



Symbols: JJ - TSX Venture Exchange
JJ.WT.A - TSX Venture Exchange
JJ.WT.B – TSX Venture Exchange
JPOTF - OTCQB
LVH3 - Frankfurt & Berlin Stock Exchanges

NEWS RELEASE

Jackpot signs LOI

Vancouver, British Columbia, December 15, 2020 – **Jackpot Digital Inc.** (“Jackpot”) (TSX-V: JJ) (TSX-V: JJ.WT.A) (TSX-V: JJ.WT.B) (US OTCQB: JPOTF) (Frankfurt & Berlin Exchanges: LVH3). Jackpot is pleased to announce that it has entered into a Binding Letter of Intent with a company in the USA (the “USA Company”) whereby the parties have expressed and outlined their intention to enter into a definitive agreement by no later than January 22, 2021 for the sale by the USA Company of all its electronic table gaming assets which include hardware and intellectual property.

The proposed transaction shall be as follows:

- a) Cash payment of US\$100,000 on the closing date by Jackpot to the USA Company;
 - b) A promissory note by Jackpot for the amount of US\$470,000 which shall have a term of twenty-four months, shall bear 10% interest per annum, and which may be prepaid by Jackpot;
 - c) On the closing date, Jackpot shall issue 1,500,000 common shares to the USA Company;
 - d) On the closing date, Jackpot shall issue 2,000,000 share purchase warrants to the USA Company which shall be exercisable at a price acceptable to the TSX Venture Exchange (the “Exchange”) for a period of five years;
- and,
- e) Commencing January 2022 and for a period of ten years Jackpot shall make variable royalty payments to the USA Company.

The definitive agreement shall incorporate terms and conditions as are customary in transactions of this nature, and Jackpot shall issue a more detailed News Release once the definitive agreement is entered into and executed by Jackpot and the USA Company. The definitive agreement shall be subject to the approval of the Exchange.

President & CEO Mr. Jake Kalpakian states, “The Company is looking to grow its footprint in the electronic table gaming sector and we feel this transaction makes good common sense for all parties”.

Mr. Kalpakian further adds, “Despite a challenging year, we are excited about our pipeline of opportunities”.

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

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products, including poker and casino games, which are complemented 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, including, but not limited to: (i) the inability of Jackpot and the USA Company to enter into and execute the proposed definitive agreement; ii) the inability of Jackpot to obtain TSX Venture Exchange approval on the proposed transaction; and (iii) other factors beyond Jackpot's control. 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.