Jackpot Digital Inc. is offering transferable rights to its shareholders as of close of business August 23, 2019 (the Record Date). Each holder is entitled to one (1) right for every one (1) share of Jackpot Digital Inc. held. The rights expire on 09/25/2019 at 4:30 PM Toronto, ON time. The rights are subject to certain restrictions for holders in non-qualifying jurisdictions.

Residents of all provinces or territories of Canada are eligible for this rights distribution. Certificates will not be mailed to ineligible shareholders. Rights in respect of shares held by ineligible holders will be issued to and held by the subscription agent as agent for the benefit of ineligible shareholders.

The rights will be held until 09/18/2019 at 5:00 PM Toronto ON Time by the subscription agent or by the relevant securities broker or dealer, bank or trust company or other participants (including a participant) through which they hold securities. After such time, the subscription agent will attempt to sell such rights on a best efforts basis.

DTC will not be releasing rights. Participants with eligible shareholders wishing to have the rights released to them must send written instructions to the attention of Lori Byers, of DTC’s Stock Dividend section by 4:00 P.M. EDT on 09/16/2019.

After contacting DTC, clients must complete and send the attached “Exempt Purchaser Status Certificate” by email to info@jackpotdigital.com on or before 4:30 p.m. (Toronto, ON time) on September 18, 2019 followed by delivery of an original copy to the Company at:
Jackpot Digital Inc.
Suite 400 – 570 Granville Street
Vancouver, British Columbia V6C 3P1

Any questions or requests for assistance may be directed to the Rights agent at the contact information set out below:

Email – corporateactions@computershare.com
Toll Free – 1-800-564-6253

Participants may submit instructions using the following methods:

- Email: stockdividendprocessing@dtcc.com, labyers@dtcc.com, cjaeger@dtcc.com
  - Subject Line: Rights Instructions for Jackpot Digital, Inc. CUSIP: 466391208

Participants must contact Lori Byers at 212-855-5283 or Charles Jaeger at 212-855-4233 to confirm receipt of the instructions.

The following MUST be included in the written instructions:

- Instructions must be on company letterhead
- Include company brick and mortar address
- DTC authorized indemnity clause
- Medallion stamp
- DTC participant number

The address stated in the instructions must be in an eligible jurisdiction. Instructions must include an indemnity clause and medallion stamp.

Be advised that a sample indemnification letter is accompanying this Important Notice.

The instructions will be processed only after acceptance by the subscription agent. Participants will be responsible for receiving their rights from the subscription agent.

RECORD DATE POSITION INFORMATION SHOULD BE CONFIRMED THROUGH THE CA WEB.

If participants have any questions regarding this Important Notice, they may contact DTC’s Customer Help Center at (888) 382-2721.
DTCC offers enhanced access to all important notices via a Web-based subscription service. The notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.

DTCC Non-Confidential
SAMPLE INDEMNITY LETTER

YOUR COMPANY LETTERHEAD

Brick and Mortar Address

Date: ______________________

Depository Trust & ClearingCorp.
55 Water Street
New York, NY 10041
Attn: ______________________

Re: ______________________ CUSIP#: ______________________

Sir/Madam: ______________________

On record date ______________, we held ____________________ shares at DTC on behalf of beneficial owners, entitling us to receive ____________________ Rights.

We hereby certify that all shares are beneficially owned by shareholders residing in the qualifying jurisdictions. These holders are therefore entitled to receive the Rights, please accept this letter as authorization to have Rights released to us in the name of ________________________________.

[INSERT INDEMNITOR’S NAME] hereby agrees to indemnify and defend DTC and Cede & Co., and each of their respective subsidiaries and affiliates, officers, directors, employees, agents and attorneys, (the "Indemnitees") against, and hold the Indemnitees harmless from, any Losses¹ and Legal Actions² suffered or incurred by the Indemnitees resulting from, relating to, arising out of or in connection with [INSERT THE NATURE OF THE REQUEST](the “Request”), except as a result of the Indemnitees willful misconduct or gross negligence or fraud. By way of example but not by way of limitation, this indemnity applies to Legal Actions between and/or among [INSERT INDEMNITOR’S NAME] and/or Indemnies.

[INSERT INDEMNITOR’S NAME] represents and warrants that we are duly authorized to execute this indemnity.

