Form 51-102F1

JACKPOT DIGITAL INC.

Management's Discussion & Analysis
Annual Audited Financial Statements for the
Year ended December 31, 2015

The following discussion and analysis of the financial condition and financial position and results of operations of Jackpot Digital Inc. [formerly Las Vegas From Home.com Entertainment Inc.] (the "Company" or "Jackpot") should be read in conjunction with the annual audited consolidated financial statements for the years ended December 31, 2015 and 2014 and notes thereto.

The consolidated financial statements, including comparatives, have been prepared in accordance with International Financing Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Company's consolidated financial statements are expressed in Canadian (CDN) Dollars which is the Company's functional currency. All amounts in this MD&A are in CDN dollars unless otherwise stated.

The following information is prepared as at April 29, 2016.

Forward-Looking Statements

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

Overview

Effective July 18, 2015, the Company's name has been changed to Jackpot Digital Inc. The Company is a developer and provider of electronic table games, and is also a software developer and provider for online and mobile gaming platforms. The Company's common shares trade on the TSX Venture Exchange ("TSX-V") under the symbol "JP. Furthermore, the Company's common shares trade in Germany on both the Frankfurt and Berlin Exchanges under the trading symbol "LVH", and are quoted in the USA on the OTC Pink tier of the OTC markets under the trading symbol "JPOTF".

The Company's office is located at Suite 300 – 570 Granville Street, Vancouver, British Columbia, Canada, V6C 3P1 and its registered office is at Suite 1500, 1055 West Georgia Street, PO Box 11117 Royal Centre, Vancouver, British Columbia, Canada, V6E 4N7.

The Company's Registrar and Transfer Agent is Computershare Investor Services Inc. located at 510 Burrard Street, Vancouver, BC, Canada, V6C 3B9.

The Company is a reporting issuer in the Provinces of British Columbia and Alberta and files all public documents on www.sedar.com.

On October 14, 2015, the Company caused to incorporate a subsidiary in the State of Nevada, USA under the name of Jackpot Digital (NV), Inc.

Selected Annual Information

All common shares and per share amounts have been restated to give retroactive effect to the 8:1 share consolidation, which took effect on April 4, 2013.

Selected annual information from the audited consolidated financial statements for the three years ended December 31, 2015, 2014 and 2013 is shown in the following table:

	2015	2014	2013
Revenues	1,142,178	$ 33,871	$ 14,080
Expenses	4,481,348	2,719,660	2,251,786
Net loss and Comprehensive Loss	(3,768,817)	(2,685,789)	(2,237,706)
Basic and Diluted Loss per common share	(0.03)	(0.02)	(0.04)
Total Assets	9,739,234	220,371	343,315
Long term financial obligations	3,074,011	47,940	Nil
Cash dividends	Nil	Nil	Nil

For the year ended December 31, 2015, the Company has recorded revenues of $1,142,178 (2014: $33,871) (2013: $14,080) which includes Sales revenue of $5,380 (2014: $11,042) (2013: $14,080), Licensing revenue of $135,461 (2014: $22,829) (2013: $nil) and Electronic gaming tables of $1,001,337 (2014: $nil) (2013: $nil). The Net Loss and Comprehensive Loss for 2015 was $3,768,817 as compared to $2,685,789 in 2014 and as compared to $2,237,706 in 2013.

The Company has never paid any dividends and has no plans to pay any dividends in the future. For the year ended December 31, 2015, the Company's weighted average number of common shares was 149,812,198_as compared to 120,235,825 in 2014 and as compared to 50,455,364 in 2013.

Results of Operations

Jackpot completed and deployed its HTML5 mobile game suite to Carnival Corporation's cruise ships through its agreement with PokerTek Inc. (now Everi Holdings Inc.). Carnival Corporation (Carnival) completed their pilot with Jackpot's mobile game suite in December 2014, and has since expanded the offering to a total of five ships as of the date of this MD&A. Carnival continues to deploy the mobile game suite to ships under the Carnival and Princess brands, as well as other cruise lines owned by Carnival Corporation. As part of the agreement, Jackpot will share revenue earned from the software. Jackpot intends to enhance and provide additional gaming content for Carnival in the foreseeable future.

Starting in the fourth quarter of 2013, Jackpot started development of its HTML5 mobile game suite, allowing users to play directly on the web browser of smart phones and tablets. Texas Hold'em and popular casino table games were completed by the end of the first quarter of 2014. Sixteen slot games were completed by end of the second quarter based on a combination of existing game assets and game assets purchased from BaddaMedia Inc. of Vancouver, BC ("BaddaMedia"). In Q3 2014, Texas Hold'em Tournaments were implemented in addition to several integrations that extended the functionality of the Jackpot Gaming Platform. In Q4 2014, Jackpot completed additional games including Baccarat and key Texas Hold'em enhancements to allow for more advanced and compelling tournament game play.

