

ASSET PURCHASE AGREEMENT

THIS AGREEMENT made the 16th day of January, 2020

BETWEEN:

DODICK LANDAU INC.
in its capacity as appointed receiver re
WAVES E-GAMING INC.
and not in its personal capacity whatsoever

(hereinafter called the "Vendor")
OF THE FIRST PART

- and -

AMUKA VENTURES INC., a corporation
incorporated under the laws of Ontario

(hereinafter called the "Purchaser")
OF THE SECOND PART

WHEREAS:

- (a) on December 20, 2019, Amuka Ventures Inc. ("**Amuka**") appointed Dodick Landau Inc. (the "**Receiver**") as receiver of the assets, undertakings and properties of Waves E-Gaming Inc. ("**Waves**"); and
- (b) subject to the provisions of this Agreement, the Purchaser has agreed to purchase from the Vendor, and the Vendor has agreed to sell to the Purchaser all of its right, title and interest, in the Vendor's assets more particularly described in Schedule 1 of this Agreement.

Now therefore this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by each party to the other, the parties hereto agree as follows:

**ARTICLE 1
PURCHASE AND SALE OF ASSETS**

Section 1.01 Assets. The Purchaser agrees to purchase from the Vendor and the Vendor agrees to sell to the Purchaser, subject to the terms and conditions hereof, all of the Vendor's right, title and interest in the assets set out in Schedule 1 attached to this Agreement, if any, and in and to the good will of the Vendor (such assets and good will collectively called the "Assets").

**ARTICLE 2
PURCHASE PRICE**

Section 2.01 Purchase Price. The purchase price (the "Purchase Price") for the Assets shall be as set out in Schedule 2 attached to this Agreement.

Section 2.02 Payment of Purchase Price. The Purchaser shall pay or satisfy the Purchase Price on closing by bank draft, wire transfer or by certified cheque drawn on a Canadian chartered bank, and made payable to the Vendor or as the parties shall otherwise agree.

Section 2.03 Transfer Taxes. The Purchaser shall pay at the Time of Closing, as that term is defined in Section 6.01 herein, in addition to the Purchase Price, all applicable federal and provincial sales and transfer taxes exigible in connection with this transaction. Alternatively, where applicable at the sole and reasonable opinion of the Vendor, the Purchaser shall have the option of furnishing the Vendor with such purchase exemption certificates, elections and other documentation, which are in form and content satisfactory to the Vendor, together with an indemnity satisfactory to the Vendor. Such indemnity shall hold the Vendor harmless from any costs, expenses or damages suffered by the Vendor as a result of the failure by the Purchaser either to pay any taxes exigible in accordance with this section, whether arising from reassessment or otherwise, or to file the appropriate certificates, elections or other documentation required of it, pursuant to the taxation statutes governing the granting of such exemptions.

Section 2.04 Deposit. Within three (3) business days after delivery of this Asset Purchase Agreement, the Purchaser shall deliver to Vendor a cash deposit in an amount equivalent to 6.35 % of the Purchase Price as set out in Schedule 2, which shall be held by Vendor as a deposit under this Agreement (the "Deposit") in good funds either by certified bank cheque or by wire transfer. At Closing, Vendor shall disburse the Deposit in accordance with their duties and obligations as Receiver, and such funds shall be applied to the Purchase Price. If the transaction contemplated by this Agreement is not consummated, or if the Purchaser executing this Agreement as the Stalking Horse bidder is not the successful bidder under the terms of the Bidding Procedures described in Section 4.01 herein, the Deposit shall be disbursed by the Vendor in accordance with its duties and obligations as Receiver. If the Purchaser fails to comply with the terms of this Agreement, the Vendor may by notice to the Purchaser elect to treat this Agreement as having been repudiated by the Purchaser. In that event, the Deposit and any other payments made by the Purchaser shall be forfeited to the Vendor and the Purchased Assets may be resold by the Vendor.

