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

FORM 10-K

(Mark One)
☑ **ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the Fiscal Year Ended **June 30, 2012**

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

For the transition period from _____________ to _____________

Commission File No. **333-44315**

ROTATE BLACK, INC.

(Exact name of small business issuer as specified in its charter)

NEVADA	**75-3225181**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification Number)*
932 Spring Street Petoskey, Michigan	**49770**
(Address of principal executive offices)	*(Zip Code)*

(231) 347-0777
(Registrant's telephone number, including area code)

Securities registered under Section 12 (b) of the Exchange Act:

Title of Each Class of Securities to be Registered	Name of Each Exchange on Which Registered
Common Stock, par value $.001 per share	**none (listed on OTC Bulletin Board)**

Securities registered under Section 12 (g) of the Exchange Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☑

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑

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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this 10-K or any amendments to this Form 10-K. ☑

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☑

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes ☐ No ☑

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

As of July 31, 2013. the aggregate market value of the common stock held by non-affiliates of the registrant was approximately $4,980,546 (assuming, for this purpose, that executive officers, directors and holders of 10% or more of the common stock are affiliates), based on the closing price of the registrant's common stock as reported on the Over-the-Counter Bulletin Board on July 31. 2013.

At July 31, 2013, 45,863,609 shares of the registrant's common stock (par value of $0.001) were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

No documents are incorporated by reference into this Report except those Exhibits so incorporated as set forth in the Exhibit index.

ROTATE BLACK, INC.
FORM 10-K

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EXPLANATORY NOTE:

Rotate Black, Inc. is not obligated at this time to file periodic reports under Section 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). However, it is a voluntary filer of such Exchange Act reports and is evaluating the benefit to it and its stockholders of filing a Form 8-A to register its common stock pursuant to Section 12(g) of the Exchange Act and, thereby undertake to file such Exchange Act reports and to comply with Section 16 of the Exchange Act.

PART I

FORWARD LOOKING STATEMENTS

This report contains forward-looking statements that involve risks and uncertainties. These forward-looking statements are based on our management's beliefs and assumptions and on information currently available to our management. Any such forward-looking statements would be contained principally in "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors." Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities and the effects of regulation. Forward-looking statements include all statements that are not historical facts and can be identified by terms such as "anticipates," "believes," "could," "estimates," "expects," "hopes," "intends," "may," "plans," "potential," "predicts," "projects," "should," "will," "would" or similar expressions.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. We discuss many of these risks in greater detail in "Risk Factors." Given these uncertainties, you should not place undue reliance on these forward-looking statements. Also, forward-looking statements represent our management's beliefs and assumptions only as of the date of this report. You should read this report and the documents that we reference in this report and have filed as exhibits to the report completely and with the understanding that our actual future results may be materially different from what we expect. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

ITEM 1: BUSINESS

GENERAL OVERVIEW OF BUSINESS

Rotate Black, Inc. (the Company), was incorporated in Nevada on August 2, 2006, to be the successor by merger of BevSystems International, Inc. and BevSystems International Ltd. ("BevSystems"). On August 15, 2008, the Company commenced operations and all activity prior thereto has been charged to operations. Presently, the Company develops, operates and manages casino resorts.

The Company's primary focus is the management of a casino resort in Gulfport, Mississippi (the "Gulfport Project") under the Gulfport Project Management Agreement (Note 6) with the Company's affiliate, Rotate Black MS, LLC (RBMS), a Mississippi limited liability company.

On May 28, 2010, the Company, Rotate Black, LLC ("RBL"), an entity under common control with the company, and an officer of the Company formed RBMS (Note 7) to own, develop and manage the operations of a dockside vessel-based casino in Gulfport, Mississippi. The initial strategy was to secure an existing gaming vessel, move the vessel to the Company's Gulfport site, and build land assets on that site to support the gaming vessel. Subsequently, the strategy was changed to developing an entirely land-based casino.

The Gulfport Project is being developed on approximately nine-and-a-half acres of the last gaming-eligible sites in Gulfport, Mississippi. The Gulfport Project is adjacent to the $625+ million redevelopment of the Marina, Port and downtown Gulfport areas.

Gulfport, the second largest city in Mississippi, is approximately 12 miles west of Biloxi. The Gulfport Project is expected to open in the fall of 2013 following the completion of a fourteen-month development period. Upon completion, the casino will feature 1,188 slot machines and 22 table games. The Gulfport Project's non-gaming amenities will include a four-star 205 room hotel, pool, spa, cabanas, steakhouse, buffet, snack bar and two feature bars.

The Company believes that various factors will drive the success of the Gulfport Project and its competitive position including favorable population demographics in the regional area, an established and stable existing gaming market, easy accessibility, and location as part of the renewed Gulfport Marina and Port areas.

The Gulfport Project will be located approximately 65 miles northeast from New Orleans, Louisiana; 70 miles south of Hattiesburg, Mississippi; 65 miles southwest from Mobile, Alabama; and, 105 miles from Pensacola, Florida. In total, the approximately five million people living within 150 miles generate approximately 17 million visits to the Gulf Coast market each year.

In addition, the project site is just south of downtown Gulfport, four miles from the Gulfport-Biloxi International Airport and adjacent to Mississippi's third busiest intersections with an estimated 34,000 cars passing by daily.

Gulfport Project

In June 2010, the Company purchased The Big Easy, a gaming vessel for the Gulfport Project, for an aggregate purchase price of $4,264,500, payable: (a) by issuance of a secured note payable to the seller of $2,975,000 (the Secured Note), (b) issuance of an unsecured note payable to the seller of $600,000 (Unsecured Note), fees of $414,500 and cash of $275,000. The Secured Note is collateralized by the gaming vessel and both notes are guaranteed by an officer of the Company. The Secured Note was payable on June 11, 2011 and bears interest at 14.5%, per annum, payable $35,000, per month, commencing June 11, 2010. The Unsecured Note bears interest at 14.5%, per annum, and is payable monthly, in an amount equal to 2% of the monthly gross gaming revenue generated from operations, as defined, until June 2012 when all principal and interest were due. Since September 17, 2010, both notes have been in default and the interest rate was increased to 20%, per annum.

In May 2011, the equity investor informed RBMS it would not move forward with the financing of the Gulfport Project unless the casino was land based. As a result, it was decided the vessel be sold at a public auction, however, the public sale did not yield sufficient funds to eliminate the fees and mortgage debt.

As of June 30, 2011, the due dates of both notes were extended in support of the Company's current project in Gulfport, MS and the Trustee of the Cruise Holdings bankruptcy estate, holding the mortgage and promissory note payable consented; (1) to require no payments through June 30, 2012; (2) that the collection fees and accrued interest be paid on or before October 1, 2012; (3) extend the due date of the balance of the obligation for the principal and accrued interest to July 1, 2013. As of August 16, 2013, the Company has not repaid the principal and accrued interest by the dates stipulated in the extension.

On December 20, 2012 the Company, an officer of the Company as Guarantor entered into a Settlement Agreement (Agreement) with the Trustee for the estate of the gaming vessel which set forth terms related to the consideration to be paid by the Company to the Trustee in exchange for the release of all claims against the Company and the Guarantor, including all promissory notes, penalties, fees and interest. The Agreement is subject to the order of approval by the US Bankruptcy Court, Southern District of Florida, West Palm Division and will become effective upon the first business day of the Company and the Company's closing on primary equity and debt financing for not less than $100,000,000 for the design, construction and opening of a casino resort in Gulfport, MS. Pursuant to the terms of the Agreement, upon closing, the Company and RBMS shall deliver to the Trustee 250,000 shares of Series B Subordinated Participating Preferred Stock in the Company, to be designated. These Series B Preferred shares will be fully redeemed through payments to the Trustee totaling $5,000,000 and will be determined as a percentage of the Company's gross cash receipts each year, as defined. The payments will be due on a monthly basis. The Series B shares will be subordinated to a maximum of $2,500,000 of Series A Preferred shares. The Series B are fully redeemable in part or in full based upon a schedule whereby the balance will be adjusted; (1) within the first three months of the closing to $2,000,000; (2) within the first 15 months of closing to $2,500,000; (3) within the first 27 months of closing to $3,000,000; (4) within the first 39 months of closing to $3,500,000; (5) within the first 51 months of closing to $4,000,000; and (5) after 51 but before 59 months of closing the Company is obligated to pay $5,000,000. If the Series B Preferred is not redeemed on an accelerated basis or in accordance with the terms of the Agreement, the Company shall pay the Trustee the sum of $5,000,000, plus 12% interest, per annum, over the five years, with default provisions as defined.

Catskills Gaming Project

In October 2008, the Company acquired 75% of the outstanding common stock of Rotate Black Gaming, Inc., ("Gaming"), from RBL. Gaming was under contract to develop and manage a world-class destination casino resort in Sullivan County, New York. Gaming acquired the property and completed all design layouts (Note 9).

Pursuant to the RBL acquisition agreement, the Company acquired a seventy five percent (75%) ownership in RBL's wholly owned affiliate Gaming, a Nevada corporation. In accordance with a December 2009 Executive Order issued by the President of the Seneca Nation of Indians (Nation), Gaming was the Presidential Representative to pursue the development of a Class III world-class casino resort tentatively scheduled to be named "the Seneca Catskills Resort and Casino" consistent with the terms of Development and Management Agreements previously entered into with the Nation. Gaming has completed the overall plans for the three phased development, acquired property and transferred the property to the Nation.

On July 1, 2010, the Company entered into an agreement with Catskill Gaming and Development, LLC ("Catskill"), pursuant to which the Company and its affiliate RBL, agreed to sell to Catskill shares of stock constituting 100% of the ownership of Gaming, for aggregate consideration of $21 million in cash (as amended, the "Agreement"). According to the Agreement, the cash consideration is $15,000 paid at closing and the balance to be paid in installments as follows:

a. $2 million on or before the first anniversary of the date of the opening for business to the public of a gaming facility under a management agreement between Catskills, as manager, and the Seneca Nation of Indians, in or near the Counties of Ulster and Sullivan in the State of New York (the "Opening Date");

b. $2 million on the second anniversary;

c. $3.4 million on the third anniversary;

d. $3.4 million on the fourth anniversary;

e. $3.4 million on the fifth anniversary;

f. $3.4 million on the sixth anniversary; and

g. $3.4 million on the seventh anniversary.

In connection with the transaction, Catskill has agreed to assume indebtedness of approximately $6.3 million.

On July 7, 2010, the company received $15,000 upon closing and, given the long-term nature and political processes involved with obtaining a gaming eligible site in New York State, the Company cannot predict the timing of and the potential for the balance of the income from this transaction.

Edmonton Project Management Agreement

On January 11, 2011, the Company, through an officer of the Company, entered into a management agreement (Agreement), whereby a newly to-be-formed wholly-owned subsidiary of the Company would act as manager, with the Bear Hills Charitable Foundation, Bear Hills Casino Inc., the Louis Bull Tribe and 677626 Alberta Ltd. (Tribe Companies) for a proposed casino and entertainment destination on the Louis Bull Indian Reserve, near Edmonton, Canada. The term of the Agreement commences on the date the Tribe Companies receive a license for the proposed casino and all related necessary approvals from the Alberta Gaming and Liquor Commission and then shall continue for the greater of twenty years or until all monies advanced by the Company to the Tribe Companies relating directly or indirectly to the casino project are repaid or for such other term agreed.

The Company, as manager, will be entitled to receive thirty percent of the revenues distributed to the Tribe Companies from the operations of the slot revenue and live games. In addition, the Company is entitled to thirty percent of all profits from any other businesses or activities on the property provided by Tribe Companies and thirty of all profits on any amenities or services supporting or related directly or indirectly to the casino. As of July 2013, the project is awaiting is final approval from Alberta Liquor and Gaming. T he project remains in process, however the Company has written off the deferred costs.

Oklahoma Native American Tribe Casino Management

In December 2011, the Company formed a wholly-owned subsidiary, Rotate Black OK, LLC ("OKL") and through the subsidiary, entered into a consulting agreement with an Oklahoma Native American Tribe in December 2011. The purpose of this consulting agreement is to provide to the Tribe best practices related to two of its casinos in Oklahoma. The Company intends to leverage the success of this engagement to generate additional Native American gaming consulting agreements.

SlotOne, Inc.

In December 2011, the Company formed a wholly-owned subsidiary, SlotOne, Inc., to provide slot machines on a participation basis in certain casino locations where the replacement of old equipment can enhance earnings for the gaming location and Rotate Black, Inc. To date, the Company has secured a contract for the placement of equipment in September 2013 as well as an approval of its lender to facilitate the financings of this operation.

Terminated Gaming Developments

Panama. On March 17, 2011, the Company entered into an agreement for a proposed joint venture (Blue Water Gaming and Entertainment S.A.), with Ocean Point Development Corp. to develop and manage an approximately 52,000 square foot Las Vegas style casino at the Trump Ocean Club International Hotel and Tower, in Panama City, Panama. As of June 30, 2011, due to the market conditions in Panama, the Company terminated the project and has written off deferred costs of $73,938.

GOVERNMENT REGULATION

The ownership, management, and operation of gaming facilities are subject to many federal, state, provincial, tribal and/or local laws, regulations and ordinances, which are administered by the relevant regulatory agency or agencies in each jurisdiction. These laws, regulations and ordinances are different in each jurisdiction, but primarily deal with the responsibility, financial stability and character of the owners and managers of gaming operations as well as persons financially interested or involved in gaming operations.

We may not own, manage or operate a gaming facility unless we obtain proper licenses, permits and approvals. Applications for a license, permit or approval may be denied for reasonable cause. Most regulatory authorities license, investigate, and determine the suitability of any person who has a material relationship with us. Persons having material relationships include officers, directors, employees, and security holders.

Once obtained, licenses, permits, and approvals must be renewed from time to time and generally are not transferable. Regulatory authorities may at any time revoke, suspend, condition, limit, or restrict a license for reasonable cause. License holders may be fined and in some jurisdictions and under certain circumstances gaming operation revenues can be forfeited. We may be unable to obtain any licenses, permits, or approvals, or if obtained, they may not be renewed or may be revoked in the future. In addition, a rejection or termination of a license, permit, or approval in one jurisdiction may have a negative effect in other jurisdictions. Some jurisdictions require gaming operators licensed in that state to receive their permission before conducting gaming in other jurisdictions.

The political and regulatory environment for gaming is dynamic and rapidly changing. The laws, regulations, and procedures dealing with gaming are subject to the interpretation of the regulatory authorities and may be amended.

Any changes in such laws, regulations, or their interpretations could have a negative effect on our operations and future development of gaming opportunities. Certain specific provisions applicable to us are described below.

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Indian Gaming Regulatory Matters

Because a portion of operations are on tribal property, the following is a summary of some of the particulars relating to regulations of gaming properties on tribal lands.

Gaming on Indian Lands (lands over which Indian tribes have jurisdiction and which meet the definition of Indian Lands under the Indian Gaming Regulatory Act of 1988, (the "Regulatory Act') is regulated by federal, state and tribal governments. The regulatory environment regarding Indian gaming is always changing. Changes in federal, state or tribal law or regulations may limit or otherwise affect Indian gaming or may be applied retroactively and could then have a negative effect on our operations. The terms and conditions of management agreements or other agreements, and the operation of casinos on Indian Land, are subject to the Regulatory Act, which is implemented by the NIGC. The contracts also are subject to the provisions of statutes relating to contracts with Indian tribes, which are supervised by the Department of the Interior. The Regulatory Act is interpreted by the Department of the Interior and the National Indian Gaming Commission ("NIGC") and may be clarified or amended by the judiciary or legislature.

Under the Regulatory Act, the NIGC has the power to:

- inspect and examine certain Indian gaming facilities;
- oversee tribal gaming ordinances (enacted at a local level);
- review and approve management contracts and management teams;
- oversee payment terms including repayments for development;
- set limits on contract terms and fees;
- insure adequacy of accounting processes and guaranteed payments to the tribe;
- perform background checks on persons associated with Indian gaming;
- inspect, copy and audit all records of Indian gaming facilities;
- hold hearings, issue subpoenas, take depositions, and adopt regulations; and
- penalize violators of the Regulatory Act.

Penalties for violations of the Regulatory Act include fines, and possible temporary or permanent closing of gaming facilities. The Department of Justice may also impose federal criminal sanctions for illegal gaming on Indian Lands and for theft from Indian gaming facilities.

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Mississippi Regulatory Matters

In June 1990, Mississippi enacted legislation legalizing dockside casino gaming for counties along the Mississippi River, which is the western border for most of the state, and the Gulf Coast, which is the southern border for most of the state. Subsequently, this legislation was amended to allow land-based gaming along the Gulf Coast of Mississippi.

State gaming regulations are subject to amendment and interpretation by the Mississippi Gaming Commission. Changes in Mississippi laws or regulations may limit or otherwise materially affect the types of gaming that may be conducted in Mississippi and such changes, if enacted, could have an adverse effect on us and our Mississippi gaming operations.

Our gaming operations in Mississippi will be subject to regulatory control by the Mississippi Gaming Commission, the State Tax Commission and various other local, city and county regulatory agencies (collectively referred to as the “Mississippi Gaming Authorities”). Our affiliate, Rotate Black MS, LLC, is seeking to obtain gaming licenses from the Mississippi Gaming Authorities. Commission may, at any time, and for any cause it deems reasonable, revoke, suspend, condition, limit or restrict a license or approval to own shares of stock in our subsidiaries that operate in Mississippi.

Substantial fines for each violation of Mississippi’s gaming laws or regulations may be levied against us, our affiliate and the persons involved. Disciplinary action against us or one of our affiliate gaming licensees in any jurisdiction may lead to disciplinary action against us or any of our affiliate licensees in Mississippi, including, but not limited to, the revocation or suspension of any such affiliate gaming license.

We, along with our Mississippi gaming affiliate, must periodically submit detailed financial, operating and other reports to the Mississippi Gaming Commission and/or the State Tax Commission. Numerous transactions, including but not limited to substantially all loans, leases, sales of securities and similar financing transactions entered into by our Mississippi gaming affiliate must be reported to or approved by the Mississippi Gaming Commission. In addition, the Mississippi Gaming Commission may, at its discretion, require additional information about our operations.

Certain of our officers and employees and the officers, directors and certain key employees of our Mississippi gaming subsidiaries must be found suitable or be licensed by the Mississippi Gaming Commission. We will file all required findings of suitability and key employee licenses related to our Mississippi property during the gaming license process and believe that the required licenses will be obtained, although the Mississippi Gaming Commission at its discretion may require additional persons to file applications for findings of suitability or key employee licenses. In addition, any person having a material relationship or involvement with us may be required to be found suitable or licensed, in which case those persons must pay the costs and fees associated with such investigation. The Mississippi Gaming Commission may deny an application for a finding of suitability for any cause that it deems reasonable. Changes in certain licensed positions must be reported to the Mississippi Gaming Commission. In addition to its authority to deny an application for a finding of suitability, the Mississippi Gaming Commission has jurisdiction to disapprove a change in a licensed position. The Mississippi Gaming Commission has the power to require us and any of our Mississippi gaming subsidiaries to suspend or dismiss officers, directors and other key employees or to sever relationships with other persons who refuse to file appropriate applications or who the authorities find unsuitable to act in such capacities.

Employees associated with gaming must obtain work permits that are subject to immediate suspension under certain circumstances. The Mississippi Gaming Commission will refuse to issue a work permit to a person who has been convicted of a felony, committed certain misdemeanors or knowingly violated the Mississippi Gaming Control Act, and it may refuse to issue a work permit to a gaming employee for any other reasonable cause.

At any time, the Mississippi Gaming Commission has the power to investigate and require the finding of suitability of any record or beneficial stockholder of ours. The Mississippi Gaming Control Act requires any person who individually or in association with others acquires, directly or indirectly, beneficial ownership of more than 5% of our common stock to report the acquisition to the Mississippi Gaming Commission, and such person may be required to be found suitable. In addition, the Mississippi Gaming Control Act requires any person who, individually or in association with others, becomes, directly or indirectly, a beneficial owner of more than 10% of our common stock, as reported to the U.S. Securities and Exchange Commission, to apply for a finding of suitability by the Mississippi Gaming Commission and pay the costs and fees that the Mississippi Gaming Commission incurs in conducting the investigation.

The Mississippi Gaming Commission has generally exercised its discretion to require a finding of suitability of any beneficial owner of 5% or more of a registered publicly traded corporation's stock. However, the Mississippi Gaming Commission has adopted a regulation that may permit certain "institutional" investors to obtain waivers that allow them to beneficially own, directly or indirectly, up to 15% (19% in certain specific instances) of the voting securities of a registered publicly traded corporation without a finding of suitability. If a stockholder who must be found suitable is a corporation, partnership or trust, it must submit detailed business and financial information, including a list of beneficial owners.

Any person who fails or refuses to apply for a finding of suitability or a license within 30 days after being ordered to do so by the Mississippi Gaming Commission may be found unsuitable. We believe that compliance by us with the licensing procedures and regulatory requirements of the Mississippi Gaming Commission will not affect the marketability of our securities. Any person found unsuitable who holds, directly or indirectly, any beneficial ownership of our securities beyond such time as the Mississippi Gaming Commission prescribes may be guilty of a misdemeanor. We are subject to disciplinary action if, after receiving notice that a person is unsuitable to be a stockholder or to have any other relationship with us or our subsidiaries operating casinos in Mississippi, we:

- pay the unsuitable person any dividend or other distribution upon its voting securities;
- recognize the exercise, directly or indirectly, of any voting rights conferred by its securities;
- pay the unsuitable person any remuneration in any form for services rendered or otherwise, except in certain limited and specific circumstances; or
- fail to pursue all lawful efforts to require the unsuitable person to divest itself of the securities, including, if necessary, our immediate purchase of the securities for cash at a fair market value.

We may be required to disclose to the Mississippi Gaming Commission upon request the identities of the holders of any of our debt securities. In addition, under the Mississippi Gaming Control Act, the Mississippi Gaming Commission may, in its discretion, (1) require holders of our securities, including our notes, to file applications, (2) investigate such holders and (3) require such holders to be found suitable to own such securities. Although the Mississippi Gaming Commission generally does not require the individual holders of obligations such as the notes to be investigated and found suitable, the Mississippi Gaming Commission retains the discretion to do so for any reason, including but not limited to a default, or where the holder of the debt instrument exercises a material influence over the gaming operations of the entity in question. Any holder of debt securities required to apply for a finding of suitability must pay all investigative fees and costs of the Mississippi Gaming Commission in connection with such an investigation.

The Mississippi regulations provide that a change in control of us may not occur without the prior approval of the Mississippi Gaming Commission. Mississippi law prohibits us from making a public offering of our securities without the approval of the Mississippi Gaming Commission if any part of the proceeds of the offering is to be used to finance the construction, acquisition or operation of gaming facilities in Mississippi, or to retire or extend obligations incurred for one or more such purposes. The Mississippi Gaming Commission has the authority to grant a continuous approval of securities offerings and has granted such approval to us, subject to renewal every three years.