At the Annual General Meeting of the Company's shareholders which was held on December 2, 2015 in Vancouver, BC, the shareholders received the Audited Consolidated Financial Statements for the fiscal year ended December 31, 2014 and the Auditor's report thereon; fixed the number of Directors for the ensuing year at four; elected Bedo H. Kalpakian, Jacob H. Kalpakian, Neil Spellman and Gregory T. McFarlane as Directors of the Company; re-appointed the Company's Auditor, Smythe Ratcliffe LLP, Chartered Accountants, for the ensuing year and authorized the Directors to fix the remuneration to be paid to the Auditor and re-approved the Company's 10% Rolling Stock Option Plan.

As of December 31, 2015, the Company's operations employed 18 people (2014: 17) consisting of staff and management.

During 2014, the Company entered into an Advisory Agreement with Kingsdale Capital Markets Inc. of Toronto, Ontario ("Kingsdale"). Under the Agreement, Kingsdale acted as the Company's strategic market advisor on a non-exclusive basis for a period of twelve months. The cash remuneration payable to Kingsdale is $120,000 plus applicable taxes (paid). In addition, the Company has issued to Kingsdale 1,500,000 common shares (in stages) of which 750,000 common shares were issued during 2014 (fair valued at $58,125) and the other 750,000 during 2015 (fair valued at $45,000) and 1,500,000 compensation warrants (fair valued at $142,767) exercisable into one common share of the Company at $0.105 per common share for a period of three years.

During 2014, the Company entered into an Asset Purchase Agreement with BaddaMedia whereby the Company purchased from BaddaMedia a copy of certain assets related to online slot machine games that have been developed by BaddaMedia. As consideration for the purchase, the Company issued to BaddaMedia 229,167 common shares (fair valued at $20,625) in the capital of the Company. The software acquired has been an integral part of the Company's online slot software.

The Company's Derby Draft fantasy sports site (previously Derby Tournaments) was launched on June 19, 2015 for play money operations, and August 3, 2015 for real money operations. Derby Draft is a horse racing contest website and mobile app, where players select real horses and compete with other players around the world. The Company partnered with The Woodham Group Inc. ("Woodham") on July 13, 2015, to assist with the marketing and operations of the site. Due to changes in applicable laws for fantasy sports betting, the Company is considering either to dispose of, or write down the Company's Derby Draft fantasy sports site.

The Company is focused on operating its electronic gaming table business which it acquired from MultiMedia in August 2015. The warehouse is fully operational, with inventory controls in place and support / spare part requests being fulfilled in a timely manner. Licensing for several regulated jurisdictions are in progress.

Carnival Corp. is the largest user of the Company's electronic gaming tables. As of December 31, 2015, Carnival Corp. has 64 cruise ships that operate the Company's electronic gaming tables and five cruise ships that operate the Company's wireless software. The Company deployed five additional electronic gaming tables to Carnival cruise ships during the last half of 2015.

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

Transaction with MultiMedia Games, Inc. ("MultiMedia")

On June 30, 2015 the Company entered into an Asset Purchase Agreement with Multimedia whereby the Company agreed to purchase from MultiMedia the assets of the PokerTek business unit of Multimedia, including domain names, inventory, marketing materials, patents, software, trade dress, trademarks, and the assignment to the Company of all licensing contracts with third parties related to the Pokertek business. On July 31, 2015 and August 6, 2015, the Company and MultiMedia entered into amendment agreements (collectively referred to as the "APA") which essentially amended the upfront payment due to MultiMedia from US $2,250,000 to US $2,000,000 and extended the closing date of the transaction.

Pursuant to the APA, on August 10, 2015 the Company closed the transaction with MultiMedia which consists of a cash component, and a share purchase warrant component. The cash component is US $5,400,000 of which US $2,000,000 was paid to MultiMedia on the closing of the transaction, and the balance is payable to MultiMedia through an earn-out formula which may increase the consideration payable up to US $7,500,000. The Company has also issued to MultiMedia 7,500,000 share purchase warrants exercisable at 20 cents per common share for a period of 5 years which represents the share purchase warrant component of the transaction. The Company has recorded $6,407,990 of intangible assets in respect to the APA with MultiMedia.

On November 5, 2015, the Company entered into an Engagement Letter with RWE Growth Partners, Inc. ("RWE") whereby RWE has prepared a formal Purchase Price Allocation Report for the Company regarding the fair value of the tangible assets and identifiable intangible assets that the Company acquired from MultiMedia pursuant to the APA on August 10, 2015. As of the date of this MD&A, the subject report has been completed.

Non-Convertible Secured Debentures 2015

On August 4, 2015, the Company issued two non-convertible secured debentures ("Debentures") for an aggregate principal amount of US$2,500,000, of which the principal amount of US $2,250,000 was advanced to the Company by 87 Capital Corporation ("87 Capital"), an arm's length party, and the principal amount of US$250,000 was advanced to the Company by 30 Rock Management Inc. ("30 Rock"), a corporation owned by the Company's President & CEO (collectively referred to as the "Debentureholders"). The Company has issued to the Debentureholders an aggregate of 7,500,000 bonus warrants, each bonus warrant entitling the Debentureholders to purchase one common share at a price of $0.20 per share for a period of five years. As at December 31, 2015, the amount of $2,498,191 has been recorded under Non-Convertible Debentures (Liability portion).

