



Form 51-102F1

JACKPOT DIGITAL INC.

**Management's Discussion & Analysis
Condensed Interim Financial Statements for the
Three Months Ended March 31, 2026**

The following discussion and analysis of the financial condition and financial position and results of operations of Jackpot Digital Inc. (the "Company" or "Jackpot") for the three months ended March 31, 2026 should be read in conjunction with the unaudited condensed interim financial statements and notes thereto for the three months ended March 31, 2026 and 2025 and the annual audited financial statements and notes thereto for the years ended December 31, 2025 and 2024. The unaudited condensed interim financial statements and notes thereto for the three months ended March 31, 2026 and 2025 have not been reviewed by the Company's Auditor.

The Company's common shares trade on the TSX Venture Exchange ("TSX-V") under the symbol "JJ" and on the OTCQB under the trading symbol "JPOTF". The Company's common shares are also listed for trading on the Frankfurt Exchange under the symbol "LVH3".

The following information is prepared as of June 1, 2026.

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

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 may include, among others, statements regarding future plans, costs, projections, objectives, economic performance, or the assumptions underlying any of the foregoing. In this MD&A, words such as "may", "would", "could", "will", "likely", "enable", "feel", "seek", "project", "predict", "potential", "should", "might", "hopeful", "objective", "believe", "expect", "propose", "anticipate", "intend", "plan", "estimate", "optimistic" and similar words are used to identify forward-looking statements. Forward-looking statements are subject to a variety of significant risks and uncertainties and other factors that could cause actual events or results to differ materially from those expressed or implied. Although management believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, projections and estimations, there can be no assurance that these assumptions, projections or estimations are accurate. Readers, shareholders and investors are therefore cautioned not to place reliance on any forward-looking statements in this MD&A as the plans, assumptions, intentions, estimations, projections, expectations or factors upon which they are based might vary or might not occur. The forward-looking statements contained in this MD&A are made as of the date of this MD&A, and are subject to change after such date. The Company undertakes no obligation to update or revise any forward-looking statements, except in accordance with applicable securities laws.

Overview

The principal business of Jackpot is the developing and marketing of dealerless electronic table games ("ETGs") to casino operators. The Company's flagship dealerless poker product, Jackpot Blitz[®], is a digital 'smart table' which brings the social benefits of multiplayer casino games such as poker, blackjack and baccarat, into the digital era.

The financial statements of the Company's wholly-owned subsidiaries, Jackpot Digital (NV), Inc. (incorporated in the State of Nevada, USA), and Touché Capital Inc. (incorporated in British Columbia, Canada) are included in the consolidated financial statements from the date that control commenced to the date of disposal or dissolution.

The Company's office is located at Suite 575 – 510 Burrard Street, Vancouver, BC V6C 3A8, Canada. The Company's warehouse is located at 4664 Lougheed Hwy, Unit W030, Burnaby, BC V5C 5T5, Canada.

The Company's registered office is at Suite 3200 - 650 West Georgia Street, Vancouver, BC V6B 4P7, Canada.

The Company's audit committee consists of Messrs. Neil Spellman (Chairman), Gregory McFarlane and Alan Artunian.

The Company's registrar and transfer agent is Computershare Investor Services Inc. located at 3rd Floor, 510 Burrard Street, Vancouver, BC V6C 3B9, Canada,

Highlights for the First Quarter

During the three months ended March 31, 2026 and up to the date of this MD&A, the Company saw an increase in the deployment of its Jackpot Blitz® ETGs across several jurisdictions in the US, and expanded its land-based order book for the ETGs.

The Company:

- signed a Master Software License and Equipment Lease Agreement with Gila River Gaming Enterprises, Inc., the operator of four premier casino resort properties across the state of Arizona, operating collectively under the Gila River Resorts & Casinos brand and the largest casino operator in the state of Arizona
- reported revenue of \$127,852 for the three months ended March 31, 2026, as compared to revenues of \$384,171 during the corresponding period in 2025, a 67% decrease from the 2025 period, primarily due to a drop in one-time table sales and the removal of certain older first generation tables.
- currently has several licensing applications underway in certain U.S. jurisdictions.

Results of Operations

In March 2026, the Louisiana Gaming Control Board granted the Company a gaming manufacturer permit and its subsidiary, Jackpot Digital (NV), Inc, a gaming supplier permit. These permits authorize the Company to supply and service its Jackpot Blitz® dealerless electronic table games ("ETGs") to regulated casinos across Louisiana.

In March, 2026, signed a licensing and equipment lease agreement with Inn of the Mountain Gods Resort & Casino, located in Mescalero, New Mexico. Under the agreement, Jackpot Digital will install two Jackpot Blitz® ETGs at the property.

In March 2026, successfully launched its Jackpot Blitz® at Monte Carlo Gaming Lounge in Kingston, Jamaica. Monte Carlo Gaming Lounge is one of five gaming lounges in Jamaica operated by Everglades Farms Ltd.

In March 2026, signed an agreement with Hollywood Casino at Greektown in Detroit, Michigan to install three (3) of the Company's Jackpot Blitz® "ETGs".

In February 2026, signed an agreement with Hollywood Casino at Greektown in Detroit, Michigan to install three (3) of the Company's Jackpot Blitz® ETGs.

In December 2025, the Company received gaming supplier license from the Michigan Gaming Control Board to operate its innovative Jackpot Blitz® ETGs to commercial casinos throughout the State of Michigan, U.S.A.

In December 2025, the Company finalized installation agreements to deploy its Jackpot Blitz® ETGs at Boomtown Casino Biloxi and Hollywood Casino Gulf Coast in Mississippi, both owned and operated by PENN Entertainment, Inc.

