



SNIPP INTERACTIVE INC.

SNIPP ACQUIRES LOYALTY GAMING PIONEER, GAMBIT REWARDS

Allows Snipp to connect US\$60B+ market for online gaming & sports betting with US\$100B in unused loyalty points

January 11, 2022

VANCOUVER, BC, CANADA - Snipp Interactive Inc. ("**Snipp**" or the "**Company**") (TSX-V: SPN; OTCQK: SNIPF), a Platform-as-a-Service (PaaS) company in the global loyalty and promotions sector, is pleased to announce that the Company has entered into a binding acquisition agreement (the "**Acquisition Agreement**") with each shareholder of Gambit (the "**Vendors**") to acquire Gambit Digital Promotions Inc., (including its wholly-owned subsidiary Gambit Rewards Inc.) ("**Gambit**" - www.gambitrewards.com). The completion (the "**Closing**") of the acquisition of Gambit (the "**Transaction**") is subject to customary closing conditions, including, but not limited to, the applicable regulatory approvals, including the approval of the TSX Venture Exchange (the "TSXV").

Gambit is the market's regulator-approved consumer network that is the pioneer in integrating loyalty programs with online gaming & sports betting in America. Gambit's proprietary and patent pending platform for turning loyalty points into free-to-play tokens ("**Loyalty Gaming**") provides leading brands across the United States with a unique solution to unlocking the US\$100B value in unused loyalty points, while at the same time offering fans a new way to engage with the high growth vertical of online gaming and sports betting. Launched in 2019 as a solution for gamifying rewards programs, Gambit players can use various loyalty points to play for actual cash winnings, cryptocurrencies, charity contributions or other prizes, without risking any real money. Gambit enables players to convert their accumulated points in their existing rewards programs to Gambit Play Tokens, which can then be used to participate in online gaming and live sports betting opportunities, and to spend their Gambit winnings on a variety of growing incentives. All activity is centralized at www.gambitrewards.com, creating a single hub for Loyalty Gaming across the entire rewards landscape. Gambit's early investors include well-known gaming executives and entrepreneurs, Matt Davey and David VanEgmond.

According to Grandview Research, the global online gambling market is forecasted to reach US\$112.1B in 2025, up from US\$64.1B in 2020. This rapid growth is being driven in part by the rising popularity of digital sports betting in the United States, which began in 2018 after the Supreme Court struck down a federal ban. Sports betting is now live in 23 states and the District of Columbia, including New York, where mobile sports wagering officially began on January 8 of this year. According to Goldman Sachs, the US online sports betting industry could reach US\$39B by 2033. Media companies – from Fox to Sports Illustrated – have already cut deals with sports betting companies, as has every major sports league – from the NFL to the PGA. Even major household brands, such as Disney have announced aggressive forays into the industry given the unprecedented groundswell of support amongst its fans.

Richard Pistilli, Founder & CEO of Gambit will join Atul Sabharwal, Founder & CEO of Snipp to further discuss the acquisition at 4:30PM EST today at the 24th Annual ICR Conference. A live and archived webcast of the presentation will be accessible on the Investor Information section at <https://www.snipp.com/investors>. The presentation webcast can also be accessed directly here: <https://wsw.com/webcast/icr7/spn.v/1688505>.

Atul Sabharwal, Founder and CEO of Snipp stated: “This strategic acquisition benefits us at multiple levels. It allows us to immediately offer our clients a truly unique experience that taps into the online gaming & sports betting super trend. By including Loyalty Gaming as an integral part of the SnippREWARDS module of our proprietary SnippCARE (Customer Acquisition, Retention and Engagement) Platform, we will be the exclusive avenue through which our roster of Fortune 500 clients (and other permitted resellers) can incentivize their customers with gift cards to engage in iGaming and sports betting on the Gambit Loyalty Gaming platform. A leading energy drink client for example has already signed off on using Gambit as an incentive for their upcoming programs. The acquisition also opens up an entirely new industry to license our SnippCARE platform. The Gambit team has an enviable roster of C-suite relationships in this industry that is already bearing fruit. Through them, Snipp is in deep conversations with leading players, not only in the iGaming and online sports betting industry, but in the traditional casino-entertainment vertical as well. Enabling this industry to drive their omnichannel customer acquisition strategies based on our SnippCARE Platform is a perfect use of the platform and fits perfectly with our strategy of expanding into new industries as we enter 2022. Finally at a more strategic level, the combination provides Snipp with the ability to build and monetize its own zero party data set by growing Gambit’s captive userbase. This will enable future revenue streams based on data analytics and targeting to complement our core offerings today and expand our share of wallet with clients. What gives me the greatest comfort in making this acquisition is the asset light operating structure of Gambit that minimizes our risk while creating the potential to deliver meaningful shareholder value.

Richard Pistilli, Gambit CEO stated: “We are thrilled to join the Snipp family and accelerate our expansion plans. Gambit’s goal is to make loyalty points fun again. Instead of redeeming another free coffee card or shopping promotion with your points, why not try a free play with a chance to win cash? Our players can experience the same thrills and excitement of betting on live sporting events or other games of chance, but without wagering real money. Gambit’s Loyalty Gaming platform is available in 48 states and is only accessible by free entries, which we package as gift cards and distribute through our rewards partners. Put simply, our players place wagers with their loyalty points and if they win, they can choose to collect their winnings in cash.”

