to purchase, or sells or grants any right to reprice, or otherwise disposes of, or issues (or has sold or issued, as the case may be, or announces any sale, grant or any option to purchase or other disposition), any Common Stock or other securities convertible into, exercisable for, or otherwise entitle any person or entity the right to acquire, shares of Common Stock (including, without limitation, upon conversion of this Note, and any convertible notes or warrants outstanding as of or following the Issue Date), in each or any case at an effective price per share that is lower than the then Conversion Price (such lower price, the "Base Conversion Price" and such issuances, collectively, a "Dilutive Issuance") (it being agreed that if the holder of the Common Stock or other securities so issued shall at any time, whether by operation of purchase price adjustments, reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which are issued in connection with such issuance, be entitled to receive shares of Common Stock at an effective price per share that is lower than the Conversion Price, such issuance shall be deemed to have occurred for less than the Conversion Price on such date of the Dilutive Issuance), then the Conversion Price shall be reduced, at the option of the Holder, to a price equal to the Base Conversion Price. Such adjustment shall be made whenever such Common Stock or other securities are issued. By way of example, and for the avoidance of doubt, if the Company issues a convertible promissory note (including but not limited to a Variable Rate Transaction (as defined in the Purchase Agreement)), and the holder of such convertible promissory note has the right to convert it into Common Stock at an effective price per share that is lower than the then Conversion Price (including but not limited to a conversion price with a discount that varies with the trading prices of or quotations for the Common Stock), then the Holder has the right to reduce the Conversion Price to such Base Conversion Price (including but not limited to a conversion price with a discount that varies with the trading prices of or quotations for the Common Stock) in perpetuity regardless of whether the holder of such convertible promissory note ever effectuated a conversion at the Base Conversion Price. In the event of an issuance of securities involving multiple tranches or closings, any adjustment pursuant to this Section 1.6(e) shall be calculated as if all such securities were issued at the initial closing.

(f) Notice of Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Price as a result of the events described in Section 1.6 of this Note, the Borrower shall, at its expense and within one (1) calendar day after the occurrence of each respective adjustment or readjustment of the Conversion Price, compute such adjustment or readjustment and prepare and furnish to the Holder a certificate setting forth (i) the Conversion Price in effect at such time based upon the Dilutive Issuance, (ii) the number of shares of Common Stock and the amount, if any, of other securities or property which at the time would be received upon conversion of the Note, (iii) the detailed facts upon which such adjustment or readjustment is based, and (iv) copies of the documentation (including but not limited to relevant transaction documents) that evidences the adjustment or readjustment. In addition, the Borrower shall, within one (1) calendar day after each written request from the Holder, furnish to such Holder a like certificate setting forth (i) the Conversion Price in effect at such time based upon the Dilutive Issuance, (ii) the number of shares of Common Stock and the amount, if any, of other securities or property which at the time would be received upon conversion of the Note, (iii) the detailed facts upon which such adjustment or readjustment is based, and (iv) copies of the documentation (including but not limited to relevant transaction documents) that evidences the adjustment or readjustment. For the avoidance of doubt, each adjustment or readjustment of the Conversion Price as a result of the events described in Section 1.6 of this Note shall occur without any action by the Holder and regardless of whether the Borrower complied with the notification provisions in Section 1.6 of this Note.

1.7 [Intentionally Omitted].

1.8 Status as Shareholder. Upon submission of a Notice of Conversion by the Holder, (i) the Conversion Shares covered thereby (other than the Conversion Shares, if any, which cannot be issued because their issuance would exceed such Holder's allocated portion of the Reserved Amount or Maximum Share Amount) shall be deemed converted into shares of Common Stock and (ii) the Holder's rights as a Holder of such converted portion of this Note shall cease and terminate, excepting only the right to receive certificates for such shares of Common Stock and to any remedies provided herein or otherwise available at law or in equity to such Holder because of a failure by the Borrower to comply with the terms of this Note. Notwithstanding the foregoing, if the Holder has not received certificates for all shares of Common Stock prior to the tenth (10th) business day after the expiration of the Deadline with respect to a conversion of any portion of this Note for any reason, then (unless the Holder otherwise elects to retain its status as a holder of Common Stock by so notifying the Borrower) the Holder shall regain the rights of a Holder of this Note with respect to such unconverted portions of this Note and the Borrower shall, as soon as practicable, return such unconverted Note to the Holder or, if the Note has not been surrendered, adjust its records to reflect that such portion of this Note has not been converted. In all cases, the Holder shall retain all of its rights and remedies for the Borrower's failure to convert this Note.

1.9 Prepayment. At any time prior to the date that an Event of Default occurs under this Note, the Borrower shall have the right, exercisable on seven (7) Trading Days prior written notice to the Holder of the Note, to prepay the outstanding Principal Amount and interest then due under this Note in accordance with this Section 1.9. Any notice of prepayment hereunder (an "Optional Prepayment Notice") shall be delivered to the Holder of the Note at its registered addresses and shall state: (1) that the Borrower is exercising its right to prepay the Note, and (2) the date of prepayment which shall be seven (7) Trading Days from the date of the Optional Prepayment Notice (the "Optional Prepayment Date"). The Holder shall have the right, during the period beginning on the date of Holder's receipt of the Optional Prepayment Notice and until the Holder's actual receipt of the full prepayment amount on the Optional Prepayment Date, to instead convert all or any portion of the Note pursuant to the terms of this Note, including the amount of this Note to be prepaid by the Borrower in accordance with this Section 1.9. On the Optional Prepayment Date, the Borrower shall make payment of the amounts designated below to or upon the order of the Holder as specified by the Holder in writing to the Borrower. If the Borrower exercises its right to prepay the Note in accordance with this Section 1.9, the Borrower shall make payment to the Holder of an amount in cash equal to the sum of: (w) 100% multiplied by the Principal Amount then outstanding plus (x) accrued and unpaid interest on the Principal Amount to the Optional Prepayment Date plus (y) \$750.00 to reimburse Holder for administrative fees.

If the Borrower delivers an Optional Prepayment Notice and fails to pay the applicable prepayment amount due to the Holder of the Note as provided in this Section 1.9, then the Borrower shall forever forfeit its right to prepay any part of the Note pursuant to this Section 1.9.

1.10 Repayment from Proceeds. If, at any time prior to the full repayment or full conversion of all amounts owed under this Note, the Company receives cash proceeds from the issuance of equity or debt, the conversion of outstanding warrants of the Borrower, the issuance of securities pursuant to an Equity Line of Credit (as defined in this Note) of the Borrower or the sale of assets, the Borrower shall, within one (1) business day of Borrower's receipt of such proceeds, inform the Holder of or publicly disclose such receipt, following which the Holder shall have the right in its sole discretion to require the Borrower to immediately apply up to 50% of such proceeds (provided, however, that with respect to the proceeds received by the Borrower pursuant to the closing of the SPAC Transaction, the reference to "50%" shall be replaced with the greater of (i) \$1,000,000.00 or (ii) 20% of such proceeds) to repay all or any portion of the outstanding Principal Amount and interest (including any Default Interest) then due under this Note. Failure of the Borrower to comply with this provision shall constitute an Event of Default. "Equity Line of Credit" shall mean any transaction involving a written agreement between the Company and an investor or underwriter whereby the Company has the right to "put" its Common Stock to the investor or underwriter over an agreed period of time and at an agreed price or price formula (such Common Stock must be registered pursuant to a registration statement of the Company for the investor's or underwriter's resale).

## ARTICLE II. RANKING AND CERTAIN COVENANTS

2.1 Ranking and Security. This Note shall have priority over all unsecured indebtedness of the Borrower and shall be pari passu with (in priority of payment and performance) the Senior Unsecured Indebtedness (as defined in this Note). “Senior Unsecured Indebtedness” shall mean that certain promissory note issued by the Borrower to the Holder on November 22, 2022, in the principal amount of \$1,670,000.00, that certain promissory note issued by the Borrower to FirstFire Global Opportunities Fund, LLC on December 20, 2022, in the principal amount of \$176,470.59, and that certain promissory note issued by the Borrower to Jefferson Street Capital, LLC on December 22, 2022, in the principal amount of \$188,235.29.

2.2 Other Indebtedness. So long as the Borrower shall have any obligation under this Note, the Borrower shall not (directly or indirectly through any Subsidiary or affiliate) incur or suffer to exist or guarantee any unsecured indebtedness that is senior to or pari passu with (in priority of payment and performance) the Borrower’s obligations hereunder, except with respect to the Senior Unsecured Indebtedness (which shall be pari passu with the Borrower’s obligations hereunder).

2.3 Distributions on Capital Stock. So long as the Borrower shall have any obligation under this Note, the Borrower shall not without the Holder’s written consent (a) pay, declare or set apart for such payment, any dividend or other distribution (whether in cash, property or other securities) on shares of capital stock other than dividends on shares of Common Stock solely in the form of additional shares of Common Stock or (b) directly or indirectly or through any subsidiary make any other payment or distribution in respect of its capital stock except for distributions pursuant to any shareholders’ rights plan which is approved by a majority of the Borrower’s disinterested directors.

2.4 Restriction on Stock Repurchases and Debt Repayments. So long as the Borrower shall have any obligation under this Note, the Borrower shall not without the Holder’s written consent redeem, repurchase or otherwise acquire (whether for cash or in exchange for property or other securities or otherwise) in any one transaction or series of related transactions any shares of capital stock of the Borrower or any warrants, rights or options to purchase or acquire any such shares, or repay any pari passu or subordinated indebtedness of Borrower.

2.5 Sale of Assets. So long as the Borrower shall have any obligation under this Note, except for the SPAC Transaction, the Borrower shall not, without the Holder’s written consent, sell, lease or otherwise dispose of any significant portion of its assets outside the ordinary course of business. Any consent by the Holder to the disposition of any assets may be conditioned on a specified use of the proceeds of disposition.

2.6 Advances and Loans; Affiliate Transactions. So long as the Borrower shall have any obligation under this Note, the Borrower shall not, without the Holder’s written consent, lend money, give credit, make advances to or enter into any transaction with any person, firm, joint venture or corporation, including, without limitation, officers, directors, employees, subsidiaries and affiliates of the Borrower, except loans, credits or advances (a) in existence or committed on the Issue Date and which the Borrower has informed Holder in writing prior to the Issue Date, (b) in regard to transactions with unaffiliated third parties, made in the ordinary course of business or (c) in regard to transactions with unaffiliated third parties, not in excess of \$100,000. So long as the Borrower shall have any obligation under this Note, the Borrower shall not, without the Holder’s written consent, repay any affiliate (as defined in Rule 144) of the Borrower in connection with any indebtedness or accrued amounts owed to any such party.

2.7 Section 3(a)(9) or 3(a)(10) Transaction. So long as this Note is outstanding, the Borrower shall not enter into any transaction or arrangement structured in accordance with, based upon, or related or pursuant to, in whole or in part, either Section 3(a)(9) of the Securities Act (a “3(a)(9) Transaction”) or Section 3(a)(10) of the Securities Act (a “3(a)(10) Transaction”). In the event that the Borrower does enter into, or makes any issuance of Common Stock related to a 3(a)(9) Transaction or a 3(a)(10) Transaction while this note is outstanding, a liquidated damages charge of 25% of the outstanding principal balance of this Note, but not less than \$25,000, will be assessed and will become immediately due and payable to the Holder at its election in the form of a cash payment or added to the balance of this Note (under Holder’s and Borrower’s expectation that this amount will tack back to the Issue Date).

2.8 Preservation of Business and Existence, etc. So long as the Borrower shall have any obligation under this Note, except for the SPAC Transaction, the Borrower shall not, without the Holder's written consent, (a) change the nature of its business; (b) sell, divest, change the structure of any material assets other than in the ordinary course of business; (c) enter into a Variable Rate Transaction; or (d) enter into any merchant cash advance transactions. In addition, so long as the Borrower shall have any obligation under this Note, the Borrower shall maintain and preserve, and cause each of its Subsidiaries to maintain and preserve, its existence, rights and privileges, and become or remain, and cause each of its Subsidiaries (other than dormant Subsidiaries that have no or minimum assets) to become or remain, duly qualified and in good standing in each jurisdiction in which the character of the properties owned or leased by it or in which the transaction of its business makes such qualification necessary.

2.9 Noncircumvention. The Company hereby covenants and agrees that the Company will not, by amendment of its Certificate or Articles of Incorporation or Bylaws, or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Note, and will at all times in good faith carry out all the provisions of this Note and take all action as may be required to protect the rights of the Holder.

2.10 Lost, Stolen or Mutilated Note. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Note, and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary form and, in the case of mutilation, upon surrender and cancellation of this Note, the Company shall execute and deliver to the Holder a new Note.

### ARTICLE III. EVENTS OF DEFAULT

It shall be considered an event of default if any of the following events listed in this Article III (each, an "Event of Default") shall occur:

3.1 Failure to Pay Principal or Interest. The Borrower fails to pay the Principal Amount hereof or interest thereon when due on this Note, whether at maturity, upon acceleration or otherwise, or fails to fully comply with Section 1.10 of this Note.

3.2 Conversion and the Shares. The Borrower (i) fails to issue Conversion Shares to the Holder (or announces or threatens in writing that it will not honor its obligation to do so) upon exercise by the Holder of the conversion rights of the Holder in accordance with the terms of this Note, (ii) fails to transfer or cause its transfer agent to transfer (issue) (electronically or in certificated form) any certificate for the Conversion Shares issuable to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note, (iii) fails to reserve the Reserved Amount at all times, (iv) the Borrower directs its transfer agent not to transfer or delays, impairs, and/or hinders its transfer agent in transferring (or issuing) (electronically or in certificated form) any certificate for the Conversion Shares issuable to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note, or fails to remove (or directs its transfer agent not to remove or impairs, delays, and/or hinders its transfer agent from removing) any restrictive legend (or to withdraw any stop transfer instructions in respect thereof) on any certificate for any Conversion Shares issued to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note (or makes any written announcement, statement or threat that it does not intend to honor the obligations described in this paragraph) and any such failure shall continue uncured (or any written announcement, statement or threat not to honor its obligations shall not be rescinded in writing) for two (2) Trading Days after the Holder shall have delivered a Notice of Conversion, and/or (v) fails to remain current in its obligations to its transfer agent (including but not limited to payment obligations to its transfer agent). It shall be an Event of Default of this Note, if a conversion of this Note is delayed, hindered or frustrated due to a balance owed by the Borrower to its transfer agent. If at the option of the Holder, the Holder advances any funds to the Borrower's transfer agent in order to process a conversion, such advanced funds shall be added to the principal balance of the Note.

3.3 Breach of Agreements and Covenants. The Borrower breaches any covenant, agreement, or other term or condition contained in the Purchase Agreement, Registration Rights Agreement (as defined in the Purchase Agreement) (the "Registration Rights Agreement"), this Note, Irrevocable Transfer Agent Instructions, Warrant (as defined in the Purchase Agreement) (the "Warrant"), or in any agreement, statement or certificate given in writing pursuant hereto or in connection herewith or therewith and such breach is not cured within ten (10) days of receipt of notice thereof.



3.4 Breach of Representations and Warranties. Any representation or warranty of the Borrower made in the Purchase Agreement, Registration Rights Agreement, this Note, Irrevocable Transfer Agent Instructions, Warrant, or in any agreement, statement or certificate given in writing pursuant hereto or in connection herewith or therewith shall be false or misleading in any material respect when made and such breach is not cured within ten (10) days of receipt of notice thereof.

3.5 Receiver or Trustee. The Borrower or any subsidiary of the Borrower shall make an assignment for the benefit of creditors, or apply for or consent to the appointment of a receiver or trustee for it or for a substantial part of its property or business, or such a receiver or trustee shall otherwise be appointed.

3.6 Judgments. Any money judgment, writ or similar process shall be entered or filed against the Borrower or any subsidiary of the Borrower or any of its property or other assets for more than \$100,000, and shall remain unvacated, unbonded or unstayed for a period of thirty (30) days unless otherwise consented to by the Holder, which consent will not be unreasonably withheld.

3.7 Bankruptcy. Bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings, voluntary or involuntary, for relief under any bankruptcy law or any law for the relief of debtors shall be instituted by or against the Borrower or any subsidiary of the Borrower.

3.8 Failure to Comply with the 1934 Act. At any time after the Issue Date, the Borrower shall fail to comply with the reporting requirements of the 1934 Act and/or the Borrower shall cease to be subject to the reporting requirements of the 1934 Act.

3.9 Liquidation. Any dissolution, liquidation, or winding up of Borrower or any substantial portion of its business.

3.10 Cessation of Operations. Any cessation of operations by Borrower or Borrower admits it is otherwise generally unable to pay its debts as such debts become due, provided, however, that any disclosure of the Borrower's ability to continue as a "going concern" shall not be an admission that the Borrower cannot pay its debts as they become due.

3.11 Maintenance of Assets. The failure by Borrower to maintain any material intellectual property rights, personal, real property or other assets which are necessary to conduct its business (whether now or in the future).

3.12 Financial Statement Restatement. The restatement of any financial statements filed by the Borrower with the SEC for any date or period from two years prior to the Issue Date of this Note and until this Note is no longer outstanding.

3.13 Replacement of Transfer Agent. In the event that the Borrower proposes to replace its transfer agent, the Borrower fails to provide, prior to the effective date of such replacement, a fully executed Irrevocable Transfer Agent Instructions in a form as initially delivered pursuant to the Purchase Agreement (including but not limited to the provision to irrevocably reserve shares of Common Stock in the Reserved Amount) signed by the successor transfer agent to Borrower and the Borrower.

3.14 Cross-Default. The declaration of an event of default by any lender or other extender of credit to the Company under any notes, loans, agreements or other instruments of the Company evidencing any indebtedness of the Company (including those filed as exhibits to or described in the Company's filings with the SEC), after the passage of all applicable notice and cure or grace periods.

3.15 Variable Rate Transactions. The Borrower consummates a Variable Rate Transaction at any time on or after the Issue Date.

3.16 Inside Information. Any attempt by the Borrower or its officers, directors, and/or affiliates to transmit, convey, disclose, or any actual transmittal, conveyance, or disclosure by the Borrower or its officers, directors, and/or affiliates of, material non-public information concerning the Borrower, to the Holder or its successors and assigns, which is not immediately cured by Borrower's filing of a Form 8-K pursuant to Regulation FD on that same date.

3.17 Unavailability of Rule 144. If, at any time on or after the date that is six (6) calendar months after the Issue Date, the Holder is unable to (i) obtain a standard "144 legal opinion letter" from an attorney reasonably acceptable to the Holder, the Holder's brokerage firm (and respective clearing firm), and the Borrower's transfer agent in order to facilitate the Holder's conversion of any portion of the Note into free trading shares of the Borrower's Common Stock pursuant to Rule 144, and/or (ii) thereupon deposit such shares into the Holder's brokerage account.

3.18 Delisting, Suspension, or Quotation of Trading of Common Stock. If, at any time on or after the Issue Date, the Borrower's Common Stock (i) is suspended from trading, (ii) halted from trading, and/or (iii) fails to be quoted or listed (as applicable) on a Principal Market.

3.19 Market Capitalization. The Borrower fails to maintain a market capitalization of at least \$5,000,000 on any Trading Day, which shall be calculated by multiplying (i) the closing price of the Borrower's common stock on the Trading Day immediately preceding the respective date of calculation by (ii) the total shares of the Borrower's common stock issued and outstanding on the Trading Day immediately preceding the respective date of calculation.

3.20 Failure to Pay an Amortization Payment. The Borrower fails to pay an Amortization Payment (as defined in this Note) when due as provided in Section 4.15 of this Note.

3.21 Registration Statement Failures. The Borrower fails to (i) file a registration statement (the "Registration Statement") covering the Holder's resale at prevailing market prices (and not fixed prices) of all of the Conversion Shares (as defined in the Purchase Agreement) (the "Conversion Shares"), Commitment Shares (as defined in the Purchase Agreement) (the "Commitment Shares"), and Exercise Shares (as defined in the Purchase Agreement) (the "Exercise Shares") within one hundred fifty (150) calendar days following the Issue Date, (ii) cause the Registration Statement to become effective within one hundred eighty (180) calendar days following the Issue Date, (iii) cause the Registration Statement to remain effective until the Holder no longer owns the Note, Warrant, Conversion Shares, Commitment Shares, or Exercise Shares, (iv) comply with the provisions of the Registration Rights Agreement in all respects, or (v) immediately amend the Registration Statement or file a new Registration Statement (and cause such Registration Statement to become effective as provided in the Registration Rights Agreement) if there are no longer sufficient shares registered under the initial Registration Statement for the Holder's resale at prevailing market prices (and not fixed prices) of all of the Conversion Shares, and Exercise Shares.

3.22 Rights and Remedies Upon an Event of Default. Upon the occurrence of any Event of Default specified in this Article III, this Note shall become immediately due and payable, and the Borrower shall pay to the Holder, in full satisfaction of its obligations hereunder, an amount equal to the Principal Amount then outstanding plus accrued interest (including any Default Interest) through the date of full repayment multiplied by 150% (collectively the "Default Amount"), as well as all costs, including, without limitation, legal fees and expenses, of collection, all without demand, presentment or notice, all of which hereby are expressly waived by the Borrower. Holder may, in its sole discretion, determine to accept payment part in Common Stock and part in cash. For purposes of payments in Common Stock, the conversion formula set forth in Section 1.2 shall apply as well as all other provisions of this Note. The Holder shall be entitled to exercise all other rights and remedies available at law or in equity.

#### ARTICLE IV. MISCELLANEOUS

4.1 Failure or Indulgence Not Waiver. No failure or delay on the part of the Holder in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privileges. All rights and remedies of the Holder existing hereunder are cumulative to, and not exclusive of, any rights or remedies otherwise available.

4.2 Notices. All notices, demands, requests, consents, approvals, and other communications required or permitted hereunder shall be in writing and, unless otherwise specified herein, shall be (i) personally served, (ii) deposited in the mail, registered or certified, return receipt requested, postage prepaid, (iii) delivered by reputable air courier service with charges prepaid, or (iv) transmitted by hand delivery, telegram, e-mail or facsimile, addressed as set forth below or to such other address as such party shall have specified most recently by written notice. Any notice or other communication required or permitted to be given hereunder shall be deemed effective (a) upon hand delivery or delivery by e-mail or facsimile, with accurate confirmation generated by the transmitting facsimile machine, at the address or number designated below (if delivered on a business day during normal business hours where such notice is to be received), or the first business day following such delivery (if delivered other than on a business day during normal business hours where such notice is to be received) or (b) on the second business day following the date of mailing by express courier service, fully prepaid, addressed to such address, or upon actual receipt of such mailing, whichever shall first occur. The addresses for such communications shall be:

If to the Borrower, to:

**DIGERATI TECHNOLOGIES, INC.**

8023 Vantage Dr., Suite 660  
San Antonio, TX 78230  
Attention: Arthur Smith  
e-mail: a.smith@t3com.net

If to the Holder:

**MAST HILL FUND, L.P.**

48 Parker Road  
Wellesley, MA 02482  
e-mail: admin@masthillfund.com

4.3 Amendments. This Note and any provision hereof may only be amended by an instrument in writing signed by the Borrower and the Holder. The term "Note" and all reference thereto, as used throughout this instrument, shall mean this instrument as originally executed, or if later amended or supplemented, then as so amended or supplemented.

4.4 Assignability. This Note shall be binding upon the Borrower and its successors and assigns, and shall inure to be the benefit of the Holder and its successors and assigns. The Borrower shall not assign this Note or any rights or obligations hereunder without the prior written consent of the Holder. The Holder may assign its rights hereunder to any "accredited investor" (as defined in Rule 501(a) of the 1933 Act) in a private transaction from the Holder or to any of its "affiliates", as that term is defined under the 1934 Act, without the consent of the Borrower. Notwithstanding anything in this Note to the contrary, this Note may be pledged as collateral in connection with a bona fide margin account or other lending arrangement. The Holder and any assignee, by acceptance of this Note, acknowledge and agree that following conversion of a portion of this Note, the unpaid and unconverted principal amount of this Note represented by this Note may be less than the amount stated on the face hereof.

4.5 Cost of Collection. If default is made in the payment of this Note, the Borrower shall pay the Holder hereof costs of collection, including reasonable attorneys' fees.

4.6 Governing Law; Venue; Attorney's Fees. This Note shall be governed by and construed in accordance with the laws of the State of Nevada without regard to principles of conflicts of laws. Any action brought by either party against the other concerning the transactions contemplated by this Note or any other agreement, certificate, instrument or document contemplated hereby shall be brought only in the state courts located in the State of Nevada or federal courts located in the State of Nevada. The Borrower hereby irrevocably waives any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon *forum non conveniens*. **THE BORROWER HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS NOTE OR ANY TRANSACTIONS CONTEMPLATED HEREBY.** Each party hereby irrevocably waives personal service of process and consents to process being served in any suit, action or proceeding in connection with this Note or any other agreement, certificate, instrument or document contemplated hereby or thereby by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Note and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law. The prevailing party in any action or dispute brought in connection with this the Note or any other agreement, certificate, instrument or document contemplated hereby or thereby shall be entitled to recover from the other party its reasonable attorney's fees and costs.

4.7 Certain Amounts. Whenever pursuant to this Note the Borrower is required to pay an amount in excess of the outstanding Principal Amount (or the portion thereof required to be paid at that time) plus accrued and unpaid interest plus Default Interest on such interest, the Borrower and the Holder agree that the actual damages to the Holder from the receipt of cash payment on this Note may be difficult to determine and the amount to be so paid by the Borrower represents stipulated damages and not a penalty and is intended to compensate the Holder in part for loss of the opportunity to convert this Note and to earn a return from the sale of shares of Common Stock acquired upon conversion of this Note at a price in excess of the price paid for such shares pursuant to this Note. The Borrower and the Holder hereby agree that such amount of stipulated damages is not plainly disproportionate to the possible loss to the Holder from the receipt of a cash payment without the opportunity to convert this Note into shares of Common Stock.

