Form 51-102F1

LAS VEGAS FROM HOME.COM ENTERTAINMENT INC.

Management's Discussion & Analysis
Interim Unaudited Consolidated Financial Statements for the Nine Months Ended September 30, 2010

The following discussion and analysis of the financial position and results of operations for Las Vegas From Home.com Entertainment Inc. (the "Company" or "LVFH") should be read in conjunction with the interim unaudited consolidated financial statements and notes thereto for the nine months ended September 30, 2010 and the consolidated audited financial statements and the notes thereto for the ***years ended December 31, 2009 and 2008*** *which are prepared in accordance with Canadian generally accepted accounting principles. The interim unaudited consolidated financial statements and notes thereto for the nine months ended September 30, 2010* ***have not been reviewed by the Company's Auditor****. The following discussion and analysis* **has not been reviewed by the Company's Auditor.**

The following information will include all the disclosure required under Form 51-102F1 for Interim MD&A.

The following information is prepared as at November 29, 2010.

Forward-Looking Statements

Certain statements contained herein are "forward-looking" and are based on the opinions and estimates of management, or on opinions and estimates provided to and accepted by management. Forward-looking statements are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those expressed or implied. Readers are therefore cautioned not to place reliance on any forward-looking statement.

Description of Business

The principal business of the Company is the developing and marketing of software for on-line Asian multi-player interactive card games.

Las Vegas From Home.com Entertainment Inc. is a reporting issuer in the Provinces of British Columbia and Alberta and files all public documents on *www.sedar.com*. The Company was a foreign private issuer in the United States of America and used to file on EDGAR, its annual report on Form 20-F and other reports on Form 6K. The following link,http://www.sec.gov/cgi-bin/browse-edgar?company=&CIK=0001061612&filenum=&State=&SIC=&owner=include&action=getcompany will give you direct access to the Company's United States Securities and Exchange Commission ("U.S. S.E.C.") filings. On April 13, 2009, the Company filed a Form 15F to terminate the registration of its common stock under section 12(g) of the Securities Exchange Act and its reporting obligations under the Act. As a result, the Company's common stock is no longer quoted in the Over-The-Counter Bulletin Board but is quoted in the U.S.A. on the Pink Sheets.

Results of Operations

All financial figures presented herein are expressed in Canadian Dollars (CDN$) unless otherwise specified.

The principal business of the Company is the developing, and the marketing, through its wholly-owned foreign subsidiaries, of software for online Asian multi-player interactive card games.

Management determined that to comply with the U.S. S.E.C. requirements would result in incurring considerable expenses and as there was insufficient investor interest from the U.S.A. to justify such considerable expenses, Management decided that it would be in the best interest of the Company to terminate its U.S. S.E.C. registration. Consequently, on April 13, 2009, the Company filed a Form 15F to terminate the registration of its common stock under section 12(g) of the Securities Exchange Act and its reporting obligations under the Act. As a result, the Company's common stock is no longer quoted in the Over-The-Counter Bulletin Board but is quoted in the U.S.A. on the Pink Sheets under the symbol "LVFHF".

The Company's common shares continue to trade in Canada on the TSX Venture Exchange ("TSX.V") under the symbol "LVH", and in Germany on both the Frankfurt and Berlin Exchanges under the symbol "LVH".

The Company is continually enhancing and upgrading the Company's Gaming Software in order to enable the Company to increase its revenues.

The Company is presently not a party to any legal proceedings.

The Company has entered into a sublease agreement with an arm's length third party on September 15, 2009 which has a term of two years and seven months, and which has commenced on October 1, 2009 in respect to approximately 4,817 square feet of office space. Monthly payment for the sublease consists of $6,021 plus HST for rent and, $6,369 plus HST for the Company's proportionate share of the property taxes and operating expenses.

At the Annual General Meeting of the Company's shareholders which was held on June 25, 2010, the shareholders received the Audited Consolidated Financial Statements for the year ended December 31, 2009 and the Auditor's report thereon; fixed the number of Directors for the ensuing year at four; elected Bedo H. Kalpakian, Jacob H. Kalpakian, Neil Spellman and Gregory T. McFarlane as Directors of the Company; re-appointed the Company's Auditor, Smythe Ratcliffe, Chartered Accountants, for the ensuing year and authorized the Directors to fix the remuneration to be paid to the Auditor.