In November 2025, the Company completed installation of three Jackpot Blitz® ETGs at Sevenwinds Casino, Lodge & Conference Center, a U.S. tribal casino property located in Hayward, Wisconsin, U.S.A.

In November 2025, the Company completed installation of four Jackpot Blitz® ETGs at Seneca Salamanca, one of three casino properties operated by Seneca Gaming & Entertainment, LLC in Western New York, U.S.A.

In October 2025, the Company completed the installation of two (2) Jackpot Blitz® ETGs at Paragon Casino Resort in Marksville, Louisiana, U.S.A.

In October 2025, the Company completed the installation of three (3) Jackpot Blitz® ETG at Seven Winds Casino in Hayward, Wisconsin, U.S.A.

In October 2025, the Company signed an agreement to install four (4) Jackpot Blitz® ETGs at two properties managed by Mesquit Entertainment in Nevada.

In September 2025, the Company Received its commercial gaming license from Mississippi Gaming Commission, the Company's second state gaming license and first license in a major gaming jurisdiction in the U.S.A.

In July 2025, the Company completed lab table installation of its Jackpot Blitz® ETG at the HQ of a leading global casino operator, located in Las Vegas, Nevada, U.S.A. Once testing completes, the Company will be authorized to install Jackpot Blitz® ETG at the operator's affiliated casinos.

In July 2025, the Company has entered into an agreement with Everglades Farms Ltd., a diversified company and operator of five (5) gaming lounges on the island of Jamaica. Jackpot Digital will initially install its Jackpot Blitz® ETG at Monte Carlo Gaming Lounge, one of the Everglades Farms' gaming lounges located in Kingston, Jamaica. The installation is contingent upon receiving all necessary licensing and regulatory approvals.

In June 2025, the Company announced that it has entered into an agreement to install two of the Company's Jackpot Blitz® ETGs at Paragon Casino Resort located in Marksville, Louisiana, U.S.A. The Company has received the required gaming license and certification from the Tunica-Biloxi Tribal Gaming Commission and the Louisiana State Police Indian Gaming Unit, which authorize the operation of electronic gaming devices within tribal jurisdictions.

In March 2025, the Company together with its Canadian distributors R2 Gaming Inc., signed a master leasing agreement with Société des casinos du Québec Inc., the casino division of Loto-Québec. The initial order from Loto-Québec is for twelve (12) Jackpot Blitz® ETGs.

As of March 31, 2026, the Company's operations employed 18 people (March 31, 2025: 17 people) consisting of staff and management. As of the date of this MD&A, the Company's operations employ 17 people consisting of staff and management. In addition, the Company has eight (7) independent consultants with consulting service agreements.

At the Company's Annual General and Special Meeting which was held on December 18, 2025 in Vancouver, BC, the shareholders received the Audited Consolidated Financial Statements for the fiscal year ended December 31, 2024 and the Independent Auditor's report thereon; fixed the number of directors for the ensuing year at four; re-elected Hagop Jack (Jake) Kalpakian, Gregory T. McFarlane, Neil Spellman, and Alan Artunian as directors of the Company; re-appointed the Company's auditor, Smythe LLP, Chartered Professional Accountants, for the ensuing year and authorized the directors to fix the

remuneration to be paid to the auditor; approved and adopted the restated and amended Articles of Incorporation of the Company to include Article 27 – Ownership and Suitability Requirements; and re-approved the Company's Stock Option Plan.

The Company is involved in a litigation initiated by a third party in connection with an alleged patent infringement. The claim specifically relates to two secondary software features and does not include and will not affect the Company's primary source of revenue generated from its Jackpot Blitz® ETGs. The revenues related to the alleged claim are not material and are expected to remain inconsequential going forward. Furthermore, a vast majority of territories referenced in the action do not operate or even offer one of the two specified alleged infringed software features. The Company is of the opinion that the claim is without merit and intends to vigorously defend itself. The Company has filed a Statement of Defence. As of the date of this MD&A, the litigation remains pending.

On April 7, 2026, the Company announced that it intends to conduct a convertible debenture financing to raise up to Cdn\$2,100,000 in gross proceeds (the "Debentures"). The Debentures will pay interest at the rate of 10% per annum and will mature sixty (60) months from the date of issuance (the "Maturity Date"). The Debentures shall be convertible at the conversion price of Cdn\$0.06 per common share in the first year and at the conversion price of Cdn\$0.10 per common share in subsequent years. In addition, the Company shall issue up to 35,000,000 share purchase warrants (the "Warrants"), whereby each Warrant shall entitle the debenture holder to purchase one Jackpot common share at the price of Cdn\$0.07 per common share in the first and second years and at the price of Cdn\$0.10 per common share in subsequent years. As of the date of this MD&A no closing has taken place.

Electronic Table Games

The previously announced partnership with a leading global gaming equipment manufacturer enables Jackpot to reduce the production cost of the Jackpot Blitz® ETGs and streamline the manufacturing and delivery process, allowing the Company to ship its product to new clients in a timely manner.

The Company is focused on expansion of the Jackpot Blitz® ETG order book during 2026. The Company made its first-ever deployment of the next-generation version of Jackpot Blitz® in Q1 2024, which has been re-designed to meet the specific requirements needed by the land-based casino market with feature functionalities such as Ticket-In-Ticket-Out ("TITO") and Slot Accounting System ("SAS") protocol integration.

The ongoing expansion of the Company's Jackpot Blitz® ETG footprint continues to focus on: (i) the U.S. tribal land-based casino market; and (ii) the U.S. commercial land-based casino market.