4.8 Purchase Agreement. The Company and the Holder shall be bound by the applicable terms of the Purchase Agreement and the documents entered into in connection herewith and therewith.

4.9 Notice of Corporate Events. Except as otherwise provided below, the Holder of this Note shall have no rights as a Holder of Common Stock unless and only to the extent that it converts this Note into Common Stock. The Borrower shall provide the Holder with prior notification of any meeting of the Borrower's shareholders (and copies of proxy materials and other information sent to shareholders). In the event of any taking by the Borrower of a record of its shareholders for the purpose of determining shareholders who are entitled to receive payment of any dividend or other distribution, any right to subscribe for, purchase or otherwise acquire (including by way of merger, consolidation, reclassification or recapitalization) any share of any class or any other securities or property, or to receive any other right, or for the purpose of determining shareholders who are entitled to vote in connection with any change in control or any proposed liquidation, dissolution or winding up of the Borrower, the Borrower shall mail a notice to the Holder, at least twenty (20) days prior to the record date specified therein (or thirty (30) days prior to the consummation of the transaction or event, whichever is earlier), of the date on which any such record is to be taken for the purpose of such dividend, distribution, right or other event, and a brief statement regarding the amount and character of such dividend, distribution, right or other event to the extent known at such time. The Borrower shall make a public announcement of any event requiring notification to the Holder hereunder substantially simultaneously with the notification to the Holder in accordance with the terms of this Section 4.9.

4.10 Remedies. The Borrower acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder, by vitiating the intent and purpose of the transaction contemplated hereby. Accordingly, the Borrower acknowledges that the remedy at law for a breach of its obligations under this Note will be inadequate and agrees, in the event of a breach or threatened breach by the Borrower of the provisions of this Note, that the Holder shall be entitled, in addition to all other available remedies at law or in equity, and in addition to the penalties assessable herein, to an injunction or injunctions restraining, preventing or curing any breach of this Note and to enforce specifically the terms and provisions thereof, without the necessity of showing economic loss and without any bond or other security being required.

4.11 Construction; Headings. This Note shall be deemed to be jointly drafted by the Company and all the Holder and shall not be construed against any person as the drafter hereof. The headings of this Note are for convenience of reference and shall not form part of, or affect the interpretation of, this Note.

4.12 Usury. To the extent it may lawfully do so, the Company hereby agrees not to insist upon or plead or in any manner whatsoever claim, and will resist any and all efforts to be compelled to take the benefit or advantage of, usury laws wherever enacted, now or at any time hereafter in force, in connection with any action or proceeding that may be brought by the Holder in order to enforce any right or remedy under this Note. Notwithstanding any provision to the contrary contained in this Note, it is expressly agreed and provided that the total liability of the Company under this Note for payments which under the applicable law are in the nature of interest shall not exceed the maximum lawful rate authorized under applicable law (the "Maximum Rate"), and, without limiting the foregoing, in no event shall any rate of interest or default interest, or both of them, when aggregated with any other sums which under the applicable law in the nature of interest that the Company may be obligated to pay under this Note exceed such Maximum Rate. It is agreed that if the maximum contract rate of interest allowed by applicable law and applicable to this Note is increased or decreased by statute or any official governmental action subsequent to the Issue Date, the new maximum contract rate of interest allowed by law will be the Maximum Rate applicable to this Note from the effective date thereof forward, unless such application is precluded by applicable law. If under any circumstances whatsoever, interest in excess of the Maximum Rate is paid by the Company to the Holder with respect to indebtedness evidenced by this the Note, such excess shall be applied by the Holder to the unpaid principal balance of any such indebtedness or be refunded to the Company, the manner of handling such excess to be at the Holder's election.

4.13 Severability. In the event that any provision of this Note is invalid or unenforceable under any applicable statute or rule of law (including any judicial ruling), then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any such provision which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision of this Note.

4.14 Dispute Resolution. In the case of a dispute as to the determination of the Conversion Price, Conversion Amount, any prepayment amount or Default Amount, Issue, Closing or Maturity Date, the closing bid price, or fair market value (as the case may be) or the arithmetic calculation of the Conversion Price or the applicable prepayment amount(s) (as the case may be), the Borrower or the Holder shall submit the disputed determinations or arithmetic calculations via facsimile (i) within one (1) Trading Day after receipt of the applicable notice giving rise to such dispute to the Borrower or the Holder or (ii) if no notice gave rise to such dispute, at any time after the Holder learned of the circumstances giving rise to such dispute. If the Holder and the Borrower are unable to agree upon such determination or calculation within one (1) Trading Day of such disputed determination or arithmetic calculation (as the case may be) being submitted to the Borrower or the Holder, then the Borrower shall, within one (1) Trading Day, submit (a) the disputed determination of the Conversion Price, the closing bid price, the or fair market value (as the case may be) to an independent, reputable investment bank selected by the Borrower and approved by the Holder or (b) the disputed arithmetic calculation of the Conversion Price, Conversion Amount, any prepayment amount or Default Amount, to an independent, outside accountant selected by the Holder that is reasonably acceptable to the Borrower. The Borrower shall cause at its expense the investment bank or the accountant to perform the determinations or calculations and notify the Borrower and the Holder of the results no later than one (1) Trading Day from the time it receives such disputed determinations or calculations. Such investment bank's or accountant's determination or calculation shall be binding upon all parties absent demonstrable error.

4.15 Amortization Payments. In addition to all other payment obligations under this Note, Borrower shall also make the following amortization payments (each an "Amortization Payment") in cash to the Holder towards the repayment of this Note, as provided in the following table:

<u>Payment Date:</u>	<u>Payment Amount:</u>
June 17, 2023	\$23,000.00 plus accrued interest through June 17, 2023
September 17, 2023	\$34,500.00 plus accrued interest through September 17, 2023
December 17, 2023	\$46,000.00 plus accrued interest through December 17, 2023
March 17, 2024	All remaining amounts owed under the Note through March 17, 2024

[signature page follows]

IN WITNESS WHEREOF, Borrower has caused this Note to be signed in its name by its duly authorized officer on March 17, 2023.

**DIGERATI TECHNOLOGIES, INC.**

By: /s/ Arthur Smith

Name: Arthur Smith

Title: Chief Executive Officer

**EXHIBIT A -- NOTICE OF CONVERSION**

The undersigned hereby elects to convert \$\_\_\_\_\_ principal amount of the Note (defined below) into that number of shares of Common Stock to be issued pursuant to the conversion of the Note ("Common Stock") as set forth below, of **DIGERATI TECHNOLOGIES, INC.**, a Nevada corporation (the "Borrower"), according to the conditions of the promissory note of the Borrower dated as of March 17, 2023 (the "Note"), as of the date written below. No fee will be charged to the Holder for any conversion, except for transfer taxes, if any.

Box Checked as to applicable instructions:

- The Borrower shall electronically transmit the Common Stock issuable pursuant to this Notice of Conversion to the account of the undersigned or its nominee with DTC through its Deposit Withdrawal Agent Commission system ("DWAC Transfer").

Name of DTC Prime Broker:  
Account Number:

- The undersigned hereby requests that the Borrower issue a certificate or certificates for the number of shares of Common Stock set forth below (which numbers are based on the Holder's calculation attached hereto) in the name(s) specified immediately below or, if additional space is necessary, on an attachment hereto:

Date of Conversion: \_\_\_\_\_  
Applicable Conversion Price: \$ \_\_\_\_\_  
Number of Shares of Common Stock to be  
Issued Pursuant to Conversion of the Note: \_\_\_\_\_  
Amount of Principal Balance Due remaining  
Under the Note after this conversion: \_\_\_\_\_

By:  
Name:  
Title:  
Date:

**AMENDMENT 3  
TO  
CONVERTIBLE PROMISSORY NOTE**

This AMENDMENT (this "**Amendment**") is entered into by and between Company and Holder (each as defined below), effective as of February 1, 2023 (the "**Effective Date**"), binding on the undersigned parties as of that date.

**RECITALS**

Digerati Technologies, Inc. ("**Company**") and Tysadco Partners, LLC ("**Holder**") entered into that certain Convertible Promissory Note (the "**Note**") dated January 27, 2021 in the amount of \$250,000.00 (the "**Loan Amount**") with an Amendment 1 dated January 27, 2022 increasing the principal to \$275,000.00 and an Amendment 2 dated August 1, 2022 increasing the principal to \$325,000.00. Capitalized terms not otherwise defined have the meaning set forth in the Note.

**WHEREAS**, the parties have agreed to extend the maturity date of the Note subject to the conditions contained herein.

**AGREEMENT**

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

1. **Extension of Maturity Date.** The Maturity Date of the Note is amended and extended to July 30, 2023.
2. **Compensation for Extension.** In exchange for the extension of the Maturity Date, \$50,000.00 shall be added to the principal amount outstanding on the Note between the Company and Holder as of the Effective Date hereof, resulting in a Note of \$375,000.00. Issuance of 300,000 restricted common shares, with no registration rights.
3. **Conversion Moratorium.** Unless an Event of Default (as defined in the Note or under this Amendment) exists between the Effective Date hereof and the Maturity Date, Holder shall not convert any of the amounts due under the Note. However, upon occurrence of any Event of Default under the Note, this section shall be null, void, and of no effect.
4. **Effectiveness; Conflict.** Except as modified hereby, the Note and terms thereof shall remain in full force and effect. On and after the effectiveness of this Amendment, each reference in the Notes to "this Agreement," "hereunder," "hereof," "herein" or words of like import shall mean and be a reference to the Note, as amended by this Amendment. To the extent the terms of this Amendment conflict with any provision of the Note or any of the documents referenced therein, then the provisions of this Amendment shall control.
4. **Counterparts.** This Amendment may be executed by facsimile transmission and in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

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[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.


**COMPANY**

DIGERATI TECHNOLOGIES, INC.

BY:   
Chief Financial Officer

**HOLDER**

Tysadco Partners, LLC

BY:   
Managing Member

**AMENDMENT 3  
TO  
CONVERTIBLE PROMISSORY NOTE**

This AMENDMENT (this "**Amendment**") is entered into by and between Company and Holder (each as defined below), effective as of April 14, 2023 (the "**Effective Date**"), binding on the undersigned parties as of that date.

**RECITALS**

Digerati Technologies, Inc. ("**Company**") and Tysadco Partners, LLC ("**Holder**") entered into that certain Convertible Promissory Note (the "**Note**") dated April 14, 2021 in the amount of \$250,000.00 (the "**Loan Amount**") with an Amendment 1 dated April 14, 2022 increasing the principal to \$275,000.00 and an Amendment 2 dated September 16, 2022 increasing the principal to \$325,000.00. Capitalized terms not otherwise defined have the meaning set forth in the Note.

**WHEREAS**, the parties have agreed to extend the maturity date of the Note subject to the conditions contained herein.

**AGREEMENT**

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

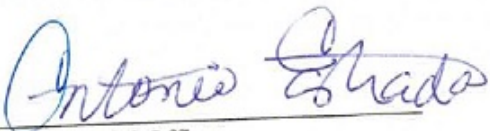
1. **Extension of Maturity Date.** The Maturity Date of the Note is amended and extended to October 14, 2023.
2. **Compensation for Extension.** In exchange for the extension of the Maturity Date, \$50,000.00 shall be added to the principal amount outstanding on the Note between the Company and Holder as of the Effective Date hereof, resulting in a Note of \$375,000.00. Issuance of 300,000 restricted common shares, with no registration rights.
3. **Effectiveness; Conflict.** Except as modified hereby, the Note and terms thereof shall remain in full force and effect. On and after the effectiveness of this Amendment, each reference in the Notes to "this Agreement," "hereunder," "hereof," "herein" or words of like import shall mean and be a reference to the Note, as amended by this Amendment. To the extent the terms of this Amendment conflict with any provision of the Note or any of the documents referenced therein, then the provisions of this Amendment shall control.
4. **Counterparts.** This Amendment may be executed by facsimile transmission and in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

**COMPANY**

DIGERATI TECHNOLOGIES, INC.

BY:   
Chief Financial Officer

**HOLDER**

Tysadco Partners, LLC

BY:   
Managing Member

**AMENDMENT #5  
TO  
CONVERTIBLE PROMISSORY NOTE**

This AMENDMENT #5 (this “**Amendment**”) is entered into by and between Company and Holder (each as defined below), effective as of March 30, 2023 (the “**Effective Date**”), binding on the undersigned parties as of that date.

**RECITALS**

Digerati Technologies, Inc. (“**Company**”) and Lucas Ventures, LLC (“**Holder**”) entered into that certain Convertible Promissory Note (the “**Note**”) dated April 15, 2021 in the amount of \$113,000.00 (the “**Loan Amount**”). Capitalized terms not otherwise defined have the meaning set forth in the Note.

**WHEREAS**, the parties have agreed to extend the maturity date of the Note subject to the conditions contained herein.

**AGREEMENT**

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

1. **Extension of Maturity Date**. The Maturity Date of the Note is amended and extended to June 30, 2023.
2. **Compensation for Extension**. In exchange for the extension of the Maturity Date, \$25,000.00 shall be added to the principal amount outstanding on the Note between the Company and Holder as of the Effective Date hereof and the Company shall issue Holder 150,000 (one hundred fifty thousand) shares of Common Stock.
3. **Prepayment**. In the event that the Company shall pay any amounts due under the Note prior to the Maturity Date defined herein, the Company shall remit to Holder the product of the amount tendered multiplied by one hundred twenty percent (120%).
4. **Effectiveness; Conflict**. Except as modified hereby, the Note and terms thereof shall remain in full force and effect. On and after the effectiveness of this Amendment, each reference in the Notes to “this Agreement,” “hereunder,” “hereof,” “herein” or words of like import shall mean and be a reference to the Note, as amended by this Amendment. To the extent the terms of this Amendment conflict with any provision of the Note or any of the documents referenced therein, then the provisions of this Amendment shall control.
5. **Counterparts**. This Amendment may be executed by facsimile transmission and in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

**COMPANY**

DIGERATI TECHNOLOGIES, INC.

By: Arthur L. Smith  
Arthur L. Smith (Mar 8, 2023 09:59 CST)  
Chief Executive Officer

**HOLDER**

LUCAS VENTURES, LLC

By:   
Managing Member

[SIGNATURE PAGE TO AMENDMENT NO 4. TO THE CONVERTIBLE PROMISSORY NOTE]

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AMENDMENT 2  
TO  
CONVERTIBLE PROMISSORY NOTE

This AMENDMENT (this "**Amendment**") is entered into by and between Company and Holder (each as defined below), effective as of February 28, 2023 (the "**Effective Date**"), binding on the undersigned parties as of that date.

**RECITALS**

Digerati Technologies, Inc. ("**Company**") and Tysadco Partners, LLC ("**Holder**") entered into that certain Convertible Promissory Note (the "**Note**") dated August 31, 2021 in the amount of \$75,000.00 (the "**Loan Amount**") with an Amendment dated September 14, 2022 increasing the principal to \$90,000.00. Capitalized terms not otherwise defined have the meaning set forth in the Note. Capitalized terms not otherwise defined have the meaning set forth in the Note.

**WHEREAS**, the parties have agreed to extend the maturity date of the Note subject to the conditions contained herein.

**AGREEMENT**

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

1. **Extension of Maturity Date.** The Maturity Date of the Note is amended and extended to August 31, 2023.

2. **Compensation for Extension.** In exchange for the extension of the Maturity Date, \$18,000.00 shall be added to the principal amount outstanding on the Note between the Company and Holder as of the Effective Date hereof, resulting in the Note balance of \$108,000. Issuance of 100,000 restricted common shares, with no registration rights.

3. **Conversion Moratorium.** Unless an Event of Default (as defined in the Note or under this Amendment) exists between the Effective Date hereof and the Maturity Date, Holder shall not convert any of the amounts due under the Note. However, upon occurrence of any Event of Default under the Note, this section shall be null, void, and of no effect.

4. **Effectiveness; Conflict.** Except as modified hereby, the Note and terms thereof shall remain in full force and effect. On and after the effectiveness of this Amendment, each reference in the Notes to "this Agreement," "hereunder," "hereof," "herein" or words of like import shall mean and be a reference to the Note, as amended by this Amendment. To the extent the terms of this Amendment conflict with any provision of the Note or any of the documents referenced therein, then the provisions of this Amendment shall control.

4. **Counterparts.** This Amendment may be executed by facsimile transmission and in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

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[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

**COMPANY**

DIGERATI TECHNOLOGIES, INC.

BY: 

Chief Financial Officer

**HOLDER**

Tysadco Partners, LLC

BY: 

Managing Member

**AMENDMENT 2**  
**TO**  
**CONVERTIBLE PROMISSORY NOTE**

This AMENDMENT (this "**Amendment**") is entered into by and between Company and Holder (each as defined below), effective as of March 29, 2023 (the "**Effective Date**"), binding on the undersigned parties as of that date.

**RECITALS**

Digerati Technologies, Inc. ("**Company**") and Tysadco Partners, LLC ("**Holder**") entered into that certain Convertible Promissory Note (the "**Note**") dated September 29, 2021 in the amount of \$75,000.00 (the "**Loan Amount**") with an Amendment dated September 16, 2022 increasing the principal to \$90,000.00. Capitalized terms not otherwise defined have the meaning set forth in the Note. Capitalized terms not otherwise defined have the meaning set forth in the Note.

**WHEREAS**, the parties have agreed to extend the maturity date of the Note subject to the conditions contained herein.

**AGREEMENT**

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

1. **Extension of Maturity Date.** The Maturity Date of the Note is amended and extended to September 29, 2023.
2. **Compensation for Extension.** In exchange for the extension of the Maturity Date, \$18,000.00 shall be added to the principal amount outstanding on the Note between the Company and Holder as of the Effective Date hereof, resulting in the Note balance of \$108,000. Issuance of 100,000 restricted common shares, with no registration rights.
3. **Effectiveness; Conflict.** Except as modified hereby, the Note and terms thereof shall remain in full force and effect. On and after the effectiveness of this Amendment, each reference in the Notes to "this Agreement," "hereunder," "hereof," "herein" or words of like import shall mean and be a reference to the Note, as amended by this Amendment. To the extent the terms of this Amendment conflict with any provision of the Note or any of the documents referenced therein, then the provisions of this Amendment shall control.
4. **Counterparts.** This Amendment may be executed by facsimile transmission and in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

**COMPANY**

DIGERATI TECHNOLOGIES, INC.

BY: 

Chief Financial Officer

**HOLDER**

Tysadco Partners, LLC

BY: 

Managing Member

[SIGNATURE PAGE TO AMENDMENT NO 1. TO THE CONVERTIBLE PROMISSORY NOTE]

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AMENDMENT 2  
TO  
CONVERTIBLE PROMISSORY NOTE

This AMENDMENT (this "**Amendment**") is entered into by and between Company and Holder (each as defined below), effective as of April 29, 2023 (the "**Effective Date**"), binding on the undersigned parties as of that date.

**RECITALS**

Digerati Technologies, Inc. ("**Company**") and Tysadco Partners, LLC ("**Holder**") entered into that certain Convertible Promissory Note (the "**Note**") dated October 22, 2021 in the amount of \$150,000.00 (the "**Loan Amount**") with an Amendment dated September 16, 2022 increasing the principal to \$180,000.00. Capitalized terms not otherwise defined have the meaning set forth in the Note. Capitalized terms not otherwise defined have the meaning set forth in the Note.

**WHEREAS**, the parties have agreed to extend the maturity date of the Note subject to the conditions contained herein.

**AGREEMENT**

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

1. **Extension of Maturity Date.** The Maturity Date of the Note is amended and extended to October 29, 2023.
2. **Compensation for Extension.** In exchange for the extension of the Maturity Date, \$30,000.00 shall be added to the principal amount outstanding on the Note between the Company and Holder as of the Effective Date hereof, resulting in the Note balance of \$210,000. Issuance of 180,000 restricted common shares, with no registration rights.
3. **Effectiveness; Conflict.** Except as modified hereby, the Note and terms thereof shall remain in full force and effect. On and after the effectiveness of this Amendment, each reference in the Notes to "this Agreement," "hereunder," "hereof," "herein" or words of like import shall mean and be a reference to the Note, as amended by this Amendment. To the extent the terms of this Amendment conflict with any provision of the Note or any of the documents referenced therein, then the provisions of this Amendment shall control.
4. **Counterparts.** This Amendment may be executed by facsimile transmission and in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

**COMPANY**

DIGERATI TECHNOLOGIES, INC.

BY:   
Chief Financial Officer

**HOLDER**

Tysadco Partners, LLC

BY:   
Managing Member

**AMENDMENT NO. 1  
TO  
CONVERTIBLE PROMISSORY NOTE**

This AMENDMENT No. 1 (this "**Amendment**") is entered into by and between Company and Holder (each as defined below), effective as of April 25, 2023 (the "**Effective Date**"), binding on the undersigned parties as of that date.

**RECITALS**

Digerati Technologies, Inc. ("**Company**") and Lucas Ventures, LLC ("**Holder**") entered into that certain Convertible Promissory Note (the "**Note**") dated July 27, 2022 in the amount of \$165,000.00 (the "**Loan Amount**"). Capitalized terms not otherwise defined have the meaning set forth in the Note.

**WHEREAS**, the parties have agreed to extend the maturity date of the Note subject to the conditions contained herein.

**AGREEMENT**

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

1. **Extension of Maturity Date.** The Maturity Date of the Note is amended and extended to July 31, 2023.
2. **Compensation for Extension.** In exchange for the extension of the Maturity Date, \$30,000.00 shall be added to the principal amount outstanding on the Note between the Company and Holder as of the Effective Date hereof and the Company shall issue Holder 300,000 (three hundred thousand) shares of Common Stock.
3. **Prepayment.** In the event that the Company shall pay any amounts due under the Note prior to the Maturity Date defined herein, the Company shall remit to Holder the product of the amount tendered multiplied by one hundred twenty percent (120%).
4. **Effectiveness; Conflict.** Except as modified hereby, the Note and terms thereof shall remain in full force and effect. On and after the effectiveness of this Amendment, each reference in the Notes to "this Agreement," "hereunder," "hereof," "herein" or words of like import shall mean and be a reference to the Note, as amended by this Amendment. To the extent the terms of this Amendment conflict with any provision of the Note or any of the documents referenced therein, then the provisions of this Amendment shall control.
5. **Counterparts.** This Amendment may be executed by facsimile transmission and in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

[SIGNATURE PAGE TO AMENDMENT NO 1. TO THE CONVERTIBLE PROMISSORY NOTE]

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IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.


**COMPANY**

DIGERATI TECHNOLOGIES, INC.

BY:  \_\_\_\_\_  
Chief Executive Officer

**HOLDER**

LUCAS VENTURES, LLC

BY:  \_\_\_\_\_  
Managing Member

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NEITHER THIS SECURITY NOR THE SECURITIES AS TO WHICH THIS SECURITY MAY BE EXERCISED HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT. THIS SECURITY AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN SECURED BY SUCH SECURITIES.

## COMMON STOCK PURCHASE WARRANT

### DIGERATI TECHNOLOGIES, INC.

Warrant Shares: 1,207,186

Date of Issuance: March 17, 2023 ("Issuance Date")

This COMMON STOCK PURCHASE WARRANT (the "Warrant") certifies that, for value received (in connection with the issuance of the promissory note in the principal amount of \$192,000.00 to the Holder (as defined below) of even date) (the "Note"), Mast Hill Fund, L.P., a Delaware limited partnership (including any permitted and registered assigns, the "Holder"), is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the date of issuance hereof, to purchase from DIGERATI TECHNOLOGIES, INC., a Nevada corporation (the "Company"), 1,207,186 shares of Common Stock (the "Warrant Shares") (whereby such number may be adjusted from time to time pursuant to the terms and conditions of this Warrant) at the Exercise Price per share then in effect. This Warrant is issued by the Company as of the date hereof in connection with that certain securities purchase agreement dated March 17, 2023, by and among the Company and the Holder (the "Purchase Agreement").

Capitalized terms used in this Warrant shall have the meanings set forth in the Purchase Agreement unless otherwise defined in the body of this Warrant or in Section 13 below. For purposes of this Warrant, the term "Exercise Price" shall mean \$0.1195, subject to adjustment as provided herein (including but not limited to cashless exercise), and the term "Exercise Period" shall mean the period commencing on the Issuance Date and ending on 5:00 p.m. eastern standard time on the five-year anniversary thereof.

#### 1. EXERCISE OF WARRANT.

(a) *Mechanics of Exercise.* Subject to the terms and conditions hereof, the rights represented by this Warrant may be exercised in whole or in part at any time or times during the Exercise Period by delivery of a written notice, in the form attached hereto as Exhibit A (the "Exercise Notice"), of the Holder's election to exercise this Warrant. The Holder shall not be required to deliver the original Warrant in order to effect an exercise hereunder. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. On or before the second Trading Day (the "Warrant Share Delivery Date") following the date on which the Holder sent the Exercise Notice to the Company or the Company's transfer agent, and upon receipt by the Company of payment to the Company of an amount equal to the applicable Exercise Price multiplied by the number of Warrant Shares as to which all or a portion of this Warrant is being exercised (the "Aggregate Exercise Price" and together with the Exercise Notice, the "Exercise Delivery Documents") in cash or by wire transfer of immediately available funds (or by cashless exercise, in which case there shall be no Aggregate Exercise Price provided), the Company shall (or direct its transfer agent to) issue and deliver by overnight courier to the address as specified in the Exercise Notice, a certificate, registered in the Company's share register in the name of the Holder or its designee, for the number of shares of Common Stock to which the Holder is entitled pursuant to such exercise (or deliver such shares of Common Stock in electronic format if requested by the Holder). Upon delivery of the Exercise Delivery Documents, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the certificates evidencing such Warrant Shares. If this Warrant is submitted in connection with any exercise and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the number of Warrant Shares being acquired upon an exercise, then the Company shall as soon as practicable and in no event later than three business days after any exercise and at its own expense, issue a new Warrant (in accordance with Section 6) representing the right to purchase the number of Warrant Shares purchasable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised.