On December 28, 2007, the Company's wholly-owned subsidiary, MTV, signed a Software Licensing Agreement ("SLA") with a subsidiary of CY Foundation Group Limited ("CY Foundation") (HKSE:1182) to provide CY Foundation and its subsidiaries with LVFH's software gaming platform in the People's Republic of China ("PRC"). In addition to entering into an SLA to provide CY Foundation with the LVFH software for the entire PRC, the Company also entered into a Definitive Agreement with CY Foundation to pay CY Foundation $850,000 (paid on March 4, 2008) in order for CY Foundation to exclusively use the LVFH Software ("Exclusivity Rights") to operate certain online games (the "Selected LVFH Software") in the Henan Province and in the city of Beijing including its suburbs (the "Designated Territory"). To acquire the Exclusivity Rights for its software in the Designated Territory for $850,000, LVFH completed a private placement with Special Opportunity Limited ("SPO"). In February 2008, the Company issued to SPO 5,000,000 units at $0.17 per unit, each unit consisted of one common share of the Company and one warrant to buy one additional share of the Company at $0.25 until February 19, 2009. All the warrants issued to SPO expired unexercised on February 19, 2009.

Subsequently and by mutual consent, the Definitive Agreement was terminated for a consideration of $500,000 which was paid to the Company by CY Foundation, and the Company renegotiated and entered into a revised Software Licensing Agreement with CY Foundation. As a result of the cancellation of the Definitive Agreement and in consideration of CY Foundation advertising the Company's software in the People's Republic of China, the Company paid CY Foundation the amount of $350,000 for their services, which is expensed in the Company's 2008 advertising and promotion.

During the first quarter of 2008, Equipment and Software Development costs were increased by $850,000 which was the amount paid to CY Foundation for the Exclusivity Rights. However, during the second quarter of 2008 the amount was reversed as a result of the termination of the Exclusivity Rights.

As of September 30, 2010, the Company's Canadian operations employed 21 people (September 30, 2009: 25) consisting of staff and management.

The Company and a certain foreign party (the "Foreign Party") are currently in the process of entering into an Asset Purchase/Sale Agreement in respect to 99% of the share capital of a foreign company which has the rights to operate and conduct online gaming and betting activities, excluding lotteries, in a certain jurisdiction. The Company has made a down payment of $1,000,000 to the Foreign Party which is refundable if the Asset Purchase/Sale Agreement is not entered into by the parties. In the event that the Asset Purchase/Sale Agreement is entered into by the parties, then the $1,000,000 shall be applied towards part of the consideration payable for the purchase of the 99% of the share capital of the foreign company.

Revenues

For the nine month period ended September 30, 2010, the Company has recorded sales revenues of $202,625 (September 30, 2009: $450,000), and has recorded licensing revenues of $278,125 (September 30, 2009: $260,401).

Expenses

For the nine months ended September 30, 2010, operating expenses were $2,787,320 as compared to $2,766,401 for the nine months ended September 30, 2009. Operating expenses during the nine months ended September 30, 2010 slightly increased mainly due to Advertising and promotion which totalled the amount of $125,246 as compared to $101,379 in the corresponding period of 2009. Consulting and professional fees which totalled the amount of $206,851 of which stock-based compensation expense of $125,372 was recognized as consulting and professional expense, as compared to $159,250 of which stock-based compensation expense of $nil was recognized as consulting and professional expense in the corresponding period of 2009. Salaries and benefits which totalled the amount of $1,624,774 of which stock-based compensation expense of $507,315 was recognized as salaries and benefits expense, as compared to $1,465,239 of which stock-based compensation expense of $9,903 was recognized as salaries and benefits expense in the corresponding period of 2009.

Interest Income

For the nine months ended September 30, 2010, the Company had interest income in the amount of $400 as compared to $43,361 during the corresponding period of 2009. The decrease in interest income was due to a decrease in the Company's term deposit, and as of September 30, 2010, the Company does not have any term deposits.