The principal terms of the Debentures are as follows:

- the Company has the right to prepay all or part of the outstanding principal amounts of the Debentures together with accrued interest at any time, without any penalty, prior to the maturity date.
- from time-to-time, as prepayment of the principal amount and accrued interest owing under the Debentures, the Company will pay the Debentureholders approximately 37% of the net proceeds received by the Company from the issuance of any equity securities of the Company.
- the Debentures are secured by a charge over all of the Company's assets.
- the Debentures will mature three years from the date of issue and will bear interest at the rate of 10% per annum payable on a quarterly basis.

- the Company will pay 87 Capital 45% of the net revenues from the Company's electronic table business unit (the "87 Capital Royalty") for a period of 5 years (the "Royalty Term"), and the Company will pay 30 Rock 5% of the Net Revenues from the Company's electronic table business unit (the "30 Rock Royalty") during the Royalty Term. The Company's electronic table business unit consists of the assets acquired from MultiMedia under the APA. The Company's electronic table business unit does not include the Company's wireless products.

- in the event that the Company prepays the entire principal amount of the Debentures together with accrued interest at any time up to the first anniversary of the date of issue of the Debentures, the Company will have the right to pay 87 Capital the sum of US $900,000 so that the amount of the 87 Capital Royalty will be capped at US $5,400,000 (the "Capped 87 Capital Royalty"), and the Company will have the right to pay 30 Rock the sum of US $100,000 so that the amount of the 30 Rock Royalty will be capped at US $600,000 (the "Capped 30 Rock Royalty"). In such an event the Capped 87 Capital Royalty shall be payable as follows: 45% of the Net Revenues from the Company's electronic table business unit during the first year of the debenture and thereafter, 6.75% of the Net Revenues from the Company's electronic table business unit until the date that 87 Capital has been paid an aggregate of US $5,400,000 and, the Capped 30 Rock Royalty shall be paid as follows: 5% of the Net Revenues from the Company's electronic table business unit during the first year of the debenture and thereafter, 0.75% of the Net Revenues from the Company's electronic table business unit until the date that 30 Rock has been paid an aggregate of US $600,000.

- within a period of 30 days from the date of issuance of the Debentures, the Company will have the right to prepay the entire principal amount and accrued interest plus an additional US $250,000 to the Debentureholders. In such an event the exercise price of the 7,500,000 bonus warrants issued to the Debentureholders will be repriced to an exercise price of $0.05 cents per common share, and the total Royalties payable to the Debentureholders will be reduced to 2% of the Net Revenues received from the Company's electronic table business unit for the balance of the Royalty Term.

On April 28, 2016 the Company entered into Secured Debenture Amending Agreements with the Debentureholders (the "Amending Agreements") as follows:

<u>87 Capital</u>

- In consideration for the payment by the Company to 87 Capital the sum of US$482,500, the Royalty payable to 87 Capital shall equal 1.8% of the Gross Revenues received from the Company's Electronic Table Business Unit for a period commencing on May 1, 2016 and ending on April 30, 2021;

  AND,

- Until the Company either:
  a) achieves an annualized sales run rate for any fiscal year of at least Cdn $7,000,000 in any quarter of a fiscal year; or
  b) makes a one-time bulk sale of electronic tables in excess of Cdn$5,000,000;

  the Company will pay to 87 Capital as a prepayment of the aggregate amount of principal and/or accrued interest owing 27% of the net proceeds received by the Company from the issuance of any equity securities of the Company from time to time.

30 Rock

- In consideration for the payment by the Company to 30 Rock the sum of US$51,000, the Royalty payable to 30 Rock shall equal 0.2% of the Gross Revenues received from the Company's Electronic Table Business Unit for a period commencing on May 1, 2016 and ending on April 30, 2021;

  AND,

- Until the Company either:
  a) achieves an annualized sales run rate for any fiscal year of at least Cdn $7,000,000 in any quarter of a fiscal year; or
  b) makes a one-time bulk sale of electronic tables in excess of Cdn$5,000,000;

  the Company will pay to 30 Rock as a prepayment of the aggregate amount of principal and/or accrued interest owing 3% of the net proceeds received by the Company from the issuance of any equity securities of the Company from time to time.

On November 16, 2015, the Company entered into a Lease Agreement with an arm's length party for approximately 7,936 square feet of premises in Burnaby, BC for an interim term of 6 (six) months commencing on December 1, 2015. The Lease Agreement has been extended to May 31, 2019. The Company has paid a security deposit of $8,930 in respect to this Lease Agreement. The monthly basic rent for the premises shall be $3,968 plus the Company's proportionate share of operating costs and costs of additional services.

The Company announced on April 22, 2016 that it has entered into an engagement letter (the "Engagement") with Kingsdale Capital Markets Inc. ("Kingsdale" or the "Agent") to act as the Agent of the Company to raise gross proceeds of up to $2,000,000 (the "Financing") for the Company through the sale of secured convertible debentures ("Secured Debentures") of the Company. The Company has received conditional approval from the TSX-V and has closed the Financing on April 28, 2016.