**ARTICLE 3
REPRESENTATIONS**

Section 3.01 Vendor's Representations. The Vendor represents and warrants to the Purchaser that:

- (a) the Assets are physically located only in the Province of Ontario;
- (b) the Vendor has the power and authority to enter into this Agreement and to sell and convey the right, title and interest, if any, of the Assets to the Purchaser in the manner contemplated by this Agreement;
- (c) the Vendor is not a non-resident of Canada within the meaning of section 116 of the Income Tax Act (Canada);
- (d) all necessary court proceedings will have been taken by the Time of Closing to allow the Assets to be transferred to the Purchaser free and clear of encumbrances as contemplated by this Agreement;

Section 3.02 Purchaser's Representations. The Purchaser hereby represents and warrants to and in favour of the Vendor that:

- (a) the Purchaser is and will be at the Time of Closing, a corporation validly incorporated and existing under the laws of Canada and has the requisite power and authority to enter into this Agreement and to complete the transaction (the "Transaction") of purchase and sale of the Assets as contemplated in this Agreement;
- (b) the Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement, and this Agreement constitutes a legal, valid and binding obligation of the Purchaser enforceable in accordance with its terms; and
- (c) the Purchaser is not, and it and its permitted assigns will not, at the Time of Closing, be a non-Canadian person ("Non-Canadian") within the meaning of the *Investment Canada Act* (Canada).

**ARTICLE 4
COVENANTS AND OTHER AGREEMENTS**

4.01 Stalking Horse and Bidding Procedures

- (a) The Vendor, and the Purchaser acknowledge that this Agreement and the Transaction may be subject to Court approval;
- (b) On or before January 20, 2020, the Vendor shall provide to all interested parties copies of the Bidding Procedures in connection with the sale of the Assets and disclosure of this Stalking Horse Asset Purchase Agreement;

- (c) If the Vendor has received one or more “Qualified Bids” (as defined in the Bidding Procedures”) on or before 5:00 p.m. (E.D.T.) on February 14, 2020, the Vendor shall use its reasonable efforts to conduct an auction for the Assets on or before February 18, 2020 (the “**Auction**”);
- (d) Should the Vendor proceed with seeking court approval in accordance with this section, The Vendor shall, on or before February 28, 2020, use its commercially reasonable efforts to have the Court make an order (the “**Approval and Vesting Order**”) reasonably acceptable to the Purchaser approving the sale of the Assets to the Purchaser pursuant to this Agreement or to the Person submitting the highest and otherwise best bid(s) for the Assets at the Auction and vesting title to the Assets in the Purchaser or other such person free and clear of all encumbrances (the “**Approval and Vesting Motion**”);
- (e) In the event leave to appeal is sought, an appeal is taken or a stay pending appeal is requested with respect to the Approval and Vesting Order, the Vendor shall promptly notify the Purchaser of such leave to appeal, appeal or stay request and shall promptly provide the Purchaser a copy of all the related notice(s) or order(s).

ARTICLE 5
TITLE

Section 5.01 Title Documents. The Vendor shall not be required to furnish or produce any abstract, deed, survey, declaration or other document or evidence of title with respect to the Assets, except those in its possession.

Section 5.02 "As Is, Where Is". Notwithstanding anything contained herein, the Purchaser confirms that it has entered into this Agreement on the basis that:

- (a) the Purchaser has conducted or will conduct its own investigations of the title, if any, to the Assets;
- (b) the Purchaser has and shall be deemed to have inspected the Assets, satisfied itself with respect to the Assets and all matters and things connected with or in any way related to the Assets, and to have relied entirely upon its own investigations and inspections in entering into this Agreement and accepting the Assets;
- (c) the Purchaser is purchasing the Assets on an "as is, where is" basis;
- (d) the Assets are being purchased as they will exist and at their location on the Time of Closing, and no adjustments will be allowed to the Purchaser for any change in condition, value, quantity or quality of the Assets; and
- (e) the Vendor has made no representations, warranties, statements or promises (save and except as expressly stated in this Agreement) and has not agreed to any condition with

respect to the Assets, whether statutory (including, without limitation, under the *Sale of Goods Act* (Ontario)), express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, all of which are expressly excluded, as to:

- (i) title, including, without limitation, the existence, validity, registration, enforceability or priority of any mortgages, charges, liens, encumbrances, security interests, claims or demands of whatsoever nature or kind affecting or in any way relating to any or all of the Assets;
- (ii) the existence, condition, merchantability, description, fitness for any particular purpose or use, suitability, durability, marketability, condition, quantity or quality thereof of any or all of the Assets;
- (iii) any other matter or thing whatsoever in respect of any or all of the Assets.

Section 5.03 Assignment of Contracts. Nothing in this Agreement shall be construed as an attempt to assign any contractual rights forming part of the Assets that are not assignable in whole or in part without the consent of the other party to such contract, unless the consent has been given or the assignment is otherwise lawful.