If the Company fails to cause its transfer agent to issue to the Holder the respective shares of Common Stock by the respective Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise in Holder's sole discretion in addition to all other rights and remedies at law, under this Warrant, or otherwise, and such failure shall also be deemed an event of default under the Note, a material breach under this Warrant, and a material breach under the Purchase Agreement.



If the Market Price of one share of Common Stock is greater than the Exercise Price, then the Holder may elect to receive Warrant Shares pursuant to a cashless exercise, in lieu of a cash exercise, equal to the value of this Warrant determined in the manner described below (or of any portion thereof remaining unexercised) by surrender of this Warrant and an Exercise Notice, in which event the Company shall issue to Holder a number of Common Stock computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

A

Where X = the number of Shares to be issued to Holder.

Y = the number of Warrant Shares that the Holder elects to purchase under this Warrant (at the date of such calculation).

A = the Market Price (at the date of such calculation).

B = Exercise Price (as adjusted to the date of such calculation).

(b) *No Fractional Shares.* No fractional shares shall be issued upon the exercise of this Warrant as a consequence of any adjustment pursuant hereto. All Warrant Shares (including fractions) issuable upon exercise of this Warrant may be aggregated for purposes of determining whether the exercise would result in the issuance of any fractional share. If, after aggregation, the exercise would result in the issuance of a fractional share, the Company shall, in lieu of issuance of any fractional share, pay the Holder otherwise entitled to such fraction a sum in cash equal to the product resulting from multiplying the then-current fair market value of a Warrant Share by such fraction.

(c) *Holder's Exercise Limitations.* Notwithstanding anything to the contrary contained herein, the Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 1 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Exercise Notice, the Holder (together with the Holder's affiliates (the "Affiliates"), and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates (such Persons, "Attribution Parties")), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and Attribution Parties shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Stock Equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 1(c), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Holder is solely responsible for any schedules required to be filed in accordance therewith. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 1(c), in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Company's transfer agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within two Trading Days confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.99% of the number of shares of the Common Stock outstanding at the time of the respective calculation hereunder. The limitations contained in this paragraph shall apply to a successor holder of this Warrant.

(d) *Compensation for Buy-In on Failure to Timely Deliver Warrant Shares Upon Exercise.* In addition to any other rights available to the Holder, if the Company fails to cause the Company's transfer agent to transmit to the Holder the Warrant Shares in accordance with the provisions of this Warrant (including but not limited to Section 1(a) above pursuant to an exercise on or before the respective Warrant Share Delivery Date, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Company shall (A) pay in cash to the Holder, within one (1) business day of Holder's request, the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the product of (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder within one (1) business day of Holder's request the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases, or effectuates a cashless exercise hereunder for, Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock with an aggregate sale price giving rise to such purchase obligation of \$10,000, under clause (A) of the immediately preceding sentence, the Company shall be required to pay the Holder \$1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

2. ADJUSTMENTS. The Exercise Price and the number of Warrant Shares shall be adjusted from time to time as follows:

(a) *Distribution of Assets*. If the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of shares of Common Stock, by way of return of capital or otherwise (including without limitation any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement or other similar transaction) (a “Distribution”), at any time after the issuance of this Warrant, then, in each such case:

(i) any Exercise Price in effect immediately prior to the close of business on the record date fixed for the determination of holders of shares of Common Stock entitled to receive the Distribution shall be reduced, effective as of the close of business on such record date, to a price determined by multiplying such Exercise Price by a fraction (i) the numerator of which shall be the Closing Sale Price of the shares of Common Stock on the Trading Day immediately preceding such record date minus the value of the Distribution (as determined in good faith by the Company’s Board of Directors) applicable to one share of Common Stock, and (ii) the denominator of which shall be the Closing Sale Price of the shares of Common Stock on the Trading Day immediately preceding such record date; and

(ii) the number of Warrant Shares shall be increased to a number of shares equal to the number of shares of Common Stock obtainable immediately prior to the close of business on the record date fixed for the determination of holders of shares of Common Stock entitled to receive the Distribution multiplied by the reciprocal of the fraction set forth in the immediately preceding clause (i); provided, however, that in the event that the Distribution is of shares of common stock of a company (other than the Company) whose common stock is traded on a national securities exchange or a national automated quotation system (“Other Shares of Common Stock”), then the Holder may elect to receive a warrant to purchase Other Shares of Common Stock in lieu of an increase in the number of Warrant Shares, the terms of which shall be identical to those of this Warrant, except that such warrant shall be exercisable into the number of shares of Other Shares of Common Stock that would have been payable to the Holder pursuant to the Distribution had the Holder exercised this Warrant immediately prior to such record date and with an aggregate exercise price equal to the product of the amount by which the exercise price of this Warrant was decreased with respect to the Distribution pursuant to the terms of the immediately preceding clause (i) and the number of Warrant Shares calculated in accordance with the first part of this clause (ii).

(b) *Anti-Dilution Adjustments to Exercise Price*. If the Company or any Subsidiary thereof, as applicable, at any time while this Warrant is outstanding, shall sell or grant any option to purchase, or sell or grant any right to reprice, or otherwise dispose of or issue (or announce any offer, sale, grant or any option to purchase or other disposition) any Common Stock or securities (including but not limited to Common Stock Equivalents) entitling any person or entity (for purposes of clarification, including but not limited to the Holder pursuant to (i) any other security of the Company currently held by Holder, (ii) any other security of the Company issued to Holder on or after the Issuance Date (including but not limited to the Note), or (iii) any other agreement entered into between the Company and Holder) to acquire shares of Common Stock (upon conversion, exercise or otherwise), at an effective price per share less than the then Exercise Price (such lower price, the “Base Share Price” and such issuances collectively, a “Dilutive Issuance”) (if the holder of the Common Stock or Common Stock Equivalents so issued shall at any time, whether by operation of purchase price adjustments, elimination of an applicable floor price for any reason in the future (including but not limited to the passage of time or satisfaction of certain condition(s)), reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which are issued in connection with such issuance, be entitled or potentially entitled to receive shares of Common Stock at an effective price per share which is less than the Exercise Price at any time while such Common Stock or Common Stock Equivalents are in existence, such issuance shall be deemed to have occurred for less than the Exercise Price on such date of the Dilutive Issuance (regardless of whether the Common Stock or Common Stock Equivalents are (i) subsequently redeemed or retired by the Company after the date of the Dilutive Issuance or (ii) actually converted or exercised at such Base Share Price), then the Exercise Price shall be reduced at the option of the Holder and only reduced to equal the Base Share Price, and the number of Warrant Shares issuable hereunder shall be increased such that the aggregate Exercise Price payable hereunder, after taking into account the decrease in the Exercise Price, shall be equal to the aggregate Exercise Price prior to such adjustment (for the avoidance of doubt, the aggregate Exercise Price prior to such adjustment is calculated as follows: the total number of Warrant Shares issuable upon exercise of this Warrant immediately prior to such adjustment (without regard to the Beneficial Ownership Limitation) multiplied by the Exercise Price in effect immediately prior to such adjustment) (the aforementioned adjustment of the total number of Warrant Shares shall be referred to herein as the “Share Amount Adjustment”). By way of example, if E is the total number of Warrant Shares issuable upon exercise of this Warrant immediately prior to such adjustment (without regard to the Beneficial Ownership Limitation), F is the Exercise Price in effect immediately prior to such adjustment, and G is the Base Share Price, the adjustment to the number of Warrant Shares can be expressed in the following formula: Total number of Warrant Shares after such Dilutive Issuance = the number obtained from dividing  $[E \times F]$  by G. Such adjustment shall be made whenever such Common Stock or Common Stock Equivalents are issued, regardless of whether the Common Stock or Common Stock Equivalents are (i) subsequently redeemed or retired by the Company after the date of the Dilutive Issuance or (ii) actually converted or exercised at such Base Share Price by the holder thereof (for the avoidance of doubt, the Holder may utilize the Base Share Price even if the Company did not actually issue shares of its common stock at the Base Share Price under the respective Common stock Equivalents). The Company shall notify the Holder in writing, no later than the Trading Day following the issuance of any Common Stock or Common Stock Equivalents subject to this Section 2(b), indicating therein the applicable issuance price, or applicable reset price, exchange price, conversion price and other pricing terms (such notice the “Dilutive Issuance Notice”). For purposes of clarification, regardless of whether (i) the Company provides a Dilutive Issuance Notice pursuant to this Section 2(b) upon the occurrence of any Dilutive Issuance or (ii) the Holder accurately refers to the number of Warrant Shares or Base Share Price in the Exercise Notice, the Holder is entitled to receive a number of Warrant Shares based upon the Base Share Price as well as the Base Share Price at all times on and after the date of such Dilutive Issuance. Notwithstanding anything to the contrary contained in this Section 2(b), the Share Amount Adjustment shall not apply under this Warrant until the date that an Event of Default (as defined in the Note) occurs under Section 3.1 or 3.20 of the Note, provided, however, that if an Event of Default (as defined in the Note) occurs under Section 3.1 or 3.20 of the Note, then at such time the Share Amount Adjustment under this Warrant shall apply to every Dilutive Issuance that occurs on or after the Issuance Date (even if such Dilutive Issuance occurred prior to the date that an Event of Default (as defined in the Note) under Section 3.1 or 3.20 of the Note occurred). For the avoidance of doubt, if (i) the Note is repaid in the entirety and (ii) an Event of Default (as defined in the Note) under Section 3.1 or 3.20 of the Note has not occurred, then the Share Amount Adjustment shall not apply to this Warrant under any circumstances.

(c) *Subdivision or Combination of Common Stock.* If the Company at any time on or after the Issuance Date subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of Warrant Shares will be proportionately increased. If the Company at any time on or after the Issuance Date combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of Warrant Shares will be proportionately decreased. Any adjustment under this Section 2(c) shall become effective at the close of business on the date the subdivision or combination becomes effective. Each such adjustment of the Exercise Price shall be calculated to the nearest one-hundredth of a cent. Such adjustment shall be made successively whenever any event covered by this Section 2(c) shall occur.

3. **FUNDAMENTAL TRANSACTIONS.** If, at any time while this Warrant is outstanding, (i) the Company effects any merger of the Company with or into another entity and the Company is not the surviving entity (such surviving entity, the “Successor Entity”), (ii) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (iii) any tender offer or exchange offer (whether by the Company or by another individual or entity, and approved by the Company) is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares of Common Stock for other securities, cash or property and the holders of at least 50% of the Common Stock accept such offer, or (iv) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (other than as a result of a subdivision or combination of shares of Common Stock) (in any such case, a “Fundamental Transaction”), then, upon any subsequent exercise of this Warrant, the Holder shall have the right to receive the number of shares of Common Stock of the Successor Entity or of the Company and any additional consideration (the “Alternate Consideration”) receivable upon or as a result of such reorganization, reclassification, merger, consolidation or disposition of assets by a holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such event (disregarding any limitation on exercise contained herein solely for the purpose of such determination). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. To the extent necessary to effectuate the foregoing provisions, any Successor Entity in such Fundamental Transaction shall issue to the Holder a new warrant consistent with the foregoing provisions and evidencing the Holder’s right to exercise such warrant into Alternate Consideration.

4. **NON-CIRCUMVENTION.** The Company covenants and agrees that it will not, by amendment of its certificate of incorporation, bylaws or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, and will at all times in good faith carry out all the provisions of this Warrant and take all action as may be required to protect the rights of the Holder. Without limiting the generality of the foregoing, the Company (i) shall not increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant above the Exercise Price then in effect, (ii) shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and non-assessable shares of Common Stock upon the exercise of this Warrant, and (iii) shall, for so long as this Warrant is outstanding, have authorized and reserved, free from preemptive rights, three (3) times the number of shares of Common Stock into which the Warrants are then exercisable into to provide for the exercise of the rights represented by this Warrant (without regard to any limitations on exercise).

5. **WARRANT HOLDER NOT DEEMED A STOCKHOLDER.** Except as otherwise specifically provided herein, this Warrant, in and of itself, shall not entitle the Holder to any voting rights or other rights as a stockholder of the Company. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company.

6. **REISSUANCE.**

(a) *Lost, Stolen or Mutilated Warrant.* If this Warrant is lost, stolen, mutilated or destroyed, the Company will, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as this Warrant so lost, stolen, mutilated or destroyed.

(b) *Issuance of New Warrants.* Whenever the Company is required to issue a new Warrant pursuant to the terms of this Warrant, such new Warrant shall be of like tenor with this Warrant, and shall have an issuance date, as indicated on the face of such new Warrant which is the same as the Issuance Date.

7. **TRANSFER.** This Warrant shall be binding upon the Company and its successors and assigns, and shall inure to be the benefit of the Holder and its successors and assigns. Notwithstanding anything to the contrary herein, the rights, interests or obligations of the Company hereunder may not be assigned, by operation of law or otherwise, in whole or in part, by the Company without the prior signed written consent of the Holder, which consent may be withheld at the sole discretion of the Holder (any such assignment or transfer shall be null and void if the Company does not obtain the prior signed written consent of the Holder). This Warrant or any of the severable rights and obligations inuring to the benefit of or to be performed by Holder hereunder may be assigned by Holder to a third party, in whole or in part, without the need to obtain the Company’s consent thereto.

8. NOTICES. Whenever notice is required to be given under this Warrant, unless otherwise provided herein, such notice shall be given in accordance with the notice provisions contained in the Purchase Agreement. The Company shall provide the Holder with prompt written notice (i) immediately upon any adjustment of the Exercise Price, setting forth in reasonable detail, the calculation of such adjustment and (ii) at least 20 days prior to the date on which the Company closes its books or takes a record (A) with respect to any dividend or distribution upon the shares of Common Stock, (B) with respect to any grants, issuances or sales of any stock or other securities directly or indirectly convertible into or exercisable or exchangeable for shares of Common Stock or other property, pro rata to the holders of shares of Common Stock or (C) for determining rights to vote with respect to any Fundamental Transaction, dissolution or liquidation, provided in each case that such information shall be made known to the public prior to or in conjunction with such notice being provided to the Holder.

9. AMENDMENT AND WAIVER. The terms of this Warrant may be amended or waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the Holder.

10. GOVERNING LAW AND VENUE. This Warrant shall be governed by and construed in accordance with the laws of the State of Nevada without regard to principles of conflicts of laws. Any action brought by either party against the other concerning the transactions contemplated by this Warrant shall be brought only in the state courts located in the State of Nevada or federal courts located in the State of Nevada. The parties to this Warrant hereby irrevocably waive any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon *forum non conveniens*. **EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR UNDER ANY OTHER TRANSACTION DOCUMENT ENTERED INTO IN CONNECTION WITH OR ARISING OUT OF THIS WARRANT OR ANY TRANSACTION CONTEMPLATED HEREBY OR THEREBY.** The prevailing party shall be entitled to recover from the other party its reasonable attorney's fees and costs. In the event that any provision of this Warrant or any other agreement delivered in connection herewith is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any such provision which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision of any agreement. Each party hereby irrevocably waives personal service of process and consents to process being served in any suit, action or proceeding in connection with this Warrant or any other transaction document entered into in connection with this Warrant by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under the Purchase Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

11. ACCEPTANCE. Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

12. CALL OPTION. The Company shall have the right, subject to satisfaction of the conditions in this Section 12, to cause the exercise of this Warrant ("Forced Exercise"). The Company shall deliver prior written notice to the Holder at least ten (10) Trading Days ("Forced Exercise Notice") prior to the effective date of such Forced Exercise (the "Forced Exercise Effective Date"). In order to effectuate a Forced Conversion, the following conditions shall be satisfied as of the Forced Exercise Effective Date: (i) no Event of Default shall have occurred or exist under any security of the Company held by the Holder; (ii) the Company shall be subject to the filing requirements under the Securities and Exchange Act of 1934 and be current in all of its filing requirements under the Securities and Exchange Act of 1934; (iii) the VWAP of the Common Stock during each of the ten (10) Trading Days prior to the Forced Exercise Effective Date shall equal or exceed 250% of the Exercise Price; (iv) the trading volume of the Common Stock during each of the ten (10) Trading Days prior to the Forced Exercise Effective Date shall equal or exceed 100% of the number of Warrant Shares being delivered to the Holder pursuant to the Forced Exercise, (v) the Warrant Shares may be immediately delivered to the Holder via DWAC pursuant to the delivery obligations in this Warrant; (vi) all of the Warrant Shares under this Warrant are called by the Company for a Forced Exercise and such Warrant Shares may be issued in compliance with the Beneficial Ownership Limitation, (vii) Holder has the option to utilize its cashless exercise rights in this Warrant with respect to the Forced Exercise, and (viii) all of the Warrant Shares may be resold by the Holder pursuant to (a) Rule 144 (or other applicable exemption from registration) or (b) an effective non-stale registration statement of the Company which contains a prospectus that complies with Section 5(b) and Section 10 of the Securities Act of 1933 at the time of exercise and covers the Holder's immediate resale of all of the Warrant Shares at prevailing market prices (and not fixed prices) without any limitation. Notwithstanding anything to the contrary contained in this Warrant, the Holder shall retain the right to exercise this Warrant during the ten (10) Trading Days prior to the Forced Exercise Effective Date pursuant to the terms of this Warrant.

13. CERTAIN DEFINITIONS. For purposes of this Warrant, the following terms shall have the following meanings:

(a) [Intentionally Omitted].

(b) "Closing Sale Price" means, for any security as of any date, (i) the last closing trade price for such security on the Principal Market, as reported by Quotestream or other similar quotation service provider designated by the Holder, or, if the Principal Market begins to operate on an extended hours basis and does not designate the closing trade price, then the last trade price of such security prior to 4:00 p.m., New York time, as reported by Quotestream or other similar quotation service provider designated by the Holder, or (ii) if the foregoing does not apply, the last trade price of such security in the over-the-counter market for such security as reported by Quotestream or other similar quotation service provider designated by the Holder, or (iii) if no last trade price is reported for such security by Quotestream or other similar quotation service provider designated by the Holder, the average of the bid and ask prices of any market makers for such security as reported by Quotestream or other similar quotation service provider designated by the Holder. If the Closing Sale Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Sale Price of such security on such date shall be the fair market value as mutually determined by the Company and the Holder. All such determinations to be appropriately adjusted for any stock dividend, stock split, stock combination or other similar transaction during the applicable calculation period.

(c) "Common Stock" means the Company's common stock, par value \$0.001, and any other class of securities into which such securities may hereafter be reclassified or changed.

(d) "Common Stock Equivalents" means any securities of the Company that would entitle the holder thereof to acquire at any time Common Stock, including without limitation any debt, preferred stock, rights, options, warrants or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

(e) "Person" and "Persons" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and any governmental entity or any department or agency thereof.

(f) "Principal Market" means the principal securities exchange or trading market where such Common Stock is listed or quoted, including but not limited to any tier of the OTC Markets, any tier of the NASDAQ Stock Market (including NASDAQ Capital Market), or the NYSE American, or any successor to such markets.

(g) "Market Price" means the highest traded price of the Common Stock during the one hundred and fifty Trading Days prior to the date of the respective Exercise Notice.

(h) "Trading Day" means any day on which the Common Stock is listed or quoted on its Principal Market, provided, however, that if the Common Stock is not then listed or quoted on any Principal Market, then any calendar day.

(i) "VWAP" means, for any security as of any date, the dollar volume-weighted average price for such security on the Principal Market, during the period beginning at 9:30 a.m., New York time, and ending at 4:00 p.m., New York time, as reported by Quotestream or other similar quotation service provider designated by the Holder.

\* \* \* \* \*

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed as of the Issuance Date set forth above.

**DIGERATI TECHNOLOGIES, INC.**

/s/ Arthur Smith

Name: Arthur Smith

Title: Chief Executive Officer

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EXHIBIT A

**EXERCISE NOTICE**

(To be executed by the registered holder to exercise this Common Stock Purchase Warrant)

THE UNDERSIGNED holder hereby exercises the right to purchase \_\_\_\_\_ of the shares of Common Stock (“Warrant Shares”) of DIGERATI TECHNOLOGIES, INC., a Nevada corporation (the “Company”), evidenced by the attached copy of the Common Stock Purchase Warrant (the “Warrant”). Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Warrant.

1. Form of Exercise Price. The Holder intends that payment of the Exercise Price shall be made as (check one):

- a cash exercise with respect to \_\_\_\_\_ Warrant Shares; or
- by cashless exercise pursuant to the Warrant.

2. Payment of Exercise Price. If cash exercise is selected above, the holder shall pay the applicable Aggregate Exercise Price in the sum of \$ \_\_\_\_\_ to the Company in accordance with the terms of the Warrant.

3. Delivery of Warrant Shares. The Company shall deliver to the holder \_\_\_\_\_ Warrant Shares in accordance with the terms of the Warrant.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Print Name of Registered Holder)

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_

EXHIBIT B

**ASSIGNMENT OF WARRANT**

(To be signed only upon authorized transfer of the Warrant)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto \_\_\_\_\_ the right to purchase \_\_\_\_\_ shares of common stock of DIGERATI TECHNOLOGIES, INC., to which the within Common Stock Purchase Warrant relates and appoints \_\_\_\_\_, as attorney-in-fact, to transfer said right on the books of DIGERATI TECHNOLOGIES, INC. with full power of substitution and re-substitution in the premises. By accepting such transfer, the transferee has agreed to be bound in all respects by the terms and conditions of the within Warrant.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Signature) \*

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Social Security or Tax Identification No.)

\* The signature on this Assignment of Warrant must correspond to the name as written upon the face of the Common Stock Purchase Warrant in every particular without alteration or enlargement or any change whatsoever. When signing on behalf of a corporation, partnership, trust or other entity, please indicate your position(s) and title(s) with such entity.

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NEITHER THIS SECURITY NOR THE SECURITIES AS TO WHICH THIS SECURITY MAY BE EXERCISED HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT. THIS SECURITY AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN SECURED BY SUCH SECURITIES.

## COMMON STOCK PURCHASE WARRANT

### DIGERATI TECHNOLOGIES, INC.

Warrant Shares: 2,500,000

Date of Issuance: March 30, 2023 ("Issuance Date")

This COMMON STOCK PURCHASE WARRANT (the "Warrant") certifies that, for value received (in connection with the issuance of the promissory note in the principal amount of \$325,000.00 to the Holder (as defined below) of October 31, 2022) (as amended, the "Note"), 3BRT Investments, LP (including any permitted and registered assigns, the "Holder"), is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the date of issuance hereof, to purchase from DIGERATI TECHNOLOGIES, INC., a Nevada corporation (the "Company"), 2,500,000 shares of Common Stock (the "Warrant Shares") (whereby such number may be adjusted from time to time pursuant to the terms and conditions of this Warrant) at the Exercise Price per share then in effect. This Warrant is issued by the Company as of the date hereof in connection with that certain securities purchase agreement dated October 31, 2022, by and among the Company and the Holder (as amended, the "Purchase Agreement").

Capitalized terms used in this Warrant shall have the meanings set forth in the Purchase Agreement unless otherwise defined in the body of this Warrant or in Section 13 below. For purposes of this Warrant, the term "Exercise Price" shall mean \$0.1195, subject to adjustment as provided herein (including but not limited to cashless exercise), and the term "Exercise Period" shall mean the period commencing on the Issuance Date and ending on 5:00 p.m. eastern standard time on the five-year anniversary thereof.

#### 1. EXERCISE OF WARRANT.

(a) *Mechanics of Exercise.* Subject to the terms and conditions hereof, the rights represented by this Warrant may be exercised in whole or in part at any time or times during the Exercise Period by delivery of a written notice, in the form attached hereto as Exhibit A (the "Exercise Notice"), of the Holder's election to exercise this Warrant. The Holder shall not be required to deliver the original Warrant in order to effect an exercise hereunder. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. On or before the second Trading Day (the "Warrant Share Delivery Date") following the date on which the Holder sent the Exercise Notice to the Company or the Company's transfer agent, and upon receipt by the Company of payment to the Company of an amount equal to the applicable Exercise Price multiplied by the number of Warrant Shares as to which all or a portion of this Warrant is being exercised (the "Aggregate Exercise Price" and together with the Exercise Notice, the "Exercise Delivery Documents") in cash or by wire transfer of immediately available funds (or by cashless

exercise, in which case there shall be no Aggregate Exercise Price provided), the Company shall (or direct its transfer agent to) issue and deliver by overnight courier to the address as specified in the Exercise Notice, a certificate, registered in the Company's share register in the name of the Holder or its designee, for the number of shares of Common Stock to which the Holder is entitled pursuant to such exercise (or deliver such shares of Common Stock in electronic format if requested by the Holder). Upon delivery of the Exercise Delivery Documents, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the certificates evidencing such Warrant Shares. If this Warrant is submitted in connection with any exercise and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the number of Warrant Shares being acquired upon an exercise, then the Company shall as soon as practicable and in no event later than three business days after any exercise and at its own expense, issue a new Warrant (in accordance with Section 6) representing the right to purchase the number of Warrant Shares purchasable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised.

