

Form 62-103F1

Required Disclosure under the Early Warning Requirements

State if this report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.

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 common shares (the “**Issuer Shares**”) in the capital of Enthusiast Gaming Properties Inc. (formerly “Enthusiast Gaming Holdings Inc.”) (the “**Issuer**”), having a head office address located at 90 Eglinton Avenue East, Suite 805, Toronto, Ontario M4P 2Y3.

- 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.*

On August 30, 2019, in connection with the closing of the court-approved arrangement of the Issuer pursuant to the terms of an arrangement agreement dated May 30, 2019 (the “**Arrangement Agreement**”) and plan of arrangement (the “**Plan of Arrangement**”) under the *Business Corporations Act* (Ontario) among Enthusiast Gaming Holdings Inc. (formerly “J55 Capital Corp.”) (the “**Acquiror**”), the Issuer and Aquilini GameCo Inc., the Acquiror acquired all of the issued and outstanding Issuer Shares (the “**Arrangement**”).

ITEM 2 – IDENTITY OF THE ACQUIROR

- 2.1 *State the name and address of the acquiror.*

Enthusiast Gaming Holdings Inc.
90 Eglinton Avenue East, Suite 805
Toronto, Ontario M4P 2Y3

The Acquiror is incorporated under the *Business Corporations Act* (British Columbia).

- 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.*

The closing of the transactions contemplated under the Arrangement Agreement and the Plan of Arrangement (the “**Closing**”) on August 30, 2019 triggered the requirement to file this report.

- 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.*

The Acquiror beneficially and directly owns and controls 52,335,716 Issuer Shares, all of which were acquired pursuant to the Arrangement.

The Acquiror did not own any of the issued and outstanding Issuer Shares immediately before the Closing. The Acquiror's ownership of the Issuer Shares after the Closing represents ownership of 100% of the issued and outstanding Issuer Shares, on a fully diluted basis.

For further information, please refer to the joint management information circular of the Issuer and the Acquiror dated July 23, 2019 (the "Circular"), a copy of which is filed under their respective profiles on SEDAR.

- 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.*

The Acquiror acquired the Issuer Shares.

- 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.*

Please 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,*

Please 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 RECEIVED

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

The Acquiror acquired the Issuer Shares in exchange for common shares in the capital of the Acquiror (“**Acquiror Shares**”) on the basis of 4.22 Acquiror Shares for each one (1) Issuer Share (the “**Exchange Ratio**”) acquired by it at a deemed price of \$0.45 per Acquiror Share.

- 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.*

The deemed value of the acquisition of the Issuer Shares is \$99,385,524.

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

Please see item 4.1 above.

ITEM 5 – PURPOSE OF THE TRANSACTION

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;*

As soon as practicable following the Closing, the Acquiror intends to cause the Issuer to cease to be a reporting issuer in any jurisdiction in Canada and cause the Issuer Shares to be delisted from the TSX Venture Exchange.

- (b) *a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;*

See item 5(a) above.

- (c) *a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;*

See item 5(a) above.

- (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;*

See item 5(a) above.

- (e) *a material change in the present capitalization or dividend policy of the reporting issuer;*

See item 5(a) above.

- (f) *a material change in the reporting issuer's business or corporate structure;*

See item 5(a) above.

- (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;*

See item 5(a) above.

- (h) *a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;*

See item 5(a) above.

- (i) *the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;*

See item 5(a) above.

- (j) *a solicitation of proxies from securityholders;*

See item 5(a) above.

- (k) *an action similar to any of those enumerated above.*

See item 5(a) above.

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.

Not applicable.

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.

The Acquiror is relying on the exemption in Section 2.11 of NI 45-106 - *Prospectus and Registration Exemptions* for the Arrangement as it is an arrangement under a statutory procedure.

ITEM 9 – CERTIFICATION

Certificate

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: August ◆, 2019

J55 CAPITAL CORP.

Per: _____
Adrian Montgomery
Chief Executive Officer