Sincerely,

Name: __________________________
Title: ___________________________
Company Name: __________________
Participants Number: ______________
Phone #: ________________________
E-mail: _________________________

¹“Losses” means and includes all losses, liabilities, damages, judgments, liabilities, payments, obligations, costs and expenses (including, without limitation, any costs of investigation and legal fees and expenses incurred in connection with, resulting from, relating to, arising out of or in connection with the Request), regardless of whether or not any liability, payment, obligation or judgment is ultimately imposed against the Indemnitees.

²“Legal Action” means and includes any claim, counterclaim, demand, action, suit, countersuit, arbitration, inquiry, proceeding or investigation before any federal, state or foreign court or other tribunal, or any investigative or regulatory agency or self regulatory organization.

DTCC offers enhanced access to all important notices via a Web-based subscription service. The notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.
JACKPOT DIGITAL INC.
NOTICE TO INELIGIBLE SHAREHOLDERS

August 28, 2019

Dear Shareholder:

On August 15, 2019, Jackpot Digital Inc. (the "Company") announced details of the Company's rights offering (the "Rights Offering") to the holders of its common shares ("Common Shares") of record at the close of business on August 23, 2019 (the "Record Date"). Under the Rights Offering, each registered holder of Common Shares (a "Shareholder") in each province and territory of Canada (the "Eligible Jurisdictions") will receive one transferable right (each, a "Right") for every one Common Share held as of the Record Date. Details of the Rights Offering are described in the Company’s rights offering circular dated August 28, 2019 (the "Circular"), a copy of which may be obtained under the Company’s profile on SEDAR at www.sedar.com or on the Company's website.

Rights are evidenced by transferable rights certificates (the "Rights Certificates") to be mailed to Shareholders who reside in a province or territory of Canada. The Rights may be transferred to others into and within Canada but may not be transferred to any person within the United States. The holders of Rights will be entitled to subscribe for one unit (a "Unit") consisting of one Common Share and one transferable share purchase warrant (a "Warrant") for every one Right held (the "Basic Subscription Privilege") upon payment of the subscription price of $0.03 per Unit (the "Subscription Price"). Each Warrant will entitle the holder to purchase one additional Common Share at a price of $0.10 on the date that is five years from the date of issuance of the Warrant. The Rights may be exercised until 4:30 p.m. (Toronto, ON time) on September 25, 2019 (the "Expiry Date"). Holders of Rights that exercise their Rights in full under the Basic Subscription Privilege may subscribe for additional Units at the Subscription Price. The Units available for such purpose will be those Units offered pursuant to the Rights Offering that have not been subscribed and paid for by the Expiry Date.

Rights Certificates are not being mailed to Shareholders who are residents of any jurisdiction other than the Eligible Jurisdictions, unless such Shareholders are able to establish to the satisfaction of the Company on or before September 18, 2019 that they are eligible to participate in the Rights Offering.

As a Shareholder whom the Company believes is, or may be, resident in a jurisdiction that is not an Eligible Jurisdiction (an "Ineligible Shareholder"), you are being sent an exempt purchaser status certificate (the "Exempt Purchaser Status Certificate") attached to this Notice together with Schedule "A" or Schedule "B", as applicable.

If you wish to participate in the Rights Offering, you must execute and return to the Company the Exempt Purchaser Status Certificate on or before 4:30 p.m. (Toronto, ON time) on September 18, 2019 to confirm your eligibility to participate in the Rights Offering and provide all further information or documentation that the Company may require, in its sole discretion. The Company, in its sole discretion, will determine your eligibility to participate in the Rights Offering. Once your eligibility to participate in the Rights Offering is confirmed, Computershare Investor Services Inc., the rights agent retained by the Company in connection with the Rights Offering (the "Rights Agent"), will forward to you a Rights Certificate evidencing the number of Rights you are entitled to.