Net Loss

During the nine months ended September 30, 2010, the Company had a net loss of $2,356,563 or $0.02 per share (weighted average) as compared to a net loss of $$2,015,234 or $0.02 per share (weighted average) in the same period of 2009. During the nine months ended September 30, 2010, the Company's weighted average number of common shares were 137,815,378 as compared to 107,149,545 for the same period in 2009.

Liquidity and Capital Resources

As at September 30, 2010, the Company's total assets were $1,746,952 as compared to $$2,009,796 for the corresponding period in 2009 (December 31, 2009: $1,404,498). The Company's total liabilities were $117,810 as compared to $142,715 at September 30, 2009 (December 31, 2009: $160,360). The Company has not paid any cash dividends and does not plan to pay any cash dividends in the foreseeable future. As at September 30, 2010, the Company has no long-term debt.

As at September 30, 2010, the Company's cash and cash equivalents were $376,521 as compared to $1,419,325 at September 30, 2009 (December 31, 2009: $851,006).

As at September 30, 2010, the Company's accounts receivable was $31,941 as compared to $30,739 at September 30, 2009 (December 31, 2009: $31,600). The Company's marketable securities were $nil as compared to $ 81,600 at September 30, 2009 (December 31, 2009: $73,200). Due from related parties at September 30, 2010 was $17,087 as compared to $3,794 at September 30, 2009 (December 31, 2009: $4,534). Prepaids and lease deposits (Current) at September 30, 2010 were $4,619 as compared to $0 at September 30, 2009 (December 31, 2009: $17,982), and at September 30, 2010, Lease deposit (Long-Term) was $23,557 as compared to $4,619 at September 30, 2009 (December 31, 2009: $23,557).

Operating Activities

During the nine months ended September 30, 2010 the Company used $1,578,439 of cash as compared to $1,872,733 of cash used in operating activities in the corresponding period of 2009.

Investing Activities

During the nine months ended September 30, 2010, the Company used cash in the amount of $1,000,000 towards a refundable down payment to acquire 99% of the share capital of a foreign company as compared to $nil during the corresponding period of 2009. The Company received cash in the amount of $57,545 from the sale of its marketable securities during the nine months period ended September 30, 2010 as compared to cash used in the amount of $83,300 for the purchase of marketable securities during the corresponding period in 2009. During the nine months period ended September 30, 2010, the Company received cash in the amount of $2,440 from the sale of equipment as compared to $nil during the corresponding period of 2009. The Company used cash in the amount of $52,619 for the purchase of equipment during the nine months period ended September 30, 2010 as compared to $6,749 for the corresponding period of 2009.

Working Capital

For the nine months ended September 30, 2010 the Company had a working capital of $312,358 as compared to $1,414,608 in the same period in 2009 (December 31, 2009: $817,962).

Capitalization

The Company has incurred significant operating losses over the past two fiscal years (2009: $2,774,021; 2008: $3,079,510), had a deficit (2009: $33,213,629; 2008: $30,439,608), has limited revenues and resources, and has no assurances that sufficient funding will be available to continue operations for an extended period of time.

During 2010, the Company intends to seek equity financings through private placements and/or public offerings. While the Company does not give any assurances whatsoever that it will be successful in securing equity financings in order to conduct its operations uninterruptedly, it is the Company's intention to pursue these methods for future funding of the Company.

As at September 30, 2010, the Company's total number of issued and outstanding common shares was 159,669,545 as compared to 107,149,545 for the same period in 2009.

