

**ESPORTS MOGUL LIMITED**  
**ACN 148 878 782**

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**PROSPECTUS**

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For an offer of:

- (a) up to 400,000,000 Placement Options to the Placement Participants on the basis of one (1) free-attaching Placement Option for every two (2) Placement Shares subscribed for and issued under the Placement (**Placement Options Offer**);
- (b) 82,000,000 Broker Options to Brokers (or their nominees) at an issue price of \$0.00001 per Option to raise \$820 (**Broker Options Offer**).

(together, the **Offers**).

**The Offers are not underwritten**

**The Offers close at 5.00pm WST on Tuesday, 1 December 2020**

**IMPORTANT NOTICE**

This is an important document and should be read in its entirety.

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. If you have any queries about any part of the Prospectus, please contact your professional adviser without delay. The New Listed Options offered by this Prospectus should be considered speculative.

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## TABLE OF CONTENTS

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1.	CORPORATE DIRECTORY.....	1
2.	TIMETABLE.....	2
3.	IMPORTANT NOTES.....	3
4.	OVERVIEW OF OFFERS.....	6
5.	DETAILS OF THE OFFERS.....	13
6.	PURPOSE AND EFFECT OF THE OFFERS.....	19
7.	RIGHTS AND LIABILITIES ATTACHING TO SECURITIES.....	24
8.	RISK FACTORS.....	29
9.	ADDITIONAL INFORMATION.....	39
10.	DIRECTORS' AUTHORISATION.....	52
11.	GLOSSARY.....	53

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## 1. CORPORATE DIRECTORY

### Directors

Gernot Abl  
*Non-Executive Chairman*

Cameron Adams  
*Non-Executive Director*

Kate Vale  
*Non-Executive Director*

### Chief Executive Officer

Michael Rubinelli

### Company Secretary

George Lazarou

### ASX Code

ESH

### Registered Office

Level 21  
459 Collins Street  
MELBOURNE VIC 3000  
Telephone: +61 3 8630 3315  
Email: [corporate@mogul.gg](mailto:corporate@mogul.gg)  
Website: [esh.mogul.gg](http://esh.mogul.gg)

### Share Registry

Automic Registry Services  
Level 2  
267 St Georges Terrace  
PERTH WA 6000

### Legal Advisers

Addisons  
Level 12  
60 Carrington Street  
SYDNEY NSW 2000

### Lead Manager

CPS Capital Group Pty Ltd  
AFSL 294848, ABN 73 088 055 636  
Level 45  
108 St Georges Terrace  
PERTH WA 6000

### Auditor\*

Moore Australia Audit (VIC)  
Level 18  
530 Collins Street  
MELBOURNE VIC 3000

\*The details of the Company's auditor have been included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

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**2. TIMETABLE**

<b>Lodgement of Prospectus with ASIC and ASX</b>	Monday, 16 November 2020
<b>Opening Date of Offers</b>	Tuesday, 17 November 2020
<b>Closing Date of Offers (5:00pm WST)</b>	Tuesday, 1 December 2020
<b>Issue of New Listed Options under the Offers</b>	Monday, 7 December 2020
<b>Dispatch of holding statements in respect of the New Listed Options</b>	Monday, 7 December 2020
<b>Expected date for Quotation of the New Listed Options</b>	Tuesday, 8 December 2020

\* These dates are indicative only and subject to change. The Company reserves the right, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, to vary the dates, including by extending the Closing Date. As such the date the New Listed Options are expected to commence trading on ASX may vary.

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### 3. IMPORTANT NOTES

This Prospectus is dated 16 November 2020 and was lodged with ASIC on that date. Neither ASIC nor ASX, nor any of their officers, takes any responsibility for the contents of this Prospectus. The fact that ASX may list the New Listed Options is not to be taken in any way as an indication of the merits of the Company or the New Listed Options.

This Prospectus expires 13 months from the date it was lodged with ASIC. No securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. An application will be made to ASX within 7 days after the date of this Prospectus for the quotation of the New Listed Options the subject of this Prospectus.

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is issued pursuant to section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities or options to acquire continuously quoted securities. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all information that would be included in a prospectus for an initial public offering.

This document is important, and it should be read in its entirety. The New Listed Options to be issued pursuant to this Prospectus should be viewed as a speculative investment and investors should refer to the Section 8 for details of certain risk factors which are considered to be relevant for the purposes of the Offers. You should consider the risk factors that could affect the financial performance of the Company in light of your personal circumstances (including financial and taxation issues). This Prospectus does not provide investment advice and has been prepared without taking into account your financial objectives, financial situation or particular needs (including financial or taxation issues). Investors should consult their stockbroker, solicitor, accountant or other professional adviser if necessary.

No person is authorised to give any information or to make any representations in relation to the Offers which is not contained in this Prospectus and any such information may not be relied upon as having been authorised by the Directors or the Company.

The offer constituted by an electronic version of this Prospectus is only available to persons receiving an electronic version of this Prospectus together with an Application Form. A hard copy of this Prospectus may be obtained by contacting the Company.

A number of terms and abbreviations used in this Prospectus have defined meanings set out in Section 11. In this Prospectus, the words "the Company", "ESH", "we", "our" and "us" refer to Esports Mogul Limited. The words "you" or "your" refer to persons to whom the Offers is made, being the Eligible Participants.

### **3.1 Risk factors**

Refer to Section 8 for details of the risks associated with an investment in the Company. As with any securities investment, there are risks associated with investing in the Company. Investors should be aware that an investment in the Company involves risks that may be greater than risks associated with an investment in some other companies. The principal risks that could affect the financial and market performance of the Company are detailed in Section 8 of this Prospectus. The New Listed Options on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, investors should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can be effectively managed is limited.

Risks of investing in the Company's existing assets and general risks are set out in Section 8 of this Prospectus.

Careful consideration should be given to all matters raised in this Prospectus and the relative risk factors prior to applying for New Listed Options offered under this Prospectus. Investors should consider the risk factors described in Section 8, together with the information contained elsewhere in this Prospectus, before deciding whether to apply for New Listed Options.