If you do not satisfy the Company of your eligibility to participate in the Rights Offering on or before 4:30 p.m. (Toronto, ON time) on September 18, 2019, the Rights Agent will attempt, on a best efforts basis, to sell your Rights on the TSX Venture Exchange prior to the Expiry Date. The Rights Agent's ability to sell the Rights, and
the prices obtained for the Rights, are dependent on market conditions. The Rights Agent will not be subject to any liability for failure to sell any Rights held for the benefit of Ineligible Shareholders at any particular price or prices, or at all. The proceeds received by the Rights Agent, if any, from the sale of the Rights, net of any applicable commissions, costs, expenses and taxes, will be divided among the Ineligible Shareholders on a pro rata basis according to the total number of Common Shares held by them on the Record Date. The Rights Agent will mail cheques to the Ineligible Shareholders at their addresses appearing in the records of the Rights Agent for their respective proportions of those net proceeds, subject to any applicable taxes which must be withheld for particular Ineligible Shareholders. The Rights Agent will not be required to make any such payment to any Ineligible Shareholder if the amount owing to such holder is less than $10.00. Such amount will be used by the Company to offset a portion of the remuneration of the Rights Agent for its services.

If you are the beneficial owner of Common Shares, please note that such Common Shares and the Rights are likely registered in the name of your broker or an agent of that broker. Without your specific instructions, your broker or its agents or nominees will not be able to execute or deliver the Exempt Purchaser Status Certificate. Therefore, if you choose to participate in the Rights Offering, please ensure that instructions respecting the execution or delivery of the Exempt Purchaser Status Certificate are communicated to your broker or an agent of that broker.

If you hold your Rights through a broker, the Exempt Purchaser Status Certificate must be guaranteed by an "Eligible Institution" (as defined below), or in some other manner satisfactory to the Rights Agent and the Company (except that no guarantee is required if the signature is that of an Eligible Institution). An "Eligible Institution" means a Canadian Schedule I chartered bank, a member of the Securities Transfer Association Medallion Program (STAMP), a member of the Stock Exchange Medallion Program (SEMP) or a member of the New York Stock Exchange, Inc. Medallion Signature Program (MSP). Members of these programs are usually members of a recognized stock exchange in Canada or the United States, members of the Investment Dealers Association of Canada, members of the National Association of Securities Dealers or banks and trust companies in the United States.

A completed and executed Exempt Purchaser Status Certificate should be delivered by facsimile or e-mail to the Company at 1-604-681-9428 or info@jackpotdigital.com on or before 4:30 p.m. (Toronto, ON time) on September 18, 2019 followed by delivery of an original copy to the Company at:

Jackpot Digital Inc.
Suite 400 - 570 Granville Street
Vancouver, British Columbia V6C 3P1

Any questions or requests for assistance may be directed to the Rights Agent at the contact information set out below:

E-Mail: corporateactions@computershare.com
Toll Free: 1-800-564-6253

Sincerely,
"Jake H. Kalpakian"
Chief Executive Officer
Jackpot Digital Inc.
EXEMPT PURCHASER STATUS CERTIFICATE – INELIGIBLE SHAREHOLDERS

Unless otherwise defined herein, all capitalized terms used herein shall have the meaning ascribed thereto in Jackpot Digital Inc.'s (the "Company") Notice to Ineligible Shareholders dated August 28, 2019.

The undersigned hereby represents and warrants to the Company, the Rights Agent and their respective directors, officers, employees, legal counsel and agents as follows:

1. The undersigned is resident at the following address, being a jurisdiction outside of Canada:

__________________________________________________

2. The undersigned understands that, unless it checks box A or B below, (i) persons in the United States cannot participate, (ii) that the undersigned was not offered the securities in the United States or to a U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933), (iii) did not execute or deliver this form and will not exercise the Rights in the United States, (iv) is not purchasing the securities on behalf of a person in the United States or a U.S. Person and (v) delivery of the underlying Units will not be to an address in the United States. Under the laws of the undersigned’s place of residence, the undersigned is entitled to receive, own and exercise the Rights.

3. The distribution to, and exercise by, the undersigned of such Rights is not unlawful and is exempt from any prospectus or similar filing requirement under the laws applicable to the undersigned or the laws of the undersigned’s place of residence and does not require obtaining any approvals of a regulatory authority in the undersigned’s place of residence.

4. With respect to U.S. Persons or persons in the United States, the undersigned acknowledges that the Rights and the underlying Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and represents and warrants either (check one):

A. ☐ It is a dealer or other professional fiduciary organized, incorporated or (if an individual) resident in the United States and holding Common Shares on the Record Date pursuant to one or more discretionary accounts or similar accounts (other than an estate or trust) solely for the account or benefit of one or more beneficial owners, none of which was or is a "U.S. Person" as defined in Regulation S under the U.S. Securities Act, and it is understood that the Company and the Rights Agent may require evidence to verify the foregoing representation.