Revenues

For the year ended December 31, 2015, the Company has recorded licensing revenues $135,461 (2014: $22,829), and sales revenues $5,380 (2014: $11,042) and Electronic gaming tables of $1,001,337 (2014: $nil). The Company's revenues have increased significantly mainly due to the acquistion of the assets of the PokerTek business unit of MultiMedia.

Royalty expense

For the year ended December 31, 2015, the Company had royalty expense of $253,439 as a result of the issuance of secured debentures during 2015 as compared to $nil during the year ended December 31, 2014.

Licensing fee

For the year ended December 31, 2015, the Company had licensing fee of $108,463 as a result of revenue generated from the electronic table business as compared to $nil during the year ended December 31, 2014.

Cost of Sales

As a result of the acquisition of the electronic table business from MultiMedia, for the year ended December 31, 2015, the cost of sales was $67,745 as compared to $nil during the corresponding year end in 2014.

Expenses

For the year ended December 31, 2015, operating expenses were $4,481,348 as compared to $2,719,660 during the year ended December 31, 2014. The increase in Salaries and benefits and rent, office and miscellaneous, legal, accounting and audit, foreign exchange loss, impairment on inventory and amortization contributed to the increase in operating expenses due to the Company's increased business activities, product delivery and the hiring of additional personnel.

Net Loss and Comprehensive Loss

During the year ended December 31, 2015, the Company had a net loss and comprehensive loss of $3,768,817 or $0.03 per share (weighted average) as compared to a net loss and comprehensive loss of $2,685,789 or $0.02 per share (weighted average) in the same period in 2014. During the year ended December 31, 2015, the Company's weighted average number of common shares was 149,812,198 as compared to 120,235,825 in the same period in 2014.

Liquidity and Capital Resources

The Company intends to seek equity and/or debt financings through private placements and/or public offerings and/or loans. In the past, the Company has been successful in securing equity and debt financings in order to conduct its operations uninterruptedly. While the Company does not give any assurances whatsoever that in the future it will continue being successful in securing equity and/or debt financings in order to conduct its operations uninterruptedly, it is the Company's intention to pursue these methods for future funding of the Company.

As at December 31, 2014, the Company's total assets were $9,739,234 as compared to $220,371 for the corresponding period in 2014. The Company's total liabilities were $11,042,657 as compared to $362,706 for the corresponding period in 2014. The Company has not paid any dividends and does not plan to pay any dividends in the future.

As at December 31, 2015, the Company had:

- Cash and cash equivalents of $227,481as compared to $7,920 at December 31, 2014.
- Accounts receivable of $273,427 as compared to $12,681 at December 31, 2014.
- Due from related parties of $259,911 as compared to $110,384 at December 31, 2014.
- Prepaid expenses of $56,924 as compared to $42,796 at December 31, 2014.
- Inventory of $663,847 as compared to $nil at December 31, 2014.
- Gaming systems of $1,401,082 as compared to $nil at December 31, 2014.
- Equipment of $33,476 as compared to $28,715 at December 31, 2014.
- Intangible assets and goodwill of $6,823,086 as compared to $17,875 at December 31, 21014.

Operating Activities

During the year ended December 31, 2015, the Company used cash in operating activities of $1,333,274 as compared to $2,630,856 of cash used in operating activities during the corresponding period of 2014.

Financing Activities

During the year ended December 31, 2015, the Company received cash which was provided by financing activities of $4,589,398 as compared to $2,355,229 of cash which was provided by financing activities in the corresponding period of 2014.

Investing Activities

During the year ended December 31, 2015, the Company used cash in the amount of $2,682,516 to purchase assets pursuant to the electronic table business and equipment as compared $1,988 of cash used to purchase equipment during the corresponding period in 2014.

Capitalization

In order for the Company to increase its revenues, the Company must dedicate more resources to marketing and promotion of the Company's products and services.

The Company has incurred significant operating losses over the past two fiscal years (2015: $3,768,817; 2014: $2,685,789), has a deficit of $45,946,246 (2014: $42,954,515), has limited revenues and resources, and has no assurances that sufficient funding will be available to continue operations for an extended period of time.

The Company announced on April 22, 2016 that it has entered into an engagement letter (the "Engagement") with Kingsdale Capital Markets Inc. ("Kingsdale" or the "Agent") to act as the Agent of the Company to raise gross proceeds of up to $2,000,000 (the "Financing") for the Company through the sale of secured convertible debentures ("Secured Debentures") of the Company. The Company has received conditional approval from the TSX-V and has closed the Financing on April 28, 2016.

During the year ended December 31, 2015, the following share transactions occurred:

On February 27, 2015 and March 3, 2015, the Company issued an aggregate of 12,471,429 units of the Company's securities at $0.035 per unit for total gross proceeds to the Company of $436,500 pursuant to the discretionary relief non-brokered private placement financing which was announced on February 25, 2015. Each Unit consists of one common share in the capital of the Company and one share purchase warrant, each warrant will entitle the holder to purchase one common share of the Company at a price of $0.10 per common share for a period of two years from Closing. The first tranche closing consisted of 8,500,000 units and the second tranche closing consisted of 3,971,429 units. All securities issued were subject to a hold period which expired on June 28, 2015 as to the first tranche and on July 4, 2015 as to the second tranche. The Company has paid finder's fees totaling $2,275 to arm's length third parties.