In connection with the two non-brokered private placement financings which were announced on May 18, 2010 and September 3, 2010, during the nine months period ended September 30, 2010, the Company issued an aggregate of 40,290,000 Units (the "LVFH Units" or the "LVFH Unit") in the capital of the Company at $0.05 per LVFH Unit for total proceeds of $2,014,500 of which $1,167,728 was allocated to share capital and $846,772 was allocated to warrants. Each LVFH Unit consists of one common share in the capital of the Company and one share purchase warrant to purchase an additional common share in the capital of the Company, exercisable at the price of $0.10 per common share if exercised in the first year from Closing and at the price of $0.25 per common share if exercised in the second year from Closing. All the securities issued are subject to a four month and a day hold period from the Closing Date. In connection with the above transactions, 2,230,000 common shares in the capital of the Company and $5,720 in cash were paid to arm's length third parties as finder's fees. Subsequent to the nine months period ended September 30, 2010, the Company issued an aggregate of 11,100,000 LVFH Units at $0.05 per LVFH Unit for total proceeds of $555,000 in connection with the non-brokered private placement financing which was announced on September 3, 2010. Each LVFH Unit consists of one common share in the capital of the Company and one share purchase warrant to purchase an additional common share in the capital of the Company, exercisable at the price of $0.10 per common share if exercised in the first year from Closing and at the price of $0.25 per common share if exercised in the second year from Closing. All the securities issued are subject to hold periods expiring February 7, 2010 as to 6,700,000 LVFH Units and March 19, 2010 as to 4,400,000 LVFH Units. In connection with this transaction, 770,000 common shares in the capital of the Company, 300,000 share purchase warrants and $3,000 in cash were paid to arm's length third parties as finder's fees.

During 2009, the Company completed a non-brokered private placement financing with various investors and issued a total of 10,000,000 common shares in the capital of the Company at the price of $0.015 per common share for total gross proceeds to the Company of $150,000. All securities issued pursuant to this private placement financing were subject to a hold period which expired on March 24, 2010. There were no finder's fees payable in respect to this private placement financing.

As at the date of this MD&A, there are 51,690,000 outstanding warrants which are exercisable at $0.10 per share during the first year and at $0.25 per share during the second year. Should any outstanding warrants be exercised, then any funds received by the Company shall be used for general working capital purposes. However, there are no assurances whatsoever that any warrants will be exercised.

During 2004, the Company's shareholders adopted and approved the Company's 2004 Stock Option Plan (the "2004 Plan"). The 2004 Plan, which has received the approval of the TSX.V, reserved 11,290,154 common shares for issuance representing 20% of the Company's issued and outstanding common shares on April 12, 2004. At the Annual and Special General Meeting of the Company's shareholders, which was held on June 30, 2005, the shareholders approved the amendment to the Company's 2004 Plan by increasing the maximum number of common shares that may be reserved for issuance pursuant to the Stock Option Plan to 15,866,936 common shares (the "Company's Amended 2004 Stock Option Plan"). Pursuant to the Company's Amended 2004 Stock Option Plan which has received TSX.V approval, the Company grants stock options to employees, directors, officers and consultants. As at September 30, 2010, there were 155,094 stock options available for granting. The number available for granting is based on the difference between the reserved number of options for issuance (15,866,936) less outstanding stock options at September 30, 2010 (12,492,500) less the number of stock options exercised since May 12, 2005 up to and including September 30, 2010 (3,219,342); (therefore 15,866,936 – 12,492,500 – 3,219,342 = 155,094 stock options are available for granting as at September 30, 2010).

During the nine months ended September 30, 2010, there were 12,492,500 stock options outstanding with a weighted average exercise price of $0.11 per share. Of the 12,492,500 stock options, 1,250,000 common shares that may be issued pursuant to the exercise of the stock options will be subject to hold periods expiring on December 10, 2010 and December 19, 2010. Should any outstanding stock options be exercised by any party, then any funds received by the Company shall be used for general working capital purposes. However, there are no assurances whatsoever that any stock options will be exercised.

Summary of Quarterly Results

The following are the results for the eight most recent quarterly periods, starting with the three month quarterly period ended September 30, 2010:

For the Quarterly Periods ended		September 30, 2010	June 30, 2010	March 31, 2010	December 31, 2009
Total Revenues	$	257,688	82,891	140,171	56,123
Loss before other items		(479,083)	(1,212,251)	(615,236)	(769,779)
Loss per common share before other items		(0.00)	(0.01)	(0.01)	(0.01)
Net loss for the period		(480,755)	(1,237,968)	(637,840)	(758,787)
Basic and diluted loss per common share		(0.00)	(0.01)	(0.01)	(0.01)

For the Quarterly Periods ended		September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008
Total Revenues	$	127,885	200,315	382,201	165,798
Loss before other items		(792,723)	(744,353)	(518,924)	(827,606)
Loss per common share before other items		(0.01)	(0.01)	(0.01)	(0.01)
Net loss for the period		(784,577)	(729,736)	(500,921)	(776,583)
Basic and diluted loss per common share		(0.01)	(0.01)	(0.01)	(0.01)

Note: Gain (loss) per common share calculations in the above tables are based on the number of shares outstanding for the periods, and not on the weighted average number of shares outstanding (Canadian GAAP) as shown in the Consolidated Statements of Operations for the above mentioned periods.

