

**Form 51-102F3**  
***Material Change Report***

**Item 1            Name and Address of Company**

Enthusiast Gaming Holdings Inc. (the “Company”)  
150 Eglinton Avenue East, Suite 203  
Toronto, ON M4P 1E8

**Item 2            Date of Material Change**

November 8, 2018

**Item 3            News Release**

A news release was issued by the Company on November 9, 2018 through the newswire services of CISION and was filed under the Company’s profile on the System for Electronic Document Analysis and Retrieval.

**Item 4            Summary of Material Change**

The Company announced the completion of a non-brokered private placement of convertible debenture units for total gross proceeds of \$9,000,000.

**Item 5            Full Description of Material Change**

**5.1      Full Description of Material Change**

A full copy of the news release is attached hereto at Schedule “A”.

**5.2      Disclosure for Restructuring Transactions**

Not applicable.

**Item 6            Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7            Omitted Information**

Not applicable.

**Item 8            Executive Officer**

Menashe Kestenbaum, Chief Executive Officer  
Telephone: 1-416-623-9360

**Item 9            Date of Report**

November 16, 2018

## SCHEDULE “A”



### **ENTHUSIAST GAMING CLOSES OVERSUBSCRIBED, NON-BROKERED PRIVATE PLACEMENT OF CONVERTIBLE DEBENTURE UNITS FOR \$9 MILLION**

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RELEASE, PUBLICATION, DISTRIBUTION OR DISSEMINATION DIRECTLY, OR  
INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES./

**TORONTO, ONTARIO, November 9, 2018** – Enthusiast Gaming Holdings Inc. (“**Enthusiast**” or the “**Company**”) (TSXV: EGLX), a digital media company building the largest community of authentic gamers, is pleased to announce the completion of its oversubscribed, non-brokered private placement of convertible debenture units (the “**Units**”) for total gross proceeds of \$9,000,000 (the “**Offering**”). Enthusiast previously announced (See press release dated October 24, 2018) a private placement commitment of \$5,000,000. Canaccord Genuity Corp. (“**Canaccord Genuity**”) acted as advisors to the Company with respect to the Offering. The net proceeds from the Offering will be used for working capital purposes, general corporate purposes, and potential acquisitions.

*“The closing of the oversubscribed financing was largely due to the demand of current shareholders and demonstrates the high-level of confidence the market has in Enthusiast’s unique business model,” Menashe Kestenbaum, CEO of Enthusiast Gaming commented. “The funds from this financing will be used to complete significant acquisitions to increase top line revenue and EBITDA as well as build out our executive team with leading industry experts. We will continue to add value to our shareholders by executing on our defined growth strategy, organically and through acquisitions.”*

Each Unit, issued at a price of \$1,000, is comprised of one unsecured convertible debenture (each a “**Debenture**” and collectively, the “**Debentures**”), having a principal amount of \$1,000 and accruing interest at 9% per annum, payable semi-annually until maturity, and 315 common share purchase warrants of the Company (each, a “**Warrant**” and collectively, the “**Warrants**”). Each Debenture is convertible into common shares of the Company (each, a “**Common Share**”) at a conversion price of \$1.60 per Common Share (the “**Conversion Price**”), subject to acceleration in certain events. The Debentures mature on December 31, 2021. Each Warrant entitles the holder to acquire one Common Share at a price of \$2.00 per Common Share for a period of two years, subject to acceleration in certain events. The Debentures and the Warrants contain customary anti-dilution provisions.

Beginning on March 9, 2019, the Company may, at its option, require the conversion of the then outstanding principal amount of the Debentures (plus accrued and unpaid interest thereon) at the Conversion Price on not less than 30 days' notice, should the daily volume-weighted average trading price of the Common Shares be greater than \$2.40 for each of seven consecutive trading days, ending five trading days prior to the applicable date.

The Company may accelerate the expiry date of the then outstanding Warrants on not less than 30 days' notice, should the volume-weighted average trading price of the Common Shares be greater than \$3.00 for the twenty consecutive trading days, ending five trading days prior to the applicable date.

Each Debenture ranks pari passu in right of payment of principal and interest with all other Debentures issued under the Offering.

The Debentures and Warrants issued pursuant to the Offering and any Common Shares issued on conversion of the Debentures or exercise of the Warrants will be subject to a statutory hold period in Canada of four months and one day following the closing of the Offering in accordance with applicable securities laws. Additional resale restriction may be applicable under the laws of other jurisdictions.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein, and these securities will not be offered or sold in any jurisdiction in which their offer or sale would be unlawful. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws of the United States. Accordingly, these securities will not be offered or sold to persons within the United States unless an exemption from the registration requirements of the 1933 Act and applicable state securities laws is available.

## **About Enthusiast**

Founded in 2014, Enthusiast is the fastest-growing online community of video gamers. Through the Company's unique acquisition strategy, it has a platform of over 70 owned and affiliated websites and currently reaches over 75 million monthly visitors with its unique and curated content. Enthusiast also owns and operates Canada's largest gaming expo, Enthusiast Gaming Live Expo, EGLX ([www.eglx.ca](http://www.eglx.ca)) with over 30,000 attendees in October 2018. For more information on the Company, visit [www.enthusiastgaming.com](http://www.enthusiastgaming.com).

## **CONTACT:**

### **Julia Becker**

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Marketing (604) 785-0850

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This news release contains certain statements that may constitute forward-looking information under applicable securities laws. All statements, other than those of historical fact, which address activities, events, outcomes, results, developments, performance or achievements that Enthusiast anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking information. Such information may involve, but is not limited to, comments with respect to strategies, expectations, planned operations and future actions of the Company. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements formed in the future tense or indicating that certain actions, events or results "may", "could", "would", "might" or "will" (or other variations of the forgoing) be taken, occur, be achieved, or come to pass. Forward-looking information is based on currently available competitive, financial and economic data and operating plans, strategies or beliefs as of the date of this news release, but involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of Enthusiast to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors may be based on information currently available to Enthusiast, including information obtained from third-party industry analysts and other third-party sources, and are based on management's current expectations or beliefs regarding future growth, results of operations, future capital (including the amount, nature and sources of funding thereof) and expenditures. Any and all forward-looking information contained in this press release is expressly qualified by this cautionary statement. Trading in the securities of the Company should be considered highly speculative.

*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 release.*

*The securities of the Corporation have not been and will not be registered under the United States Securities Act of 1933, as amended and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirement. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.*