If the Company fails to cause its transfer agent to issue to the Holder the respective shares of Common Stock by the respective Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise in Holder's sole discretion in addition to all other rights and remedies at law, under this Warrant, or otherwise, and such failure shall also be deemed an event of default under the Note, a material breach under this Warrant, and a material breach under the Purchase Agreement.

If the Market Price of one share of Common Stock is greater than the Exercise Price, then the Holder may elect to receive Warrant Shares pursuant to a cashless exercise, in lieu of a cash exercise, equal to the value of this Warrant determined in the manner described below (or of any portion thereof remaining unexercised) by surrender of this Warrant and an Exercise Notice, in which event the Company shall issue to Holder a number of Common Stock computed using the following formula:

$$X = \frac{Y (A-B)}{A}$$

- Where X = the number of Shares to be issued to Holder.
- Y = the number of Warrant Shares that the Holder elects to purchase under this Warrant (at the date of such calculation).
- A = the Market Price (at the date of such calculation).
- B = Exercise Price (as adjusted to the date of such calculation).

(b) *No Fractional Shares.* No fractional shares shall be issued upon the exercise of this Warrant as a consequence of any adjustment pursuant hereto. All Warrant Shares (including fractions) issuable upon exercise of this Warrant may be aggregated for purposes of determining whether the exercise would result in the issuance of any fractional share. If, after aggregation, the exercise would result in the issuance of a fractional share, the Company shall, in lieu of issuance of any fractional share, pay the Holder otherwise entitled to such fraction a sum in cash equal to the product resulting from multiplying the then-current fair market value of a Warrant Share by such fraction.

(c) *Holder's Exercise Limitations.* Notwithstanding anything to the contrary contained herein, the Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 1 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Exercise Notice, the Holder (together with the Holder's affiliates (the "Affiliates"), and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates

(such Persons, "Attribution Parties")), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and Attribution Parties shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Stock Equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 1(c), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Holder is solely responsible for any schedules required to be filed in accordance therewith. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 1(c), in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Company's transfer agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within two Trading Days confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.99% of the number of shares of the Common Stock outstanding at the time of the respective calculation hereunder. The limitations contained in this paragraph shall apply to a successor holder of this Warrant.

(d) *Compensation for Buy-In on Failure to Timely Deliver Warrant Shares Upon Exercise.* In addition to any other rights available to the Holder, if the Company fails to cause the Company's transfer agent to transmit to the Holder the Warrant Shares in accordance with the provisions of this Warrant (including but not limited to Section 1(a) above pursuant to an exercise on or before the respective Warrant Share Delivery Date, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Company shall (A) pay in cash to the Holder, within one (1) business day of Holder's request, the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the product of (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder within one (1) business day of Holder's request the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases, or effectuates a cashless exercise hereunder for, Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock with an aggregate sale price giving rise to such purchase obligation of \$10,000, under clause (A) of the immediately preceding sentence, the Company shall be required to pay the Holder \$1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

2. ADJUSTMENTS. The Exercise Price and the number of Warrant Shares shall be adjusted from time to time as follows:

(a) *Distribution of Assets*. If the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of shares of Common Stock, by way of return of capital or otherwise (including without limitation any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement or other similar transaction) (a "Distribution"), at any time after the issuance of this Warrant, then, in each such case:

(i) any Exercise Price in effect immediately prior to the close of business on the record date fixed for the determination of holders of shares of Common Stock entitled to receive the Distribution shall be reduced, effective as of the close of business on such record date, to a price determined by multiplying such Exercise Price by a fraction (i) the numerator of which shall be the Closing Sale Price of the shares of Common Stock on the Trading Day immediately preceding such record date minus the value of the Distribution (as determined in good faith by the Company's Board of Directors) applicable to one share of Common Stock, and (ii) the denominator of which shall be the Closing Sale Price of the shares of Common Stock on the Trading Day immediately preceding such record date; and

(ii) the number of Warrant Shares shall be increased to a number of shares equal to the number of shares of Common Stock obtainable immediately prior to the close of business on the record date fixed for the determination of holders of shares of Common Stock entitled to receive the Distribution multiplied by the reciprocal of the fraction set forth in the immediately preceding clause (i); provided, however, that in the event that the Distribution is of shares of common stock of a company (other than the Company) whose common stock is traded on a national securities exchange or a national automated quotation system ("Other Shares of Common Stock"), then the Holder may elect to receive a warrant to purchase Other Shares of Common Stock in lieu of an increase in the number of Warrant Shares, the terms of which shall be identical to those of this Warrant, except that such warrant shall be exercisable into the number of shares of Other Shares of Common Stock that would have been payable to the Holder pursuant to the Distribution had the Holder exercised this Warrant immediately prior to such record date and with an aggregate exercise price equal to the product of the amount by which the exercise price of this Warrant was decreased with respect to the Distribution pursuant to the terms of the immediately preceding clause (i) and the number of Warrant Shares calculated in accordance with the first part of this clause (ii).

(b) *Anti-Dilution Adjustments to Exercise Price*. If the Company or any Subsidiary thereof, as applicable, at any time while this Warrant is outstanding, shall sell or grant any option to purchase, or sell or grant any right to reprice, or otherwise dispose of or issue (or announce any offer, sale, grant or any option to purchase or other disposition) any Common Stock or securities (including but not limited to Common Stock Equivalents) entitling any person or entity (for purposes of clarification, including but not limited to the Holder pursuant to (i) any other security of the Company currently held by Holder, (ii) any other security of the Company issued to Holder on or after the Issuance Date (including but not limited to the Note), or (iii) any other agreement entered into between the Company and Holder) to acquire shares of Common Stock (upon conversion, exercise or otherwise), at an effective price per share less than the then Exercise Price (such lower price, the "Base Share Price" and such issuances collectively, a "Dilutive Issuance") (if the holder of the Common Stock or Common Stock Equivalents so issued shall at any time, whether by operation of purchase price adjustments, elimination of an applicable floor price for any reason in the future (including but not limited to the passage of time or satisfaction of certain condition(s)), reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which are issued in connection with such issuance, be entitled or potentially entitled to receive shares of Common Stock at an effective price per share which is less than the Exercise Price at any time while such Common Stock or Common Stock Equivalents are in existence, such issuance shall be deemed to have occurred for less than the Exercise Price on such date of the Dilutive Issuance (regardless of whether the Common Stock or Common Stock Equivalents are (i) subsequently redeemed or retired by the Company after the date of the Dilutive Issuance or (ii) actually converted or exercised at such Base Share Price), then the Exercise Price shall be reduced at the option of the Holder and only reduced to equal the Base Share Price, and the number of Warrant Shares issuable hereunder

shall be increased such that the aggregate Exercise Price payable hereunder, after taking into account the decrease in the Exercise Price, shall be equal to the aggregate Exercise Price prior to such adjustment (for the avoidance of doubt, the aggregate Exercise Price prior to such adjustment is calculated as follows: the total number of Warrant Shares issuable upon exercise of this Warrant immediately prior to such adjustment (without regard to the Beneficial Ownership Limitation) multiplied by the Exercise Price in effect immediately prior to such adjustment) (the aforementioned adjustment of the total number of Warrant Shares shall be referred to herein as the "Share Amount Adjustment"). By way of example, if E is the total number of Warrant Shares issuable upon exercise of this Warrant immediately prior to such adjustment (without regard to the Beneficial Ownership Limitation), F is the Exercise Price in effect immediately prior to such adjustment, and G is the Base Share Price, the adjustment to the number of Warrant Shares can be expressed in the following formula: Total number of Warrant Shares after such Dilutive Issuance = the number obtained from dividing  $[E \times F]$  by G. Such adjustment shall be made whenever such Common Stock or Common Stock Equivalents are issued, regardless of whether the Common Stock or Common Stock Equivalents are (i) subsequently redeemed or retired by the Company after the date of the Dilutive Issuance or (ii) actually converted or exercised at such Base Share Price by the holder thereof (for the avoidance of doubt, the Holder may utilize the Base Share Price even if the Company did not actually issue shares of its common stock at the Base Share Price under the respective Common stock Equivalents). The Company shall notify the Holder in writing, no later than the Trading Day following the issuance of any Common Stock or Common Stock Equivalents subject to this Section 2(b), indicating therein the applicable issuance price, or applicable reset price, exchange price, conversion price and other pricing terms (such notice the "Dilutive Issuance Notice"). For purposes of clarification, regardless of whether (i) the Company provides a Dilutive Issuance Notice pursuant to this Section 2(b) upon the occurrence of any Dilutive Issuance or (ii) the Holder accurately refers to the number of Warrant Shares or Base Share Price in the Exercise Notice, the Holder is entitled to receive a number of Warrant Shares based upon the Base Share Price as well as the Base Share Price at all times on and after the date of such Dilutive Issuance. Notwithstanding anything to the contrary contained in this Section 2(b), the Share Amount Adjustment shall not apply under this Warrant until the date that an Event of Default (as defined in the Note) occurs under Section 3.1 or 3.20 of the Note, provided, however, that if an Event of Default (as defined in the Note) occurs under Section 3.1 or 3.20 of the Note, then at such time the Share Amount Adjustment under this Warrant shall apply to every Dilutive Issuance that occurs on or after the Issuance Date (even if such Dilutive Issuance occurred prior to the date that an Event of Default (as defined in the Note) under Section 3.1 or 3.20 of the Note occurred). For the avoidance of doubt, if (i) the Note is repaid in the entirety and (ii) an Event of Default (as defined in the Note) under Section 3.1 or 3.20 of the Note has not occurred, then the Share Amount Adjustment shall not apply to this Warrant under any circumstances.

(c) *Subdivision or Combination of Common Stock.* If the Company at any time on or after the Issuance Date subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of Warrant Shares will be proportionately increased. If the Company at any time on or after the Issuance Date combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of Warrant Shares will be proportionately decreased. Any adjustment under this Section 2(c) shall become effective at the close of business on the date the subdivision or combination becomes effective. Each such adjustment of the Exercise Price shall be calculated to the nearest one-hundredth of a cent. Such adjustment shall be made successively whenever any event covered by this Section 2(c) shall occur.

3. **FUNDAMENTAL TRANSACTIONS.** If, at any time while this Warrant is outstanding, (i) the Company effects any merger of the Company with or into another entity and the Company is not the surviving entity (such surviving entity, the "Successor Entity"), (ii) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (iii) any tender offer or exchange offer (whether by the Company or by another individual or entity, and approved by the Company) is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares of Common Stock for other securities, cash or property and the holders of at least 50% of the Common Stock accept such offer, or (iv) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (other than as a result of a subdivision

or combination of shares of Common Stock) (in any such case, a "Fundamental Transaction"), then, upon any subsequent exercise of this Warrant, the Holder shall have the right to receive the number of shares of Common Stock of the Successor Entity or of the Company and any additional consideration (the "Alternate Consideration") receivable upon or as a result of such reorganization, reclassification, merger, consolidation or disposition of assets by a holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such event (disregarding any limitation on exercise contained herein solely for the purpose of such determination). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. To the extent necessary to effectuate the foregoing provisions, any Successor Entity in such Fundamental Transaction shall issue to the Holder a new warrant consistent with the foregoing provisions and evidencing the Holder's right to exercise such warrant into Alternate Consideration.

4. NON-CIRCUMVENTION. The Company covenants and agrees that it will not, by amendment of its certificate of incorporation, bylaws or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, and will at all times in good faith carry out all the provisions of this Warrant and take all action as may be required to protect the rights of the Holder. Without limiting the generality of the foregoing, the Company (i) shall not increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant above the Exercise Price then in effect, (ii) shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and non-assessable shares of Common Stock upon the exercise of this Warrant, and (iii) shall, for so long as this Warrant is outstanding, have authorized and reserved, free from preemptive rights, three (3) times the number of shares of Common Stock into which the Warrants are then exercisable into to provide for the exercise of the rights represented by this Warrant (without regard to any limitations on exercise).

5. WARRANT HOLDER NOT DEEMED A STOCKHOLDER. Except as otherwise specifically provided herein, this Warrant, in and of itself, shall not entitle the Holder to any voting rights or other rights as a stockholder of the Company. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company.

6. REISSUANCE.

(a) *Lost, Stolen or Mutilated Warrant*. If this Warrant is lost, stolen, mutilated or destroyed, the Company will, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as this Warrant so lost, stolen, mutilated or destroyed.

(b) *Issuance of New Warrants*. Whenever the Company is required to issue a new Warrant pursuant to the terms of this Warrant, such new Warrant shall be of like tenor with this Warrant, and shall have an issuance date, as indicated on the face of such new Warrant which is the same as the Issuance Date.

7. TRANSFER. This Warrant shall be binding upon the Company and its successors and assigns, and shall inure to be the benefit of the Holder and its successors and assigns. Notwithstanding anything to the contrary herein, the rights, interests or obligations of the Company hereunder may not be assigned, by operation of law or otherwise, in whole or in part, by the Company without the prior signed written consent of the Holder, which consent may be withheld at the sole discretion of the Holder (any such assignment or transfer shall be null and void if the Company does not obtain the prior signed written consent of the Holder). This Warrant or any of the severable

rights and obligations inuring to the benefit of or to be performed by Holder hereunder may be assigned by Holder to a third party, in whole or in part, without the need to obtain the Company's consent thereto.

8. NOTICES. Whenever notice is required to be given under this Warrant, unless otherwise provided herein, such notice shall be given in accordance with the notice provisions contained in the Purchase Agreement. The Company shall provide the Holder with prompt written notice (i) immediately upon any adjustment of the Exercise Price, setting forth in reasonable detail, the calculation of such adjustment and (ii) at least 20 days prior to the date on which the Company closes its books or takes a record (A) with respect to any dividend or distribution upon the shares of Common Stock, (B) with respect to any grants, issuances or sales of any stock or other securities directly or indirectly convertible into or exercisable or exchangeable for shares of Common Stock or other property, pro rata to the holders of shares of Common Stock or (C) for determining rights to vote with respect to any Fundamental Transaction, dissolution or liquidation, provided in each case that such information shall be made known to the public prior to or in conjunction with such notice being provided to the Holder.

9. AMENDMENT AND WAIVER. The terms of this Warrant may be amended or waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the Holder.

10. GOVERNING LAW AND VENUE. This Warrant shall be governed by and construed in accordance with the laws of the State of Nevada without regard to principles of conflicts of laws. Any action brought by either party against the other concerning the transactions contemplated by this Warrant shall be brought only in the state courts located in the State of Nevada or federal courts located in the State of Nevada. The parties to this Warrant hereby irrevocably waive any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon *forum non conveniens*. **EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR UNDER ANY OTHER TRANSACTION DOCUMENT ENTERED INTO IN CONNECTION WITH OR ARISING OUT OF THIS WARRANT OR ANY TRANSACTION CONTEMPLATED HEREBY OR THEREBY.** The prevailing party shall be entitled to recover from the other party its reasonable attorney's fees and costs. In the event that any provision of this Warrant or any other agreement delivered in connection herewith is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any such provision which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision of any agreement. Each party hereby irrevocably waives personal service of process and consents to process being served in any suit, action or proceeding in connection with this Warrant or any other transaction document entered into in connection with this Warrant by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under the Purchase Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

11. ACCEPTANCE. Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

12. CALL OPTION. The Company shall have the right, subject to satisfaction of the conditions in this Section 12, to cause the exercise of this Warrant ("Forced Exercise"). The Company shall deliver prior written notice to the Holder at least ten (10) Trading Days ("Forced Exercise Notice") prior to the effective date of such Forced Exercise (the "Forced Exercise Effective Date"). In order to effectuate a Forced Conversion, the following conditions shall be satisfied as of the Forced Exercise Effective Date: (i) no Event of Default shall have occurred or exist under any security of the Company held by the Holder; (ii) the Company shall be subject to the filing requirements under the Securities and Exchange Act of 1934 and be current in all of its filing requirements under

the Securities and Exchange Act of 1934; (iii) the VWAP of the Common Stock during each of the ten (10) Trading Days prior to the Forced Exercise Effective Date shall equal or exceed 250% of the Exercise Price; (iv) the trading volume of the Common Stock during each of the ten (10) Trading Days prior to the Forced Exercise Effective Date shall equal or exceed 100% of the number of Warrant Shares being delivered to the Holder pursuant to the Forced Exercise, (v) the Warrant Shares may be immediately delivered to the Holder via DWAC pursuant to the delivery obligations in this Warrant; (vi) all of the Warrant Shares under this Warrant are called by the Company for a Forced Exercise and such Warrant Shares may be issued in compliance with the Beneficial Ownership Limitation, (vii) Holder has the option to utilize its cashless exercise rights in this Warrant with respect to the Forced Exercise, and (viii) all of the Warrant Shares may be resold by the Holder pursuant to (a) Rule 144 (or other applicable exemption from registration) or (b) an effective non-stale registration statement of the Company which contains a prospectus that complies with Section 5(b) and Section 10 of the Securities Act of 1933 at the time of exercise and covers the Holder's immediate resale of all of the Warrant Shares at prevailing market prices (and not fixed prices) without any limitation. Notwithstanding anything to the contrary contained in this Warrant, the Holder shall retain the right to exercise this Warrant during the ten (10) Trading Days prior to the Forced Exercise Effective Date pursuant to the terms of this Warrant.

13. CERTAIN DEFINITIONS. For purposes of this Warrant, the following terms shall have the following meanings:

(a) [Intentionally Omitted].

(b) "Closing Sale Price" means, for any security as of any date, (i) the last closing trade price for such security on the Principal Market, as reported by Quotestream or other similar quotation service provider designated by the Holder, or, if the Principal Market begins to operate on an extended hours basis and does not designate the closing trade price, then the last trade price of such security prior to 4:00 p.m., New York time, as reported by Quotestream or other similar quotation service provider designated by the Holder, or (ii) if the foregoing does not apply, the last trade price of such security in the over-the-counter market for such security as reported by Quotestream or other similar quotation service provider designated by the Holder, or (iii) if no last trade price is reported for such security by Quotestream or other similar quotation service provider designated by the Holder, the average of the bid and ask prices of any market makers for such security as reported by Quotestream or other similar quotation service provider designated by the Holder. If the Closing Sale Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Sale Price of such security on such date shall be the fair market value as mutually determined by the Company and the Holder. All such determinations to be appropriately adjusted for any stock dividend, stock split, stock combination or other similar transaction during the applicable calculation period.

(c) "Common Stock" means the Company's common stock, par value \$0.001, and any other class of securities into which such securities may hereafter be reclassified or changed.

(d) "Common Stock Equivalents" means any securities of the Company that would entitle the holder thereof to acquire at any time Common Stock, including without limitation any debt, preferred stock, rights, options, warrants or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

(e) "Person" and "Persons" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and any governmental entity or any department or agency thereof.

(f) "Principal Market" means the principal securities exchange or trading market where such Common Stock is listed or quoted, including but not limited to any tier of the OTC Markets, any tier of the NASDAQ Stock Market (including NASDAQ Capital Market), or the NYSE American, or any successor to such markets.



(g) “Market Price” means the highest traded price of the Common Stock during the one hundred and fifty Trading Days prior to the date of the respective Exercise Notice.

(h) “Trading Day” means any day on which the Common Stock is listed or quoted on its Principal Market, provided, however, that if the Common Stock is not then listed or quoted on any Principal Market, then any calendar day.

(i) “VWAP” means, for any security as of any date, the dollar volume-weighted average price for such security on the Principal Market, during the period beginning at 9:30 a.m., New York time, and ending at 4:00 p.m., New York time, as reported by Quotestream or other similar quotation service provider designated by the Holder.

\* \* \* \* \*

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed as of the Issuance Date set forth above.

**DIGERATI TECHNOLOGIES, INC.**

A handwritten signature in blue ink that reads "Antonio Estrada". The signature is written in a cursive style with a horizontal line underneath it.

Name: Antonio Estrada  
Title: Chief Financial Officer



EXHIBIT A

**EXERCISE NOTICE**

(To be executed by the registered holder to exercise this Common Stock Purchase Warrant)

THE UNDERSIGNED holder hereby exercises the right to purchase \_\_\_\_\_ of the shares of Common Stock ("Warrant Shares") of DIGERATI TECHNOLOGIES, INC., a Nevada corporation (the "Company"), evidenced by the attached copy of the Common Stock Purchase Warrant (the "Warrant"). Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Warrant.

1. Form of Exercise Price. The Holder intends that payment of the Exercise Price shall be made as (check one):  
 a cash exercise with respect to \_\_\_\_\_ Warrant Shares; or  
 by cashless exercise pursuant to the Warrant.
  
2. Payment of Exercise Price. If cash exercise is selected above, the holder shall pay the applicable Aggregate Exercise Price in the sum of \$ \_\_\_\_\_ to the Company in accordance with the terms of the Warrant.
  
3. Delivery of Warrant Shares. The Company shall deliver to the holder \_\_\_\_\_ Warrant Shares in accordance with the terms of the Warrant.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Print Name of Registered Holder)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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EXHIBIT B

**ASSIGNMENT OF WARRANT**

(To be signed only upon authorized transfer of the Warrant)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto \_\_\_\_\_ the right to purchase \_\_\_\_\_ shares of common stock of DIGERATI TECHNOLOGIES, INC., to which the within Common Stock Purchase Warrant relates and appoints \_\_\_\_\_, as attorney-in-fact, to transfer said right on the books of DIGERATI TECHNOLOGIES, INC. with full power of substitution and re-substitution in the premises. By accepting such transfer, the transferee has agreed to be bound in all respects by the terms and conditions of the within Warrant.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Signature) \*

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Social Security or Tax Identification No.)

\* The signature on this Assignment of Warrant must correspond to the name as written upon the face of the Common Stock Purchase Warrant in every particular without alteration or enlargement or any change whatsoever. When signing on behalf of a corporation, partnership, trust or other entity, please indicate your position(s) and title(s) with such entity.

**AMENDMENT #3 TO THE PROMISSORY NOTE  
ISSUED ON DECEMBER 12, 2022**

THIS AMENDMENT #3 to the Note (as defined below) (the "Amendment") is entered into as of May 24, 2023 (the "Effective Date"), by and between Digerati Technologies, Inc., a Nevada corporation (the "Company"), and CLEARTHINK CAPITAL PARTNERS, LLC, a limited liability company (the "Holder") (collectively the "Parties").

**BACKGROUND**

A. The Company and Holder are the parties to that certain promissory note originally issued by the Company to the Holder on December 12, 2022, in the original principal amount of \$117,467.00 (as amended from time to time, the "Note"); and

The Parties desire to amend the Note as set forth expressly below.


NOW THEREFORE, in consideration of the execution and delivery of the Amendment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. The principal balance of the Note shall be increased by \$750.00 (the "Increased Principal Portion") as of the Effective Date, and the Company shall repay the Increased Principal Portion in cash on the earlier June 12, 2023 or closing of the Company's business combination with Minority Equality Opportunities Acquisition, Inc.
2. The first payment under Section 4.15 of the Note, originally due on March 12, 2023, and subsequently amended to be due May 12, 2023, shall instead be due on June 12, 2023.
3. This Amendment shall be deemed part of, but shall take precedence over and supersede any provisions to the contrary contained in the Note. Except as specifically modified hereby, all of the provisions of the Note, which are not in conflict with the terms of this Amendment, shall remain in full force and effect.


*[Signature page to follow]*

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the date first above written.

**DIGERATI TECHNOLOGIES, INC.**

By:   
Name: Arthur Smith  
Title: Chief Executive Officer

**CLEARTHINK CAPITAL PARTNERS, LLC**

By:   
Name: \_\_\_\_\_  
Title

**FIRST AMENDMENT TO  
CONVERTIBLE PROMISSORY NOTE**

\$660,000

June 1, 2023

1. Recitals.

(a) Graham A. Gardner, whose address is 6945 Lyre Ln, Dallas, Texas 75214 ("**Payee**"), issued a loan in the original principal amount of \$660,000 (the "**Loan**") to Digerati Technologies, Inc., a Nevada corporation ("**Digerati**" or the "**Debtor**"), whose notice address is 8023 Vantage Dr., Suite 660, San Antonio, Texas 78230, pursuant to that certain Convertible Promissory Note dated January 24, 2023 (as amended herein, the "**Note**" and, together with all other documents executed in connection therewith, the "**Loan Documents**"), wherein Debtor promised to pay to the order of Payee the amount of the Loan. *Capitalized terms used but not otherwise defined herein shall have the meaning ascribed thereto in the Loan Documents.*

(b) Maker and Payer now desire to execute this amendment to the Note (this "**First Amendment**") to modify the Note to amend the maturity date, all as set forth herein.

2. Amendment to Maturity Date. The maturity date of the Note (the "**Maturity Date**") is hereby amended to be the earlier to occur of (i) June 23, 2023 or (ii) the closing of the transactions contemplated in the definitive agreement between the Debtor and with Minority Equality Opportunities Acquisition Inc. In consideration for the foregoing amendment, pursuant to the terms of the Note, the Debtor shall issue 165,000 shares of its common stock to the Payee.

3. Renewal and Affirmation. Debtor and Payee hereby renew the Note and all other indebtedness evidenced by the Loan Documents. Debtor hereby renews and affirms its promise to pay all amounts owing pursuant to the Loan Documents.

4. Construction and Ratification. The terms of this First Amendment shall be construed as a part of the terms of the Loan Documents in all respects. In the event the terms, covenants or conditions of this First Amendment conflict with the terms, covenants or conditions of the Loan Documents, the terms of this First Amendment shall control. The Parties confirm and agree that, in all other respects, the Loan Documents remain in full force and effect.

