

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Alpha Esports Tech Inc. (the “Company”)
Suite 1930, 1177 West Hastings Street
Vancouver, BC, V6E 4T5

Item 2 Date of Material Change

November 3, 2021

Item 3 News Release

The Company disseminated a news release announcing the material change described herein through the news dissemination services of Globe Newswire on November 3, 2021, and a copy was subsequently filed on SEDAR.

Item 4 Summary of Material Change

The Company announced the closing of its acquisition of Heavy Chips and Sports Betting (“**Heavy Chips**”), a fully operational online gaming site with over 800 popular casino games and over 5,000 sports betting opportunities every day on sports such as football, tennis, basketball, and more, from Gamesoft Ltd. (“**Gamesoft**”). Heavy Chips provides access to live dealer games, casino slots, arcade casino games, and sports betting.

The purchase price for the acquisition of 100% of Heavy Chips is CAD\$300,000.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company announced the closing of its acquisition of Heavy Chips and Sports Betting (“**Heavy Chips**”), a fully operational online gaming site with over 800 popular casino games and over 5,000 sports betting opportunities every day on sports such as football, tennis, basketball, and more. Heavy Chips provides access to live dealer games, casino slots, arcade casino games, and sports betting.

Currently, Heavy Chips has over 250,000 registered users on its website and has seen consistent user growth every month of 2021. Heavy Chips has also recorded an average of approximately €16,800 Euros in monthly unaudited revenue in 2021, including growth nearly every month. In October, Heavy Chips recorded unaudited revenue of approximately €22,000 Euros.

The Company believes the online adult gaming/gambling sector is poised for continuous growth and that Heavy Chips key statistics show the growing potential in the sector and also illustrate how the Company is positioning itself for sustainable success.

- The global online gambling market reached \$66.7 Billion in 2020; is expected to more than double and reach \$127.3 billion by 2027 (source: <https://www.grandviewresearch.com/press-release/global-online-gambling-market>);

- Canada, the United States and Europe have the highest market share (source: <https://www.grandviewresearch.com/press-release/global-online-gambling-market>);
- Online gambling service providers/operators are allowed to enter into agreements with individual players or customers to provide betting services for real money, in turn attracting more gamers (source: <https://www.grandviewresearch.com/press-release/global-online-gambling-market>);
- Recent studies show that 96% of online gamblers play at home; A large number of customers are using desktops for betting as downloading and installing casino software proves to be easier on desktops (source: <https://www.grandviewresearch.com/press-release/global-online-gambling-market>).
-

The growth prediction comes from the rising popularity of online sportsbooks and the freemium business model of online casinos that lure players with no deposit bonuses. Also, it is believed among experts that smartphone adoption and cheap internet data plans are driving the market towards exponential growth. It is also believed more gambling experts are starting to realize that the transition to the digital environment is inevitable, that online casinos will take over the land-based market and bring advanced virtual environments similar to the in-person experience (source: <https://nativenewsonline.net/advertise/branded-voices/global-online-gambling-industry-statistics-and-trends-new-case-study>).

The purchase price for the acquisition of 100% of Heavy Chips is CAD\$300,000.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

This report is not being filed on a confidential basis.

Item 7 Omitted Information

There are no significant facts required to be disclosed herein which have been omitted.

Item 8 Executive Officer

The name and business number of the executive officer of the Company who is knowledgeable of the material change and this report is:

Eli Dusenbury
 Chief Financial Officer
 Telephone: 604-359-1256

Item 9 Date of Report

November 9, 2021