### **3.2 Forward-looking statements**

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', 'intends', 'potential', 'planned' and other similar words or phrases that involve risks and uncertainties. Similarly, statements that describe the Company's objectives, plans, goals or expectations are or may be forward-looking statements.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known risks (including those set out in Section 8), unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management, that would cause the actual results, performance or achievements to be materially different from that expressed or implied by those statements.

Neither the Company nor its Directors or officers, or any other person gives any assurance, representation or guarantee that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law or the Listing Rules.

### **Restrictions on distribution**

This Prospectus does not constitute an offer in any overseas jurisdiction where it would be unlawful to make the Offers. You must ensure compliance with all laws of any country relevant to your Application. We will take the return of a completed Application Form as a representation by you that there has been no breach of any laws.

### **Currency and Time**

All references in this Prospectus to dollar, cents, "\$" or "A\$" are to Australian currency, unless otherwise indicated. All references in this Prospectus to time are to the time in Perth, Western Australia, Australia.

#### 4. OVERVIEW OF OFFERS

Question	Answer	Further details
<b>Key Terms of the Offers</b>		
Who is the issuer of this Prospectus?	Esports Mogul Limited (ACN 148 878 782) (ASX code: ESH) ( <b>Company</b> or <b>ESH</b> )	
What are the Offers	<p>On 14 October 2020, the Company announced a capital raising by way of a placement to raise \$8,000,000 (before costs) (<b>Placement</b>) through the issue of 800,000,000 Shares (<b>Placement Shares</b>) to sophisticated, professional and other exempt investors (<b>Placement Participants</b>) at an issue price of \$0.01 per Placement Share, together with one (1) free attaching Option (exercisable at \$0.02 and expiring 31 October 2022) (<b>Placement Options</b>) for every two (2) Placement Shares issued.</p> <p>On 26 October 2020, the Company issued 500,000,000 of the Placement Shares utilising its Listing Rule 7.1 and 7.1A capacity. The Company is seeking Shareholder approval for the purposes of Listing Rule 7.1 at its general meeting held on 30 November 2020 (<b>General Meeting</b>) to issue the remaining 300,000,000 of the Placement Shares. These Placement Shares are intended to be issued on or about 7 December 2020.</p> <p>The Company engaged the services of CPS Capital Group Pty Ltd (ABN 73 088 055 636) (<b>CPS</b> or <b>Lead Manager</b>) to manage the Placement. Pursuant to the lead manager mandate between the Company and the Lead Manager (<b>Lead Manager Mandate</b>), the Company has agreed to issue the Lead Manager and other Brokers (or their nominees) 82,000,000 Options at an issue price of \$0.00001 per Option (<b>Broker Options</b>) in consideration for its services in relation to the Placement.</p> <p>The Company is seeking Shareholder approval at the General Meeting to issue the Placement Options and Broker Options and therefore, the Offers are conditional on such approval being obtained (see Section 5.2(c) for more information).</p> <p>The Offers under this Prospectus comprise:</p>	Sections 5.1 and 5.2



	<ul style="list-style-type: none"> <li>• an offer to the Placement Participants to apply for one (1) Placement Option for every two (2) Placement Shares acquired by them; and</li> <li>• an offer to the Brokers (and their nominees) to apply for Broker Options.</li> </ul> <p>The Offers are not underwritten and have no minimum subscription level. The maximum number of New Listed Options to be issued pursuant to the Offers is 400,000,000 Placement Options and 82,000,000 Broker Options (or 482,000,000 New Listed Options in total).</p>	
Who is eligible to participate in the Offers?	<p>The offer of Placement Options under this Prospectus is being made to Placement Participants only.</p> <p>The offer of Broker Options under this Prospectus is being made to Brokers and their nominees only.</p>	Section 5.2
What is the issue price for the New Listed Options?	<p>The Placement Options are free attaching Options to the Placement Shares and therefore, no additional issue price is payable for the Placement Options. The Placement Shares were issued at \$0.01 per Placement Share. The exercise price of the Placement Options is \$0.02 per Placement Option.</p> <p>The Broker Options are being issued at an issue price of \$0.00001 per Option. The exercise price of the Broker Options is \$0.02 per Broker Option.</p>	Section 5.2
Are the Offers conditional?	<p>The Offers of the relevant New Listed Options are conditional Shareholder approval being obtained at the General Meeting for the issue of those Options. In the event that Shareholder approval is not obtained for the issue of any New Listed Option, then the offer of those New Listed Options under this Prospectus will be withdrawn and any Application Monies received by the Company in respect of those New Listed Options will be refunded to investors in accordance with the Corporations Act.</p> <p>In addition, the offer of any Placement Options is subject to the issue of the relevant Placement Shares that those Placement Options are attaching to. To the extent that any Placement Shares are not issued (including if the requisite Shareholder approval is not obtained for their issue), then any offer of the attaching Placement Options is withdrawn.</p>	Section 5.2(c)

<p>Will the New Listed Options be quoted on the ASX?</p>	<p>The Company will make an application to ASX for quotation of the New Listed Options no later than seven (7) days after the date of this Prospectus.</p> <p>Subject to approval, it is expected that quotation of the New Listed Options will commence on 8 December 2020 (assuming that the Offers close on 1 December 2020 as currently scheduled).</p>	<p>Section 5.10</p>
<p>How many New Listed Options can I apply for?</p>	<p>Placement Participants may only make an application on the basis of one (1) Placement Option for every two (2) Placement Shares issued to them under the Placement.</p> <p>Brokers and their nominees may only make an application for Broker Options as set out in their personalised Application Form</p>	<p>Section 5.6</p>
<p><b>Purpose and effect of the Offers</b></p>		
<p>What is the purpose of the Offers?</p>	<p>As indicated above, the offer of the Placement Options is to Participants who were issued Placement Shares. The offer of the Placement Options was a term of the Placement.</p> <p>The offer of the Broker Options is in consideration for the Lead Manager's and other Brokers' services in relation to the Placement, and is a term of the Lead Manager Mandate.</p>	<p>Section 6.1</p>
<p>What is the effect of the Offers?</p>	<p>If the Offers are fully subscribed, then the principal effect of the Offers on the Company will be the issue of 482,000,000 New Listed Options (being 400,000,000 Placement Options and 82,000,000 Broker Options). Only \$820 will be raised by the issue of the New Listed Options.</p> <p>If all of these 482,000,000 New Listed Options are exercised in accordance with their terms, then this will result in:</p> <ul style="list-style-type: none"> <li>• the Company's total number of Shares on issue increasing by 482,000,000 new Shares (assuming no adjustments as a result of reconstruction of capital occurring); and</li> <li>• the Company receiving \$9,640,000 in cash on exercise of the New Listed Options.</li> </ul> <p>It should be noted that there is no guarantee that any or all of the New Listed Options will be exercised.</p>	<p>Sections 6.3 to 6.6</p>

