



TIIDAL ANNOUNCES AGREEMENT TO SELL SPORTSFLARE TO ENTAIN

March 13, 2023 – Toronto, Ontario – Tiidal Gaming Group Corp. (CSE:TIDL) (OTCQB:TIIDF) (the “**Company**” or “**Tiidal**”) announced today that it and its wholly-owned subsidiary, Tiidal Gaming Holdings Inc. (“**Tiidal Holdings**”), have entered into a share sale and purchase agreement (the “**Purchase Agreement**”) with Entain Holdings (UK) Limited (“**Entain**”), pursuant to which Tiidal Holdings will sell all of the shares of the Company’s operating subsidiary, Tiidal Gaming NZ Limited (“**Sportsflare**”), to Entain (the “**Transaction**”). Sportsflare is one of the leaders in developing bet types for the esports betting space. Sportsflare has created market leading innovations, such as Flash Markets, that allows users to bet in-game on live esports events.

Pursuant to the terms of the Purchase Agreement, Tiidal Holdings has agreed to sell all of the issued and outstanding shares of Sportsflare (the “**Purchased Shares**”) to Entain for consideration of \$13,250,000 in cash (the “**Purchase Price**”), subject to standard transaction adjustments. The Purchase Price will be retained by Tiidal in a holding account for 180 days following the closing, during which period Tiidal may access the funds to satisfy any working capital adjustment or claims brought by Entain and may access up to 20% of the funds to pay reasonable costs related to the Transaction.

The Transaction was negotiated at arm’s length and is subject to a number of conditions customary for a transaction of this nature, including approval of Tiidal shareholders and receipt of all required consents. The Purchase Agreement includes payment of a \$500,000 termination fee that is payable by Tiidal Holdings to Entain in the case of certain terminating events.

“I am incredibly proud of what the Sportsflare team has done over the last year. Given the capital markets environment, we believed it was best to find a great home for Sportflare in order to maximize value for Tiidal shareholders,” said Thomas Hearne, Chief Executive Officer of Tiidal. “Sportsflare will be a great fit with Entain’s strong presence in the industry and our board of directors is confident that Sportsflare joining Entain is the best long-term solution for its employees and partners.”

The Company will seek shareholder approval of the Transaction at a meeting of shareholders held to consider and approve the Transaction (the “**Meeting**”). The Meeting is expected to be held on April 26, 2023. Directors, officers and certain shareholders holding an aggregate of 31,024,382 common shares, or 37.29% of the issued and outstanding shares of the Company, have signed customary voting support agreements to support and vote in favour of the Transaction at the Meeting. The board of directors of the Company has approved the Purchase Agreement and the Transaction and unanimously recommends that the shareholders of the Company vote in favour of the Transaction at the Meeting.

BDO Canada LLP has provided a fairness opinion to the board of directors of the Company, to the effect that, subject to the assumptions, limitations and qualifications set out in such opinion, the consideration to be received pursuant to the Transaction is fair, from a financial point of view, to the shareholders of the Company.

In connection with the Transaction, the Company, as guarantor, Tiidal Holdings, as guarantor, and Sportsflare, as borrower, entered into a definitive loan agreement (the “**Loan Agreement**”) with Ladbrokes Group Finance plc, an affiliate of Entain (the “**Lender**”), in connection with a secured credit facility in the

aggregate principal amount of up to NZD\$1,658,470 (the “**Facility**”). Pursuant to the Loan Agreement, an advance of NZD\$1,158,470, was made on February 2, 2023; and (ii) if the Purchase Agreement has not been terminated and the Transaction has not been completed, further advances of (a) NZD\$250,000 will be made in March 2023 and (b) NZD\$250,000 will be made in April 2023.

The funds advanced under the Facility will be used for purposes of funding ongoing working capital of Sportsflare, the Company and Tiidal Holdings pending completion of the Transaction. In connection with the Facility and pursuant to the Loan Agreement, Tiidal Holdings has entered into a specific security deed in favour of the Lender in respect of the pledge of all of the outstanding shares of Sportsflare as security for the Facility.

Further updates will be announced on the status of the Transaction and Facility as appropriate. The summaries of the Purchase Agreement, the Loan Agreement and the voting support agreements set out in this press release are qualified in their entirety by the full text of such documents, copies of which will be filed under the Company’s profile on www.SEDAR.com.

ABOUT TIIDAL GAMING

Tiidal Gaming is a leading media and technology platform enabling next generation engagement in esports and gaming. The Company is positioned at the intersection of gaming, media, and betting and enable our partners to create positive, engaging, and immersive fan and consumer experiences through our industry-leading media & technology offerings. With deep industry roots and expertise, Tiidal Gaming is focused on the next generation of fan and consumer and building the future of game-based entertainment. For more information, please visit www.tiidal.gg.

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This news release may contain forward-looking statements which reflect the Company’s current expectations regarding future events. The forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "estimate", "expect", "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. Forward-looking statements and information involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements and information and accordingly, readers should not place undue reliance on such statements and information. These risks and uncertainties include, but are not limited to, the timing of the completion of the Transaction; whether the Transaction will be completed at all, whether the Company will be able to obtain regulatory or shareholder approval for the Transaction, whether the Company, Tiidal Holdings and Entain will be able to satisfy all of the conditions in the Purchase Agreement and the ancillary documents, ability of Sportsflare to meet the working capital target and the adjustment to Purchase Price pursuant to the Purchase Agreement, whether the proceeds from the Facility will be sufficient for the Company’s purposes; the timing of any future advances under the Facility, if any; the Company’s ability to repay the Facility pursuant to its terms;; and any material adverse changes in general

economic, business and political conditions, including changes in the financial markets, changes in applicable laws, and compliance with extensive government regulation, , any of which could cause results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking statements. Many risks are inherent in the industries in which the Company participates; others are more specific to the Company. The Company's ongoing quarterly filings should be consulted for additional information on risks and uncertainties relating to these forward-looking statements. Investors should not place undue reliance on any forward-looking statements. Management assumes no obligation to update or alter any forward-looking statements whether as a result of new information, further events or otherwise, except as required by applicable law.