



Symbols: JP - TSX Venture Exchange
JP.WT - TSX Venture Exchange
JP.WT.J – TSX Venture Exchange
JPOTF - OTCQB
LVH2 - Frankfurt & Berlin Stock Exchanges

NEWS RELEASE

Jackpot Digital Announces Corporate Update Relating to the COVID-19 Pandemic

Vancouver, British Columbia. March 18, 2020 - Jackpot Digital Inc. (the “Company or “Jackpot”) (TSX-V: JP) (TSX-V: JP.WT) (TSX-V:JP.WT.J) (US OTCQB: JPOTF) (Frankfurt & Berlin Exchanges: LVH2). The Company has been materially negatively impacted by the COVID-19 (Coronavirus) pandemic.

Presently, the overwhelming majority of the Company's revenues are generated from licensing the Company's Electronic Table Game (“ETG”) products to the cruise industry. The Company's customers include Carnival Corporation & PLC, Royal Caribbean International and Virgin Voyages. As a result of the cruise industry’s voluntary and temporary pause/suspension, the Company's revenues will be negatively impacted to a tremendous extent. Furthermore, even when operations resume, the Company expects future revenues generated from the cruise segment of its business to decline from previous levels for a reasonable period of time.

In regards to the land-based casino industry, into which the Company had been embarking an aggressive expansion, the Company’s expansion plans will now be negatively impacted due to the temporary suspension/closures of most land-based casinos in North America and elsewhere due to the COVID-19 pandemic. The Company expects the resulting negative fallout and uncertainty in the land-based casino industry to severely impact its current business development pipeline and anticipated cashflows for the near to mid-term.

To face the very daunting challenges of the immediate future, the Company is actively cutting costs wherever possible and has also started the requisite applications for relief from the appropriate federal government agencies. The Company has also commenced discussions with its debt holders to extend the maturity of the Company’s current debt.

In addition to the above, the Company has been forced to take other necessary and drastic steps to ensure its survival, with the hope that it can fully recover in due course.

In order to attract an immediate and necessary financing to continue operations, the Company intends to conduct a 10-for-1 (10:1) share consolidation, which would leave the Company with approximately 12,919,312 post-consolidation common shares outstanding. This 10-for-1 (10:1) share consolidation is expected to occur on or about the week of April 20, 2020.

Immediately following the 10:1 share consolidation, the Company proposes to complete an unsecured convertible debenture financing (the “Debentures”) to raise \$1,500,000 in gross proceeds. The Debentures will be convertible into a maximum total 20,000,000 units at a conversion price of \$0.075 per unit on a post-consolidated basis. Each unit will consist of one post-consolidation common share and one share purchase warrant. Each share purchase warrant will be exercisable to purchase one common share at the price of \$0.15 on a post-consolidated basis for a period of three years from closing of the Debenture

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financing. The Debentures will pay a simple 10% annual interest and will mature in 3 three years from the date of issuance of the Debentures. The Debentures will also include a provision to allow the Company to repay 50% of the principal amount plus accrued and unpaid interest within the first 18 months of the term with no penalty.

President & CEO Mr. Jake Kalpakian states, "The COVID-19 pandemic has had a horrifically negative impact on the global economy. Unfortunately, the COVID-19 pandemic has had an immediate effect on the Company. The current situation in the global economy and financial markets have brought the Company's recent financings and other corporative initiatives to a nearly complete halt. The actions we are taking now will allow the Company to survive while the cruise and casino industries recover. Despite this extremely challenging time, we remain optimistic about our future."

Mr. Kalpakian adds, "The fact is our Jackpot Blitz™ ETG is a proven product, and we believe the demand for this product will endure and only grow. The product has inherent competitive advantages which should become stronger in the future more than ever before."

Mr. Kalpakian continues, "We will continue working closely with all stakeholders to ensure we get through these challenging times. We believe that the share consolidation and accompanying Debenture financing will allow the Company to continue operations and position it for future growth. In making this difficult decision, we took all stakeholders' interests into consideration and feel this course of action is fair and balanced and best positions the Company for future success. The capital injection will allow our operations to continue, expand into the new and existing business opportunities while protecting shareholders' long-term interests by limiting the dilution by retaining the right to redeem a significant amount of the Debenture. We have a lot of work in front of us, but the fundamental building blocks are in place for a great comeback."

The securities that may be issued in connection with the Debenture financing shall include a hold period in accordance with applicable securities laws. There may be finder's fee payable in respect to the Debenture financing in accordance with the policies of the TSX Venture Exchange (the "Exchange").

Both the share consolidation and the Debenture financing are subject to the approval of the Exchange.

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.

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.