The Company categorizes its ETG customers into three primary markets: cruise ships, North American casinos, and other markets.

Cruise Ships

- the cruise ship industry operates their casinos in international waters.
- during 2021, the Company acquired certain assets of 52 Gaming thereby fortifying its poker ETG monopoly in the cruise ship industry. 52 Gaming, based in North Carolina, manufactured and licensed its ETGs to the cruise ship industry. This transaction has solidified Jackpot's position as the leading Electronic Table Game supplier for the cruise ship industry.
- the Company typically leases ETGs on a monthly recurring basis to cruise ship companies and generates revenues according to the gross rakes, fees and side games offered.
- the Company has in place a Software License and Equipment Lease Agreement with Royal Caribbean International ("RCI") to offer the Jackpot Blitz® ETGs in their casinos. Two (2) Generation

1.0 Jackpot Blitz ETGs are currently live on board a RCCL ship as part of the product testing and introduction phase.

- One (1) Next Generation Jackpot Blitz® is currently in the RCCL laboratory, undergoing testing prior to launch on ships.

North American Casinos

- the casino industry in North America is regulated by various authorities, depending on the country and specific jurisdiction. In the United States, it is regulated at the federal, state, and tribal levels. In Canada, regulation is handled at the provincial level. Each jurisdiction is responsible for approving the gaming equipment used in casinos through gaming or vendor licenses in the U.S., and through a certificate of registration in Canada. To expand its ETG business in North America, the Company must obtain the necessary gaming licenses or certificates of registration, either directly from the relevant regulators or through a registered distributor.
- the Company and its U.S. subsidiary, Jackpot Digital (NV), Inc. (“SubCo”), currently hold gaming licenses or permits in the following U.S. jurisdictions: California (Tribal), Florida (Tribal), Maine (State), Michigan (State), Louisiana (State), Mississippi (State), Michigan (Tribal), Minnesota (Tribal), Montana (Tribal), New Mexico (Tribal), New York (Tribal), Oregon (Tribal), Texas (Tribal), and the U.S. Virgin Islands.
- in Canada, the Company is registered and licensed by the following provincial regulators: the Alcohol and Gaming Commission of Ontario (AGCO), the New Brunswick Department of Public Safety - Gaming, Liquor and Security Licensing, and the Saskatchewan Liquor and Gaming Authority (SLGA).
- The Company is currently in the final stages of testing its product in the AGCO laboratory. Successful testing results would represent the final criteria for approval of the Jackpot Blitz ETG for all regulated casinos in Ontario.
- the Company and SubCo have multiple license applications currently under review by various gaming regulators across North America. In addition, the Company has also entered into a Master Leasing Agreement with Loto-Québec through its authorized distribution partner.
- the Company primarily leases its ETGs to North American casino customers on a monthly recurring basis, with revenue shared from the rakes generated by the ETGs.
- the Company has signed letters of intent with various casino properties/entities in Canada and the United States, contingent upon receiving license approvals from the applicable regulatory authorities.
- currently has several licensing applications underway in certain U.S. jurisdictions.

Other Markets

- markets outside cruise ships and North American casinos are considered on a case-by-case basis, depending on the revenue potential, practicality of deploying and supporting the Company’s ETGs in other countries/continents, and other considerations.
- the Company may elect to lease or sell ETGs in other markets.
- the Company has entered into sales, service and/or distribution agreements, as well as binding letters of intent with various entities operating in these markets.

Research and Development

The Company is continuously developing new hardware and software components for the Jackpot Blitz® ETG and other products in the development pipeline. During the three months ended March 31, 2026, the Company incurred \$242,992 on salaries and benefits in respect to Research and Development (“R&D”). This cost was incurred primarily to develop new software features and improve the hardware with the aim to reduce cost and improve the efficiency of the Jackpot Blitz® ETG. Furthermore, during the three months ended March 31, 2026, the Company incurred \$21,013 for the design and certification fees of the next generation model of the Jackpot Blitz® ETG and incurred \$nil for the purchase of parts which were capitalized as the intellectual property and the prototypes, respectively.

During September 2024, the Company engaged with a software development firm to outsource and develop technologies which would aid the next generation Jackpot Blitz® ETGs to enter certain North American jurisdictions. One segment of the outsourcing has been completed and the remaining outsourcing is expected to be completed in the second quarter of 2026, which will allow additional installation of the Jackpot Blitz® ETGs in certain jurisdictions.

During June 2024, the Company engaged in discussions with a leading global gaming equipment manufacturer to ensure continued supply of the next generation Jackpot Blitz® ETGs to casinos worldwide and continues efforts to reduce product cost.

During June 2024, the Company re-engaged with GLI to obtain necessary certifications for the Canadian jurisdictions for the Company’s next generation Jackpot Blitz® which includes Saskatchewan which has received certification in Q3 2024. Jackpot Blitz® went through lab testing and received GLI certification in Quebec and the product is currently undergoing lab testing in Ontario, which will allow additional installation of the Jackpot Blitz® in Canadian provinces in the near future.

During October 2023, the Company obtained GLI certifications for the Company’s next generation Jackpot Blitz® which includes GLI-11 – Gaming Devices in Casinos; GLI-12 – Progressive Gaming Devices in Casinos; GLI-13 – On-Line Monitoring and Control Systems; GLI-21 – Client -Server Systems and GLI-24 – Electronic Table Game Systems.

During 2026, the Company’s R&D efforts plan to continue the development of new hardware and software components for the Jackpot Blitz® ETGs in order to enhance the marketability of the Company’s product.