B. ☐ An exemption from registration under the U.S. Securities Act and any applicable state securities law is available for the exercise of the Rights and purchase of the underlying Units, and attached hereto is an opinion of counsel to such effect, it being understood that any opinion of counsel tendered in connection with such exercise of Rights must be in form and substance satisfactory to the Company and it is understood that the Company and the Rights Agent may require evidence to verify the foregoing representation and that any Common Shares and Warrants issued will bear a restrictive legend.

In addition to the opinion of counsel referred to above, if the undersigned in relying on the exemption from registration under the U.S. Securities Act for an 'accredited investor', the undersigned must complete, sign and attach hereto the Certificate of U.S. Accredited Investor Status attached hereto as Schedule "A".

Upon the issuance of Rights to the undersigned, and until such time as the same is no longer required under the applicable requirements of the U.S. Securities Act or applicable U.S. State laws and regulations, the certificates representing any of the Common Shares and Warrants issued upon exercise of the Rights will bear a legend in substantially the following form:
THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"). THESE SECURITIES MAY BE OFFERED, SOLD PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO JACKPOT DIGITAL INC, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT AND IN COMPLIANCE WITH CANADIAN LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND IN THE CASE OF (C) OR (D), THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO JACKPOT DIGITAL INC. AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE IN FORM AND SUBSTANCE SATISFACTORY TO JACKPOT DIGITAL INC. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

5. If the undersigned is not a resident of Canada or the United States, the undersigned must complete, sign and attach hereto the Certificate of Offshore Subscriber attached hereto as Schedule "B".

The undersigned acknowledges that the Company and the Rights Agent and their respective directors, officers and employees are relying on the foregoing representations and warranties and are entitled and requested to do so in forwarding a Rights Certificate to the undersigned, accepting the undersigned's subscription and in issuing and distributing the subscribed for Units.

The undersigned acknowledges that the foregoing representations and warranties are true and accurate as of the date of this Exempt Purchaser Status Certificate and will be true and accurate as of each of the dates of issuance of each of the securities described herein (collectively, the "Issuance Dates"). If any such representation or warranty shall not be true and accurate prior to any Issuance Date, the undersigned shall give immediate written notice of such fact to the Company and the Rights Agent.

Dated: ________________________  Signed: ________________________

Witness (if Shareholder is an individual)  Print the name of Shareholder

Print Name of Witness  If Shareholder is not an individual, print name and title of authorized signing officer or representative

Signature guaranteed by (if applicable):

Authorized Signature of Guarantor  Name and Address of Guarantor
Instructions:

For the purposes of the representations above "United States" and "U.S. Person" have the meaning given to such terms under Regulation S of under the U.S. Securities Act. For purposes of Regulation S, "United States" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia. "U.S. Person" includes, with certain expectations, (i) any natural person resident in the United States; (ii) any partnership or corporation organized or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a U.S. Person; (iv) any trust of which any trustee is a U.S. Person; (v) any agency or branch of a foreign entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated or (if any individual) resident in the United States; and (viii) any partnership or corporation if (a) organized or incorporated under the laws of any jurisdiction other than the United States and (b) formed by a U.S. Person principally for the purposes of investing in securities not registered under the U.S. Securities Act.
SCHEDULE "A"

CERTIFICATE OF U.S. ACCREDITED INVESTOR STATUS

The undersigned (the "Subscriber") hereby represents, warrants and certifies to Jackpot Digital Inc. (the "Issuer") that the Subscriber is exercising the Rights offered by the Issuer and subscribing for and receiving the Units as principal, that the Subscriber is a resident of the jurisdiction of its disclosed address set out below, and:

1. The Subscriber hereby represents, warrants, acknowledges and agrees to and with the Issuer that the Subscriber:

   (a) is (i) a U.S. Person as that term is defined in Rule 902(o) of Regulation S promulgated under the United States Securities Act of 1933, as amended, including any natural person resident in the United States and any partnership or corporation organized or incorporated under the laws of the United States, among other persons specified in such Rule (a "U.S. Person"), (ii) a person purchasing securities for the account or benefit of any U.S. Person or any person in the United States, (iii) a person that receives or received an offer of the Rights or the Common Shares and Warrants comprised in the Units (together, the "Securities") while in the United States, or (iv) a person that is in the United States at the time the Rights Certificate was delivered or exercised or the Subscribers' buy order was made;

   (b) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the transactions detailed in the subscription and it is able to bear the economic risk of loss arising from such transactions;

   (c) is acquiring the Securities for investment only and not with a view to resale or distribution and, in particular, it has no intention to distribute either directly or indirectly any of the Securities in the United States or to U.S. Persons; provided, however, that the Subscriber may sell or otherwise dispose of any of the Securities pursuant to registration thereof pursuant to the Securities Act of 1933, as amended (the "1933 Act"), and any applicable State securities laws or if an exemption from such registration requirements is available or registration is otherwise not required under this 1933 Act;

   (d) satisfies one or more of the categories indicated below (check appropriate box):

   - Category 1: An organization described in Section 501(c)(3) of the United States Internal Revenue Code, a corporation, a Massachusetts or similar business trust or partnership, not formed for the specific purpose of acquiring the Securities, with total assets in excess of US $5,000,000;

   - Category 2: A natural person whose individual net worth, or joint net worth with that person's spouse, on the date of purchase exceeds US $1,000,000;

   - Category 3: A natural person who had an individual income in excess of US $200,000 in each of the two most recent years or joint income with that person's spouse in excess of US $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

   - Category 4: A "bank" as defined under Section (3)(a)(2) of the 1933 Act or savings and loan association or other institution as defined in Section 3(a)(5)(A) of the 1933 Act acting in its individual or fiduciary capacity; a broker dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934 (United States); an insurance company as defined in Section 2(13) of the 1933 Act; an investment company registered under the Investment Company Act of 1940 (United States) or a business development company as defined in Section 2(a)(48) of such Act; a Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958 (United States); a plan with total assets in excess of $5,000,000 established and maintained by a state, a political subdivision thereof, or an agency or instrumentality of a state or a political subdivision thereof, for the benefit of its employees; an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 (United States) whose investment decisions are made by a plan fiduciary, as defined in Section 3(21) of such Act,
which is either a bank, savings and loan association, insurance company or registered investment adviser, or if the employee benefit plan has total assets in excess of $5,000,000, or, if a self-directed plan, whose investment decisions are made solely by persons that are accredited investors;

☐ Category 5: A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940 (United States);

☐ Category 6: A director or executive officer of the Issuer;

☐ Category 7 A trust with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the Securities, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the 1933 Act; or

☐ Category 8 An entity in which all of the equity owners satisfy the requirements of one or more of the foregoing categories; and

(e) is not acquiring the Securities as a result of any form of general solicitation or general advertising including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio, or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.

2. The Subscriber acknowledges and agrees that:

(a) the Securities have not been registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any applicable State securities laws, and may not be offered or sold in the United States or to U.S. Persons without registration under the 1933 Act and any applicable State securities laws, unless an exemption from registration is available;

(b) if the Subscriber decides to offer, sell or otherwise transfer any of the Securities, it will not offer, sell or otherwise transfer any of such securities, directly or indirectly, unless:

(i) the sale is to the Issuer;

(ii) the sale is made pursuant to the requirements of Rule 904 promulgated under the 1933 Act;

(iii) the sale is made pursuant to the exemption from the registration requirements under the 1933 Act provided by Rule 144 thereunder if available and in accordance with any applicable state securities or "Blue Sky" laws; or

(iv) the Securities are sold in a transaction that does not require registration under the 1933 Act or any applicable U.S. state laws and regulations governing the offer and sale of securities, and it has prior to such sale furnished to the Issuer an opinion of counsel reasonably satisfactory to the Issuer;

(c) upon the issuance thereof, and until such time as the same is no longer required under the applicable requirements of the 1933 Act or applicable U.S. State laws and regulations, the certificates representing any of the Common Shares and Warrants issued upon exercise of the Rights will bear a legend in substantially the following form:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"). THESE SECURITIES MAY BE OFFERED, SOLD PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE ISSUER, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT AND IN COMPLIANCE WITH CANADIAN LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND IN THE CASE OF (C) OR (D), THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE ISSUER AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER.
DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