Third Quarterly Results (September 30, 2010)

During the three months [third quarter] period ended September 30, 2010:-

- The Company had a net loss of $480,755 or $0.00 per share as compared to a net loss of $784,577 or $0.01 per share in the same three months [third quarter] period of 2009.
- The Company's total revenues were $257,688 as compared to total revenues of $127,885 in the same three months [third quarter] period of 2009.
- The Company's total operating expenses were $736,771 as compared to total operating expenses of $920,608 in the same three months [third quarter] period of 2009.

Risks related to our Business

The Company, and the Securities of the Company, should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Company's Securities:

General legislative risk

Although Management of the Company believes that the conduct of Internet gaming related activities by the Company's wholly-owned subsidiaries represent lawful business, there is the risk that the legality of the Internet gaming related activities of the Company's wholly-owned subsidiaries may be challenged by Canadian or other legal authorities. If the legality of the Internet gaming related activities is challenged and the challenge is sustained, it can have a material adverse impact on the business and financial affairs of the Company.

Competition

The marketplace for the Company's Gaming Software is constantly undergoing changes, is intensely competitive and is subject to changes in customer preferences. Consequently, new products are being developed continuously by the Online Gaming Industry in order to satisfy customer demands, and new costly venues of advertising and promotion are being used by the Online Gaming Industry so as to attract new customers and retain existing ones. The Company's products and services compete against those of other companies that have greater financial, marketing, technical and other resources than those of the Company.

Internet and system infrastructure viability

Any changes in the internet's role as the premier computer network information service or any shutdown of internet services by significant internet service providers will have an adverse material impact on the Company's ability to generate revenues. Furthermore, the Company can be severely and adversely affected from power failures, internet slowdowns or failures, software slowdowns or failures and hackings.

Reliance on key personnel

The Company relies heavily on its employees, the loss of any of whom could have an adverse effect on the Company.

Customer concentration

The Company also relies on its licensees for the operation of the Company's Gaming Software, the loss of any of which could have an adverse effect on the affairs of the Company.

Payment processing

Changes in policies of companies, financial institutions or banks, that handle credit card transactions and/or other types of financial transactions for on-line gaming, can have an adverse impact on the business and financial affairs of the Company.

Foreign exchange rates

The profitability of the Company can be affected by fluctuations in the exchange rate of the US Dollar in relation to the Canadian Dollar due to the fact that the Company's revenues are generated in US Dollars while a major portion of the Company's expenses are incurred in Canadian Dollars.

Share price volatility and liquidity

The market price of the Company's common shares has experienced considerable volatility and may continue to fluctuate in the future. Factors such as the Company's quarterly and annual results, changes in existing legislation, new legislation, technological changes and general market conditions may adversely affect the market price of the Company's common shares. There is a limited market for trading the Company's common shares and the ability of investors to sell their shares or the price at which those shares may be sold cannot be assured.

Growth management

If the Company's software gains traction in the market, rapid growth may occur which may result in certain strains on the Company.

Dilution

There are a number of outstanding securities and agreements pursuant to which common shares of the Company may be issued in the future. This would result in further dilution to the Company's shareholders.

Revenues and Dividends

While the Company currently generates revenues, the Company has not yet established a long term pattern of consistently generating meaningful revenues. The Company intends to retain its earnings in order to finance growth. Furthermore, the Company has not paid any dividends in the past and does not expect to pay any dividends in the foreseeable future.

