**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

GameSquare Esports Inc.

65 Queen Street West

Suite 900

Toronto, Ontario

M5H 2M5

**Item 2 Date of Material Change**

March 4, 2021

**Item 3 News Releases**

A news release was issued by GameSquare Esports Inc. (“**GameSquare**” or the “**Company**”) on March 4, 2021 in respect of the material change and was disseminated through the facilities of GlobeNewswire and filed on SEDAR.

**Item 4 Summary of Material Changes**

The Company closed its "bought deal" private placement of an aggregate of 16,700,000 subscription receipts of the Company (the “**Subscription Receipts**”) at a price of C$0.42 per Subscription Receipt (the “**Issuer Price**”) for aggregate gross proceeds to the Company of C$7,014,000 (the “**Offering**”).

**Item 5 Full Description of Material Changes**

The Company closed its "bought deal" private placement of an aggregate of 16,700,000 Subscription Receipts at a price of C$0.42 per Subscription Receipt for aggregate gross proceeds to the Company of C$7,014,000.

The Offering was underwritten by a syndicate led by Canaccord Genuity Corp. (“**Canaccord**”) and including Echelon Wealth Partners Inc. and Eight Capital (collectively, the “**Underwriters**”).

The net proceeds of the Offering shall be held in escrow and will be released to the Company on the date (the "**Escrow Release Date**") on which certain escrow release conditions relating to the Company's proposed acquisition (the "**Proposed Acquisition**") of Reciprocity Corp. ("**Reciprocity**") have been satisfied, including (i) written confirmation from each of the Company and Reciprocity that all conditions to the completion of the Proposed Acquisition have been satisfied or waived; (ii) the receipt of all regulatory, shareholder and third-party approvals, if any, required in connection with the Proposed Acquisition; and (iii) the Company not being in breach or default of any of its covenants or obligations under the agreements relating to the Offering and having satisfied all conditions set out in the underwriting agreement to be entered into with the Underwriters in connection with the Offering. If the Escrow Release Date has not occurred by the date that is 90 days following the closing date of the Offering, subject to that date being extended by mutual agreement between the Company and Canaccord, on behalf of the Underwriters, then the Subscription Receipts will be cancelled and the proceeds of the Offering, together with each subscriber's *pro rata* share of interest thereon, will be returned to the subscribers.

On the Escrow Release Date, each Subscription Receipt shall be automatically exercised, without payment of additional consideration on the part of the holder, into one unit of the Company (a "**Unit**"). Each Unit will be comprised of one common share of the Company (a "**Common** **Share**") and one-half of one common share purchase warrant (each whole common share purchase warrant, a "**Warrant**"). Each Warrant will be exercisable to purchase one Common Share at an exercise price of C$0.60 for a period of 36 months from the Escrow Release Date, subject to a Warrant acceleration right exercisable by the Company if, at any time following the date that is four months and one day from the date of the closing of the Offering, the daily volume weighted average trading price of the Company's common shares on the Canadian Securities Exchange is greater than C$1.00 for the preceding five consecutive trading days.

The Company plans to use the net proceeds from the Offering to advance business operations in North America and Europe and for general corporate purposes.

The Subscription Receipts issued under the Offering and the securities of the Company to be exchanged for the Subscription Receipts on the Escrow Release Date will be subject to a statutory hold period expiring four months and one day from the closing date of the Offering.

As consideration for their services with respect to the Offering, the Underwriters shall be entitled to (i) a cash commission of 7% of the gross proceeds raised under the Offering, and (ii) warrants of the Company (the "**Broker Warrants**"), exercisable for a period of 36 months following the Escrow Release Date, to acquire in aggregate that number of Units which is equal to 7% of the number of Subscription Receipts sold under the Offering at an exercise price equal to the Issue Price.

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

Not applicable.

**Item 7 Omitted Information**

Not applicable.

**Item 8 Executive Officer**

Kevin Wright

President

Email: [kevin@gamesquare.com](mailto:kevin@gamesquare.com)

Phone: (416) 861-2267

**Item 9 Date of Report**

March 9, 2021

*Forward-Looking Information*

*This material change report contains "forward-looking information" and "forward-looking statements" (collectively, "****forward-looking statements****") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this material change report. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward- looking statements. In this material change report, forward-looking statements relate, among other things, the completion of the acquisition of Reciprocity Corp., the use of proceeds of the Offering, the Company's ability to execute its business plan and the business, strategy and operations of the Company. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties. There can be no assurance that such statements 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 the forward-looking statements and information contained in this material change report. Except as required by law, GameSquare assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.*