

EARLY WARNING REPORT

FORM 62-103F1

Required Disclosure Under the Early Warning Requirements

Item 1 – Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

This report relates to (i) units (the “**Units**”) of NorthStar Gaming Holdings Inc. (the “**Company**”), with each Unit consisting of: (a) one common share in the capital of the Company (a “**Common Share**”); (b) one-half of one common share purchase warrant, with each whole warrant exercisable at \$0.36 per Common Share until October 31, 2028 (each such whole warrant, an “**A Warrant**”); and (c) one-half of one common share purchase warrant, with each whole warrant exercisable at \$0.40 per Common Share until October 31, 2028 (each such whole warrant, a “**B Warrant**”), and (ii) a three-year 8% unsecured convertible debenture of the Company (the “**Debenture**”, and, together with the Units, the Common Shares, the A Warrants and the B Warrants, the “**Securities**”).

The Company’s head office address is:

220 King St. West, Suite 200
Toronto, Ontario
M5H 1K4.

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

The occurrence that triggered the requirement to file this report was the issuance by private placement of Securities to Playtech plc (“**Playtech**”) by the Company on October 31, 2023 pursuant to the terms of a subscription agreement dated September 21, 2023 entered into between the Company and Playtech (the “**Private Placement**”). See Item 2.2 below for additional details. The transaction to which this report relates did not take place through the facilities of any stock exchange or other marketplace.

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

Playtech plc
Ground Floor, St George’s Court
Upper Church Street
Douglas, Isle of Man
IM1 1EE

Playtech is a company incorporated under the laws of the Isle of Man. Founded in 1999 and premium listed on the Main Market of the London Stock Exchange, Playtech is a technology leader in the gambling industry with over 7,300 employees across 19 countries. Playtech is the gambling industry’s leading technology company delivering business intelligence driven gambling software, services, content and platform technology across the industry’s most popular product verticals, including, casino, live casino, sports betting, virtual sports, bingo and poker.

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On October 31, 2023, Playtech and the Company completed the Private Placement pursuant to which Playtech purchased from the Company: (i) 28,571,428 Units at a price of \$0.175 per Unit, with each Unit consisting of: (a) one Common Share; (b) one-half of one A Warrant; and (c) one-half of one B Warrant, for an aggregate subscription price of \$5,000,000; and (ii) the Debenture in the aggregate principal amount of \$5,000,000 bearing interest at the rate of 8% per annum payable and compounding quarterly and maturing on October 31, 2026, for aggregate consideration of \$10,000,000.

The principal amount of the Debenture is convertible, at the option of Playtech, into Common Shares at a price of \$0.20 per Common Share, subject to adjustment in accordance with the terms of the Debenture. Interest on the Debenture will be payable-in-kind, where each quarterly interest amount then due and payable will be capitalized into the then outstanding principal amount of the Debenture on the applicable interest payment date (the “**PIK Interest**”), unless the Company elects to pay such interest amount on any applicable interest payment date in cash. Subject to the approval of the TSX Venture Exchange (the “**TSXV**”) or any other applicable stock exchange, (i) any such capitalized PIK Interest will be convertible into Common Shares at a price per Common Share equal to the closing price of the Common Shares on the trading day immediately prior to the date such interest was capitalized, and (ii) any such accrued but unpaid interest that has not been capitalized will be convertible into Common Shares at a price per Common Share equal to the closing price of the Common Shares on the day immediately prior to the date a notice of conversion is delivered to the Company, in each case, subject to adjustment in accordance with the terms of the Debenture.

For more information on the Private Placement see the Company’s Disclosure Document dated October 13, 2023, which has been filed under the Company’s SEDAR+ profile at www.sedarplus.com.

2.3 State the names of any joint actors.

Not applicable.

Item 3 – Interest in Securities of the Reporting Issuer

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror’s securityholding percentage in the class of securities.