<b>Key Risks of an Investment in the Company</b>	
<p>Investors are exposed to risks associated with the Company, further information on which is set out in Section 8. Many of the circumstances giving rise to these risks are beyond the control of the Company. The key risks are identified below. However, please refer to Section 8 for further details of these and other risks.</p>	<p>Section 8</p>
<p>Legal and Regulatory Environment</p>	<p>The Company is based in Australia and is subject to Australian laws and regulations. However, the Group currently has its operations in international jurisdictions such as South East Asia and the United States of America, and the Group will need to ensure that it complies with all regulatory requirements in these jurisdictions, such as licensing and reporting requirements, as well as any other jurisdictions in which the Group will operate the Mogul Platform.</p> <p>Users, competitors, members of the general public or regulators could allege breaches of the legislation in the relevant jurisdictions. This could result in remedial action or litigation, which could potentially lead to the Group being required to pay compensation or a fine. The Group's operations may become subject to new or revised regulatory requirements, such as licensing and reporting obligations, which would increase the costs and resources associated with its regulatory compliance. Any such increase in the costs and resources associated with regulatory compliance could impact upon the Group's profitability. In addition, if regulators took the view that the Group had failed to comply with regulatory requirements, this could lead to enforcement action resulting in public warnings, infringement notices or the imposition of a pecuniary penalty. This could lead to significant reputational damage to the Group and consequently impact upon its revenue.</p>
<p>Competition and New Technologies</p>	<p>The industry in which the Group is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing, with a number of companies offering similar platforms to the Mogul Platform.</p> <p>While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively, or negatively affect the operating and financial performance of the Mogul Platform and business.</p>
<p>Future Profitability and Group Strategy</p>	<p>The Group's business is yet to be commercialised. Therefore, there is greater uncertainty in relation to the business and its prospects in light of its limited financial</p>

	<p>history. In addition, there is no guarantee the Company will be able to successfully commercialise the Mogul Platform and if it is unable to do so, it will not be able to realise significant revenues in the future.</p> <p>Whilst the Directors have confidence in the future revenue-earning potential of the Group, there can be no certainty that the Group's current strategy will be successful or that the Group will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.</p> <p>There is also a risk that the Company's management and Directors may not be able to successfully implement the Group's growth strategy, and this may affect the Group's financial performance.</p>
Data Loss and Cyber Attacks	<p>The Group provides its services online through the Mogul Platform which will include native mobile applications. Cyber attacks, hacking or exploitation of some unidentified vulnerability in its website or the Mogul Platform, such as the Company's results publishing feature, could lead to a loss, theft or corruption of data or awards being distributed to incorrect users (which may undermine the Mogul Platform offering). The Group also collects sensitive data relating to user information, demographics (among other things), which could be attractive to hacking or exploitation.</p> <p>Any of the above issues could render the Mogul Platform unavailable for a period of time, whilst data and proper operation of the Mogul Platform is restored. It could also lead to unauthorised disclosure of users' data with associated reputational damage, claims by users and regulatory scrutiny and fines. Although the Group has strategies and protections in place to mitigate security breaches and to protect data, these strategies might not be successful. In that event, disruption to the Mogul Platform and unauthorised disclosure of user data could negatively impact upon the Group's revenues and profitability.</p>
Dependence on the Internet	<p>The successful continuation of the Mogul Platform will depend to some extent on the continued acceptance of the internet as a communications and commerce platform for individuals, devices and enterprises. The internet could become less viable as a business tool due to delays in the development or adoption of new standards and protocols to handle increased demands of internet activity, security, reliability, cost, ease-of-use, accessibility and quality-of-service.</p> <p>In particular, the Company is reliant on the availability of dedicated servers on which its customers can connect and play games online through the Mogul Platform. To the extent that game developers cease making such servers available, or prohibit the Company from operating its own</p>

	dedicated servers with respect to the games they develop, the Company will be unable to offer those games on the Mogul Platform, which will have an adverse effect on the Company's ability to generate revenue.	
Infringement of Third Party Intellectual Property Rights	There is a risk that a third party may allege the Group has infringed on its intellectual property rights, including game developers in relation to use of their trademarks and integration of their titles on the Mogul Platform. Resolution of such claims may require protracted negotiation, litigation and the payment of damages.	
Protection of Intellectual Property Rights	<p>The Group's business depends on users being attracted to its website. However, should the Group not renew or otherwise lose control of its domain name, it would lose all website traffic direct to that domain which would adversely affect the Group's performance.</p> <p>The architecture, functionality and design of the Mogul Platform is unique from its competitors. Its code base and algorithms, documentation, architecture and process flow, form part of its proprietary trade secret. However, at this current stage, the Company has not identified any component of the Mogul Platform that is patentable. Rather, the Group's intellectual property is protected through contractual obligations imposed on those persons who have been materially involved (and have the know-how) in the development of the Group's technology.</p> <p>The value of the Group is, to an extent, dependent on the Group's ability to protect its intellectual property rights. If the Group fails to protect its intellectual property rights adequately, competitors may gain access to its technology which would in turn harm its business.</p>	
Foreign Exchange Risk	The Group's costs and expenses in foreign countries are likely to be in foreign currencies. The Group will be affected on an ongoing risk by foreign exchange risks between the Australian dollar and foreign currencies, and will have to monitor this risk.	
<b>Additional Information</b>		
Is any brokerage, commission or stamp duty payable?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of New Listed Options under the Offers.	Section 5.16
What are the tax implications of acquiring New Listed Options?	The tax consequences of any acquisition of New Listed Options will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to investing.	Section 5.15

