

**J55 CAPITAL CORP.**  
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**ENTHUSIAST GAMING HOLDINGS INC.**  
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## **J55 CAPITAL CORP. AND ENTHUSIAST GAMING COMPLETES MERGER WITH AQUILINI GAMECO AND LUMINOSITY TO FORM GLOBAL ESPORTS AND GAMING LEADER**

- **Combination creates leading publicly traded esports and gaming organization with \$22 million in 2018 pro forma revenue on closing of the merger backed by \$55 million in financing, with combined global audience reach of approximately 200 million**
- **Merged assets and reach to include eight esports teams (including management of the Vancouver Titans Overwatch League franchise), 50+ esports influencers, 85+ gaming media websites, 900+ YouTube and Twitch channels**
- **Enthusiast Gaming's extensive media network and gamer data, combined with Luminosity's championship calibre teams and brand equity, expected to drive further audience growth**
- **Strategically positioned to leverage Luminosity's robust esports brand and its audience through Enthusiast Gaming's monetization and ad tech platform**

TORONTO, ONTARIO and VANCOUVER, BRITISH COLUMBIA (September 3, 2019) - J55 Capital Corp. ("**J55**") (TSX-V: FIVE.P) and Enthusiast Gaming Holdings Inc. ("**Enthusiast**") (TSX-V: EGLX) are pleased to announce that they, along with Luminosity Gaming Inc. ("**Luminosity Gaming**") and Aquilini GameCo Inc. ("**GameCo**"), have completed their previously announced transactions, as described below, resulting in the formation of the leading publicly traded esports and gaming media organization in North America. The merged entity, to be called Enthusiast Gaming Holdings Inc. ("**Enthusiast Gaming**"), is expected to commence trading on the TSX Venture Exchange ("**TSXV**") on or about September 9, 2019 under the symbol "EGLX".

Menashe Kestenbaum, President of Enthusiast Gaming commented, "*Our vision when we founded Enthusiast was to build the largest, vertically integrated esports and gaming company in the world. The merger with Aquilini GameCo and Luminosity was a strategic decision that positions us as a dominant player in the gaming industry and unlocks access to Luminosity's 60 million dedicated esports fans and one of the largest esports franchises. I look forward to working with our new partners to continue to build and diversify Enthusiast Gaming across the esports, gaming and entertainment sectors.*"

Enthusiast is party to a long-term management services agreement with the Vancouver Titans to manage the team which was founded in 2018 and is competing in its first season in the Overwatch League. Overwatch League is an esports competition with 20 teams across six countries and three continents, all centered on the popular first-person shooter game Overwatch. Enthusiast is also party to a long-term services support agreement with Vancouver Arena Limited Partnership ("**VALP**") pursuant to which VALP will provide Enthusiast with a broad range of marketing and business support services, including corporate partnership and selling support, retail support, brand association and marketing support (to be provided by Canucks Sports and Entertainment), esports planning and execution, digital and social media support and back office support.

J55 also announced today a second consolidation (the "**Second Consolidation**", which together with the First Consolidation (as defined in the joint management information circular of J55 and Enthusiast dated July 23, 2019), are herein referred to as the "**Consolidations**") of the issued and outstanding common

shares of the merged entity on the basis of 8 post-First Consolidation J55 Shares for 1 post-Second Consolidation J55 Share.

### **Plan of Arrangement**

J55 and Enthusiast have completed their previously announced arrangement (the "**Arrangement**"), pursuant to which J55 has acquired all of the issued and outstanding common shares of Enthusiast (the "**Enthusiast Shares**") by way of a plan of arrangement under the *Business Corporations Act* (Ontario).

Under the terms of the Arrangement, each former Enthusiast Shareholder received 4.22 post-First Consolidation J55 Shares for each Enthusiast Share held immediately prior to the Arrangement (the "**Consideration**"). It is anticipated that the Enthusiast Shares will be delisted from the TSXV effective as of the close of trading on or about September 4, 2019.

In order to receive the Consideration, registered shareholders of Enthusiast Shares will be required to deposit their share certificate(s) or direct registration statement(s) representing Enthusiast Shares, together with the duly completed letter of transmittal, with TSX Trust Company, the depository under the Arrangement. Shareholders whose Enthusiast Shares are registered in the name of a broker, dealer, bank, trust company or other nominee should contact their nominee regarding the receipt of the Consideration. For more information, contact:

TSX Trust Company  
Telephone: 416-361-0930  
Email: [TMXInvestorServices@tmx.com](mailto:TMXInvestorServices@tmx.com)

Holders of options to purchase Enthusiast Shares ("**Enthusiast Options**") may exercise their Enthusiast Options, subject to the adjustments in accordance with the Arrangement Agreement, to acquire common shares in the capital of J55 at the same conversion ratio applicable to the Enthusiast Shares. All other terms governing the Enthusiast Options, including, but not limited to, the expiry term, vesting and the conditions to and the manner of exercise, will be the same as the terms that were in effect immediately prior to the Effective Date.

