

NOTICE
NATIONAL INSTRUMENT 51-102
CHANGE IN CORPORATE STRUCTURE

This notice is provided pursuant to the requirements of Section 4.9 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”).

Item 1: Names of the Parties to the Transaction

Enthusiast Gaming Holdings Inc. (formerly, J55 Capital Corp.) (“**J55**”), Acquilini GameCo Inc. (“**GameCo**”), 11305751 Canada Inc. (“**NewCo**”), Luminosity Gaming Inc. (“**Luminosity Gaming**”) and Enthusiast Gaming Properties Inc. (formerly, Enthusiast Gaming Holdings Inc.) (the “**Corporation**”)

Item 2: Description of the Transaction

On August 30, 2019 the Corporation, J55 and GameCo completed an arrangement (the “**Arrangement**”), whereby the J55 acquired all of the issued and outstanding shares of the Corporation pursuant to the terms of an arrangement agreement dated May 30, 2019 (the “**Arrangement Agreement**”) and plan of arrangement under the *Business Corporations Act* (Ontario). In connection with the Arrangement, the shareholders of the Corporation (the “**Enthusiast Shareholders**”) were entitled to receive 4.22 post-First Consolidation (as herein defined) common shares in the capital of J55 (the “**J55 Shares**”) for each of the issued and outstanding common shares of the Corporation (the “**Enthusiast Shares**”) held immediately prior to the Arrangement (the “**Consideration**”). In total, Enthusiast Shareholders were issued an aggregate of 220,856,702 post-First Consolidation J55 Shares at a deemed value of \$0.45 per share.

Holders of options to purchase Enthusiast Shares (the “**Enthusiast Options**”) were issued corresponding options, subject to the adjustments in the Arrangement Agreement, to acquire J55 Shares (the “**J55 Options**”) at the same conversion ratio applicable to the Enthusiast Shares. All other terms governing the J55 Options, including, but not limited to, the expiry term, vesting and the conditions to and the manner of exercise, are the same that were in effect for the Enthusiast Options immediately prior to August 30, 2019 (the “**Effective Date**”).

Warrants to purchase Enthusiast Shares (the “**Enthusiast Warrants**”), other than those that were exercised prior to the Effective Date, continue to remain outstanding as Enthusiast Warrants which, upon exercise, will entitle the holder thereof to receive, in lieu of the number of Enthusiast Shares to which such holder was theretofore entitled upon exercise of such Enthusiast Warrants, the Consideration that such holder would have been entitled to be issued and receive if, immediately prior to the Effective Date, such holder had been the registered holder of the number of Enthusiast Shares to which such holder was therefore entitled upon exercise of such Enthusiast Warrants. All other terms governing the Enthusiast Warrants, including, but not limited to, the expiry term and the conditions to and the manner of exercise, are the same as the terms that were in effect immediately prior to the Effective Date, and shall be governed by the terms of the applicable warrant indenture.

Convertible debentures of Enthusiast (the “**Enthusiast Convertible Debentures**”), other than those that were converted prior to the Effective Date, continue to be governed by and be subject to the terms of the applicable Enthusiast Convertible Debenture certificate and/or agreement such that upon any valid conversion and/or redemption of an Enthusiast Convertible Debenture after the Effective Time, J55 shall issue the necessary number of J55 Shares as may be applicable to give effect to any valid conversion and/or redemption pursuant to the terms and conditions of the Enthusiast Convertible Debentures.

Immediately prior to the completion of the Arrangement, J55 completed a “three cornered” amalgamation with GameCo and NewCo (the “**Amalgamation**”, together with the Arrangement, the “**Transactions**”). The Amalgamation was completed pursuant to the terms and conditions of an amalgamation agreement (the “**Amalgamation Agreement**”) between J55, NewCo and GameCo pursuant to which J55 acquired all of the outstanding securities of GameCo in exchange for securities of Corporation. The Amalgamation constituted J55’s Qualifying Transaction (as defined in the policies of the TSX Venture Exchange (the “**TSXV**”). On closing of the Amalgamation, all of the issued and outstanding securities of GameCo were exchanged for corresponding securities of J55 as follows:

- each of the 309,572,066 common shares of GameCo (the “**GameCo Shares**”) were cancelled and, in consideration thereof, each GameCo shareholder received one post-First Consolidation J55 Share;
- each of the 2,181,690 warrants to purchase GameCo Shares (the “**GameCo Warrants**”) were exchanged for warrants to purchase the corresponding number of post-First Consolidation J55 Shares on the same terms as those contained in the GameCo Warrants, and each such GameCo Warrant was cancelled; and
- each of the options to purchase GameCo Shares (the “**GameCo Options**”) were exchanged for options to purchase the corresponding number of post-First Consolidation J55 Shares on the same terms as those contained in the GameCo Options, and each such GameCo Option was cancelled.

