

Entain

February 2, 2023

Tiidal Gaming NZ Limited
c/o Tiidal Gaming Group Corp.
365 Bay St., Suite 800
Toronto, Ontario, Canada M5H 2V1

Attention: Tom Hearne, Director
Email: [Redacted - Personal Information]

Ladbrokes Group Finance plc (the “**Lender**”) is pleased to confirm that it will make the Facility (as defined below) available to the Borrower, subject to the terms and conditions described in this letter and the attached Schedule (together, this “**Agreement**”). The Facility is being made available by the Lender in connection with the acquisition (the “**Acquisition**”) by an affiliate of the Lender, Entain Holdings (UK) Limited, of the Borrower, being an indirect wholly-owned subsidiary of Tiidal Gaming Group Corp., a *Business Corporations Act* (Ontario) (the “**Parent**”), and to facilitate the ongoing working capital requirements of the Loan Parties (as defined below) and the Borrower pending completion of the Acquisition.

Borrower: Tiidal Gaming NZ Limited, a New Zealand incorporated company with NZCN 8138484 (the “**Borrower**”).

Guarantors: Tiidal Gaming Group Corp., a *Business Corporations Act* (Ontario) corporation and Tiidal Gaming Holdings Inc., a *Business Corporations Act* (Ontario) corporation (the “**Guarantors**”, and together with the Borrower, the “**Loan Parties**” and each a “**Loan Party**”).

Shareholder: Tiidal Gaming Holdings Inc., a *Business Corporations Act* (Ontario) corporation

Facility: Up to NZD\$1,658,470 principal amount credit facility (the “**Facility**”).

Use of Proceeds: To finance the day-to-day working capital requirements of the Borrower. Each drawdown request must include a detailed submission of the specific use of proceeds requested by the Borrower, for approval by the Lender. Proceeds of the Facility may not be used for the repayment of any indebtedness of the Borrower.

Availability: Subject to the satisfaction of the conditions precedent set forth in Section 2 of Schedule A hereto, the Facility shall be available by way of three New Zealand dollars advances to be made during the period commencing on February 2, 2023 and ending on the earlier of (i) April 30, 2023 and (ii) the Maturity Date (as defined below) (the “**Availability Period**”), provided that the Facility will be available to be drawn as in three advances follows:

(a) at any time in the Availability Period, an advance in an amount not exceeding NZD\$1,158,470 (the “**First Advance**”); and

(b) if the Share Purchase Agreement is signed prior to 1 March 2023 and subject to the Share Purchase Agreement not having been terminated

and the Transaction having not completed on or before each drawdown date:

- (i) in March 2023, an advance not exceeding NZD\$250,000; and
- (ii) in April 2023, an advance not exceeding NZD\$250,000,

provided always, that no more than three advances may be made and the sum of all advances made may not exceed NZD\$1,658,470 in aggregate. Subject to the Borrower's compliance with clause 2 of this Agreement, each advance may be drawn down during its respective availability window as specified under (a) or (b) above by the Borrower by providing a drawdown request to the Lender in compliance with this Agreement five (5) Business Days prior to the relevant proposed date of payment of the advance.

Interest:

Each advance of the Facility will bear interest from the date of advance at a per annum rate equal to the bank bill reference rate (bid) (rounded upwards, if necessary, to the nearest four decimal places) administered by the New Zealand Financial Benchmark Facility (or any other person which takes over the administration of that rate) for a three month tenor as displayed at or about 10.45 a.m. (New Zealand time) on the date of such advance on page BKBM (or its successor page) of the Thomson Reuters Monitor Screen or Bloomberg equivalent ("**BKBM**") plus 3.00%, calculated daily and compounded annually on December 31 of each year and on the Maturity Date, and shall be payable in full on the Maturity Date, provided that if the BKBM rate is in any case less than zero, it shall be deemed to be zero.

Overdue principal, interest, fees and other amounts due or payable hereunder shall bear interest at a per annum rate of BKBM on that date such amount was overdue plus 5.00% (the "**Default Rate**"). All such interest shall be calculated daily and due on demand.

Upon the occurrence and during the continuation of any Event of Default, the Borrower shall pay interest on all outstanding obligations (including all amounts of principal or interest, and any fee or other amount) at the Default Rate.

Term and Maturity:

Subject to any acceleration of the Facility obligations upon an Event of Default, the Facility and all amounts thereunder, including all principal, accrued interest, fees and other amounts then unpaid with respect thereto, shall be due and payable in full on the earlier of (the "**Maturity Date**"):

- (a) the date which is 60 Business Days after the date on which either the Lender or the Parent gives notice to the other that the negotiation of the Acquisition has ceased and that the Acquisition will not be completed (the "**Early Termination Date**");
- (b) the date which is 60 Business Days after the date on which the Share Purchase Agreement is terminated;
- (c) the date on which the Parent breaches any term or condition of the Exclusivity Agreement; and
- (d) 30 April 2024.

Voluntary Prepayments: Amounts outstanding under the Facility may be prepaid, in whole or in part, without premium or penalty:

- (a) at any time prior to the closing date of the Acquisition in minimum amounts of NZD\$100,000, at the option of the Borrower at any time upon two Business Days' prior written notice; or
- (b) at any time after the closing date of the Acquisition, in any amount and without any prior notice to the Lender.

Voluntary prepayments of the Facility may not be reborrowed and shall be promptly applied against the outstanding Facility obligations as determined by the Lender in its discretion.

Mandatory Prepayments: 50% of the net cash proceeds received by the Parent from the issuance of equity securities shall be applied to prepay amounts outstanding under the Facility promptly upon receipt thereof.