5. Execution. To facilitate execution, this First Amendment may be executed in any number of counterparts as may be convenient or necessary, and it shall not be necessary that the signatures of all parties hereto be contained on any one counterpart hereof. Additionally, the parties hereto hereby covenant and agree that, for purposes of facilitating the execution of this First Amendment: (a) the signature pages taken from separate individually executed counterparts of this First Amendment may be combined to form multiple fully executed counterparts; and (b) a telecopy or electronic delivery (i.e., the transmission by any party of his, her or its signature on an original or any copy of this First Amendment via fax machine or over the Internet in electronic photostatic copy format (e.g., .pdf Adobe)) shall be deemed to be the delivery by such party of his, her or its original signature hereon. All executed counterparts of this First Amendment shall

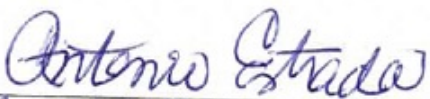
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be deemed to be originals, but all such counterparts, taken together or collectively, as the case may be, shall constitute one and the same agreement.

Counterpart Signature Page to  
First Amendment to Convertible Promissory Note

**DEBTOR:**

**DIGERATI TECHNOLOGIES, INC.,**  
a Nevada corporation

By:   
Name: ANTONIO ESTRADA  
Title: CEO

**PAYEE:**

By:   
Name: Graham A. Gardner



**FIRST AMENDMENT TO  
CONVERTIBLE PROMISSORY NOTE**

\$660,000

June 1, 2023

1. Recitals.

(a) Blue Ocean Investments, LLC, whose address is 2633 McKinney Ave, Suite 130- 337, Dallas, Texas 75204 (“**Payee**”) issued a loan in the original principal amount of \$660,000 (the “**Loan**”) to Digerati Technologies, Inc., a Nevada corporation (“**Digerati**” or the “**Debtor**”), whose notice address is 8023 Vantage Dr., Suite 660, San Antonio, Texas 78230, pursuant to that certain Convertible Promissory Note dated January 24, 2023 (as amended herein, the “**Note**” and, together with all other documents executed in connection therewith, the “**Loan Documents**”), wherein Debtor promised to pay to the order of Payee the amount of the Loan. *Capitalized terms used but not otherwise defined herein shall have the meaning ascribed thereto in the Loan Documents.*

(b) Maker and Payer now desire to execute this amendment to the Note (this “**First Amendment**”) to modify the Note to amend the maturity date, all as set forth herein.

2. Amendment to Maturity Date. The maturity date of the Note (the “**Maturity Date**”) is hereby amended to be the earlier to occur of (i) June 24, 2023, or (ii) the closing of the transactions contemplated in the definitive agreement between the Debtor and with Minority Equality Opportunities Acquisition Inc. In consideration for the foregoing amendment, pursuant to the terms of the Note, the Debtor shall issue 165,000 shares of its common stock to the Payee.

3. Renewal and Affirmation. Debtor and Payee hereby renew the Note and all other indebtedness evidenced by the Loan Documents. Debtor hereby renews and affirms its promise to pay all amounts owing pursuant to the Loan Documents.

4. Construction and Ratification. The terms of this First Amendment shall be construed as a part of the terms of the Loan Documents in all respects. In the event the terms, covenants or conditions of this First Amendment conflict with the terms, covenants or conditions of the Loan Documents, the terms of this First Amendment shall control. The Parties confirm and agree that, in all other respects, the Loan Documents remain in full force and effect.

5. Execution. To facilitate execution, this First Amendment may be executed in any number of counterparts as may be convenient or necessary, and it shall not be necessary that the signatures of all parties hereto be contained on any one counterpart hereof. Additionally, the parties hereto hereby covenant and agree that, for purposes of facilitating the execution of this First Amendment: (a) the signature pages taken from separate individually executed counterparts of this First Amendment may be combined to form multiple fully executed counterparts; and (b) a telecopy or electronic delivery (i.e., the transmission by any party of his, her or its signature on an original or any copy of this First Amendment via fax machine or over the Internet in electronic photostatic copy format (e.g., .pdf Adobe)) shall be deemed to be the delivery by such party of his, her or its original signature hereon. All executed counterparts of this First Amendment shall be deemed to be originals, but all such counterparts, taken together or collectively, as the case may be, shall constitute one and the same agreement.

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Counterpart Signature Page to  
First Amendment to Convertible Promissory Note

**DEBTOR:**

**DIGERATI TECHNOLOGIES, INC.,**  
a Nevada corporation

By: /s/ Antonio Estrada  
Name: Antonio Estrada  
Title: CFO

**PAYEE:**

**Blue Ocean Investments, LLC**

By: /s/ Jerry Ou  
Name: Jerry Ou  
Title: Manager

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## SECURITIES PURCHASE AGREEMENT

This **SECURITIES PURCHASE AGREEMENT** (the “Agreement”), dated as of March 17, 2023, by and between **DIGERATI TECHNOLOGIES, INC.**, a Nevada corporation, with headquarters located at 8023 Vantage Dr, Suite 660, San Antonio, TX 78230 (the “Company”), and **MAST HILL FUND, L.P.**, a Delaware limited partnership, with its address at 48 Parker Road, Wellesley, MA 02482 (the “Buyer”).

**WHEREAS:**

A. The Company and the Buyer are executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (the “1933 Act”) and Rule 506(b) promulgated by the United States Securities and Exchange Commission (the “SEC”) under the 1933 Act;

B. Buyer desires to purchase from the Company, and the Company desires to issue and sell to the Buyer, upon the terms and conditions set forth in this Agreement, a promissory note of the Company, in the aggregate principal amount of \$192,000.00 (as the principal amount thereof may be increased pursuant to the terms thereof, and together with any note(s) issued in replacement thereof or as a dividend thereon or otherwise with respect thereto in accordance with the terms thereof, in the form attached hereto as Exhibit A, the “Note”), convertible into shares of common stock, \$0.001 par value per share, of the Company (the “Common Stock”), upon the terms and subject to the limitations and conditions set forth in such Note;

C. The Buyer wishes to purchase, upon the terms and conditions stated in this Agreement, such principal amount of the Note as is set forth immediately below its name on the signature pages hereto;

D. The Company wishes to issue a common stock purchase warrant to purchase 1,207,186 shares of Common Stock (the “Warrant”) and 241,500 shares of Common Stock (the “Commitment Shares”) to the Buyer as additional consideration for the purchase of the Note, which all shall be earned in full as of the Closing Date, as further provided herein.

**NOW THEREFORE**, in consideration of the foregoing and of the agreements and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company and the Buyer hereby agree as follows:

1. Purchase and Sale of Note.

a. Purchase of Note. On the Closing Date (as defined below), the Company shall issue and sell to the Buyer, and the Buyer agrees to purchase from the Company, the Note, as further provided herein. As used in this Agreement, the term “business day” shall mean any day other than a Saturday, Sunday, or a day on which commercial banks in the city of New York, New York are authorized or required by law or executive order to remain closed.

b. Form of Payment. On the Closing Date: (i) the Buyer shall pay the purchase price of \$163,200.00 (the “Purchase Price”) for the Note, to be issued and sold to it at the Closing (as defined below), by wire transfer of immediately available funds to the Company, in accordance with the Company’s written wiring instructions, against delivery of the Note, and (ii) the Company shall deliver such duly executed Note and Warrant on behalf of the Company, to the Buyer, against delivery of such Purchase Price. On the Closing Date, the Buyer shall withhold a non-accountable sum of \$4,000.00 from the Purchase Price to cover the Buyer’s legal fees in connection with the transactions contemplated by this Agreement.

c. Closing Date. Subject to the satisfaction (or written waiver) of the conditions thereto set forth in Section 6 and Section 7 below, the date and time of the issuance and sale of the Note pursuant to this Agreement (the “Closing Date”) shall be on the date that the Purchase Price for the Note is paid by Buyer pursuant to terms of this Agreement.

d. Closing. The closing of the transactions contemplated by this Agreement (the “Closing”) shall occur on the Closing Date at such location as may be agreed to by the parties (including via exchange of electronic signatures).

1A. Warrant; Commitment Shares. On or before the Closing Date, the Company shall issue the Warrant to the Buyer pursuant to the terms contained therein as well as the Commitment Shares to the Buyer.

2. Buyer's Representations and Warranties. The Buyer represents and warrants to the Company as of the Closing Date that:

a. Investment Purpose. As of the Closing Date, the Buyer is purchasing the Note, Commitment Shares, and Warrant (the Note, Commitment Shares, Warrant, shares of Common Stock issuable upon conversion of or otherwise pursuant to the Note (the "Conversion Shares"), and shares of Common Stock issuable upon exercise of or otherwise pursuant to the Warrant (the "Exercise Shares") shall collectively be referred to herein as the "Securities") for its own account and not with a present view towards the public sale or distribution thereof, except pursuant to sales registered or exempted from registration under the 1933 Act; provided, however, that by making the representations herein, the Buyer does not agree to hold any of the Securities for any minimum or other specific term and reserves the right to dispose of the Securities at any time in accordance with or pursuant to a registration statement or an exemption under the 1933 Act.

b. Accredited Investor Status. The Buyer is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D (an "Accredited Investor").

c. Reliance on Exemptions. The Buyer understands that the Securities are being offered and sold to it in reliance upon specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying upon the truth and accuracy of, and the Buyer's compliance with, the representations, warranties, agreements, acknowledgments and understandings of the Buyer set forth herein in order to determine the availability of such exemptions and the eligibility of the Buyer to acquire the Securities.

d. Information. The Buyer and its advisors, if any, have been, and for so long as the Note remains outstanding will continue to be, furnished with all materials relating to the business, finances and operations of the Company and materials relating to the offer and sale of the Securities which have been requested by the Buyer or its advisors. The Buyer and its advisors, if any, have been, and for so long as the Note remains outstanding will continue to be, afforded the opportunity to ask questions of the Company regarding its business and affairs. Notwithstanding the foregoing, the Company has not disclosed to the Buyer any material nonpublic information regarding the Company or otherwise and will not disclose such information unless such information is disclosed to the public prior to or promptly following such disclosure to the Buyer. Neither such inquiries nor any other due diligence investigation conducted by Buyer or any of its advisors or representatives shall modify, amend or affect Buyer's right to rely on the Company's representations and warranties contained in Section 3 below.

e. Governmental Review. The Buyer understands that no United States federal or state agency or any other government or governmental agency has passed upon or made any recommendation or endorsement of the Securities.

f. Transfer or Re-sale. The Buyer understands that (i) the sale or resale of the Securities has not been and is not being registered under the 1933 Act or any applicable state securities laws, and the Securities may not be transferred unless (a) the Securities are sold pursuant to an effective registration statement under the 1933 Act, (b) the Buyer shall have delivered to the Company, at the cost of the Company, an opinion of counsel (which may be the Legal Counsel Opinion (as defined below)) that shall be in form, substance and scope customary for opinions of counsel in comparable transactions to the effect that the Securities to be sold or transferred may be sold or transferred pursuant to an exemption from such registration, which opinion shall be accepted by the Company, (c) the Securities are sold or transferred to an "affiliate" (as defined in Rule 144 promulgated under the 1933 Act (or a successor rule) ("Rule 144")) of the Buyer who agrees to sell or otherwise transfer the Securities only in accordance with this Section 2(f) and who is an Accredited Investor, (d) the Securities are sold pursuant to Rule 144 or other applicable exemption, or (e) the Securities are sold pursuant to Regulation S under the 1933 Act (or a successor rule) ("Regulation S"), and the Buyer shall have delivered to the Company, at the cost of the Company, an opinion of counsel that shall be in form, substance and scope customary for opinions of counsel in corporate transactions, which opinion shall be accepted by the Company; (ii) any sale of such Securities made in reliance on Rule 144 may be made only in accordance with the terms of said Rule and further, if said Rule is not applicable, any re-sale of such Securities under circumstances in which the seller (or the person through whom the sale is made) may be deemed to be an underwriter (as that term is defined in the 1933 Act) may require compliance with some other exemption under the 1933 Act or the rules and regulations of the SEC thereunder; and (iii) neither the Company nor any other person is under any obligation to register such Securities under the 1933 Act or any state securities laws or to comply with the terms and conditions of any exemption thereunder (in each case). Notwithstanding the foregoing or anything else contained herein to the contrary, the Securities may be pledged in connection with a bona fide margin account or other lending arrangement secured by the Securities, and such pledge of Securities shall not be deemed to be a transfer, sale or assignment of the Securities hereunder, and the Buyer in effecting such pledge of Securities shall not be required to provide the Company with any notice thereof or otherwise make any delivery to the Company pursuant to this Agreement or otherwise.

g. Legends. The Buyer understands that until such time as the Note, Warrant, Commitment Shares, Conversion Shares, and/or Exercise Shares, have been registered under the 1933 Act or may be sold pursuant to Rule 144, Rule 144A under the 1933 Act, Regulation S, or other applicable exemption without any restriction as to the number of securities as of a particular date that can then be immediately sold, the Securities may bear a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of such Securities):

**“NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE [CONVERTIBLE/EXERCISABLE] HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144, RULE 144A, REGULATION S, OR OTHER APPLICABLE EXEMPTION UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.”**

The legend set forth above shall be removed and the Company shall issue a certificate or book entry statement for the applicable shares of Common Stock without such legend to the holder of any Security upon which it is stamped or (as requested by such holder) issue the applicable shares of Common Stock to such holder by electronic delivery by crediting the account of such holder’s broker with The Depository Trust Company (“DTC”), if, unless otherwise required by applicable state securities laws, (a) such Security is registered for sale under an effective registration statement filed under the 1933 Act or otherwise may be sold pursuant to Rule 144, Rule 144A, Regulation S, or other applicable exemption without any restriction as to the number of securities as of a particular date that can then be immediately sold, or (b) the Company or the Buyer provides the Legal Counsel Opinion (as contemplated by and in accordance with Section 4(m) hereof) to the effect that a public sale or transfer of such Security may be made without registration under the 1933 Act, which opinion shall be accepted by the Company so that the sale or transfer is effected. The Company shall be responsible for the fees of its transfer agent and all DTC fees associated with any such issuance. The Buyer agrees to sell all Securities, including those represented by a certificate(s) from which the legend has been removed, in compliance with applicable prospectus delivery requirements, if any. In the event that the Company does not accept the opinion of counsel provided by the Buyer with respect to the transfer of Securities pursuant to an exemption from registration, such as Rule 144, Rule 144A, Regulation S, or other applicable exemption at the Deadline (as defined in the Note), it will be considered an Event of Default pursuant to Section 3.2 of the Note.

h. Authorization; Enforcement. This Agreement has been duly and validly authorized by the Buyer and has been duly executed and delivered on behalf of the Buyer, and this Agreement constitutes a valid and binding agreement of the Buyer enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors’ rights generally and except as may be limited by the exercise of judicial discretion in applying principles of equity.

3. Representations and Warranties of the Company. The Company represents and warrants to the Buyer as of the Closing Date that:

a. Organization and Qualification. The Company and each of its Subsidiaries (as defined below), if any, is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated, with full power and authority (corporate and other) to own, lease, use and operate its properties and to carry on its business as and where now owned, leased, used, operated and conducted. Schedule 3(a), if attached hereto, sets forth a list of all of the Subsidiaries of the Company and the jurisdiction in which each is incorporated. The Company and each of its Subsidiaries is duly qualified as a foreign corporation to do business and is in good standing in every jurisdiction in which its ownership or use of property or the nature of the business conducted by it makes such qualification necessary except where the failure to be so qualified or in good standing would not have a Material Adverse Effect. “Material Adverse Effect” means any material adverse effect on the business, operations, assets, financial condition or prospects of the Company or its Subsidiaries, if any, taken as a whole, or on the transactions contemplated hereby or by the agreements or instruments to be entered into in connection herewith; provided, however, that “Material Adverse Effect” shall not include any event, occurrence, fact, condition or change, directly or indirectly, arising out of or attributable to: (i) general economic or political conditions, (ii) conditions generally affecting the industry in which the Company or any Subsidiary operates, (iii) any changes in financial or securities markets in general, (iv) acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof, (v) any pandemic, epidemics or human health crises (including COVID-19), (vi) any changes in applicable laws or accounting rules (including GAAP), (vii) the announcement, pendency or completion of the transactions contemplated by the Transaction Documents, or (viii) any action required or permitted by the Transaction Documents or any action taken (or omitted to be taken) with the written consent of or at the written request of the Buyer. “Subsidiaries” means any corporation or other organization, whether incorporated or unincorporated, in which the Company owns, directly or indirectly, any equity or other ownership interest.

b. Authorization; Enforcement. The Company has all requisite corporate power and authority to enter into and perform this Agreement, the Note, and to consummate the transactions contemplated hereby and thereby and to issue the Securities, in accordance with the terms hereof and thereof, (ii) the execution and delivery of this Agreement, the Warrant, the Note, Commitment Shares, Conversion Shares, and the Exercise Shares by the Company and the consummation by it of the transactions contemplated hereby and thereby (including without limitation, the issuance of the Note, Warrant, as well as the issuance and reservation for issuance of the Conversion Shares and Exercise Shares issuable upon conversion of the Note and/or exercise of the Warrant) have been duly authorized by the Company’s Board of Directors and no further consent or authorization of the Company, its Board of Directors, its shareholders, or its debt holders is required, (iii) this Agreement and the Note (together with any other instruments executed in connection herewith or therewith) have been duly executed and delivered by the Company by its authorized representative, and such authorized representative is the true and official representative with authority to sign this Agreement, the Note and the other instruments documents executed in connection herewith or therewith and bind the Company accordingly, and (iv) this Agreement constitutes, and upon execution and delivery by the Company of the Note, each of such instruments will constitute, a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with their terms.

c. Capitalization; Governing Documents. As of March 17, 2023, the authorized capital stock of the Company consists of: 500,000,000 authorized shares of Common Stock, of which 152,488,301 shares were issued and outstanding, and 50,000,000 authorized shares of preferred stock, of which 225,000 shares of Series A preferred stock, 425,442 shares of Series B preferred stock, 55,400 shares of Series C preferred stock were issued and outstanding, and 100 shares of Series F preferred stock were issued and outstanding. All of such outstanding shares of capital stock of the Company, the Conversion Shares, the Exercise Shares, and Commitment Shares are, or upon issuance will be, duly authorized, validly issued, fully paid and non-assessable. No shares of capital stock of the Company are subject to preemptive rights or any other similar rights of the shareholders of the Company or any liens or encumbrances imposed through the actions or failure to act of the Company. As of the effective date of this Agreement, other than as publicly announced prior to such date and reflected in the SEC Documents of the Company (i) there are no outstanding options, warrants, scrip, rights to subscribe for, puts, calls, rights of first refusal, agreements, understandings, claims or other commitments or rights of any character whatsoever relating to, or securities or rights convertible into or exchangeable for any shares of capital stock of the Company or any of its Subsidiaries, or arrangements by which the Company or any of its Subsidiaries is or may become bound to issue additional shares of capital stock of the Company or any of its Subsidiaries, (ii) there are no agreements or arrangements under which the Company or any of its Subsidiaries is obligated to register the sale of any of its or their securities under the 1933 Act and (iii) there are no anti-dilution or price adjustment provisions contained in any security issued by the Company (or in any agreement providing rights to security holders) that will be triggered by the issuance of any of the Securities. The Company has furnished to the Buyer true and correct copies of the Company’s Certificate of Incorporation as in effect on the date hereof (“Certificate of Incorporation”), the Company’s By-laws, as in effect on the date hereof (the “By-laws”), and the terms of all securities convertible into or exercisable for Common Stock of the Company and the material rights of the holders thereof in respect thereto.

d. Issuance of Conversion Shares and Exercise Shares. The Conversion Shares and Exercise Shares are duly authorized and reserved for issuance and, upon conversion of the Note and/or exercise of the Warrant in accordance with its terms, will be validly issued, fully paid and non-assessable, and free from all taxes, liens, claims and encumbrances with respect to the issue thereof and shall not be subject to preemptive rights or other similar rights of shareholders of the Company and will not impose personal liability upon the holder thereof.

e. Issuance of Warrant and Commitment Shares. The issuance of the Warrant and Commitment Shares are duly authorized and will be validly issued, fully paid and non-assessable, and free from all taxes, liens, claims and encumbrances with respect to the issue thereof and shall not be subject to preemptive rights or other similar rights of shareholders of the Company and will not impose personal liability upon the holder thereof.

f. Acknowledgment of Dilution. The Company understands and acknowledges the potentially dilutive effect of the Conversion Shares and Exercise Shares to the Common Stock upon the conversion of the Note and/or exercise of the Warrant. The Company further acknowledges that its obligation to issue, upon conversion of the Note and/or exercise of the Warrant, the Conversion Shares and/or Exercise Shares, are absolute and unconditional regardless of the dilutive effect that such issuance may have on the ownership interests of other shareholders of the Company.

g. No Conflicts. The execution, delivery and performance of this Agreement and the Note by the Company and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the issuance and reservation for issuance of the Conversion Shares and Exercise Shares) will not (i) conflict with or result in a violation of any provision of the Certificate of Incorporation or By-laws, or (ii) violate or conflict with, or result in a breach of any provision of, or constitute a default (or an event which with notice or lapse of time or both could become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, note, evidence of indebtedness, indenture, patent, patent license or instrument to which the Company or any of its Subsidiaries is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws and regulations and regulations of any self-regulatory organizations to which the Company or its securities is subject) applicable to the Company or any of its Subsidiaries or by which any property or asset of the Company or any of its Subsidiaries is bound or affected (except for such conflicts, defaults, terminations, amendments, accelerations, cancellations and violations as would not, individually or in the aggregate, have a Material Adverse Effect), or (iv) trigger any anti-dilution and/or ratchet provision contained in any other contract in which the Company is a party thereto or any security issued by the Company. Neither the Company nor any of its Subsidiaries is in violation of its Certificate of Incorporation, By-laws or other organizational documents and neither the Company nor any of its Subsidiaries is in default (and no event has occurred which with notice or lapse of time or both could put the Company or any of its Subsidiaries in default) under, and neither the Company nor any of its Subsidiaries has taken any action or failed to take any action that would give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any of its Subsidiaries is a party or by which any property or assets of the Company or any of its Subsidiaries is bound or affected, except for possible defaults as would not, individually or in the aggregate, have a Material Adverse Effect. The businesses of the Company and its Subsidiaries, if any, are not being conducted, and shall not be conducted so long as the Buyer owns any of the Securities, in violation of any law, ordinance or regulation of any governmental entity. Except as specifically contemplated by this Agreement and as required under the 1933 Act and any applicable state securities laws, the Company is not required to obtain any consent, authorization or order of, or make any filing or registration with, any court, governmental agency, regulatory agency, self-regulatory organization or stock market or any third party in order for it to execute, deliver or perform any of its obligations under this Agreement and the Note in accordance with the terms hereof or thereof or to issue and sell the Note in accordance with the terms hereof and, upon conversion of the Note and/or exercise of the Warrant, issue Conversion Shares and/or Exercise Shares as applicable. All consents, authorizations, orders, filings and registrations which the Company is required to obtain pursuant to the preceding sentence have been obtained or effected on or prior to the date hereof. The Company is not in violation of the listing requirements of the Principal Market (as defined herein) and does not reasonably anticipate that the Common Stock will be delisted by the Principal Market in the foreseeable future. The Company and its Subsidiaries are unaware of any facts or circumstances which might give rise to any of the foregoing. The "Principal Market" shall mean the principal securities exchange or trading market where such Common Stock is listed or traded, including but not limited to any tier of the OTC Markets, any tier of the NASDAQ Stock Market (including NASDAQ Capital Market), or the NYSE American, or any successor to such markets.

h. SEC Documents; Financial Statements. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by it with the SEC pursuant to the reporting requirements of the Securities Exchange Act of 1934, as amended (the “1934 Act”) (all of the foregoing filed prior to the date hereof and all exhibits included therein and financial statements and schedules thereto and documents (other than exhibits to such documents) incorporated by reference therein, being hereinafter referred to herein as the “SEC Documents”). As of their respective dates, the SEC Documents complied in all material respects with the requirements of the 1934 Act and the rules and regulations of the SEC promulgated thereunder applicable to the SEC Documents, and none of the SEC Documents, at the time they were filed with the SEC, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. None of the statements made in any such SEC Documents is, or has been, required to be amended or updated under applicable law (except for such statements as have been amended or updated in subsequent filings prior the date hereof). As of their respective dates, the financial statements of the Company included in the SEC Documents complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto. Such financial statements have been prepared in accordance with United States generally accepted accounting principles, consistently applied, during the periods involved and fairly present in all material respects the consolidated financial position of the Company and its consolidated Subsidiaries as of the dates thereof and the consolidated results of their operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments). Except as set forth in the financial statements of the Company included in the SEC Documents, the Company has no liabilities, contingent or otherwise, other than (i) liabilities incurred in the ordinary course of business subsequent to October 31, 2022, and (ii) obligations under contracts and commitments incurred in the ordinary course of business and not required under generally accepted accounting principles to be reflected in such financial statements, which, individually or in the aggregate, are not material to the financial condition or operating results of the Company. The Company is subject to the reporting requirements of the 1934 Act. The Company has never been a “shell company” as described in Rule 144(i)(1)(i).

i. Absence of Certain Changes. Since October 31, 2022, there has been no material adverse change and no material adverse development in the assets, liabilities, business, properties, operations, financial condition, results of operations, prospects or 1934 Act reporting status of the Company or any of its Subsidiaries.