ARTICLE 6 CONDITIONS

Section 6.01 Conditions of the Purchaser. The obligation of the Purchaser to complete the purchase of the Assets is subject to the following conditions being fulfilled, or performed, at or prior to the Time of Closing:

- (a) the Purchaser shall have satisfied itself in its sole reasonable opinion that the state, quantity and condition of the Assets are satisfactory to it;
- (b) all representations and warranties of the Vendor contained in this Agreement shall be true and correct, and the Vendor shall have delivered to the Purchaser satisfactory evidence to that effect (provided that acceptance of such evidence and completion of the transaction contemplated by this Agreement shall not be a waiver of such representations and warranties);
- (c) the Vendor shall have complied with and performed all of its covenants and obligations contained in this Agreement;
- (d) no action or proceeding, at law or in equity, shall have been commenced or threatened by any person, firm, company, government, regulatory body or agency to enjoin, restrict or prohibit the transaction contemplated by this Agreement;
- (e) the Purchaser shall have received evidence satisfactory to it, acting reasonably, that Dodick Landau Inc. was duly appointed the Receiver of Waves E-Gaming Inc. and that Dodick Landau Inc. has authority to enter into this Agreement and complete the

Transaction;

- (f) the Assets, including any leased assets, can be transferred to the Purchaser in accordance with this Agreement and pursuant to the Orders (if any) contemplated in subparagraph 5.01(i), and subject to subparagraph 5.03;
- (g) should the Vendor apply to the Court for an Approval and Vesting Order on terms reasonably satisfactory to the Purchaser, vesting title to the Assets in the Purchaser without encumbrances, the Vendor shall diligently pursue such applications and shall promptly notify the Purchaser of their disposition. The Purchaser, at its own expense, shall promptly provide to the Vendor all such information and assistance within the Purchaser's power as the Vendor may reasonably require to obtain the Approval and Vesting Order, including, without limitation, such information as the Court may require to reasonably evaluate the Purchaser's financial ability to perform its obligations hereunder. It is expressly acknowledged by the Purchaser that the Vendor shall have no obligation to the Purchaser, at law or in equity or otherwise, to accept or recommend to the Court for approval the highest or any offer for any of the Assets, including this Agreement.

The foregoing conditions are for the exclusive benefit of the Purchaser, and any condition may be waived by it in whole or in part. Any such waiver is only binding on the Purchaser if it is made in writing. If the Purchaser refuses to waive one of the foregoing conditions, which are for its exclusive benefit, and such condition cannot be complied with by the Vendor, then either the Vendor or the Purchaser may, on notice in writing to the other party, rescind this Agreement and the parties shall have no further rights and remedies against each other.

Section 6.02 Conditions of the Vendor. The obligation of the Vendor to complete the Transaction is subject to the following conditions being fulfilled or performed at or prior to the Time of Closing:

- (a) all representations and warranties of the Purchaser contained in this Agreement shall be true and correct and the Purchaser shall have delivered to the Vendor satisfactory evidence to that effect (provided that acceptance of such evidence and completion of the Transaction shall not be a waiver of such representations and warranties);
- (b) the Purchaser shall have complied with and performed all of its covenants and obligations contained in this Agreement;
- (c) no action or proceeding, at law or in equity, shall have been commenced or threatened by any person, firm, company, government, regulatory body or agency to enjoin, restrict or prohibit the sale of the Assets contemplated by this Agreement;
- (d) none of the Assets shall have been redeemed by any person entitled to redeem them pursuant to the PPSA or any other statute or rule of law or equity;
- (e) the Purchaser shall have paid the Purchase Price in full to the Vendor or as may be

otherwise directed; and

- (f) should the Vendor proceed with seeking court approval in accordance with section 4, the Vendor shall have obtained the Approval and Vesting Order in the manner contemplated in this Agreement.

The foregoing conditions are for the exclusive benefit of the Vendor, and any condition may be waived by it in whole or in part. Any such waiver is only binding on the Vendor if it is made in writing. If the Vendor refuses to waive one of the foregoing conditions, which are for its exclusive benefit, and such condition cannot be complied with by the Purchaser, then either the Vendor *or* the Purchaser may, on notice in writing to the other party, rescind this Agreement and the parties shall have no further rights and remedies against each other.