<p>What are the key dates of the Offers?</p>	<p>Refer to the indicative timetable in Section 2.</p>	<p>Section 2</p>
<p>Where can I find out more information?</p>	<p>To find out more about the Offers:</p> <ul style="list-style-type: none"> <li>• Speak to your stockbroker, solicitor, accountant or other independent professional adviser.</li> <li>• Review the Company's public announcements, which are accessible from ASX's website at <a href="http://asx.com.au">asx.com.au</a> under the code "ESH".</li> <li>• Contact the Company Secretary on +61 412 076 641, from 8.30am to 5.00pm WST, Monday to Friday.</li> </ul>	

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## 5. DETAILS OF THE OFFERS

### 5.1 Background to the Offers

On 14 October 2020, the Company announced a capital raising comprised of a placement to raise \$8,000,000 (before costs) (**Placement**) through the issue of 800,000,000 Shares (**Placement Shares**) to sophisticated, professional and other exempt investors (**Placement Participants**) at an issue price of \$0.01 per Placement Share, together with one (1) free attaching Option (exercisable at \$0.02 and expiring 31 October 2022) (**Placement Options**) for every two (2) Placement Shares issued.

On 26 October 2020, the Company issued 306,459,949 Placement Shares using its 15% placement capacity under Listing Rule 7.1 and 193,540,051 Placement Shares using its additional 10% placement capacity under Listing Rule 7.1A.

The Company engaged the services of CPS Capital Group Pty Ltd (ABN 73 088 055 636) (**CPS or Lead Manager**) to manage the Placement. Pursuant to the lead manager mandate between the Company and the Lead Manager (**Lead Manager Mandate**), the Company has agreed to issue the Lead Manager and other Brokers (or their nominees) 82,000,000 Options (exercisable at \$0.02 and expiring 31 October 2022) at an issue price of \$0.00001 per Option (**Broker Options**) in consideration for their services in relation to the Placement. Refer to Section 9.4 for further details regarding the material terms of the Lead Manager Mandate.

The Company is seeking Shareholder approval at its general meeting held on 30 November 2020 (**General Meeting**) to (among other things) issue:

- (a) the remaining 300,000,000 Placement Shares;
- (b) 400,000,000 Placement Options to the Placement Participants; and
- (c) 82,000,000 Broker Options to the Lead Manager and other Brokers (or their nominees).

The New Listed Options will be issued on the terms and conditions set out in Section 7.1.

All Shares issued on exercise of the New Listed Options will rank equally with the Shares then on issue. Refer to Section 7.2 for further details regarding the rights and liabilities attaching to Shares.

### 5.2 The Offers

This Prospectus contains the following separate offers:

#### (a) Placement Options Offer

This Prospectus invites the Placement Participants to apply for a total of up to 400,000,000 Placement Options, on the basis of one (1) Placement Option for every two (2) Placement Shares subscribed for and issued to the Placement Participant under the Placement (**Placement Options Offer**).

All Placement Participants will be sent a copy of this Prospectus, together with an Application Form. Only the Placement Participants can accept the Placement Options Offer. Refer to Section 5.6 for details on how to apply for Placement Options under the Placement Options Offer.

No funds will be raised from the issue of the Placement Options as the Placement Options are free attaching to the Placement Shares on a 1:2 basis.

**(b) Broker Options Offer**

This Prospectus also includes an offer of 82,000,000 Broker Options to the Lead Manager and other Brokers (or their nominees) (**Broker Options Offer**).

Only the Lead Manager and other Brokers (or their nominees) may accept the Broker Options Offer. Refer to Section 5.6 for details on how to apply for Broker Options under the Broker Options Offer.

\$820 will be raised from the Broker Options Offer as the Broker Options are being issued at \$0.00001 per Option as consideration for services provided by the Lead Manager and other Brokers in respect of the Placement.

**(c) General terms applying to both Offers**

The Offers are only available to those who are personally invited to accept the Offers. Accordingly, Application Forms will only be provided by the Company to these parties.

The Offers of the relevant New Listed Options are conditional Shareholder approval being obtained at the General Meeting for the issue of those Options. In the event that Shareholder approval is not obtained for the issue of any New Listed Option, then the offer of those New Listed Options under this Prospectus will be withdrawn and any Application Monies received by the Company in respect of those New Listed Options will be refunded to investors in accordance with the Corporations Act.

In addition, the offer of any Placement Options is subject to the issue of the relevant Placement Shares that those Placement Options are attaching to. To the extent that any Placement Shares are not issued (including if the requisite Shareholder approval is not obtained for their issue), then any offer of the attaching Placement Options is withdrawn.

The Directors reserve the right to amend or construe any Application Form as not applying to any New Listed Options which are withdrawn from the Offers, and to construe the Application Form as relating only to any New Listed Options which the Company is permitted to issue.

All New Listed Options offered under this Prospectus will be issued on the same terms and conditions, as set out in Section 7.1. Subject to the quotation requirements of the ASX Listing Rules, the New Listed Options issued under this Prospectus will form a new class of listed security of the Company.

All Shares issued on exercise of the New Listed Options will rank equally with the Shares on issue at that time. Refer to Section 7.2 for further details regarding the rights and liabilities attaching to Shares.



### 5.3 Underwriting

The Offers are not underwritten.

### 5.4 Minimum subscription

There is no minimum subscription under the Offers.

### 5.5 Opening and Closing Dates

The Offers will open for receipt of acceptances on 17 November 2020.

The Offer will close at 5:00pm WST on 1 December 2020, or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine.