Security: All indebtedness, liability and obligations of the Borrower to the Lender under or in connection with this Agreement and the Facility will be evidenced and secured by the following documents (the "**Security Documents**"), in each case in form and substance satisfactory to the Lender and its counsel, and registered or recorded as required by the Lender:

- (a) An unlimited guarantee from the Guarantors.
- (b) A pledge agreement executed by the Shareholder, pursuant to which the Shareholder grants a first ranking pledge and security interest in all of the issued and outstanding shares in the capital of the Borrower.
- (c) Such other loan and security documents as may be requested by the Lender.

Conditions Precedent: The Lender's obligation to make any loan or to extend (or continue to extend) any credit under this Agreement is subject to the conditions precedent set forth in Section 2 of Schedule A hereto.

Representations and Warranties: The Borrower and each other Loan Party, jointly and severally makes the representations and warranties set out in Section 3 of Schedule A.

Covenants: The Borrower and each other Loan Party, jointly and severally covenants and agrees that it shall comply with the covenants set out in Section 4 and Section 5 of Schedule A.

Events of Default: Events of Default applicable to the Facility are set out in Section 6 of Schedule A.

- Expenses:** Each party hereto shall pay its own costs and expenses incurred in connection with establishment of the Facility, including the preparation, execution and delivery of this Agreement and the Security Documents. The Borrower shall pay all out-of-pocket expenses of the Lender (including the fees, disbursements and other charges of counsel to the Lender) incurred in connection with any investigation or waiver or amendment relating to any Event of Default or the enforcement of this Agreement and the Security Documents during the continuance of an Event of Default.
- Governing Law and Forum:** This Agreement and, unless expressly specified otherwise therein, each document or instrument delivered under or in connection with this Agreement, shall be governed by and construed in accordance with New Zealand law. The Borrower and the Guarantors irrevocably submit to the non-exclusive jurisdiction of the courts of New Zealand with respect to all matters arising from this Agreement.
- Acceptance and Expiry of this Agreement:** If the terms and conditions of this Agreement are acceptable to you, please indicate your acceptance by signing where indicated below and return the signed copy of this Agreement to us by no later than February 2, 2023. If not accepted by such date, this offer shall lapse and this Agreement shall be of no further force or effect.

Yours truly,

LADBROKES GROUP FINANCE PLC

By: "*Charlie Sutters*" (Signed)

Name: Charlie Sutters
Title: Director

The undersigned hereby acknowledge, accept and agree to the terms and conditions of this Agreement (including the Schedule attached hereto) this 2nd day of February, 2023.

Borrower

TIIDAL GAMING NZ LIMITED

By: "*Thomas Hearne*" (Signed)

Name: Thomas Hearne

Title: Director

Guarantor:

TIIDAL GAMING GROUP CORP.

By: "*Thomas Hearne*" (Signed)

Name: Thomas Hearne

Title: Chief Executive Officer & Director

Guarantor:

TIIDAL GAMING HOLDINGS INC.

By: "*Thomas Hearne*" (Signed)

Name: Thomas Hearne

Title: President

SCHEDULE A
ADDITIONAL TERMS AND CONDITIONS
TO AGREEMENT DATED FEBRUARY 2, 2023

ISSUED BY LADBROKES GROUP FINANCE PLC TO TIIDAL GAMING NZ LIMITED

This Schedule forms an integral part of the agreement referenced above.

1. Defined Terms

In this Agreement, the following terms shall have the meanings described below:

"Business Day" means any day, other than a Saturday, Sunday or statutory holiday in Toronto, Ontario, Auckland, New Zealand or London, England, or a day on which banks are generally closed in any one of those cities.

"Change of Control" means:

- (a) In relation to the Borrower, other than as a result of the Acquisition, the Shareholder ceases to own 100% of the shares in the Borrower; and
- (b) In relation to Tiidal Gaming Holdings Inc., Tiidal Gaming Group Corp. ceases to own 100% of the shares in Tiidal Gaming Holdings Inc.; and
- (c) In relation to Tiidal Gaming Group Corp., an event whereby any Person or group of persons other than existing shareholders as at the date of this Agreement acting jointly or in concert (within the meaning of such phrase in the *Securities Act* (Ontario)) (a) shall beneficially own or Control, directly or indirectly, equity interests in the capital of the Borrower which have or represent more than 20% of the votes that may be cast to elect the directors or other persons charged with the management and direction of Tiidal Gaming Group Corp.; or (b) succeed in having a sufficient number of nominees elected to the board of directors of Tiidal Gaming Group Corp. that such nominees, when added to any existing director remaining on the board of directors of Tiidal Gaming Group Corp. after such election who is also a nominee of such Person or group of Persons, will constitute a majority of the board of directors of Tiidal Gaming Group Corp.

"Control" means, in respect of a particular Person:

- (a) the possession, directly or indirectly, of the power to:
 - (i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of such Person;
 - (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of such Person; or
 - (iii) direct or cause the direction of the management or policies of such Person, whether through the ability to exercise voting power including the ownership of voting securities, by contract or otherwise; or
- (b) the holding of more than 50% of the total voting power attached to all Voting Shares of such Person then outstanding. **"Controlled"** shall have the meaning correlative thereto.

"Exclusivity Agreement" means the exclusivity agreement dated as of 18 November 2022 between Entain Holdings (UK) Limited, and Tiidal Gaming Group Corp., as such agreement may be amended, modified, supplemented, restated or replaced from time to time.

"GAAP" means:

- (a) in relation to the Borrower, generally accepted accounting practice, as defined in section 8 of the Financial Reporting Act 2013; and
- (b) in relation to the Guarantors, generally accepted accounting principles which are in effect from time to time in Canada, applied in a consistent manner from period to period, including the accounting recommendations published in the CPA Canada Handbook which, for greater certainty, shall be interpreted to include the International Financial Reporting Standards (IFRS).

"Material Adverse Effect" means a material adverse effect on:

- (a) the financial condition, business, operations or assets, property and undertaking of the Borrower or the Guarantors; or
- (b) the ability of the Borrower and the Guarantors to comply with their obligations under this Agreement and the Security Documents; or
- (c) the validity or enforceability of, or the effectiveness or ranking of any security interest created under or in connection with this Agreement and the Security Documents or the rights and remedies of the Lender, under this Agreement and the Security Documents,

and references to **material adverse change** shall be construed accordingly;

"Person" means an individual, corporation, company, body corporate, partnership, joint venture, Governmental Authority, unincorporated organization, trust, association, estate or other entity.

"Securities Laws" means all applicable securities laws and the respective regulations made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, notices, orders, blanket rulings and other regulatory instruments of any securities regulators or other securities regulatory authorities in each of the provinces and territories of Canada in which Parent is a reporting issuer, and in any other jurisdictions whose Securities Laws are applicable to any Loan Party, and all rules and policies of the Canadian Securities Exchange and any other stock exchange or market on which securities of Parent are traded.

"Share Purchase Agreement" means the share purchase agreement entered into or to be entered into between Entain Holdings (UK) Limited, as buyer, the Shareholder, as seller, and Tiidal Gaming Group Corp., as guarantor, pursuant to which Entain Holdings (UK) Limited will purchase and the Shareholder will sell all of the issued and outstanding shares in the capital of the Borrower, as such agreement may be amended, modified, supplemented, restated or replaced from time to time.

"Voting Shares" means shares of capital stock of any class of a corporation carrying voting rights under all circumstances, provided that for the purposes of this definition, shares which only carry the right to vote conditionally on the happening of any event shall not be considered Voting Shares, whether or not such event shall have occurred, nor shall any shares be deemed to cease to be Voting Shares solely by reason of a right to vote accruing to shares of another class or classes by reason of the happening of such event.

2. Conditions Precedent.

The obligations of the Lender to make the first advance hereunder is subject to the completion of each of the following conditions precedent to the reasonable satisfaction of the Lender:

- (a) Delivery of executed loan and security documentation (including the Security Documents) to the Lender in form and content acceptable to the Lender and duly registered or recorded with the requisite priority in all offices and jurisdictions as may be required by the Lender and its counsel.
- (b) Evidence of the corporate status and authority of the Borrower and the Guarantors including, without limitation: (i) authorizing resolutions of its board of directors or other appropriate

governing body; (ii) certificate of status, compliance, or good standing, as applicable; (iii) copies of its articles, by-laws and all other constating documents; and (iv) incumbency.

(c) Delivery to the Lender of directors certificates with respect to the Borrower and officers' certificates of the Guarantors in form and substance satisfactory to the Lender and its counsel.

(d) Completion and delivery to the Lender of all account documentation, certificates and agreements required by the Lender.

(e) The absence of any: (i) Event of Default, (ii) event or situation that, with the passage of time or the giving of notice, would constitute an Event of Default, or (iii) material adverse change in relation to the Loan Parties taken as a whole since July 31, 2022.

(f) Receipt by the Lender of the results of recent searches in each of the jurisdictions where the Borrower and the Guarantors, and their respective assets, are located, which searches confirm the first-ranking priority of the security interests in favour of the Lender and reveal no encumbrances on any of the assets of the Borrower or the Guarantors that are not expressly permitted by the terms of this Agreement.

(g) Receipt of all necessary shareholder, governmental, regulatory and other material third-party authorizations, approvals and consents required in connection with the execution and delivery of this Agreement and the Security Documents and the performance by the Borrower and the Guarantors of their respective obligations in connection therewith.

(h) Compliance by the Borrower and the Guarantors in all material respects with all applicable laws, including but not limited to all applicable Securities Laws.

(i) All representations and warranties of the Borrower and the Guarantors under this Agreement and the Security Documents are true and correct.

(j) Compliance with all covenants (financial and non-financial) in this Agreement and the Security Documents.

(k) Delivery to the Lender by the Borrower and the Guarantors of all required information that the Lender may request or require to comply with its legal and internal requirements relating to know your customer, money laundering and proceeds of crime rules, statutes and regulations.

(l) A breakdown of any indebtedness of the Borrower and the Guarantors owed to third party creditors excluding trade creditors in the ordinary course of business, certified as true and correct by a director or authorised officer of the relevant entity.

(m) Such other conditions as the Lender may reasonably request or require.

In addition to the other conditions precedent described in this Agreement, each extension of credit (including the initial loan hereunder) under the Facility shall be subject to satisfaction of the following conditions precedent:

(n) Receipt by the Lender of a drawdown request including a detailed submission of the specific use of proceeds requested by the Borrower not less than five Business Days prior to the proposed drawdown date, and the Lender shall be satisfied in its sole and absolute discretion as to the Borrower's intended use of proceeds as set out therein.

(o) Absence of any default or Event of Default before, or after giving effect to, such borrowing.

(p) Confirmation by the Borrower that the representations and warranties contained in this Agreement remain accurate and complete on the date of such request.

3. Representations and Warranties

The Borrower and each other Loan Party, jointly and severally, represents and warrants to the Lender, which representations and warranties shall be deemed to be continuously repeated so long as any amounts or commitments remain outstanding under this Agreement, that:

- (a) Each of the Borrower and the Guarantors:
 - (i) is duly organized and validly existing under the laws of its jurisdiction of incorporation or organization and is duly qualified to carry on business in each jurisdiction in which it owns property or assets or carries on business;
 - (ii) has the power and authority to own or lease its property, carry on business, enter into this Agreement and the Security Documents to which it is a party, and to perform its obligations hereunder and thereunder;
 - (iii) has the power and authority to execute, deliver and perform its obligations under this Agreement and the Security Documents to which it is a party, and all corporate and other actions required to do so have been taken;
 - (iv) has obtained all consents, notices and approvals necessary to enter into the transactions contemplated by this Agreement;
 - (v) has duly executed and delivered this Agreement and the Security Documents to which it is a party, and each such document or agreement constitutes a legal, valid and binding obligation, enforceable in accordance with its terms, subject to the rights of creditors generally and to the rules of equity; and
 - (vi) the execution, delivery and performance by it of this Agreement, each Security Document to which it is a party, and the transactions contemplated thereby does not, and will not, contravene, violate or result in a breach of, its constating documents, any by-law, any shareholders' agreement, applicable laws, regulations or material contracts.
- (b) No (i) Event of Default has occurred; (ii) event which, with the passage of time or the giving of notice, would constitute an Event of Default has occurred; or (iii) development or event has occurred that has had or could reasonably be expected to have a Material Adverse Effect.
- (c) There is no material litigation, investigation, claim or proceeding pending, or to the knowledge of the Borrower or the Guarantors, threatened, by or against one or more of them or their respective assets that could, if adversely determined, have a Material Adverse Effect.
- (d) It has good and marketable title to its property and assets free and clear of all liens, security interests, encumbrances or other claims, other than those expressly permitted in this Agreement or by the Lender in writing.
- (e) It is in compliance with, and operates its business in compliance with, all applicable laws and regulations (including Securities Laws and environmental, labour and employment, tax, health and safety, anti-money laundering, sanctions, anti-bribery and corruption and Canadian trade laws and regulations).
- (f) It has in full force and effect policies of insurance with sound and reputable insurance companies in such amounts, with such deductibles, and covering such risks as are customarily

carried by companies engaged in similar businesses. All premiums with respect to such policies that are due and payable have been paid.

(g) It has provided the Lender with true, complete and correct copies of all material contracts to which the Borrower or the Guarantors are a party as of the date of this Agreement. It is not in breach or default in any material respect of any such material contract, and to its knowledge, no other party to the contract is in default thereunder in any material respects, nor has any party taken any action to terminate.

(h) It has filed in a timely fashion all required tax returns and reports and paid all required taxes and remittances including, without limitation, corporate taxes, income taxes, all employee source deductions (including income taxes, employment insurance and Canada pension plans), sales taxes (both federal and provincial), payroll taxes and workers compensation payments.

(i) It has complied with all obligations in connection with any pension plan (registered, non-registered or executive) sponsored, administered or contributed to (each a "**Plan**"), including compliance with applicable laws and payment of all required normal and special contributions. All Plans are fully funded on both a going concern and solvency basis, and (i) there are no going concern, solvency or past service deficiencies with respect to any Plan, (ii) no Plan is being wound-up, (iii) there are no claims or actions pending or threatened against any Plan or its assets, and (iv) no Plan is a defined benefit pension plan.

(j) All factual information (financial or otherwise) provided to the Lender in connection with the Facility and the transactions contemplated by this Agreement is accurate and complete in all material respects. Without limiting the preceding sentence, the financial statements and projections delivered to the Lender fairly present the financial condition of the Borrower and the Guarantors, and have been prepared in accordance with GAAP.

4. Positive Covenants

So long as any amounts or commitments are outstanding under this Agreement, the Borrower and each other Loan Party, jointly and severally covenants and agrees with the Lender that it shall:

(a) Pay all principal, interest, fees and other amounts when due and payable under, or in connection with, this Agreement, the Facility, and all Security Documents.

(b) Maintain and preserve its existence, organization and status in its jurisdiction of formation and in each jurisdiction in which it carries on business and make or obtain, and maintain in good standing, all corporate filings, permits, licences, registrations and approvals necessary to do so and required to own and operate its assets, except where failure to do so would not reasonably be expected to have a Material Adverse Effect.

(c) Permit the Lender to have full and unrestricted access (with reasonable notice during regular business hours) to: (i) its books and records, (ii) the premises at which its books, records and all property and assets subject to the Security Documents is located, (iii) the Borrower, the Guarantors and their respective officers and employees to obtain information about the financial condition, business, property and assets of the Borrower and the Guarantors, in each case at the expense of the Guarantors.

(d) Use the proceeds of the Facility for the purposes stated in this Agreement.

(e) Maintain adequate insurance on its business, property and assets in such amounts and covering such risks as are acceptable to the Lender, with the Lender noted as loss payee on property insurance policies and additional insured on liability insurance policies, and provide the Lender with not less than 30 days' prior written notice of any cancellation or change in insurance.

(f) Maintain its property and assets in good repair and working condition and continue to carry on the business currently being conducted by the Borrower and each other Loan Party at the date of this Agreement in accordance with standard industry practices.

(g) Comply with all applicable laws, regulations, permits and approvals (including, without limitation, Securities Laws and all environmental, health and safety, labour and employment, anti-money laundering, sanctions, anti-bribery and corruption and Canadian trade laws and regulations) in all material respects.

(h) Pay, when due, all required taxes and remittances including, without limitation, corporate taxes, income taxes, all employee source deductions (including income taxes, employment insurance and Canada pension plans), sales taxes (both federal and provincial), payroll taxes and workers compensation payments and file, in a timely fashion, all required tax returns and reports.

(i) Promptly pay and perform all debts, liabilities and obligations including, without limitation, its obligations under all contracts and all pension and benefit plans, except where failure to do so would not reasonably be expected to result in a Material Adverse Effect.

(j) Promptly, and in any event within two Business Days of the occurrence thereof, provide written notice to the Lender of:

- (i) any material adverse change in the financial condition, business, operations or assets, property and undertaking of the Borrower or a Guarantor, or any material information reasonably likely to adversely affect the Borrower's ability to repay the Facility;
- (ii) the occurrence of an Event of Default or of any default under any subordinated indebtedness, intercompany indebtedness, shareholders' loans, material contracts or other indebtedness of the Borrower or the Guarantors;
- (iii) any litigation, arbitration or other proceeding against or affecting the Borrower, the Guarantors, or their respective property or assets which, if adversely determined, could reasonably be expected to have a Material Adverse Effect;
- (iv) any representation or warranty provided by the Borrower or the Guarantors to the Lender being, or becoming, false or misleading; and
- (v) upon learning of any event or circumstance affecting real property owned or leased by the Borrower or the Guarantors that could give rise to any liability under environmental laws or regulations including, without limitation, the existence of hazardous materials or an environmental spill or discharge.

(k) Take all actions necessary to ensure that the security interests created by the Security Documents rank ahead of all other security interests in the assets of the Borrower and the Guarantors.

(l) Cause each future subsidiary of the Borrower or the Guarantors (whether formed or acquired) to execute a guarantee of the Borrower's obligations hereunder, together with all such security agreements as may be reasonably required by the Lender.

(m) Provide the Lender with such other loan, security and ancillary documents, and do such acts, as are necessary to implement the transactions contemplated by this Agreement.

5. Negative Covenants

So long as any amounts or commitments are outstanding under this Agreement, the Borrower and each other Loan Party, jointly and severally covenants and agrees with the Lender that it shall not, without the prior written consent of the Lender:

- (a) Create, incur, assume or permit to exist any indebtedness for borrowed money or guarantee or agree to indemnify the obligations of any other person, other than indebtedness to the Lender under this Agreement or indebtedness disclosed to, and accepted by, the Lender under clause 2(l) above.
- (b) Create, grant, incur or permit to exist any lien, security interest, charge, mortgage, pledge, right or encumbrance of any nature on any of its assets, property or undertaking now owned or hereafter acquired, other than the security interests in favour of the Lender created by the Security Documents.
- (c) Amalgamate or merge, consolidate, reorganize or restructure, continue in another jurisdiction, enter into a joint venture or partnership, liquidate, dissolve, wind-up, become bankrupt, initiate insolvency proceedings, or engage in other fundamental changes.
- (d) Engage in any business other than the businesses of the type conducted by the Borrower and the Guarantors on the date hereof and businesses reasonably related thereto.
- (e) Make any acquisitions of, or investments in, any other person, business or entity.
- (f) Except for the Acquisition, sell, lease, assign or otherwise dispose of any of its property, assets or undertaking, other than sales of inventory in the ordinary course of business or sales of obsolete property.
- (g) Enter into any sale-leaseback transactions.
- (h) Pay any dividends, royalties, distributions, fees or management fees to any equity holders, repurchase or redeem any equity for cash or property, or make any other distributions.
- (i) Make any repayments (whether of principal, interest or other amounts) towards money borrowed, subordinated debt, shareholder loans, vendor take back loans, intercompany indebtedness, capital leases provided that the Borrower will be permitted to make repayments of moneys borrowed by it from the Guarantors up to a maximum amount of NZD\$250,000.
- (j) Except for the Acquisition, permit any Change of Control, or any other change in the ownership or capital structure, of the Borrower or any of the other Loan Parties (including, without limitation, the issuance or sale of shares in its capital).
- (k) Engage or participate in transactions with affiliates, related or non-arm's length parties, except for transactions between any Guarantor and the Borrower or any other Guarantor or any transactions on arm's length commercial terms.
- (l) Establish, or make amendments or changes to, any existing pension or benefits plan with shareholders, directors, officers, senior management or employees other than those currently in place and disclosed to the Lender as of the date of this Agreement, or establish or contribute to any defined benefit pension plan.
- (m) Incur annual aggregate unfunded capital expenditures for any fiscal year greater than NZD\$50,000.
- (n) Change its name, change its jurisdiction of incorporation, the laws governing its constating documents, or the statute under which it is created or organized, change the jurisdiction in which its chief executive office is located, or move the location of its tangible personal property outside

of, in relation to the Borrower, New Zealand and in relation to the Guarantors, the Province of Ontario.

(o) Modify or waive the terms of any material agreements (including, without limitation, the constating documents of the Borrower, the Guarantors or their respective subsidiaries, any material debt, and any material contract) in a manner that is materially adverse to the interests of the Lender.