Related Party Transactions

The Company shares office space and certain expenses with Kokomo Enterprises Inc. (formerly Zab Resources Inc.) ("Kokomo"), a company related by certain common officers and directors. Rent for the office premises is paid by the Company. Kokomo is charged for its proportionate share of office rent and office services provided by the Company. Effective January 1, 2008, First Lithium Resources Inc. ("FLRI") and Colt Resources Inc. ("CRI"), companies that were formerly related to the Company by certain common officers and directors, have relocated offices and terminated the services previously provided by the Company. Effective December 1, 2009, Touchdown Resources Inc. ("Touchdown"), a company that was formerly related by certain common directors and officers, has relocated offices and has terminated the services previously provided by the Company. Effective July 1, 2010, 99 Capital Corporation (''99 Capital") a company that was formerly related by certain common directors and officers relocated its offices and terminated the services previously provided by the Company.

Kokomo is related to the Company by virtue of the fact that Kokomo's CEO and CFO, namely Bedo H. Kalpakian, is the Chairman and CFO of the Company, and the Vice President of Kokomo namely Jacob H. Kalpakian, is the CEO and President of the Company. Furthermore, Gregory T. McFarlane is a director of both the Company and Kokomo.

99 Capital was related to the Company by virtue of the fact that the Company's Chairman and CFO namely Bedo H. Kalpakian, was the Chairman and CFO of 99 Capital from November 2009 up to June 2010 and the Company's President and CEO namely Jacob H. Kalpakian was the President and CEO of 99 Capital from November 2009 up to June 2010.

Touchdown was related to the Company by virtue of the fact that the Company's President and CEO, namely Jacob H. Kalpakian was a director of Touchdown until June 2010 and the Company's Chairman and CFO namely Bedo H. Kalpakian was also a director of Touchdown until June 2010. Furthermore, Neil Spellman is a director of the Company and was a former director of Touchdown.

Amounts due from related parties are due on demand without interest.

CRI was related to the Company by virtue of the fact the Company's Chairman & CFO namely Bedo H. Kalpakian was a director and officer of CRI, and the Company's President and CEO namely Jacob H. Kalpakian was a director and officer of CRI.

Amounts payable to directors are for expenses incurred on behalf of the Company and are payable on demand with no interest.

(a) Due from related parties

	September 30, 2010	December 31, 2009	September 30, 2009
Receivable from 99 Capital			
Rent charged by LVFH	$ 0	$ 315	$ 0
Office expenses charged by LVFH	0	1,260	0
Other expenses paid by LVFH on behalf of 99 Capital	0	83	0
	0	1,658	0
Receivable from Touchdown			
Rent charged by LVFH	0		0
Office expenses charged by LVFH	0	0	1,260
Reimbursement for expenses paid by LVH	0	0	134
	0	0	1,709
Receivable from Kokomo			
Rent charged by LVFH	3,213	315	315
Office expenses charged by LVFH	12,852	1,260	1,260
Other expenses paid by LVFH on behalf of Kokomo	1,022	41	510
	17,087	1,616	2,085
Receivable from CRI			
Other expenses charged by LVFH on behalf of CRI	0	1,260	0
Receivable from related parties	$ 17,087	$ 4,534	$ 3,794

(b) Related party transactions

Related party transactions are measured at the exchange amount and comprised of the following as at September 30, 2010 and 2009:

(i) Pursuant to a Management Services Agreement dated July 1, 2005, the Company has paid Kalpakian Bros. of B.C. Ltd. ("Kalpakian Bros.") management fees in the amount of $270,000 (September 30, 2009 - $270,000). The principals of Kalpakian Bros. are Bedo

H. Kalpakian and Jacob H. Kalpakian both of whom are directors and officers of LVFH. The Management Services Agreement between LVFH and Kalpakian Bros. has been renewed effective as of July 1, 2010 which has a term of five years. The remuneration for the services provided is $30,000 per month plus HST.

(ii) charged by the Company:

The Company charged Kokomo for:
(a) rent of $2,700 (September 30, 2009 - $2,700);
(b) office expenses of $10,800 (September 30, 2009 - $10,800); and
(c) other expense paid on behalf of Kokomo of $981 (September 30, 2009 -

The Company charged 99 Capital for:
(d) rent of $1,800 (September 30, 2009 - $nil);
(e) office expenses of $7,200 (September 30, 2009 - $nil); and
(f) other expenses paid on behalf of 99 Capital of $2,279 (September 30, 2009 - $nil)

The Company charged Touchdown for:
(g) rent of $nil (September 30, 2009 - $2,700);
(h) office expenses of $nil (September 30, 2009 - $10,800); and
(i) other expense paid on behalf of Touchdown of $nil (September 30, 2009 - $128)

The Company charged CRI for:
(j) other expenses paid on behalf of CRI of $nil (September 30, 2009: $417).

