

GTA AND TIIDAL GAMING GROUP INC. ANNOUNCE EXECUTION OF BUSINESS COMBINATION AGREEMENT AND CLOSING OF SUBSCRIPTION RECEIPT PRIVATE PLACEMENT

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Toronto, ON, Canada – July 13, 2021, GTA Financecorp Inc. (“**GTA**” or the “**Company**”) and Tiidal Gaming Group Inc. (“**Tiidal**”) are pleased to announce that, further to its news release dated February 16, 2021 and March 11, 2021, the Company and Tiidal have entered into a definitive business combination agreement dated July 12, 2021 (the “**Business Combination Agreement**”) with 2852773 Ontario Inc. (“**Subco**”), a wholly-owned subsidiary of GTA, incorporated pursuant to the provisions of the *Business Corporations Act* (Ontario) (the “**OBCA**”) in connection with the proposed business combination of GTA and Tiidal, which transaction will result in the reverse takeover of the Company by Tiidal (the “**Reverse Takeover**”) with the resulting issuer being named “Tiidal Gaming Group Corp.” (the “**Resulting Issuer**”) and the common shares of the Resulting Issuer to be listed on the Canadian Securities Exchange (the “**Exchange**”).

The Company and Tiidal are also pleased to announce that, further to the press release dated March 11, 2021, Tiidal completed a concurrent brokered and non-brokered private placement of subscription receipts (“**Subscription Receipts**”) for aggregate gross proceeds of \$3,273,680.50 (the “**Offering**”).

The Offering

Tiidal completed the Offering comprised of: (i) the brokered sale of 2,971,000 Subscription Receipts through Beacon Securities Limited (“**Beacon**”) and Echelon Wealth Partners Inc., as lead agents (the “**Lead Agents**”), M Partners Inc. and Haywood Securities Inc. (together with the Lead Agent, the “**Agents**”) pursuant to the terms of an agency agreement between Tiidal, the Agents and the Company dated July 13, 2021 (the “**Agency Agreement**”) and (ii) the non-brokered sale by Tiidal of 3,576,361 Subscription Receipts, pursuant to which an aggregate of 6,547,300 Subscription Receipts were issued at a price of \$0.50 per Subscription Receipt (the “**Issue Price**”) for aggregate gross proceeds of \$3,273,680.50.

The Subscription Receipts were created and issued pursuant to the terms of a subscription receipt agreement (the “**Subscription Receipt Agreement**”) between TSX Trust Company, as subscription receipt agent and escrow agent (the “**Escrow Agent**”), Tiidal and Beacon, on its own behalf and on behalf of the Agents. Each Subscription Receipt will be automatically converted, without payment of additional consideration or further action by the holder thereof, into one post-Share Split Tiidal Share and one-half of one common share purchase warrant of Tiidal (on a post-Share Split basis) (each whole warrant, a “**Tiidal Warrant**”), subject to adjustment in certain events, immediately upon the satisfaction or waiver of certain Escrow Release Conditions (as defined in the Subscription Receipt Agreement) at or before 5:00 p.m. (Toronto time) on the date that is 120 days following the closing date of the Subscription Receipt Financing (the “**Escrow Release Deadline**”). Each Tiidal Warrant entitles the holder thereof to acquire one Tiidal Share (on a post-Share Split basis) at a price of \$0.75 per share for a period of 24 months from the date the Escrow Release Conditions are satisfied or waived.

