

**Form 51-102F3**

**MATERIAL CHANGE REPORT**

**Item 1. Name and Address of Company**

**JACKPOT DIGITAL INC.**  
Suite 400, 570 Granville Street  
Vancouver, BC, V6C 3P1

(the "Company" or "Jackpot")

**Item 2. Date of Material Changes**

December 14, 15, 16 and 17, 2020

**Item 3. News Releases**

News releases announcing the material changes referred to in this report were issued on December 14, 15, 16 and 17, 2020 and disseminated via Stockwatch and Market News Publishing and filed on the SEDAR website.

**Item 4. Summary of Material Changes**

Further to the Company's News Release dated September 24, 2020 in respect to the announced Amendment Agreement with certain Debentureholders, the aggregate Debentures totalling the sum of approximately Cdn\$6,907,401 in principal and accrued interest are being extended from July 1, 2021 to July 1, 2023 ("New Maturity Date") and the interest rate is being reduced from 12% to an interest rate of 7.5% per annum as of October 1, 2020 ("New Interest Rate"). In consideration of the Debentureholders agreeing to the New Maturity Date and the New Interest Rate, the Company will issue to the Debentureholders an aggregate of 2,000,000 share purchase warrants at the price of \$0.10 per share exercisable until July 1, 2023.

Jackpot 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 to Jackpot. The proposed transaction shall include a combination of cash payment, a promissory note, the issuance of Jackpot shares and Jackpot share purchase warrants, and royalty payments by Jackpot to the USA Company. The definitive agreement shall incorporate terms and conditions as are customary in transactions of this nature. Furthermore, the definitive agreement shall be subject to the approval of the TSX Venture Exchange ("Exchange").

In respect to the Company's completion of its Rights Offering pursuant to which Jackpot issued 12,919,304 units comprised of 12,919,304 common shares and transferable share purchase warrants (the "Warrants") to purchase up to an additional 12,919,304 common shares, the Exchange has approved the listing of the Warrants under the symbol "JJ.WT.C" which commenced trading effective at the opening of the market on Thursday, December 17, 2020. Each Warrant entitles the holder to purchase one common share of Jackpot at a price of \$0.10 until November 20, 2025.

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Tel: (604) 681-0204 Fax: (604) 681-9428

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The Company has closed the non-brokered private placement financing whereby Jackpot raised gross proceeds of \$1,000,000 and has issued 20,000,000 units of the Company at \$0.05 per unit. Each Jackpot unit consists of one common share of the Company and one share purchase warrant to acquire an additional common share of the Company at the price of \$0.10 until November 20, 2025 (the “Private Placement Warrants”). The Private Placement Warrants have the same terms and conditions as the warrants that were issued by the Company pursuant to the Rights Offering which completed on November 20, 2020 (the “Rights Offering Warrants”). The Company intends to apply for Exchange approval to list the Private Placement Warrants on the Exchange, which listing shall be on the same terms and conditions as the Rights Offering Warrants and shall not become effective until after the statutory hold period.

**Item 5. Full Description of Material Changes**

**5.1** Please see attached News Releases dated December 14, 15, 16 and 17, 2020 as Schedules “A”, “B”, “C”, “D” and “E”.

**5.2 Disclosure for Restructuring Transaction**

Not applicable.

**Item 6. Reliance on subsection 7.1 (2) of National Instrument 51-102**

Not applicable.

**Item 7. Omitted Information**

Not applicable.

**Item 8. Executive Officer**

For further information, please contact Jake H. Kalpakian, President, at (604) 681-0204 Ext 6105.

**Item 9. Date of Report**

December 18, 2020.

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**

**Extension of certain debentures**

Vancouver, British Columbia. December 14, 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: LVH3). Further to the Company’s News Release dated September 24, 2020 in respect to the announced Amendment Agreement with certain Debentureholders, the aggregate Debentures totalling the sum of approximately Cdn\$6,907,401 in principal and accrued interest are being extended from July 1, 2021 to July 1, 2023 (“New Maturity Date”) and the interest rate is being reduced from 12% to an interest rate of 7.5% per annum as of October 1, 2020 (“New Interest Rate”).

In consideration of the Debentureholders agreeing to the New Maturity Date and the New Interest Rate, the Company will, subject to the approval of the TSX Venture Exchange, issue to the Debentureholders an aggregate of 2,000,000 share purchase warrants at the price of \$0.10 per share exercisable until July 1, 2023. The securities that may be issued in connection with the above transaction shall include a hold period in accordance with applicable securities laws.