j. Absence of Litigation. To the knowledge of the Company or any of its Subsidiaries, there is no action, suit, claim, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, threatened against or affecting the Company or any of its Subsidiaries, or their officers or directors in their capacity as such, that could have a Material Adverse Effect. The SEC Documents contain a complete list and summary description of any pending or, to the knowledge of the Company, threatened proceeding against or affecting the Company or any of its Subsidiaries, without regard to whether it would have a Material Adverse Effect. The Company and its Subsidiaries are unaware of any facts or circumstances which might give rise to any of the foregoing.

k. Intellectual Property. The Company and each of its Subsidiaries owns or possesses the requisite licenses or rights to use all patents, patent applications, patent rights, inventions, know-how, trade secrets, trademarks, trademark applications, service marks, service names, trade names and copyrights (“Intellectual Property”) necessary to enable it to conduct its business as now operated (and, as presently contemplated to be operated in the future); there is no claim or action by any person pertaining to, or proceeding pending, or to the Company’s knowledge threatened, which challenges the right of the Company or of a Subsidiary with respect to any Intellectual Property necessary to enable it to conduct its business as now operated (and, as presently contemplated to be operated in the future); to the best of the Company’s knowledge, the Company’s or its Subsidiaries’ current and intended products, services and processes do not infringe on any Intellectual Property or other rights held by any person; and the Company is unaware of any facts or circumstances which might give rise to any of the foregoing. The Company and each of its Subsidiaries have taken reasonable security measures to protect the secrecy, confidentiality and value of their Intellectual Property.



l. No Materially Adverse Contracts, Etc. Neither the Company nor any of its Subsidiaries is subject to any charter, corporate or other legal restriction, or any judgment, decree, order, rule or regulation which in the judgment of the Company's officers has or is expected in the future to have a Material Adverse Effect. Neither the Company nor any of its Subsidiaries is a party to any contract or agreement which in the judgment of the Company's officers has or is expected to have a Material Adverse Effect.

m. Tax Status. The Company and each of its Subsidiaries has made or filed all federal, state and foreign income and all other tax returns, reports and declarations required by any jurisdiction to which it is subject (unless and only to the extent that the Company and each of its Subsidiaries has set aside on its books provisions reasonably adequate for the payment of all unpaid and unreported taxes) and has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and has set aside on its books provisions reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of the Company know of no basis for any such claim. The Company has not executed a waiver with respect to the statute of limitations relating to the assessment or collection of any foreign, federal, state or local tax. None of the Company's tax returns is presently being audited by any taxing authority.

n. Transactions with Affiliates. Except for arm's length transactions pursuant to which the Company or any of its Subsidiaries makes payments in the ordinary course of business upon terms no less favorable than the Company or any of its Subsidiaries could obtain from third parties and other than the grant of stock options described in the SEC Documents, none of the officers, directors, or employees of the Company is presently a party to any transaction with the Company or any of its Subsidiaries (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any officer, director or such employee or, to the knowledge of the Company, any corporation, partnership, trust or other entity in which any officer, director, or any such employee has a substantial interest or is an officer, director, trustee or partner.

o. Disclosure. All information relating to or concerning the Company or any of its Subsidiaries set forth in this Agreement and provided to the Buyer pursuant to Section 2(d) hereof and otherwise in connection with the transactions contemplated hereby is true and correct in all material respects and the Company has not omitted to state any material fact necessary in order to make the statements made herein or therein, in light of the circumstances under which they were made, not misleading. No event or circumstance has occurred or exists with respect to the Company or any of its Subsidiaries or its or their business, properties, prospects, operations or financial conditions, which, under applicable law, rule or regulation, requires public disclosure or announcement by the Company but which has not been so publicly announced or disclosed (assuming for this purpose that the Company's reports filed under the 1934 Act are being incorporated into an effective registration statement filed by the Company under the 1933 Act).

p. Acknowledgment Regarding Buyer's Purchase of Securities. The Company acknowledges and agrees that the Buyer is acting solely in the capacity of arm's length purchaser with respect to this Agreement and the transactions contemplated hereby. The Company further acknowledges that the Buyer is not acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to this Agreement and the transactions contemplated hereby and any statement made by the Buyer or any of its respective representatives or agents in connection with this Agreement and the transactions contemplated hereby is not advice or a recommendation and is merely incidental to the Buyer's purchase of the Securities. The Company further represents to the Buyer that the Company's decision to enter into this Agreement has been based solely on the independent evaluation of the Company and its representatives.

q. No Integrated Offering. Neither the Company, nor any of its affiliates, nor any person acting on its or their behalf, has directly or indirectly made any offers or sales in any security or solicited any offers to buy any security under circumstances that would require registration under the 1933 Act of the issuance of the Securities to the Buyer. The issuance of the Securities to the Buyer will not be integrated with any other issuance of the Company's securities (past, current or future) for purposes of any shareholder approval provisions applicable to the Company or its securities.

r. No Brokers; No Solicitation. Except with respect to Moody Capital Solutions, Inc., a registered broker-dealer (CRD#: 15989), the Company has taken no action which would give rise to any claim by any person for brokerage commissions, transaction fees or similar payments relating to this Agreement or the transactions contemplated hereby. The Company acknowledges and agrees that neither the Buyer nor its employee(s), member(s), beneficial owner(s), or partner(s) solicited the Company to enter into this Agreement and consummate the transactions described in this Agreement.

s. Permits; Compliance. The Company and each of its Subsidiaries is in possession of all franchises, grants, authorizations, licenses, permits, easements, variances, exemptions, consents, certificates, approvals and orders necessary to own, lease and operate its properties and to carry on its business as it is now being conducted (collectively, the "Company Permits"), and there is no action pending or, to the knowledge of the Company, threatened regarding suspension or cancellation of any of the Company Permits. Neither the Company nor any of its Subsidiaries is in conflict with, or in default or violation of, any of the Company Permits, except for any such conflicts, defaults or violations which, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. Since October 31, 2022, neither the Company nor any of its Subsidiaries has received any notification with respect to possible conflicts, defaults or violations of applicable laws, except for notices relating to possible conflicts, defaults or violations, which conflicts, defaults or violations would not have a Material Adverse Effect.

t. Environmental Matters.

(i) There are, to the Company's knowledge, with respect to the Company or any of its Subsidiaries or any predecessor of the Company, no past or present violations of Environmental Laws (as defined below), releases of any material into the environment, actions, activities, circumstances, conditions, events, incidents, or contractual obligations which may give rise to any common law environmental liability or any liability under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 or similar federal, state, local or foreign laws and neither the Company nor any of its Subsidiaries has received any notice with respect to any of the foregoing, nor is any action pending or, to the Company's knowledge, threatened in connection with any of the foregoing. The term "Environmental Laws" means all federal, state, local or foreign laws relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or toxic or hazardous substances or wastes (collectively, "Hazardous Materials") into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

(ii) Other than those that are or were stored, used or disposed of in compliance with applicable law, no Hazardous Materials are contained on or about any real property currently owned, leased or used by the Company or any of its Subsidiaries, and no Hazardous Materials were released on or about any real property previously owned, leased or used by the Company or any of its Subsidiaries during the period the property was owned, leased or used by the Company or any of its Subsidiaries, except in the normal course of the Company's or any of its Subsidiaries' business.

(iii) There are no underground storage tanks on or under any real property owned, leased or used by the Company or any of its Subsidiaries that are not in compliance with applicable law.

u. Title to Property. The Company and its Subsidiaries have good and marketable title in fee simple to all real property and good and marketable title to all personal property owned by them which is material to the business of the Company and its Subsidiaries, in each case free and clear of all liens, encumbrances and defects except such as are described in Schedule 3(u), if attached hereto, or such as would not have a Material Adverse Effect. Any real property and facilities held under lease by the Company and its Subsidiaries are held by them under valid, subsisting and enforceable leases with such exceptions as would not have a Material Adverse Effect.

v. Insurance. The Company and each of its Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as management of the Company believes to be prudent and customary in the businesses in which the Company and its Subsidiaries are engaged. Neither the Company nor any such Subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect. Upon written request the Company will provide to the Buyer true and correct copies of all policies relating to directors' and officers' liability coverage, errors and omissions coverage, and commercial general liability coverage.

w. Internal Accounting Controls. Except as disclosed in the SEC Documents, the Company and each of its Subsidiaries maintain a system of internal accounting controls sufficient, in the judgment of the Company's board of directors, to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

x. Foreign Corrupt Practices. Neither the Company, nor any of its Subsidiaries, nor any director, officer, agent, employee or other person acting on behalf of the Company or any Subsidiary has, in the course of his actions for, or on behalf of, the Company, used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, or made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government official or employee.

y. Solvency. The Company (after giving effect to the transactions contemplated by this Agreement) is solvent (*i.e.*, its assets have a fair market value in excess of the amount required to pay its probable liabilities on its existing debts as they become absolute and matured) and currently the Company has no information that would lead it to reasonably conclude that the Company would not, after giving effect to the transaction contemplated by this Agreement, have the ability to, nor does it intend to take any action that would impair its ability to, pay its debts from time to time incurred in connection therewith as such debts mature. The Company's financial statements for its most recent fiscal year end and interim financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

z. No Investment Company. The Company is not, and upon the issuance and sale of the Securities as contemplated by this Agreement will not be an "investment company" required to be registered under the Investment Company Act of 1940 (an "Investment Company"). The Company is not controlled by an Investment Company.

aa. No Off Balance Sheet Arrangements. There is no transaction, arrangement, or other relationship between the Company or any of its Subsidiaries and an unconsolidated or other off balance sheet entity that is required to be disclosed by the Company in its 1934 Act filings and is not so disclosed or that otherwise could be reasonably likely to have a Material Adverse Effect.

bb. No Disqualification Events. None of the Company, any of its predecessors, any affiliated issuer, any director, executive officer, other officer of the Company participating in the offering hereunder, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the 1933 Act) connected with the Company in any capacity at the time of sale (each, an "Issuer Covered Person") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the 1933 Act (a "Disqualification Event"), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3). The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event.

cc. Manipulation of Price. The Company has not, and to its knowledge no one acting on its behalf has: (i) taken, directly or indirectly, any action designed to cause or to result, or that could reasonably be expected to cause or result, in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Securities, (ii) sold, bid for, purchased, or paid any compensation for soliciting purchases of, any of the Securities, or (iii) paid or agreed to pay to any person any compensation for soliciting another to purchase any other securities of the Company.

dd. Bank Holding Company Act. Neither the Company nor any of its Subsidiaries is subject to the Bank Holding Company Act of 1956, as amended (the “BHCA”) and to regulation by the Board of Governors of the Federal Reserve System (the “Federal Reserve”). Neither the Company nor any of its Subsidiaries or affiliates owns or controls, directly or indirectly, five percent (5%) or more of the outstanding shares of any class of voting securities or twenty-five percent (25%) or more of the total equity of a bank or any entity that is subject to the BHCA and to regulation by the Federal Reserve. Neither the Company nor any of its Subsidiaries or affiliates exercises a controlling influence over the management or policies of a bank or any entity that is subject to the BHCA and to regulation by the Federal Reserve.

ee. Illegal or Unauthorized Payments; Political Contributions. Neither the Company nor any of its Subsidiaries nor, to the Company’s knowledge, any of the officers, directors, employees, agents or other representatives of the Company or any of its Subsidiaries or any other business entity or enterprise with which the Company or any Subsidiary is or has been affiliated or associated, has, directly or indirectly, made or authorized any payment, contribution or gift of money, property, or services, whether or not in contravention of applicable law, (i) as a kickback or bribe to any person or (ii) to any political organization, or the holder of or any aspirant to any elective or appointive public office except for personal political contributions not involving the direct or indirect use of funds of the Company or any of its Subsidiaries.

ff. Breach of Representations and Warranties by the Company. The Company agrees that if the Company breaches any of the representations or warranties set forth in this Section 3 and in addition to any other remedies available to the Buyer pursuant to this Agreement, it will be considered an Event of Default under Section 3.4 of the Note.

#### 4. ADDITIONAL COVENANTS, AGREEMENTS AND ACKNOWLEDGEMENTS.

a. Best Efforts. The parties shall use their best efforts to satisfy timely each of the conditions described in Section 6 and 7 of this Agreement.

b. Form D; Blue Sky Laws. The Company agrees to file a Form D with respect to the Securities if required under Regulation D and to provide a copy thereof to the Buyer promptly after such filing. The Company shall, on or before the Closing Date, take such action as the Company shall reasonably determine is necessary to qualify the Securities for sale to the Buyer at the applicable closing pursuant to this Agreement under applicable securities or “blue sky” laws of the states of the United States (or to obtain an exemption from such qualification), and shall provide evidence of any such action so taken to the Buyer on or prior to the ClosingDate.

c. Use of Proceeds. The Company shall use the proceeds first for the payment of all amounts owed by the Company under Section 5.23 of that certain business combination agreement between the Company, Minority Equality Opportunities Acquisition Inc. (“MEOA”), and MEOA Merger Sub, Inc. dated on or around August 30, 2022, as amended, and second for business development, and not for any other purpose, including but not limited to (i) the repayment of any indebtedness owed to officers, directors or employees of the Company or their affiliates, (ii) the repayment of any debt issued in corporate finance transactions (including but not limited to promissory notes that have the ability to be converted into Common Stock), (iii) any loan to or investment in any other corporation, partnership, enterprise or other person (except in connection with the Company’s currently existing operations), (iv) any loan, credit, or advance to any officers, directors, employees, or affiliates of the Company, or (v) in violation or contravention of any applicable law, rule or regulation.

d. Right of Participation and First Refusal.

(i) Other than arrangements that are in place or disclosed in SEC Documents prior to the date of this Agreement, from the date of this Agreement until the Note is extinguished in its entirety, the Company will not, (i) directly or indirectly, offer, sell, grant any option to purchase, or otherwise dispose of (or announce any offer, sale, grant or any option to purchase or other disposition of) any of its or its Subsidiaries' debt, equity, or equity equivalent securities, including without limitation any debt, preferred shares or other instrument or security that is, at any time during its life and/or under any circumstances, convertible into, exchangeable, or exercisable for Common Stock (any such offer, sale, grant, disposition or announcement being referred to as a "Subsequent Placement") or (ii) enter into any definitive agreement with regard to the foregoing, in each case unless the Company shall have first complied with this Section 4(d).

(ii) The Company shall deliver to the Buyer an irrevocable written notice (the "Offer Notice") of any proposed or intended Subsequent Placement, which shall (w) identify and describe the Subsequent Placement, (x) describe the price and other terms upon which they are to be issued, sold or exchanged, and the number or amount of the securities in the Subsequent Placement to be issued, sold, or exchanged and (y) offer to issue and sell to or exchange with the Buyer the securities in the Subsequent Placement in an amount up to the outstanding principal amount of the Note on the date of the Offer Notice (in each case, an "Offer").

(iii) To accept an Offer, in whole or in part, the Buyer must deliver a written notice (the "Notice of Acceptance") to the Company prior to the end of the fifth (5<sup>th</sup>) Trading Day (as defined in the Note) after the Buyer's receipt of the Offer Notice (the "Offer Period"), setting forth the amount that the Buyer elects to purchase (the "Subscription Amount"). The Company shall complete the Subsequent Placement and issue and sell the Subscription Amount to the Buyer upon terms and conditions (including, without limitation, unit prices and interest rates) set forth in the Offer Notice, unless a change to such terms and conditions is agreed to in writing between the Company and Buyer.

(iv) Notwithstanding anything to the contrary contained herein, if the Company desires to modify or amend the terms or conditions of a Subsequent Placement at any time after the Offer Notice is given to Buyer (provided, however, that such modification or amendment to the terms or conditions cannot occur during any Offer Period), the Company shall deliver to the Buyer a new Offer Notice and the Offer Period of such new Offer shall expire at the end of the fifth (5<sup>th</sup>) Trading Day after the Buyer's receipt of such new Offer Notice.

e. Usury. To the extent it may lawfully do so, the Company hereby agrees not to insist upon or plead or in any manner whatsoever claim, and will resist any and all efforts to be compelled to take the benefit or advantage of, usury laws wherever enacted, now or at any time hereafter in force, in connection with any action or proceeding that may be brought by the Buyer in order to enforce any right or remedy under this Agreement, the Note and any document, agreement or instrument contemplated thereby. Notwithstanding any provision to the contrary contained in this Agreement, the Note and any document, agreement or instrument contemplated thereby, it is expressly agreed and provided that the total liability of the Company under this Agreement, the Note or any document, agreement or instrument contemplated thereby for payments which under applicable law are in the nature of interest shall not exceed the maximum lawful rate authorized under applicable law (the "Maximum Rate"), and, without limiting the foregoing, in no event shall any rate of interest or default interest, or both of them, when aggregated with any other sums which under applicable law in the nature of interest that the Company may be obligated to pay under this Agreement, the Note and any document, agreement or instrument contemplated thereby exceed such Maximum Rate. It is agreed that if the maximum contract rate of interest allowed by law applicable to this Agreement, the Note and any document, agreement or instrument contemplated thereby is increased or decreased by statute or any official governmental action subsequent to the date hereof, the new maximum contract rate of interest allowed by law will be the Maximum Rate applicable to this Agreement, the Note and any document, agreement or instrument contemplated thereby from the effective date thereof forward, unless such application is precluded by applicable law. If under any circumstances whatsoever, interest in excess of the Maximum Rate is paid by the Company to the Buyer with respect to indebtedness evidenced by this Agreement, the Note and any document, agreement or instrument contemplated thereby, such excess shall be applied by the Buyer to the unpaid principal balance of any such indebtedness or be refunded to the Company, the manner of handling such excess to be at the Buyer's election.

f. Restriction on Activities. Commencing as of the date first above written, and until the earlier of payment of the Note in full or full conversion of the Note, the Company shall not, directly or indirectly, without the Buyer's prior written consent, which consent shall not be unreasonably withheld: (a) change the nature of its business; or (b) sell, divest, acquire, change the structure of any material assets other than in the ordinary course of business.

g. Listing. The Company will, so long as the Buyer owns any of the Securities, maintain the listing and trading of its Common Stock on the Principal Market or any equivalent replacement exchange or electronic quotation system (including but not limited to the Pink Sheets electronic quotation system) and will comply in all respects with the Company's reporting, filing and other obligations under the bylaws or rules of the Financial Industry Regulatory Authority ("FINRA") and such exchanges, as applicable. The Company shall promptly provide to the Buyer copies of any notices it receives from the Principal Market and any other exchanges or electronic quotation systems on which the Common Stock is then traded regarding the continued eligibility of the Common Stock for listing on such exchanges and quotation systems.

h. Corporate Existence. The Company will, so long as the Buyer beneficially owns any of the Securities, maintain its corporate existence and shall not sell all or substantially all of the Company's assets, except in the event of a merger or consolidation or sale of all or substantially all of the Company's assets, where the surviving or successor entity in such transaction (i) assumes the Company's obligations hereunder and under the agreements and instruments entered into in connection herewith and (ii) is a publicly traded corporation whose Common Stock is listed for trading or quotation on the Principal Market, any tier of the NASDAQ Stock Market, the New York Stock Exchange or the NYSE MKT.

i. No Integration. The Company shall not make any offers or sales of any security (other than the Securities) under circumstances that would require registration of the Securities being offered or sold hereunder under the 1933 Act or cause the offering of the Securities to be integrated with any other offering of securities by the Company for the purpose of any stockholder approval provision applicable to the Company or its securities.

j. Compliance with 1934 Act; Public Information Failures. For so long as the Buyer beneficially owns the Note, Commitment Shares, Warrant, Conversion Shares, or any Exercise Shares, the Company shall comply with the reporting requirements of the 1934 Act; and the Company shall continue to be subject to the reporting requirements of the 1934 Act. During the period that the Buyer beneficially owns the Note, if the Company shall (i) fail for any reason to satisfy the requirements of Rule 144(c)(1), including, without limitation, the failure to satisfy the current public information requirements under Rule 144(c) or (ii) if the Company has ever been an issuer described in Rule 144(i)(1)(i) or becomes such an issuer in the future, and the Company shall fail to satisfy any condition set forth in Rule 144(i)(2) (each, a "Public Information Failure") then, as partial relief for the damages to the Buyer by reason of any such delay in or reduction of its ability to sell the Securities (which remedy shall not be exclusive of any other remedies available pursuant to this Agreement, the Note, or at law or in equity), the Company shall pay to the Buyer an amount in cash equal to three percent (3%) of the Purchase Price on each of the day of a Public Information Failure and on every thirtieth day (pro rated for periods totaling less than thirty days) thereafter until the date such Public Information Failure is cured. The payments to which a holder shall be entitled pursuant to this Section 4(k) are referred to herein as "Public Information Failure Payments." Public Information Failure Payments shall be paid on the earlier of (i) the last day of the calendar month during which such Public Information Failure Payments are incurred and (iii) the third business day after the event or failure giving rise to the Public Information Failure Payments is cured. In the event the Company fails to make Public Information Failure Payments in a timely manner, such Public Information Failure Payments shall bear interest at the rate of 5% per month (prorated for partial months) until paid in full.

k. Acknowledgement Regarding Buyer's Trading Activity. Until the Note is fully repaid or fully converted, the Buyer shall not effect any "short sale" (as such term is defined in Rule 200 of Regulation SHO of the 1934 Act) of the Common Stock which establishes a net short position with respect to the Common Stock.

l. Legal Counsel Opinions. Upon the request of the Buyer from to time to time, the Company shall be responsible (at its cost) for promptly supplying to the Company's transfer agent and the Buyer a customary legal opinion letter of its counsel (the "Legal Counsel Opinion") to the effect that the resale of the Conversion Shares and/or Exercise Shares by the Buyer or its affiliates, successors and assigns is exempt from the registration requirements of the 1933 Act pursuant to Rule 144 (provided the requirements of Rule 144 are satisfied and provided the Conversion Shares and/or Exercise Shares are not then registered under the 1933 Act for resale pursuant to an effective registration statement) or other applicable exemption (provided the requirements of such other applicable exemption are satisfied). In addition, the Buyer may (at the Company's cost) at any time secure its own legal counsel to issue the Legal Counsel Opinion, and the Company will instruct its transfer agent to accept such opinion. The Company hereby agrees that it may never take the position that it is a "shell company" in connection with its obligations under this Agreement or otherwise.

m. Piggyback Registration Rights and Registration Rights Agreement. The Company hereby grants to the Buyer the piggyback registration rights set forth on Exhibit B hereto as well as the registration rights in the registration rights agreement attached hereto as Exhibit C (the “Registration Rights Agreement”).

n. Most Favored Nation. While the Note or any principal amount, interest or fees or expenses due thereunder remain outstanding and unpaid, the Company shall not enter into any public or private offering of its securities (including securities convertible into shares of Common Stock) with any individual or entity (an “Other Investor”) that has the effect of establishing rights or otherwise benefiting such Other Investor in a manner more favorable in any material respect to such Other Investor (even if the Other Investor does not receive the benefit of such more favorable term until a default occurs under such other security) than the rights and benefits established in favor of the Buyer by this Agreement or the Note unless, in any such case, the Buyer has been provided with such rights and benefits pursuant to a definitive written agreement or agreements between the Company and the Buyer.

o. Subsequent Variable Rate Transactions. From the date hereof until such time as the Note is fully converted or fully repaid, the Company shall be prohibited from effecting or entering into an agreement involving a Variable Rate Transaction. “Variable Rate Transaction” means a transaction in which the Company (i) issues or sells any debt or equity securities that are convertible into, exchangeable or exercisable for, or include the right to receive, additional shares of Common Stock either (A) at a conversion price, exercise price or exchange rate or other price that is based upon, and/or varies with, the trading prices of or quotations for the shares of Common Stock at any time after the initial issuance of such debt or equity securities or (B) with a conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of such debt or equity security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the Common Stock or (ii) enters into any agreement, including, but not limited to, an Equity Line of Credit (as defined in the Note), whereby the Company may issue securities at a future determined price. The Buyer shall be entitled to obtain injunctive relief against the Company to preclude any such issuance, which remedy shall be in addition to any right to collect damages.

p. Non-Public Information. The Company covenants and agrees that neither it, nor any other person acting on its behalf will provide the Buyer or its agents or counsel with any information that constitutes, or the Company reasonably believes constitutes, material non-public information, unless prior thereto the Buyer shall have consented to the receipt of such information and agreed with the Company to keep such information confidential. The Company understands and confirms that the Buyer shall be relying on the foregoing covenant in effecting transactions in securities of the Company. To the extent that the Company delivers any material, non-public information to the Buyer without such Buyer’s consent, the Company hereby covenants and agrees that such Buyer shall not have any duty of confidentiality to the Company, any of its Subsidiaries, or any of their respective officers, directors, agents, employees or affiliates, not to trade on the basis of, such material, non- public information, provided that the Buyer shall remain subject to applicable law. To the extent that any notice provided, information provided, or any other communications made by the Company, to the Buyer, constitutes or contains material non-public information regarding the Company or any Subsidiaries, the Company shall simultaneously file such notice or other material information with the SEC pursuant to a Current Report on Form 8-K. In addition to any other remedies provided by this Agreement or the related transaction documents, if the Company provides any material non-public information to the Buyer without their prior written consent, and it fails to immediately (no later than that business day) file a Form 8-K disclosing this material non-public information, it shall pay the Buyer as partial liquidated damages and not as a penalty a sum equal to \$3,000 per day beginning with the day the information is disclosed to the Buyer and ending and including the day the Form 8-K disclosing this information is filed.

q. D&O Insurance. Within 60 calendar days of the Closing, the Company shall purchase director and officer insurance on behalf of the Company’s (including its subsidiary) officers and directors for a period of 18 months after the Closing with respect to any losses, claims, damages, liabilities, costs and expense in connection with any actual or threatened claim or proceeding that is based on, or arises out of their status as a director or officer of the Company. The insurance policy shall provide for two years of tail coverage.

r. Breach of Covenants. The Company acknowledges and agrees that if the Company breaches any of the covenants set forth in this Section 4, in addition to any other remedies available to the Buyer pursuant to this Agreement, it will be considered an Event of Default under Section 3.3 of the Note.