Warrants to purchase Enthusiast Shares (the "**Enthusiast Warrants**"), other than those that have been exercised prior to August 30, 2019 (the "**Effective Date**"), will 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 theretofore 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, will be 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.

### **Amalgamation of J55 and GameCo**

Immediately prior to the completion of the Arrangement, J55 completed the acquisition of GameCo (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 and GameCo pursuant to which J55 acquired all of the outstanding securities of GameCo in exchange for securities of J55. The Amalgamation constituted J55's Qualifying Transaction (as defined in the policies of 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 common share (a “**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, consolidating its outstanding common shares on the basis of 1.25 pre-First Consolidation shares for every one post-First Consolidation 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.

### **GameCo Acquisition of Luminosity Gaming**

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.

Immediately following the completion of the Luminosity Acquisition, the subscription receipts sold pursuant to GameCo’s March 2019 \$25,000,200 subscription receipt financing were automatically converted into common shares of GameCo pursuant to the terms of the financing and the escrowed proceeds of the financing were released from escrow to GameCo upon satisfaction of the escrow release conditions.

### **Second Consolidation and Name Change**

The ex dividend date for the Second Consolidation is September 5, 2019, with the new CUSIP number being made eligible on such date. The Second Consolidation is effective as of September 9, 2019, and the J55 Shares will be listed on the TSXV on a post-Second Consolidation basis effective at the opening of the market on such date. 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. Share certificates and direct registration statements, as applicable, will be sent to registered shareholders following completion of the Second Consolidation reflecting the adjustments to their shareholdings as a result of the Consolidations, as applicable.

In connection with the Transactions, effective as of September 5, 2019, J55 will also change its name from “J55 Capital Corp.” to “Enthusiast Gaming Holdings Inc.”, and change its trading symbol to “EGLX”. Enthusiast will change its name to “Enthusiast Gaming Properties Inc.” and the Enthusiast Shares will be delisted from the TSXV and the OTCQB, and Enthusiast will apply to cease to be a reporting issuer.

## Senior Management and Board of Directors of the Merged Company

The senior management team of Enthusiast Gaming draws from the extensive experience and expertise of the merging companies and consists of:

Chief Executive Officer: Adrian Montgomery  
President: Menashe Kestenbaum  
President of Esports: Steve Maida  
President of EGLive: Corey Mandell  
Chief Operating Officer and SVP Finance: Eric Bernofsky  
Chief Financial Officer: Alex Macdonald  
Chief Information Officer: Meir Bulua

The board of directors of Enthusiast consists of the following seven directors: Francesco Aquilini (Non-Executive Chair), Adrian Montgomery, Steve Maida, Menashe Kestenbaum, Alan Friedman, Ben Colabrese and Michael Beckerman.

## **Advisors**

Canaccord Genuity Corp. acted as GameCo's exclusive financial advisor and Norton Rose Fulbright Canada LLP acted as GameCo's legal advisor in connection with the Transactions. Haywood Securities Inc. acted as Enthusiast's financial advisor, and Stikeman Elliott LLP and Minden Gross LLP acted as Enthusiast's legal advisors in connection with the Arrangement. Clark Wilson LLP acted as J55's legal advisor in connection with the Transactions.

Further information about the Transactions and Consolidations is set forth in the joint information circular of Enthusiast and J55 dated July 23, 2019 which was mailed to the shareholders of Enthusiast and J55, and which is available under their respective profiles on SEDAR at [www.sedar.com](http://www.sedar.com).

ON BEHALF OF THE BOARD OF J55

*"Adrian Montgomery"*

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Adrian Montgomery  
Chief Executive Officer and Director

## **Disclaimer for Forward-Looking Information**

*Certain statements in this release are forward-looking statements. Forward looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements, including risks related to factors beyond the control of J55 or Enthusiast. The risks include risks that are customary to transactions of this nature. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits J55 or Enthusiast will obtain from them.*

*This press release does not constitute an offer to sell or solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to a U.S. Person unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*

***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.***

**For further information regarding J55 or Enthusiast, please contact:**

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