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POINTSBET FIRST TO SIGN WITH BETMAKERS FOR US HORSE RACING

Highlights

- **PointsBet USA becomes first wagering operator to partner with BetMakers in New Jersey**
- **Follows BetMakers' 10-year exclusive agreement to manage Fixed Odds in New Jersey**
- **PointsBet USA to bet Fixed Odds on Domestic and International horse racing**

The Board of BetMakers Technology Group Limited (“BetMakers” or “the Company”) (ASX:BET) is pleased to announce that the Company’s wholly owned subsidiary, BetMakers DNA Pty Ltd (“BDNA”), has signed an agreement with PointsBet New Jersey Inc. (“PointsBet USA”), a subsidiary of PointsBet Holdings Ltd (“PointsBet”) (ASX:PBH), to begin Fixed Odds betting on horseracing in the New Jersey market, subject to receipt of all necessary regulatory approvals (“Agreement”). The material terms of the Agreement are annexed to this announcement.

This deal follows the announcement on 10 June 2020 by BetMakers for “on-course” management of Fixed Odds on behalf of the New Jersey located Monmouth Park Racetrack (“Monmouth Park”).

PointsBet is the first online bookmaker to sign up to the Global Racing Network which will allow it to conduct Fixed Odds betting on horse racing in the U.S market. The Company believes this deal is the first of its kind in the United States.

As announced on 5 February 2020, BetMakers, through BDNA, has secured an exclusive 10-year agreement with New Jersey Thoroughbred Horsemen Association and Darby Development LLC., the operator Monmouth, to deliver and manage Fixed Odds horse racing in New Jersey.

Today’s announcement formalises commercial terms for PointsBet USA, under BDNA’s agreement, to offer Fixed Odds betting in New Jersey.

Seth Young, Chief Innovation Officer PointsBet USA, said: “Securing an agreement with BetMakers is a major step in what we believe to be an important strategy for our U.S. plans. We understand horseracing and we intend to capitalise on this expertise as we roll out racing products into the U.S. market, starting in New Jersey.”

Dennis Drazin, CEO Monmouth Park, commented: “As a business, Monmouth Park is foremost looking forward to revenue opportunities immediately presented by PointsBet USA signing as the first operator to offer Fixed Odds betting in New Jersey through our exclusive partnership with BetMakers. More broadly, through the BetMakers agreement, we see the Fixed Odds betting type as having great potential for horseracing to be a preferred wagering choice across the U.S, which can increase both the profile of Monmouth Park and horseracing in general.”



New Jersey has been one of the pioneers for Fixed Odds sports betting in US, with latest sports betting annual turnover reported at more than \$US4.5 billion. Legal Fixed Odds betting on horse racing has not been offered previously in the US market.

Under terms of the deal with PointsBet USA, BDNA will also provide its leading-edge wagering technologies for PointsBet's racing solution. This includes BetMakers' data and pricing solution through Global Betting Services, which allows PointsBet to offer U.S. customers a similar offering to its Australian customers.

Sam Swanell, CEO PointsBet, said: "We look forward to working with BetMakers for our entry into the U.S. horseracing market, which we believe is a big opportunity. BetMakers have been great product and technology services suppliers as well as being overall supporters of our Australian operation, and we see them as an important solution for our U.S. progression."

Todd Buckingham, CEO BetMakers, commented on the deal: "The deal with PointsBet completes an approved and regulated end-to-end supply chain model to launch Fixed Odds betting into the U.S. market for the first time. The stage is now set for first Fixed Odds bets to be taken on horseracing in the U.S. and there are two reasons we believe this can be successful. Firstly, we have seen that U.S. punters have shown an appetite for Fixed Odds on other sports through their \$4.5 billion annual turnover in New Jersey, and secondly because we have seen the strong trend in Australia that has seen Fixed Odds betting become the dominant type of betting option preferred by punters. BetMakers sees PointsBet as a perfect partner to launch Fixed Odds in the U.S. We have a great working relationship with PointsBet and as one of the fastest growing wagering companies in the Australian market, we don't see any reason why this would be any different in the U.S."

Mr Buckingham added:

"To begin with, PointsBet USA will be able to offer Fixed Odds betting in New Jersey on all Monmouth Park race meetings across its season, which has just commenced. Under BetMakers' exclusive 10-year agreement to manage and distribute Fixed Odds in New Jersey, any other racing body or rights holder in the world that wishes to supply its content to BetMakers for distribution into this market can sign commercial agreements to monetise their existing product in a new market. BetMakers is currently working with rights holders and racing bodies from other jurisdictions, including Australia, that are looking to offer their own racing content to be available for Fixed Odds betting to New Jersey residents through licensed operators."

"We look forward to updating the market as new tracks sign up and new operators sign up to what we believe will be a significant market in New Jersey."

The Company is unable to provide guidance on the potential revenues under the Agreement, however, the Board of BetMakers considers the Agreement to be qualitatively material to the Company on the basis that the Agreement is in respect of the first wagering operator to sign on with BDNA to operate Fixed Odds in New Jersey.

Todd Buckingham, Managing Director of BetMakers, authorised the release of this announcement to ASX.



For further information please contact

Charly Duffy
Company Secretary
companysecretary@thebetmakers.com
+ 61 (0) 409 083 780

Jane Morgan
Investor and Media Relations
investors@thebetmakers.com
+ 61 (0) 405 555 618

Disclaimer

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- assumptions regarding the Company’s financial position, business strategies, plans and objectives of management for future operations and development and the environment in which the Company will operate; and
- current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties.

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You must not place undue reliance on these forward-looking statements.



Annexure: Material Terms

The material terms of the Agreement are as follows:

- during the Term (defined below), BDNA will provide to PointsBet USA the following services (“Services”) for the purposes of conducting fixed odds betting on Thoroughbred Horse racing in New Jersey as approved by the New Jersey Thoroughbred Horsemen Association:
 - a non-exclusive right to use the Global Racing Network betting service; and
 - access to certain data products for certain racing events conducted by racing bodies with whom BDNA has obtained distribution rights, determined at BDNA’s absolute discretion;
- BDNA will receive the following fees for the Services:
 - a percentage of turnover for each Fixed Odds bet placed by PointsBet USA’s customers on horse racing in New Jersey; and
 - a monthly fixed data and integrity fee payable during the agreement
- the initial term of the Agreement is 5 years from the date of the Agreement. The Agreement will be extended for successive further terms of 5 years unless either party gives no less than 3 months' notice (“Term”);
- a party may terminate the Agreement:
 - immediately by written notice to the other party if a party:
 - assigns any right under the Agreement other than in accordance with the Agreement;
 - disposes of a material part of its assets, enters into an arrangement with its creditors, undergoes a change in control event, ceases to carry on business, takes any step to appoint an administrator, or becomes aware of a regulatory event which may materially impact the party’s contractual rights, licences, approvals or permits which are necessary for the Agreement to operate;
 - fails to comply with its duties set out in the Agreement; or
 - acts in any way that affects another party's licence, permits or approvals or otherwise jeopardises the conduct of another party's business and provision of its services under its licence, or any other permit or approval; and
 - by 3 months’ written notice after the date which is 12 months from the Go Live Date; and
- the Agreement is governed by the laws of New Jersey.