5. Transfer Agent Instructions. The Company shall issue irrevocable instructions to the Company's transfer agent to issue certificates and/or issue shares electronically at the Buyer's option, registered in the name of the Buyer or its nominee, upon conversion of the Note and/or exercise of the Warrant, the Conversion Shares and Exercise Shares, in such amounts as specified from time to time by the Buyer to the Company in accordance with the terms thereof (the "Irrevocable Transfer Agent Instructions"). In the event that the Company proposes to replace its transfer agent, the Company shall provide, prior to the effective date of such replacement, a fully executed Irrevocable Transfer Agent Instructions in a form as initially delivered pursuant to this Agreement (including but not limited to the provision to irrevocably reserved shares of Common Stock in the Reserved Amount (as defined in the Note)) signed by the successor transfer agent to the Company and the Company. Prior to registration of the Conversion Shares and/or Exercise Shares under the 1933 Act or the date on which the Conversion Shares and/or Exercise Shares may be sold pursuant to Rule 144, Rule 144A, Regulation S, or other applicable exemption without any restriction as to the number of Securities as of a particular date that can then be immediately sold, all such certificates or book entry shares shall bear the restrictive legend specified in Section 2(g) of this Agreement. The Company warrants that: (i) no instruction other than the Irrevocable Transfer Agent Instructions referred to in this Section 5 will be given by the Company to its transfer agent and that the Securities shall otherwise be freely transferable on the books and records of the Company as and to the extent provided in this Agreement and the Note; (ii) it will not direct its transfer agent not to transfer or delay, impair, and/or hinder its transfer agent in transferring (or issuing)(electronically or in certificated form) any certificate for Securities to be issued to the Buyer upon conversion of or otherwise pursuant to the Note and/or upon exercise of or otherwise pursuant to the Warrant as and when required by the Note and this Agreement; (iii) it will not fail to remove (or directs its transfer agent not to remove or impairs, delays, and/or hinders its transfer agent from removing) any restrictive legend (or to withdraw any stop transfer instructions in respect thereof) on any certificate for any Securities issued to the Buyer upon conversion of or otherwise pursuant to the Note and/or upon exercise of or otherwise pursuant to the Warrant as and when required by the Note, Warrant, and/or this Agreement and (iv) it will provide any required corporate resolutions and issuance approvals to its transfer agent within 6 hours of each conversion of the Note and/or exercise of the Warrant. Nothing in this Section shall affect in any way the Buyer's obligations and agreement set forth in Section 2(g) hereof to comply with all applicable prospectus delivery requirements, if any, upon re-sale of the Securities. If the Buyer provides the Company, at the cost of the Company, with (i) an opinion of counsel in form, substance and scope customary for opinions in comparable transactions, to the effect that a public sale or transfer of such Securities may be made without registration under the 1933 Act and such sale or transfer is effected or (ii) the Buyer provides reasonable assurances that the Securities can be sold pursuant to 144, Rule 144A, Regulation S, or other applicable exemption, the Company shall permit the transfer, and, in the case of the Securities, promptly instruct its transfer agent to issue one or more certificates, free from restrictive legend, in such name and in such denominations as specified by the Buyer. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Buyer, by vitiating the intent and purpose of the transactions contemplated hereby. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Section 5 may be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Section, that the Buyer shall be entitled, in addition to all other available remedies, to an injunction restraining any breach and requiring immediate transfer, without the necessity of showing economic loss and without any bond or other security being required.

6. Conditions to the Company's Obligation to Sell. The obligation of the Company hereunder to issue and sell the Note to the Buyer at the Closing is subject to the satisfaction, at or before the Closing Date, of each of the following conditions thereto, provided that these conditions are for the Company's sole benefit and may be waived by the Company at any time in its sole discretion:

a. The Buyer shall have executed the Agreement and Registration Rights Agreement, and delivered the same to the Company.

b. The Buyer shall have delivered the Purchase Price in accordance with Section 1(b) above.

c. The representations and warranties of the Buyer shall be true and correct in all material respects as of the date when made and as of the Closing Date, as though made at that time (except for representations and warranties that speak as of a specific date), and the Buyer shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Buyer at or prior to the Closing Date.



d. No litigation, statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by or in any court or governmental authority of competent jurisdiction or any self-regulatory organization having authority over the matters contemplated hereby which prohibits the consummation of any of the transactions contemplated by this Agreement.

7. Conditions to The Buyer's Obligation to Purchase. The obligation of the Buyer hereunder to purchase the Note, on the Closing Date, is subject to the satisfaction, at or before the Closing Date, of each of the following conditions, provided that these conditions are for the Buyer's sole benefit and may be waived by the Buyer at any time in its sole discretion:

a. The Company shall have executed this Agreement and the Registration Rights Agreement, and delivered the same to the Buyer.

b. The Company shall have delivered to the Buyer the duly executed Note in such denominations as the Buyer shall request and in accordance with Section 1(b) above.

c. The Company shall have delivered to the Buyer the Warrant and Commitment Shares.

d. The Irrevocable Transfer Agent Instructions, in form and substance satisfactory to the Buyer, shall have been delivered to and acknowledged in writing by the Company's Transfer Agent.

e. The representations and warranties of the Company shall be true and correct in all material respects as of the date when made and as of Closing Date, as though made at such time (except for representations and warranties that speak as of a specific date) and the Company shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Company at or prior to the Closing Date.

f. No litigation, statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by or in any court or governmental authority of competent jurisdiction or any self-regulatory organization having authority over the matters contemplated hereby which prohibits the consummation of any of the transactions contemplated by this Agreement.

g. No event shall have occurred which could reasonably be expected to have a Material Adverse Effect on the Company including but not limited to a change in the 1934 Act reporting status of the Company or the failure of the Company to be timely in its 1934 Act reporting obligations.

h. Trading in the Common Stock on the Principal Market shall not have been suspended by the SEC, FINRA or the Principal Market.

i. The Company shall have delivered to the Buyer (i) a certificate evidencing the formation and good standing of the Company and each of its Subsidiaries in such entity's jurisdiction of formation issued by the Secretary of State (or comparable office) of such jurisdiction, as of a date within ten (10) days of the Closing Date and (ii) resolutions adopted by the Company's Board of Directors at a duly called meeting or by unanimous written consent authorizing this Agreement and all other documents, instruments and transactions contemplated hereby.

#### 8. Governing Law; Miscellaneous.

a. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada without regard to principles of conflicts of laws. Any action brought by either party against the other concerning the transactions contemplated by this Agreement, the Note, or any other agreement, certificate, instrument or document contemplated hereby shall be brought only in the state courts located in the State of Nevada or in the federal courts located in the State of Nevada. The parties to this Agreement hereby irrevocably waive any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon *forum non conveniens*. **EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTIONS CONTEMPLATED HEREBY.** The prevailing party shall be entitled to recover from the other party its reasonable attorney's fees and costs. Each party hereby irrevocably waives personal service of process and consents to process being served in any suit, action or proceeding in connection with this Agreement, the Note, or any other agreement, certificate, instrument or document contemplated hereby or thereby by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

b. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. A facsimile or .pdf signature shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original, not a facsimile or .pdf signature. Delivery of a counterpart signature hereto by facsimile or email/.pdf transmission shall be deemed validly delivery thereof.

c. Construction; Headings. This Agreement shall be deemed to be jointly drafted by the Company and the Buyer and shall not be construed against any person as the drafter hereof. The headings of this Agreement are for convenience of reference only and shall not form part of, or affect the interpretation of, this Agreement.

d. Severability. In the event that any provision of this Agreement, the Note, or any other agreement or instrument delivered in connection herewith is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any such provision which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision of this Agreement, the Note, or any other agreement, certificate, instrument or document contemplated hereby or thereby.

e. Entire Agreement; Amendments. This Agreement, the Note, and the instruments referenced herein contain the entire understanding of the parties with respect to the matters covered herein and therein and, except as specifically set forth herein or therein, neither the Company nor the Buyer makes any representation, warranty, covenant or undertaking with respect to such matters. No provision of this Agreement or any agreement or instrument contemplated hereby may be waived or amended other than by an instrument in writing signed by the Buyer.

f. Notices. All notices, demands, requests, consents, approvals, and other communications required or permitted hereunder shall be in writing and, unless otherwise specified herein, shall be (i) personally served, (ii) deposited in the mail, registered or certified, return receipt requested, postage prepaid, (iii) delivered by reputable air courier service with charges prepaid, or (iv) transmitted by hand delivery, telegram, e-mail or facsimile, addressed as set forth below or to such other address as such party shall have specified most recently by written notice. Any notice or other communication required or permitted to be given hereunder shall be deemed effective (a) upon hand delivery or delivery by e-mail or facsimile, with accurate confirmation generated by the transmitting facsimile machine, at the address or number designated below (if delivered on a business day during normal business hours where such notice is to be received), or the first business day following such delivery (if delivered other than on a business day during normal business hours where such notice is to be received) or (b) on the second business day following the date of mailing by express courier service, fully prepaid, addressed to such address, or upon actual receipt of such mailing, whichever shall first occur. The addresses for such communications shall be:

If to the Company, to:

**DIGERATI TECHNOLOGIES, INC.**

8023 Vantage Dr, Suite 660  
San Antonio, TX 78230  
Attention: Arthur Smith  
e-mail: a.smith@t3com.net

If to the Buyer:

**MAST HILL FUND, L.P.**

48 Parker Road  
Wellesley, MA 02482  
e-mail: admin@masthillfund.com

g. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns. The Company shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Buyer. The Buyer may assign its rights hereunder to any "accredited investor" (as defined in Rule 501(a) of the 1933 Act) in a private transaction from the Buyer or to any of its "affiliates," as that term is defined under the 1934 Act, without the consent of the Company.

h. Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person.

i. Survival. The representations and warranties of the Company and the agreements and covenants set forth in this Agreement shall survive the closing hereunder notwithstanding any due diligence investigation conducted by or on behalf of the Buyer. The Company agrees to indemnify and hold harmless the Buyer and all their officers, directors, employees and agents for loss or damage arising as a result of or related to any breach or alleged breach by the Company of any of its representations, warranties and covenants set forth in this Agreement or any of its covenants and obligations under this Agreement, including advancement of expenses as they are incurred.

j. Publicity. The Company, and the Buyer shall have the right to review a reasonable period of time before issuance of any press releases, SEC, Principal Market or FINRA filings, or any other public statements with respect to the transactions contemplated hereby; provided, however, that the Company shall be entitled, without the prior approval of the Buyer, to make any press release or SEC, Principal Market (or other applicable trading market) or FINRA filings with respect to such transactions as is required by applicable law and regulations (although the Buyer shall be consulted by the Company in connection with any such press release prior to its release and shall be provided with a copy thereof and be given an opportunity to comment thereon).

k. Further Assurances. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

l. No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.

m. Indemnification. In consideration of the Buyer's execution and delivery of this Agreement and acquiring the Securities hereunder, and in addition to all of the Company's other obligations under this Agreement or the Note, the Company shall defend, protect, indemnify and hold harmless the Buyer and its stockholders, partners, members, officers, directors, employees and direct or indirect investors and any of the foregoing persons' agents or other representatives (including, without limitation, those retained in connection with the transactions contemplated by this Agreement) (collectively, the "Indemnitees") from and against any and all actions, causes of action, suits, claims, losses, costs, penalties, fees, liabilities and damages, and expenses in connection therewith (irrespective of whether any such Indemnitee is a party to the action for which indemnification hereunder is sought), and including reasonable attorneys' fees and disbursements (the "Indemnified Liabilities"), incurred by any Indemnitee as a result of, or arising out of, or relating to (a) any misrepresentation or breach of any representation or warranty made by the Company in this Agreement, the Note or any other agreement, certificate, instrument or document contemplated hereby or thereby, (b) any breach of any covenant, agreement or obligation of the Company contained in this Agreement, the Note or any other agreement, certificate, instrument or document contemplated hereby or thereby or (c) any cause of action, suit or claim brought or made against such Indemnitee by a third party (including for these purposes a derivative action brought on behalf of the Company) and arising out of or resulting from (i) the execution, delivery, performance or enforcement of this Agreement, the Note or any other agreement, certificate, instrument or document contemplated hereby or thereby, (ii) any transaction financed or to be financed in whole or in part, directly or indirectly, with the proceeds of the issuance of the Securities, or (iii) the status of the Buyer or holder of the Securities as an investor in the Company pursuant to the transactions contemplated by this Agreement. To the extent that the foregoing undertaking by the Company may be unenforceable for any reason, the Company shall make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities that is permissible under applicable law.

n. Remedies. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Buyer by vitiating the intent and purpose of the transaction contemplated hereby. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Agreement, the Note, the Warrant, or any other agreement, certificate, instrument or document contemplated hereby or thereby will be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Agreement, the Note, the Warrant, or any other agreement, certificate, instrument or document contemplated hereby or thereby, that the Buyer shall be entitled, in addition to all other available remedies at law or in equity, and in addition to the penalties assessable herein, to an injunction or injunctions restraining, preventing or curing any breach of this Agreement, the Note, the Warrant, or any other agreement, certificate, instrument or document contemplated hereby or thereby, and to enforce specifically the terms and provisions hereof and thereof, without the necessity of showing economic loss and without any bond or other security being required.

o. Payment Set Aside. To the extent that the (i) Company makes a payment or payments to the Buyer hereunder, pursuant to the Note, pursuant to the Warrant, or pursuant to any other agreement, certificate, instrument or document contemplated hereby or thereby, or (ii) the Buyer enforces or exercises its rights hereunder, pursuant to the Note, pursuant to the Warrant, or pursuant to any other agreement, certificate, instrument or document contemplated hereby or thereby, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof (including but not limited to the sale of the Securities) are for any reason (i) subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, or disgorged by the Buyer, or (ii) are required to be refunded, repaid or otherwise restored to the Company, a trustee, receiver, government entity, or any other person or entity under any law (including, without limitation, any bankruptcy law, foreign, state or federal law, common law or equitable cause of action), then (i) to the extent of any such restoration the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred and (ii) the Company shall immediately pay to the Buyer a dollar amount equal to the amount that was for any reason (i) subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, or disgorged by the Buyer, or (ii) required to be refunded, repaid or otherwise restored to the Company, a trustee, receiver, government entity, or any other person or entity under any law (including, without limitation, any bankruptcy law, foreign, state or federal law, common law or equitable cause of action).

p. Failure or Indulgence Not Waiver. No failure or delay on the part of the Buyer in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privileges. All rights and remedies of the Buyer existing hereunder are cumulative to, and not exclusive of, any rights or remedies otherwise available.

q. Leak Out. The Buyer's sale of the Common Stock issued upon conversion of the Note and exercise of the Warrant, on each respective Trading Day (as defined in the Note) (each a "Trading Day") during the Leak Out Period (as defined in this Agreement), shall be limited to the greater of (i) a gross dollar amount of \$3,500.00 or (ii) 20% of the Daily Dollar Volume (as defined in this Agreement) on the respective Trading Day. "Leak Out Period" shall mean the period beginning on the date of this Agreement and ending on the date that an Event of Default (as defined in the Note) occurs under the Note. "Daily Dollar Volume" shall mean, with respect to each Trading Day, the total volume of shares of the Common Stock traded on the respective Trading Day (as reported by Quotestream or other similar quotation service provider designated by the Buyer) multiplied by the highest traded price of the Common Stock on the respective Trading Day (as reported by Quotestream or other similar quotation service provider designated by the Buyer).

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned Buyer and the Company have caused this Agreement to be duly executed as of the date first above written.

**DIGERATI TECHNOLOGIES, INC.**

By: /s/ Arthur Smith  
Name: ARTHUR SMITH  
Title: CHIEF EXECUTIVE OFFICER

**MAST HILL FUND, L.P.**

By: /s/ Patrick Hassani  
Name: PATRICK HASSANI  
Title: CHIEF INVESTMENT OFFICER

SUBSCRIPTION AMOUNT:

<b>Principal Amount of Note:</b>	<b>\$ 192,000.00</b>
<b>Actual Amount of Purchase Price of Note:</b>	<b>\$ 163,200.00</b>

**EXHIBIT A**  
**FORM OF NOTE**  
**[attached hereto]**

## EXHIBIT B

### PIGGY-BACK REGISTRATION RIGHTS

All of the Conversion Shares, Exercise Shares, and Commitment Shares shall be deemed “Registrable Securities” subject to the provisions of this Exhibit B. All capitalized terms used but not defined in this Exhibit B shall have the meanings ascribed to such terms in the Securities Purchase Agreement to which this Exhibit is attached.

#### 1. Piggy-Back Registration.

1.1 Piggy-Back Rights. If at any time on or after the date of the Closing the Company proposes to file any Registration Statement under the 1933 Act (a “Registration Statement”) with respect to any offering of equity securities, or securities or other obligations exercisable or exchangeable for, or convertible into, equity securities, by the Company for its own account or for shareholders of the Company for their account (or by the Company and by shareholders of the Company), other than a Registration Statement (i) filed in connection with any employee stock option or other benefit plan on Form S-8, (ii) for a dividend reinvestment plan or (iii) in connection with a merger or acquisition, then the Company shall (x) give written notice of such proposed filing to the holders of Registrable Securities appearing on the books and records of the Company as such a holder as soon as practicable but in no event less than ten (10) days before the anticipated filing date of the Registration Statement, which notice shall describe the amount and type of securities to be included in such Registration Statement, the intended method(s) of distribution, and the name of the proposed managing underwriter or underwriters, if any, of the offering, and (y) offer to the holders of Registrable Securities in such notice the opportunity to register the sale of such number of Registrable Securities as such holders may request in writing within three (3) days following receipt of such notice (a “Piggy-Back Registration”). The Company shall cause such Registrable Securities to be included in such registration and shall cause the managing underwriter or underwriters of a proposed underwritten offering to permit the Registrable Securities requested to be included in a Piggy-Back Registration on the same terms and conditions as any similar securities of the Company and to permit the sale or other disposition of such Registrable Securities in accordance with the intended method(s) of distribution thereof (with the understanding that the Company shall file the initial prospectus covering the Buyer’s sale of the Registrable Securities at prevailing market prices on the same date that the Registration Statement is declared effective by the SEC).

1.2 Withdrawal. Any holder of Registrable Securities may elect to withdraw such holder’s request for inclusion of Registrable Securities in any Piggy-Back Registration by giving written notice to the Company of such request to withdraw prior to the effectiveness of the Registration Statement. The Company (whether on its own determination or as the result of a withdrawal by persons making a demand pursuant to written contractual obligations) may withdraw a Registration Statement at any time prior to the effectiveness of such Registration Statement. Notwithstanding any such withdrawal, the Company shall pay all expenses incurred by the holders of Registrable Securities in connection with such Piggy-Back Registration as provided in Section 1.5 below.

1.3 The Company shall notify the holders of Registrable Securities at any time when a prospectus relating to such holder’s Registrable Securities is required to be delivered under the 1933 Act, upon discovery that, or upon the happening of any event as a result of which, the prospectus included in such Registration Statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing. At the request of such holder, the Company shall also prepare, file and furnish to such holder a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of the Registrable Securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing. The holders of Registrable Securities shall not to offer or sell any Registrable Securities covered by the Registration Statement after receipt of such notification until the receipt of such supplement or amendment.

1.4 The Company may request a holder of Registrable Securities to furnish the Company such information with respect to such holder and such holder’s proposed distribution of the Registrable Securities pursuant to the Registration Statement as the Company may from time to time reasonably request in writing or as shall be required by law or by the SEC in connection therewith, and such holders shall furnish the Company with such information.

1.5 All fees and expenses incident to the performance of or compliance with this Exhibit B by the Company shall be borne by the Company whether or not any Registrable Securities are sold pursuant to a Registration Statement. The fees and expenses referred to in the foregoing sentence shall include, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses of the Company's counsel and independent registered public accountants) (A) with respect to filings made with the SEC, (B) with respect to filings required to be made with any trading market on which the Common Stock is then listed for trading, (C) in compliance with applicable state securities or Blue Sky laws reasonably agreed to by the Company in writing (including, without limitation, fees and disbursements of counsel for the Company in connection with Blue Sky qualifications or exemptions of the Registrable Securities) and (D) with respect to any filing that may be required to be made by any broker through which a holder of Registrable Securities intends to make sales of Registrable Securities with the FINRA, (ii) printing expenses, (iii) messenger, telephone and delivery expenses, (iv) fees and disbursements of counsel for the Company, (v) 1933 Act liability insurance, if the Company so desires such insurance, (vi) fees and expenses of all other persons or entities retained by the Company in connection with the consummation of the transactions contemplated by this Exhibit B and (vii) reasonable fees and disbursements of a single special counsel for the holders of Registrable Securities (selected by holders of the majority of the Registrable Securities requesting such registration). In addition, the Company shall be responsible for all of its internal expenses incurred in connection with the consummation of the transactions contemplated by this Agreement (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit and the fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange as required hereunder. In no event shall the Company be responsible for any broker or similar commissions of any holder of Registrable Securities.

1.6 The Company and its successors and assigns shall indemnify and hold harmless the Buyer, each holder of Registrable Securities, the officers, directors, members, partners, agents and employees (and any other individuals or entities with a functionally equivalent role of a person holding such titles, notwithstanding a lack of such title or any other title) of each of them, each individual or entity who controls the Buyer or any such holder of Registrable Securities (within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act) and the officers, directors, members, stockholders, partners, agents and employees (and any other individuals or entities with a functionally equivalent role of a person holding such titles, notwithstanding a lack of such title or any other title) of each such controlling individual or entity (each, an "Indemnified Party"), to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, reasonable attorneys' fees) and expenses (collectively, "Losses"), as incurred, arising out of or relating to (1) any untrue or alleged untrue statement of a material fact contained in a Registration Statement, any related prospectus or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any such prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading or (2) any violation or alleged violation by the Company of the 1933 Act, the 1934 Act or any state securities law, or any rule or regulation thereunder, in connection with the performance of its obligations under this Exhibit B, except to the extent, but only to the extent, that (i) such untrue statements or omissions are based upon information regarding the Buyer or such holder of Registrable Securities furnished to the Company by such party for use therein. The Company shall notify the Buyer and each holder of Registrable Securities promptly of the institution, threat or assertion of any proceeding arising from or in connection with the transactions contemplated by this Exhibit B of which the Company is aware.

1.7 If the indemnification under Section 1.6 is unavailable to an Indemnified Party or insufficient to hold an Indemnified Party harmless for any Losses, then the Company shall contribute to the amount paid or payable by such Indemnified Party, in such proportion as is appropriate to reflect the relative fault of the Company and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of the Company and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, the Company or the Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission. The amount paid or payable by a party as a result of any Losses shall be deemed to include any reasonable attorneys' or other fees or expenses incurred by such party in connection with any proceeding to the extent such party would have been indemnified for such fees or expenses if the indemnification provided for in Section 1.6 was available to such party in accordance with its terms. It is agreed that it would not be just and equitable if contribution pursuant to this Section 1.7 were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding sentence. Notwithstanding the provisions of this Section 1.7, neither the Buyer nor any holder of Registrable Securities shall be required to contribute, in the aggregate, any amount in excess of the amount by which the net proceeds actually received by such party from the sale of all of their Registrable Securities pursuant to such Registration Statement or related prospectus exceeds the amount of any damages that such party has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission.

**[End of Exhibit B]**



**EXHIBIT C**

**REGISTRATION RIGHTS AGREEMENT**

**(see attached)**

**POST-CLOSING AMENDMENT NO. 4  
TO ASSET PURCHASE AGREEMENT**

This POST-CLOSING AMENDMENT NO. 4 TO ASSET PURCHASE AGREEMENT, dated as of May 10, 2023 (the “**Amendment**”), amends that certain Asset Purchase Agreement dated as of December 31, 2021 (as amended through the date hereof, the “**Asset Purchase Agreement**” ) by and among SKYNET TELECOM, LLC, a Texas limited liability company (hereinafter “**Seller**”); SHIFT8 NETWORKS, INC., a Texas corporation, or its assigns (“**Buyer**”); DIGERATI TECHNOLOGIES, INC., a Nevada corporation and controlling parent of Buyer; and PAUL GOLIBART and JERRY OU, each an individual resident in the State of Texas (each, an “**Owner**” and collectively, the “**Owners**”). The Estate of Paul Golibart has succeeded to all rights of Paul Golibart as an Owner under the Asset Purchase Agreement as a matter of law as a result of his death on June 6, 2022.

WHEREAS, the parties desire to amend Section 3.01(e) of the Asset Purchase Agreement as previously amended in Post-Closing Amendment No. 1; and

WHEREAS, the parties have agreed to the following:

1. Section 3.01(e) of the Asset Purchase Agreement is hereby amended to read as follows in its entirety:

(e)The amount of One Million and No/100 Dollars (\$1,000,000.00) shall be paid by Buyer to Seller, by issuance of shares of restricted common stock (the “**Stock**”) of Minority Equality Opportunities Acquisition, Inc. (“**MEOA**”) within 5 business days following the closing of the business combination of Parent with MEOA under that certain Business Combination Agreement dated as of August 30, 2022, as amended. The Stock will be valued at the transaction price set forth in the definitive proxy statement/final prospectus (\$10.00 per share) related to the business combination filed by MEOA with the Securities and Exchange Commission on May 3, 2023. For the convenience of the parties, the Stock will be issued by MEOA directly to the owners in such proportion as designated by the Seller but shall be considered for all purposes to be the payment of a portion of the Purchase Price paid to Seller.