Consulting, Advisory, Marketing and Other Agreements

During September 2024, the Company entered into a consulting agreement with an arm’s length party to provide strategic and advisory services to the Company for a period of twelve months at the rate of US\$12,500 per month. The consulting agreement has been extended until November 1, 2027. The Consultant was also paid an upfront fee of US\$364,000 under the agreement.

During September 2024, the Company entered into a letter agreement with an arm’s length party to promote and market the Company’s electronic table games. The total compensation shall be US\$150,000 and 350,000 stock options exercisable at \$0.08 per share for a period of three years.

During August 2025, the Company has engaged the services of RedChip Companies, Inc. (“RedChip”), based in Maitland, Florida, to provide investor relations and digital advertising services. RedChip specializes in traditional investor relations services and financial media to enhance corporate visibility and expand retail investor awareness. Under the terms of the engagement, Jackpot will compensate RedChip US\$12,500 per month over a 12-month contract period.

Revenues

For the three months ended March 31, 2026, the Company has recorded Electronic gaming tables revenue of \$127,852 (March 31, 2025: \$276,448) and table sales revenue of \$nil (March 31, 2025: \$107,723). The

decrease in total revenues is attributable to a drop in one-time table sales and the removal of certain older first generation tables..

Cost of Sales

For the three months ended March 31, 2026, the cost of sales was \$123,381 as compared to \$199,262 during the three months ended March 31, 2025. The decrease in cost of sales is mainly due to the decrease in cost of tables sold.

Gross Profits

For the three months ended March 31, 2026, the Company has recorded gross profit of \$4,471 as compared to \$184,909 during the three months ended March 31, 2025. The decrease of gross profit is mainly attributable to a drop in one-time table sales and the removal of certain older first generation tables.

Expenses

For the three months ended March 31, 2026, operating and other expenses were \$2,197,474 as compared to \$1,449,160 during the three months ended March 31, 2025. The increase in expenses is mainly due to salaries and benefits, as additional personnel have joined during the first quarter of 2026 and more share-based payment were recognized as salary expense, as well as an increase in advertising and promotion activities during the first quarter. Also, the expenses were lower during the corresponding period in 2025 as the Company recognized a gain on extinguishment of debt.

Net Loss and Comprehensive Loss

During the three months ended March 31, 2026, the Company had a net loss and comprehensive loss of \$2,193,003 or \$0.01 per share (weighted average) as compared to \$1,264,251 or \$0.01 per share (weighted average) during the same period in 2025. During the three months ended March 31, 2026, the Company's weighted average number of common shares was 295,078,749 as compared to 188,499,830 during the same period in 2025.

Liquidity and Capital Resources

The Company requires to have access to capital to be able to meet the Company's expenses, pay its liabilities promptly, and expand its operations to increase its revenues. New funding for the Company may or may not be available to the Company. Should the Company's revenues decline or should the Company lose its major customer, then it will be difficult for the Company to raise additional funds.

The Company intends to seek equity and/or debt financing 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 March 31, 2026, the Company's total assets were \$5,485,635 as compared to \$6,337,148 for the corresponding period in 2025. The Company's total liabilities were \$13,278,270 as compared to \$14,138,457 for the corresponding period in 2025. The Company has not paid any dividends and does not plan to pay any dividends in the future.

Financing Activities and Capital Expenditures

During the three months ended March 31, 2026, the Company received \$325,256 of cash from financing activities as compared to \$169,313 of cash used in financing activities during the corresponding period of 2025.

As at March 31, 2026, the Company had:

- Cash and cash equivalents of \$27,371 as compared to \$382,351 at March 31, 2025 (December 31, 2025: \$637,278).
- Accounts receivable of \$158,841 as compared to \$224,155 at March 31, 2025 (December 31, 2025: \$209,471).
- Prepaid expenses and deposits of \$429,084 as compared to \$398,084 at March 31, 2025 (December 31, 2025: \$539,702).
- Gaming systems of \$2,455,950 as compared to \$2,443,337 at March 31, 2025 (December 31, 2025: \$2,583,280).
- Equipment of \$62,839 as compared to \$79,063 at March 31, 2025 (December 31, 2025: \$66,674).
- Intangible assets of \$323,660 as compared to \$363,371 at March 31, 2025 (December 31, 2025: \$333,959).
- Right of Use Assets of \$537,752 as compared to \$487,441 at March 31, 2025 (December 31, 2025: \$608,725).

Operating Activities

During the three months ended March 31, 2026, the Company used \$911,857 of cash in operating activities as compared to \$983,162 of cash used in operating activities during the corresponding period of 2025.

Investing Activities

During the three months ended March 31, 2026, the Company used \$23,456 of cash in investing activities as compared to \$18,872 of cash provided by investing activities during the corresponding period of 2025.

Capitalization

In order for the Company to increase its revenues, the Company must reduce or preferably eliminate its outstanding debts as soon as possible, must increase the production of its ETGs, and must dedicate more resources to marketing and promotion of the Company's products and services.

During the year ended December 31, 2025, the Company has incurred a net loss and comprehensive loss of \$7,562,396 (December 31, 2024: \$1,358,341), has limited revenues, has outstanding liabilities and has no assurances that sufficient funding will be available to continue its operations for an extended period of time.

During the three months period ended March 31, 2026 and as of the date of this MD&A, the following transaction occurred:

- (i) The Company issued 9,290,000 common shares at the price of \$0.075 pursuant to the conversion of convertible debenture with a principal amount of \$696,750.
- (ii) The Company issued 1,593,150 common shares at the deemed price of \$0.10 per share pursuant to the debt settlement agreements entered into with various debenture holders to settle accrued interest totaling \$159,315.