Regulations of the Mississippi Gaming Commission prohibit certain repurchases of securities of publicly traded corporations registered with the Mississippi Gaming Commission, including holding companies, without prior approval of the Mississippi Gaming Commission. Transactions covered by these regulations are generally aimed at discouraging repurchases of securities at a premium over market price from certain holders of greater than 3% of the outstanding securities of the registered publicly traded corporation. The regulations of the Mississippi Gaming Commission also require prior approval for a "plan of recapitalization" as defined in such regulations.

We must maintain in the State of Mississippi current stock ledgers, which may be examined by the Mississippi Gaming Authorities at any time. If any securities are held in trust by an agent or by a nominee, the record holder may be required to disclose the identity of the beneficial owner to the Mississippi Gaming Authorities. A failure to make such disclosure may be grounds for finding the record holder unsuitable. We must render maximum assistance in determining the identity of the beneficial owner.

Mississippi law requires that certificates representing shares of our members' interests bear a legend to the general effect that the securities are subject to the Mississippi Gaming Control Act and regulations of the Mississippi Gaming Commission. The Mississippi Gaming Commission has the authority to grant a waiver from the legend requirement, which we have obtained. The Mississippi Gaming Commission, through the power to regulate licenses, has the power to impose additional restrictions on the holders of our securities at any time.

The Mississippi Gaming Commission enacted a regulation in 1994 requiring that, as a condition to licensure, an applicant must provide a plan to develop infrastructure facilities amounting to 25% of the cost of the casino and a parking facility capable of accommodating 500 cars. In 1999, the Mississippi Gaming Commission approved amendments to this regulation that increased the infrastructure development requirement from 25% to 100% for new casinos (or upon acquisition of a closed casino), but grandfathered existing licensees and development plans approved prior to the effective date of the new regulation. "Infrastructure facilities" include any of the following:

- hotel;
- theme parks;
- golf courses;
- marinas;
- entertainment facilities;
- tennis complexes; or
- any other facilities approved by the Mississippi Gaming Commission.

Parking facilities, roads, sewage and water systems or civic facilities are not considered "infrastructure facilities." The Mississippi Gaming Commission may reduce the number of rooms required in a hotel if it is satisfied that sufficient rooms are available to accommodate the anticipated number of visitors. In 2003 and in 2006, the Mississippi Gaming Commission again amended its regulation regarding development plan approval but left the 100% infrastructure requirement intact. In 2007, the Mississippi Gaming Commission further amended this regulation. Among other things, the 2007 amendment retained the 100% infrastructure requirement and added a requirement that the qualified infrastructure be owned or leased by certain specified persons.

License fees and taxes are payable to the State of Mississippi and to the counties and cities in which a Mississippi gaming affiliate's respective operations will be conducted. The license fee payable to the state of Mississippi is based upon gross revenue of the licensee (generally defined as gaming receipts less payout to customers as winnings) and equals 4% of gross revenue of $50,000 or less per month, 6% of gross revenue in excess of $50,000 but less than $134,000 per calendar month, and 8% of gross revenue in excess of $134,000 per calendar month. The foregoing license fees are allowed as a credit against the licensee's Mississippi income tax liability for the year paid. Additionally, a licensee must pay a $5,000 annual license fee and an annual fee based upon the number of games it operates. The gross revenue tax imposed by the Mississippi communities and counties in which our casino operations are located equals 0.4% of gross revenue of $50,000 or less per calendar month, 0.6% of gross revenue over $50,000 and less than $134,000 per calendar month and 0.8% of gross revenue greater than $134,000 per calendar month. These fees have been imposed in, among other cities and counties, Biloxi and Coahoma County. Certain local and private laws of the state of Mississippi may impose fees or taxes on the Mississippi gaming subsidiaries in addition to the fees described above.

In April 2010, the Mississippi Gaming Commission adopted a regulation amendment that imposes a flat annual fee on each casino operator licensee, covering all investigative fees for that year associated with an operator licensee, any entity registered as a holding company or publicly traded corporation of that licensee, and any person required to be found suitable in connection with that licensee or any holding company or publicly traded corporation of that licensee. The particular fee is based on the average number of gaming devices operated by the licensee during a twelve (12) month period, as reported to the Mississippi Gaming Commission. The investigative fee is $325,000 for licensees with 1500 or more gaming devices, $250,000 for licensees with 1000 to 1499 gaming devices, and $150,000 for licensees with less than 1000 gaming devices. The fee is payable in four (4) equal quarterly installments. The amendment provides that should such total investigative fees collected by the Mississippi Gaming Commission exceed the amount allowed by Mississippi statute, then the excess fees will be credited to the licensees for the following year. The amended regulation also provides a schedule of various fees applicable to licensees and persons not covered by the annual investigative fee.

The Mississippi Gaming Commission requires, as a condition of licensure or license renewal, that casino vessels on the Mississippi Gulf Coast that are not self-propelled must be moored to withstand a Category 4 hurricane with 155 mile-per-hour winds and 15-foot tidal surge. A 1996 Mississippi Gaming Commission regulation prescribes the hurricane emergency procedure to be used by the Mississippi Gulf Coast casinos.

The sale of food or alcoholic beverages at our Mississippi gaming locations is subject to licensing, control and regulation by the applicable state and local authorities. The agencies involved have full power to limit, condition, suspend or revoke any such license, and any such disciplinary action could (and revocation would) have a material adverse effect upon the operations of the affected casino or casinos. Certain of our officers and managers and our Mississippi gaming subsidiaries must be investigated by the Alcoholic Beverage Control Division of the State Tax Commission in connection with liquor permits that have been issued. The Alcoholic Beverage Control Division of the State Tax Commission must approve all changes in licensed positions.

Compliance with Other Laws

We are subject to various federal, state and local laws and regulations in addition to gaming regulations. These laws and regulations include, but are not limited to, restrictions and conditions concerning alcoholic beverages, environmental matters, employees, currency transactions, taxation, zoning and building codes, and marketing and advertising.

The Internal Revenue Service (“IRS”) requires operators of casinos located in the United States to file information returns for United States citizens, including names and addresses of winners, for all winnings in excess of stipulated amounts. The IRS also requires operators to withhold taxes on certain winnings.

Regulations adopted by the Financial Crimes Enforcement Network of the Treasury Department (“FinCEN”) require us to report currency transactions in excess of stipulated amounts occurring within a gaming day, including identification of the patron by name and social security number. FinCEN has also established regulations that require us to file suspicious activity reports on all transactions that we know, suspect, or have reason to suspect fall into specific categories that are deemed to be suspicious. We believe our programs meet the requirements of the applicable regulations.

Laws and regulations are always subject to change, can be interpreted differently in the future, and new laws and regulations may be enacted which could adversely affect the tax, regulatory, operational or other aspects of the gaming industry and our company. Furthermore, noncompliance with one or more of these laws and regulation could result in the imposition of substantial penalties against us.

Financial Position and Future Capital Needs – Going Concern

We were a development stage company through March 31, 2010 when the Gulfport management agreement became effective. We have a limited history in the casino and gaming business. Since inception, a majority of our operating and development expenses have been funded by private placement offerings and a loan from one of our stockholders, RBL.

Due to the development nature of its business, the Company has incurred losses since inception. For the years ended June 30, 2012 and 2011 we had revenues of $180,000 and $517,980, respectively.

The accompanying consolidated financial statements have been prepared assuming we will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the normal course of business. As of June 30, 2012, we had an accumulated deficit of $29,150,503, as compared to $16,983,753 as of June 30, 2011, negative working capital of $8,856,985, and had a net loss totaling ($11,515,272) for the year ended June 30, 2012, as compared to a net loss of ($13,355,333) for the year ended June 30, 2011.

The Company's ability to continue as a going concern is dependent upon the ability of the Company to generate profitable operations in the future and/or to obtain the necessary financing to meet its obligations arising from normal business operations when they come due.

We intend to engage in private placement offerings from time to time to provide the Company with working capital to pay down certain debt obligations, for other general corporate and operations uses, and to enable us to pursue our strategy to develop and acquire and operate gaming business opportunities. The Company plans to make sales of its common stock in private transactions or to borrow funds as needed to raise sufficient capital to fund the development of business, projected operating expenses and commitments. However, there can be no assurance that we will be able to obtain sufficient funding to develop our current business plan. In the event that we cannot obtain additional funds when needed, we may be forced to renegotiate some or all of our debt and curtail or cease some or all of our activities.

Although we believe we will be successful with our plans, due to market factors and economic conditions, no assurance can be given that financing will be available to the Company on favorable terms or at all.

The financial statements do not include any adjustments related to recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should we be unable to continue as a going concern.

Competition

The Company expects to concentrate in the business of casino and gaming business development, management, operations and ownership. The gaming industry is highly competitive and continues to proliferate throughout the country as more jurisdictions are choosing to allow gaming or the expansion thereof. Gaming activities include traditional land–based casinos, river boat and dockside gaming, casino gaming on Indian land, state–sponsored video lottery and video poker in restaurants, bars and hotels, pari–mutuel betting on horse racing and dog racing, sports bookmaking, card rooms, and online gaming outside the United States. Future casinos managed by Rotate Black compete with all of these forms of gaming, and will compete with any new forms of gaming that may be legalized in additional jurisdictions, as well as with other types of entertainment. Rotate Black also competes with other gaming companies for opportunities to acquire legal gaming sites in emerging gaming jurisdictions and for the opportunity to manage casinos on Indian land. Most of Rotate Black's competitors have more personnel and greater financial and other resources than Rotate Black and we have limited expertise in operating a casino and the gaming business. Further expansion of gaming could also significantly affect Rotate Black's business.

ITEM 1A: RISK FACTORS

The following risk factors and other information included in this Annual Report on Form 10-K should be carefully considered. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties not presently known to us or which we currently deem immaterial also may impair our business operations. If any of the following risks occur, our business, financial condition, operating results, and cash flows could be materially adversely affected.

RISKS RELATED TO OUR BUSINESS AND FINANCIAL CONDITION

We have had losses in the past and may incur losses in the future.

Our accumulated deficit is approximately $30 million as of June 30, 2012. We have had limited revenues and have not achieved profitability. We can give no assurances that we will be profitable in the future. We cannot assure investors that we will not incur operating losses in the future.

We may not be able to execute our business plan and continue as a going concern.

The Company has incurred substantial losses from operations and it has negative operating cash flow which raises substantial doubt about its ability to continue as a going concern. The Company sustained a net loss attributable to common shareholders of ($11,515,272) for the fiscal year ended June 30, 2012 and has an accumulated deficit as of June 30, 2012 of $29,150,503.

We do not anticipate that our cash from operations will be sufficient to meet our requirements over the next twelve months and we will require additional capital to sustain our operations. If we are unable to secure additional funding to cover our expenses, we may have to reduce expenditures, development efforts and operations, which could have a material adverse effect on our ability to continue operations. No assurance can be given that additional funding will be available, or if available, will be on acceptable terms.

Investments in our stock by new stockholders will be diluted immediately.

Due, in part, to increases in our share price, some of our present stockholders have acquired an interest in us at a total cost substantially less than the total cost that newer investors will likely pay for their shares. Therefore, the newer investors will bear a greater proportion of the risk of loss (measured by the cost of shares). As of July 31, 2013, there were 75,000,000 shares of common stock authorized and 45,863,609 common shares outstanding.

We may sell additional equity in the future that may further dilute the value of your investment.

Reductions in the price of our stock resulting from the performance of our portfolio or other market conditions might result in stock being sold to new investors, including management, at prices below the price paid by you. Senior management may be granted the right, and others may have the right, under certain circumstances, to acquire additional shares of our stock at a price equal to the market price as it exists at a point in the future. If such a grant of a right occurred at a time where the price of the stock has fallen relative to the current market value and falls below the price paid by you, management might be given the right to purchase stock at a price below your cost. In either of these cases, the value of your investment would be further diluted.

Future credit agreements impose restrictions on us which may prevent us from engaging in transactions that might benefit us, including responding to changing business and economic conditions or securing additional financing, if needed.

In the event we enter into one or more loan agreements to fund operations, expansion or acquisitions, these typically contain customary events of default and restrictive covenants that require us to maintain specified levels of performance and financial ratios and prohibit us from taking certain actions without satisfying the financial tests or obtaining the consent of the lenders including, the following examples of typical and customary restrictions on:

- making investments in excess of specified amounts;
- incurring additional indebtedness in excess of a specified amount;
- paying cash dividends;
- making capital expenditures in excess of a specified amount;
- creating certain liens;
- prepaying our other indebtedness;
- engaging in certain mergers or combinations; and
- engaging in transactions that would result in a change of control of our company.

Should we be unable to comply with the terms and covenants of our credit agreements, we would be required to obtain modifications of the terms of these agreements or secure another source of financing to continue to operate our business. A default could result in the acceleration of our obligations under the credit agreements.

Limitation of Liability and Indemnification of Management.

While limitations of liability and indemnification are themselves limited, we have instituted provisions in our bylaws indemnifying, to the extent permitted, against and not making management liable for, any loss or liability incurred in connection with our affairs, so long as such loss or liability arose from acts performed in good faith and not involving any fraud, gross negligence or willful misconduct. Therefore, to the extent that these provisions provide any protection to management, that protection may limit the right of a shareholder to collect damages from members of management. Management is accountable to the shareholder as a fiduciary and, consequently, members of management are required to exercise good faith and integrity in handling our affairs.

If we are not able to build and sustain proper information technology infrastructure, our business could suffer.

We depend on information technology as an enabler to improve the effectiveness of our operations and to interface with our customers, as well as to maintain financial accuracy and efficiency. If we do not allocate and effectively manage the resources necessary to build and sustain the proper technology infrastructure, we could be subject to transaction errors, processing inefficiencies, the loss of customers, business disruptions, or the loss of or damage to intellectual property through security breach.

If we are unable to hire or retain key employees, it could have a negative impact on our business.

Our continued growth requires us to develop our leadership bench and to implement programs designed to retain talent. However, there is no assurance that we will continue to be able to hire or retain key employees. We compete to hire new employees, and then must train them and develop their skills and competencies. Our operating results could be adversely affected by increased costs due to increased competition for employees, higher employee turnover or increased employee benefit costs. Any unplanned turnover could deplete our institutional knowledge base and erode our competitive advantage.

Your influence in matters requiring shareholder action will be subject to control of certain shareholders.

There are officers and directors and major shareholders with a controlling interest who hold a large percentage of the issued and outstanding shares of our voting securities who would likely exercise voting control over all matters that may be submitted for approval by our shareholders. Even for those members of management and holders of controlling blocks of our shares, while the number of shares controlled is less that a majority, their position of control is material and significant.

Pursuant to our Articles of Incorporation, our Board of Directors has the authority to issue shares of stock without any further vote or action by the stockholders. The issuance of stock under certain circumstances could have the effect of delaying or preventing a change in control of the Company or may deter takeover attempts.

Our Articles of Incorporation contain provisions that may have the effect of discouraging, delaying or making more difficult a change in control and preventing the removal of incumbent directors. The existence of these provisions may reduce any premiums over market price that a potential acquirer would offer to shareholders for their shares of our common stock. Furthermore, we are subject to provisions of the Nevada Revised Statutes that may make it difficult for a potential acquirer to exert control over our Board of Directors and may discourage attempts to gain control without the consent of the Board of Directors.

RISKS ASSOCIATED WITH LAWS AND REGULATIONS

Our Business May Become Subject to Extensive Additional Regulation at the Federal and State Levels.

Our operations are and will be affected by current and future legislation and by the policies established from time to time by various federal and state regulatory authorities. It is not possible to predict what changes, if any, will be made to existing federal and state legislation and regulations or the effect that such changes may have on our future business and earnings prospects.

The Requirements under Sarbanes-Oxley impose increasing costs for compliance and review of accounting and reporting processes.

We will need to make substantial financial and manpower investments in order to assess our internal controls over financial reporting, and our internal controls over financial reporting may be found to be deficient causing us to incur additional costs for remedying and compliance.

Changes in the legal and regulatory environment could limit our business activities, increase our operating costs, reduce consumer demand for gaming or result in litigation.

The conduct of our businesses and the advertising, marketing and operation of our facilities, are subject to various laws and regulations administered by federal, state and local governmental agencies in the United States, as well as to foreign laws and regulations administered by government entities and agencies in markets in which we operate.

These laws and regulations may change, sometimes dramatically, as a result of political, economic or social events. Such regulatory environment changes include changes in licensing or the right to operate gaming facilities, laws related to advertising and marketing practices, accounting standards, taxation requirements, competition laws and environmental laws (relating to operations of facilities). Changes in laws, regulations or governmental policy and the related interpretations may alter the environment in which we do business and, therefore, may impact our results or increase our costs or liabilities. In particular, governmental bodies in jurisdictions where we operate may impose new requirements, or other restrictions to continue operations of a gaming facility.

Our management agreements with the various tribes are subject to governmental or regulatory modification.

The NIGC has the power to require modifications to Indian management agreements under some circumstances or to void such agreements or secondary agreements, including loan agreements, if we fail to obtain the required approvals or to comply with the necessary laws and regulations. While we believe that our management agreements and related secondary documents meet the applicable requirements, the NIGC has the right to review each of these agreements and has the authority to reduce the term of a management agreement or the management fee or otherwise require modification of the management agreements and secondary agreements. Such changes would negatively affect our profitability.

The Indian tribes have sovereign powers and we may be unable therefore to enforce remedies against them.

The tribes with which we have agreements are independent governments that have rights to tax persons and enterprises conducting business on their lands. They also have the right to require licenses and to impose other forms of regulation and regulatory fees on persons and businesses operating on their tribal lands. As a sovereign power, Indian tribes are generally subject only to federal regulation. States do not have the authority to regulate them, unless such authority has been specifically granted by the U.S. Congress. Thus, state laws generally do not apply to tribes or to activities taking place on tribal lands. In the absence of a conflicting federal or properly authorized state law, tribal law governs. Unless another law is specified, contracts with the tribes are governed by tribal law (and not state or federal law). In our agreements with these tribes, we generally have agreed that state law will govern the rights and obligations under these agreements. However, such provisions may be unenforceable particularly with respect to remedies against collateral located on tribal lands and they offer no protection against third-party claims against the collateral. If such provisions are determined to be unenforceable, then we may be unable to recover any amounts loaned or advanced to the tribes.

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RISKS ASSOCIATED WITH REVENUE AND EARNINGS

We cannot guarantee that we will pay dividends to our stockholders.

We are allowed by our articles of incorporation and/or by-laws to pay dividends to our stockholders. However, there can be no guarantee we will have sufficient revenues to pay dividends during any period. Investors in need of liquidity through the payment of dividends should refrain from common stock which does not have a dividend requirement.

We may experience fluctuations in our quarterly and annual results.

We could experience fluctuations in our quarterly and annual operating results due to a number of factors, the level of our expenses, variations in and the timing of the recognition of realized and unrealized gains or losses, the degree to which we encounter competition in our markets, changes in the gaming industry, and general economic conditions. As a result of these factors, results for any period should not be relied upon as being indicative of performance in future periods.

Our business could suffer if we are unable to compete effectively.

Our businesses operate in highly competitive markets. We compete against global, regional and local operators of gaming facilities on the basis of appearance, quality, accessibility and perceived attractiveness. Increased competition and actions by our competitors could lead to downward pressure on prices for food and beverages and other items sold within our facilities and/or a decline in our market share, either of which could adversely affect our results.

Demand for our gaming locations may be adversely affected by changes in consumer preferences and tastes or if we are unable to innovate or market our facilities effectively.

We are a consumer gaming company operating in highly competitive markets and will rely on continued demand for our facilities. To generate revenues and profits, we must continue to appeal to our customers and to consumers. Any significant changes in consumer preferences and any inability on our part to anticipate and react to such changes could result in reduced demand for our facilities and erosion of our competitive and financial position. Our success depends on our ability to respond to consumer trends. Consumer preferences may shift due to a variety of factors, including the aging of the general population, changes in social trends, changes in travel, vacation or leisure activity patterns, weather, negative publicity resulting from regulatory action or litigation against companies in the industry, or a downturn in economic conditions. Any of these changes may reduce consumers' willingness to patronize our facilities.

Adverse changes in discretionary consumer spending would decrease our gaming revenues.

The gaming industry is heavily dependent on discretionary consumer spending patterns. Our business is sensitive to numerous factors that affect discretionary consumer income, including adverse general economic conditions, changes in employment trends and levels of unemployment, increases in interest rates, acts of war, terrorist or political events, a significant rise in energy prices or other events or actions that may lead to a decrease in consumer confidence or a reduction in discretionary income. Declines in consumer spending within the gaming industry, especially for extended periods, could have a material adverse effect on our business, financial condition and results of operations.

Development of new casinos is subject to many risks, some of which we may not be able to control.

The opening of our proposed gaming facilities will depend on, among other things, obtaining adequate financing, the completion of construction, hiring and training of sufficient personnel and obtaining all regulatory licenses, permits, allocations and authorizations. The number of the approvals by federal and state regulators and other authorities needed to construct and open new gaming facilities is extensive, and any delay in obtaining or the failure to obtain these approvals could prevent or delay the completion of construction or opening of all or part of the gaming facilities or otherwise adversely affect the design and features of the proposed casinos.

Even if approvals and financing are obtained, building a new casino is a major construction project that entails significant risks. These risks include, but are not limited to:

- shortages of materials or skilled labor;
- unforeseen engineering, environmental and/or geological problems;
- work stoppages;
- weather interference;
- unanticipated cost increases; and
- unavailability of construction equipment.

Obtaining any of the requisite licenses, permits, allocations and authorizations from regulatory authorities could increase the total cost, delay or prevent the construction or opening of any of these planned casino developments or otherwise affect their design. In addition, once developed, we may be unable to manage these casinos on a profitable basis or to attract a sufficient number of guests, gaming customers and other visitors to make the various operations profitable independently.

The failure to obtain necessary licenses, permits and approvals could delay the construction or operation of the project, which could have a material adverse effect on the operating results of our business.

We have not yet obtained, and cannot assure you that we will be able to obtain, all regulatory licenses, permits and approvals necessary to operate our casinos. Even if all necessary licenses or permits are issued, these licenses, permits and other approvals could have conditions and restrictions that could adversely affect completion or operation of the our casinos. The failure to obtain any other necessary license, permit or approval in a timely manner and without adverse conditions and restrictions may delay, restrict or prevent the casino from being constructed or operated as currently contemplated, thereby materially impairing our ability to satisfy our obligations under the notes.

We will depend solely on our pending transactions to generate cash sufficient to make payments on the notes, and we will be subject to greater risks than a company with geographically diverse operations.