(iii) paid to related party:
(a) certain expenses paid by Kokomo on behalf of LVFH of $2,575 (September 30, 2009: $2,575).

In connection with the non-brokered private placement financing which the Company completed during 2009 (see Capitalization in this MD&A), an aggregate of 2,417,668 common shares in the capital of the Company were subscribed for by the family of two directors of the Company. In addition, an aggregate of 1,060,000 common shares in the capital of the Company were subscribed for by a director and an officer of the Company. All the securities issued pursuant to this private placement financing had a hold period which expired on March 24, 2010.

Financial Instruments

The Company has classified its cash and cash equivalents as held-for-trading; marketable securities as available for sale; accounts receivable as loans and receivables; and accounts payable and accrued liabilities as other financial liabilities.

The carrying values of cash and cash equivalents, receivables, and accounts payable and accrued liabilities approximate their fair values due to the relatively short periods to maturity of those financial instruments. Marketable securities are disclosed at fair market value using quoted market prices which is a Level 1 valuation technique.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

(a) Credit risk

The Company manages credit risk, in respect of cash and cash equivalents, by purchasing highly liquid, short-term investment grade securities held at a major Canadian financial institution in accordance with the Company's investment policy. The risk arises from the non-performance of counterparties of contractual financial obligations.

The Company's concentration of credit risk and maximum exposure thereto is as follows relating to funds held in Canada:

		September 30, 2010		**December 31, 2009**		**September 30, 2009**
Bank accounts	$	376,521	$	51,006	$	239,325
Term deposits		0		800,000		1,180,000
Balance	$	376,521	$	851,006	$	1,419,325

The Company is not exposed to significant credit risk.

Credit risk associated with amounts due from related parties has been assessed as low by management as the Company has strong working relationships with the related parties involved.

(b) Liquidity risk

Liquidity risk is the risk the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company maintains cash and cash equivalents at September 30, 2010 in the amount of $376,521 (September 30, 2009 - $1,419,325) in order to meet short-term business requirements. At September 30, 2010, the Company has accounts payable and accrued liabilities of $117,810 (September 30, 2009 - $142,715).

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk

The Company's cash and cash equivalents consists of cash held in bank accounts and term deposits that earn interest at variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as of September 30, 2010. Future cash flows from interest income on cash and cash equivalents will be affected by interest rate fluctuations. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity. The Company's sensitivity analysis suggests that a 1% change in interest rates would not have a significant effect on the Company.

(ii) Foreign currency risk

The Company is exposed to foreign currency risk as it holds cash denominated in US dollars. The Company has not entered into any foreign currency contracts to mitigate this risk.

The Company is not exposed to significant currency risk on its financial instruments at September 30, 2010. The Company's reported earnings include gain/losses on foreign exchange, largely reflecting revaluation of its foreign operations. The future foreign exchange gain or loss would change based on the level of foreign operating activities.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign exchange risk. The Company's marketable securities are carried at market value, and are therefore directly affected by fluctuations in the market value of the underlying securities. The Company's sensitivity analysis suggests that a 10% change in market prices would not have a significant effect on the Company.

Off-balance sheet arrangements

The Company does not have any off-balance sheet arrangements.

Significant Accounting Policies

The interim unaudited consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), consistently applied, which include the significant accounting policies as described in Note 4 of the interim unaudited consolidated financial statements.

Disclosure over Internal Controls

Disclosure controls and procedures ("DC&P") are designed to provide reasonable assurance that all relevant information is gathered and reported within the time periods required by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles.

