

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 variable voting shares in the capital of the Issuer.

DHX Media Ltd. (the “**Issuer**”)
1478 Queen Street
Halifax, Nova Scotia B3J 2H7

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.

Toronto Stock Exchange and the NASDAQ

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

EastBay Asset Management, LLC (“**EastBay**”), a Delaware limited liability company, in its capacity as investment manager of EastBay Master Fund, LP and EastBay Focus Fund, LP (the “**EastBay Funds**”).

EastBay Asset Management, LLC
650 Fifth Avenue, Suite 1640
New York, NY 10019

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 requirement to file this report was triggered on November 29, 2019 as a result of acquisitions of variable voting shares by the EastBay Funds that, when combined with the increase in the issued and outstanding voting securities of the Issuer (being the common shares and variable voting shares of the Issuer (collectively, the “**Shares**”)) caused by the Issuer’s previously announced Rights Offering (as defined below), decreased the aggregate number of Shares over which EastBay exercises control or direction by more than 2% of the issued and outstanding Shares from the amount reported in EastBay’s previous early warning report dated February 5, 2019 of 18.5% of the issued and outstanding Shares at that time.

2.3 State the names of any joint actors.

EastBay acts as investment manager of the EastBay Funds.

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.

On October 9, 2019, the Issuer announced that it was offering rights (the “**Rights Offering**”) to eligible holders of Shares. Pursuant to the Rights Offering, each holder of Shares received one right (a “**Right**”) for each Share held. Each Right entitled the holder thereof to subscribe for 0.266124811 of a Share upon payment of the subscription price of C\$1.67 per whole Share. The Rights Offering was completed on November 22, 2019. Prior to the completion of the Rights Offering, EastBay, through the EastBay Funds, exercised control or direction over an aggregate of 26,179,518 variable voting shares, representing 19.4% of the issued and outstanding Shares at that time. The EastBay Funds did not acquire any Shares pursuant to the Rights Offering.

Subsequent to the completion of the Rights Offering, on November 29, 2019 the EastBay Funds acquired an aggregate of 109,500 variable voting shares, representing 0.06% of the issued and outstanding Shares.

As a result of these acquisitions, together with the increase in the Issuer’s issued and outstanding Shares resulting from the Rights Offering, EastBay, through the EastBay Funds, currently exercises control or direction over an aggregate of 26,289,018 variable voting shares of the Issuer, or 15.4% of the issued and outstanding Shares.

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.

EastBay acquired control or direction over the securities that triggered the requirement to file this report.

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.

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,

Not applicable.

- (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.**

The EastBay Funds, as applicable, have beneficial ownership over the Shares described in this report. EastBay, as investment manager of the EastBay Funds, exercises control and direction over all such Shares.

- 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.**

EastBay, through the EastBay Master Fund, LP, has entered into equity swap agreements on normal commercial terms with various dealer counterparties which currently provide economic exposure to an aggregate of 9,996,021 Shares (5.8% of the issued and outstanding Shares). Such swap agreements are cash-settled only and do not provide EastBay or the EastBay Funds with the right to acquire Shares and do not provide EastBay or the EastBay Funds with any voting rights in respect of the reference Shares.

- 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 unless otherwise disclosed herein.

Item 4 – Consideration Paid

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

Of the 109,500 variable voting shares acquired on November 29, 2019, the EastBay Funds acquired 34,500 variable voting shares at a price of US\$1.26 per variable voting share, being C\$1.67 per variable voting share based on the daily average exchange rate for US dollars to Canadian dollars published by the Bank of Canada on November 29, 2019. The remaining 75,000 variable voting shares were acquired by the EastBay Funds at a price of C\$1.68 per variable voting 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.

Not applicable.

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

Not applicable.

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;**
- (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.

EastBay acquired or disposed of ownership of the Shares for investment purposes. EastBay may, from time to time, on its own behalf or on behalf of the EastBay Funds or other client accounts, acquire additional securities, dispose of some or all of the currently held or additional securities or may continue to hold the securities of the Issuer.

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.

Not applicable.

Item 9 – Certification

I, as the acquiror, certify, or I, as the agent filing this report on behalf of an 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.

December 6, 2019

EASTBAY ASSET MANAGEMENT, LLC

By: (signed) “Hanif Dhanani”

Name: Hanif Dhanani

Title: Chief Operating Officer and Chief
Compliance Officer