CONTAGIOUS GAMING ANNOUNCES DEFINITIVE AGREEMENT TO ACQUIRE DIGITOTE

NOT FOR DISSEMINATION IN THE US OR THROUGH US NEWSWIRE SERVICES

VANCOUVER, B.C., October 19, 2015 – Contagious Gaming Inc. (**TSX-V: CNS**) ("**Contagious Gaming"** or the "**Company**") is pleased to announce that it has entered into a definitive agreement (the "**Agreement**") to acquire all of the issued and outstanding common shares of Digitote Limited and Digitote Software GmbH Deutschland (together "**Digitote**"), herein referred to as the "**Acquisition**".

Pursuant to the Agreement, Contagious Gaming will purchase all of the shares of Digitote for a purchase price of C$7,1500,000 (€5,000,0000) ("**Purchase Price**"). The Purchase Price shall be satisfied as follows:

- Share consideration of C$4,004,000 (€2,800,000) to be satisfied by the issuance of new Contagious Gaming shares at a price per share of $0.50 for a total of 8,008,000 shares (the "**Share Consideration**");
- Earn-out consideration of 1x EBITDA (subject to certain adjustments) for each of the four years following the closing of the Acquisition up to a cumulative total of €2,200,000 (C$3,146,000) (the "**Earn-Out**").

Digitote is being acquired free of any long term debt and shall be delivered with positive working capital.

"We are delighted to announce that we have entered into a definitive agreement to Acquire Digitote which expands and enhances our sports betting offering" Said Peter Glancy, CEO and Director. "The Acquisition enables us to provide our existing and new customers with a fixed odd sports betting platform alongside Goal Time. Digitote's software has a 30-year history as an extremely robust sports betting platform with a proven track record of handling over $10 billion of web, mobile and land-based wagers throughout Europe."

Guenter Boyks, CEO of Digitote, comments "We are excited to move forward in our growth plan with Contagious Gaming. The combined synergies offer huge potential with significant opportunities to expand into international markets and grow the combined entities revenues."

Rational for the Acquisition of Digitote

1. **Proven commercial-grade sportsbook technology platform**
    - 30-year track record of providing best-in-class technology to sportsbook operators in Europe handling over $10 billion wagers since inception
    - Multi-channel software platform offering live in-play and pre-match fixed odds sports betting solutions via web, mobile and land-based terminals with a single shared player wallet
    - Significant sports betting coverage capabilities, with over 30,000 unique events per month and 18,000+ live bets simultaneously

2. **Synergies and growth opportunity**
    - Ability to offer both live in-play and fixed odd sports betting alongside Contagious Gaming's Goal Time in-play pari-mutuel sports betting product
    - Potential operational synergies and cross-selling opportunities
    - Increased customer account funding options for Goal Time
    - Opportunity to leverage the Xturf platform to aggressively market sports betting technology on a B2B/ white label basis to gaming operators in regulated jurisdictions

3. **Aligned and experienced management team**
    - Digitote's shareholders and management team will become significant Contagious shareholders following the closing of the Acquisition and brings over 30-year experience in developing, managing and supporting commercial-grade sports betting technology platforms

4. **Attractive purchase price**
    - Immediately accretive to EBITDA and earnings
    - 56% of purchase price in share consideration
    - 54% of purchase price in earn-out consideration over four years

Overview of Digitote

Digitote is a developer and provider of commercial-grade sports betting and horse racing technology, hardware, and support services to operators across Europe. Its business-to-business ("**B2B**") software platform ("**Xturf**") currently manages the sportsbook operations for a number of large and mid-sized customers in multiple regulated jurisdictions. Digitote's team are highly experienced technical and industry professionals focused on the continued delivery of cutting edge sports betting solutions.

The Xturf platform is eCOGRA certified and offers sportsbook operators a central system and interface to control all of their betting activities. Key functions include:

- Multi-channel management for interactive (web, mobile) and land-based (retail and self-service terminals) operations
- Multi-channel player wallet
- Automatic odds adjustments and risk management capabilities
- Scanning and recognition of tickets, betting slips and customer cards
- Multi-language and multi-currency capabilities
- 24/7 customer and technical support infrastructure

The Xturf software has the capabilities to offer significant coverage of sports/events including:

- 30,000 unique events per month;
- 18,000+ live bets (in-running betting) offered weekly;
- 200 live bets offered simultaneously; and
- Up to 200+ betting types per event.

Note: amounts translated from EURO to CAD and vice versa were translated using foreign exchange rate of EURO 1.00 = $1.43.

About Contagious Gaming

Contagious Gaming Inc. (**TSX-V: CNS**) is a rapidly emerging developer of unique and engaging software solutions for regulated gaming and lottery operators around the world. The Company is currently focused on deploying its first-to-market lottery-style sports betting platform in the United Kingdom and its proprietary digital instant lottery content in United States and other international jurisdictions. Contagious Gaming's sports betting platform is the first sports betting system to allow players to chase a dynamic jackpot live during Premier League soccer matches. The Company is a first mover in the roll-out of digital instant lottery content in the United States. For more information on Contagious Gaming please visit www.contagiousgaming.com.

For further information please contact:

Justin Barragan, Corporate Development
Email: justin.barragan@contagiousgaming.com
Phone: (647) 886-8551

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 release.

Certain information in this news release is considered forward-looking within the meaning of certain securities laws and is subject to important risks, uncertainties and assumptions. This forward-looking information includes, among other things, information with respect to the Company's beliefs, plans, expectations, anticipations, estimates and intentions. The words "may", "could", "should", "would", "suspect", "outlook", "believe", "anticipate", "estimate", "expect", "intend", "plan", "target" and similar words and expressions are used to identify forward-looking information. The forward-looking information in this news release describes the Company's expectations as of the date of this news release.

The results or events anticipated or predicted in such forward-looking information may differ materially from actual results or events. Material factors which could cause actual results or events to differ materially from such forward-looking information include, among others, risks arising from general economic conditions and adverse industry events.

The Company cautions that the foregoing list of material factors is not exhaustive. When relying on the Company's forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company has assumed a certain progression, which may not be realized. It has also assumed that the material factors referred to in the previous paragraph will not cause such forward-looking information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS NEWS RELEASE REPRESENTS THE EXPECTATIONS OF THE COMPANY AS OF THE DATE OF THIS NEWS RELEASE AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. READERS SHOULD NOT PLACE UNDUE IMPORTANCE ON FORWARD-LOOKING INFORMATION AND SHOULD NOT RELY UPON THIS INFORMATION AS OF ANY OTHER DATE. WHILE THE COMPANY MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME.