



FANSUNITE

FansUnite and Askott Entertainment Announce Closing of Oversubscribed Brokered Private Placement and Askott Shareholders' Approval at Special Meeting

Vancouver, British Columbia, July 31, 2020 – FansUnite Entertainment Inc. (CSE: FANS) (OTC: FUNFF) ("**FansUnite**" or the "**Company**") and Askott Entertainment Inc. ("**Askott**"), are pleased to announce the completion of its "best efforts" private placement of subscription receipts (the "**Subscription Receipts**") announced on July 8th, 2020.

The brokered offering was led by Canaccord Genuity Corp. ("**Canaccord**") and included Haywood Securities Inc., Paradigm Capital Inc., Mackie Research Capital Corporation and Eight Capital (collectively, the "**Agents**"), whereby Askott issued **12,524,615** Subscription Receipts at a price of \$0.40 per Subscription Receipt for aggregate gross proceeds of **\$5,009,846** (the "**Private Placement**").

The Subscription Receipts were issued pursuant to a subscription receipt agreement among Askott, Canaccord (acting as lead agent (the "**Lead Agent**") on behalf of the Agents), and Odyssey Trust Company (acting as the subscription receipt agent) (the "**Subscription Receipt Agreement**"). Pursuant to the Subscription Receipt Agreement, the gross proceeds of the Private Placement, less 50% of the Agents' Fee (as defined below) payable to the Agents, will be held in escrow pending satisfaction of conditions including, among others, the satisfaction or waiver of all conditions to the completion of the Transaction (the "**Escrow Release Conditions**").

Each Subscription Receipt will be automatically exchangeable without any further action on the part of the holder or payment of any additional consideration, for one unit of Askott (an "**Askott Unit**") upon satisfaction of the Escrow Release Conditions on or before August 20, 2020. Each Askott Unit will consist of one common share in the capital of Askott (each, an "**Askott Share**") and one-half of one common share purchase warrant (each whole warrant, an "**Askott Warrant**"). Each Askott Warrant will entitle the holder thereof to acquire one Askott Share for a period of 24 months from the date of issuance at a price of C\$0.55 per Askott Share. Upon Closing of the Transaction, the Askott Shares and Askott Warrants will be exchanged, without any further action on the part of the holder or payment of any additional consideration, for common shares of FansUnite (each, a "**FansUnite Share**") and common share purchase warrants of FansUnite (each, a "**FansUnite Warrant**") on a one for one basis. Each FansUnite Warrant will be exercisable into one FansUnite Share for a period of 24 months from the date of issuance at a price of C\$0.55 per FansUnite Share, subject to acceleration if the common shares of FansUnite trade at or above a volume weighted average trading price of C\$0.80 per FansUnite Share for a period of 10 consecutive trading days on the Canadian

Securities Exchange (or on another Canadian stock exchange). In such case, FansUnite may give notice by way of news release to the holders of FansUnite Warrants that FansUnite Warrants will expire 20 days from the date of providing such notice (the "**Acceleration Provision**").

The Subscription Receipts and the underlying Askott Shares and the Askott Warrants will be subject to an indefinite hold period. The FansUnite Shares and FansUnite Warrants issuable upon satisfaction of the Escrow Release Conditions and completion of the Transaction in exchange for Askott Shares and the Askott Warrants, respectively, will not be subject to any statutory hold periods under applicable Canadian securities laws.

Assuming the Escrow Release Conditions are satisfied and the Transaction is closed, Askott and FansUnite intend to use the net proceeds of the Private Placement for working capital and general administrative purposes.

Pursuant to an agency agreement among Askott, FansUnite and the Agents (the "**Agency Agreement**") entered into in connection with the Private Placement, Askott has agreed to pay to the Lead Agent, for services rendered by the Agents in connection with the Private Placement, a cash fee equal to the sum of: (a) 8% of the gross proceeds received by Askott from the sale of Subscription Receipts under the Private Placement, excluding proceeds raised from "President's List" subscribers, being \$258,040; plus (b) 3% of the gross proceeds received by Askott from the sale of Subscription Receipts to "President's List" subscribers, being \$47,865 (the "**Agents' Fee**"). 50% of the Agents' Fee, being an aggregate of \$152,952, was delivered into escrow at the closing of the Private Placement. The remaining 50% of the Agents' Fee will be released upon the satisfaction of the Escrow Release Conditions. Askott also issued to the Agents an aggregate of 764,762 broker warrants (the "**Broker Warrants**"), being: (x) 645,100 reflecting 8% of the Subscription Receipts sold under the Private Placement excluding Subscription Receipts sold to "President's List" subscribers; and (y) 119,662 reflecting 3% of the Subscription Receipts sold under the Private Placement to "President's List" subscribers. At the closing of the Transaction, the Broker Warrants will be exchanged, on a one for one basis, for FansUnite Warrants on equivalent terms without further action by the Agents. Askott and FansUnite also paid a corporate finance fee to the Lead Agent in the aggregate amount of \$150,000, which was satisfied by a cash payment of \$75,000 and the issuance of 187,500 Askott Shares at a price of \$0.40 per Askott Share, and 15,000 warrants, on terms equivalent to the Broker Warrants, along with a cash payment of \$6,000, for fiscal advisory services.

Askott Entertainment Shareholder Approval

Further to the Company's news release dated June 23, 2020, the holders of common shares of Askott (the "**Askott Shareholders**") have unanimously approved the special resolution authorizing the previously announced acquisition of Askott by FansUnite (the "**Transaction**"). Pursuant to the Transaction, Askott and a newly-incorporated subsidiary of FansUnite will amalgamate under the *Business Corporations Act* (British Columbia) and continue as a wholly-owned subsidiary of FansUnite, as one corporation.

The Transaction resolution was approved by 100% of the 14,315,807 of the votes cast by Askott Shareholders at the special meeting of Askott Shareholders held July 14, 2020, representing approximately 40.7% of the total Askott shares outstanding. The Transaction is expected to close on or about August 7, 2020 following completion of other customary closing conditions.

About Askott Entertainment Inc.

Askott is a Vancouver based software development company with a team that has been building award-winning online gambling software since 2013. Askott has produced a one of a kind complete iGaming platform, Chameleon Gaming Platform, with an esports first focus geared for the next generation of online bettors and casino players. The platform includes products for pre-match betting, in-play betting, daily fantasy, content and a certified RNG to produce casino style chance games. Askott has been using the Chameleon platform for their own free-to-play internal brands as well as recently signed external real-money partners.

About FansUnite Entertainment Inc.

FansUnite is a sports and entertainment company, focusing on technology related to regulated and lawful online gaming and other related products. The principal business is operating the FansUnite Sportsbook and the website of its wholly-owned subsidiary, McBookie Limited, offering online gaming services to the UK market. FansUnite is also a provider of technology solutions, products and services in the gaming and entertainment industry and looks to acquire technology platforms and assets with high-growth potential in new or developing markets.

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