
eQube Gaming Limited announces new debt financing

\$800,000 loan to fund continued growth

Edmonton, October 20, 2016: eQube Gaming Limited (TSX-V: EQG) (“eQube” or the “Company”) today is pleased to announce that it has entered into a loan agreement with a company controlled by Mr. Andrew Janko, a director of the Company (the “**Lender**”), for a \$800,000 secured non-amortizing loan bearing interest at 10% per annum and maturing October 19, 2019 (the “**Loan**”). The Loan is secured by one of the Company’s customer contracts.

On the basis that the Lender is a director of eQube, the Loan is a “related party transaction” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). eQube is not required to obtain a formal valuation under MI 61-101 with respect to the Loan because the Loan is a related party transaction described in paragraph (j) of the definition of “related party transaction” in MI 61-101. Section 5.4(1) of MI 61-101 provides that only related party transactions described in paragraphs (a) to (g) of the definition of related party transaction are subject to the formal valuation requirement. eQube is also exempt from the minority approval requirement of MI 61-101 in respect of the Loan, as pursuant to Section 5.7(1)(f) of MI 61-101, the Loan was negotiated on reasonable commercial terms and does not feature an equity conversion privilege or allow for eQube to repay the Loan in securities.

The proceeds will be used to fund equipment purchases to satisfy customer contracts, software development, and general corporate purposes.

“It is always a pleasure to close financing which secures additional capital, particularly when it is from existing Company shareholders, who continue to demonstrate their support of the Company. This support allows us to focus on customer acquisition, continuing our efforts to show how current and potential customers realize the benefits of eQube’s product suite to their business. We are gaining significant traction in new and existing markets with demonstrable value added to our client locations”, commented eQube’s CEO John Purcell. “The financing further demonstrates confidence investors have in eQube and the value of its assets as security.”

About eQube:

eQube is a leading provider of electronic bingo (eBingo) systems for land based gaming operators in commercial and charitable gaming facilities. eQube has the majority market share in the Canadian regulated bingo market, as well as the Irish market and operates the linked bingo games in Alberta and Ireland. Current solutions, consisting of commercial eBingo, linked wide area bingo, traditional bingo and automated bingo style electronic games are complemented by enterprise class accounting and back office reporting combined with open platform customer management data tools. eQube’s platform provides new

and enhanced revenue channels by enhancing the experience, environment and service to our clients' customers.

eQube has been offering its eBingo and related gaming solutions to commercial, tribal, regulatory and charitable customers worldwide since its inception in 1999. eQube is listed on the TSX Venture Exchange under the symbol EQG. For more information visit: www.eqube.com

Disclaimer in Regards to Forward-Looking Statements

This news release contains forward-looking statements and information ("forward-looking statements") within the meaning of applicable securities laws and is based on the expectations, estimates and projections of management of eQube as of the date of this news release, unless otherwise stated. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking statements. Such forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future and include, but are not limited to statements with respect to the use of proceeds from the Loan. Investors are cautioned that reliance on such information may not be appropriate for other purposes, such as making investment decisions. Forward looking information provided in this news release is also based on certain assumptions regarding expected growth, results of operations, performance and business prospects and opportunities. The Company intends to use the proceeds from the Loan as set forth above.

Since forward-looking statements addresses future events and conditions, such information by its very nature involves inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These risks include circumstances that are not known to the Company at this time where reallocation of the proceeds from the Loan may be advisable for business reasons that management believes are in the Company's best interest. Accordingly, readers should not place undue reliance on the forward-looking statements contained in this news release.

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information regarding some of these risks, expectations or assumptions and other factors may be found in eQube's filings with the Canadian securities regulators, available at www.sedar.com. The reader is cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements contained in this news release are made as of the date hereof and eQube undertakes no obligations to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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