During the year ended December 31, 2025, the following transactions occurred:

- (i) the Company issued a total of 22,940,492 common shares pursuant to the exercise of certain trading warrants at a price of \$0.10 per share, for total proceeds of \$2,294,049.
- (ii) The Company issued 250,000 common shares pursuant to the exercise of certain bonus warrants, for total proceeds of \$25,000.

- (iii) The Company issued a total of 66,750 common shares pursuant to the exercise of broker warrants at a price of \$0.10 per share, for total proceeds of \$6,675.
- (iv) The Company issued a total of 9,427,722 units of the Company at a price of \$0.09 per unit for total proceeds of \$848,495 from the private placement financing announced on August 1, 2025. Each unit consists of one common share and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to acquire one common share of the Company at the price of \$0.14 per common share for a period of five (5) years from the closing date.
- (v) The Company issued an aggregate of 65,823,272 common shares at a price of \$0.075 per share pursuant the conversion of convertible debentures with a principal amount of \$4,936,745.
- (vi) The Company issued 6,229,283 common shares at the price of \$0.07 per share upon the conversion of convertible debentures with a principal amount of \$436,050.
- (vii) The Company issued 3,000,000 common shares at a price of \$0.14 per share in settlement of royalty payments along with 2,000,000 share purchase warrants exercisable at \$0.14 per share for 5 (five) years.
- (viii) The Company issued 500,000 common shares at a price of \$0.07 per share as bonus shares in relation to a loan.

Warrants

As at March 31, 2026, there were 224,792,110 warrants outstanding with a weighted average price of \$0.11 per warrant price (March 31, 2025: 277,650,311 warrants outstanding with a weighted average price of \$0.16 per warrant). Subsequent to the three months ended March 31, 2026, a total of 8,226,090 warrants exercisable at the prices ranging from \$0.10 to \$0.28 per share expired unexercised. As of the date of this MD&A, a total of 216,566,020 warrants are outstanding.

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

As at March 31, 2026, there were 5,706,383 stock options available for granting under the 10% Rolling Stock Option Plan (March 31, 2025: 9,658,316). As at March 31, 2026, there were 23,890,000 stock options outstanding with a weighted average exercise price of \$0.13 per share (March 31, 2025: 9,305,000 stock options outstanding with a weighted average exercise price of \$0.10 per share). Subsequent to the three months ended March 31, 2026, a total of 4,200,000 stock options exercisable at \$0.10 have been granted to employees and a consultant and 850,000 stock options exercisable at \$0.08 and \$0.10 expired unexercised. As of the date of this MD&A, a total of 27,240,000 stock options are outstanding.

There were no stock options exercised during the three months ended March 31, 2026.

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.

NOTES PAYABLE AND DEBENTURES*

Loan Payable

| | March 31, 2026 | March 31, 2025 |
|------------------|----------------|----------------|
| Company Received | \$477,680 | \$nil |
| Company Repaid | \$nil | \$nil |
| Accrued Interest | \$5,523 | \$nil |

Lines of Credit

| | March 31, 2026 | March 31, 2025 |
|------------------|----------------|----------------|
| Company Received | \$nil | \$nil |
| Company Repaid | \$74,060** | \$nil |
| Accrued Interest | \$34,559 | \$nil |

Non-Convertible Debentures

| | March 31, 2026 | March 31, 2025 |
|------------------|----------------|----------------|
| Company Received | \$nil | \$2,010,820 |
| Company Repaid | \$55,864*** | \$1,188,412 |
| Accrued Interest | \$85,215 | \$23,781 |

Convertible Debentures

| | March 31, 2026 | March 31, 2025 |
|------------------|----------------|----------------|
| Company Received | \$nil | \$nil |
| Company Repaid | \$nil | \$896,478 |
| Accrued Interest | \$160,570 | \$233,893 |

* For more detailed information regarding Notes Payable and Debentures, please refer to the Company's Interim Consolidated Financial Statements for the three-months ended March 31, 2026 and March 31, 2025.

** During the three months ended March 31, 2026, an interest payment of \$22,984 was made and is included in the repayment amount to the Lines of Credit.

*** During the three months ended March 31, 2026, an interest payment of \$55,864 was made and is included in the repayment amount to the Non-convertible Debentures.

In connection with the Non-convertible secured debentures, Convertible debentures (2016) and Convertible debenture (August 2018), as amended, on August 4, 2023, Jackpot made its first payment to the debentureholders in the aggregate amount of US\$700,000. On June 20, 2024, Jackpot made its second payment to the debentureholders in the aggregate amount of US\$1,300,000. On September 18, 2024, pursuant to a Fifth Amendment Agreement, Jackpot made a payment of US\$900,000 to the debentureholders whereby US\$2,774,358 of accrued interest was forgiven, leaving a principal and interest balance owing of approximately US\$1,800,000. On March 7, 2025, pursuant to a Sixth Amendment Agreement, a final payment of US\$1,435,000 was made which represented full and final payment of the debentures.

During March 2025, the Company issued a debenture for US\$1,400,000, bears interest at the rate of 18% per annum and maturing on May 7, 2026. In the Event of a Default, the arm's length party has the right and option to accept, as full and final payment of the entire principal amount and accrued and unpaid interest owing through the issuance of common shares of the Company, subject to the approval of the TSX-V. As consideration, the Company issued the Lender 500,000 common shares of the Company at a deemed price of \$0.07 as bonus shares. During the three months ended March 31, 2026, the maturity date of the debenture has been extended from March 7, 2026 to September 7, 2026. During the three months ended March 31, 2026, the Company paid \$nil towards the principal amount and \$55,864 towards accrued interest.