Until our projects are completed and operational, we will rely exclusively on funds from consulting agreements, the sales of shares, stockholder loans and private financing. Our ability to generate cash flow will depend on the future operating performance of the Gulfport Project, which is subject to many economic, competitive, regulatory and business factors that are beyond our control.

In addition, our revenues and cash flow will be heavily dependent upon the patronage of persons living within a 100-mile radius of each casino and we have limited casino operating experience as well as financial limitations. Therefore, we are subject to greater risks than a company with larger operations or that are more geographically diversified operations, including:

- a continued downturn or worsening of regional or local economic conditions;
- an increase in competition in our market;
- inaccessibility of our casino due to road construction or closures of primary access routes; and
- adverse weather, natural, and other disasters, including flood or fire at the casino or in the surrounding area.

The occurrence of any one of the events described above could harm our business, resulting in insufficient cash flow to make payments on the notes.

If we are not able to generate sufficient cash flow from our business to service our debt obligations, we may need to refinance or restructure our debt, sell assets, reduce or delay capital investments or seek to raise additional capital. Our ability to raise additional capital will be limited by the restrictive covenants contained in the indenture governing the notes and may be limited by other agreements we enter into in the future. As a result, these measures may not be available to us or, if available, they may not be available on acceptable terms or otherwise be sufficient to enable us to satisfy our obligations under the notes. If our cash flow is insufficient and we are unable to implement one or more of these alternatives, we may not be able to service our debt obligations, including the notes.

We have limited operations.

Our principal operations currently consist of the one proposed gaming facility. These limited sources of income, combined with the potentially significant investment associated with any new managed facilities, may cause our operating results to fluctuate significantly. Additionally, delays in the opening of any future casinos or our failure to open a new casino could also significantly adversely affect our profitability. Future growth in revenues and profits will depend on our ability to increase the number of our owned and managed casinos and facilities or develop new business opportunities. We may be unable to successfully acquire, develop or manage any additional casinos or facilities.

The gaming industry is subject to many risks, including adverse economic and political conditions and changes in governmental regulations.

Similar to investment in other entertainment enterprises, adverse changes in general and local economic conditions may adversely impact investments in the gaming industry. Examples of economic conditions subject to change include, among others:

- competition in the form of other gaming facilities and entertainment opportunities;
- changes in regional and local population and disposable income;
- unanticipated increases in operating costs;
- risks inherent in owning, financing and developing real estate as part of our casino operations;
- the inability to secure property and liability insurance to fully protect against all losses, or to obtain such insurance at reasonable costs;
- inability to hire trained and knowledgeable managers and supervisors;
- inability to hire a sufficient number of employees to maintain our desired level of operations;
- seasonality;
- changes or cancellations in local tourist, recreational or cultural events; and
- changes in travel patterns or preferences (which may be affected by increases in gasoline prices, changes in airline schedules and fares, strikes, weather patterns or relocation or construction of highways).

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Additional or more restrictive governmental regulation can increase our above those projected and may limit the development of our facilities or our profitability. We may be subject to restrictive changes in zoning and similar land use laws and regulations, or in health, safety and environmental laws, rules and regulations;

We may be unable to successfully compete with other gaming activities.

The gaming industry is highly competitive. Gaming activities include traditional land-based casinos; river boat and dockside gaming; casino gaming on Indian land; state-sponsored lotteries and video poker in restaurants, bars and hotels; pari-mutuel betting on horse racing, dog racing and jai alai; sports bookmaking; Internet gaming; and card rooms. Our operations and the casinos that we are trying to develop and operate, compete or will compete, as the case may be, with all these forms of gaming, and any new forms of gaming that may be legalized in additional jurisdictions, as well as with other types of entertainment. Our operations may be unable to successfully compete with new or existing gaming operations within the vicinity of our operations or with gaming operations available on the Internet.

RISKS ASSOCIATED WITH SMALLER PUBLIC COMPANIES

The Market Price of Our Common Stock May Fluctuate Significantly.

The market price and liquidity of the market for shares of our common stock may be significantly affected by numerous factors, some of which are beyond our control and may not be directly related to our operating performance. These factors, may adversely affect our ability to raise capital through future equity financings. These factors include:

- significant volatility in the market price and trading volume of securities of gaming industry companies or other companies in the industry, which are not necessarily related to the operating performance of these companies;
- changes in regulatory policies or tax guidelines;
- our common stock is unlikely to be followed by any market analysts, and there may be few institutions acting as market makers for the common stock which can adversely affect its price;
- changes in earnings or variations in operating results;
- any shortfall in revenue or net income or any increase in losses from levels expected by investors or securities analysts;
- departure of one or more of our key personnel;
- operating performance of companies comparable to us;
- potential legal and regulatory matters;
- changes in prevailing interest rates;
- general economic trends and other external factors; and
- loss of a major funding source.

Our common stock is subject to the "Penny Stock" rules of the SEC and the trading market in our securities is limited, which makes transactions in our stock cumbersome and may reduce the value of an investment in our stock.

The Securities and Exchange Commission has adopted Rule 15g-9 which establishes the definition of a "penny stock," for the purposes relevant to us, as any equity security that has a market price of less than $5.00 per share or option to acquire any equity security with an exercise price of less than $5.00 per share, subject to certain exceptions. For any transaction involving a penny stock, unless exempt, the rules require:

- that a broker or dealer approve a person's account for transactions in penny stocks; and
- the broker or dealer receive from the investor a written agreement to the transaction, setting forth the identity and quantity of the penny stock to be purchased.

In order to approve a person's account for transactions in penny stocks, the broker or dealer must:

- obtain financial information and investment experience objectives of the person; and
- make a reasonable determination that the transactions in penny stocks are suitable for that person and the person has sufficient knowledge and experience in financial matters to be capable of evaluating the risks of transactions in penny stocks.

The broker or dealer must also deliver, prior to any transaction in a penny stock, a disclosure schedule prescribed by the Commission relating to the penny stock market, which, in highlight form:

- sets forth the basis on which the broker or dealer made the suitability determination; and
- that the broker or dealer received a signed, written agreement from the investor prior to the transaction.

Generally, brokers may be less willing to execute transactions in securities subject to the "penny stock" rules. This may make it more difficult for investors to dispose of our common stock and cause a decline in the market value of our stock.

Disclosure also has to be made about the risks of investing in penny stocks in both public offerings and in secondary trading and about the commissions payable to both the broker-dealer and the registered representative, current quotations for the securities and the rights and remedies available to an investor in cases of fraud in penny stock transactions. Finally, monthly statements have to be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks.

Our common stock is thinly-traded.

For most of our history our common stock has been thinly-traded, both privately and on the various exchanges on which it has been listed, making it difficult for stockholders to sell shares of our common stock at a predictable price or at all. The volatility in the market price of our common stock may cause stockholders to encounter significant short term variations in the market price of the stock on account of factors beyond our control.

The market price of our common stock may limit its eligibility for clearing house deposit.

We are advised that if market price for shares of our common stock is less than $0.10 per share, Depository Trust Company and other securities clearing firms may decline to accept our shares for deposit and refuse to clear trades in our securities. This would materially and adversely affect the marketability and liquidity of our shares and, accordingly may materially and adversely affect the value of an investment in our common stock.

ITEM 1B: UNRESOLVED STAFF COMMENTS

As a smaller reporting company, the Company is not required to provide the information required by this item.

ITEM 2: PROPERTIES

Administrative Offices. We maintain our corporate office at 932 Spring Street, Petoskey, Michigan 49770. On August 8, 2008, the Company entered into a lease for office space, commencing on September 1, 2008 through August 31, 2011. The Company is now on a month to month lease.

ITEM 3: LEGAL PROCEEDINGS

On October 25, 2010, a Complaint was filed in the United States District Court for the Western District of Michigan by The Sandesh Limited, a company incorporated in the Republic of India, against the Company, RBL and a former employee. The Plaintiff alleges that as a condition to their purchase of 1,200,000 shares of the common stock of the Company, the Plaintiff had the right to require the Defendants to repurchase all or any portion of the shares. Plaintiffs also allege that a subsequent agreement was entered into with RBL, whereby RBL would purchase the Plaintiff's 1,200,000 shares of common stock. Plaintiff further alleges that this repurchase also did not occur and that the Defendants breached other terms of the agreements. Plaintiffs are seeking the return of $1,200,000 and additional unspecified amounts as compensatory, actual and punitive and/or exemplary damages, restitution for unjust enrichment, prejudgment interest, attorney's fees and costs and other relief as the court deems appropriate.

On November 23, 2011, a settlement agreement was entered into dismissing the litigation and ordering that RBL pay Sandesh $1,500,000 as settlement, in payments of $35,000, per month, as defined, with interest at 8%, per annum. Sandesh is holding 480,000 common shares of the Company's stock owned by RBL as collateral and is entitled to receive 350 units of RBMS from RBI.

On February 23, 2010, a Complaint was filed in the Third Judicial District Court of the State of Nevada in and For the County of Lyon against the Company, RBL, and others in the amount of $5,000,000 pursuant to the termination of a development agreement for the Dayton Project. On July 16, 2010, the Company and Defendants filed an answer and counterclaim. A default Judgment was filed in the Third Judicial District Court of the State of Nevada In and For the County of Lyon on August 8, 2011 against the Company, Rotate Black, LLC, two officers of the Company, and others in the amount of $9,674,057 for exemplary and punitive damages. In connection with this matter, a Request for Enrollment of Foreign Judgment was filed in the Circuit Court of Harrison County, Mississippi, First Judicial District on December 23, 2011. On June 6, 2012, the Company filed a Motion for Leave to Seek District Court's Correction of Clerical Error Appearing on the Face of the Judgment, Subject Matter of Current Appeal in the Supreme Court of the State of Nevada. On June 7, 2012 the company was notified that its appeals to the default judgment will be heard by the Nevada Supreme Court. The Company will vigorously defend this action but can provide no assurance as to the likelihood of the outcome of the matter.

ITEM 4: MINE SAFETY DISCLOSURES.

Not applicable.

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PART II

ITEM 5: MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

The Company's common stock is presently quoted on the over-the-counter pink sheets under the symbol "ROBK.PK."

The bids reflect inter-dealer prices without adjustments for retail mark-ups, mark-downs or commissions and may not represent actual transactions.

Year Ended June 30, 2012		High	Low
First Quarter	$	0.43	0.14
Second Quarter		0.35	0.06
Third Quarter		0.59	0.17
Fourth Quarter		0.25	0.10
Year Ended June 30, 2011		High	Low
First Quarter	$	0.70	0.30
Second Quarter		0.19	0.10
Third Quarter		0.43	0.14
Fourth Quarter		0.35	0.06
Year Ended June 30, 2010			
First Quarter	$	0.60	0.30
Second Quarter		0.72	0.30
Third Quarter		0.48	0.15
Fourth Quarter		0.35	0.12

The over the counter bulletin board ("OTC") is a quotation service that displays real-time quotes and volume information in OTC equity securities. The OTC does not impose listing standards or requirements, does not provide automatic trade executions and does not maintain relationships with quoted issuers. A company traded on the OTC may face loss of market makers and lack of readily available bid and ask prices for its stock and may experience a greater spread between the bid and ask price of its stock and a general loss of liquidity with its stock. In addition, certain investors have policies against purchasing or holding OTC securities.

On April 20, 2011, the stockholders of the Company authorized an increase the number of authorized common shares from 20,000,000 to 75,000,000, $0.001, par value, and authorized 5,000,000 preferred shares, $.001, par value.

The Company is not obligated at this time to file periodic reports under Section 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). However, the Company is a voluntary filer of such Exchange Act reports and is evaluating the benefit to the Company and its stockholders of filing a Form 8-A to register its common stock pursuant to Section 12(g) of the Exchange Act and, thereby undertake to file such Exchange Act reports and to comply with Section 16 of the Exchange Act.

Penny Stock Considerations

Our shares will be "penny stocks" as that term is generally defined in the Securities Exchange Act of 1934 to mean equity securities with a price of less than $5.00. Our shares thus will be subject to rules that impose sales practice and disclosure requirements on broker-dealers who engage in certain transactions involving a penny stock. Under the penny stock regulations, a broker-dealer selling a penny stock to anyone other than an established customer or accredited investor must make a special suitability determination regarding the purchaser and must receive the purchaser's written consent to the transaction prior to the sale, unless the broker-dealer is otherwise exempt. Generally, an individual with a net worth in excess of $1,000,000, or annual income exceeding $100,000 individually or $300,000 together with his or her spouse, is considered an accredited investor. In addition, under the penny stock regulations the broker-dealer is required to:

- Deliver, prior to any transaction involving a penny stock, a disclosure schedule prepared by the Securities and Exchange Commission relating to the penny stock market, unless the broker-dealer or the transaction is otherwise exempt;

- Disclose commissions payable to the broker-dealer and our registered representatives and current bid and offer quotations for the securities;

- Send monthly statements disclosing recent price information pertaining to the penny stock held in a customer's account, the account's value and information regarding the limited market in penny stocks; and

- Make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction, prior to conducting any penny stock transaction in the customer's account.

Because of these regulations, broker-dealers may encounter difficulties in their attempt to sell shares of our common stock, which may affect the ability of selling shareholders or other holders to sell their shares in the secondary market and have the effect of reducing the level of trading activity in the secondary market. These additional sales practice and disclosure requirements could impede the sale of our securities, if our securities become publicly traded. In addition, the liquidity for our securities may be decrease, with a corresponding decrease in the price of our securities. Our shares in all probability will be subject to such penny stock rules and our shareholders will, in all likelihood, find it difficult to sell their securities.

Holders

As of June 30, 2012, there were 33,228,896 shares of common stock issued and outstanding, held by approximately 143 shareholders of record. As of July 31, 2013, there were 45,863,609 shares of common stock issued and outstanding, held by approximately 160 shareholders of record.

Dividends on Common Stock

We have not declared a cash dividend on our common stock in the last three fiscal years and we do not anticipate the payment of dividends in the near future. We may not pay dividends on our common stock without first paying dividends on our preferred stock. There are no other legal restrictions that currently limit our ability to pay dividends on our common stock other than those generally imposed by applicable state law.

Equity Compensation Plans

Stock Option Plan

On July 6, 2011, the Company's stockholders approved the Rotate Black, Inc. Stock Option Plan (Plan) under which the Chief Executive Officer of the Company may grant incentive stock options to certain employees to purchase up to 25,000,000 shares of common stock of the Company. The option price shall be no less than the fair market value of the stock, as defined. The Plan shall terminate after ten years. As June 30, 2012, no options were granted under the Plan.

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Recent Sales of Unregistered Securities

Common stock

For the year ended June 30, 2011, the Company issued an aggregate of 460,224 shares of common stock for legal services rendered, valued at $153,845, an average of $0.31, per share, the value of the service provided.

For the year ended June 30, 2011, the Company issued an aggregate of 779,526 shares of common stock for consulting services rendered under an extended contract, valued at $213,275, an average of $0.24, per share, the value of the service provided.

For the year ended June 30, 2011, the Company issued 40,000 shares of common stock to board members for services rendered, valued at $9,600, an average of $0.24, per share, the value of the service provided.

For the year ended June 30, 2011, the Company issued 1,600,000 shares of common stock as payment for loan payable - stockholder, valued at $320,000, $0.20, per share.

For the year ended June 30, 2011, the Company issued 139,270 shares of common stock as settlement of the derivative liability, valued at $52,923, $0.38, per share.

For the year ended June 30, 2011, the Company issued 50,000 shares of common stock in settlement of an account payable, valued at $11,012, $0.22, per share.

On June 10, 2011, in connection with the sale of the Series A Preferred stock, the Company issued 20,000 shares of common stock, valued at $4,000, $0.20, per share, to the investment banker.

In September 2011, the Company issued 7,900 shares of common stock for the cashless exercise of warrants.

In September 2011, the Company issued an aggregate of 400,000 shares of common stock for payment of loan payable – stockholder, valued at $80,000, $0.20, per share.

In November 2011, the Company issued 65,058 shares of common stock for the cashless exercise of warrants.

In December 2011, the Company issued an aggregate of 500,000 shares of common stock for payment of loan payable - stockholder, valued at $100,000, $0.20, per share.

In December 2011, the Company issued an aggregate of 5,847,089 shares of common stock as compensation to employees and consultants, valued at $1,169,417, $0.20, per share.

In December 2011, the Company issued 300,000 shares of common stock to board members for services rendered, valued at $60,000, $0.20, per share.

In February 2012, the Company issued an aggregate of 3,340,000 shares of common stock for payment of loan payable - stockholder, valued at $668,000, $0.20, per share.

In March 2012, the Company issued 200,000 shares of common stock as repayment of accounts payable on behalf of RBMS, valued at $40,000, $0.20, per share.

In March 2012. The Company issued 80,000 shares of common stock as payment for accounts payable valued at $20,000, $0.25, per share.

In April 2012, the Company issued 150,000 shares of common stock as repayment of loans on behalf of RBMS, valued at $30,000, $0.20, per share

In April 2012, the Company issued 200,000 shares of common stock for legal services rendered valued at $40,000, $0.20, per share.

None of the foregoing issuances of securities were registered under the Securities Act of 1933, as amended (the "Act"), and the Company relied on the registration exemptions provided by Section 4(2) and Section 3(a)9 of the Act.

Convertible Note and Warrant

On May 1, 2012, the Company issued a two-year, 10% convertible promissory note in the amount of $150,000. 121 days from the issue date, the holder can convert any unpaid principal and accrued interest into common shares of the Company. Between 121 days and 150 days from the issue date, the conversion price per share shall be $0.25; from 151 days to 180 days from the issue date, the conversion price shall be $0.20; anytime thereafter the conversion price shall be $0.15, subject to adjustment as defined. . The investor also was issued a five year common stock purchase warrant for the purchase of up to 480,000 shares of the Company's common stock, at a price per share of $0.40, that permits a cashless exercise in the event that the underlying shares of common stock to be issued upon exercise are not registered pursuant to an effective registration statement at the time of the exercise. The Company received net proceeds of $127,000 after payment of expenses incurred in connection with such transaction. In connection with this financing, the investment banker received 40,000 shares of the Company's common stock and a 10% promissory note for $6,000 and a warrant to purchase 34,500 shares of the Company's common stock.

On July 17, 2012 and October 15, 2012, the Company sold an additional $50,000 and $39,015, respectively, of the 10% convertible promissory notes. Warrants to purchase an aggregate of 272,530 shares of the Company's common stock were issued in conjunction with these financings. In connection with these financings, the investment banker received 22,253 shares of the Company's common stock and a 10% promissory note for $6,000 and a warrant to purchase 34,500 shares of the Company's common stock.

On June 10, 2013, the Company issued a two-year, 10% convertible promissory note in the amount of $20,000. 121 days from the issue date, the holder can convert any unpaid principal and accrued interest into common shares of the Company. Between 121 days and 210 days from the issue date, the conversion price per share shall be $0.15; after 210 days from the issue date, the conversion price shall be $0.10; subject to adjustment as defined. . The investor also was issued a five year common stock purchase warrant for the purchase of up to 133,334 shares of the Company's common stock, at a price per share of $0.15, that permits a cashless exercise in the event that the underlying shares of common stock to be issued upon exercise are not registered pursuant to an effective registration statement at the time of the exercise. In addition, on July 2, 2013, additional 10% promissory notes in the aggregate of $40,000 were issued.

None of the securities issued were registered under the Act and the Company relied on the registration exemption provided by Section 4(2) of the Act.

Issuer Purchases of Equity Securities

None.

ITEM 6: SELECTED FINANCIAL DATA

As a smaller reporting company, the Company is not required to provide the information required by this item.

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ITEM 7: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements that involve risks and uncertainties, relating to our financial condition, profitability, liquidity, resources, business outlook, market forces, corporate strategies, contractual commitments, legal matters, capital requirements and other matters. We note that many factors could cause our actual results and experience to change significantly from the anticipated results or expectations expressed in our forward-looking statements. When words and expressions such as: "believes," "expects," "anticipates," "estimates," "plans," "intends," "objectives," "goals," "aims," "projects," "forecasts," "possible," "seeks," "may," "could," "should," "might," "likely," "enable," "will likely result," "are expected to," "will continue," "is anticipated," "believes," "estimates," "projects" or similar words or expressions are used in this Form 10-K, as well as statements containing phrases such as "in our view," "there can be no assurance," "although no assurance can be given," or "there is no way to anticipate with certainty," forward-looking statements are being made and these words or phrases or similar expressions should be interpreted as intended to identify these forward-looking statements.

In addition to the risks discussed in Item 1A "Risk Factors", various other risks and uncertainties may affect the operation, performance, development and results of our business and could cause future outcomes to change significantly from those set forth in our forward-looking statements, including the following factors:

- our growth strategies;
- our development and potential acquisition of new facilities;
- risks related to development and construction activities;
- anticipated trends in the gaming industries;
- patron demographics;
- general market and economic conditions;
- access to capital and credit, including our ability to finance future business requirements;
- the availability of adequate levels of insurance;
- changes in federal, state, and local laws and regulations, including environmental and gaming license legislation and regulations;
- regulatory approvals;
- competitive environment; and
- risks, uncertainties and other factors described from time to time in this and our other SEC filings and reports.

These statements are subject to risks and uncertainties beyond our reasonable control that could cause our actual business and results of operations to differ materially from those reflected in our forward-looking statements. Forward-looking statements are not guarantees of future performance. Our forward-looking statements are based on trends which we anticipate in our industry and our good faith estimate of the effect on these trends of such factors as industry capacity, product demand and product pricing. The inclusion of projections and other forward-looking statements should not be regarded a representation by us or any other person that we will realize our projections or that any of the forward-looking statements contained in this prospectus will prove to be accurate.

We undertake no obligation to publicly update or revise any forward-looking statements as a result of future developments, events or conditions. New risk factors emerge from time to time and it is not possible for us to predict all such risk factors, nor can we assess the impact of all such risk factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ significantly from those forecast in any forward-looking statements.

MANAGEMENT'S ANALYSIS OF BUSINESS

As used herein the terms "we", "us", "our," the "Registrant," and the "Company" means, Rotate Black, Inc., a Nevada corporation.

The following discussion of our financial condition and results of operations should be read in conjunction with our financial statements and related notes included in this report. This discussion includes forward-looking statements that involve risks and uncertainties. As a result of many factors, our actual results may differ materially from those anticipated in these forward-looking statements.

Overview

Gulfport Casino Hotel Project

The Company's primary focus is the management of a casino resort in Gulfport, Mississippi ("the Gulfport Project") under the Gulfport Project Management Agreement with the Company's affiliate, Rotate Black MS, LLC (RBMS), a Mississippi limited liability company.

On May 28, 2010, the Company, Rotate Black, LLC ("RBL"), an entity under common control with the Company, and an officer of the Company formed RBMS to own, develop and manage the operations of a dockside vessel-based casino in Gulfport, Mississippi. The initial strategy was to secure an existing gaming vessel, move the vessel to the Company's Gulfport site, and build land assets on that site to support the gaming vessel. Subsequently, the strategy was changed to developing an entirely land-based casino.

