



## **JACKPOT DIGITAL ANNOUNCES CLOSING OF THE PRIVATE PLACEMENT AND JACKPOT'S FIRST PAYMENT TO ITS MAJOR DEBENTUREHOLDERS**

**Vancouver, British Columbia**, August 17, 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) announces that further to the Company’s News Releases dated July 10, 2023, July 31, 2023 and August 2, 2023, the Company has closed the third and final tranche of the private placement of convertible debentures (the “Debentures”) for aggregate gross proceeds of Cdn\$614,170. The Debentures will bear interest at the rate of 10% per annum, and are convertible into common shares of the Company at the price of \$0.075 per share in the first year and at \$0.10 per share in the subsequent four years. The Company has also issued an aggregate of 47,732,700 share purchase warrants exercisable at \$0.10 per share for a period of five years. The securities issued in the third and final tranche are subject to the statutory hold period, which will expire on December 15, 2023. The aggregate proceeds raised in all the three tranches is \$3,579,952.50.

The Company has paid to arm’s length parties finder’s fees of \$6,506 in cash and has issued 86,750 non-transferable share purchase warrants exercisable at \$0.10 per share for a period of two years.

The Company’s President & CEO, Mr. Jake Kalpakian, through his private company, participated in the third tranche of the private placement of convertible debentures and such participation is considered to be a "related party transaction" within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101-Protection of Minority Security Holders in Special Transactions ("MI 61-101") adopted in the Policy. The Company relied upon the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5 (c) and 5.7 (1)(a) of MI 61-101 in respect of related party participation in the offering.

Proceeds from the private placement convertible 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.

Well-respected casino entrepreneur, Mr. Lyle Berman, added to his position by subscribing for approximately Cdn\$950,000. Mr. Berman co-founded Grand Casinos and has played an important role in the development of multiple casino gaming companies. In addition, he has been Chairman of the Board of the World Poker Tournament and was named Gaming Executive of the Year in 1996. Mr. Berman states, “I believe Jackpot Digital’s automated poker tables will become the industry standard due to their efficiency and profitability.”

The Company is also pleased to announce that further to its News Release dated July 10, 2023, the Company has made its first payment to the Debentureholders in the amount of US\$700,000. The remaining payment schedule is as follows: 1) US\$1,300,000 by July 1, 2024; and 2) US\$2,742,497 by July 1, 2025. If the remaining payment schedule is met, the Debentureholders have agreed to a significant reduction in interest payments, which shall save the Company approximately Cdn\$4,045,091 (US\$3,042,108). Upon making the remaining scheduled payments, the Company will eliminate a substantial amount of its debt. In the event the Company defaults on the remaining payment schedule, then

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### **Jackpot Digital Inc.**

Suite 303, 570 Granville Street  
Vancouver, BC V6C 3P1

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

www.jackpotdigital.com email: info@jackpotdigital.com



the remaining principal outstanding shall immediately be due and payable along with all accrued and unpaid interest to the Debentureholders.

Jackpot's CEO & President Mr. Jake Kalpakian states "We're very pleased with the momentum of our operations. The closing of our latest financing has allowed the Company to make the first payment to the Debentureholders and has put the Company in the position to save over Cdn\$4MM in interest expense. Furthermore, the Company is in a much better position to accelerate its pursuit of regulated licensing approvals and related business opportunities.

Mr. Kalpakian further adds, "All of the above combined with the fact that we are making progress in obtaining GLI certification and regulatory approvals for the land-based regulated market positions us for a promising future."

### **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 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"*

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 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", "expect", "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.*

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