



NEWS RELEASE

**JACKPOT DIGITAL AMENDS THE TERMS OF THE PROPOSED
DEBENTURE FINANCING**

Vancouver, British Columbia. January 27, 2023 - Jackpot Digital Inc. (the "Company or "Jackpot") (TSX-V: JJ) (TSX-V:JJ.WT.B) (TSX-V:JJ.WT.C) (US OTCQB: JPOTF) (Frankfurt Exchange: LVH3) wishes to announce that, further to the Company's news release dated January 9, 2023, the terms of the Company's proposed private placement of debentures for gross proceeds of \$500,000 (the "Debenture Financing") are amended such that the total principal amount of the Debentures will be convertible into 3,333,333 common shares at a conversion price of C\$0.15 per common share of the Company ("Common Shares"). The Debentures will bear interest at the rate of 10% per annum and will mature 48 months from the date of issuance. Upon the issuance of the Debentures, the Company will also issue to the debenture holders total of 3,333,333 share purchase warrants (the "Warrants") with each Warrant entitling the holder to purchase one Jackpot common share at the price of C\$0.25 per share for a period of 48 months from the date of the issuance of the Debentures.

Under the amended terms, the debentures holders shall receive upfront detachable warrants upon the issuance the issuance of the debentures.

The prepayment provision in the first year as previously announced has been removed.

Proceeds from the Debenture Financing will be utilized towards regulatory licensing fees and related expenses in multiple jurisdictions to facilitate the widespread placement of Jackpot Blitz® ETGs, and for general working capital.

The securities that may be issued in connection with the Debenture Financing shall include a hold period in accordance with applicable securities laws. There may be finder's fee payable in respect to the Debenture Financing in accordance with the policies of the TSX Venture Exchange (the "Exchange").

The Debenture Financing is subject to the approval of the Exchange.

About Jackpot Digital Inc.

Jackpot Digital Inc. is a leading electronic table games manufacturer for the cruise ship industry and regulated casino industry. The Company specializes in multiplayer gaming products, including poker and casino games, which are complimented 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

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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 Jackpot’s future plans, the obtaining of customary regulatory approvals, projected or proposed financings, 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”, “expects”, “propose”, “anticipate”, “intend”, “plan”, “plans”, “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.