As of June 30, 2012, management has evaluated and found that at the present time, the variable interest holders of RBMS lack the direct and indirect ability to make decisions about the entity's activities and has determined that that the Company is the primary beneficiary of RBMS and has consolidated the financial statements of RBMS in the accompanying consolidated financial statements of the Company.

The Gulfport Project is being developed on approximately nine-and-a-half acres of the last gaming-eligible sites in Gulfport, Mississippi. The Gulfport Project is adjacent to the $625+ million redevelopment of the Marina, Port and downtown Gulfport areas.

Gulfport, the second largest city in Mississippi, is approximately 12 miles west of Biloxi. The Gulfport Project is expected to open February, 2014 following the completion of a fourteen-month development period. Upon completion, the casino will feature 1,188 slot machines and 22 table games. The Gulfport Project's non-gaming amenities will include a four-star 205 room hotel, pool, spa, cabanas, steakhouse, buffet, snack bar and two feature bars.

The Company believes that various factors will drive the success of the Gulfport Project and its competitive position including favorable population demographics in the regional area, an established and stable existing gaming market, easy accessibility, and location as part of the renewed Gulfport Marina and Port areas.

The Gulfport Project will be located approximately 65 miles northeast from New Orleans, Louisiana; 70 miles south of Hattiesburg, Mississippi; 65 miles southwest from Mobile, Alabama; and, 105 miles from Pensacola, Florida. In total, the approximately five million people living within 150 miles generate approximately 17 million visits to the Gulf Coast market each year.

In addition, the project site is just south of downtown Gulfport, four miles from the Gulfport-Biloxi International Airport and adjacent to Mississippi's third busiest intersection with an estimated 34,000 cars passing by daily.

Effective October 20, 2010, RBMS entered into a ground lease for the nine and a half acre site for the Gulfport Project. The Preliminary Term, as defined, remains in effect until the earliest of the ninth month following the effective date or the date gaming operations begin on the leased property. During the Preliminary Term, rent would be equal to $20,000, per month with no payment required until the earlier of the date the Lessee commences construction on the premises or February 1, 2011. RBMS did not receive approval to proceed with the development of the casino from the Mississippi Gaming Commission on or prior to March 1, 2011, and the lease terminated with no obligations due.

Due to delays, the lease was amended on October 21, 2011 for a term through October 31, 2069, with a fee payable of $25,000 to enter into the amended and restated lease and $50,000 as the initial base rent payment. After the commencement of gaming operations, RBMS will pay an annual minimum base rent of $600,000, as defined. On March 13, 2012 this ground lease was amended and extends the date for RBMS to obtain approval to proceed to April 30, 2012. In consideration of this extension, RBMS agreed to pay a fee of $50,000. An additional extension was entered into May 1, 2012 extending the approval date to August 31, 2012 and RBMS agreed to pay a fee for the extension of $110,000. On August 18, 2012, RBMS received its Approval to Proceed from the Mississippi Gaming Commission.

On April 9, 2012, the Mississippi Gaming Commission granted to RBMS approval as a legal gaming site for a 9.5 acre site located in Gulfport Mississippi, however, on May 17, 2012 the Commission denied the application to proceed with construction of the casino resort.

On August 16, 2012, the Commission voted to grant RBMS approval to proceed with the Gulfport Project.

Rotate Black OK, LLC

On December 14, 2011, the Company formed a wholly-owned subsidiary, Rotate Black OK, LLC (OKL) and through the subsidiary, on December 12, 2011, the Company entered into an agreement to provide casino management services to an Oklahoma Native American Tribe Casino for a term of ninety days at $30,000, per month, inclusive of all personnel needed to provide the consulting services. The Company plans to leverage this agreement to generate additional Native American gaming consulting agreements.

SlotOne, Inc.

On December 13, 2011, the Company formed a wholly-owned subsidiary, SlotOne, Inc., to provide slot machines on a participation basis in certain casino locations where the replacement of old equipment can enhance earnings for the gaming location and Rotate Black, Inc. To date, the Company has secured a contract for the placement of equipment in September 2013 as well as an approval of its lender to facilitate the financings of this operation.

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Going Concern Status

Our financial statements have been prepared on a going concern basis which contemplates the realization of assets and the liquidation of liabilities in the ordinary course of business. The Company has incurred substantial losses from operations and it has negative operating cash flow which raises doubt about its ability to continue as a going concern. The Company sustained a net loss attributable to common shareholders of ($11,515,272) for the fiscal year ended June 30, 2012 and has an accumulated deficit as of June 30, 2012 of $29,150,503.

We intend to continue our planned capital expenditures to develop our gaming interests, as discussed, but we do not have sufficient realized revenues in order to finance these activities internally. As such, we intend to seek capital in order to fund our working capital and capital expenditure needs.

Although we recently obtained additional financing of approximately $150,000 in May 2012, we can provide no assurance that we will be able to obtain sufficient additional funds to develop our interests and alleviate doubt about our ability to continue as a going concern. We cannot be certain that additional funds, even if available, will be on acceptable terms. To the extent the Company raises additional funds by issuing equity or equity-linked securities, our stockholders may experience significant dilution. Any debt financing, if available, may involve restrictive covenants that impact our ability to conduct business. Furthermore, certain of our current creditors may be required to approve any such transaction and may require the issuance of securities convertible into equity of the Company that can result in significant dilution.

The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Results of Operations

A Comparison of Results of Operations for the years ended June 30, 2012 and June 30, 2011

As of June 30, 2012, management has evaluated and found that at the present time, the variable interest holders of RBMS lack the direct and indirect ability to make decisions about the entity's activities and has determined that that the Company is the primary beneficiary of RBMS and has consolidated the financial statements of RBMS in the accompanying consolidated financial statements of the Company.

Revenue

For the years ended June 30, 2012 and June 30, 2011, we had revenues of approximately $180,000 and $517,980, respectively. Revenue in 2012 consists of management fees earned through OKL under the Oklahoma Native American Tribe Casino project. Revenue in 2011 was managements fees earned in connection with the development of RBMS and will resume again upon the closing of the financing related to the Gulfport Project.

Operating Expenses

Operating expenses for the years ended June 30, 2012 totaled approximately $13.2 million as compared to the year ended June 30, 2011 of $13.9 million, a decrease of approximately $.7 million. Operating expenses consisted primarily of write-offs of impaired assets or investments, stock based compensation, interest expense and general and administrative expenses.

General and administrative expense for the year ended June 30, 2012 was $1,366,659 as compared to $713,943 for the year ended June 30, 2011.The increase of $652,716; approximately 91% was due to allocation of expenses to the consolidation of RBMS, LLC and the expenses associated with development of the casino project.

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Interest expense and amortization of beneficial conversion feature for the year ended June 30, 2012 was $1,048,151 as compared to $711,732 for the year ended June 30, 2011. This increase of $336,419; approximately 47% resulted primarily from interest related to the mortgage on the Big Easy Vessel and Promissory Notes.

Net Loss

Net loss for the years ended June 30, 2012 and June 30, 2011 were $13,033,422 and $13,355,333, respectively; a decrease in net loss of $321,911 which is primarily the result of the sale of Gaming and the Big Easy Vessel during the 2011 fiscal year offset by the loss on impairment of the land purchase deposit in fiscal year 2012 and consolidation of RBMS.

Liquidity and Capital Resources

At June 30, 2012, we had current assets of approximately $15,000 and current liabilities of $8,872,157 and a negative working capital of $8,856,985.

We do not have sufficient funds to continue our operating activities. Future operating activities are expected to be funded management fee income and other further revenues and by sales of common stock and, to a limited extent, provided by loans from RBL, our major stockholder, until such time that operations will generate sufficient funds to support our development projects.

Our ability to continue as a going concern is dependent upon our ability to generate profitable operations in the future and/or to obtain the necessary financing to meet its obligations arising from normal business operations when they come due. These financial statements do not include any adjustments relating to the recoverability and classification of recorded assets or the amounts of and classification of liabilities that might be necessary in the event we cannot continue.

Cash Flows

Cash flows provided by operating activities. Net cash provided by operating activities was $46,353 for the year ended June 30, 2012 and $553,220 for the year ended June 30, 2011, a decrease in cash provided by operations of $506,867. This decrease was the result of losses recorded on the sale of the Big Easy Vessel in 2011, offset by the loss on impairment of the land purchase deposit in 2012.

Cash flows used in investing activities. Net cash used in investing activities was $694,156 for the year ended June 30, 2012 and $833,505 for the year ended June 30, 2011, a decrease of $139,349, resulting primarily from the decrease in deferred development assets and decrease in the purchase of fixed assets.

Cash flows from financing activities. Net cash provided by financing activities was $656,474 for the year ended June 30, 2012 and $279,059 for the year ended June 30, 2011, an increase of $377,415. The increase resulted primarily from proceeds from notes payable and an increase in loan payable – stockholder offset by a decrease in the sale of Series A Preferred.

Off-balance Sheet Arrangements

The Company has no off-balance sheet arrangements other than the guarantees discussed in the Notes to the consolidated financial statements.

Impact of Inflation

We believe that inflation has not had a material impact on our results of operations for the period ended June 30, 2012. We cannot be assured that future inflation will not have an adverse impact on our operating results and financial condition.

Climate Change

Our opinion is that neither climate change, nor governmental regulations related to climate change, have had, or are expected to have, any material effect on our operations.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Critical accounting policies are those that are both important to the presentation of our financial condition and results of operations and require management's most difficult, complex, or subjective judgments. Our most critical accounting policy relates to the valuation of our intangible assets.

Application of Critical Accounting Policies and Estimates

The significant accounting policies that we believe are the most critical to aid in fully understanding and evaluating our reported financial results are as follows:

Consolidated Financial Statements

The accompanying consolidated financial statements include all of the accounts of the Company and its subsidiaries, Rotate Black Oklahoma, LLC and RBMS, LLC.

Investments in 50% or less owned entities without controlling influence by the Company are accounted for using the equity method. Under the equity method, the Company recognizes its ownership share of the income and losses of the equity entity. Through June 30, 2011, the Company accounted for its investment in RBMS on the equity method as it did not meet all the requirements to consolidate. As of June 30, 2012, Management evaluated and determined that, at the present time, the variable interest holders lack the direct and indirect ability to make decisions about the entity's activities and has determined that that the Company is the primary beneficiary of RBMS. As a result, the financial statements of RBMS have been included in the accompanying consolidated financial statements of the Company. The Company owned an aggregate of 24.81% of the voting interest of RBMS, therefore a non-controlling interest representing 75.19% of the net loss of RBMS has been reflected on the Statement of Operations as of June 30, 2012.

All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires our management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Revenue is recognized when evidence of an arrangement exists, pricing is fixed and determinable, collection is reasonably assured and delivery or performance of service has occurred.

Management fees earned under contract to operate and manage casino projects are recognized pursuant to terms of the agreement.

Intra-entity transactions for revenue and expenses earned in connection with an equity investment are eliminated in accordance with guidance in ASC 323-10-35-5.

Income (Loss) per Common Share

Basic net income (loss) per share was computed by dividing the net income (loss) for the period by the basic weighted average number of shares outstanding during the period. Diluted net income (loss) per share was computed by dividing the net income (loss) for the period by the weighted average number and any potentially diluted shares outstanding during the period.

Share-Based Compensation

We recognize compensation expense for all share-based payment awards made to employees, directors and others based on the estimated fair values on the date of the grant. Options are valued using the Black-Scholes Option-Pricing Model using the market price of our common stock on the date of valuation, an expected dividend yield of zero, the remaining period or maturity date of the warrants and the expected volatility of our common stock.

The Company determines the fair value of the share-based compensation awards granted as either the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measureable. If the fair value of the equity instruments issued is used, it is measured using the stock price and other measurement assumptions as of the earlier of either the date at which a commitment for performance to earn the equity instrument is reached or the date the performance is complete.

Deferred Income Taxes

Deferred income taxes are provided for temporary differences between financial statement and income tax reporting under the liability method, using expected tax rates and laws that are expected to be in effect when the differences are expected to reverse. A valuation allowance is provided when it is more likely than not, that the deferred tax assets will not be realized. The Company's policy is to classify income tax assessments, if any, for interest in interest expenses and for penalties in general and administrative expenses.

Recent Accounting Pronouncements

In February 2013, The Financial Accounting Standards Board Issued FASB ASU 2013-02 Comprehensive Income (Topic 220) Reporting of Amounts reclassified Out of Accumulated Other Comprehensive Income. The amendments in this update seek to obtain that objective by requiring an entity to report the effect of significant reclassifications out of accumulated other comprehensive income on the respective line items in net income if the amount being reclassified is required under U.S. generally accepted accounting principles (GAAP) to be reclassified in its entirety to net income. For other amounts that are note required under U.S. GAAP to be reclassified in their entirety to net income in the same reporting period, an entity is required to cross reference other disclosures required under U.S. GAAP that provide additional detail about these amounts. The amendment is effective prospectively for reporting periods beginning after December 15, 2012. For non-public entities, the amendments are effective prospectively for reporting periods beginning December 15, 2013. Early adoption is permitted. The adoption of this pronouncement is not anticipated to have a material impact on the Company's financial results or disclosures.

In July 2012, The Financial Accounting Standards Board Issued FASB ASU 2012-02 Intangibles-Goodwill and other (Topic 350), Testing indefinite-Lived Intangible Assets and Impairment. The FASB amended the standards for testing indefinite-lived intangible asset for impairment to guidance that is similar to the guidance for goodwill impairment testing. An entity will have the option not to calculate annually the fair value of an indefinite-lived intangible asset if an entity determines that it is more likely then not that the asset is impaired. The objective of the amendment is to reduce the cost and complexity of performing impairment and to improve consistency in the impairment testing guidance among long lived asset categories. These amended standards are to be applied for fiscal years beginning after September 15, 2012, including interim periods with early adoption permitted. The adoption of this pronouncement is not anticipated to have a material impact on the Company's financial results or disclosures.

Management does not believe that any recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying financial statements.

ITEM 7A: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information to be reported under this item is not required of smaller reporting companies.

ITEM 8: FINANCIAL STATEMENTS

Our consolidated financial statements for the years ended June 30, 2012 and 2011 are included as a separate section of this report being on page F-1.

ITEM 9: CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

ITEM 9A: DISCLOSURE CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our principal executive officer and principal financial officer, after evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this Annual Report on Form 10-K, have concluded that, based on such evaluation, our disclosure controls and procedures were not effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control Over Financial Reporting

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Overview

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal controls over financial reporting are designed 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.

Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management's Assessment

Our management assessed the effectiveness of our internal controls over financial reporting as of June 30, 2012 based on the framework in Internal Control-Integrated Framework , published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on our assessment, we have concluded that our internal controls over financial reporting were not effective as of June 30, 2012.

Management is working to improve its disclosure controls and procedures over financial reporting and to resolve deficiencies.

This Annual Report on Form 10-K does not include an attestation report by our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to temporary rules of the SEC that permit us to provide only our management's report in this Annual Report on Form 10-K.

Changes in Controls and Procedures

There were no changes in our internal controls over financial reporting or in other factors identified in connection with the evaluation required by Exchange Act Rules 13a-15(d) or 15d-15(d) that occurred during the year ended June 30, 2012 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

ITEM 9B: OTHER INFORMATION

Common stock

In July 2012, the Company issued an aggregate of 1,200,000 shares of common stock at $0.20, per share, for legal services.

In July and August 2012, the Company converted an aggregate of 40 shares of Series A Preferred stock to 526,253 shares of common stock at a conversion rate of $.10, per share, including accrued dividends, penalty and interest.

In October 2012, the Company converted 100 preferred shares of stock to 2,780,602 shares of common stock at a conversion rate of $0.05, per share, including accrued dividends, penalty and interest, pursuant to an agreement with the investor.

In October 2012, the Company sold an aggregate of 300,000 shares of the Company's common stock and a warrant to purchase 249 shares of Class B common stock of RBMS to three investors of the Company for $30,000.

On October 15, 2012, the Company issued 300,000 shares of common stock at $0.20, per share, for legal services pursuant to an agreement dated April 23, 2012.

In October, 2012, the Company issued an aggregate of 62,253 shares of common stock at $0.30, per share, to the investment banker in connection with financings.

On November 8, 2012, the Company issued 100,000 shares of common stock at $0.15, per share, in settlement of accounts payable.

In December 2012, the Company issued an aggregate of 1,400,000 shares of common stock, at $0.20, per share, for compensation to employees valued at $280,000.

In December 2012, the Company issued 20,000 shares of common stock at $0.20, per share for consulting services.

In January 2013, the Company issued 1,200,000 shares of common stock at $0.20, per share for legal services.

In February 2013, the Company the Company converted 50 shares of Series A Preferred stock to 723,534 shares of common stock at a conversion rate of $.10, per share, including accrued dividends, penalty and interest.

In March 2013, the Company issued 50,000 shares of common stock at $0.20, per share, for repayment of loans on behalf of RBMS.

In May 2013, the Company issued 2,000,000 shares of common stock at $0.20, per share, for loan collateral.

In June 2013, the Company issued 92,400 shares of common stock @ $0.20, per share, for interest on note payable.

In June 2013, the Company issued 50,000 shares of common stock @ $0.20, per share for repayment of loan on behalf of RBMS.

In June 2013, the Company issued an aggregate of 1,280,000 shares of stock and a warrant to purchase 1,280,000 shares of common stock as compensation to officers and affiliates of the Company. The warrant is exercisable at $0.20, per share, for 5 years.

In July 2013, the Company issued 164,671 shares common stock @ $0.10, per share for repayment of note payable and accrued interest.

In July 2013, the Company issued a warrant to purchase 100,000 shares of common stock exercisable at $0.15, per share for 5 years.

Convertible Notes and Warrant

On September 6, 2012, the Company issued a promissory note in the amount of $80,000, with 185,000 shares of common stock as interest. Pursuant to the terms of the note, if the promissory note is not repaid by May 20, 2013 the Company is to use its best efforts to liquidate shares of its common stock to repay the loan. As of July 15, 2013, no payments have been made on the promissory note.

On January 14, 2013 the Company entered into a non-exclusive agreement with an investment banker, financial advisor and consultant for a term of six months. The investment banker is entitled to a cash placement fee of 8% of the total purchase price of the Company's securities sold, adjusted by the exercise of any investor warrants, in connection with a placement resulting from the investment banker's introduction. In addition, the banker shall receive a placement fee equal to 4% of the total purchase price of the Company's securities sold and a warrant to purchase common shares of the Company equal to 8% of the funds raised, as defined. If the investment banker introduces the Company during the term to a transaction which becomes a merger, acquisition, joint venture or similar transaction, the Company shall pay the banker a fee in combination of stock and cash that reflects the exact percentage of stock and or cash used for the transaction, as defined.

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On June 10, 2013, the Company agreed to sell up to an aggregate of $250,000 in convertible promissory notes under a securities purchase agreement (Agreement) with an aggregate stated value equal to the purchaser's subscription amount and a warrant to purchase up to a number of shares of common stock equal to 100% of the purchaser's subscription amount divided by $0.15 with an exercise price of $0.15 exercisable immediately with a term of five years.

On June 10, 2013, under the Agreement, the Company issued a two-year, 10% convertible promissory note in the amount of $20,000 to an investor. 121 days from the issue date, the holder can convert any unpaid principal and accrued interest into common shares of the Company. Between 121 days and 210 days from the issue date, the conversion price per share shall be $0.15; after 210 days from the issue date, the conversion price shall be $0.10; subject to adjustment as defined. . The investor also was issued a five year common stock purchase warrant for the purchase of up to 133,334 shares of the Company's common stock, at a price per share of $0.15, that permits a cashless exercise in the event that the underlying shares of common stock to be issued upon exercise are not registered pursuant to an effective registration statement at the time of the exercise. In addition, if while the warrant is outstanding, the Company effects a merger or consolidation, sells all of its assets or enters into other specifically defined transactions, the warrant will be exercisable into shares of the surviving entity as defined.

On July 2, 2013, under the Agreement, the Company issued four two-year, 10% convertible promissory notes in the amount of $10,000 each. The investors also were issued a five year common stock purchase warrant for the purchase of up to 67,000 shares of the Company's common stock, at a price per share of $0.15, that permits a cashless exercise in the event that the underlying shares of common stock to be issued upon exercise are not registered pursuant to an effective registration statement at the time of the exercise.

Under the Agreement, on July 2, 2013, the company issued a five year common stock purchase warrant for the purchase of up to 100,000 shares of the Company's common stock, at a price per share of $0.15, that permits a cashless exercise in the event that the underlying shares of common stock to be issued upon exercise are not registered pursuant to an effective registration statement at the time of the exercise.

None of the securities issued in connection with the transaction were registered under the Securities Act of 1933, as amended (the Act") and the Company relied on the registration exemption provided by Section 4(2) of the Act.

PART III

ITEM 10: DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The following section sets forth, as of June 30, 2012, the names, ages and current positions with the Company held by the Directors, Executive Officers and Significant Employees; together with the year such positions were assumed. There is no immediate family relationship between or among any of the Directors, Executive Officers or Significant Employees, and the Company is not aware of any arrangement or understanding between any Director or Executive Officer and any other person pursuant to which he was elected to his current position. Each Executive Officer will serve until he or she resigns or is removed or otherwise disqualified to serve, or until his or her successor is elected and qualified.

Each Director will serve until he or she resigns or is removed or otherwise disqualified to serve or until his or her successor is elected. The Company currently has three Directors.

NAME	AGE	POSITION
John Paulsen	50	Chairman and CEO
Dual Cooper	69	President and COO
Jeff Bacigalupi	43	CFO
Dennis Piotrowski	71	Director
Dr. William N. Thompson	71	Director
William J. (Jeff) Marshall	56	Director

John Paulsen. Mr. Paulsen has been Chief Executive Officer and Director of the Company since August 2008. Mr. Paulsen has also been managing partner of Rotate Black LLC, a business involved in buying and selling companies, since January 2004. Mr. Paulsen was also Chief Executive Officer of Solstice Resorts, Inc. Inc., a small public company in the business of gaming resort development, from January 2006 to December 2007. Prior to his involvement with these companies, Mr. Paulsen held various executive officer positions at various other development companies. Mr. Paulsen attended Morraine Valley Community College from 1982 to 1985 and Arizona State University from 1985 to 1988. Mr. Paulsen's experience with us, and in the gaming industry, make him well-qualified to serve on, and a valuable member of, our management team and Board of Directors.