Venture Issuers are not required to provide representations in their annual and interim filings relating to the establishment and maintenance of DC&P and ICFR, as defined in National Instrument NI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishments and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded and reported within the time periods specified in securities legislation and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a Venture Issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

International Financial Reporting Standards ("IFRS")

In February 2008, the Accounting Standards Board confirmed that Canadian GAAP for publicly accountable enterprises will be replaced by IFRS for fiscal years beginning on or after January 1, 2011. IFRS uses a conceptual framework similar to Canadian GAAP, however there may be significant differences on recognition, measurement and disclosures required by some companies.

A detailed analysis of the differences between IFRS and the Company's accounting policies as well as an assessment of the impact of various alternatives is being carried out. The Company's project plan involves four phases: analysis, identification of changes, solution development and implementation, where necessary.

The Company is in the business of developing and marketing of software for online Asian multi-player interactive card games. In a number of cases, the Company will be adopting IFRS as an initial policy, rather than a change from existing policies to IFRS. The current analysis indicates that there will be very little effect on financial reporting as a result of the adoption of the IFRS.

Some of the specific areas reviewed and considered to date are:

Revenue Recognition – The Company recognizes revenues from licensees on an actual basis upon completion of each game according to the terms and conditions of each individual license agreement. Allowances for non-collection of revenues are made when collectability becomes uncertain. The Company will be adopting appropriate policies to satisfy IFRS requirements. No complications in adopting IFRS are foreseen.

Inventories – The Company does not have any inventories at present.

Computers, Furniture and Software – IFRS requires that the Company identify the different components of its fixed assets. At present the Company has fixed assets and compliance will not result in a change. IFRS allows the revaluation of assets at fair value.

Software Development Costs – IFRS permits the capitalization of software development costs.
Previously, the Company capitalized its software development costs. Research costs are expensed as incurred. Costs related to the development of software are expensed as incurred unless such costs meet the criteria for deferral and amortization under Canadian GAAP. The criteria includes identifiable costs attributable to a clearly defined product, the establishment of technical feasibility, identification of a market for the software, the Company's intent to market the software, and the existence of adequate resources to complete the project. Software development costs are amortized over an estimated useful life of five years or prorated over its expected revenue stream whichever is higher, beginning in the year when commercial sales of the products commences.

Financial Instruments – The Company's current financial instruments are simple and require no analysis.

Actuarial Valuations – The Company has employee benefits which are expensed as incurred. The Company will be adopting appropriate policies to satisfy IFRS requirements.

Impairment Tests – Impairment tests have been applied on the carrying value of the Company's software and development costs, on a quarterly basis, as required under Canadian GAAP. Although the methodology of testing for impairment under IFRS is slightly different, no complications are expected on the transition to IFRS. Should the Company change its policy on the recording of software and development costs, as explained above, the carrying costs of software and development costs will also be assessed for fair value justification.

Income Taxes – Analysis of IFRS requirements will be done when the new standards become available. With no anticipated contentious issues regarding the tax value of assets or non-capital losses carried forward, no complications are anticipated.

Financial Disclosure – Based on publications to date, none of the requirements to comply with reporting under IFRS presents any foreseeable difficulty.

In summary, an analysis of the requirements for making the transition to IFRS and the subsequent compliance for financial reporting purposes indicates that there should not be any difficulty due to the simplicity of the Company's current operations and the fact that IFRS will be adopted as initial policy, rather than a change from an existing policy.

Capital Stock

Unlimited number of common shares without par value
Unlimited number of preferred shares without par value

Outstanding Share Data	Number of Common Shares	Number of Preferred Shares	Exercise($) Price per common share	Expiry Dates
Issued and Outstanding as at November 29, 2010	171,539,545	Nil	N/A	N/A
Warrants as at November 29, 2010	51,690,000	Nil	$0.10/$0.25	June 17/2012-November 18/2012
Stock Options as at November 29, 2010	12,492,500	Nil	$0.10 to $0.15	July 9/2010 – June 21, 2013
Fully Diluted as at November 29, 2010	235,722,045	Nil		

Outlook

Management is looking forward to entering into an Asset Purchase/Sale Agreement in respect to the acquisition of the 99% of the share capital of a foreign company. Such acquisition will allow the Company to have an advantage in pursuing new market opportunities. Furthermore, the Company shall concentrate its efforts on developing new games and licensing the Company's Asian Multiplayer Software Platform to third parties.