Immediately prior to the completion of the Private Placement, Playtech beneficially owned, directly or indirectly, or exercised control or direction over, 24,500,000 Common Shares, 12,250,000 warrants to acquire Common Shares exercisable at a price of \$0.85 per Common Share until March 3, 2028 and 12,250,000 warrants to acquire Common Shares exercisable at a price of \$0.90 per Common Share until March 3, 2028 (together, the “**Current Warrants**”), representing approximately 15.01% of the issued and outstanding Common Shares on a non-diluted basis and 26.10% on a partially diluted basis.

Immediately following the completion of the Private Placement, Playtech beneficially owned, directly or indirectly, or exercised control or direction over, 53,071,428 Common Shares, the Current Warrants, 14,285,714 A Warrants, 14,285,714 B Warrants and the Debenture with an outstanding principal amount of \$5,000,000, representing approximately 27.53% of the issued and outstanding Common Shares on a non-diluted basis and 48.42% on a partially diluted basis.

- 3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.**

See Item 3.1 above.

- 3.3 If the transaction involved a securities lending arrangement, state that fact.**

Not applicable.

- 3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.**

See Item 3.1 above.

- 3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which**

- (a) the acquiror, either alone or together with any joint actors, has ownership and control,**

See Item 3.1 above.

- (b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and**

Not applicable.

- (c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

- 3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.**

Not applicable.

- 3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

- 3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the**

material terms of the agreement, arrangement or understanding.

Not applicable.

Item 4 – Consideration Paid

4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.

See Item 2.2 above.

4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.

See Item 2.2 above.

4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.

See Item 2.2 above.

Item 5 – Purpose of the Transaction

5.1 State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;**
- (f) a material change in the reporting issuer's business or corporate structure;**
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;**
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**

- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

Playtech acquired the Securities as part of its continuing strategic investment in the Company. Playtech intends to review its investment in the Company on a continuing basis and may, from time to time and at any time, and depending on market and other conditions, acquire or dispose of the Company's equity or debt securities or instruments through open market transactions, private placements and other privately negotiated transactions, or otherwise (including through exercising rights provided to Playtech in the Investor Rights Agreement dated December 19, 2022 between Playtech and the Company (the "**Investor Rights Agreement**") and in the Registration Rights Agreement dated December 19, 2022 between Playtech and the Company (the "**Registration Rights Agreement**")), in each case, depending on a number of factors, including general market and economic conditions and other factors and conditions Playtech deems appropriate.

Pursuant to the terms of the Investor Rights Agreement, as a result of the increase in Playtech's ownership interest in the Company because of the Private Placement, Playtech now has the right to nominate up to four individuals to the Company's board of directors. Prior to completion of the Private Placement, Playtech had nominated one individual to the Company's board of directors, Chris McGinnis, Playtech's Chief Financial Officer, and upon completion of the Private Placement, Playtech has elected to nominate one additional member to the board of directors. Alex Latner, General Counsel of Playtech, has now been appointed to the Company's board of directors. Playtech retains the right to nominate up to two additional directors in the future.

Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

For a summary of the terms of the Investor Rights Agreement, the Registration Rights Agreement and the escrow agreement entered into by Playtech in respect of certain of the Common Shares and Warrants currently held by Playtech as required by the TSXV in connection with the listing of the Common Shares on the TSXV, see the listing application of the Company dated March 3, 2023, which is available on the Company's SEDAR+ profile at www.sedarplus.com. The summary of each of these agreements in the listing application does not purport to be a complete description of all the parties' rights and obligations thereunder and is qualified in its entirety by reference to the complete text of the applicable agreement. A copy of each of the Investor Rights Agreement and the Registration Rights Agreement has been filed on the Company's SEDAR+ profile at www.sedarplus.com.

Item 7 – Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 – Certification

The acquiror must certify that the information is true and complete in every respect. In the case of an agent the certification is based on the agent's best knowledge, information and belief but the acquirer is still responsible for ensuring that the information filed by the agent is true and complete.

The report must be signed by each person on whose behalf the report is filed or his authorized representative.

It is an offence to submit information that, in a material respect and in the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

I, as the acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Date: November 2, 2023

PLAYTECH PLC

Per: (Signed) "Chris McGinnis"

Name: Chris McGinnis

Title: Authorized Person