Dual B. Cooper. Mr. Cooper has been a director of the Company since May 2009. Mr. Cooper has been an independent consultant to various gaming companies from July 2005 to January 2006, when he became President and Chief Operating Officer of the Company. Mr. Cooper served as Chief Operating Officer/general manager of Tulalip Casino, Washington's largest casino from November 2003 to July 2005. Prior to his affiliation with this Washington casino, Mr. Cooper held executive positions at the following casinos and casino development companies, among others: Pechanga Entertainment Center in Temecula, California, Four Queens Hotel and Casino in Las Vegas, Nevada, Pegasus Entertainment, Inc. in Las Vegas, Nevada, Palace Casino, Inc. – Maritime Group Ltd. in Biloxi, Mississippi, Casino Magic, Corp., where he served as President and CEO of the corporation, Grand Casino, Inc., where he served as Executive Vice President of the Southern region, Main Street Station in Las Vegas, Nevada, Bally's Casino Resort in Las Vegas, Nevada, Ramada Express Hotel and Casino in Laughlin, Nevada, Desert Inn Hotel and Casino in Las Vegas, Nevada, and Harrah's in Atlantic City, New Jersey. Mr. Cooper attended Cerritos College from 1963 to 1965. Mr. Cooper's experience with us, and in the gaming industry, make him well-qualified to serve on, and a valuable member of, our management team.

Jeff Bacigalupi. Mr. Bacigalupi has been CFO of the Company from October, 2011 to June 2013. Mr. Bacigalupi brings over a decade of capital markets experience including buy and sell-side investment banking transactions in the hospitality, logistics and manufacturing industries. Mr. Bacigalupi most recently served as Managing Director, Investment Banking at Leonard Capital Markets from 2010 to 2011. His capital markets experience includes serving as Senior Vice President, Institutional Sales at Capstone Investments from 2008 to 2010; Institutional Derivative and Equity Sales at Susquehanna International Group in Chicago from 2006 to 2007; and Vice President, Institutional Sales with Sanford C. Bernstein in New York from 2000 to 2006. Mr. Bacigalupi also has transaction experience from his time employed as Senior Associate with Deloitte & Touche's Corporate Finance Group. Mr. Bacigalupi earned his MBA from the Ross School of Business at the University of Michigan in 2000 and BA in Political Economy from James Madison College at Michigan State University in 1993. Mr. Baciagalupi's investment banking and industry experience make him well-qualified to serve on, and a valuable member of, our management team.

On June 20, 2013, Mr. Alan J. Bailey was appointed as Chief Financial Officer to replace Jeff Bacigalupi who resigned in June 2013. Mr. Bailey is a finance veteran in the entertainment industry having served as a Senior Financial Executive of Paramount Pictures for 35 years, including being its Treasurer. Alan has substantial experience in cash management, financial reporting, audit and compliance, corporate and structured finance, and financial planning, and is considered to be one of the industry's leading experts in maximizing both domestic and international production incentives.

Dennis Piotrowski. Mr. Piotrowski was been a director of the Company since May 2009. Mr. Piotrowski has been an independent consultant to Coast Casinos and various Native American Tribes from January 2005 to January 2006 when he became executive vice president and director of the Company. Prior to January 2005, Mr. Piotrowski served in various general manager or executive positions with the following casinos: Caribe Gaming in Aruba, Panama City, and Colorado, the Horseshoe Hotel & Casino in Las Vegas, Nevada, the Silver Nugget Casino in Las Vegas, Nevada, and the Lady Luck Casino in Las Vegas Nevada. Mr. Piotrowski attended the University of Detroit from 1959 to 1960, the American Institute of Banking from 1962 to 1964 and Wayne State University from 1965 to 1974. Mr. Piotrowski's experience with us, in the gaming industry, and with tribal interests in the industry, make him well-qualified to serve on, and a valuable member of, our Board of Directors

Dr. William N. Thompson. Dr. Thompson has been a director of the Company since May 2009. Dr. Thompson received a B.A. from Michigan State University, an M.A. from Michigan State University, and a Ph.D. in Political Science – Public Administration from the University of Missouri-Columbia. He has been a professor at the University of Nevada, Las Vegas since 1988 and prior to that date; Dr. Thompson held various professorial positions at the University of Nevada, Las Vegas, Troy State, and Western Michigan University. Dr. Thompson has written extensively on the gaming industry. Dr. Thompson's experience with us, and his knowledge of the gaming industry, make him well-qualified to serve on, and a valuable member of, our Board of Directors

William J. (Jeff) Marshall was appointed chief executive officer and a member of our Board of Directors on February 3, 2008. He has also served as Chairman of the Board since February 2008. From 2006 to 2008, Mr. Marshall served as Managing Partner of CRT Private Equity, the private equity investment arm of CRT Capital Group which absorbed RockRidge Capital Partners in 2006 which Mr. Marshall was the Founder & Senior Managing Partner from 2002 to 2006. From 1996 to 2002, Mr. Marshall was the Senior Managing Partner at VantagePoint Venture Partners with over $3.5 billion under management and four technology investment funds. From 1985 to 1996, Mr. Marshall was a Senior Managing Director, Chief Technology Officer and Head of the Communications Technologies Group (CTG) at Bear Stearns, where, in addition to his other duties, he worked with the Corporate Finance and Technology Group advising both public and private companies on financing, mergers and acquisitions and other strategic transactions. Mr. Marshall was a member of the board of directors of the Securities Industry Association Technology Committee from 1989 to 2005. He is a graduate of New York University in Finance and Computer Applications and Information Systems (B.S.), and the Harvard Management Program in Strategic Technology and Business Development. Mr. Marshall's experience with us, and his capital markets experience, make him well-qualified to serve on, and a valuable member of, our Board of Directors.

Mr. Marshall passed away in January 2013 and his position has not yet been replaced.

Compliance with Section 16(a) of the Exchange Act

Not applicable.

Code of Ethics

The Board of Directors of the Company adopted a Code of Ethics effective as of August 1, 2009.

The Code of Ethics in general prohibits any officer, director or advisory person (collectively, “Access Person”) of the Company from acquiring any interest in any business which we (i) are considering a purchase or sale thereof, (ii) are being purchased or sold by us, or (iii) are being sold short by us. The Access Person is required to advise us in writing of his or her acquisition or sale of any such security.

Family Relationships

There are no family relationships among our executive officers and directors.

Shareholder Recommendations for Board Nominees

Our Board does not maintain a nominating committee. Accordingly, the entire Board is tasked with identifying individuals qualified to become Board members and recommending director nominees for the next Annual Meeting of Shareholders. In evaluating nominees who are recommended to the Board by other persons the Board may consider, in evaluating director nominees, the following factors:

- the appropriate size and the diversity of our Board;
- our needs with respect to the particular talents and experience of our directors;
- the knowledge, skills and experience of nominees, including experience in technology, business, finance, administration or public service, in light of prevailing business conditions and the knowledge, skills and experience already possessed by other members of the Board;
- familiarity with national and international business matters;
- experience in political affairs;
- experience with accounting rules and practices;
- whether such person qualifies as an “audit committee financial expert” pursuant to the SEC Rules;
- appreciation of the relationship of our business to the changing needs of society; and
- the desire to balance the considerable benefit of continuity with the periodic injection of the fresh perspective provided by new members.

There are no specific, minimum qualifications that a nominee to the Board of Directors must possess, although the Board may also consider such other factors as it may deem are in our and our shareholders’ best interests.

Our bylaws contain procedures with respect to the nomination of candidates for election as directors.

Independence of Directors

Our Board of Directors has determined that Mr. Piotrowski, Dr. Thompson and Mr. Marshall were independent under the NASDAQ Marketplace Rules and Rule 10A-3 under the Exchange Act.

Audit Committee

The Board of Directors does not have an Audit Committee and the entire Board serves as our Audit Committee. Mr. Marshall, who was independent, qualifies as a "financial expert" as that term is defined in rules of the SEC implementing requirements of the Sarbanes-Oxley Act of 2002.

Compensation Committee

The Board of Directors does not have a Compensation Committee and the entire Board serves as our Compensation Committee, except that the independent members of the Board are responsible for reviewing and approving the compensation of the Chief Executive Officer.

Communications with the Board of Directors

The Board of Directors has not adopted a formal shareholder communication policy for shareholders wishing to communicate with the Board as a whole or individual members of the Board of Directors. Shareholders wishing to communicate with the Board of Directors, or specified individual members of the Board of Directors, can send communications to the Board of Directors and, if applicable, to the specified individual directors in writing c/o John Paulsen, 932 Spring Street, Petoskey, Michigan 49770. We do not screen such mail and all such letters will be forwarded to the intended recipient.

Board Meetings; Committee Meetings; and Annual Meeting Attendance

During the fiscal year ended June 30, 2012, the Board of Directors held 1 regular meeting in person and 11 special telephonic meetings. Each regular meeting was attended by all of the members of the Board. Each of the independent directors attended all of the meetings of the Board of Directors when serving as the Audit Committee or the Compensation Committee.

The Board does not have a policy regarding director attendance at annual meetings. We did not have an in person annual meeting of shareholders in 2012.

ITEM 11: EXECUTIVE COMPENSATION

The Board of Directors deliberates executive compensation matters to the extent they are not delegated to the Chief Executive Officer.

Compensation Discussion and Analysis

The primary goals with respect to executive compensation are to attract and retain the most talented and dedicated executives possible, to assure that our executives are compensated effectively in a manner consistent with our strategy and competitive practice and to align executives' incentives with shareholder value creation. To achieve these goals, we consider compensation packages that are based largely on salary, but may offer discretionary bonus and equity awards. Although the Board has not adopted any formal guidelines for allocating total compensation between equity compensation and cash compensation, we believe it is important for these executives to have equity ownership in the Company to provide them with long-term incentives to build value for our shareholders. Accordingly, we do consider awards to our executive officers, other than Mr. Paulsen, upon the commencement of their employment with us and ongoing option grants as circumstances warrant. Mr. Paulsen beneficially owns a significant percentage of our outstanding common stock and, accordingly, we believe his interests are strongly aligned with the interests of our shareholders. We intend to implement and maintain compensation plans that tie a substantial portion of our executives' overall compensation to achievement of corporate goals and value-creating milestones. We believe that performance and equity-based compensation are important components of the total executive compensation package for maximizing shareholder value while, at the same time, attracting, motivating and retaining high-quality executives.

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We have not retained a compensation consultant to review our policies and procedures with respect to executive compensation. We conduct an annual review of the aggregate level of our executive compensation, as well as the mix of elements used to compensate our executive officers. The Board develops our compensation plans by utilizing publicly available compensation data for national and regional companies in the gaming industry and/or the geographic market. We believe that the practices of this group of companies provide us with appropriate compensation benchmarks, because these companies have similar organizational structures and tend to compete with us for executives and other employees. For benchmarking executive compensation, we typically review the compensation data we have collected from the complete group of companies, as well as a subset of the data from those companies that have a similar number of employees as our company.

Our Board may retain the services of third-party executive compensation specialists from time to time, as it sees fit, in connection with the establishment of cash and equity compensation and related policies.

Elements of Compensation

Our Board evaluates individual executive performance with a goal of setting compensation at levels it believes are comparable with executives in other companies of similar size and stage of development operating in the gaming industry and/or the geographic market. The compensation received by our executive officers consists of the following elements:

Base Salary. Base salaries for our executives are established based on the scope of their responsibilities and individual experience, taking into account competitive market compensation paid by other companies for similar positions within our industry and geographic market. Base salaries are reviewed at least annually, and adjusted from time to time to realign salaries with market levels after taking into account individual responsibilities, performance and experience.

Discretionary Annual Bonus. In addition to base salaries, our Board of Directors has the authority to award discretionary annual bonuses to our executive officers. In 2012, the Board of Directors did not award any cash bonuses. The annual incentive bonuses are intended to compensate officers for achieving corporate goals and for achieving what the Board of Directors believes to be value-creating milestones. Our annual bonus, if any, is paid in cash in an amount reviewed and approved by our Board of Directors. Each executive officer is eligible for a discretionary annual bonus.

The Board of Directors continues to examine whether to adopt a more formal process for discretionary annual bonuses. If adopted, the Board of Directors expects to utilize annual incentive bonuses to compensate officers for achieving financial and operational goals and for achieving individual annual performance objectives. These objectives will likely vary depending on the individual executive, but will relate generally to strategic factors such as establishment and maintenance of key strategic relationships, development of our product candidates, identification and advancement of additional product candidates, and to financial factors such as improving our results of operations and increasing the price per share of our common stock.

Long-Term Incentive Program. At present, our long-term compensation consists primarily of stock options. Our option grants are designed to align management's performance objectives with the interests of our shareholders. Our Board of Directors grants options to key executives in order to enable them to participate in the long-term appreciation of our shareholder value, while personally feeling the impact of any business setbacks, whether Company-specific or industry based.

We do not have any program, plan or obligation that requires us to grant equity compensation on specified dates and we have not made equity grants in connection with the release or withholding of material non-public information. Authority to make equity grants to executive officers rests with our Board of Directors, although our Board of Directors does consider the recommendations of our Chief Executive Officer for officers other than himself.

Other Compensation. We maintain insurance related benefit plans that are provided to full-time employees that may include health insurance, and life and disability insurance.

Compensation Report

The Board of Directors has reviewed and discussed the Compensation Discussion & Analysis set forth above with management and, based upon such review and discussion, the Board of Directors approved the Compensation Discussion & Analysis for inclusion in this report.

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The following table sets forth the cash and other compensation we paid during the past three fiscal years to our chief executive officer, president and other individuals who served as executive officers and whose total compensation was $100,000 or more.

Summary compensation table

Name and principal position	Year	Salary	Stock Awards	Total
John Paulsen (CEO since 2006) (1)	2012	$ 4,492	$ 80,000	$ 84,492
	2011	$ 26,694	$ 418,187	$ 444,881
	2010	$ 21,781	0	$ 21,781
Dual Cooper (COO since 2006) (2)	2012	$ 27,061	$ 100,000	$ 127,061
	2011	$ 40,500	$ 403,657	$ 444,157
	2010	$ 28,994	$ 0	$ 54,072

1. Mr. Paulsen became President and CEO of Rotate Black, Inc. and succeeded to this office in connection with the acquisition discussed herein. He was also named Chairman of the Board of Directors.
2. Mr. Cooper served as COO of Rotate Black, Inc. and succeeded to this office in connection with the acquisition discussed herein. He was also named President.

Columns for bonus, option awards, non-equity incentive plan compensation, change in pension value and nonqualified deferred compensation earnings and all other compensation are omitted from the table as all amounts are $0.

Grants of plan-based awards

There were no grants of plan-based awards during the year to the named individuals.

Outstanding equity awards at fiscal year-end

There were no options or warrants outstanding at June 30, 2011 or June 30, 2012, for the named individuals.

Option Exercises

There were no option exercises or stock remaining unvested during the years ended June 30, 2011 or June 30, 2012, for the named individuals.

Pension Benefits

The named individuals are not covered by a pension plan.

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Nonqualified defined contribution and other nonqualified deferred compensation plans

We do not have a nonqualified defined contribution or deferred compensation plan.

Potential payments upon termination or change-in-control

There are no potential payments upon termination or change-in-control for the named individuals.

Compensation of Directors

Director	Cash Compensation	Common Stock Grant	Value at Time of Grant	Total Compensation
William J. Marshall				
-2012	$0	150,000	$30,000	$30,000
-2011	$0	20,000	$4,800	$4,800
Dr. William N. Thompson				
-2012	$0	150,000	$30,000	$30,000
-2011	$0	20,000	$4,800	$4,800
Dennis Piotrowski				
-2012	$0	150,000	$30,000	$30,000
-2011	$0	20,000	$4,800	$4,800

Compensation committee interlocks and insider participation

None of our executive officers serves, nor served in 2011 or 2012, on the board of directors or compensation committee of another company with an executive officer serving on our Board of Directors.

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ITEM 12: SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table indicates all persons who, as of July 31, 2013, the most recent practicable date, are known by us to own beneficially more than 5% of any class of our outstanding voting securities. As of July 31, 2013, there were 45,863,609 shares of our common stock outstanding. Except as otherwise indicated below, to the best of our knowledge, each person named in the table has sole voting and investment power with respect to the securities beneficially owned by them as set forth opposite their name.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Common	John Paulsen	5,989,030(1)	13.06%
	932 Spring Street		
	Petoskey, MI 49770		
Common	Dual Cooper	2,916,937(2)	6.36%
	932 Spring Street		
	Petoskey, MI 49770		

(1) Includes: 100,000 shares held by Metrolink Charter, a limited liability company owned by Mr. Paulsen's spouse; 2,990,936 shares owned by Mr. Paulsen jointly in its entirety with his spouse; 698,094 shares owned by Mr. Paulsen's spouse; and 1,700,000 shares held by Mr. Paulsen's spouse for the benefit of his minor children. Does not include 50,000 shares held by Mr. Paulsen's adult brother, as to which Mr. Paulsen disclaims beneficial ownership.

(2) Owned solely and directly.

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SECURITY OWNERSHIP OF MANAGEMENT

The following table indicates the beneficial ownership of our voting securities of all Directors of the Company and all Executive Officers who are not Directors of the Company, and all officers and directors as a group, as of July 31, 2013, the most recent practicable date. As of July 31, 2013, there were 45,863,609 shares of our common stock outstanding. Except as otherwise indicated below, to the best of our knowledge, each person named in the table has sole voting and investment power with respect to the securities beneficially owned by them as set forth opposite their name. There are no options outstanding.

Title of Class	Name and Address of Beneficial Owner (1)	Amount and Nature of Beneficial Ownership	Percent of Class
Common	John Paulsen, CEO and Chairman	5,489,030(2)	13.06%
Common	Dual Cooper, President and COO	2,916,937(3)	6.36%
Common	Dennis Piotrowski, Director	1,983,333(3)	4.32%
Common	Jeff Bacigalupi, CFO	1,334,667(3)	2.91%
Common	Dr. William N. Thompson, Director	266,000(3)	*%
Common	William J. Marshall, Director	170,000(3)	*%
Common	All officers and directors as a Group (6 persons)	12,659,967	27.60%

*less than 1%

(1) The address for each shareholder is 932 Spring Street, Petoskey, MI 49770.

(2) Includes: 100,000 shares held by Metrolink Charter, a limited liability company owned by Mr. Paulsen's spouse; 2,990,936 shares owned by Mr. Paulsen jointly with his spouse; 698,094 shares owned by Mr. Paulsen's spouse; and 1,700,000 shares held by Mr. Paulsen's spouse for the benefit of his minor children. Does not include 50,000 shares held by Mr. Paulsen's adult brother, as to which Mr. Paulsen disclaims beneficial ownership.

(3) Owned solely and directly.

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ITEM 13: CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The loan payable-stockholder of $792,454, as of June 30, 2011, was payable on demand with interest at 12%. Subsequent to June 30, 2011, the Company issued 4,240,000 shares of common stock to RBL and its affiliates as repayment of loan payable stockholder of $848,000, $0.20, per share

As of June 30, 2012, Kelly Paulsen, wife of John Paulsen, our CEO owned 710 members' shares of RBMS, an affiliate of ours, which represented 1.1% ownership in RBMS.

As of June 30, 2012, Mr. Cooper owned 51 shares of RBMS, which represented .07% ownership in RBMS.

At June 30, 2012, there was no compensation owed Mr. Paulsen.

At June 30, 2012, there was no compensation owed Mr. Cooper.

ITEM 14: PRINCIPAL ACCOUNTANT FEES AND SERVICES

Effective as of January 10, 2011, our independent registered public accounting firm, Most & Company, LLP, combined its practice with Schulman Lobel Wolfson Zand Abruzzo Katzen & Blackman, LLP. As a result, Most & Company resigned as our independent registered public accounting firm and Schulman Lobel, as successor to Most & Company, became our independent registered public accounting firm. The engagement of Schulman Lobel was approved by our board of directors acting as our audit committee.

Audit Fees:

For the fiscal years ended June 30, 2012 and 2011, audit fees billed for professional services rendered for the audit of the Company's financial statements included in its report on Form 10-K and the reviews of the financial statements included in its reports on Form 10-Q filed with the SEC, were as follows:

2012	$	25,000
2011	$	85,000

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Audit Related Fees:

Audit-related fees are fees billed for professional services other than the audit of our financial statements. For the years ended June 30, 2012 and 2011, no audit-related fees were billed by Schulman Lobel.

Tax Fees:

Tax fees are those fees billed for professional services rendered for tax compliance, including preparation of corporate federal and state income tax returns, tax advice and tax planning. For the years ended June 30, 2012 and 2011, no tax fees were billed by Schulman, Lobel .

Other Fees:

No other fees were billed by our independent auditors in respect of the fiscal years ended June 30, 2012 and 2011.

Audit Committee

We have not established an audit committee. Our board of directors approved the services rendered and fees charged by our independent auditors. Our board of directors has reviewed and discussed our audited financial statements for the year ended June 30, 2012, with our management. In addition, our board of directors has discussed with Schulman Lobel, our independent registered public accountants, the matters required to be discussed by Statement of Auditing Standards No. 61 (Communications with Audit Committee). Our board of directors also has received the written disclosures and the letter from as required by the Independence Standards Board Standard No. I (Independence Discussions with Audit Committees) and our board of directors have discussed the independence of Schulman Lobel with that firm.

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PART IV

ITEM 15: EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Financial statements - See index to Financial Statements on page F-1.

(b) Exhibits – The following exhibits are filed with this report or are incorporated herein by reference to a prior filing, in accordance with Rule 12b-32 under the Securities Exchange Act of 1934.

Exhibits

3.1	Articles of Incorporation and amendments of BevSystems International Inc., incorporated by reference to Exhibit 3.1 to registrant's annual report on Form 10-K, filed with the SEC on September 10, 2003.
3.2	By-Laws of BevSystems International, Inc., incorporated by reference to Exhibit 3.2 to registrant's annual report on Form 10-K, filed with the SEC on September 10, 2003.
3.3	Equity Sale/Purchase Agreement with Rotate Black, Inc. dated October 7, 2008, incorporated by reference to Exhibit 99.1 to registrant's current report on Form 8-K, filed with the SEC on October 8, 2008.
3.4	Asset Sale Agreement with Rotate Black, Inc. dated October 7, 2008, incorporated by reference to Exhibit 99.2 to registrant's current report on Form 8-K, filed with the SEC on October 8, 2008.
3.5	Stock Purchase Agreement with Rotate Black, Inc. dated October 7, 2008, incorporated by reference to Exhibit 99.3 to registrant's current report on Form 8-K, filed with the SEC on October 8, 2008.
4.1	Rotate Black, Inc. Stock Option Plan dated July 6, 2011, incorporated by reference to Exhibit 20.1 to registrant's Form 10-Q, filed with the SEC on August 11, 2011.
10.1	Development Agreement between the Seneca Nation of Indians and Solstice International, Inc., dated June 22, 2007, incorporated by reference to Exhibit to registrant's Form 10-K, filed with the Securities and Exchange Commission (the "SEC") on 2010.
10.2	Management Agreement between the Seneca Nation of Indians and Solstice International, Inc., dated June 22, 2007.*
10.3	Agreement between Rotate Black Gaming, Inc. and 3D LLC dated November 1, 2009.*
10.4	Accepted Offer to Purchase between Rotate Black, Inc. and Mark Calvert, Chapter 11 Trustee of Cruise Holdings II, LLC (the "Trustee"), dated January 29, 2010, incorporated by reference from Exhibit 10.1 of Form 8-K filed on February 8, 2010.