On March 9, 2015 the Company closed the last and final tranche of the discretionary relief non-brokered private placement financing by issuing an aggregate of 2,715,000 units at $0.035 per unit for total gross proceeds to the Company of $95,025. Each Unit consists of one common share in the capital of the Company and one share purchase warrant, each warrant will entitle the holder to purchase one common share of the Company at a price of $0.10 per common share for a period of two years from Closing. All securities issued were subject to a hold period which expired on July 10, 2015.

On April 17, 2015, the Company closed a non-brokered private placement financing and issued 11,500,000 Units of the Company at the price of $0.05 per Unit for total gross proceeds to the Company of $575,000. Each Unit consists of one common share in the capital of the Company and one share purchase warrant, each warrant entitles the holder to purchase one common share of the Company at a price of $0.10 per common share for a period of two years from Closing. The Company has paid finder's fees totaling $11,450 in cash, 170,000 units fair valued at $8,500 and 229,000 share purchase warrants to arm's length third parties. All securities issued were subject to a hold period which expired on August 18, 2015. In respect to this non-brokered private placement financing, a total of 1,000,000 units were subscribed by a private company which is owned by two directors of the Company.

During the year ended December 31, 2014, the following share transactions occurred:

On January 30, 2014, the Company closed a non-brokered private placement financing and issued an aggregate 14,375,000 units of the Company's securities at $0.08 per unit for gross proceeds of $1,150,000. Each unit consists of one common share and one share purchase warrant exercisable at a price of $0.10 per share up to January 30, 2016. In connection with this closing, the Company paid as finder's fee $10,000 cash, issued 125,000 broker warrants fair valued at $9,983 and issued 1,142,500 units fair valued at $91,400 to three arm's length parties. Each broker warrant is exercisable at $0.10 for a period of two years from the grant date. Each unit consists of one common share and one common share purchase warrant, exercisable at $0.10 for a period of two years from the grant date. All the securities issued were subject to a hold period of four months and a day from the issuance date.

On March 25, 2014, the Company closed a non-brokered private placement financing and issued an aggregate 15,000,000 units of the Company's securities at $0.08 per unit for gross proceeds of $1,200,000. Each unit consists of one common share and one share purchase warrant exercisable at a price of $0.10 up to March 25, 2016. In connection with the private placement, the Company has paid as finder's fees $102,400 cash, issued 1,280,000 compound warrants fair valued at $278,437, and 98,250 units fair valued at $7,860 to arm's length parties and the Company has incurred share issue cost of $500. Each compound warrant is exercisable at $0.08 per unit for two years. Each unit comprises one common share and one share purchase warrant exercisable at $0.10 for two years. All the securities issued were subject to a hold period of four months and a day from the issuance date. In respect to this non-brokered private placement financing, a total of 1,217,500 units were subscribed by a private company which is owned by two directors of the Company. All the securities issued were subject to a hold period that expired four months and a day after issuance date.

On May 6, 2014, the Company issued a total of 229,167 common shares fair valued at $20,625 in respect to the asset purchase agreement, which was entered into by the Company with BaddaMedia.

On May 6, 2014, the Company issued 375,000 common shares fair valued at $37,500 in respect to the Advisory Agreement (the "Agreement") entered into with Kingsdale Capital Markets Inc. ("Kingsdale"). Under the Agreement, the Company has agreed to issue in stages a total of 1,500,000 common shares and 1,500,000 compensation warrants to Kingsdale fair valued at $142,767. Each compensation warrant will have a three year expiry term and will be exercisable into one common share at $0.105. On October 22, 2014, the Company issued 375,000 common shares fair valued at $20,625 to Kingsdale pursuant to the Agreement. The remaining 750,000 common shares were issued to Kingsdale on April 23, 2015 fair valued at $45,000.

An aggregate of 5,290,000 common shares were issued in connection with the exercise of 5,125,000 share purchase warrants at $0.075 per share and 165,000 compound warrants at $0.05 per share for total proceeds to the Company of $392,625.

Warrants

There were no warrants exercised during the year ended December 31, 2015. Subsequent to the year ended December 31, 2016, a total of 1,365,750 broker warrants expired unexercised, and a total of 1,280,000 compound warrants expired unexercised.

During the year ended December 31, 2014, a total of 5,125,000 warrants at $0.075 per share were exercised for total proceeds to the Company of $384,375. In addition, 165,000 compound warrants at $0.05 per share were exercised for total proceeds to the Company of $8,250.

Should any warrants be exercised by any party, then any funds received by the Company shall be used for general working capital purposes. However, there are no assurances whatsoever that any warrants will be exercised.