On March 25, 2025, the Company entered into secured non-revolving lines of credit agreements with two separate lenders in the aggregate principal amount of up to US\$4,000,000, subject to certain terms and conditions (the “LOC Agreements”). Under the LOC Agreements, the Company can draw advances from the LOC Agreements until January 1, 2027. All advances must be paid by December 31, 2028. In the event of default on the principal or interest payments under the LOC Agreements, the lenders may have the option to convert all or a portion of the outstanding principal and accrued interest in the capital of the Company, at a discounted market price determined on the date of the news release announcing the conversion. During the three-months ended March 31, 2026, the Company drew down \$nil (USD\$nil) from the Lines of Credit and repaid \$51,076 towards the principal amount and paid \$22,984 towards accrued interest.

During June and July 2025, pursuant to the private placement announced on April 14, 2025, the Company closed the first and second tranches and issued convertible debentures with a principal amount of \$2,399,165. The debentures bear interest at the rate of 10% per annum and they have a term of four years from the issuance date. The convertible debentures are convertible at \$0.075 per common share in the first year and at \$0.10 in the subsequent three years. In addition, the Company issued an aggregate of 31,988,866 share purchase warrants exercisable at \$0.10 per common share for a period of four years. The Company paid finder’s fees of \$2,500 in cash and issued 33,333 broker warrants exercisable at \$0.10 per common share for two years. The broker warrants had a fair value of \$1,167. Subsequent to the three months ended March 31, 2026, a principal amount of \$696,750 has been converted to 9,290,000 common shares.

Summary of Quarterly Results

The following are the results for the eight most recent quarterly periods, starting with the three-month quarterly period ended March 31, 2026:

| For the Quarterly Periods ended | | March 31, 2026 | December 31, 2025 | September 30, 2025 | June 30, 2025 |
|--|----|-----------------------|--------------------------|---------------------------|----------------------|
| Total Revenues | \$ | 127,852 | 666,284 | 350,293 | 229,520 |
| Net income (loss) and comprehensive income (loss) for the period | \$ | (2,193,003) | (2,455,482) | (2,079,038) | (1,763,625) |
| Weighted Average | | 295,078,749 | 284,327,691 | 250,900,268 | 199,239,245 |
| Basic and diluted income (loss) per common share | \$ | (0.01) | (0.01) | (0.01) | (0.01) |

| For the Quarterly Periods ended | | March 31, 2025 | December 31, 2024 | September 30, 2024 | June 30, 2024 |
|--|----|-----------------------|--------------------------|---------------------------|----------------------|
| Total Revenues | \$ | 384,171 | 222,817 | 378,044 | 759,329 |
| Net income (loss) and comprehensive income (loss) for the period | \$ | (1,264,251) | (1,622,312) | 2,197,136 | (1,250,143) |
| Weighted Average | | 188,499,830 | 186,133,163 | 168,565,721 | 133,745,353 |
| Basic and diluted income (loss) per common share | \$ | (0.01) | 0.01 | 0.01 | (0.01) |

First Quarterly Results (March 31, 2026)

During the three months [first quarter] period ended March 31, 2026:

- The Company had a net loss and comprehensive loss of \$2,193,003 or \$0.01 per share as compared to a net loss of \$1,264,251 or \$0.01 per share per share in the same three months [first quarter] period of 2025.
- The Company's total revenues were \$127,852 as compared to total revenues of \$384,171 in the same three months [first quarter] period of 2025. The decrease is mainly attributable to a drop in one-time table sales and the removal of certain older first generation tables.
- The Company's total operating and other expenses were \$2,197,474 as compared to total operating and other expenses of \$1,449,160 in the same three months [first quarter] period of 2025. The increase in expenses is mainly due to more salaries and benefits expense and advertising and promotion expense occurred in 2026 and a gain on extinguishment of debt recognized in 2025.

Material Accounting Policies

All of the Company's significant accounting policies and estimates are included in Note 4 of the Company's condensed consolidated interim financial statements for the three-months ended March 31, 2026 and 2025.

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:

- ***Competition***

The marketplace for the Company's gaming products is constantly undergoing changes, is intensely competitive and is subject to changes in customer preferences.

- ***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.

- ***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.

- ***Disruption in Trading***

Trading in the common shares and warrants 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.

- ***Floor Space***

The Company may encounter floor space availability for its gaming product due to market demand/competition with other gaming products in the gaming industry.

- **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.

- **General legislative risk**

The Company's business is heavily regulated.

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.

Changes in gaming legislations in any jurisdiction, or the Company's inability to obtain, maintain and comply with all applicable and required licenses, permits, and certifications can adversely affect the financial affairs of the Company.

- **Growth management**

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

- **Licensing**

The Company is reliant on successfully obtaining regulatory and licensing approvals in the jurisdictions that it operates or plans to operate in.

- **Payment processing**

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

- **Price volatility and liquidity of the Company's securities**

The market price of the Company's common shares and warrants have 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 and warrants. There is a limited trading market for the Company's common shares and warrants, and the ability of investors to sell their shares and/or warrants or the price at which those shares and/or warrants may be sold cannot be assured.

- **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.

- ***Reliance on Major Customer***

The Company relies heavily on its major customer. In the event that the Company loses its major customer, then it could have an adverse effect on the Company.

- ***Removal of Tables***

The Company's product can be replaced by other different gaming products generating higher yields and/or customer's preference towards moving to an iGaming alternative solution.

- ***Revenues and Dividends***

While the Company generates 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.

- ***Research and development risk***

Research and development carries an element of risk because it involves trying new and untested ideas. New or modified products or services may prove to be more difficult or costly to develop than anticipated due to engineering challenges encountered internally or with external vendors. Additionally, delays in commercializing new products and services may lead to a decrease in projected revenue.