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10.5	Promissory Note from Rotate Black, Inc. to the Trustee, dated January 28, 2010, incorporated by reference from Exhibit 10.2 of Form 10-K filed on February 8, 2010.
10.6	Unconditional Guarantee from John Paulsen to the Trustee, dated January 28, 2010, incorporated by reference from Exhibit 10.3 of Form 8-K filed on February 8, 2010.
10.7	Letter Agreement between Rotate Black, Inc. and the Trustee, dated April 16, 2010, incorporated by reference from Exhibit 10.1 of Form 8-K filed on April 27, 2010.
10.8	Offer to Purchase and Sale Agreement between Rotate Black, Inc. and Cruise Holdings II, LLC, dated June 10, 2010, incorporated by reference from Exhibit 10.1 of Form 8-K filed on June 16, 2010.
10.9	Secured Promissory Note issued by Rotate Black, Inc. in favor of Cruise Holdings II, LLC, dated June 10, 2010, incorporated by reference from Exhibit 10.2 of Form 8-K filed on June 16, 2010.
10.10	Preferred Mortgage issued by Rotate Black, Inc. in favor of Cruise Holdings II, LLC, dated June 10, 2010, incorporated by reference from Exhibit 10.3 of Form 8-K filed on June 16, 2010.
10.11	Unsecured Promissory Note issued by Rotate Black, Inc. in favor of Cruise Holdings II, LLC, dated June 10, 2010, incorporated by reference from Exhibit 10.4 of Form 8-K filed on June 16, 2010.
10.12	Unconditional Guaranty from John Paulsen in favor of Cruise Holdings II, LLC, dated June 11, 2010, incorporated by reference from Exhibit 10.5 of Form 8-K filed on June 16, 2010.
10.13	Agreement with Catskills Gaming and Development, LLC, dated July 1, 2010, incorporated by reference from Form 8-K filed on July 9, 2009.
10.14	Placement Agreement between Capstone Investments and Rotate Black, Inc., dated October 26, 2009.*
10.15	Placement Agreement between CRT Capital Corp, LLC and Solstice International, Inc., dated February 12, 2008.*
10.16	Consulting Agreement with Mark J. Ross, dated April 23, 2010, incorporated by reference to Exhibit 10.1 to registration statement on Form S-8, filed with the SEC on June 23, 2010.
10.17	Consulting Agreement with Rajat Shah, dated June 1, 2010, incorporated by reference to Exhibit 10.2 to registration statement on Form S-8, filed with the SEC on June 23, 2010.
10.18	Agreement with Catskills Gaming and Development, dated July 1, 2010, incorporated by reference to Exhibit 10.6 to registrant's current report on Form 8-K, filed with the SEC on July 9, 2010.
10.19	Ground Lease among Marine Life Ventures, LLC and MC Marine, LLC, as lessors, and Rotate Black MS, LLC, as lessee, entered into on October 21, 2010, incorporated by reference to Exhibit 10.1 to registrant's current report on Form 8-K,. filed with the SEC on October 26, 2010.
10.20	Ground Lease between Gulfport Redevelopment Commission, as lessor, and Rotate Black MS, LLC, as lessee, entered into on October 21, 2010, incorporated by reference to Exhibit 10.2 to registrant's current report on Form 8-K, filed with the SEC on October 26, 2010.

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10.21	Management Agreement for casino on Louis Bull Indian Reserve in Canada, dated January 12, 2011, incorporated by reference to Exhibit 10.1 to registrant's current report on Form 8-K, filed with the SEC on January 18, 2011.
10.22	Securities Purchase Agreement, dated May 1, 2012, between Rotate Black, Inc. and purchasers signatory thereto.*
10.23	Form of 10% Convertible Promissory Note, dated May 1, 2012, issued by Rotate Black, Inc. to the purchasers signatory to the Securities Purchase Agreement referred to in Ex. 10.22.*
10.24	Form of Common Stock Purchase Warrant, dated May 1, 2012, issued by Rotate Black, Inc. to the purchasers signatory to the Securities Purchase Agreement referred to in Ex. 10.22.*
21.1	Principal Subsidiaries*
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14 of the Securities Exchange Act of 1934*
31.2	Certification of the Chief Financial Officer (principal financial and accounting officer) pursuant to Rule 13a-14 of the Securities Exchange Act of 1934*
32.1	Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350*
32.2	Certification of the Chief Financial Officer (principal financial and accounting officer) pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350*
EX-101.INS	XBRL INSTANCE DOCUMENT**
EX-101.SCH	XBRL TAXONOMY EXTENSION SCHEMA DOCUMENT**
EX-101.CAL	XBRL TAXONOMY EXTENSION CALCULATION LINKBASE**
EX-101.DEF	XBRL TAXONOMY EXTENSION DEFINITION LINKBASE**
EX-101.LAB	XBRL TAXONOMY EXTENSION LABELS LINKBASE**
EX-101.PRE	XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE**

*filed herewith
**submitted herewith

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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 on August _____, 2013.

ROTATE BLACK, INC.

By: */s/ John Paulsen*
John Paulsen, Chairman,
(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

Each person whose signature appears below hereby authorizes John Paulsen and Dual Cooper, or either of them, as attorney-in-fact to sign on his behalf, individually, and in each capacity stated below, and to file all amendments and/or supplements to this Annual Report on Form 10-K.

Title	**(Capacity)**	**Date**
/s/ John Paulsen John Paulsen	Chairman and CEO	
/s/ Dual Cooper Dual Cooper	President, COO and Director	
/s/ Alan J Bailey Alan J. Bailey	CFO	
/s/ Dr. William N. Thompson Dr. William N. Thompson	Director	
/s/ Dennis Piotrowski Dennis Piotrowski	Director	

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of Rotate Black, Inc. and Subsidiary

We have audited the accompanying consolidated balance sheets of Rotate Black, Inc. and Subsidiary as of June 30, 2012 and 2011, and the related consolidated statements of operations, stockholders' (deficit) equity, and cash flows for each of the years in the two-year period ended June 30, 2012. Rotate Black, Inc.'s management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rotate Black, Inc. and Subsidiary as of June 30, 2012 and 2011, and the results of its operations and its cash flows for each of the years in the two-year period ended June 30, 2012 in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company has not yet established an ongoing source of revenues sufficient to cover its operating costs and allow it to continue as a going concern. Management's plans regarding those matters are also described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/Schulman Lobel Wolfson Zand Abruzzo Katzen & Blackman, LLP

New York, New York

August 26, 2013

ROTATE BLACK, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS

	JUNE 30, 2012	JUNE 30, 2011
ASSETS		
Current Assets		
Cash	$ 8,671	$ -
Prepaid expenses	6,501	23,641
Total current assets	15,172	23,641
Fixed assets - net	2,247	11,104
Casino construction in progress	538,853	-
Land purchase deposit	437,688	8,470,674
Investment in RBMS	-	65,519
Deferred development costs	-	52,278
Deferred casino development costs	1,149,017	-
Security deposit	3,600	3,600
TOTAL ASSETS	$ 2,146,577	$ 8,626,816
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY		
Current liabilities		
Accounts payable and accrued expenses	$ 2,290,633	$ 950,250
Accrued salaries	1,027,723	351,137
Redeemable Preferred Series A Stock	190,000	190,000
Note payable - insurance	-	2,074
Loan payable - stockholder	85,846	792,455
Dividends payable	36,933	-
Mortgage payable - Big Easy vessel	2,975,000	-
Note payable - Big Easy vessel	600,000	-
Accrued interest on mortgage and note payable	1,665,614	-
Note payable - truck - current portion	408	5,712
Total current liabilities	8,872,157	2,291,628
Mortgage payable - Big Easy vessel	-	2,975,000
Note payable - Big Easy vessel	-	600,000
Accrued interest on mortgage and note payable	-	642,576
Convertible promissory note payable	16,458	-
Beneficial conversion feature	47,000	-
Warrant liability	98,372	-
Note payable - truck	-	2,539
TOTAL LIABILITIES	9,033,987	6,511,743
STOCKHOLDERS' (DEFICIT) EQUITY		
Common stock, $0.001 par value, 75,000,000 shares authorized; 33,228,896 and 22,138,849 shares issued and outstanding as of June 30, 2012 and 2011, respectively	33,229	22,139
Class A Preferred Stock Units, $0.001 par value, 45 Units authorized, issued and outstanding as of June 30, 2012	1,750,000	-
Class B Preferred Stock Units, $0.001 par value, 2,687 Units authorized, issued and outstanding as of June 30, 2012	725,000	-
Additional paid-in-capital	21,273,014	19,076,687
Accumulated deficit	(29,150,503)	(16,983,753)
Noncontrolling Interest	(1,518,150)	-
TOTAL STOCKHOLDERS' (DEFICIT) EQUITY	(6,887,410)	2,115,073

TOTAL LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY	$ 2,146,577	$ 8,626,816

See notes to financial statements

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ROTATE BLACK, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF OPERATIONS

	Years Ended June 30, 2012	Years Ended June 30, 2011
Revenue	$ 180,000	$ 517,980
Operating expenses		
Salary expense	252,850	379,615
Stock based compensation	1,269,417	912,378
General and administrative expenses	1,366,659	713,943
Loss on sale of Rotate Black Gaming, Inc.	-	6,843,246
Loss on sale of Big Easy Gaming Vehicle	-	4,191,891
Write-off investment in joint venture	-	73,938
Write-off of deferred development costs	138,507	-
Write-off of deferred casino development costs	1,073,929	
Settlement of derivative liability	-	(167,127)
Equity investment loss	-	116,497
Adjustment in fair market value of Preferred Series A Stock	-	91,500
Dividends on Redeemable Preferred Series A Stock	31,233	5,700
Loss on impairment of land purchase deposit	8,032,986	-
Change in fair value of conversion feature	(310)	-
Interest expense and amortization of beneficial conversion feature	1,048,151	711,732
Total expenses	13,213,422	13,873,313
Net Loss	$ (13,033,422)	$ (13,355,333)
Net Loss Attributable to Noncontrolling Interest	$ 1,518,150	$ -
Net Loss Attributable to Shareholders	$ (11,515,272)	$ (13,355,333)
Basic and diluted net loss per common share	$ (0.42)	$ (0.69)
Basic and diluted average common shares outstanding	27,525,464	19,454,298

See notes to financial statements

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ROTATE BLACK, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' (DEFICIT) EQUITY

	Common Stock		Series A Preferred Units		Series B Preferred Units		Additional			
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Paid-in Capital	Accumulated Deficit	Controlling Interest	Noncontrolling Interest
Balance - June 30, 2010	16,599,829	$16,600	42	$1,625,000	848	$ 50,000	$ 17,673,413	$ (4,850,386)	$14,514,627	$(1,338,178)
Common stock sold for cash	20,000	20	-	-	-	-	4,980	-	5,000	-
Common stock issued in connection with consulting services rendered	1,129,526	1,130	-	-	-	-	321,145	-	322,275	-
Series A Preferred Common Stock Units sold	-	-	3	125,000	-	-	-	-	125,000	-
Series B Preferred Common Stock Units sold	-	-	-	-	41	50,000	-	-	50,000	-
Series B Preferred Common Stock Units issued for services rendered	-	-	-	-	246	250,000	-	-	250,000	-
Common stock issued in connection with legal services rendered	460,224	460	-	-	-	-	153,386	-	153,845	-
Common stock issued in repayment of a loan	80,000	80	-	-	-	-	15,920	-	16,000	-
Common stock issued as compensation	2,000,000	2,000	-	-	-	-	398,000	-	400,000	-
Common stock issued to board members	40,000	40	-	-	-	-	9,560	-	9,600	-
Common stock issued in payment of loan payable - stockholder	1,600,000	1,600				-	318,400	-	320,000	-
Common stock issued for settlement of derivative liability	139,270	139	-	-	-	-	52,784	-	52,923	-
Common stock issued for settlement of accounts payable	50,000	50	-	-	-	-	10,962	-	11,012	-
Warrant granted to investment banker	-	-	-	-	-	-	22,658	-	22,658	-
Shares issued to investment banker	20,000	20	-	-	-	-	3,980	-	4,000	-

Warrants sold with Series A Preferred Stock	-	-	-	-	-	-	91,500		91,500	-
						-				
Net loss attributable to noncontrolling interest	-	-	-	-	-	-	-	-	-	(25,430)
						-				
Sale of Gaming and noncontrolling interest	-	-	-	-	-	-	-	1,221,966	1,221,966	1,363,608
						-				
Net loss attributable to controlling interest	-	-	-	-	-	-	-	(13,355,333)	(13,355,333)	-
Balance - June 30, 2011	22,138,849	22,139	45	1,750,000	1,135	350,000	19,076,687	(16,983,753)	4,215,073	-
Common stock issued in connection with legal services rendered	200,000	200		-	-	-	39,800	-	40,000	-
Common stock issued as compensation	5,847,089	5,847		-	-	-	1,163,570	-	1,169,417	-
Series B Preferred Common Stock Units sold	-	-		-	1,552	375,000	-	-	375,000	-
Common stock issued to board members	300,000	300		-	-	-	59,700	-	60,000	-
Common stock issued in payment of loan payable - stockholder	4,240,000	4,240		-	-	-	843,760	-	848,000	-
Common stock issued for investment in Rotate Black, MS LLC	430,000	430		-	-	-	89,570	-	90,000	-
Cashless warrants exercised	72,958	73		-	-	-	(73)	-	-	-
Effect of consolidation of RBMS and elimination of investment loss	-	-	-	-	-	-	-	(651,478)	(651,478)	
Net loss	-	-		-	-	-	-	(11,515,272)	(13,033,422)	1,518,150
Balance - June 30, 2012	33,228,896	$ 33,229	45	$ 1,750,000	2,687	$725,000	$ 21,273,014	$ (29,150,503)	$ (6,887,410)	$1,518,150

See notes to financial statements

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ROTATE BLACK, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS

	Years Ended June 30, 2012	Years Ended June 30, 2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (13,033,422)	$ (13,355,333)
Adjustments to reconcile net loss to cash		
provided by operating activities:		
Deconsolidation of Rotate Black Gaming, Inc. (RBG)	-	6,843,246
Effect of consolidation of RBMS	(566,239)	-
Sale of Big Easy Gaming Vessel	-	4,191,891
Stock-based compensation	1,229,417	912,378
Issuance of Series A Preferred and B Common Stock Units for services	550,000	-
Stock issued for legal services	40,000	-
Warrants granted with Series A Preferred Stock	-	91,500
Dividends payable	36,933	-
Write-off of investment in joint venture	-	73,938
Write-off of deferred development costs	52,278	-
Write-off of casino deferred development costs	1,073,929	-
Loss on impairment of land purchase deposit	8,032,986	-
Depreciation and amortization	8,857	214,066
Amortization and changes in beneficial conversion feature and warrant liability	11,830	-
Noncontrolling interest	-	25,430
Changes in assets and liabilities:		
Prepaid expenses	(24,640)	(3,105)
Accounts payable and accrued expenses	1,611,386	981,760
Accrued interest on mortgage and note payable	1,023,038	642,576
Derivative liability	-	(167,127)
Contingent liability	-	102,000
Net cash provided by operating activities	46,353	553,220
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets (net of notes payable of $2,975,000 and $600,000 in 2010)	-	(590,408)
Investment In RBMS	155,519	(188,512)
Casino construction in progress	(406,219)	-
Deferred casino development costs	(443,456)	-
Proceeds from sale of RBG	-	15,000
Deferred development costs	-	(94,585)
Decrease in deferred financing fee	-	25,000
Net cash used in investing activities	(694,156)	(833,505)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loan payable - stockholder	141,391	86,362
Proceeds from sales of common stock	-	5,000
Proceeds from note payable	150,000	-
Sale of Redeemable Series A Preferred Stock	-	190,000
Sale of RBMS Series A and B Preferred Units	375,000	-
Payment of note payable - insurance	(2,074)	2,074
Payments of note payable - truck	(7,843)	(4,377)
Net cash provided by financing activities	656,474	279,059
Net increase (decrease) in cash	8,671	(1,226)
Cash, beginning of period	-	1,226
Cash, end of period	$ 8,671	$ -
Noncash Transactions:		
Increase in net assets due to consolidation of RBMS	$ 1,514,041	$ -

Issuance of common stock in equity investment	$	90,000	$	166,000
Issuance of common stock in payment of due to stockholder	$	848,000	$	320,000
Issuance of Series A and B Preferred Common Stock Units for services	$	550,000	$	486,000
Issuance of common stock in payment of accounts payable	$	-	$	149,574
Issuance of common stock in settlement of derivative liability	$	-	$	52,923

See notes to financial statements

Rotate Black, Inc. and Subsidiary
Notes to Consolidated Financial Statements

1. ORGANIZATION AND OPERATIONS

Rotate Black, Inc. (Company) was incorporated in Nevada on August 2, 2006 to be the successor by merger of BevSystems International, Inc. and BevSystems International Ltd. (BevSystems).

The Company develops, operates and manages gaming and related properties. On April 1, 2010, the Company commenced operations under the Gulfport Project management agreement and was no longer a development stage company. (Note 6)

Gulfport Project

On May 28, 2010, the Company, Rotate Black, LLC (RBL), an entity under common control with the Company, and an officer of the Company formed Rotate Black MS, LLC (RBMS), a Mississippi limited liability company, to own, develop and manage the operations of a casino resort to be located on the property adjacent to the Gulfport, MS marina. RBMS's initial strategy was to secure an existing gaming vessel, move the vessel to the Gulfport site, and build land assets on that site to support the gaming vessel. Subsequently, RBMS changed its strategy to an entirely land-based casino. In August 2012, the Company entered into an Indicative Summary of Terms and Conditions with debt and equity investors related to a proposed financing for the Gulfport Casino Hotel Project to be developed by RBMS (Borrower). The proposed financing is for up to $101,800,000 for the development, design, construction, financing, ownership, operation and maintenance of an approximately 191,000 square foot land based, four star casino, including gaming, restaurant, bar and support space and an adjacent 205-room hotel in Gulfport, Mississippi.

Terms of the proposed financing call for senior secured term loans up to an aggregate of $80,900,000 to be provided in one tranche on the closing date, advanced at the rate of 94% of the principal. Full repayment is expected to be October 2017. Interest on the outstanding balance will be equal to the sum of the LIBOR rate applicable to the interest period, subject to a floor of 2%, and the applicable margin of 10.5%.

The equity investors shall fund the equity contribution to RBMS prior to the closing pursuant to the terms of an equity contribution agreement to be entered into by the equity investors, RBMS, and the Collateral Agent in the aggregate amount of $20,900,000.

Other Projects

On December 14, 2011, the Company formed a wholly-owned subsidiary, Rotate Black OK, LLC (OKL) and through the subsidiary, on December 12, 2011, the Company entered into an agreement to provide casino management services to an Oklahoma Native American Tribe Casino for a term of ninety days at $30,000, per month, inclusive of all personnel needed to provide the consulting services. The Company plans to leverage this agreement to generate additional Native American gaming consulting agreements.

On December 13, 2011, the Company formed a wholly-owned subsidiary, SlotOne, Inc., to provide slot machines on a participation basis in certain casino locations where the replacement of old equipment can enhance earnings for the gaming location and Rotate Black, Inc. To date, the Company has secured a contract for the placement of equipment in September 2013 as well as an approval of its lender to facilitate the financings of this operation. As of June 30, 2012, the entity was inactive.

On January 11, 2011, the Company entered into a management agreement whereby a new to-be-formed wholly-owned subsidiary of the Company would act as manager for a proposed casino and entertainment destination on the Louis Bull Indian Reserve near Edmonton, Canada. As of July 31, 2013, the project is awaiting final approval from Alberta Liquor and Gaming, which is expected in fall 2013 (Note 10).

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Consolidated Financial Statements

The accompanying consolidated financial statements include all of the accounts of the Company and its wholly owned subsidiary, Rotate Black, OK, LLC. (OKL). In addition, at June 30, 2012, the Company has included the financial statements of RBMS in the accompanying consolidated financial statements. (Note 7).

Investments in 50% or less owned entities without controlling influence by the Company are accounted for using the equity method. Under the equity method, the Company recognizes its ownership share of the income and losses of the equity entity. Through June 30, 2011, the Company recognized an equity interest in RBMS. (Note 7).

All significant intercompany accounts and transactions have been eliminated.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Financial Instruments

The Company considers the carrying amounts of financial instruments, including cash, accounts payable and accrued expenses to approximate their fair values because of their relatively short maturities.

Property and Equipment

Property and equipment are recorded at cost and depreciated over their estimated useful lives using the straight-line method.

Maintenance and repairs are charged to operating expenses as they are incurred. Improvements and betterments, which extend the lives of the assets, are capitalized. The cost and accumulated depreciation of assets retired or otherwise disposed of are relieved from the appropriate accounts and any profit or loss on the sale or disposition of such assets is credited or charged to income.

Revenue Recognition

Revenue is recognized when evidence of an arrangement exists, pricing is fixed and determinable, collection is reasonably assured and delivery or performance of service has occurred. Management fees earned under contract to operate and manage casino projects are recognized pursuant to terms of the agreement.

Intra-entity transactions for revenue and expenses earned in connection with an equity investment are eliminated in accordance with guidance in ASC 323-10-35-5.

Share-Based Compensation

The Company recognizes compensation expense for all share-based payment awards made to employees, directors and others based on the estimated fair values on the date of the grant. Common stock equivalents are valued using the Black-Scholes Option-Pricing Model using the market price of our common stock on the date of valuation, an expected dividend yield of zero, the remaining period or maturity date of the common stock equivalent and the expected volatility of our common stock.

The Company determines the fair value of the share-based compensation awards granted as either the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measureable. If the fair value of the equity instruments issued is used, it is measured using the stock price and other measurement assumptions as of the earlier of either the date at which a commitment for performance to earn the equity instrument is reached or the date the performance is complete.

The Company recognizes compensation expense for stock awards with service conditions on a straight-line basis over the requisite service period, which is included in operations.

Basic and Diluted Net Income (Loss) per Common Share

Basic net income (loss) per share (EPS) is calculated by dividing net income (loss) available to common stockholders (numerator) by the weighted-average number of common shares outstanding during each period (denominator). Diluted loss per share gives effect to all dilutive common shares outstanding using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Although there were common stock equivalents outstanding as of June 30, 2012 and June 30, 2011, they were not included in the calculation of earnings per share because their inclusion would have been considered anti-dilutive. As of June 30, 2012 and June 30, 2011, there were 3,900,000 and 2,021,333, respectively, total common stock equivalents.