Stock Options

On April 14, 2015, the TSX.V accepted the Company's new rolling stock option plan whereby a maximum of 10% of the issued shares of the Company will be reserved for issuance under the plan ("New 10% Rolling Stock Option Plan"). The New 10% Rolling Stock Option Plan received shareholder approval at the Company's 2014 Annual General Meeting of its Shareholders which was held on November 25, 2014. All previously granted and outstanding stock options under the Company's Amended 2004 Stock Option Plan shall be governed by the provisions of the New 10% Rolling Stock Option Plan. Pursuant to the Company's New 10% Rolling Stock Option Plan the Company grants stock options to employees, directors, officers and consultants. As at December 31, 2015, there were 503,905 stock options available for granting (December 31, 2014: 222,262) under the New 10% Rolling Stock Option Plan. Subsequent to December 31, 2015, a total of 130,000 stock options expired unexercised.

As at December 31, 2015, there were 15,095,750 stock options outstanding with a weighted average exercise price of $0.06 per share (December 31, 2014: there were 1,100,750 stock options outstanding with a weighted average exercise price of $0.10 per share).

Should any outstanding stock options be exercised by any party, then any funds received by the Company shall be used for general working capital purposes. However, there are no assurances whatsoever that any stock options will be exercised.

Non-Convertible Secured Debentures 2015

On August 4, 2015, the Company issued two non-convertible secured debentures ("Debentures") for an aggregate principal amount of US$2,500,000, of which the principal amount of US $2,250,000 was advanced to the Company by 87 Capital Corporation ("87 Capital"), an arm's length party, and the principal amount of US$250,000 was advanced to the Company by 30 Rock Management Inc. ("30 Rock"), a corporation owned by the Company's President & CEO (collectively referred to as the "Debentureholders"). The Company issued to the Debentureholders an aggregate of 7,500,000 bonus warrants, each bonus warrant entitling the Debentureholders to purchase one common share at a price of $0.20 per share for a period of five years. As at September 30, 2015, the amount of $2,341,217 has been recorded under Non-Convertible Debentures (Liability Portion). For details of the principal terms of the Debentures, please refer to Results of Operations in this MD&A.

Summary of Quarterly Results

The following are the results for the eight most recent quarterly periods, starting with the three month quarterly period ended December, 2015:

For the Quarterly Periods ended		December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015
Total Revenues	$	688,155	400,631	43,592	9,800
Net loss and comprehensive loss for the period	$	(1,864,629)	(695,751)	(687,537)	(520,900)
Basic and diluted loss per common share	$	(0.01)	(0.00)	(0.00)	(0.00)

For the Quarterly Periods ended		December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014
Total Revenues	$	11,075	3,952	10,525	8,319
Net loss and comprehensive loss for the period	$	(644,055)	(583,592)	(793,105)	(665,037)
Basic and diluted loss per common share	$	(0.01)	(0.00)	(0.01)	(0.01)

Fourth Quarterly Results (December 30, 2015)

During the three months [fourth quarter] period ended December 31, 2015:

- The Company had a net loss and comprehensive loss of $1,864,629 or $0.01 per share as compared to a net loss of $644,055 or $0.01 per share in the same three months [fourth quarter] period of 2014.

- The Company's total revenues were $688,155 as compared to total revenues of $11,075 in the same three months [fourth quarter] period of 2014.

- The Company's total operating expenses were $2,146,197 as compared to total operating expenses of $665,130 in the same three months [fourth quarter] period of 2014.

Risks related to our Business

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

General legislative risk

Although management believes that the revenues generated from the Company's gaming products represent lawful business, there is the risk that the legality may be challenged by Canadian or other legal authorities. If the legality is challenged by any legal authority and the challenge is sustained, it may have a material adverse impact on the financial affairs of the Company.

Changes in gaming legislations in any jurisdiction can have a negative impact on the Company's gaming products which can adversely impact the financial affairs_of the Company.

Competition

The marketplace for the Company's gaming products are constantly undergoing changes, is intensely competitive and is subject to changes in customer preferences. The Company's products and services compete against those of other companies that have greater financial, marketing, technical and other resources than those of the Company.

Internet and system infrastructure viability

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

Reliance on key personnel

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

Customer loyalty

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

Payment processing

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

Foreign exchange rates

The profitability of the Company can be affected by fluctuations in the exchange rate of the US Dollar in relation to the Canadian Dollar.

Share price volatility and liquidity

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

Growth management

If the Company's gaming products gain traction in the market, rapid growth may occur which may result in certain strains on the Company.

Dilution

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

Revenues and Dividends

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

Disruption in Trading

Trading in the common shares of the Company may be halted or suspended or may be subject to cease trade orders at any time and for any reason, including, but not limited to, the failure by the Company to submit documents to the Regulatory Authorities within the required time periods.

Related Party Transactions

The Company shares office space and certain expenses with 37 Capital Inc. (formerly High 5 Ventures Inc.) ("37 Capital") and Green Arrow Resources Inc. ("Green Arrow"), companies related by certain common officers and directors.