### 5.6 How to accept the Offers

Only the Placement Participants, and the Brokers (or their nominees) (**Eligible Participants**) will be provided a copy of this Prospectus and an Application Form in respect of the Offers. Applications for New Listed Options must be made by the Eligible Participants at the direction of the Company and must be made using the personalised Application Form accompanying this Prospectus.

Placement Participants may only make an application on the basis of one (1) Placement Option for every two (2) Placement Shares issued to them under the Placement.

Brokers and their nominees may only make an application for Broker Options as set out in their personalised Application Form.

Placement Participants will be issued New Listed Options for nil issue price and therefore the Applicants under the Placement Options Offer are not required to pay any funds with the Application Form.

The issue price for the New Listed Options under the Broker Options Offer is \$0.00001 for each New Listed Option. Refer to Section 5.8 below on how to pay your Application Monies under the Broker Options Offer.

Completed Application Forms must be posted to the Company's Share Registry as follows: Automic Pty Ltd:

**GPO Box 5193  
Sydney NSW 2001**

Completed Application Forms must reach the address set out above by no later than the Closing Date.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company, for the number of New Listed Options on the Application Form.

The Application Form does not need to be signed to be a binding acceptance of the New Listed Options under the Offers. If the Application Form is not completed

correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form, is final.

If you are in doubt as to the course of action, you should consult your professional adviser(s).

## **5.7 Implications of an acceptance**

Returning a completed Application Form or (for the Broker Options Offer) paying any Application Monies by BPAY® or EFT will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Application Form, and read them both in their entirety;
- (b) you acknowledge that once the Application Form is returned, or a BPAY® payment or an EFT Payment instruction is given in relation to any Application Monies, the Application may not be varied or withdrawn by you except as required or permitted by law; and
- (c) you accept the terms of the Offers as set out in this Prospectus (including the conditions referred to in Section 5.2(c)).

## **5.8 Payment by EFT for Broker Options Offer**

For payment by EFT, please follow the instructions on the Application Form.

**It is your responsibility to ensure that your EFT payment is received by the Share Registry by no later than 5:00 pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.**

## **5.9 Lead Manager**

The Company engaged the services of CPS to manage the Placement. Refer to Section 9.4 for a summary of the material terms of the Lead Manager Mandate.

## **5.10 ASX quotation**

Application for Official Quotation of the New Listed Options offered pursuant to this Prospectus will be made to ASX within seven (7) days after the date of this Prospectus. The New Listed Options will only be admitted to Official Quotation if the quotation requirements under the ASX Listing Rules are satisfied. If the quotation requirements are not satisfied or ASX otherwise does not grant Official

Quotation of the New Listed Options, the New Listed Options will be issued on an unquoted basis.

The fact that ASX may grant official quotation to the New Listed Options is not to be taken in any way as an indication of the merits of the Company or the New Listed Options now offered under this Prospectus.

#### **5.11 Issue of New Listed Options**

The New Listed Options to be issued pursuant to the Offers will be issued in accordance with the timetable set out at the commencement of this Prospectus and otherwise in accordance with the ASX Listing Rules.

Holding statements for New Listed Options issued under the Offers will be mailed in accordance with the timetable set out at Section 2 and otherwise in accordance with the ASX Listing Rules.

#### **5.12 CHESS and Issuer Sponsorship**

The Company operates an electronic CHESS sub-register and an electronic issuer sponsored sub-register. These two sub-registers make up the Company's register of securities. The Company will not issue certificates to investors. Rather, holding statements (similar to bank statements) will be dispatched to investors as soon as practicable after issue.

Holding statements will be sent either by CHESS (for new investors who elect to hold their securities on the CHESS sub-register) or by the Company's Share Registry (for new investors who elect to hold their securities on the Issuer sponsored sub-register). The statements will set out the number of New Listed Options issued under the Prospectus and provide details of a Holder Identification Number (for new investors who elect to hold their securities on the CHESS sub-register) or Securityholder Reference Number (for new investors who elect to hold their securities on the issuer sponsored sub-register). Updated holding statements will also be sent to each new investor following the month in which the balance of their holding of Securities changes, and also as required by the Listing Rules or the Corporations Act.

#### **5.13 Risks**

As with any securities investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 8 of this Prospectus. The New Listed Options on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, investors should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

#### **5.14 Overseas Applicants**

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the New Listed Options or the Offers, or to otherwise permit a public offering of the New Listed Options in any

jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus does not constitute an offer to sell, or a solicitation of any offer to buy, securities in the United States. In particular, the Securities have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any State of the United States, and may not be offered or sold, directly or indirectly, in the United States, or to or for the account or benefit of, a U.S. Person, except transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and any other applicable U.S. securities laws.

See Section 9.15 for more detail on selling restrictions that apply to the Offers and sale of New Listed Options in jurisdictions outside Australia.

### **5.15 Taxation**

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers. Taxation consequences will depend on particular circumstances. Neither the Company nor any of its officers accepts any liability or responsibility in respect of the taxation consequences of the matters referred to above or any other taxation consequences connected with an investment in the Securities of the Company.

### **5.16 Brokerage, commission and stamp duty**

No brokerage, commission or stamp duty is payable by Applicants to subscribe for New Listed Options under the Offers.

### **5.17 Enquiries**

This document is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, solicitor, accountant or other professional adviser without delay.

If you have any questions regarding the Offers, please contact the Company Secretary on +61 412 076 641, from 8.30am to 5.00pm WST, Monday to Friday.

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## **6. PURPOSE AND EFFECT OF THE OFFERS**

### **6.1 Purpose of this Prospectus and the Offers**

The primary purposes of this Prospectus are to:

- (a) invite Eligible Participants to apply for the New Listed Options under the Offers;
- (b) obtain Quotation of the New Listed Options;
- (c) facilitate secondary trading of the New Listed Options issued under the Offers; and
- (d) facilitate secondary trading of any Shares issued upon exercise of the New Listed Options issued under the Offers.

Section 707(3) of the Corporations Act generally requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months of the date of their issue.

The Corporations Act provides an exception to section 707(3) where an entity issues a 'cleansing' notice under section 708A(5). However, the Company is precluded from issuing a 'cleansing' notice in respect of the New Listed Options as they are not in a class of securities that were quoted securities at all times in the last 3 months.