and provided that if any of the Securities are being sold by the Subscriber in an off-shore transaction and in compliance with the requirements of Rule 904 of Regulation S, at a time when the Issuer is a "foreign issuer" as defined in Rule 902 of Regulation S, the legend set forth above may be removed by providing a declaration to the Issuer and its transfer agent in the form attached as Appendix A or such other evidence as the Issuer or its transfer agent may from time to time prescribe (which may include an opinion of counsel satisfactory to the Issuer and its transfer agent), to the effect that the sale of the securities is being made in compliance with Rule 904 of Regulation S;

and provided further, that if any of the Securities are being sold pursuant to Rule 144 of the 1933 Act and in compliance with any applicable state securities laws, the legend may be removed by delivery to the Issuer’s transfer agent of an opinion satisfactory to the Issuer and its transfer agent to the effect that the legend is no longer required under applicable requirements of the 1933 Act and state securities laws;

(d) the Issuer may make a notation on its records or instruct the registrar and transfer agent of the Issuer in order to implement the restrictions on transfer set forth and described herein;

(e) the Subscriber, if an individual, is a resident of the state or other jurisdiction of its disclosed address set out in the Subscriber’s information set out below; or, if the Subscriber is not an individual, it received and accepted the offer to acquire the Securities at the office of the Subscriber at the disclosed address set out in the Subscriber's information set out below;

(f) the Subscriber has not acquired the Securities as a result of, and will not itself engage in any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the resale of any of the Securities; provided, however, that the Subscriber may sell or otherwise dispose of any of the Securities pursuant to registration of any of the Securities pursuant to the 1933 Act and any applicable state securities laws or under an exemption from such registration requirements and as otherwise provided herein;

(g) the Subscriber understands and agrees that there may be material tax consequences to the Subscriber of an acquisition, disposition or exercise of any of the Securities, and the Issuer gives no opinion and makes no representation with respect to the tax consequences to the Subscriber under United States, state, local or foreign tax law of the Subscriber’s acquisition or disposition of such Securities, and in particular, no determination has been made whether the Issuer will be a "passive foreign investment company" ("PFIC") within the meaning of Section 1297 of the United States Internal Revenue Code;

(h) the Subscriber understands and acknowledges that the Issuer (i) is not obligated to remain a "foreign issuer" within the meaning of Rule 902 of Regulation S, (ii) may not, at the time the Securities are resold by it or at any other time, be a foreign issuer, and (iii) may engage in one or more transactions which could cause the Issuer not to be a foreign issuer;

(i) the Subscriber understands and agrees that the financial statements of the Issuer have been prepared in accordance with Canadian generally accepted accounting principles, which differ in some respects from United States generally accepted accounting principles, and thus may not be comparable to financial statements of United States companies; and

(j) that the funds representing the subscription price which will be advanced by the Subscriber to the Issuer hereunder will not represent proceeds of crime for the purposes of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (the "PATRIOT Act") and the Subscriber acknowledges that the Issuer may in the future be required by law to disclose the Subscriber’s name and other information relating to the subscription and the Subscriber’s subscription hereunder, on a confidential basis, pursuant to the PATRIOT Act, and that no portion of the subscription price to be provided by the Subscriber (i) has been or will be derived from or related to any activity that is deemed criminal under the laws of the United States of America, or any other jurisdiction, or (ii) is being tendered on behalf of a person or entity who has not been identified to or by the Subscriber, and it shall promptly notify the Issuer if the
Subscriber discovers that any of such representations ceases to be true and provide the Issuer with appropriate information in connection therewith.

The representations, warranties, statements and certification made in this Certificate are true and accurate as of the date of this Certificate and will be true and accurate as of the date of exercise of the Rights. If any such representation, warranty, statement or certification becomes untrue or inaccurate prior to the date of exercise of the Rights, the Subscriber shall give the Issuer immediate written notice thereof.

The Subscriber acknowledges and agrees that the Issuer will and can rely on this Certificate in connection with the Subscriber's subscription.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the day of __________, 2019.

If a Corporation, Partnership or Other Entity:  If an Individual:

Print or Type Entity's Name

Print or Type Individual's Name

Address

Address

X

Signature of Authorized Signatory

X

Signature

Name and Title of Authorized Signatory

Type of Entity
APPENDIX A

DECLARATION FOR REMOVAL OF LEGEND

To: Computershare Investor Services Inc., as Registrar and Transfer Agent for the Common Shares of Jackpot Digital Inc. (the "Issuer").