ARTICLE 7 CLOSING

Section 7.01 Place of Closing. The completion of this transaction as it relates to the purchase of the Assets shall take place at the offices of the Vendor on the day the Vesting Order is issued (if any), at 4:00 pm, or such earlier or later time or date as the parties may agree in writing (such time being referred to herein as the "Time of Closing"). If the Receiver receives written notice that any party will appeal the Approval and Vesting Order prior to the Time of Closing, the Receiver shall have the discretion to extend the Time of Closing until after the expiry of any applicable appeal periods.

Section 7.02 Deliveries on Closing by the Vendor. The Vendor shall deliver to the Purchaser at the Time of Closing:

- (a) all deeds, conveyances, bills of sale, and assignments in form and substance satisfactory to both counsel for the Vendor and the Purchaser, acting reasonably, as may be necessary to transfer its right, title and interest, if any, in and to the Assets to the Purchaser in the manner contemplated under this Agreement;
- (b) possession of the Assets to the Purchaser;
- (c) the Vesting Order (if any); and
- (d) all other documents contemplated by this Agreement to effectually complete the Transaction.

Section 7.03 Deliveries on Closing by the Purchaser. The Purchaser shall deliver to the Vendor at the Time of Closing:

- (a) the Purchase Price by way of bank draft, wire transfer or certified cheque drawn on a Canadian chartered bank and made payable to as directed by the Approval Order or the Vesting Order (if any);

- (b) evidence satisfactory to the Vendor that the Purchaser has complied with the provisions of section 2.03 of this Agreement; and
- (c) all other documents contemplated by this Agreement to effectually complete the Transaction.

ARTICLE 8 MISCELLANEOUS

Section 8.01 Title and Risk. The Assets shall remain at the risk of the Vendor to the extent of its interest, until completion of the Transaction. Pending closing, the Vendor shall hold all insurance policies and proceeds thereof in trust for itself, the Purchaser and all other parties as their respective interests may appear. In the event of damage to any of the Assets prior to the Time of Closing, the Purchaser may, at its option:

- (a) reduce the Purchase Price by an amount equal to the cost of repair, or, if destroyed or damaged beyond repair, by an amount equal to the replacement cost (based upon the physical condition of the assets immediately prior to their damage or destruction) of the assets forming part of the Assets so damaged or destroyed, and thereafter to complete the purchase of the Assets;
- (b) complete the Transaction without reduction of the Purchase Price, in which event all proceeds of insurance or compensation shall be payable to the Purchaser; or
- (c) rescind this Agreement in the event of substantial damage to the Assets, and the parties hereto shall have no further rights and remedies against each other.

Section 8.02 Obligations to Survive. Notwithstanding the completion of the Transaction set out in this Agreement or the delivery of documents pursuant to this Agreement, the obligations, covenants, representations and warranties of the parties hereto shall survive the completion of the Transaction and shall remain in full force and effect and shall not merge as a result thereof.

Section 8.03 Dodick Landau Inc.'s Capacity. The parties hereto agree that Dodick Landau Inc. acts solely in its capacity as the Receiver of the undertaking, property and assets of Waves E-Gaming Inc., and that Dodick Landau Inc. and its agents, officers and employees shall have no personal or corporate liability under or as a result of this Agreement, or otherwise in connection herewith.

Section 8.04 Further Assurances. Each of the parties hereto from and after the Time of Closing shall, from time to time, and at the request and expense of the party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested for more effectually carrying out the true intent and meaning of this Agreement.

Section 8.05 Time of the Essence. Time shall be of the essence of this Agreement.

Section 8.06 Tender. Any tender of documents or money made pursuant to this Agreement may be made upon the Vendor or the Purchaser or their respective solicitors at or before the Time of Closing. Money may be tendered by bank draft, wire transfer or certified cheque drawn on a Canadian chartered bank, and made payable to the Vendor.

Section 8.07 Currency. All references in this Agreement to monetary amounts, unless indicated to the contrary, are to Canadian currency.

Section 8.08 Notices. Any notice, demand or other communication required or permitted to be given to any party hereunder shall be given in writing and addressed as follows:

In the case of the Vendor:

Dodick Landau Inc.
4646 Dufferin Street, Suite 6
Toronto, ON M3H 5S4
Attention: Rahn Dodick
Facsimile No.: 416-649-7725
Email: rahn.dodick@dodick.ca

In the case of the Purchaser:

Amuka Ventures Inc.
500 – 33 Bloor Street East
Toronto, ON M4W 3H1
Attention: Ben Feferman
Email: ben@amukacapital.com

With a copy to:

MKM Law LLP.
840- 2967 Dundas St West
Toronto, ON M6P 1Z2
Attention: Josh Marcus
Email: jmarcus@mkmesports.com

Any such notice shall be deemed to be sufficiently given if personally delivered or sent by facsimile transmission, or email with receipt acknowledged, and in each case shall be deemed to have been received by the other party on the same day on which it was delivered or sent by facsimile transmission or email, if such day is a business day, and, if not, on the next following business day.