The Company, together with 37 Capital and Green Arrow, have entered into an office lease agreement with an arm's length party (the "Lease"). The Lease has a one year term with a commencement date of August 1, 2014. The office lease agreement has been extended for a period of one year until July 31, 2016. Under the Lease, the three companies are required to pay monthly basic rent of $7,769 plus property and operating expenses. In respect to the Lease, the Company has paid a deposit in the amount of $10,000.

37 Capital is related to the Company by virtue of the fact that 37 Capital's CEO and CFO, namely Bedo H. Kalpakian, is the Chairman and CFO of the Company, and the Vice President of 37 Capital namely Jacob H. Kalpakian, is the CEO and President of the Company. Furthermore, Gregory T. McFarlane is a director of both the Company and 37 Capital.

Green Arrow is related to the Company by virtue of the fact that Green Arrow's President and CEO namely Jacob H. Kalpakian, is the President and CEO of the Company. Furthermore, Bedo H. Kalpakian and Neil Spellman are directors of both the Company and Green Arrow.

Amounts payable to directors are for expenses incurred on behalf of the Company or for funds that have been lent to the Company and are payable on demand.

On July 1, 2010 the Company entered into an agreement for management services, as amended (the "Agreement") with Kalpakian Bros. of B.C. Ltd. ("Kalpakian Bros."), a private company owned by two directors of the Company. The Company is entitled to receive management services from Kalpakian Bros. at a monthly rate of $33,000 plus applicable taxes. On July 1, 2015, the Agreement has been renewed for a term of five years. Kalpakian Bros. is also entitled to reimbursement for all traveling and other expenses incurred by it in connection with performing its services. If the Agreement is terminated by the Company other than for just cause, or is terminated by Kalpakian Bros. for good reason, then Kalpakian Bros. is entitled to be paid the annual remuneration for the unexpired term of the Agreement and is also entitled to immediate vesting of all unvested stock options. Kalpakian Bros. may terminate the Agreement on giving four months' notice.

Amounts due from related parties are unsecured, due on demand without interest and consist of the following:

	2015	2014
Entities with common directors	$ 259,911	$ 110,401
Key management personnel	-	(17)
	$ 259,911	$ 110,384

During the year ended December 31, 2012, the Company entered into two credit facilities with two directors, whereby the Company could have drawn-down up to $170,000 from each of the two facilities ($340,000 in the aggregate) as and when needed by the Company. Amounts advanced under the facilities bore interest at 5% per annum and were due on demand. The Company drew down $300,000 from these two credit facilities. On April 1, 2014, the Company repaid the principal amounts totaling $300,000 plus $28,027 accrued interest to the two directors.

The amounts due to related parties do not bear interest.

During the years ended December 31, the Company completed the following related party transactions:

	2015	2014
Rent charged by entities with common directors	$ -	$ 41,784
Rent recovered from entities with common directors	$ (58,807)	$ (24,378)
Office and other expenses recovered from entities with common directors	$ (147,161)	$ (167,782)
Interest charged on amounts due to related parties	$ 193	$ 3,716

The remuneration of key management personnel during the years ended December 31, 2015 and 2014 is as follows:

	2015	2014
Management fees	$ 396,000	$ 396,000
Short-term benefits	92,694	92,381
Total key management personnel compensation	$ 488,694	$ 488,381

Effective as of May 1, 2012, the Company has entered into an Agreement for Office Support Services with Green Arrow, whereby Green Arrow is obligated to pay to the Company a monthly sum of $5,000 plus applicable taxes for certain office support services that shall be provided by the Company. The Agreement expires April 30, 2016. The Agreement can be terminated by either party upon giving three months' written notice.

From May 1, 2013 up to July 1, 2014, the Company was charged by Green Arrow the amount of $6,268 per month for basic rent, operating costs and applicable taxes. Effective as of August 1, 2014, the Company pays the amount of $7,769 per month for basic rent plus operating costs and applicable taxes to the Landlord, and charges 37 Capital and Green Arrow for their proportionate share.

Effective as of May 1, 2013, the Company has entered into an Agreement for Office Support Services with 37 Capital whereby 37 Capital is obligated to pay to the Company a monthly sum of $7,000 plus applicable taxes for certain office support services that shall be provided by the Company. The Agreement expires April 30, 2016. The Agreement can be terminated by either party upon giving three months' written notice.

In respect to the Non-Convertible Secured Debentures issued to 30 Rock Management Inc. ("30 Rock"), for further particulars, please see Results of Operations in this MD&A. The Company is related to 30 Rock by virtue of the fact that 30 Rock is owned by the President and CEO of the Company.

Financial Instruments and Risk Management

(a) Risk management overview

The Company's activities expose it to a variety of financial risks including credit risk, liquidity risk and market risk. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Company employs risk management strategies and policies to ensure that any exposure to risk is in compliance with the Company's business objectives and risk tolerance levels. While the Board of Directors has the overall responsibility for the Company's risk management framework, the Company's management has the responsibility to administer and monitor these risks.

(b) Fair value of financial instruments

The fair values of cash and cash equivalents, accounts payable and accrued liabilities, trade accounts receivable, loan payable, deferred revenue and due from related parties approximate their carrying values due to the short-term maturity of these instruments. The non-convertible debenture is classified as Level 2 financial instruments.