Pursuant to the terms of the Agency Agreement, in consideration for their services in connection with the Offering, the Agents (i) received a cash commission equal to 7.0% of the aggregate gross proceeds of the brokered portion of the Offering (the “**Agents’ Commission**”), (ii) will receive compensation options entitling the Agents to purchase that number of Tiidal Shares (on a post-Share Split basis) in an amount equal to 7.0% of the total number of the Subscription Receipts sold under the brokered and non-brokered portions of the Offering (the “**Compensation Options**”) and (iii) a cash fee equal to 7.0% of the aggregate gross proceeds of the non-brokered portion of the Offering (the “**Advisory Fee**”). On closing of the Offering, the gross proceeds from the Subscription Receipt Financing less 50% of the Agents’ Commission, the Advisory Fee as well as the expenses of the Agents incurred in connection with the Offering (the “**Escrowed Proceeds**”) were delivered to and are held by the Escrow Agent and have been invested pursuant to the terms of the Subscription Receipt Agreement (the Escrowed Proceeds, together with all interest and other income earned thereon, are referred to herein as the “**Escrowed Funds**”). Pursuant to the Agency Agreement, the Agents elected to receive \$173,445 of the portion of the Agents’ Commission and the Advisory Fee in Subscription Receipts at the Issue Price.

The remaining 50% of the Cash Fee will be released from escrow and delivered to the Agents from the Escrowed Funds and the balance of the Escrowed Funds will be released from escrow to Tiidal upon satisfaction of the Escrow Release Conditions prior to the Escrow Release Deadline.

In the event that (i) the Escrow Release Conditions are not satisfied on or before the Escrow Release Deadline, or (ii) prior to the Escrow Release Deadline, Tiidal announces that it does not intend to, or will be unable to, satisfy the Escrow Release Conditions, holders of the Subscription Receipts shall be entitled to receive from the Escrow Agent and the Escrow Agent shall pay to each holder of Subscription Receipts an amount equal to the aggregate Issue Price of the Subscription Receipts held by them plus their pro rata share of any interest earned thereon, net of any applicable withholding tax in accordance with the Subscription Receipt Agreement, and all of the Subscription Receipts shall be cancelled. If the amount of the Escrowed Funds, including all interest thereon, would not be sufficient to satisfy any such payment, then pursuant to the Subscription Receipt Agreement, Tiidal will be required to deposit an additional amount, sufficient to satisfy the shortfall, with the Escrow Agent prior to the time at which the payment is required. Tiidal may elect to close a second tranche of Subscription Receipts on a non-brokered basis. There can be no assurance that closing of such second tranche will occur.

The Business Combination Agreement

The Business Combination Agreement provides for, among other things, a three-cornered amalgamation pursuant to which, among other things: (a) Tiidal will amalgamate with Subco under the OBCA (the “**Amalgamation**”) and (b) all of the post-Share Split (as defined below) common shares of Tiidal (each, a “**Tiidal Share**”) outstanding immediately prior to the Amalgamation will be cancelled and exchanged for post-Consolidation (as described below) common shares of GTA (each, a “**Resulting Issuer Share**”) on the basis of one (1) Tiidal Share for one (1) Resulting Issuer Share. After giving effect to the Reverse Takeover, the shareholders of Tiidal will collectively exercise control over GTA and the Resulting Issuer will conduct the business of Tiidal going-forward. The Reverse Takeover will be an arm’s length transaction.

Prior to or on completion of the Amalgamation (the “**Effective Time**”), it is intended that: (i) the outstanding common shares of GTA (each, a “**GTA Share**”) will be consolidated (the “**Consolidation**”) on the basis of one (1) post-Consolidation GTA Share for each 11.2678 pre-Consolidation GTA Shares, (ii) the common shares of Tiidal (each, a “**Tiidal Share**”) will be subdivided (the “**Share Split**”) on the basis of one (1) Tiidal Share for every 1.2738 post-Share Split Tiidal Shares, and (iii) GTA will change its name to “Tiidal Gaming Group Corp.” (the “**Name Change**”).

The Business Combination Agreement contemplates that, among others, the following conditions precedent be met prior to the Effective Time, including, but not limited to, (a) acceptance by the Exchange and receipt of other applicable regulatory approvals; (b) completion of the Offering; (c) receipt of the requisite approvals of the shareholders of GTA (the “**GTA Shareholders**”) with respect to the Reverse Takeover, the Consolidation, the Name Change and the director appointments agreed upon by GTA and Tiidal; (d) receipt of the requisite approvals of the shareholders of Tiidal with respect to the Share Split and the Amalgamation; (e) no adverse material change in the business, affairs, financial condition or operations of Tiidal or GTA having occurred between the date of entering into the Business Combination Agreement and the closing date of the Reverse Takeover; and (f) dissent rights shall have been exercised in respect of no more than 5% of the issued and outstanding Tiidal Shares. There can be no assurance that the Reverse Takeover will be completed as proposed or at all.