The conversion feature in respect to the convertible Series B Debentures totalling approximately Cdn\$2,887,890 in principal and accrued interest has lapsed and has expired.

**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 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](http://www.jackpotdigital.com).

On behalf of the Board of  
Jackpot Digital Inc.

“*Jake H. Kalpakian*”

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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", "feel", "seek", "project", "predict", "potential", "should", "might", "objective", "believe", "expect", "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.*

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## Schedule “B”

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”.

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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](http://www.jackpotdigital.com).

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## Schedule “C”

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**

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). Further to the Company’s news release of December 15, 2020 announcing a binding letter of intent for the acquisition of certain electronic gaming table assets, the 2,000,000 share purchase warrants issuable pursuant to the transaction will have an exercise price of \$0.105 per share.

**About Jackpot Digital Inc.**

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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](http://www.jackpotdigital.com).

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## Schedule "D"

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 JJ.WT.B - TSX Venture Exchange  
 JJ.WT.C - TSX Venture Exchange  
 JPOTF - OTCQB  
 LVH3 - Frankfurt & Berlin Stock Exchanges

### JACKPOT DIGITAL ANNOUNCES LISTING OF WARRANTS

**Vancouver, British Columbia** – December 16, 2020 – **Jackpot Digital Inc.** (the "**Company**" or "**Jackpot**") (TSX-V: JJ) (TSX-V: JJ.WT.A) (TSX-V: JJ.WT.B) (TSX-V: JJ.WT.C) (US OTCQB: JPOTF) (Frankfurt & Berlin Exchanges: LVH3) is pleased to announce that, further to its news releases of November 20, 2020 and November 27, 2020 with respect to the completion of its rights offering (the "**Rights Offering**") pursuant to which Jackpot issued 12,919,304 units comprised of 12,919,304 common shares and transferable share purchase warrants (the "**Warrants**") to purchase up to an additional 12,919,304 common shares, the TSX Venture Exchange has approved the listing of the Warrants. The Warrants will be listed on the TSX Venture Exchange under the symbol "JJ.WT.C" and will commence trading effective at the opening of the market on Thursday, December 17, 2020. Each Warrant entitles the holder to purchase one common share of Jackpot at a price of \$0.10 until November 20, 2025.

For more information on the Company, please contact Jake H. Kalpakian, President, at (604) 681-0204 ext. 6105, or visit the Company's website at [www.jackpotdigital.com](http://www.jackpotdigital.com).

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*This news release contains forward-looking information that involve various risks and uncertainties regarding future events. There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information. Actual results and future events could differ materially from those anticipated in such information.*

## Schedule “E”

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

### **Jackpot closes non-brokered private placement financing**

Vancouver, British Columbia – December 17, 2020 – Jackpot Digital Inc. (the “Company” or “Jackpot”) (TSX-V: JJ) (TSX-V: JJ.WT.A) (TSX-V: JJ.WT.B) (TSX-V: JJ.WT.C)(US OTCQB: JPOTF) (Frankfurt & Berlin Exchanges: LVH3). Further to the Company’s News Release dated December 2, 2020, the Company is pleased to announce that it has closed the non-brokered private placement financing whereby Jackpot raised gross proceeds of \$1,000,000 and has issued 20,000,000 units of the Company at \$0.05 per unit. Each Jackpot unit consists of one common share of the Company and one share purchase warrant to acquire an additional common share of the Company at the price of \$0.10 until November 20, 2025 (the “Private Placement Warrants”). The Private Placement Warrants have the same terms and conditions as the warrants that were issued by the Company pursuant to the rights offering which completed on November 20, 2020 (the “Rights Offering Warrants”). Subject to the approval of the TSX Venture Exchange (the “Exchange”), the Company intends to apply for listing of the Private Placement Warrants on the Exchange, which listing will be on the same terms and conditions as the Rights Offering Warrants and will not become effective until after the statutory hold period in respect of the Private Placement Warrants has expired. All securities that have been issued in respect to this private placement are subject to a hold period expiring April 16, 2021.

The Company paid finder’s fees of \$62,400 in cash and 1,248,000 broker warrants exercisable at \$0.10 per share until December 15, 2022 to arm’s length parties.

The funds will be utilized towards production of the Company’s Jackpot Blitz™ electronic table game (“ETG”), software development and for general working capital.

President & CEO Mr. Jake Kalpakian states, “Like so many, we were hit hard by Covid-19, but during the past year we took the necessary steps to position the Company to capitalize on its unique product and pipeline of opportunities towards building a strong and exciting future”.

### **Related Party Transaction**

In connection with the above closing, two insiders of the Company have subscribed for the amount of \$160,000. 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.

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