Consequently, the Company has issued this Prospectus in respect of the Offers. Issuing the New Listed Options under this Prospectus will enable persons who are issued the New Listed Options to on-sell their New Listed Options, and any Shares issued on exercise of the New Listed Options pursuant to ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80.

The purpose of the Placement Options Offer is to invite Placement Participants to apply for New Listed Options on the basis of one (1) free-attaching Placement Option for every two (2) Placement Shares issued to them under the Placement, in accordance with the terms of the Placement.

The purpose of the Broker Options Offer is to invite Brokers (or their nominees) to apply for New Listed Options as consideration for their services in connection with the Placement, in accordance with the terms of the Lead Manager Mandate.

### **6.2 Proposed use of funds**

Only \$820 will be raised from the issue of the New Listed Options pursuant to this Prospectus as the:

- (a) Placement Options are offered as free attaching to the Placement Shares on a 1:2 basis; and
- (b) Broker Options are being issued at \$0.00001 per New Listed Options as consideration for services provided to the Company in connection with the Placement.

The Company intends to apply the funds raised under the Placement (approximately \$8,000,000) to support continued innovation of the Company's tournament platform, accelerate monetisation strategy around brands, further international partner expansion, and continuing to secure partnerships with PC and Mobile game publishers and working capital purposes.

The above is a statement of current intentions at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds raised under the Placement are ultimately applied. The Directors reserve the right to alter the way the funds are applied on this basis.

Refer to Section 9.10 for details of the estimated expenses of the Offers.

### **6.3 Effect of the Offers**

The principal effect of the Offers (assuming all New Listed Options offered under this Prospectus are issued) will be the issue of 482,000,000 New Listed Options (being 400,000,000 Placement Options and 82,000,000 Broker Options).

If all of these 482,000,000 New Listed Options are exercised in accordance with their terms, then this will result in:

- the Company's total number of Shares on issue increasing by 482,000,000 new Shares (assuming no adjustments as a result of reconstruction of capital occurring); and
- the Company receiving \$9,640,000 in cash on exercise of the New Listed Options.

It should be noted that there is no guarantee that any or all of the New Listed Options will be exercised.

The effect of the Offers on the capital structure of the Company is set out in Section 6.6.

### **6.4 Effect on control of the Company**

The Offers will not have a material impact on the control (as defined by section 50AA of the Corporations Act) of the Company. No investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers.

The maximum number of New Listed Options proposed to be issued under the Offers is 482,000,000 New Listed Options. If all these New Listed Options are exercised, the Shares issued on exercise will represent approximately 16.75% of the Shares on issue following completion of the Offers.

### **6.5 Pro-forma balance sheet**

The unaudited pro-forma statement of financial position of the Company prepared using the reviewed statement of financial position of the Company as at 30 June 2020 and on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position as a result of the Offers and the Placement.

The statements of financial position have been prepared to provide information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	REVIEWED 30 JUNE 2020	ADJUSTMENTS	PROFORMA 30 JUNE 2020
<b>CURRENT ASSETS</b>			
Cash & cash equivalents <sup>1,2, 4&amp;5</sup>	2,428,678	7,957,926	10,386,604
Trade & other receivables	115,325		115,325
Other current assets	147,037		147,037
<b>TOTAL CURRENT ASSETS</b>	<b>2,691,040</b>	<b>7,957,926</b>	<b>10,648,966</b>
<b>NON-CURRENT ASSETS</b>			
Plant & equipment	10,625		10,625
Intangibles	1,814,401		1,814,401
Investments	105,325		105,325
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,930,351</b>		<b>1,930,351</b>
<b>TOTAL ASSETS</b>	<b>4,621,391</b>	<b>7,957,926</b>	<b>12,579,317</b>
<b>CURRENT LIABILITIES</b>			
Trade & other payables	293,102		293,102
Provisions	40,769		40,769
<b>TOTAL CURRENT LIABILITIES</b>	<b>333,871</b>		<b>333,871</b>
<b>TOTAL LIABILITIES</b>	<b>333,871</b>		<b>333,871</b>
<b>NET ASSETS</b>	<b>4,287,520</b>	<b>7,957,926</b>	<b>12,245,446</b>
<b>EQUITY</b>			
Issued capital <sup>1&amp;2</sup>	40,439,978	8,000,000	48,439,978
Reserves <sup>3,4 &amp;5</sup>	5,793,448	(42,074)	5,751,374
Accumulated losses <sup>6</sup>	(41,945,906)		(41,945,906)
<b>TOTAL EQUITY</b>	<b>4,287,520</b>	<b>7,957,926</b>	<b>12,245,446</b>

**Notes:**

The unaudited pro forma statement of financial position has been prepared on the basis that there have been no material movements in the assets and liabilities of the

Company between 30 June 2020 and the completion of the Offers other than:

1. the issue of 500,000,000 Tranche 1 Placement Shares at an issue price of \$0.01 per Tranche 1 Placement Share under the Tranche 1 Placement to raise \$5,000,000 (before costs)
2. the issue of 300,000,000 Tranche 2 Placement Shares at an issue price of \$0.01 per Tranche 2 Placement Shares under the Tranche 2 Placement to raise \$3,000,000 (before costs), subject to shareholder approval at a meeting of shareholders to be held on 30 November 2020;
3. the issue of 400,000,000 Placement Options under the Placement Options Offer;
4. the issue of 82,000,000 Broker Options under the Broker Options Offer at an issue price of \$0.00001 per Broker Option to raise \$820 (before costs);
5. total estimated costs of the Offer, please refer to Section 9.10; and
6. includes accumulated losses from 2011 to 2016 totalling approx. \$19,622,686 when the Company's operations were focused on iron ore exploration.

## 6.6 Effect on capital structure

A comparative table of changes in the capital structure of the Company as a consequence of the Offers (assuming all New Listed Options are issued, no other Securities are issued, and no other existing Securities are exercised or converted into Shares are exercised) is set out below.

