



Symbols: JJ - TSX Venture Exchange
JJ.WT.A - TSX Venture Exchange
JJ.WT.B – TSX Venture Exchange
JPOTF - OTCQB
LVH2 - Frankfurt & Berlin Stock Exchanges

NEWS RELEASE

Jackpot Digital announces first tranche closing of convertible debenture financing

Vancouver, British Columbia. August 10, 2020 - Jackpot Digital Inc. (the “Company or “Jackpot”) (TSX-V: JJ (TSX-V: JJ.WT.A) (TSX-V:JJ.WT.B) (US OTCQB: JPOTF) (Frankfurt & Berlin Exchanges: LVH2).

Further to the Company’s News Releases dated July 16 & 21, 2020 in respect to the unsecured convertible debenture financing, the Company has closed the first tranche of the debenture financing in the amount of \$135,000 (the “Debentures”). The Debentures bear interest at the rate of 10% per annum, and have a maturity date of thirty six months from closing. The Debentures are convertible at a conversion price of \$0.10 per unit for three years. Each unit consists of one common share and one share purchase warrant exercisable at the price of \$0.10 per share for a period of three years from closing. Any securities that will be issued pursuant to this closing will be subject to a four-month and day from the closing date.

Related Party Transaction

In connection with the first tranche closing, a director and officer of the Company has subscribed for the amount of \$120,000. Such participation is considered to be a related party transaction within the meaning of Multilateral Instrument 61-101- *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The related party transaction is exempt from minority approval, information circular and formal valuation requirements pursuant to the exemptions contained in Sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of the gross securities issued under the debenture financing nor the consideration paid by the insider exceeds 25% of the Company’s market capitalization.

Further to the Company’s News Release dated June 12, 2020, the Company filed for final approval of its previously announced convertible debenture financing from the TSX Venture Exchange in the aggregate amount of \$446,000.

About Jackpot Digital Inc.

Jackpot Digital Inc. is a leading electronic table games manufacturer and mobile gaming provider for the cruise ship industry and regulated casino industry. The Company specializes in multiplayer gaming products, including poker and casino games, which are complimented by a robust suite of backend tools for operators to efficiently control and optimize their gaming business.

For more information on the Company, please contact Jake H. Kalpakian, President and CEO, at (604) 681-0204 ext. 6105, or visit the Company’s website at www.jackpotdigital.com.

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On behalf of the Board of
Jackpot Digital Inc.

“Jake H. Kalpakian”

Jake H. Kalpakian
President & CEO

Trading in the securities of the Company should be considered speculative.

The TSX Venture Exchange has neither approved nor disapproved the contents of this news release.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Certain statements contained herein are “forward-looking”. Forward-looking statements may include, among others, statements regarding future plans, costs, objectives, economic or technical performance, or the assumptions underlying any of the foregoing. In this News Release, words such as “may”, “would”, “could”, “will”, “likely”, “enable”, “feel”, “seek”, “project”, “predict”, “potential”, “should”, “might”, “objective”, “believe”, “expect”, “propose”, “anticipate”, “intend”, “plan”, “estimate”, and similar words are used to identify forward-looking statements. 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. 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 as the plans, assumptions, intentions or expectations upon which they are based might not occur.