

**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 Change**

July 27, 2021

**Item 3. News Release**

News release announcing the material change referred to in this report was issued and disseminated on July 27, 2021 via AccessWire and has been filed on the SEDAR website.

**Item 4. Summary of Material Change**

Further to the Company's News Releases dated June 16, 2021 and July 16, 2021, the Company announces that an annual general and special meeting of the shareholders (the "Meeting") has been scheduled for September 16, 2021 at which time shareholders will be asked to pass resolutions related to a special resolution approving the proposed spinout of Jackpot's online gaming software assets (the "Spinout") and Jackpot's annual general matters. Pursuant to the Spinout, Jackpot's online gaming software assets will be transferred to Yo Eleven Gaming Inc., a wholly-owned subsidiary of Jackpot ("Spinco"), in consideration of the issuance and distribution of common shares of Spinco to Jackpot's shareholders on the basis of one Spinco share for every five Jackpot shares.

Jackpot clarifies that the record date of July 21, 2021 which was previously announced applies only to the date on which Jackpot shareholders of record will be entitled to attend and vote, whether in person or by proxy, on the resolutions to be presented at the Meeting. In accordance with policies of the TSX Venture Exchange (the "Exchange"), the record date to determine the shareholders who will be entitled to receive common shares of Spinco on the closing date of the Spinout will change from July 21, 2021 to a record date which will be determined in the future after shareholders have voted on and approved the Spinout at the Meeting and which will precede the distribution date of the Spinco shares to Jackpot's shareholders.

Closing of the Spinout and the distribution of the Spinco shares to Jackpot's shareholders is anticipated to occur on or about October 4, 2021, subject to the satisfaction or waiver of a number of conditions, including the approvals of Jackpot's shareholders, the Exchange and the Supreme Court of British Columbia.

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

**5.1** Please see attached News Release dated July 27, 2021 as Schedule "A".

**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**

July 28, 2021.

Symbols:

JPOTF - OTCQB

JJ - TSX Venture Exchange

JJ.WT.A - TSX Venture Exchange

JJ.WT.B - TSX Venture Exchange

JJ.WT.C - TSX Venture Exchange

LVH3 - Frankfurt & Berlin Stock Exchanges

## JACKPOT ANNOUNCES ANNUAL GENERAL AND SPECIAL MEETING AND UPDATE ON RECORD DATE OF SPINOUT

Vancouver, British Columbia – July 27, 2021– **Jackpot Digital Inc.** (the "Company" or "Jackpot") (TSXV: 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 Releases dated June 16, 2021 and July 16, 2021, the Company announces that an annual general and special meeting of the shareholders (the "**Meeting**") has been scheduled for September 16, 2021 at which time shareholders will be asked to pass resolutions related to a special resolution approving the proposed spinout of Jackpot's online gaming software assets (the "**Spinout**") and Jackpot's annual general matters. Pursuant to the Spinout, Jackpot's online gaming software assets will be transferred to Yo Eleven Gaming Inc., a wholly-owned subsidiary of Jackpot ("**Spinco**"), in consideration of the issuance and distribution of common shares of Spinco to Jackpot's shareholders on the basis of one Spinco share for every five Jackpot shares.

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Detailed information relating to the proposed Spinout, the online gaming software assets and the Spinco will be contained in the information circular which will be mailed to Jackpot's shareholders in connection with the Meeting.

Closing of the Spinout and the distribution of the Spinco shares to Jackpot's shareholders is anticipated to occur on or about October 4, 2021, subject to the satisfaction or waiver of a number of conditions, including the approvals of Jackpot's shareholders, the Exchange and the Supreme Court of British Columbia.

### **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.

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#### **Jackpot Digital Inc.**

Suite 400, 570 Granville Street

Vancouver, BC V6C 3P1

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

[www.jackpotdigital.com](http://www.jackpotdigital.com) email: [info@jackpotdigital.com](mailto:info@jackpotdigital.com)

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" such as the Company's proposed spin-out of its online gaming software assets to Yo Eleven. 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, expectations, 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. Furthermore, there can be no assurance that the Company's proposed spin-out transaction will receive shareholder, and court approvals, and the acceptance of the TSX Venture Exchange.*