### Shares

Shares	Number
Shares on issue as at the date of this Prospectus	2,577,166,328
Tranche 2 Placement Shares to be issued <sup>1</sup>	300,000,000
<b>Total Shares on issue after completion of the Offers</b>	<b>2,877,166,328</b>

#### Notes:

1. The Tranche 2 Placement Shares are subject to approval by Shareholders at the Company's General Meeting to be held on 30 November 2020.
2. If all of the New Listed Options are exercised into Shares (and assuming that there are no adjustments as a result of reconstruction of capital occurring), the Company will issue an additional 482,000,000 Shares on such exercise. Such Shares represent approximately 16.75% of the total Shares on issue after completion of the Offers as indicated in the table above. However, there is no guarantee that any or all of the New Listed Options will be exercised.

### Options

Options	Number
<b>Options currently on issue:</b>	
Unlisted Options exercisable at \$0.02 on or before 23 July 2021	340,150,000
Unlisted Options exercisable at \$0.02 on or before 21 August 2021	30,000,000
<b>Total on issue as at the date of this Prospectus</b>	<b>370,150,000</b>
New Options offered pursuant to the Placement Options Offer	400,000,000
New Options to be issued pursuant to the Broker Options Offer	82,000,000
<b>Total Options on issue after the completion of the Offers</b>	<b>852,150,000</b>



## Performance Rights

Performance Rights	Number
<b>Performance Rights currently on issue:</b> Subject to vesting conditions, expiring on various dates	160,800,000
Performance Rights offered pursuant to the Offer	Nil
<b>Total Performance Rights on issue after the completion of the Offers</b>	<b>160,800,000</b>

### 6.7 Details of substantial holders

Based on publicly available information available as at the date of this Prospectus, there are no persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue.

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## 7. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

### 7.1 New Listed Options

#### (a) Entitlement

Each New Listed Option (**Option**) entitles the holder to subscribe for one Share upon exercise of the Option.

#### (b) Exercise Price

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.02 (**Exercise Price**).

#### (c) Expiry Date

Each Option will expire at 5:00 pm (WST) on 31 October 2022 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

#### (d) Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

#### (e) Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option exercise form (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

#### (f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

#### (g) Timing of issue of Shares on exercise

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) (if required to be given) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

**(h) Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued Shares of the Company.

**(i) Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

**(j) Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

**(k) Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

**(l) Transferability**

The Options will be listed on the ASX. The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

## **7.2 Shares**

All Shares issued on exercise of the New Listed Options will rank pari passu in all respects with the Company's then existing ordinary fully paid shares. The Company will apply for Official ASX Quotation of all Shares issued upon exercise of New Listed Options issued under the Offer.

A summary of the rights and liabilities attaching to the Shares is set out below. Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

**(a) General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

**(b) Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

**(c) Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on

Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

**(d) Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

**(e) Shareholder liability**

As the Shares issued on exercise of the New Listed Options will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

**(f) Transfer of shares**

Generally, Shares are freely transferable, subject to formal requirements. However, the Directors may refuse to register any transfer of Shares where the ASX Listing Rules permit or require the Company to do so, or the transfer is of restricted securities which is or might be in breach of the ASX Listing Rules or any escrow agreement entered into by the Company in relation to such restricted securities pursuant to the ASX Listing Rules.

**(g) Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

**(h) Variation of rights**

If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

**(i) Alteration of Constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least 75% of the votes cast by shareholders entitled to vote on the resolution. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

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## **8. RISK FACTORS**

### **8.1 Introduction**

The New Listed Options offered under this Prospectus should be considered speculative because of the nature of the Company's business.

Whilst the Directors recommend that persons who receive this Prospectus and an Application Form take up their entitlement to New Listed Options, there are risk factors involved. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which the New Listed Options (or the underlying Shares) will trade.

The following is a summary of the more material matters to be considered and should be read in conjunction with specific matters referred to in the Company's announcements and reports. However, the summary is not exhaustive and potential investors should examine the contents of this Prospectus in its entirety and consult their professional advisers before deciding whether to apply for the New Listed Options.

### **8.2 Group specific**

#### **(a) Legal and Regulatory Environment**

The Company is based in Australia and is subject to Australian laws and regulations. However, the Group currently has its operations in international jurisdictions such as South East Asia and the United States of America, and the Group will need to ensure that it complies with all regulatory requirements in these jurisdictions, such as licensing and reporting requirements, as well as any other jurisdictions in which the Group will operate the Mogul Platform.

Users, competitors, members of the general public or regulators could allege breaches of the legislation in the relevant jurisdictions. This could result in remedial action or litigation, which could potentially lead to the Group being required to pay compensation or a fine. The Group's operations may become subject to new or revised regulatory requirements, such as licensing and reporting obligations, which would increase the costs and resources associated with its regulatory compliance. Any such increase in the costs and resources associated with regulatory compliance could impact upon the Group's profitability. In addition, if regulators took the view that the Group had failed to comply with regulatory requirements, this could lead to enforcement action resulting in public warnings, infringement notices or the imposition of a pecuniary penalty. This could lead to significant reputational damage to the Group and consequently impact upon its revenue.

The Group, through the Mogul Platform, currently offers its products in foreign jurisdictions. Regulatory changes could see the Group being required to hold a licence in some jurisdictions or otherwise comply with local regulations. This could preclude the Group from offering certain

services in these jurisdictions until such a licence has been obtained. Any such increase in the costs and resources associated with the regulatory compliance in these jurisdictions could impact upon the Group's profitability.

The Group will also need to ensure that it is in compliance with the terms and conditions upon which developers of the games integrated in the Mogul Platform permit commercialisation of their games. Each game developer has differing requirements with respect to how its games can be monetised by third parties.

## **(b) Competition and New Technologies**

The industry in which the Group is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing, with a number of companies offering similar platforms to the Mogul Platform, including Faceit, World Gaming, Battlefy, and Emerge Gaming.

While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively, or negatively affect the operating and financial performance of the Mogul Platform and business. For instance, new technologies could overtake the advancements made by the Group or an increased market presence of a competitor could result in potential users being redirected to a competitors' platform. In that case, any future revenue and profitability of the Group could be adversely affected.