Section 8.09 Entire Agreement. This Agreement constitutes the entire agreement between the

parties with respect to its subject matter, and supersedes any and all prior negotiations, understandings and agreements between the parties. This Agreement may not be amended or modified in any respect except by written instrument signed by the party(ies) intended to be bound thereby.

Section 8.10 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario, and the laws of Canada applicable therein.

Section 8.11 Singular, Plural and Gender. Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders. The term "person", as used herein, shall have the meaning ascribed to it pursuant to the *Business Corporations Act* (Ontario).

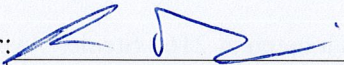
Section 8.12 Headings. The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof.

Section 8.13 Successors and Assigns. This Agreement shall be binding upon, and enure to the benefit of, the parties hereto and their respective successors and permitted assigns.

Section 8.14 Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if all parties had signed the same document and all counterparts and adopting instruments will be construed together and will constitute one and the same agreement.

Executed at Toronto, Ontario

Dodick Landau Inc., in its capacity as Receiver of Waves E-Gaming Inc. and not in its personal capacity whatsoever, hereby approves this Asset Purchase Agreement.

Per: 
Rahn Dodick, CPA, CIRP, LIT

Benjamin Feferman

Per: Benjamin Feferman

I have authority to bind the Corporation

SCHEDULE "1"

ASSETS OF WAVES E-GAMING INC. BEING SOLD TO
AMUKA VENTURES INC.

Without limiting the generality of same, and subject to section 5.03 of this Agreement, Assets of the Vendor shall be the Receiver's rights, title and interest, if any, in the following assets as well as any other assets on hand at the Time of Closing (the "Purchased Assets"):

- (a) the real property lease pursuant to the lease for the premises located at 2160 Steeles Ave W, Concord ON L4K 2Y7 (the "Premises"), including rights to leasehold improvements (if any), to the extent assignable;
- (b) any and all office furniture, computers, and any and all other machinery and equipment, and all other tangible properties, wherever located (collectively the "Equipment") owned by Vendor or leased / financed pursuant to existing agreements to the extent assignable;
- (c) all existing promotional, event sponsorships, and partnership agreements, to the extent assignable;
- (d) all Intellectual Property owned by Waves that was used in connection with the Purchased Assets;
- (e) the outstanding accounts receivable at the Time of Closing;
- (f) all pre-paid expenses and deposits relating to the Purchased Assets (other than deposits paid to suppliers, Governmental Authorities or customers of Waves) including pre-paid Taxes, local improvement rates and charges, water rates and other operating costs, and all pre-paid lease payments;
- (g) the cash and cash equivalents, short-term investments, bank account balances, bank deposits, including any deposits posted in respect of letters of credit, and petty cash of Waves;
- (h) all rights of Waves to tax refunds, credits, rebates or similar benefits relating to the Purchased Assets;
- (i) the Books and Records of Waves; and
- (j) all goodwill associated only with Waves, including, without limitation, the brand name (the "Goodwill").

SCHEDULE "2"

PURCHASE PRICE FOR THE ASSETS OF WAVES E-GAMING INC. BEING SOLD TO
AMUKA VENTURES INC. ("AMUKA")

The purchase price (the "Purchase Price") for the purchase, sale, assignment and conveyance of the Vendor's right, title and interest in, to and under the Purchased Assets, free and clear of all interests, claims, liens and encumbrances, shall consist of:

- (a) **Credit Bid:** At least \$270,000 of Amuka's secured debt (as a credit bid against all assets as to which Amuka's debt is secured by liens and security interests senior to all creditors); and
- (b) **Cash:** the Purchaser shall pay to the Vendor by electronic transfer, bank draft or certified cheque in the amount of \$100,000, less the aggregate total of any and all deposits received prior (which cash shall be used by the Vendor to satisfy the liens secured by such assets in favour of Amuka).