- ***Tariffs***

The U.S. tariff policy has introduced considerable volatility and cost pressures on goods imported into the United States. Given the Company acquires goods imported into U.S., the trade policy creates uncertainty in the Company's strategic planning and supply chain management which increases risks to the overall business.

- ***Under Capitalized***

The Company has outstanding debts, has working capital deficiency, has limited revenues, and has no assurances that sufficient funding will be available to the Company to continue its operations for an extended period of time.

Related Party Transactions

The Company shares office space and certain expenses with 37 Capital Inc. ("37 Capital"), a company related by certain common officers and directors.

37 Capital is related to the Company by virtue of the fact that 37 Capital's CEO, namely Jake H. Kalpakian, is the Chairman, President and CEO of the Company. Furthermore, Gregory T. McFarlane and Neil Spellman are directors of both the Company and 37 Capital, and Neil Spellman is the CFO of both the Company and 37 Capital.

Yo Eleven is related to the Company by virtue of the fact that Yo Eleven has certain common directors and officers as that of the Company.

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

During the three months period ended March 31, 2026 and 2025, the Company incurred the following related party transactions:

| | 2026 | 2025 |
|---|----------|----------|
| Rent and shared office expenditures charged | \$ 6,000 | \$ 6,000 |

During the three months ended March 31, 2026, Jackpot has paid management fees totaling \$108,000 to a company owned by a director and officer of Jackpot (March 31, 2025 - \$108,000).

As at March 31, 2026, due from related parties consists of \$nil (March 31, 2025 - \$116,368) receivable from 37 Capital for rent and shared office expenditures.

As at March 31, 2026, due from related parties consists of \$842 (March 31, 2025 - \$301) receivable from Yo Eleven for certain office expenditures paid on behalf of Yo Eleven.

As at March 31, 2026, due from a related party consists of \$188,531 (March 31, 2025 - \$172,090) receivable from Yo Eleven for six promissory notes bearing interest at the rate of 10%.

As at March 31, 2026, there is \$111,331 due from (March 31, 2025 - \$97,468 due from) key management which is included in the due from related parties balance. The amounts are non-interest bearing and have no fixed repayment terms. Subsequent to March 31, 2026, the related party repaid \$111,282.

On July 1, 2020, Kalpakian Bros. of B.C. Ltd. (“Kalpakian Bros.”) and Jackpot entered into a new management services agreement (the “New Management Services Agreement”) whereby Kalpakian Bros. shall provide management services to Jackpot for a period of five years (the “Term”) at a monthly rate of \$33,000 plus GST. The Company is related to Kalpakian Bros. by virtue of the fact that Kalpakian Bros. is owned by the President & CEO of the Company. On December 18, 2024, an addendum was executed to extend the New Management Services Agreement for another five-year term until July 1, 2030, at a monthly rate of \$36,000 plus applicable taxes. As consideration for the renewal, Kalpakian Bros. received a signing bonus of \$130,000 plus GST.

Directors and officers fee compensation

On October 1, 2024, the Company entered into standard compensation fee agreements with its directors and officers in the amount of \$6,750, payable quarterly to each individual, for continued service and to retain and secure board members, as well as to fulfill the significantly increasing and ongoing requirements from various gaming supplier and manufacturing licensing applications required from the directors and officers in various jurisdictions in Canada and the USA. In addition, audit committee members shall be paid \$1,000 for each audit committee meeting attended.

Transaction with 37 Capital Inc.

As at December 31, 2024, the Company held 607,377 common shares or approximately 3.99% of 37 Capital’s issued and outstanding common shares. The Company sold 350,000 common shares during 2025. On August 1, 2025, the Company entered into a debt settlement agreement with 37 Capital whereby 37 Capital issued 1,330,000 common shares in settlement of accrued debt totaling \$119,700. As of the date of this MD&A, the Company owns 1,587,377 common shares or approximately 5.19% of the capital of 37 Capital.

Office Support Services

37 Capital entered into an agreement for office support services with the Company. Under the office support services agreement, 37 Capital is entitled to receive office support services from the Company at a monthly rate of \$1,000 plus applicable taxes. The agreement has been renewed and expires on September 30,

2026. Either Jackpot or 37 Capital may terminate this agreement by giving each other a three months' notice in writing.

Office Lease

Effective as of May 1, 2018, 37 Capital pays a monthly rent of \$1,000 plus applicable taxes to Jackpot. Either Jackpot or 37 Capital may terminate this agreement by giving each other three months' notice in writing.

On August 18, 2023, the Company entered into a Sublease Agreement with a third party for certain premises in Vancouver, BC comprising a total of area of approximately 5,314 sq. ft. commencing on January 1, 2024 and shall expire on August 30, 2027. The Company paid a deposit of \$35,171 and subsequently applied \$17,586 toward one month's rent, leaving a remaining deposit balance of \$17,585.

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 receivable, due from related parties, accounts payable and accrued liabilities, promissory note, loans payable and interest payable approximate their carrying values due to the short-term maturity of these instruments. The lease liability, deferred royalty liability, non-convertible secured debentures and convertible debentures are classified as Level 3 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; and
- 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 accounts receivable. The Company mitigates its exposure to credit loss associated with cash by placing its cash and cash equivalents in a major financial institution. The Company's cash and cash equivalents as at March 31, 2026 and 2025 are as follows:

| | 2026 | 2025 |
|---|------------------|-------------------|
| Cash and Cash Equivalents consists of: | | |
| Cash | \$ 10,121 | \$ 365,101 |
| Term deposit | 17,250 | 17,250 |
| | \$ 27,371 | \$ 382,351 |

As at March 31, 2026, the Company had a cashable term deposit of \$17,250 (March 31, 2025 - \$17,250) readily convertible into cash, maturing August 6, 2026, with an annual interest rate of 2.70%.

