

THIS PRESS RELEASE IS NOT FOR DISTRIBUTION TO THE UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES**PROSMART ANNOUNCES CONVERTIBLE DISCOUNTED LOAN OFFERING OF UP TO \$620,000**

KELOWNA, BC – December 19, 2018 – ProSmart Enterprises Inc. (TSXV:PROS) (“**ProSmart**” or the “**Company**”) announces that the Company intends to raise up to \$620,000 by way of a non-brokered offering (the “**Offering**”) of discounted secured convertible debenture (“**Debentures**”) to certain lenders (the “**Lenders**”).

The Debentures will bear no interest and will be repayable in full (the “**Maturity Date**”) on the earlier of (i) six months after the closing of the Offering; and (ii) the date the Lender elects to convert the principal amount of the debenture into common shares of the Company at a price of \$0.15 per common share. The Company shall be entitled to prepay in full the face value of the Debentures at any time prior to the Maturity Date without penalty. The face value of the Debentures will be sold at an original issue discount of 25% to the face value.

The Debentures will be secured by a general security interest over all the assets of the Company, and through guarantees and a general security interest from each of the Company's subsidiaries. Under the general security agreement, the Company will agree not to pledge, sell, lease or otherwise dispose of its assets, other than in the normal course, without prior written consent of the holders of the Debentures.

The net proceeds from the Offering will be used for general working capital purposes.

The Offering is subject to the approval of the TSX Venture Exchange as well as finalization and execution of definitive documentation and customary closing conditions. All securities issued in connection with the Offering will be subject to a hold period of four months and a day from the closing date pursuant to applicable securities laws.

On behalf of ProSmart Enterprises Inc.

Alan Schuler
Co-Founder & Chief Executive Officer

About ProSmart Enterprises Inc.

ProSmart Enterprises Inc. (TSX-V:PROS) is the parent company of *Sportgo*[™], a global online network connecting sports fans, teams and brands and is an emerging leader in sports content marketing through online tools and mobile apps. *Sportgo*[™] works with over 1,500 governing bodies in more than 100 countries and provides unprecedented access to the \$1.3 trillion sports market¹ through its proprietary Marketplace Engine. *Sportgo*[™] is also the first-and-only online network to provide educational content created exclusively by hall-of-fame and professional athletes, which has been a key driver in user growth.

¹ Source: Plunkett Research. Ltd.

For more information on ProSmart and Sportgo™, please visit the following links:

ProSmart Enterprises Inc. -- <http://prosmartinc.com>

Sportgo™ -- <https://www.sportgo.com/>

For further information please contact:

t: 1-844-927-6278

e: investment@prosmartsports.com

The shares of ProSmart Enterprises Inc. trade publicly on the TSX Venture Exchange under the symbol TSXV:PROS.

"Neither 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."

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 state in which such offer, solicitation or sale would be unlawful. The securities issued, or to be issued, under the Offering 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 registration requirements.

Forward-looking Statements: Certain statements in this press release are "forward-looking statements" which reflect the Company's current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. In some cases, these forward-looking statements can be identified by words or phrases such as "may", "might", "will", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "estimates", "predicts" or "likely", or the negative of these terms, or other similar expressions intended to identify forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including without limitation, those risks and uncertainties discussed elsewhere on the website at www.prosmartinc.com and in the Company's filings on SEDAR. Investors should not place undue reliance on forward-looking information. The forward-looking information contained herein is made as of the date hereof and is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.