6. Events of Default and Acceleration.

(a) Events of Default. Following the occurrence of any one or more of the following events (each, an "**Event of Default**"), the Lender may accelerate the payment of any or all principal, interest and other amounts that are not otherwise payable on demand, and cancel its commitments under this Agreement:

- (i) The Borrower fails to pay (i) any principal amount owing under this Agreement when due, whether at stated maturity, by acceleration, by notice of voluntary prepayment, by mandatory prepayment or otherwise; or (ii) any interest, fee or other non-principal amount payable under, or in connection with, this Agreement when due and payable and such failure remains unremedied for a period of two Business Days after notice from the Lender to the Borrower of such failure.
- (ii) Any representation, warranty, certification or other statement of fact made or deemed made by or on behalf of the Borrower or the Guarantors herein, in any Security Document or in any certificate, document, report, financial statement or other document furnished to the Lender under or in connection with this Agreement proves to have been false or misleading in any material respect.
- (iii) The Borrower or a Guarantor fails to perform or observe any covenant, term, condition or agreement contained in this Agreement or any Security Document (other than as provided in (i) or (ii) above), and such failure continues unremedied for a period of five Business Days after the earlier of the Borrower or Guarantor becoming aware of its occurrence and the Lender notifying the Borrower of its occurrence.
- (iv) The Borrower or a Guarantor:
 - (A) fails to pay any principal or interest in respect of any indebtedness (including any guarantee obligation, but excluding indebtedness outstanding under this Agreement) when due and such failure continues after the applicable grace period, if any, specified in the agreement or instrument relating to such indebtedness; or
 - (B) fails to perform or observe any other covenant, term, condition or agreement relating to any indebtedness (including any guarantee obligation, but excluding indebtedness under this Agreement), or any other event occurs or condition exists, the effect of which is to cause, or to permit the holder or beneficiary of such debt to cause, with the giving of notice, if required, such debt to become due prior to its stated maturity (or, in the case of any guarantee obligation, to become payable); or any such debt is declared to be due and payable, or required to be prepaid prior to the stated maturity thereof;
- (v) The Borrower or a Guarantor:
 - (A) (i) commences or institutes any application, proceeding or other action under any statute, rule or regulation relating to bankruptcy, insolvency,

- liquidation, winding-up, reorganization, administration, plans of arrangement, relief or protection of debtors for itself or for all or any part of its assets, or (ii) has commenced against it in a court of competent jurisdiction any application, proceeding or other action of a nature referred to in (i) which (x) results in the entry of an order for relief or any such adjudication or appointment, or (y) remains undismitted, undischarged, unstayed or unbonded for 30 days;
- (B) makes a general assignment for the benefit of its creditors;
 - (C) declares a general moratorium on payment of its indebtedness or interest thereon, or proposes a compromise or arrangement between it and any of its creditors;
 - (D) resolves to enter into, or enters into, a scheme of arrangement, a deed of company arrangement or a composition with its creditors or an assignment for their benefit in each case with a view to avoiding insolvency;
 - (E) has a receiver, interim receiver, receiver manager, liquidator, provisional liquidator, voluntary administrator or other trustee appointed with respect to it or all or any part of its assets;
 - (F) has commenced against it any application, proceeding or other action seeking issuance of a warrant of seizure and sale, execution, garnishment or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which has not been vacated, discharged, stayed or bonded pending appeal within five days from the entry thereof;
 - (G) any recommendation is made by the Financial Markets Authority under the Corporations (Investigation and Management) Act 1989 for the appointment of a statutory manager in respect of the Borrower, or the Borrower or any associated person (as that term is defined in that Act) of the Borrower is declared at risk pursuant to the provisions of that Act; or
 - (H) becomes unable to, or admits in writing its inability to, pay its debts as they become due, or commits any other act of bankruptcy.
- (vi) The entry of one or more final and non-appealable judgments or the issuance or registration of any writ of enforcement or order against the Borrower or a Guarantor involving, in the aggregate, a liability (not paid or fully covered by insurance as to which the relevant insurance company has been notified and has accepted coverage or for which adequate reserves have not been set aside on the Borrower's balance sheet) in an amount in excess of NZD\$60,000 and all such judgments or decrees have not been vacated, discharged, stayed or bonded pending appeal within 30 days of the entry thereof.
 - (vii) If:
 - (A) this Agreement or any Security Document ceases for any reason to be valid, binding, enforceable and in full force and effect or any security interest created by a Security Document ceases to be enforceable and of the same effect and priority purported to be created thereby, other than as expressly permitted hereunder or thereunder.

- (B) any Loan Party contests in any manner the validity or enforceability of any provision of this Agreement or any Security Document;
 - (C) any Loan Party denies that it has any or further liability or obligation under any provision of this Agreement or any Security Document or purports to revoke, terminate or rescind any provision of any such document.
 - (D) a Guarantor terminates its guarantee with respect to future advances.
- (viii) There is a Change of Control of the Borrower other than as a result of the Acquisition.
- (ix) If there occurs, in the judgment of the Lender, a material adverse change in the financial condition, operations or prospects of the Borrower or a Guarantor.
- (b) Automatic Acceleration. In addition to any other rights of the Lender hereunder, following the occurrence of an Event of Default described in section 6(a)(v), the obligations of the Lender to make any further loans or extend any further credit under this Agreement shall automatically be terminated and all amounts outstanding under this Agreement shall become immediately due and payable without any notice and without presentment, protest, demand, notice of dishonour or any other demand whatsoever (all of which are expressly waived by the Borrower and the other Loan Parties).
- (c) On acceleration of the payment of principal and interest hereunder (whether pursuant to section 6(a), 6(b) or otherwise):
- (i) the Borrower shall immediately pay to the Lender all amounts outstanding under this Agreement, including without limitation all principal, interest and other amounts;
 - (ii) the Security Documents shall become immediately enforceable;
 - (iii) the Lender may, in its sole discretion, exercise any right or recourse and proceed by any action, suit, remedy or proceeding against any Loan Party as the Lender is entitled to take under any applicable law, this Agreement, the Security Documents and any other documents and agreements delivered in connection with this Agreement for the recovery and payment in full of all obligations of the Borrower to the Lender, and may take such other action as the Lender in its sole discretion deems advisable to enforce its rights and remedies, all without any notice, presentment, demand, protest or other formality, all of which are expressly waived by the Borrower and the other Loan Parties;
 - (iv) no remedy for the enforcement of the rights of the Lender shall be exclusive of, or dependent on, any other remedy, but any one or more of such remedies may from time to time be exercised independently or in combination with any other remedy; and
 - (v) the Lender and each of its affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, and without prior notice to the Borrower, any such notice being expressly waived by the Borrower, to set-off, appropriate and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Lender or its affiliate to or for the credit or the account of the Borrower or a Guarantor against any and all of the obligations now or hereafter existing under this Agreement or any other agreement to the Lender, whether direct or indirect, absolute or contingent, matured or