Terms of the Transaction

Pursuant to the Acquisition Agreement, Snipp will purchase all of the issued and outstanding common shares of Gambit from the Vendors in consideration for US\$5 million of which US\$0.3 million will be paid in cash and US\$4.7 million will be paid in common shares of Snipp to securityholders of Gambit (the “**Snipp Consideration Shares**”). The Snipp Consideration Shares shall be issued at a deemed price equal to the 10-day trailing volume weighted average price of the common shares of Snipp on the TSXV prior to the date hereof.

All Snipp Consideration Shares issued in connection with the Transaction will be subject to a statutory hold period under applicable Canadian securities laws which will expire four months and one day after issuance and to contractual lock-up agreements entered into with each of the Vendors (the “**Lock-Up Agreements**”). Under the terms of the Lock-Up Agreements, the Snipp Consideration Shares are restricted from transfer and will be released over a twelve (12) month period and in accordance with the following schedule: (i) 33.33% of the Snipp Consideration Shares will be released on the date that is four months and one day from the date of the Closing; (ii) and the balance 66.67% of the Snipp Consideration Shares will be released in equal installments over the subsequent eight (8) months. There are no finder’s fees or long-term debt associated with the completion of the Transaction. In addition, the shareholders of Gambit may also qualify for additional consideration in the form of an earnout over the next 3 years based on achieving certain revenue milestones at predefined margins.

About Snipp:

Snipp Interactive Inc (TSX-V: SPN; OTC PK: SNIPF) is a Platform-as-a-Service (PaaS) company in the global loyalty and promotions sector. Snipp's proprietary and modular SnippCARE (Customer Acquisition, Retention & Engagement) Platform allows its marquee list of Fortune 1000 clients and world-class agencies and partners to use various modules of the Platform to run long-term and short-term programs and promotions, while continually generating and capturing unique zero party data that is invaluable in providing insights to drive sales. SnippCHECK, the Platform's Receipt Processing Module has established itself as the clear industry leader and standard by powering a large majority of all receipt based promotions in North America. SnippLOYALTY, the Platform's full scale modular loyalty engine allows clients the flexibility of deploying all aspects of a standard loyalty program on a case by case basis. SnippREWARDS, the Platform's modular catalogue of digital and physical rewards provides clients with global and easily deployable access to an extensive catalogue of digital and physical rewards. SnippWIN, the Platform's gaming module solves for the implementation and compliance difficulties of offering games of chance and skill on a global basis and allows for the global deployment and administration of legally compliant games of chance and skill. For more information, visit the Company's website at www.snipp.com.

Snipp is headquartered in Vancouver, British Columbia, Canada with a presence across the United States, Canada, Ireland, Europe, and India. The Company is publicly listed on the TSXV in Canada and is also quoted on the OTC Pink marketplace under the symbol SNIPF.

About Gambit:

Gambit is the market's regulator-approved consumer network that is the pioneer in integrating loyalty programs with online gaming & sports betting in America. Gambit's platform enables consumers to convert unused loyalty points from across rewards programs into digital play tokens, which can then be used to collect real cash rewards or other prizes from free-to-play games. For more information, visit Gambit's website at www.gambitrewards.com.

FOR FURTHER INFORMATION PLEASE CONTACT:

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Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this press release constitute "forward-looking information" as such term is defined in applicable Canadian securities legislation. The words "may", "would", "could", "should", "potential", "will", "seek", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions as they relate to the Company, TSXV approval of the Transaction, satisfaction of the conditions precedents in connection with the Transaction, the completion of the Transaction and the successful integration of Gambit into Snipp's business following the completion of the Transaction, are intended to identify forward-looking information. All statements other than statements of historical fact may be forward-looking information. Such statements reflect the Company's current views and intentions with respect to future events, and current information available to the Company, and are subject to certain risks, uncertainties and assumptions. Material factors or assumptions were applied in providing forward-looking information, including: TSXV approval of the Transaction, satisfaction of the conditions precedent in connection with the Transaction, the completion of the Transaction and the successful integration of Gambit into Snipp's business following the completion of the Transaction. Many factors

could cause the actual results, performance or achievements that may be expressed or implied by such forward-looking information to vary from those described herein should one or more of these risks or uncertainties materialize. These factors include, without limitation: changes in law; the ability to implement business strategies and pursue business opportunities; state of the capital markets; the availability of funds and resources to pursue operations; a novel business model; dependence on key suppliers and local partners; competition; the outcome and cost of any litigation; as well as general economic, market and business conditions, as well as those risk factors discussed or referred to in disclosure documents filed by the Company with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com. Should any factor affect the Company in an unexpected manner, or should assumptions underlying the forward-looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, the Company does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release and the Company undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law. The Company's results and forward-looking information and calculations may be affected by fluctuations in exchange rates.

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.

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