Immediately prior to the closing of the Amalgamation, J55 completed the first consolidation (the “**First Consolidation**”), consolidating the J55 Shares on the basis of 1.25 pre-First Consolidation J55 Shares for every one post-First Consolidation J55 Share. Convertible debentures of GameCo in the aggregate principal amount of \$10 million were also exchanged for equivalent convertible debentures of J55 (the “**J55 Debentures**”) pursuant to the Amalgamation, but the J55 Debentures were converted into an aggregate of 22,222,222 J55 Shares at \$0.45 per J55 Share pursuant to the terms of the applicable convertible debenture indenture, on completion of the Arrangement.

Prior to completing the Amalgamation, GameCo completed its acquisition of Luminosity Gaming and Luminosity Gaming (USA), LLC (“**Luminosity USA**”, which together with Luminosity Gaming, is herein referred to as “**Luminosity**”) (the “**Luminosity Acquisition**”). Luminosity is a globally recognized esports organization founded by Steve Maida. Luminosity operates in North America and is based in Toronto, Canada. GameCo completed the Luminosity Acquisition in accordance with a share purchase agreement dated February 14, 2019 pursuant to which GameCo acquired Luminosity in exchange for the payment of \$1.5 million cash, the issuance of 60 million common shares of GameCo, and the issuance of a \$2.0 million unsecured promissory note.

In connection with the completion of the Transactions, J55 then completed the second consolidation (the “**Second Consolidation**”), consolidating the J55 Shares again, on the basis of 8 post-First Consolidation J55 Shares for 1 post-Second Consolidation J55 Share. The Second Consolidation is effective as of September 5, 2019, following the closing of the Arrangement, and the J55 Shares will be listed on the TSXV on a post-Second Consolidation basis effective at the opening of the market on September 9, 2019. Immediately prior to the Second Consolidation, there were 571,184,323 J55 Shares issued and outstanding. Following the Second Consolidation, there are approximately 71,398,036 J55 Shares issued and outstanding.

In connection with the Transactions, effective as of September 5, 2019, J55 also changed its name from “J55 Capital Corp.” to “Enthusiast Gaming Holdings Inc.”, and changed its trading symbol to “EGLX”. The Corporation changed its name to “Enthusiast Gaming Properties Inc.” and the

Enthusiast Shares were delisted from the TSXV and the OTCQB, and Enthusiast will cease to be a reporting issuer.

Item 3. Effective Date of the Transaction

August 30, 2019

Item 4. Names of Each Party That Ceased to be a Reporting Issuer Subsequent to the Transaction and of Each Continuing Entity

The Corporation will cease to be a reporting issuer following completion of the Transactions. As a result of the Transaction, the Corporation became a wholly-owned subsidiary of J55, and J55 continues to be a reporting issuer in Alberta, British Columbia and Ontario.

Item 5. Date of the Reporting Issuer's First Financial Year-End Subsequent to the Transaction

The financial year end of the Corporation has not changed from December 31. The auditor of the Corporation will continue to be MNP LLP, which was the auditor of the Corporation, GameCo and J55 prior to the completion of the Transactions.

Item 6. Periods, Including the Comparative Periods, if any, of the Interim and Annual Financial Statements Required to be Filed For The Reporting Issuer's First Financial Year Subsequent To The Transaction

The Corporation and J55 have already filed unaudited condensed interim financial statements required to be filed for the period ended June 30, 2019. Going forward, the next financial statement filing will be unaudited condensed consolidated interim financial statements for J55 for the three and nine months ending September 30, 2019, and the audited consolidated financial statements for the year ended December 31, 2019. The Corporation will no longer be required to file financial statements, as it will cease to be a reporting issuer.

Item 7. Documents Which Were Filed Under National Instrument 51 102 that Describe the Transaction and Where Those Documents Can Be Found In Electronic Format

The terms of the Transaction are summarized in:

- (a) the joint information circular of the Corporation and J55 dated July 23, 2019;
- (b) the joint news releases of the Corporation and J55 dated August 7, 2019, August 27, 2019, August 29, 2019 and September 3, 2019;
- (c) J55's news releases dated February 25, 2019, March 20, 2019, May 31, 2019, June 20, 2019 and August 7, 2019;
- (d) J55's material change reports dated March 1, 2019, June 10, 2019, August 16, 2019 and September 5, 2019;
- (e) the Corporation's news releases dated May 31, 2019 and June 21, 2019; and
- (f) the Corporation's material change reports dated Jun 5, 2019, July 4, 2019 and September 5, 2019.

All of which are available online under J55 and the Corporation's profiles on SEDAR at www.sedar.com.

Item 8. Date of Report

September 5, 2019

ENTHUSIAST GAMING PROPERTIES INC.

"Menashe Kestenbaum"

Menashe Kestenbaum
Chief Executive Officer