unmatured, and irrespective of whether or the Lender or any affiliate shall have made any demand and although such obligations of the Borrower or a Guarantor are owed to a branch, office or affiliate of the Lender different from the branch, office or affiliate holding such deposit or obligated on such indebtedness.

7. Payments; Calculation and Payment of Interest.

(a) Payments of principal, interest, fees and all other amounts payable by the Borrower to the Lender under this Agreement shall be paid in the currency in which it is due for value at or before 1:00 p.m. (New Zealand time) on the day such payment is due. If any such day is not a Business Day, such amount shall be deemed for purposes of this Agreement to be due on the Business Day next following such day, and any such extension of time shall be included in the computation or any interest of fees payable under this Agreement.

(b) All computations of interest or fees "per annum" for Prime Rate Advances and U.S. Base Rate Advances shall be made on the basis of a year of 365 or 366 days, as the case may be, and the actual number of days elapsed, and using the nominal rate method of calculation, and will not be calculated using the effective rate method of calculation or on any other basis that gives effect to the principle of deemed re-investment of interest.

8. Taxes, Yield Protection and Increased Costs

(a) All payments made to the Lender will be made free and clear of, and without deduction for or on account of, any present or future taxes, levies, assessments, deductions, withholdings or other governmental charges of any nature whatsoever now or hereafter imposed by any official body in any jurisdiction ("**Taxes**"). If, in the opinion of the Borrower, any Taxes ("**Withholding Taxes**") are required to be withheld or deducted from any amounts payable by the Borrower to the Lender hereunder, the Borrower shall: (a) within the time period for payment permitted by applicable law, pay to the appropriate governmental body the full amount of such Withholding Taxes and any additional taxes, levies, assessments, deductions, withholdings or other governmental charges in respect of payments hereunder and make such reports and filings in connection therewith in the manner required by applicable law; and (b) pay to the Lender an additional amount which (after deduction of all Taxes incurred by reason of the payment or receipt of such additional amount) will be sufficient to yield to the Lender the full amount which would have been received by it had no deduction or withholding been made. Upon the request of the Lender, the Borrower shall furnish to the Lender the original or a certified copy of a receipt for (or other satisfactory evidence as to (a) the payment by the Borrower to the appropriate governmental body of each of the Withholding Taxes (if any) payable in respect of such payment.

(b) The Borrower will reimburse the Lender on demand for any costs incurred by the Lender in performing its obligations under this Agreement resulting from any change in law, regulation, treaty or regulatory requirement (whether or not having the force of law) including, without limitation, any reserve or special deposit requirements, any tax or capital requirements or any change in the compliance of the Lender therewith that, in the determination of the Lender, has the effect of increasing the cost of funding to the Lender or reducing its effective rate of return on capital.

9. Indemnities

(a) The Borrower and each other Loan Party agrees to indemnify and hold harmless the Lender and each of its affiliates and the directors, officers, employees, partners, agents, trustees, administrators, managers, advisors and representatives of it and its affiliates (each, an "**Indemnified Party**") from and against, any and all claims, damages, losses, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnified Party), incurred by any Indemnified Party or asserted against any Indemnified Party by any person (including the Borrower or any other Loan Party) other than an Indemnified Party, arising out of, in connection with, or by reason of:

- (i) the execution or delivery of this Agreement or any agreement or instrument contemplated by this Agreement, the performance by the parties thereto of their respective obligations under this Agreement or any Security Agreement or the consummation of the transactions contemplated by such documents;
- (ii) any loan, extension of credit, or proposed use of the proceeds therefrom;
- (iii) any actual or alleged presence or release of hazardous materials on or from any property currently or formerly owned or operated by the Borrower or any of its subsidiaries, or any environmental liability related to the Borrower or any of its subsidiaries in any way; or
- (iv) any actual or prospective claim, investigation, litigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party, and regardless of whether any Indemnified Party is a party thereto;

provided that, such indemnity shall not be available to any Indemnified Party to the extent that such claims, damages, losses, liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnified Party.

(b) In addition to any liability or obligation of the Borrower to the Lender under any other provision of this Agreement, the Borrower shall indemnify and hold the Lender harmless against any and all losses, claims, costs, damages or liabilities (including any expense or cost incurred in the liquidation and re-deployment of funds acquired to fund or maintain any portion of a loan or advance and reasonable out-of-pocket expenses and legal fees) incurred by the Lender as a result of or in connection with the Borrower's failure to fulfil any of its obligations, including any cost or expense incurred by reason of the liquidation or re-employment in whole or in part of deposits or other funds required by the Lender to fund or maintain any loan, as a result of the Borrower's failure to complete a drawdown or to make any payment, repayment or prepayment on the date required hereunder or specified by it in any notice given hereunder. A certificate from the Lender setting forth the amount or amounts necessary to compensate it for any such loss, claim, cost, damage or liability, including reasonable detail of the basis of calculation of the amount or amounts, and delivered to the Borrower, shall be conclusive absent manifest error.