If all conditions to the implementation of the Amalgamation have been satisfied or waived, GTA and Tiidal will carry out the Amalgamation. Pursuant to the terms of the Amalgamation, it is expected that the following security conversions, exercise and issuances will occur among GTA, Tiidal and the securityholders of Tiidal at or prior to the Effective Time:

- (a) the GTA Shares being consolidated on the basis of one (1) post- Consolidation GTA Share for every 11.2678 pre-Consolidation GTA Shares;

- (b) the Tiidal Shares (excluding the Tiidal Shares to be issued upon conversion of the Subscription Receipts, conversion of the Tiidal Convertible Notes (as defined below)) being subdivided on the basis of one (1) pre-Share Split Tiidal Share for every 1.2738 post-Share Split Tiidal Shares;
- (c) the Subscription Receipts being exchanged, without payment of additional consideration or further action, into post-Share Split Shares and Tiidal Warrants (on a post-Share Split basis) upon satisfaction of the Escrow Release Conditions;
- (d) the 7.0% convertible notes of Tiidal (the “**Tiidal Convertible Notes**”) being automatically converted into post-Share Split Shares and Tiidal Warrants (on a post-Share Split basis) at the 85% of the Issue Price;
- (e) all restricted share units of Tiidal (“**Tiidal RSUs**”) shall automatically vest into Tiidal Shares pursuant to the terms of such Tiidal RSUs;
- (f) each Compensation Option (as defined below) issued to the Agents (as defined below) in connection with the Offering outstanding immediately prior to the Effective Time shall be cancelled and exchanged for compensation options of the Resulting Issuer (the “**Resulting Issuer Compensation Options**”) such that the holders of such Resulting Issuer Compensation Options will be entitled to the purchase of one Resulting Issuer Share per one Resulting Issuer Compensation Option;
- (g) GTA will acquire all of the issued and outstanding post-Share Split Tiidal Shares such that all issued and outstanding post-Share Split Tiidal Shares, including those issued in exchange for the Subscription Receipts, those issued on conversion of the Tiidal Convertible Notes and those issued on vesting of the Tiidal RSUs, will be exchanged, without additional consideration or further action, for Resulting Issuer Shares on the basis of one (1) post-Share Split Tiidal Share for one (1) Resulting Issuer Share;
- (h) each stock option of Tiidal and each warrant of Tiidal (including the Tiidal Warrants issued on exchange of the Subscription Receipts and those issued on conversion of the Tiidal Convertible Notes) outstanding immediately prior to the Effective Time, whether vested or not vested, shall be cancelled and exchanged for comparable securities of the Resulting Issuer on economically equivalent terms, subject to adjustments contemplated by the Business Combination Agreement; and
- (i) each stock option of GTA outstanding immediately prior to the Effective Time, whether vested or not vested, shall continue in effect unamended, except to the extent such terms will be adjusted (in accordance with the terms of such options) to reflect the Consolidation.

About GTA

GTA was incorporated under the *Business Corporations Act* (Ontario) on August 9, 2006 and is a reporting issuer in the Provinces of Ontario, British Columbia and Alberta. GTA has no commercial operations and no assets other than cash.

About Tiidal

Tiidal is an esports and gaming platform company focused on owning and operating synergistic businesses across the gaming ecosystem, including its wholly-owned subsidiaries Sportsflare and Lazarus Esports. Tiidal is focused on enabling competitive gaming and building the future of game-based entertainment. For more information visit www.tiidal.gg.