Leases

Rent expense is recognized on the straight-line basis over the term of the lease.

Recent Accounting Pronouncements

In February 2013, The Financial Accounting Standards Board Issued FASB ASU 2013-02 Comprehensive Income (Topic 220) Reporting of Amounts reclassified Out of Accumulated Other Comprehensive Income. The amendments in this update seek to obtain that objective by requiring an entity to report the effect of significant reclassifications out of accumulated other comprehensive income on the respective line items in net income if the amount being reclassified is required under U.S. generally accepted accounting principles (GAAP) to be reclassified in its entirety to net income. For other amounts that are note required under U.S. GAAP to be reclassified in their entirety to net income in the same reporting period, an entity is required to cross reference other disclosures required under U.S. GAAP that provide additional detail about these amounts. The amendment is effective prospectively for reporting periods beginning after December 15, 2012. For non-public entities, the amendments are effective prospectively for reporting periods beginning December 15, 2013. Early adoption is permitted. The adoption of this pronouncement is not anticipated to have a material impact on the Company's financial results or disclosures.

In July 2012, The Financial Accounting Standards Board Issued FASB ASU 2012-02 Intangibles-Goodwill and other (Topic 350), Testing indefinite-Lived Intangible Assets and Impairment. The FASB amended the standards for testing indefinite-lived intangible asset for impairment to guidance that is similar to the guidance for goodwill impairment testing. An entity will have the option not to calculate annually the fair value of an indefinite-lived intangible asset if an entity determines that it is more likely then not that the asset is impaired. The objective of the amendment is to reduce the cost and complexity of performing impairment and to improve consistency in the impairment testing guidance among long lived asset categories. These amended standards are to be applied for fiscal years beginning after September 15, 2012, including interim periods with early adoption permitted. The adoption of this pronouncement is not anticipated to have a material impact on the Company's financial results or disclosures.

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Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying consolidated financial statements.

3. GOING CONCERN

The financial statements have been prepared assuming the Company will continue as a going concern. The Company has incurred losses since inception, resulting in an accumulated deficit of $29,150,503 and negative working capital of $8,856,985, as of June 30, 2012 and further losses are anticipated. These factors raise substantial doubt about the Company’s ability to continue as a going concern. Its ability to continue as a going concern is dependent upon the ability of the Company to generate profitable operations in the future and/or to obtain the necessary financing to meet its obligations arising from normal business operations when they come due. These financial statements do not include any adjustments relating to the recoverability and classification of recorded assets or the amounts of and classification of liabilities that might be necessary in the event the Company cannot continue.

The Company’s plan is to resolve this issue with the commencement of management fees from the Gulfport Project Management Agreement and other future sources of revenue. Until these occur in sufficient amounts, the Company plans to sell registered and unregistered stock to accredited investors.

4. PROPERTY AND EQUIPMENT

As of June 30, 2012 and 2011, property and equipment consisted of the following

	2012	2011
Gaming vessel	$ -	$ 4,854,908
Truck	-	39,761
Furniture and fixtures	8,490	8,490
Office equipment	23,289	23,290
	31,779	4,926,449
Less accumulated depreciation	(29,532)	(263,708)
Sale of Gaming Vessel	-	(4,651,637)
	$ 2,247	$ 11,104

On June 10, 2010, the Company purchased The Big Easy, a gaming vessel for an aggregate purchase price of $4,264,500, payable: (a) by issuance of a secured note payable to the seller of $2,975,000 (the Secured Note), (b) issuance of an unsecured note payable to the seller of $600,000 (Unsecured Note), fees of $414,500 and cash of $275,000. As of September 17, 2010, both notes were in default and the interest rate was increased to 20%, per annum. As of June 30, 2011, the Big Easy was sold at public auction at a loss of $4,191,891.

On December 1, 2011, the Company transferred ownership of the Company truck to an officer without consideration. The vehicle had a net book value of $0 at the date of transfer.

Casino construction in progress totals $538,853 and represents expenses related to the architectural design of the casino.

For the years ended June 30, 2012 and 2011, depreciation expense was $8,857 and $214,066, respectively.

5. RBMS MANAGEMENT AGREEMENT

On May 28, 2010, the Company, RBL and an officer of the Company formed RBMS, a Mississippi limited liability company, to own, develop and manage the operations of a dockside vessel-based casino in Gulfport, Mississippi. RBMS's initial strategy was to secure an existing gaming vessel, move the vessel to a Gulfport site, and build land assets on that site to support the gaming vessel.

On October 27, 2010, RBMS and the Company, as manager, entered into a management agreement, effective as of April 1, 2010 for a period of 99 years. The Company, as manager, would manage all of the operations of the gaming facility. The management fee was payable; (1) $200,000, per month, (2) then upon commencement of the gaming operations, $250,000, per month, and (3) then achieving certain earnings, as defined, $300,000, per month. The Manager is entitled to appoint two directors of the five directors on the RBMS Board of Directors.

In response to the equity investor, RBMS changed its strategy toward the construction of an entirely land-based casino. On June 20, 2011, the Company agreed to amend its management agreement with RBMS to facilitate a $15.0 million equity financing for the Gulfport Project. Under the new terms of the proposed agreement, the Company will receive from the closing of the equity financing to the opening date of the casino, a management fee of $200,000, per month, not to exceed $1,000,000, in total, prior to the opening of the casino.

As of June 30, 2011, in conjunction with the sale of the Big Easy Gaming Vessel (Note 9) and commencement of the Gulfport Project, the Company made an adjustment related to its investment in RBMS. The Company recognized 46.6% of the loss of RBMS as of June 30, 2011, reclassified the accrual of approximately seven months of management fees due from RBMS, and eliminated intra-entity revenues and expenses totaling $452,020. As a result, the Company reported $517,980 in management revenue for the year ended June 30, 2011.

As of June 30, 2012, in accordance with ASC 810, "Consolidation", Management evaluated and determined that the variable interest holders of RBMS now lack the direct and indirect ability to make decisions about the entity's activities and have determined that that the Company is the primary beneficiary of RBMS. As a result, the financial statements of RBMS have been included in the accompanying consolidated financial statements of the Company.

6. GULFPORT CASINO HOTEL PROJECT

In August 2012, the Company entered into an Indicative Summary of Terms and Conditions with an equity investor related to a proposed financing for the Gulfport Casino Hotel Project to be developed by RBMS (Borrower). The proposed financing is for up to $101,800,000 for the development, design, construction, financing, ownership, operation and maintenance of an approximately 191,000 square foot land based four star casino, including gaming, restaurant, bar and support space and an adjacent 205-room hotel in Gulfport, Mississippi.

Terms of the proposed financing call for senior secured term loans up to an aggregate of $80,900,000 to be provided in one tranche on the closing date, advanced at the rate of 94% of the principal. Full repayment is expected to be October 2017. Interest on the outstanding balance will be equal to the sum of the LIBOR rate applicable to the interest period, subject to a floor of 2%, and the applicable margin of 10.5%

The equity investors shall fund the equity contribution to RBMS prior to the closing pursuant to the terms of an equity contribution agreement to be entered into by the equity investors, RBMS, and the Collateral Agent in the aggregate amount of $20,900,000.

RBMS shall enter into a warrant agreement with respect to the issuance of detachable warrants in favor of the lender to purchase 7.5% of the fully diluted membership interests of the RBMS at an exercise price of $0.01, per membership interest, with anti-dilution provisions.

7. INVESTMENT IN RBMS

Upon formation of RBMS and the commencement of the management agreement, the Company, RBL and an officer of the Company owned an aggregate 46.6% of the voting interests of RBMS and the remaining units were sold to outside investors. Through June 30, 2011, the Company accounted for its investment in RBMS on the equity method in accordance with ASC 810-10; as it did not meet all the requirements of a variable interest entity to consolidate; the outside equity investors were not protected from the losses of the entity nor were they guaranteed a return by the legal entity; the outside equity investors expected residual returns that were not capped by any arrangements or documents with other holders; and the percent of ownership will be diluted by future financing of RBMS.

As of June 30, 2012, Management evaluated and determined that, at the present time, the variable interest holders lack the direct and indirect ability to make decisions about the entity's activities and has determined that that the Company is the primary beneficiary of RBMS. As a result, the financial statements of RBMS have been included in the accompanying consolidated financial statements of the Company. The Company owned an aggregate of 24.81% of the voting interest of RBMS, therefore a non-controlling interest representing 75.19% of the net loss of RBMS has been reflected on the Statement of Operations as of June 30, 2012. In consolidation, the Company recorded an adjustment to retained earnings of $651,478; the difference between the opening balance of retained earnings of RBMS of $1,219,995 and the prior equity loss recorded by the Company of $568,517.

In connection with the proposed terms of the funding of the Gulfport Casino Hotel Project (Note 6), holders of Class A Units of RBMS have agreed to convert their units into B Units to facilitate the financing of the Gulfport project. Upon closing, the equity investor will own 60,000 B Units out of 100,000 authorized and 70,588 outstanding, or 85% of RBMS. In addition, upon closing, RBMS will issue 29,412 warrants at an exercise price of $0.01, to all other investors based on pre-negotiated percentages. Assuming all warrants are exercised, the equity investor will be diluted to a 60% ownership. The Company will own at closing, B units and warrants that represent approximately 10% of the fully diluted RBMS shares. Closing is anticipated to be on or before December 15, 2013.

Ground Lease

Effective October 20, 2010, RBMS entered into a ground lease for the nine and a half acre site for the Gulfport Project. The Preliminary Term, as defined, remains in effect until the earliest of the ninth month following the effective date or the date gaming operations begin on the leased property. During the Preliminary Term, rent would be equal to $20,000, per month with no payment required until the earlier of the date the Lessee commences construction on the premises or February 1, 2011. RBMS did not receive approval to proceed with the development of the casino from the Mississippi Gaming Commission on or prior to March 1, 2011, and the lease terminated with no obligations due.

Due to delays, the lease was amended on October 21, 2011 for a term through October 31, 2069, with a fee payable of $25,000 to enter into the amended and restated lease and $50,000 as the initial base rent payment. After the commencement of gaming operations, RBMS will pay an annual minimum base rent of $600,000, as defined. On March 13, 2012 this ground lease was amended and extends the date for RBMS to obtain approval to proceed to April 30, 2012. In consideration of this extension, RBMS agreed to pay a fee of $50,000. An additional extension was entered into May 1, 2012 extending the approval date to August 31, 2012 and RBMS agreed to pay a fee for the extension of $110,000. On August 18, 2012 the RBMS received its Approval to Proceed from the Mississippi Gaming Commission.

On April 9, 2012, the Mississippi Gaming Commission granted to RBMS approval as a legal gaming site for a 9.5 acre site located in Gulfport Mississippi, however, on May 17, 2012 the Commission denied the application to proceed with construction of the casino resort.

8. THE BIG EASY GAMING VESSEL

On June 10, 2010, the Company purchased The Big Easy, a gaming vessel for the Gulfport Project, for an aggregate purchase price of $4,264,500, payable: (a) by issuance of a secured note payable to the seller of $2,975,000 (the Secured Note), (b) issuance of an unsecured note payable to the seller of $600,000 (Unsecured Note), fees of $414,500 and cash of $275,000. The Secured Note is collateralized by the gaming vessel and both notes are guaranteed by an officer of the Company. The Secured Note was payable on June 11, 2011 and bears interest at 14.5%, per annum, payable $35,000, per month, commencing June 11, 2010. The Unsecured Note
bears interest at 14.5%, per annum, and is payable monthly, in an amount equal to 2% of the monthly gross gaming revenue generated from operations, as defined, until June 2012 when all principal and interest are due. Since September 17, 2010, both notes have been in default and the interest rate was increased to 20%, per annum.

As of June 30, 2011, the due dates of both notes were extended in support of the Company's current project in Gulfport, MS and the Trustee of the Cruise Holdings bankruptcy estate, holding the mortgage and promissory note payable has consented; (1) to require no payments through June 30, 2012; (2) that the collection fees and accrued interest be paid on or before October 1, 2012; (3) extend the due date of the balance of the obligation for the principal and accrued interest to July 1, 2013. As of July 31, 2013, the Company has not repaid the principal and accrued interest by the dates stipulated in the extension and, therefore, is currently in default. As a result, the balances as of the mortgage payable, note payable and accrued interest have been reflected as current liabilities in the Company's balance sheet as of June 30, 2012.

In May 2011, the equity investor informed RBMS it would not move forward with the financing of the Gulfport Project unless the casino was land based. As a result, it was decided the vessel be sold at a public auction, however, the public sale did not yield sufficient funds to eliminate the fees and mortgage debt. The Company received $459,746 in the reduction of accounts payable from the public sale which was paid directly to vendors of the Company. As of June 30, 2011, the Company recorded a loss of $4,191,891 on the sale of the gaming vessel. The Company is currently in discussions with the mortgage holder and the trustee to reach an agreement to extinguish the mortgage of $2,975,000 and note payable of $600,000 through the issuance of equity.

On December 20, 2012 the Company, an officer of the Company as Guarantor entered into a Settlement Agreement (Agreement) with the Trustee for the estate of the gaming vessel which set forth terms related to the consideration to be paid by the Company to the Trustee in exchange for the release of all claims against the Company and the Guarantor, including all promissory notes, penalties, fees and interest. The Agreement is subject to the order of approval by the US Bankruptcy Court, Southern District of Florida, West Palm Division and will become effective upon the first business day of RBMS's closing on primary equity and debt financing for not less than $100,000,000 for the design, construction and opening of a casino resort in Gulfport, MS. Pursuant to the terms of the Agreement, upon closing, the Company shall deliver to the Trustee 250,000 shares of Series B Subordinated Participating Preferred Stock in of the Company, to be designated. These Series B Preferred shares will be fully redeemed through payments to the Trustee totaling $5,000,000 and will be determined as a percentage of the Company's gross cash receipts each year, as defined. The payments will be due on a monthly basis. The Series B shares will be subordinated to a maximum of $2,500,000 of Series A Preferred shares. The Series B are fully redeemable by the Company in part or in full based upon a schedule whereby the balance will be adjusted; (1) within the first three months of the closing to $2,000,000; (2) within the first 15 months of closing to $2,500,000; (3) within the first 27 months of closing to $3,000,000; (4) within the first 39 months of closing to $3,500,000; (5) within the first 51 months of closing to $4,000,000; and (5) after 51 but before 59 months of closing the Company is obligated to pay $5,000,000. If the Series B Preferred is not redeemed on an accelerated basis or in accordance with the terms of the Agreement, the Company shall pay the Trustee the sum of $5,000,000, plus 12% interest, per annum, over the five years, with default provisions as defined.

9. ROTATE BLACK, GAMING, INC.

Development Agreement

On June 22, 2007, Gaming entered into a Development Agreement with the Seneca Nation of Indians (Nation), a Federally-recognized Indian tribal government, to act as the Developer to provide managerial expertise and financial resources to assist the Nation in acquiring land and developing and constructing a gaming facility (Facility).

Under the terms of the Development Agreement, the Company was responsible for arranging a limited recourse loan or other arrangements to finance the Facility in an aggregate principal amount of up to $350,000,000. The proceeds of the loan were to be used exclusively for the development, design, construction, furnishing and equipping of the Facility, for start-up and working capital and reimbursing the Company for development advances. Development advances are the funds advanced by the Company for necessary costs in advance of the facility loan. In accordance with the Development Agreement, development costs include the costs of the design, construction, furnishing and equipping of the Facility and such other costs incurred by the Company or by the Nation to advance the conclusion of the project, including consultant and attorney fees and costs. According to the Agreement, funds advanced as development costs, together with the development fee, would constitute the initial principal of the development loan and the funds advanced by the Company, as developer will be reimbursed from the proceeds of the Facility Loan.

A development fee of 2.5% of total development costs was to be paid to the Company for services rendered pursuant to the Development Agreement and are in addition to the amounts advanced to cover the development costs.

Management Agreement

On June 14, 2008, Gaming entered into a Management Agreement with the Nation for an exclusive right and obligation to manage, operate and maintain the gaming facility to be developed in Sullivan County, New York, commencing on the effective date, as defined, and continuing for a period of seven years after the date on which gaming commences in the facility. The term would be automatically extended for a period of seven years unless terminated under the provisions of the agreement.

Under the Management Agreement, the Nation would have paid the Company a fee based on a percent of gaming revenues, as defined.

Contract Rights

Contract rights consisted of the various rights acquired under the Development and Management Agreements. It is composed of contract rights acquired by Rotate Black, LLC and draws from an asset-backed lending agreement used to finance the expenses associated with acquiring the Development and Management Agreements.

Sale of Gaming

On July 1, 2010, as amended, the Company and RBL entered into an agreement to sell 100% of the common stock of Gaming to Catskills Gaming and Development, LLC (Catskill) in exchange for an aggregate contingent consideration of $21,000,000 in cash and the assumption of indebtedness of approximately $6,300,000. According to the Agreement, the consideration is to be paid in installments as follow:

- $15,000 at closing
- $2 million on or before the first anniversary of the date of the opening for business to the public of a gaming facility under a management agreement between Catskills, as manager, and the Seneca Nation of Indians, in or near the Counties of Ulster and Sullivan in the State of New York (the “Opening Date”);
- $2 million on the second anniversary of the Opening Date;

- $3.4 million on the third anniversary of the Opening Date:
- $3.4 million on the fourth anniversary of the Opening Date;
- $3.4 million on the fifth anniversary of the Opening Date;
- $3.4 million on the sixth anniversary of the Opening Date; and
- $3.4 million on the seventh anniversary of the Opening Date.

As of June 30, 2011, the Company received the payment of $15,000 and, since the balance of the compensation is contingent upon the opening for business of a gaming facility under a management agreement between Catskills, as manager, and the Seneca Nation of Indians, the Company has not recorded a receivable for the balance of the sales agreement.

The Company has recorded the deconsolidation of Gaming in accordance with ASC 810-10-40 and has recorded a loss on the sale of Gaming of $6,843,246, by calculating the difference between the sum of the consideration received and the carrying amount of the noncontrolling interest and the carrying amount of the entity's assets and liabilities as follows:

Intangible assets – Contract rights	$ 6,323,884
Developer loan receivable	2,397,834
Noncontrolling interest	(1,363,608)
Accounts payable & accrued expenses	(1,508,209)
Accumulated deficit – noncontrolling entity	1,221,966
Deferred revenue	(49,621)
Contingent liability	(164,000)
	$ 6,858,246
Less consideration on sale:	(15,000)
Loss on sale of Gaming	$ 6,843,246

Land Purchase Deposit

On May 26, 2009, the Company entered into an agreement to acquire real property in Sullivan County, New York. The purchase price for the property was 1,409,828 shares of common stock of the Company, $1,750,000 in cash on escrow and $1,750,000 in cash upon closing. On May 11, 2009, the Company issued 630,735 shares of common stock and Rotate Black, LLC transferred, on behalf of the Company, 779,093 shares of the Company's common stock to the seller, both being held in escrow, as a deposit under the agreement. The shares were valued at $7,049,142, $5.00, per share.

In October 2009, the Company issued 779,093 shares of common stock to Rotate Black, LLC as repayment of the advance.

On November 9, 2009, March 16, 2010 and May 21, 2010, the Company issued 70,000 (valued at $350,000, $5.00, per share), 208,613 (valued at $521,532, $2.5, per share) and 500,000 (valued at $550,000 $1.10, per share) shares of common stock in satisfaction of anti-dilution rights of the land purchase agreement.

The Company has evaluated the fair value of the land deposit and has determined that the acreage of land has a fair value in excess of the book value of the deposit recorded, however, the value of the 2,188,441 shares of the common stock of the Company provided as a deposit on the land is not in excess of its fair value and, therefore, has recorded a loss on impairment of the land purchase deposit of $8,032,986 as of June 30, 2012. The remaining value of the deposit of $437,688 represents the current fair value of the shares at $0.20, per share.

10. EDMONTON PROJECT MANAGEMENT AGREEMENT

On January 11, 2011, the Company, through an officer of the Company, entered into a management agreement (Agreement), whereby a newly to-be-formed wholly-owned subsidiary of the Company would act as manager, with the Bear Hills Charitable Foundation, Bear Hills Casino Inc., the Louis Bull Tribe and 677626 Alberta Ltd. (Tribe Companies) for a proposed casino and entertainment destination on the Louis Bull Indian Reserve, near Edmonton, Canada. The term of the Agreement commences on the date the Tribe Companies receive a license for the proposed casino and all related necessary approvals from the Alberta Gaming and Liquor Commission and then shall continue for the greater of twenty years or until all monies advanced by the Company to the Tribe Companies relating directly or indirectly to the casino project are repaid or for such other term agreed.

The Company, as manager, will be entitled to receive thirty percent of the revenues distributed to the Tribe Companies from the operations of the slot revenue and live games. In addition, the Company is entitled to thirty percent of all profits from any other businesses or activities on the property provided by Tribe Companies and thirty of all profits on any amenities or services supporting or related directly or indirectly to the casino. As of July 2013, the project is awaiting direction from Alberta Liquor and Gaming. The project remains in process, however the Company has written-off the deferred costs.

11. PANAMA PROJECT

On March 17, 2011, the Company entered into an agreement (Agreement) for a proposed joint venture (Blue Water Gaming and Entertainment S.A.) (Blue Water), with Ocean Point Development Corp. (Ocean Point) to develop and manage an approximately 52,000 square foot Las Vegas style casino at the Trump Ocean Club International Hotel and Tower, in Panama City, Panama (Trump Ocean Club). As of June 30, 2011, due to the market conditions in Panama, the Company put this
project on hold and wrote off deferred costs of $73,938. The Company is now focusing its development efforts on its Gulfport Project and is no longer pursuing this development opportunity
.

12. LEASE

On August 8, 2008, the Company entered into a lease for office space, commencing on September 1, 2008 through August 31, 2011. Rent is payable in advance, in annual installments. The initial year's rent was $46,200, increasing as defined. The Company had an option to extend the lease for an additional three-year period.

An Agreed Judgment was filed against the Company in the 57th Circuit Court, Judicial District, State of Michigan, in the amount of $38,668 on February 25, 2011 by the landlord of the real estate lease dated August 8, 2008. On July 21, 2013 the Landlord agreed to a final payment offer for all past and current rent due through August 31, 2013 of $157,489, plus interest at 12%, payable by September 30, 2013

13. LOAN PAYABLE – STOCKHOLDER

Loan payable –stockholder primarily consists of advances by RBL, the majority stockholder of the Company and is payable on demand, with interest at 12%.