(c) The Borrower and each other Loan Party agrees, to the fullest extent permitted by applicable law, not to assert, and hereby waives, any claim against any Indemnified Party, on any theory of liability, for special, indirect, consequential or punitive damages (including, without limitation, any loss of profits or anticipated savings), as opposed to actual or direct damages, resulting from this Agreement or any Security Document or arising out of such Indemnified Party's activities in connection herewith or therewith.

10. Currency

Unless otherwise defined, all references to "\$", "NZD" or "dollars" shall be to the lawful currency of New Zealand.

11. Confidentiality

The parties acknowledge that the existence of this Agreement and its contents are confidential and each party shall not, and shall ensure that no other member of its group or related entity shall disclose this Agreement or its contents or make any other announcements with respect to this Agreement to any other person except:

- (a) as required by law or by any applicable governmental or other regulatory or self-regulatory authority or by any applicable stock exchange;
- (b) to its employees or professional advisers who have been made aware of and agree to be bound by the obligations under this paragraph or are in any event subject to confidentiality obligations as a matter of law or professional practice;
- (c) as required in judicial or administrative proceedings; or
- (d) with the prior written consent by the parties to this Agreement.

Where a party is required to make a public announcement, communication or circular under clauses 11(a), or 11(c) above, that party shall use reasonable endeavors to agree the contents of that announcement with the other party prior to the announcement being made.

12. Evidence of Indebtedness

The Lender will maintain books of account evidencing all loans and other amounts owing by the Borrower to the Lender hereunder. The Lender will enter in such accounts the details of all amounts from time to time owing, paid or repaid by the Borrower hereunder, which entries shall constitute *prima facie* evidence of the obligations of the Borrower to the Lender hereunder with respect to all loans and all other amounts owing by the Borrower to the Lender under this Agreement. The Lender shall provide copies of such accounts to the Borrower upon the Borrower's request.

13. Successors and Assigns; Assignment

The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Lender, which consent may be refused in the sole and absolute discretion of the Lender. The Lender may, at any time, assign or participate to one or more assignees or participants all or a portion of its rights and obligations under this Agreement.

14. Judgment Currency

If, for the purpose of obtaining a judgment in any court, it is necessary to convert a sum due to the Lender in any currency (the "**Original Currency**") into another currency (the "**Other Currency**"), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which, in accordance with normal banking procedures, the Lender may purchase the Original Currency with the Other Currency on the day on which the judgment is paid or satisfied. The obligations of the Borrower in respect of any sum due in the Original Currency from it to the Lender shall, notwithstanding any judgment in any Other Currency, be discharged only to the extent that on the Business Day following receipt by the Lender of any sum adjudged to be so due in the Other Currency, the Lender may, in accordance with normal banking procedures, purchase the Original Currency with the Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Lender in the Original Currency, the Borrower agrees, as a separate obligation and notwithstanding the judgment, to indemnify the Lender against any loss and, if the amount of the Original Currency so purchased exceeds the sum originally due to the Lender in the Original Currency, the Lender shall remit such excess to the Borrower.

15. Severability

If any term or provision of this Agreement is found, for any reason, to be invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision thereof or invalidate or render unenforceable such term or provision in any other jurisdiction.

16. Amendments in Writing

This Agreement may not be amended or modified except pursuant to an agreement or agreements entered into by the parties hereto in writing.

17. Waiver; Remedies Cumulative

No failure to exercise and no delay in exercising, on the part of the Lender, any right, remedy, power or privilege hereunder or under the Security Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. No breach of any provision of this Agreement or any Security Document may be waived or discharged verbally, and any waiver of, or consent to, any departure by any Loan Party therefrom shall in any event be effective unless the same shall be made by way of an instrument in writing signed by the Lender, and then such waiver or consent shall be effective only in the specific instance and for the time and purpose for which given. Without limiting the generality of the foregoing, the extension of credit shall not be construed as a waiver of any default, regardless of whether the Lender may have had notice or knowledge of such default at the time. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

18. Time of the Essence

Time is of the essence in this Agreement.

19. Counterparts

This Agreement and any amendments, waivers, consents or supplements hereto may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or by sending a scanned copy by electronic mail shall be effective as delivery of a manually executed counterpart of this Agreement. Each party consents to this Agreement (including any counterpart of it) being signed and delivered in electronic form in accordance with the Contract and Commercial Law Act 2017.

20. Notices

All notices, requests, consents, claims, demands, waivers and other communications hereunder (each, a "**Notice**") shall be in writing and addressed to the applicable party hereto at its address set forth below (or to such other address that may be designated by the receiving party from time to time in accordance with this section). All Notices shall be delivered by personal delivery, nationally recognized overnight courier (will all fees pre-paid), email of a PDF document (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid).

(a) If to the Lender:

Ladbrokes Group Finance plc
3rd Floor One New Change, London, United Kingdom, EC4M 9AF

Attention: General Counsel
Email: *[Redacted - Personal Information]*

with a copy to (which shall not constitute notice):

[Redacted - Personal Information]

(b) If to a Loan Party:

c/o Tiidal Gaming NZ Limited
Tiidal Gaming Group Corp.
365 Bay St., Suite 800
Toronto, Ontario, Canada M5H 2V1

Attention: Tom Hearne, Director
Email: *[Redacted - Personal Information]*

Except as otherwise provided in this Agreement, a Notice is effective only upon receipt by the receiving party and if the party giving the Notice has complied with the requirements of this Section. Any party hereto may from time to time notify the other parties hereto in writing of a change in address which thereafter, until changed by further written notice, shall be the address of the party for all purposes of this Agreement.