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. During the three months ended March 31, 2026, the Company had one customer that represented 37% (March 31, 2025 - 47%) of total revenue. As at March 31, 2026, the Company had receivables from this customer representing 34% (March 31, 2025 - 59%) of total trade receivables. In addition, as at March 31, 2026, allowance for doubtful accounts is \$nil (March 31, 2025 - \$nil) and the Company's accounts receivable are due within 60 days of March 31, 2026.

As at March 31, 2026, due from related party (37 Capital) was \$nil (March 31, 2025 - \$116,368) which is non-interest bearing and has no fixed repayment terms.

As at March 31, 2026, due from related party (Yo Eleven) was \$189,393 (March 31, 2025 - \$172,391) which included the following components:

- (i) \$842 (March 31, 2025 -\$301) which is non-interest bearing and has no fixed payment terms;
- (ii) \$44,042 (March 31, 2025 - \$41,828) which bears interest at the rate of 10% and is now due on December 31, 2026; and
- (iii) \$144,489 (March 31, 2025 - \$130,262) which bear interest at the rate of 10% and are now due on November 14, 2026.

As at March 31, 2026, due from related party (key management) was \$111,331 (March 31, 2025 - \$97,468) which is non-interest bearing and has no fixed repayment terms. Subsequent to March 31, 2026, the related party repaid \$111,282.

(d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet 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 March 31, 2026, the Company has cash and cash equivalents of \$27,371 (March 31, 2025 - \$382,351) available to apply against short-term business requirements and current liabilities of \$7,300,007 (March 31, 2025 - \$6,536,147). All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of March 31, 2026. As at March 31, 2026, all of the Company's debentures have maturity dates within one year to five years. Undiscounted lease payments of \$633,465 are due within one year to three years. The Company will be required to raise additional capital in order to fund operations for the next twelve months.

(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 for 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 and has significant financial assets and liabilities denominated in US dollars. The Company has not entered into any foreign currency contracts to mitigate this risk. As at March 31, 2026, the Company is exposed to currency risk for its Canadian dollar equivalent of financial assets and liabilities denominated in US dollars:

| | Held in US dollars (stated in Canadian dollars) | |
|--|--|-----------------------|
| | March 31, 2026 | December 31, 2025 |
| Cash | \$ 339 | \$ 25,024 |
| Accounts receivable | 139,541 | 154,927 |
| Accounts payable and accrued liabilities | (1,322,652) | (1,181,246) |
| Interest payable | (29,833) | - |
| Lines of credit | (735,885) | (763,241) |
| Loan payable | (493,479) | - |
| Non-convertible secured debentures | (1,929,944) | (1,912,577) |
| Net financial liability | \$ (4,371,913) | \$ (3,677,113) |

Based upon the above net exposure as at March 31, 2026 and assuming all other variables remain constant, a 10% (December 31, 2025 - 10%) depreciation or appreciation of the US dollar relative to the Canadian dollar would result in a change of approximately \$437,191 (December 31, 2025 - \$367,711) 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.

As at March 31, 2026, the interest rate on the lines of credit, non-convertible secured debentures, and convertible debenture balances have fixed interest rates. As such, the Company is exposed to interest rate price risk to the extent of these financial liabilities.

(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.

Capital Stock

Authorized share capital: Unlimited number of common shares without par value
 Unlimited number of preferred shares without par value

| Outstanding Share Data as at June 1, 2026 | Common shares | Number of Preferred Shares | Exercise (\$) Price per common share | Expiry Dates |
|---|---------------|----------------------------|--------------------------------------|-----------------------------------|
| Issued and Outstanding | 305,253,832 | Nil | | |
| Warrants | 216,566,020 | | \$0.10 - \$0.14 | June 2, 2027 - September 15, 2030 |
| Stock Options | 11,540,000 | | \$0.08 - \$0.10 | September 1, 2026 – May 1, 2029 |
| | 15,700,000 | | \$0.15 | November 5, 2028 |
| Fully Diluted as at June 1, 2026 | 549,059,852 | | | |

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 is experiencing ongoing demand and interest in its Jackpot Blitz® ETGs and is benefitting from an ongoing macrotrend toward automation in the casino industry.

The Company continues to focus upon establishing its Jackpot Blitz® footprint in regulated land-based casinos in the United States, Canada and other markets. Several sales / deployments have taken place in Vietnam which is one of many promising Asian markets for the Company.

The Company is actively scheduling several deployments of its next-generation newly designed Jackpot Blitz® ETGs to various land-based casinos, including multi-table deployments at major casino brands.

Several deployments are planned in newly licensed jurisdictions at national-brand properties including Mississippi, Louisiana, Michigan, Arizona, and additional deployments in California.

The Company continues to pursue its business development activities aimed at increasing customer uptake of its Jackpot Blitz® ETGs. A key component of the Company’s success will depend on its ability to obtain vendor licensing from the various regulatory agencies in a timely and efficient manner, as well as securing product certification for additions of content or features to its Jackpot Blitz® ETG.

The Company is currently preparing submissions for additional licensing with gaming regulators. Each successful license would open new markets and casino customers for the Company.

The Company has obtained several GLI certifications for the next generation Jackpot Blitz®. The next generation Jackpot Blitz® ETG features functionalities such as TITO and SAS protocol integration and continue to add new features. These features capture the needs of casino operators, and it is expected to significantly increase the number of casinos that are willing and able to install Jackpot Blitz® ETGs onto their casino floors.