

## **SUPPLEMENTAL CODE OF ETHICS FOR THE CHIEF EXECUTIVE OFFICER AND SENIOR FINANCIAL OFFICERS**

Shoal Games Ltd. (“Shoal Games”) has a Code of Ethics applicable to all officers, directors and employees of the Company. The Chief Executive Officer (CEO) and all senior financial officers, including the Chief Financial Officer and Controller, are bound by the provisions set forth therein relating to ethical conduct, conflicts of interest and compliance with laws. In addition to the Code, the CEO and all senior financial officers of Shoal Games are subject to the following additional policies:

1. Shoal Games’ CEO and all senior financial officers have an obligation in compliance with applicable laws to make full, fair, accurate, timely and understandable disclosure in its financial records and statements, in reports and documents that it files with or submits to securities regulatory authorities and in its other public communications. It is the responsibility of the CEO and each senior financial officer to report to Shoal Games’ Audit Committee any untrue statement of material fact and any omission of material fact of which he or she may become aware that the disclosures made by Shoal Games in its public filings.
2. The CEO and each senior financial officer shall promptly report to Shoal Games’ Audit Committee any information that he or she may have concerning (a) significant deficiencies in the design or operation of disclosure and internal controls that could adversely affect the Company’s ability to record, process, summarize, and report financial data or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company’s financial reporting, disclosures, or internal controls.
3. The CEO and each senior financial officer shall promptly report to Shoal Games’ Compliance Officer any information he or she may have concerning any violation of the Code or this Supplemental Code, including any actual or apparent conflicts of interest between personal and professional relationships involving any management or other employees who have a significant role in the Company’s financial reporting disclosure or internal controls.
4. The CEO and each senior financial officer shall promptly report to Shoal Games’ Audit Committee any information he or she may have concerning evidence of a material violation of securities or other laws, rules or regulations applicable to the Company and the operations of its business, by the Company or any officer, director or employee thereof.

5. The Board of Directors of Shoal Games (the “Board”) shall designate and determine appropriate actions to be taken in the event of a violation of the Code, or this Supplementary Code, by the CEO or any senior financial officers. Such actions shall be reasonably designed to deter wrongdoing and to promote accountability for adherence to the Code and to this Supplemental Code and shall include (i) written notices to the individual involved that the Board has determined that there has been a violation; (ii) censure by the Board; (iii) demotion or re-assignment of the individual involved; (iv) suspension with or without pay or benefits, as determined by the Board; and (v) termination of the individual’s employment. In determining what action to take in a particular case, the Board shall take into account all relevant information, including the nature and severity of the violation, whether the violation was a single occurrence or repeated offense, whether the violation appears to have been intentional or inadvertent, whether the individual in question had been advised prior to the violation as to the proper course of action and whether or not the individual in question had committed other violations in the past.