The undersigned:

(A) acknowledges that the sale of __________ common shares of the Issuer, represented by its Certificate No. ____ and to which this declaration relates, has been made in reliance on Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "1933 Act"); and

(B) certifies that:

(1) the undersigned is not an "affiliate" (as defined in Rule 405 under the 1933 Act) of the Issuer;

(2) the offer of such securities was not made to a "US Person" or to a person in the United States and either (a) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believe that the buyer was outside the United States, or (b) the transaction was executed on or through the facilities of The TSX Venture Exchange, and neither the seller nor any person acting on its behalf knows that the transaction was prearranged with a buyer in the United States;

(3) neither the seller nor any person acting on its behalf engaged in any directed selling efforts in connection with the offer and sale of such securities;

(4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as that term is defined in Rule 144(a)(3) under the 1933 Act);

(5) the seller does not have a short position in the securities sold in reliance on Rule 904 of Regulation S under the 1933 Act and does not intend to replace such securities with fungible unrestricted securities; and

(6) the contemplated sale is not a transaction, or part of a series of transactions, which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the 1933 Act.

Terms used herein have the meanings given to them by Regulation S.

By: X

Signature

__________________________________________
Name (please print)

__________________________________________
Date

AFFIRMATION BY SELLER'S BROKER-DEALER

We have read the foregoing representations of our customer, _________________________ (the "Seller") dated ______________, with regard to our sale, for such Seller’s account, of the ______________ common shares, represented by certificate number ______________ (the "Shares"), of the Issuer described therein, and on behalf of ourselves we certify and affirm that (A) we have no knowledge that the transaction has or had been prearranged with a buyer in the United States, (B) the transaction was executed on or through the facilities of The TSX Venture Exchange and (C) neither
we, nor any person acting on our behalf, engaged in any directed selling efforts in connection with the offer and sale of such securities. Terms used herein have the meanings given to them by Regulation S.

Name of Firm

By: X
Authorized Officer

Name and Position (please print)

Date
SCHEDULE "B"

CERTIFICATE OF OFFSHORE SUBSCRIBER

The undersigned (the "Subscriber") hereby represents, warrants and certifies to Jackpot Digital Inc. (the "Issuer") that with respect to the offering of the Rights offered by the Issuer and the exercise and subscription for Units thereby by the Subscriber (collectively, the "Offering"), the Subscriber is exercising the Rights and subscribing for and receiving the Units as principal, that the Subscriber is a resident of the jurisdiction of its disclosed address set out below, and:

(a) it is knowledgeable of, or has been independently advised as to, the applicable securities laws of the securities regulatory authorities (the "International Authorities") having application to the Offering and the Issuer in the jurisdiction (the "International Jurisdiction") in which the Subscriber is resident;

(b) it is receiving the Rights and purchasing the Units pursuant to an applicable exemption from any prospectus, registration or similar requirements under the applicable securities laws of the International Jurisdiction, or the Subscriber is permitted to receive the Rights and purchase the Units under the applicable securities laws of the International Jurisdiction without the need to rely on such exemptions;

(c) the applicable securities laws of the International Jurisdiction do not require the Issuer to make any filings or seek any approvals of any nature whatsoever with or from any of the International Authorities in connection with the Offering or the Units, including any resale thereof;

(d) the Offering and the completion of the offer and sale of the Units to the Subscriber as contemplated herein complies in all respects with the applicable securities laws of the International Jurisdiction, and does not trigger:

   (i) any obligation to prepare and file a prospectus or similar or other offering document, or any other report with respect to such purchase in the International Jurisdiction; or

   (ii) any continuous disclosure reporting obligation of the Issuer in the International Jurisdiction; and

(e) it will, if requested by the Issuer, deliver to the Issuer a certificate or opinion of local counsel from the International Jurisdiction which will confirm the matters referred to in subparagraphs (b) through (d) above to the satisfaction of the Issuer, acting reasonably.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the ___ day of _____________, 2019.

If a Corporation, Partnership or Other Entity: If an Individual:

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<thead>
<tr>
<th>Print or Type Entity's Name</th>
<th>Print or Type Individual's Name</th>
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<tbody>
<tr>
<td>Address</td>
<td>Address</td>
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X

Signature of Authorized Signatory

X

Signature

Name and Title of Authorized Signatory

Type of Entity