All other terms of the Asset Purchase Agreement shall remain the same.

*[Balance of Page Intentionally Blank. Signature Page Follows]*

8023 Vantage, Suite 660, San Antonio, TX 78230  
Telephone: 210.614.7240 Fax 210.693.1012

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IN WITNESS WHEREOF, the Amendment has been duly executed and delivered as of the date first above written.

**BUYER:**

**SHIFT8 NETWORKS, INC.,**  
A Texas corporation

By:           /s/ Arthur L. Smith  
Printed Name: Arthur L. Smith  
Title: CEO

**PARENT:**

**DIGERATI TECHNOLOGIES, INC.,**  
A Nevada corporation

By:           /s/ Arthur L. Smith  
Printed Name: Arthur L. Smith  
Title: CEO

**SELLER:**

**SKYNET TELECOM, LLC,**  
A Texas limited liability company

By:           /s/ Jerry Ou  
Printed Name: Jerry Ou  
Title: President

**OWNERS:**

**JERRY OU**

          /s/ Jerry Ou

**ESTATE OF PAUL GOLIBART**

By:           /s/ Gayle Havel Blum  
Printed Name: Gayle Havel Blum  
Title: Executor

8023 Vantage, Suite 660, San Antonio, TX 78230  
Telephone: 210.614.7240 Fax 210.693.1012

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**DIGERATI TECHNOLOGIES, INC.**  
**UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS**

**May 25, 2023**

The undersigned, being all of the members of the Board of Directors (the "Board") of Digerati Technologies, Inc., a Nevada corporation (the "Corporation"), do hereby vote for, consent to, approve, and adopt the following resolutions:

**WHEREAS**, in 2015, the Board approved and the Corporation adopted the Digerati Technologies, Inc. 2015 Equity Compensation Plan (the "Plan") providing for grant of options to acquire 7,500,000 shares of the common stock, par value \$0.001 of the Corporation ("Common Stock") to the directors, officers, employees and consultants of the Corporation ("Eligible Participants");

**WHEREAS**, the Corporation desires to amend the Plan to allow for the grant of options to purchase up to 15,000,000 shares of Common Stock rather than 7,500,000 shares of Common Stock;

**WHEREAS**, certain of the options previously granted under the Plan to Eligible Participants have expired set forth on Exhibit A hereto and the Corporation desires to grant new options to those Eligible Participants;

**WHEREAS**, among those individuals whose options have expired is Kenneth Ryon, a long-time employee of the Corporation who passed away ("Ryon") and whose options passed to his wife, Laura Ryon, and thereafter expired in April 2023 in accordance with their terms;

**WHEREAS**, in recognition and consideration of Ryon's long-time commitment and service to the Corporation prior to his passing, the Corporation desires to grant to Laura Ryon new options along with the options being granted to the Plan participants whose options have expired as set forth on Exhibit A hereto;

**WHEREAS**, the Corporation desires to retire and cancel the outstanding options previously granted to and owned by certain other Eligible Participants set forth on Exhibit B hereto, and such participants desire and have agreed to do so, in exchange for the issuance to them of new options under the Plan (the "New Options") in accordance with the provisions set forth in Sections 4(d) and 2(f) of the Plan; and

**WHEREAS**, the Corporation desires grant additional (new) options under the Plan to the Eligible Participants set forth on Schedule C hereto and to authorize and have available to it, for issuance upon the grant of additional options under the Plan, a sufficient number of shares of Common Stock.

**NOW THEREFORE, BE IT RESOLVED**, that the Corporation amend the Plan to permit the grant of options to acquire up to 15,000,000 shares of Common Stock thereunder;

**BE IT FURTHER RESOLVED**, that there be and hereby is reserved from the Corporation's authorized and unissued shares of Common Stock, an aggregate of 15,000,000 shares of Common Stock for issuance upon exercise of options under and in accordance with the Plan; and

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**BE IT FURTHER RESOLVED**, that following amendment, the Corporation be and hereby is: (a) authorized to issue, and does hereby issue, options to purchase shares of Common Stock to the Eligible Employees whose options have expired; (b) authorized to retire and cancel, and does hereby retire and cancel, the outstanding options previously granted to and owned by the other Eligible Participants and is authorized to issue, and does hereby issue, the New Options in exchange therefor to such Eligible Employees; and (c) authorized to grant options to purchase shares of Common Stock, and does hereby grant, to Arthur Smith, Antonio Estrada, Jr., Craig Clement, and Maxwell Polinsky, each an Eligible Employee, in each instance listed in (a) through (c) above, in the respective amounts, at the respective exercise prices, and on such other terms as set forth on Exhibit D hereto under and in accordance with the Plan;

**BE IT FURTHER RESOLVED**, that following the amendment, in recognition and consideration of Ryon's long-time commitment and service to the Corporation prior to his passing, the Corporation is hereby authorized to issue to Laura Ryon options to purchase shares of Common Stock along with the options being issued to the Eligible Participants whose options have expired;

**BE IT FURTHER RESOLVED**, the shares of Common Stock that have not been issued and are not subject to an outstanding option, warrant, restricted stock grant or other interest under the Plan on the date hereof shall be returned to the authorized and unissued shares of the Corporation's capital stock; and

**BE IT FURTHER RESOLVED**, that the Chief Executive Officer and the Chief Financial Officer be, and each of them is hereby, authorized and directed to file (or amend), as such officer deems necessary or appropriate, a registration statement on Form S-8 with the U.S. Securities and Exchange Commission relating to an additional 7,500,000 shares of Common Stock, issuable following amendment, under the Plan and an indeterminate number of interests in the Plan;

**BE IT FURTHER RESOLVED**, that any actions heretofore or hereafter taken by any director, officer or employee of the Corporation in connection with the subject matter of the foregoing resolutions be, and the same hereby are, ratified, confirmed and adopted by the Corporation as the acts and deeds of the Corporation as fully as if such action had been specifically approved in advance by the Board;

**BE IT FURTHER RESOLVED**, that: (a) this Written Consent may be signed in one or more counterparts, each of which may contain the signatures of some of the directors and all of which when taken together shall contain the signatures of all directors; (b) this Written Consent shall be considered to be a single document and any counterpart may be signed by a director and delivered to the Corporation by facsimile, portable document format or other electronic means; (c) any such signatures delivered by electronic means shall be valid and binding as fully as if an originally signed counterpart was delivered to the Corporation; and (d) each director that delivers a signature by electronic means shall provide a manually signed original counterpart of hereof upon request by any director or officer of the Corporation; and

**BE IT FURTHER RESOLVED**, that this Written Consent shall be effective as of the date hereof regardless of whether any signature or all signatures occur or all signatures occur before, or after such date, and all actions taken herein shall be deemed to be taken simultaneously on the date of this Written Consent.

*[Remainder of page intentionally left blank; signature page(s) follow(s)]*

**IN WITNESS WHEREOF**, the undersigned, being all of the directors of the Corporation do hereby execute this Written Consent effective as of the date first above written.

/s/ Arthur L. Smith

Arthur L. Smith

/s/ Craig K. Clement

Craig K. Clement

/s/ Maxwell A. Polinsky

Maxwell A. Polinsky

*[Signature Page – Digerati Unanimous Board Written Consent – Stock Options]*

**EXHIBIT A  
TO  
UNANIMOUS WRITTEN CONSENT  
OF THE BOARD OF DIRECTORS**

**(List of Expired Options)**

<b>Participant</b>	<b>Original Option Expiration Date</b>	<b>Number of Options/Shares</b>
Craig K. Clement	December 1, 2022	300,000
Arthur L. Smith	December 1, 2022	300,000
Antonio Estrada Jr.	December 1, 2022	300,000
Maxwell A. Polinsky	December 1, 2022	125,000
Kathleen Keller	December 1, 2022	50,000
Edward Manibusan	December 1, 2022	50,000
Kenneth Ryon	December 1, 2022	175,000
Ryan McDowell	December 1, 2022	40,000
Joseph Galaznik	December 1, 2022	15,000
Jennifer Crisp	May 7, 2023	50,000
Josh Reel	May 7, 2023	100,000
Deanna Benson	May 7, 2023	15,000
Christopher Lopez	May 7, 2023	10,000
Falco McPherson	May 7, 2023	15,000
Deirdre Carrington	May 7, 2023	35,000
Andrew Santos	May 7, 2023	35,000
Taylor McCain	May 7, 2023	10,000
Alfonso Ramon	May 7, 2023	10,000

**EXHIBIT B  
TO  
UNANIMOUS WRITTEN CONSENT  
OF THE BOARD OF DIRECTORS**

**(List of Options to be Surrendered and Canceled)**

<b>Participant</b>	<b>Present Expiration Date</b>	<b>Number of Options/Shares</b>
Maxwell A. Polinsky,	December 14, 2023	100,000
Craig K. Clement	February 14, 2024	620,000
Arthur L. Smith	February 14, 2024	585,000
Antonio Estrada Jr.	February 14, 2024	520,000



**EXHIBIT C  
TO  
UNANIMOUS WRITTEN CONSENT  
OF THE BOARD OF DIRECTORS**

**(List of Proposed New Option Grants)**

<b>Participant</b>	<b>Vesting Start Date</b>	<b>Expiration Date</b>	<b>Exercise Price</b>	<b>Number of Options/Shares</b>
Arthur Smith	June 1, 2023	December 1, 2027	\$0.095	2,500,000
Antonio Estrada, Jr.	June 1, 2023	December 1, 2027	\$0.095	2,500,000
Craig Clement	June 1, 2023	December 1, 2027	\$0.095	447,500
Maxwell A. Polinsky	June 1, 2023	December 1, 2027	\$0.095	447,500

**EXHIBIT D**  
**TO**  
**UNANIMOUS WRITTEN CONSENT**  
**OF THE BOARD OF DIRECTORS**

(Cumulative List of all New Option Grants)

<b>Participant</b>	<b>Vesting Start Date</b>	<b>Expiration Date</b>	<b>Exercise Price</b>	<b>Number of Options/Shares</b>
Craig K. Clement	June 1, 2023	December 1, 2027	\$0.095	300,000
Arthur L. Smith	June 1, 2023	December 1, 2027	\$0.095	300,000
Antonio Estrada Jr.	June 1, 2023	December 1, 2027	\$0.095	300,000
Maxwell A. Polinsky	June 1, 2023	December 1, 2027	\$0.095	125,000
Kathleen Keller	June 1, 2023	December 1, 2027	\$0.095	50,000
Edward Manibusan	June 1, 2023	December 1, 2027	\$0.095	50,000
Laura Ryon	June 1, 2023	December 1, 2027	\$0.095	175,000
Ryan McDowell	June 1, 2023	December 1, 2027	\$0.095	40,000
Joseph Galaznik	June 1, 2023	December 1, 2027	\$0.095	15,000
Jennifer Crisp	June 1, 2023	December 1, 2027	\$0.095	50,000
Josh Reel	June 1, 2023	December 1, 2027	\$0.095	100,000
Deanna Benson	June 1, 2023	December 1, 2027	\$0.095	15,000
Christopher Lopez	June 1, 2023	December 1, 2027	\$0.095	10,000
Falco McPherson	June 1, 2023	December 1, 2027	\$0.095	15,000
Deirdre Carrington	June 1, 2023	December 1, 2027	\$0.095	35,000
Andrew Santos	June 1, 2023	December 1, 2027	\$0.095	35,000
Taylor McCain	June 1, 2023	December 1, 2027	\$0.095	10,000
Alfonso Ramon	June 1, 2023	December 1, 2027	\$0.095	10,000
Maxwell A. Polinsky,	June 1, 2023	December 1, 2027	\$0.095	100,000
Craig K. Clement	June 1, 2023	December 1, 2027	\$0.095	620,000
Arthur L. Smith	June 1, 2023	December 1, 2027	\$0.095	585,000
Antonio Estrada Jr.	June 1, 2023	December 1, 2027	\$0.095	520,000
Arthur Smith	June 1, 2023	December 1, 2027	\$0.095	2,500,000
Antonio Estrada, Jr.	June 1, 2023	December 1, 2027	\$0.095	2,500,000
Craig Clement	June 1, 2023	December 1, 2027	\$0.095	447,500
Maxwell Polinsky	June 1, 2023	December 1, 2027	\$0.095	447,500
			Total:	9,355,000

**FIRST AMENDMENT TO FORBEARANCE AGREEMENT**

This Amendment to Forbearance Agreement (this "Agreement") is entered into as of May 1, 2023 (the "Effective Date"), is made by and among T3 COMMUNICATIONS, INC., a Nevada corporation ("T3") and THE JERRY AND LISA MORRIS REVOCABLE TRUST DATED NOVEMBER 18, 2002 ("Holder") (each a "Party" and collectively the "Parties").

## RECITALS

WHEREAS, the Parties entered into that certain Equity Purchase Agreement dated February 4, 2022 (the "Purchase Agreement"), pursuant to which Holder agreed to sell to T3 and T3 agreed to purchase Holder's interest in Next Level Internet, Inc., a California corporation; and

WHEREAS, in connection with the Purchase Agreement, T3 executed that certain Unsecured Adjustable Promissory Note dated February 4, 2022, in favor of Holder in the original principal amount of \$1,800,000 (the "Note"); and

WHEREAS, under the terms of the Note, a payment of principal in the amount of \$225,000 is due and payable on March 7, 2023 (the "Deferred Payment") and, if such payment is not made on such date Holder would have the right, pursuant to the Note and applicable law, to exercise any and all rights and remedies available to it, including without limitation, the right to accelerate all amounts under the Note such that the remaining unpaid balance thereof and all accrued and unpaid interest and late fees thereon would be immediately due and payable; and

WHEREAS, T3 has requested and Holder has agreed that Holder will forbear for a limited period of time in the exercise and enforcement of such rights, powers and remedies otherwise available to Holder with respect to T3 in connection with the failure to pay the Deferred Payment pursuant to the terms of this Agreement; and

WHEREAS, the Parties entered into the Forbearance Agreement (the "Forbearance Agreement") effective as of March 7, 2023; and

WHEREAS, T3 has requested that Holder continue to forbear from exercising their rights and remedies under the Note and agree to extend the Forbearance Period (as defined in the Forbearance Agreement), as set forth in this Agreement.

**AGREEMENTS**

NOW THEREFORE, in consideration of the foregoing and the mutual agreements and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Specific Amendment to Forbearance Agreement. Subject to the conditions set forth in this Agreement, the Forbearance Agreement is hereby amended as follows:

(a) Section 2 of the Forbearance Agreement is amended to read as follows:

"T3 agrees to pay the Deferred Payment, together with interest at the rate of 18% per annum (based upon the number of days elapsed between the date the Deferred Payment is scheduled for payment under the Note and the date the Deferred Payment is actually paid based on a year of 365 days) on or before May 31, 2023 (the period from the Effective Date through May 31, 2023, being the "Forbearance Period") and interest accrued between March 15, 2023 and April 30, 2023 of \$5,175.00 (calculated at 0.05% per day for 46 days outstanding) on May 8, 2023."

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2. Binding Agreement. This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties hereto.

3. Severability. The invalidity, illegality or unenforceability of any provision in or obligation under this Agreement shall not affect or impair the validity, legality or enforceability of the remaining provisions or obligations hereunder.

4. Effect of this Amendment. Except as expressly set forth herein, no other changes or modifications to the Note or Forbearance Agreement are intended or implied, and in all other respects the Note and Forbearance are hereby specifically ratified and confirmed by all parties hereto as of the date hereof. This Agreement and any instruments or documents delivered or to be delivered in connection herewith, represent the entire agreement and understanding concerning the subject matter hereof and thereof between the parties hereto, and supersede all other prior agreements, understandings, negotiations and discussions, representations, warranties, commitments, proposals, offers and contracts concerning the subject matter hereof, whether oral or written. The Note, the Forbearance Agreement and this Agreement shall be read and construed as one agreement.

5. References. All references in the Forbearance Agreement to “this Forbearance Agreement” or “the Forbearance Agreement” shall be deemed to refer to the Forbearance Agreement as amended by this Agreement.

6. Counterparts; Headings; Recitals. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which when taken together shall together constitute one and the same instrument. A signature hereto sent or delivered by PDF, facsimile or other electronic transmission shall be as legally effective and binding as a signed original for all purposes. The titles and headings in this Agreement have no substantive meaning and are solely for the convenience of the parties. The Recitals hereto are hereby incorporated into this Agreement by this reference thereto.

7. Further Assurances. The parties hereto shall execute and deliver such additional documents and take such additional action as may be reasonably necessary or desirable to effectuate the provisions and purposes of this Agreement.

8. Governing Law. This Agreement and all claims or causes of action arising hereunder shall be governed by and construed in accordance with the laws of the State of New York, excluding its conflicts of laws provisions, and in the event of a dispute arising under this Agreement, the Parties hereby submit to exclusive jurisdiction in the federal or state courts located in the Borough of Manhattan, New York, and agree that venue is proper and convenient in such forum.

**9. WAIVER OF JURY TRIAL. T3 AND HOLDER HEREBY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE PROMISSORY NOTE, OR ANY DOCUMENTS EXECUTED IN CONNECTION THEREWITH. T3 AND HOLDER WARRANT AND REPRESENT THAT THEY HAVE REVIEWED THE FOREGOING WAIVER WITH THEIR RESPECTIVE LEGAL COUNSELS AND HAVE KNOWINGLY AND VOLUNTARILY WAIVED THEIR RESPECTIVE RIGHT TO A JURY TRIAL FOLLOWING SUCH CONSULTATION. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.**

[Signature Pages Follow]

IN WITNESS WHEREOF, duly authorized officers of each of the undersigned have executed this Amendment to Forbearance Agreement as of the date first written above.

**COMPANY:**

**T3 COMMUNICATIONS, INC.**, a Nevada corporation, as the Company

By: Arthur Smith

Name: Arthur L. Smith

Title: CEO

**THE JERRY AND LISA MORRIS REVOCABLE TRUST DATED NOVEMBER 18, 2002:**

By: Jerry Morris

Name: Jerry Morris

Title: Trustee

Signature: Jerry Morris  
Jerry Morris (May 5, 2023 09:46 PDT)

Email: jerrycmorris@outlook.com

Signature: Arthur Smith  
Arthur Smith (May 5, 2023 09:54 PDT)

Email: a.smith@t3com.net

Signature Pages to Amendment to Forbearance Agreement

**FIRST AMENDMENT TO FORBEARANCE AGREEMENT**

This Amendment to Forbearance Agreement (this "Agreement") is entered into as of May 1, 2023 (the "Effective Date"), is made by and among T3 COMMUNICATIONS, INC., a Nevada corporation ("T3") and JEFFERY POSNER ("Holder") (each a "Party" and collectively the "Parties").

**RECITALS**

WHEREAS, the Parties entered into that certain Equity Purchase Agreement dated February 4, 2022 (the "Purchase Agreement"), pursuant to which Holder agreed to sell to T3 and T3 agreed to purchase Holder's interest in Next Level Internet, Inc., a California corporation; and

WHEREAS, in connection with the Purchase Agreement, T3 executed that certain Unsecured Adjustable Promissory Note dated February 4, 2022, in favor of Holder in the original principal amount of \$200,000 (the "Note"); and

WHEREAS, under the terms of the Note, a payment of principal in the amount of \$25,000 is due and payable on March 7, 2023 (the "Deferred Payment") and, if such payment is not made on such date Holder would have the right, pursuant to the Note and applicable law, to exercise any and all rights and remedies available to it, including without limitation, the right to accelerate all amounts under the Note such that the remaining unpaid balance thereof and all accrued and unpaid interest and late fees thereon would be immediately due and payable; and

WHEREAS, T3 has requested and Holder has agreed that Holder will forbear for a limited period of time in the exercise and enforcement of such rights, powers and remedies otherwise available to Holder with respect to T3 in connection with the failure to pay the Deferred Payment pursuant to the terms of this Agreement; and

WHEREAS, the Parties entered into the Forbearance Agreement (the "Forbearance Agreement") effective as of March 7, 2023; and

WHEREAS, T3 has requested that Holder continue to forbear from exercising their rights and remedies under the Note and agree to extend the Forbearance Period (as defined in the Forbearance Agreement), as set forth in this Agreement.

**AGREEMENTS**

NOW THEREFORE, in consideration of the foregoing and the mutual agreements and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

---

1. Specific Amendment to Forbearance Agreement. Subject to the conditions set forth in this Agreement, the Forbearance Agreement is hereby amended as follows:

(a) Section 2 of the Forbearance Agreement is amended to read as follows:

“T3 agrees to pay the Deferred Payment, together with interest at the rate of 18% per annum (based upon the number of days elapsed between the date the Deferred Payment is scheduled for payment under the Note and the date the Deferred Payment is actually paid based on a year of 365 days) on or before May 31, 2023 (the period from the Effective Date through May 31, 2023, being the “Forbearance Period”) and interest accrued between March 15, 2023 and April 30, 2023 of \$575.00 (calculated at 0.05% per day for 46 days outstanding) on May 8, 2023.”

2. Binding Agreement. This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties hereto.

3. Severability. The invalidity, illegality or unenforceability of any provision in or obligation under this Agreement shall not affect or impair the validity, legality or enforceability of the remaining provisions or obligations hereunder.

4. Effect of this Amendment. Except as expressly set forth herein, no other changes or modifications to the Note or Forbearance Agreement are intended or implied, and in all other respects the Note and Forbearance are hereby specifically ratified and confirmed by all parties hereto as of the date hereof. This Agreement and any instruments or documents delivered or to be delivered in connection herewith, represent the entire agreement and understanding concerning the subject matter hereof and thereof between the parties hereto, and supersede all other prior agreements, understandings, negotiations and discussions, representations, warranties, commitments, proposals, offers and contracts concerning the subject matter hereof, whether oral or written. The Note, the Forbearance Agreement and this Agreement shall be read and construed as one agreement.

5. References. All references in the Forbearance Agreement to “this Forbearance Agreement” or “the Forbearance Agreement” shall be deemed to refer to the Forbearance Agreement as amended by this Agreement.

6. Counterparts; Headings; Recitals. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which when taken together shall together constitute one and the same instrument. A signature hereto sent or delivered by PDF, facsimile or other electronic transmission shall be as legally effective and binding as a signed original for all purposes. The titles and headings in this Agreement have no substantive meaning and are solely for the convenience of the parties. The Recitals hereto are hereby incorporated into this Agreement by this reference thereto.

7. Further Assurances. The parties hereto shall execute and deliver such additional documents and take such additional action as may be reasonably necessary or desirable to effectuate the provisions and purposes of this Agreement.

8. Governing Law. This Agreement and all claims or causes of action arising hereunder shall be governed by and construed in accordance with the laws of the State of New York, excluding its conflicts of laws provisions, and in the event of a dispute arising under this Agreement, the Parties hereby submit to exclusive jurisdiction in the federal or state courts located in the Borough of Manhattan, New York, and agree that venue is proper and convenient in such forum.

9. **WAIVER OF JURY TRIAL**. T3 AND HOLDER HEREBY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE PROMISSORY NOTE, OR ANY DOCUMENTS EXECUTED IN CONNECTION THEREWITH. T3 AND HOLDER WARRANT AND REPRESENT THAT THEY HAVE REVIEWED THE FOREGOING WAIVER WITH THEIR RESPECTIVE LEGAL COUNSELS AND HAVE KNOWINGLY AND VOLUNTARILY WAIVED THEIR RESPECTIVE RIGHT TO A JURY TRIAL FOLLOWING SUCH CONSULTATION. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

[Signature Pages Follow]

IN WITNESS WHEREOF, duly authorized officers of each of the undersigned have executed this Amendment to Forbearance Agreement as of the date first written above.

**COMPANY:**

**T3 COMMUNICATIONS, INC.**, a Nevada corporation, as  
the Company

By: /s/ Arthur L. Smith

Name: Arthur L. Smith

Title: CEO

**JEFFERY POSNER:**

/s/ Jeffery Posner

Signature Pages to Amendment to Forbearance Agreement

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## CERTIFICATION

I, Arthur L. Smith, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Digerati Technologies, Inc., a Nevada Corporation;
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 and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

June 15, 2023

/s/ Arthur L. Smith

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Arthur L. Smith  
Chief Executive Officer

## CERTIFICATION

I, Antonio Estrada, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Digerati Technologies, Inc., a Nevada Corporation;
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 and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

June 15, 2023

/s/ Antonio Estrada, Jr.  
Antonio Estrada, Jr.  
Chief Financial Officer

CERTIFICATION OF PRESIDENT AND CHIEF EXECUTIVE OFFICER  
PURSUANT TO 18 U.S.C. SS. 1350, AS ADOPTED PURSUANT TO SECTION  
906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report (the "Report") of Digerati Technologies, Inc. (the "Company") on Form 10-Q for the period ending April 30, 2023, as filed with the Securities and Exchange Commission on the date hereof, I, Arthur L. Smith, President, and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that,

- 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 in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

By /s/ Arthur L. Smith  
Arthur L. Smith  
President and  
Chief Executive Officer  
June 15, 2023

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

In connection with the Quarterly Report (the "Report") of Digerati Technologies, Inc. (the "Company") on Form 10-Q for the period ending April 30, 2023, as filed with the Securities and Exchange Commission on the date hereof, I, Antonio Estrada Jr., the Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002,

- 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 in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

By /s/ Antonio Estrada Jr.  
Antonio Estrada Jr.  
Chief Financial Officer  
June 15, 2023