Sportsflare's product suite delivers robust odds feed and advanced betting solutions for sportsbooks and online betting companies. Using applied deep learning and artificial intelligence (“**AI**”) research, Sportsflare has established a state-of-the-art technology platform for its products that comprises an AI esports engine

that accurately produces predictions for hundreds of in-game outcomes in real-time, a data platform that conducts the aggregation and analysis of various data sources, and a trading platform that not only updates in-play and pre-match prices based on betting activity but also offers automated bet settlements. For more information visit www.sportsflare.io.

Lazarus Esports is Canada's first established esports team dedicated to industry growth, developing the global gaming market and supporting professional gamers at the highest level for greater success. Lazarus Esports is a professional esports organization with more than 25 digital athletes and 50 content creators across 10 countries. For more information visit www.lazarus.gg.

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Completion of the Reverse Takeover is subject to a number of conditions, including but not limited to, Exchange acceptance. The Reverse Takeover cannot close until the required approvals of shareholders of Tiidal and GTA are obtained. Tiidal and GTA anticipate closing of the Reverse Takeover to occur by the end of September 2021. There can be no assurance that the Reverse Takeover will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular of GTA or the Listing Statement (as defined under policies of the Exchange) to be prepared in connection with the Reverse Takeover (the "**Filing Document**"), any information released or received with respect to the Reverse Takeover may not be accurate or complete and should not be relied upon. Trading in the securities of the Resulting Issuer should be considered highly speculative.

The Exchange has not in any way passed upon the merits of the proposed Reverse Takeover and has neither approved nor disapproved the contents of this news release.

This news release does not constitute an offer to sell or a 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 U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Cautionary Statement Regarding Forward Looking Information

This news release contains statements which constitute "forward-looking information" within the meaning of applicable securities laws, including statements regarding the plans, intentions, beliefs and current expectations of GTA and Tiidal with respect to future business activities and operating performance.

Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements formed in the future tense or indicating that certain actions, events or results "may", "could", "would", "might" or "will" (or other variations of the forgoing) be taken, occur, be achieved, or come to pass. Forward-looking information includes information regarding: (i) expectations regarding whether the Reverse Takeover will be consummated, including whether conditions to the consummation of the Reverse Takeover will be

satisfied including, but not limited to, the necessary regulatory approvals and the timing associated with obtaining such approvals, if at all; (ii) the business plans and expectations of the Resulting Issuer; and (iii) expectations for other economic, business, and/or competitive factors. Forward-looking information is based on currently available competitive, financial and economic data and operating plans, strategies or beliefs as of the date of this news release, but involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of Tiidal, GTA or the Resulting Issuer, as applicable, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors may be based on information currently available to Tiidal, GTA and the Resulting Issuer, including information obtained from third-party industry analysts and other third-party sources, and are based on management's current expectations or beliefs. Any and all forward-looking information contained in this news release is expressly qualified by this cautionary statement.

Investors are cautioned that forward-looking information is not based on historical facts but instead reflect GTA and Tiidal's respective management's expectations, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made. Forward-looking information reflects Tiidal's current beliefs and is based on information currently available to GTA and Tiidal and on assumptions it believes to be not unreasonable in light of all of the circumstances. In some instances, material factors or assumptions are discussed in this news release in connection with statements containing forward-looking information. Such material factors and assumptions include, but are not limited to: the impact of the COVID-19 pandemic on the Reverse Takeover, GTA, Tiidal or the Resulting Issuer; completion of the Amalgamation; the timing of listing the Resulting Issuer Shares on the Exchange; satisfying the conditions precedent and covenants in the Business Combination Agreement; satisfying the requirements of the Exchange with respect to the Reverse Takeover; meeting the minimum listing requirements of the Exchange, and anticipated and unanticipated costs and other factors referenced in this news release and the Filing Document, including, but not limited to, those set forth in the Filing Document under the caption "Risk Factors". Although GTA and Tiidal have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is made as of the date of this news release and, other than as required by law, GTA and Tiidal disclaim any obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although GTA and Tiidal have attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. GTA and Tiidal do not intend, and do not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.