The significance of inputs used in making fair value measurements are examined and classified according to a fair value hierarchy. The levels of the fair value hierarchy are as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
Level 3: Inputs for assets or liabilities that are not based on observable market data.

(c) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The financial instruments that potentially subject the Company to a significant concentration of credit risk consist of cash and cash equivalents and due from related parties. The Company mitigates its exposure to credit loss associated with cash by placing its cash and cash equivalents in a major financial institution.

To reduce the credit risk of due from related parties, the Company regularly reviews the collectability of due from related parties to ensure there is no indication that these amounts will not be fully recoverable. To mitigate credit risk on the Company's trade receivables, the Company regularly reviews the collectability of the accounts receivable to ensure there is no indication that these amounts will not be fully recoverable. As at December 31, 2015, allowance for doubtful accounts is $nil (2014 - $nil).The Company's accounts receivable are due within 60 days.

(d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meets its financial obligations as they are due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when due.

At December 31, 2015, the Company has cash and cash equivalents of $227,481 (2014 - $7,920) available to apply against short-term business requirements and current liabilities of $7,921,859 (2014 - $280,502). All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of December 31, 2015.

(e) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing return on capital.

(i) Currency risk

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

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

At December 31, 2015, the Company is exposed to currency risk for its US dollar equivalent of financial assets and liabilities denominated in currencies other than Canadian dollars as follows:

	Held in US dollars (stated in Canadian dollars)	
	2015	**2014**
Cash	$ 7,779	$ 1,089
Account payable	(7,169,609)	-
Non-convertible debenture	(2,498,191)	-
Net financial assets (liability)	$ (9,660,021)	$ 1,089

Based upon the above net exposure as at December 31, 2015 and assuming all other variables remain constant, a 13% depreciation or appreciation of the US dollar relative to the Canadian dollar would result approximately $1,255,803 (2014 - $142) change in the Company's consolidated net loss and comprehensive loss.

(ii) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest earned on cash and cash equivalents is at nominal interest rates, and therefore the Company does not consider interest rate risk to be significant.

The interest rate on loan payable and non-convertible debenture balances as at December 31, 2015 is fixed at 10%, as such, the Company is not exposed to interest rate risk.

(iii) Other price risk

Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk. The Company is not exposed to significant other price risk.

Off-balance sheet arrangements

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

Significant Accounting Policies

The Company's Consolidated Audited Financial Statements for the year ended December 31, 2015 have been prepared in accordance with IFRS, as issued by the IASB.

All of the Company's significant accounting policies and estimates are included in Note 4 of the Company's consolidated audited financial statements for the year ended December 31, 2015.

Capital Stock

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

Outstanding Share Data	Number of Common Shares	Number of Preferred Shares	Exercise($) Price per common share	Expiry Dates
Issued and Outstanding as at April 29, 2016	155,996,550	Nil	N/A	N/A
Warrants as at April 29, 2016	3,125,000 3,460,000 7,100,000 797,500 8,570,000 10,149,000 14,010,000 4,150,000 4,801,000 1,748,385 14,375,000 15,000,000 1,500,000 8,500,000	Nil	$0.16 $0.10 $0.10 $0.10 $0.10 $0.10 $0.10 $0.10 $0.10 $0.10 $0.10 $0.10 $0.105 $0.10	October 10, 2016 June 26, 2017 July 10, 2017 July 17, 2017 July 24, 2017 August 9, 2017 Oct 3, 2017 Oct 22, 2017 Nov 5, 2017 Nov 17, 2017 January 30, 2018 March 25, 2018 May 6, 2017 February 27, 2017

	3,971,429 2,715,000 11,899,000 6,750,000 750,000 7,500,000 130,871,314		$0.10 $0.10 $0.10 $0.20 $0.20 $0.20	March 3, 2017 March 9, 2017 April 17, 2017 August 4, 2020 August 4, 2020 August 10, 2020
Stock Options as at April 29, 2016	200,000 192,000 100,000 12,470,000 2,000,000 14,962,000	Nil	$0.10 $0.10 $0.11 $0.06 $0.06	August 8, 2016 August 26, 2016 May 5, 2016 May 14, 2018 September 1, 2017
Fully Diluted as at April 29, 2016	301,829,864	Nil		

Director Approval

The contents of this MD&A and the sending thereof to the Shareholders of the Company have been approved by the Company's Board of Directors.

Outlook

The Company continues to optimize its electronic gaming table business through enhancing processes, training staff, finding cost-effective local vendors, and implementing business management software. Licensing for several regulated jurisdictions are in progress to retain business and expand market share. New business is being generated in key locations with both customers and distributors.

New electronic gaming tables are being designed and developed to attract new customers and produce more revenue through the development of key features and additional games. This includes features that provide synergy between the electronic tables and the Company's wireless software, as well as side games that can be played before or during a poker session. The new electronic gaming tables will be ready in the latter half of 2016.

With the continued efficient operation of the electronic gaming table business, coupled with the Company's wireless products, Management of the Company is optimistic that the Company's revenues shall increase significantly.