14. CONVERTIBLE PROMISSORY NOTE PAYABLE

On May 1, 2012, the Company issued a two-year, 10% convertible promissory note in the amount of $150,000. 121 days from the issue date, the holder can convert any unpaid principal and accrued interest into common shares of the Company. Between 121 days and 150 days from the issue date, the conversion price per share shall be $0.25; from 151 days to 180 days from the issue date, the conversion price shall be $0.20; anytime thereafter the conversion price shall be $0.15, subject to adjustment as defined. . The investor also was issued a five year common stock purchase warrant for the purchase of up to 480,000 shares of the Company's common stock, at a price per share of $0.40, that permits a cashless exercise in the event that the underlying shares of common stock to be issued upon exercise are not registered pursuant to an effective registration statement at the time of the exercise.

Convertible Promissory Note Payable Beneficial Conversion Feature

As part of the issuance of the convertible promissory note payable, the Company recorded a derivative for the embedded beneficial feature conversion on the convertible debentures. Since the conversion feature of the note payable may be reset based upon subsequent financing, the derivative was reflected as a liability. The Company records changes in fair value at each reporting period in its consolidated statements of operations as a gain or loss associated with the change in fair market value.

The Company calculated the value of the conversion feature as of May 1, 2012 at $45,251, based upon the Black Scholes model, and has reflected this as a discount against the convertible promissory note, amortizable as interest expense over two years. The Company recorded $3,771 in amortization expense as of June 30, 2012.

The Company calculated the value of the conversion feature at June 30, 2012, recording a loss on the change in fair market value of $1,749 as of June 30, 2012.

Warrants

As part of the issuance of certain convertible debentures, the Company recorded a derivative for the issuance of detachable warrants. Although such warrants are typically considered equity instruments, the warrant agreement allows for resets of the conversion price based upon subsequent financing, therefore the warrant issuance was deemed a liability for financial reporting purposes under the accounting guidance.

The warrant was valued as of May 1, 2012 at $100,431, using a Black-Scholes Option Pricing Model with the stock price on day of grant, $0.22, per share, the risk free interest rate of .84% and the expected volatility of 108.93%. This value has been reflected as discount of the convertible promissory note payable, amortizable as interest expense over two years. As of June 30, 2012, the Company recorded $8,369 in interest expense.

The Company calculated the value of the conversion feature at June 30, 2012, recording a gain on the change in fair market value of $2,059 as of June 30, 2012.

The Company has reflected the value of the convertible promissory note payable in its consolidated balance sheet as follows:

	May 1, 2012	June 30, 2012
Convertible Promissory Note Payable	$ 150,000	$ 150,000
Less:	-	
Beneficial Conversion Feature Discount	(45,251)	(41,480)
Warrant Discount	(100,431)	(92,062)
Total Discount	(145,682)	(133,542)
Convertible Promissory Note Payable - Net	$ 4,318	$ 16,458

In July 2013, $15,000 of the principal of the promissory note, and $1,467 in interest were repaid as a result of converting the debt to 164,671 shares of the Company's common stock. In connection with this financing, the investment banker received 40,000 shares of the Company's common stock.

On July 17, 2012 and October 15, 2012, the Company sold an additional $50,000 and $39,015, respectively, of the 10% convertible promissory notes. Warrants to purchase an aggregate of 272,530 shares of the Company's common stock were issued in conjunction with these financings. In connection with these financings, the investment banker received a 10% promissory note for $6,000 and a warrant to purchase 34,500 shares of the Company's common stock, under the same terms as the other notes sold, as payment for commissions on the financing. In addition, the investment banker received 22,253 shares of the Company's common stock as commission.

On May 28, 2013, the Company sold an additional $59,000 of the 10% convertible promissory notes. In connection with this note, the Company agreed to hold 2,000,000 of its common stock as collateral for the note payable.

15. COMMON STOCK

Common and Preferred Shares

On April 20, 2011, the Stockholders authorized an increase the number of authorized common shares from 20,000,000 to 75,000,000, $0.001, par value, and authorized 5,000,000 preferred shares, $.01, par value.

For the year ended June 30, 2011, the Company issued an aggregate of 460,224 shares of common stock for legal services rendered, valued at $153,845, an average of $0.31, per share, the value of the service provided.

For the year ended June 30, 2011, the Company issued an aggregate of 779,526 shares of common stock for consulting services rendered under an extended contract, valued at $213,275, an average of $0.24, per share, the value of the service provided.

For the year ended June 30, 2011, the Company issued 40,000 shares of common stock to board members for services rendered, valued at $9,600, an average of $0.24, per share, the value of the service provided.

For the year ended June 30, 2011, the Company issued 1,600,000 shares of common stock as payment for loan payable - stockholder, valued at $320,000, $0.20, per share.

For the year ended June 30, 2011, the Company issued 139,270 shares of common stock as settlement of the derivative liability, valued at $52,923, $0.38, per share.

For the year ended June 30, 2011, the Company issued 50,000 shares of common stock in settlement of an account payable, valued at $11,012, $0.22, per share.

On June 10, 2011, in connection with the sale of the Series A Preferred stock, the Company issued 20,000 shares of common stock, valued at $4,000, $0.20, per share, to the investment banker.

In September 2011, the Company issued 7,900 shares of common stock for the cashless exercise of warrants.

In September 2011, the Company issued an aggregate of 400,000 shares of common stock for payment of loan payable – stockholder, valued at $80,000, $0.20, per share.

In November 2011, the Company issued 65,058 shares of common stock for the cashless exercise of warrants.

In December 2011, the Company issued an aggregate of 500,000 shares of common stock for payment of loan payable - stockholder, valued at $100,000, $0.20, per share.

In December 2011, the Company issued an aggregate of 5,847,089 shares of common stock as compensation to employees and consultants, valued at $1,169,417, $0.20, per share.

In December 2011, the Company issued 300,000 shares of common stock to board members for services rendered, valued at $60,000, $0.20, per share.

In February 2012, the Company issued an aggregate of 3,340,000 shares of common stock for payment of loan payable - stockholder, valued at $668,000, $0.20, per share.

In March 2012, the Company issued 200,000 shares of common stock as repayment of accounts payable on behalf of RBMS, valued at $40,000, $0.20, per share.

In March 2012, the Company issued 80,000 shares of common stock as payment for accounts payable valued at $20,000, $0.25, per share.

In April 2012, the Company issued 150,000 shares of common stock as repayment of loans on behalf of RBMS, valued at $30,000, $0.20, per share

In April 2012, the Company issued 200,000 shares of common stock for legal services rendered valued at $40,000, $0.20, per share.

RBMS Equity

RBMS equity consists of 45 Series A Preferred Common Stock Units and 2,687 Series B Preferred Common Stock Units. $1,925,000 in Units were sold for cash from 2010 through 2012 and $550,000 in Units were issued for services rendered to the Company.

Stock Option Plan

On July 6, 2011, the Company's stockholders approved the Rotate Black, Inc. Stock Option Plan (Plan) under which the Chief Executive Officer of the Company may grant incentive stock options to certain employees to purchase up to 25,000,000 shares of common stock of the Company. The option price shall be no less than the fair market value of the stock, as defined. The Plan shall terminate after ten years. As June 30, 2012, no options were granted under the Plan.

Warrants

On May 28, 2010, the Company granted a warrant to purchase 100,000 shares of the Company's common stock to a consultant for services rendered. The warrant is exercisable at $0.17 and was valued at $11,610 using a Black-Scholes Option Pricing Model with the stock price on day of grant, $0.19, the risk free interest rate, 2.10% and the expected volatility of 69.81%. 7,900 shares of stock were issued pursuant to a cashless exercise of the warrant on December 31, 2011.

On June 23, 2011, in connection with the sale of Series A Preferred Stock, the Company granted a five-year warrant to purchase 158,000 shares of the Company's common stock to the investment banker. The warrant was exercisable at $0.10, per share and was valued at $22,658 using a Black-Scholes Option Pricing Model with
the stock price on day of grant, $0.19, per share, the risk free interest rate of 1.48% and the expected volatility of 81.13%. 65,058 shares were subsequently issued pursuant to a cashless exercise of the warrant on November 14, 2011.

Class A 12% Preferred Stock

On June 10, 2011, the Board of Directors designated 500 shares of Class A 12% Preferred stock (Series A), stated value of $1,000, per share. Each share is convertible at any time from and after the issue date into shares of common stock determined by dividing the stated value of the shares of Series A by the conversion price of $.10, as defined. Holders of the Series A are entitled to receive cumulative dividends at 12%, per annum, payable quarterly, subject to periodic increases, as defined, and a late fee of 18%, per annum. The Series A have certain anti-dilution rights, as defined. In addition, upon the occurrence of any triggering event, as defined, the holder of the Series A shall have the right to: (A) require the Company to redeem all of the Series A held by the holder for a redemption price, in cash, equal to the an amount as defined, or (B) redeem all of the Series A held by the holder for a redemption price, in shares of common stock of the Company, equal to a number of shares equal to the redemption amount, as defined. Upon liquidation of the Company, the Series A holders are entitled to receive an amount equal to the stated value, plus accrued and unpaid dividends. The Series A have no voting rights.

On June 10, 2011, the Company entered into a Securities Purchase Agreement to sell up to an aggregate of 500 shares of Preferred Stock with an aggregate value of $500,000.

As of June 30, 2011 the Company sold 190 Series A shares with 950,000 warrants to purchase common stock for an aggregate of $190,000. Each warrant is exercisable at $0.40, per share, for five years. As of March 31, 2012, none of the warrants have been exercised.

The fair value of the 950,000 detachable warrants sold with the Series A for an aggregate of $190,000, was valued at $91,500 and recorded as additional paid-in capital using a Black Scholes Option Pricing Model using the stock price on day of grant, $0.19, per share, the risk free interest rate of 1.48% and the expected volatility of 81.13%.

Since the Series A embodies an obligation to repurchase the issuer's equity shares in response to a triggering event, as defined, the Company has re-classified the Series A Preferred Stock as a liability in accordance with guidance under ASC 480-10-65 and has recorded an expense of $91,500 to adjust the fair value of the Series A Preferred Stock as a liability to $190,000.

As of June 30, 2012, dividends on the Series A Preferred Stock of $36,933 were accrued.

In connection with the sale of the Series A Preferred Stock, the Company paid fees of $15,200, issued 20,000 shares of common stock, valued at $4,000, $0.20, per share, and granted warrants to purchase 158,000 shares of common stock, valued at $22,658, to the investment banker.

16. COMMITMENTS AND CONTINGENCIES

The Company has guaranteed certain notes payable of RBL in the amount to $250,000. (Note 8)

On March 15, 2011, and April 16, 2012, the Company entered into non-exclusive agreements with an investment banker, financial advisor and consultant. The agreements each become exclusive for 14 days following execution and then non-exclusive for a term of six months. The Company a agreed to pay to the investment banker a cash placement fee of 8% of the total purchase price of the Company's securities sold, adjusted by the exercise of any investor warrants, in connection with a placement resulting from the investment banker's introduction. In addition, the banker shall receive warrants to purchase common shares of the Company equal to 8% of the funds raised, as defined. If the investment banker introduces the Company during the term to a transaction which becomes a merger, acquisition, joint venture or
similar transaction, the Company shall pay the banker a fee in combination of stock and cash that reflects the exact percentage of stock and or cash used for the transaction, as defined.

Financing Agreement

On August 31, 2010, the Company entered into an agreement to engage Citadel Securities, LLC (Citadel) as its non-exclusive financial advisor to provide certain financial advisory services in connection with the financing of its Gulfport, Mississippi casino development project. The Company will pay fees to Citadel, as follows:

- 4.00% of the gross proceeds of any equity financing received by the Company or its affiliates in connection with the development project introduced to the Company by Citadel;

- 3.00% of the gross proceeds of any debt financing received by the Company or its affiliates in connection with the development project introduced to the Company by Citadel;

- 2.00% of the gross proceeds of any equity or debt financing received by the Company or its affiliates in connection with the development project introduced to Citadel by the Company as not defined by the agreement;

- 1.00% of the gross proceeds of any equity financing received by the Company or its affiliates in connection with the development project introduced to Citadel by the Company as defined by the agreement.

On August 31, 2011, the Company agreed to an assignment of this engagement to Wells Fargo Securities, LLC.

Litigation

On October 25, 2010, a Complaint was filed in the United States District Court for the Western District of Michigan by The Sandesh Limited, a company incorporated in the Republic of India, against the Company, RBL and a former employee. The Plaintiff alleges that as a condition to their purchase of 1,200,000 shares of the common stock of the Company, the Plaintiff had the right to require the Defendants to repurchase all or any portion of the shares. Plaintiffs also allege that a subsequent agreement was entered into with RBL, whereby RBL would purchase the Plaintiff's 1,200,000 shares of common stock. Plaintiff further alleges that this repurchase also did not occur and that the Defendants breached other terms of the agreements. Plaintiffs are seeking the return of $1,200,000 and additional unspecified amounts as compensatory, actual and punitive and/or exemplary damages, restitution for unjust enrichment, prejudgment interest, attorney's fees and costs and other relief as the court deems appropriate.

On November 23, 2011, a settlement agreement was entered into dismissing the litigation and ordering that RBL pay Sandesh $1,500,000 as settlement, in payments of $35,000, per month, as defined, with interest at 8%, per annum. Sandesh is holding 480,000 common shares of the Company's stock owned by RBL as collateral and is entitled to receive 350 units of RBMS from RBI.

On February 23, 2010, a Complaint was filed in the Third Judicial District Court of the State of Nevada in and For the County of Lyon against the Company, RBL, and others in the amount of $5,000,000 pursuant to the termination of a development agreement for the Dayton Project. On July 16, 2010, the Company and Defendants filed an answer and counterclaim. A default Judgment was filed in the Third Judicial District Court of the State of Nevada In and For the County of Lyon on August 8, 2011 against the Company, Rotate Black, LLC, two officers of the Company, and others in the amount of $9,674,057 for exemplary and punitive damages. In connection with this matter, a Request for Enrollment of Foreign Judgment was filed in the Circuit Court of Harrison County, Mississippi, First Judicial District on December 23, 2011. On June 6, 2012, the Company filed a Motion for Leave to Seek District Court's Correction of Clerical Error Appearing on the Face of the Judgment, Subject Matter of Current Appeal in the Supreme Court of the State of Nevada. On June 7, 2012 the company was notified that its appeals to the default judgment will be heard by the Nevada Supreme Court. The Company will vigorously defend this action but can provide no assurance as to the likelihood of the outcome of the matter.

17. INCOME TAXES

The Company and its subsidiaries file separate tax returns and have not filed income tax returns for the years ended June 30, 2012, 2011, 2010 and 2009 but anticipate no significant income tax expenses as a result of these filings.

On July 1, 2010, as amended, the Company and RBL entered into an agreement to sell 100% of the common stock of Gaming to Catskills Gaming and Development, LLC (Catskill). As a result, the Company has recorded the deconsolidation of Gaming and recorded a loss of $6,843,246.

As of June 30, 2012, management has evaluated and concluded that there are no significant uncertain tax positions requiring recognition in the Company's financial statements.

As of June 30, 2012, the Company had net operating loss carryforwards of approximately $12,687,000 to reduce future Federal and state taxable income through 2032. However, as a result of the changes in the share ownership of the Company, future utilization of the net operating losses may be limited pursuant to Section 382 of the Internal Revenue Code.

As of June 30, 2012, realization of the Company's deferred tax asset of $11,153,825 was not considered more likely than not and, accordingly, a valuation allowance of $11,153,825 has been provided. There was an increase of $4,489,000 in the valuation allowance.

As of June 30, 2012 and 2011, components of deferred tax assets were as follows:

	2012	2011
Sale and deconsolidation of RBG	$ -	$ 2,669,000
Impairment of intangible asset	3,133,000	
Write-off of investment in joint venture, intangible assets and deferred expenses	54,000	28,800
Other	-	225
Net operating loss	1,302,000	2,477,800
	4,489,000	5,175,825
Allowance	(4,489,000)	(5,175,825)
	$ None	$ None

For the years ended June 30, 2012 and 2011, deferred income tax expense consisted of the following:

	2012	2011
Sale and deconsolidation of RBG	$ -	$ 2,669,000
Impairment of intangible asset	5,749,525	
Write-off of investment in joint venture, intangible assets and deferred expenses	375,000	320,600
Other	29,300	29,300
Net operating loss	5,000,000	3,645,925
	11,153,825	6,664,825
Valuation allowance	(11,153,825)	(6,664,825)
	$ None	$ None

18. SUBSEQUENT EVENTS

Common stock

In July 2012, the Company issued an aggregate of 1,200,000 shares of common stock at $0.20, per share, for legal services.

In July and August 2012, the Company converted an aggregate of 40 shares of Series A Preferred stock to 526,253 shares of common stock at a conversion rate of $.10, per share, including accrued dividends, penalty and interest.

In October 2012, the Company converted 100 preferred shares of stock to 2,780,602 shares of common stock at a conversion rate of $0.05, per share, including accrued dividends, penalty and interest, pursuant to an agreement with the investor.

In October 2012, the Company sold an aggregate of 300,000 shares of the Company's common stock and a warrant to purchase 249 shares of Class B common stock of RBMS to three investors of the Company for $30,000.

On October 15, 2012, the Company issued 300,000 shares of common stock at $0.20, per share, for legal services pursuant to an agreement dated April 23, 2012.

In October, 2012, the Company issued an aggregate of 62,253 shares of common stock at $0.30, per share, to the investment banker in connection with financings.

On November 8, 2012, the Company issued 100,000 shares of common stock at $0.15, per share, in settlement of accounts payable.

In December 2012, the Company issued an aggregate of 1,400,000 shares of common stock, at $0.20, per share, for compensation to employees valued at $280,000.

In December 2012, the Company issued 20,000 shares of common stock at $0.20, per share for consulting services.

In January 2013, the Company issued 1,200,000 shares of common stock at $0.20, per share for legal services.

In February 2013, the Company the Company converted 50 shares of Series A Preferred stock to 723,534 shares of common stock at a conversion rate of $.10, per share, including accrued dividends, penalty and interest.

In March 2013, the Company issued 50,000 shares of common stock at $0.20, per share, for repayment of loans on behalf of RBMS.

In May 2013, the Company issued 2,000,000 shares of common stock at $0.20, per share, as loan collateral.

In June 2013, the Company issued 92,400 shares of common stock @ $0.20, per share, for fees to the investment banker.

In June 2013, the Company issued 50,000 shares of common stock @ $0.20, per share for repayment of loan on behalf of RBMS.

In June 2013, the Company issued an aggregate of 1,280,000 shares of stock and a warrant to purchase 1,280,000 shares of common stock as compensation to officers and affiliates of the Company. The warrant is exercisable at $0.20, per share, for 5 years.

In July 2013, the Company issued 164,671 shares common stock @ $0.10, per share for repayment of note payable and accrued interest.

In July 2013, the Company issued a warrant to purchase 100,000 shares of common stock exercisable at $0.15, per share for 5 years.

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Convertible Notes and Warrant

On September 6, 2012, the Company issued a promissory note in the amount of $80,000, with 185,000 shares of common stock as interest. Pursuant to the terms of the note, if the promissory note is not repaid by May 20, 2013 the Company is to use its best efforts to liquidate shares of its common stock to repay the loan. As of July 15, 2013, no payments have been made on the promissory note.

On January 14, 2013 the Company entered into a non-exclusive agreement with an investment banker, financial advisor and consultant for a term of six months. The investment banker is entitled to a cash placement fee of 8% of the total purchase price of the Company's securities sold, adjusted by the exercise of any investor warrants, in connection with a placement resulting from the investment banker's introduction. In addition, the banker shall receive a placement fee equal to 4% of the total purchase price of the Company's securities sold and a warrant to purchase common shares of the Company equal to 8% of the funds raised, as defined. If the investment banker introduces the Company during the term to a transaction which becomes a merger, acquisition, joint venture or similar transaction, the Company shall pay the banker a fee in combination of stock and cash that reflects the exact percentage of stock and or cash used for the transaction, as defined.

On June 10, 2013, the Company agreed to sell up to an aggregate of $250,000 in convertible promissory notes under a securities purchase agreement (Agreement) with an aggregate stated value equal to the purchaser's subscription amount and a warrant to purchase up to a number of shares of common stock equal to 100% of the purchaser's subscription amount divided by $0.15 with an exercise price of $0.15 exercisable immediately with a term of five years.

On June 10, 2013, under the Agreement, the Company issued a two-year, 10% convertible promissory note in the amount of $20,000 to an investor. 121 days from the issue date, the holder can convert any unpaid principal and accrued interest into common shares of the Company. Between 121 days and 210 days from the issue date, the conversion price per share shall be $0.15; after 210 days from the issue date, the conversion price shall be $0.10; subject to adjustment as defined. . The investor also was issued a five year common stock purchase warrant for the purchase of up to 133,334 shares of the Company's common stock, at a price per share of $0.15, that permits a cashless exercise in the event that the underlying shares of common stock to be issued upon exercise are not registered pursuant to an effective registration statement at the time of the exercise. In addition, if while the warrant is outstanding, the Company effects a merger or consolidation, sells all of its assets or enters into other specifically defined transactions, the warrant will be exercisable into shares of the surviving entity as defined.

On July 2, 2013, under the Agreement, the Company issued four two-year, 10% convertible promissory notes in the amount of $10,000 each. The investors also were issued a five year common stock purchase warrant for the purchase of up to 67,000 shares of the Company's common stock, at a price per share of $0.15, that permits a cashless exercise in the event that the underlying shares of common stock to be issued upon exercise are not registered pursuant to an effective registration statement at the time of the exercise.

On July 2, 2013 the Company issued a five year warrant to purchase of up to 100,000 shares of the Company's common stock, at a price per share of $0.15, to the investment banker in payment for commissions due.

EXHIBIT 31.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John Paulsen, certify that:

(1) I have reviewed this annual report on Form 10-K of Rotate Black, Inc. for the fiscal year ended June 30, 2012;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects, the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, 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 the 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 the annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

(5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August ___, 2013

By: */s/ John Paulsen*
John Paulsen,
Chief Executive Officer (Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John Paulsen, certify that:

(1) I have reviewed this annual report on Form 10-K of Rotate Black, Inc. for the fiscal year ended June 30, 2012;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects, the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, 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 the 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 the annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

(5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August ___, 2013

By: */s/ John Paulsen*
John Paulsen,
Chief Financial Officer, Principal Financial and
Accounting Officer

EXHIBIT 32.1

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

In connection with the Annual Report of Rotate Black, Inc. (the ''Company'') on Form 10-K for year ended June 30, 2012 as filed with the Securities and Exchange Commission on the date hereof (the ''Report''), I, John Paulsen, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August ___, 2013

By: */s/ John Paulsen*
John Paulsen
Chief Executive Officer

EXHIBIT 32.2

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

In connection with the Annual Report of Rotate Black, Inc. (the ‘‘Company’’) on Form 10-K for the year ended June 30, 2012, as filed with the Securities and Exchange Commission on the date hereof (the ‘‘Report’’), I, John Paulsen, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August ___, 2013

By: */s/ John Paulsen*
John Paulsen,
Chief Financial Officer, Principal Financial and
Accounting Officer