There are relatively low barriers to entry in the field in which the Group operates. Due to the rapid pace of technological change and industry development, it is possible that new technologies or products may be developed that replicate or even potentially supersede aspects of the Group's technologies or products, and represents a risk to the Company's business model.

## **(c) Future Profitability and Group Strategy**

The Group's business is yet to be commercialised. Therefore, there is greater uncertainty in relation to the business and its prospects in light of its limited financial history. In addition, there is no guarantee the Company will be able to successfully commercialise the Mogul Platform and if it is unable to do so, it will not be able to realise significant revenues in the future.

Whilst the Directors have confidence in the future revenue-earning potential of the Company, there can be no certainty that the Group's current strategy will be successful or that the Group will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

The Group's profitability may be impacted by, among other things, the success of its business strategies (such as further development of the Mogul Platform and sales and marketing), its ability to successfully provide a high-quality product and level of service to users, satisfaction of legal, regulatory and licensing requirements, economic conditions in the markets in which it



operates and competition factors. Accordingly, the extent of future profits (if any) and the time required to achieve sustained profitability are uncertain and cannot be reliably predicted.

There is a risk that the Company's management and Directors may not be able to implement the Group's growth strategy, and this may affect the Group's financial performance.

**(d) Data Loss and Cyber Attacks**

The Group provides its services online through the Mogul Platform which will include native mobile applications. Cyber attacks, hacking or exploitation of some unidentified vulnerability in its website or the Mogul Platform, such as the Company's results publishing feature, could lead to a loss, theft or corruption of data or awards being distributed to incorrect users (which may undermine the Mogul Platform offering). The Group also collects sensitive data relating to user information, demographics (among other things), which could be attractive to hacking or exploitation.

Any of the above issues could render the Mogul Platform unavailable for a period of time, whilst data and proper operation of the Mogul Platform is restored. It could also lead to unauthorised disclosure of users' data with associated reputational damage, claims by users and regulatory scrutiny and fines. Although the Group has strategies and protections in place to mitigate security breaches and to protect data, these strategies might not be successful. In that event, disruption to the Mogul Platform and unauthorised disclosure of user data could negatively impact upon the Group's revenues and profitability.

**(e) Dependence on the Internet**

The successful continuation of the Mogul Platform will depend to some extent on the continued acceptance of the internet as a communications and commerce platform for individuals, devices and enterprises. The internet could become less viable as a business tool due to delays in the development or adoption of new standards and protocols to handle increased demands of internet activity, security, reliability, cost, ease-of-use, accessibility and quality-of-service.

The performance of the internet and its acceptance as a business tool have been harmed by "viruses," "worms" and similar malicious programs, and the internet has experienced a variety of outages and other delays as a result of damage to portions of its infrastructure. If for any reason the internet does not remain a widespread communications medium and commercial platform, the demand for the Group's products would be significantly reduced, which would harm its business.

In particular, the Group is reliant on the availability of dedicated servers on which its customers can connect and play games online through the Mogul Platform. To the extent that game developers cease making such servers available, or prohibit the Group from operating its own dedicated servers with respect to the games they develop, the Group will be unable to offer

those games on the Mogul Platform, which will have an adverse effect on the Company's ability to generate revenue.

**(f) Sales and Marketing Success**

The Group intends to use funds recently raised on initiatives including sales and marketing measures to grow the number of Mogul Platform users. By their nature, there is no guarantee that such sales and marketing campaigns will be successful. If they are not, the Group may encounter difficulty in increasing market awareness of the Mogul Platform, which would likely have an adverse impact on the Group's sales and profitability.

**(g) Reputation Risk**

The Company operates in an online and fast-changing environment. Negative publicity can spread quickly, whether true or false. Disgruntled users posting negative comments about the Group, in public forums may have a disproportionate effect on the Group's reputation and its ability to earn revenues and profits. Additionally, complaints by such users can lead to additional regulatory scrutiny and a consequential increased compliance burden in responding to regulatory inquiries. This could negatively impact on the Group's profitability.

**(h) Privacy Concerns**

Regulations in various jurisdictions limit tracking and collection of personal identification and information. If the Group breaches such regulations, its business, reputation, financial position and financial performance may be detrimentally affected. External events may also cause regulators to amend regulations in respect of the collection and use of user information. Any amended regulations may introduce controls which make the operation of certain types of tracking technologies unusable which could damage the Group's financial position and financial performance by adding costs to through the requirement to develop and implement new technologies.

**(i) Infringement of Third Party Intellectual Property Rights**

There is a risk that a third party may allege the Group has infringed on its intellectual property rights, including game developers in relation to use of their trademarks and integration of their titles on the Mogul Platform. Resolution of such claims may require protracted negotiation, litigation and the payment of damages. In addition, such claims may increase as the Group grows and expands its business into new markets. If the Group was found to have infringed a third party's intellectual property rights, the Group's operations and financial performance may be adversely affected.

**(j) Protection of Intellectual Property Rights**

The Group's business depends on users being attracted to its website. However, should the Group not renew or otherwise lose control of its domain name, it would lose all website traffic direct to that domain which would adversely affect the Group's performance.

The architecture, functionality and design of the Mogul Platform is unique from its competitors. Its code base and algorithms, documentation, architecture and process flow, form part of its proprietary trade secret. However, at this current stage, the Company has not identified any component of the Mogul Platform that is patentable. Rather, the Group's intellectual property is protected through contractual obligations imposed on those persons who have been materially involved (and have the know-how) in the development of the Group's technology.

The Group engages some external contractors who develop intellectual property used by the Group. The Group has entered into agreements with those persons who have been materially involved in development of the Mogul Platform under which they have assigned any intellectual property interests in the Mogul Platform to the Group. However, there remains a risk that such persons may assert an ownership interest in the intellectual property developed by them, and the Group may have to take action to enforce its rights. Such disruption may adversely affect the Group's operations.

The value of the Group is, to an extent, dependent on the Group's ability to protect its intellectual property rights. If the Group fails to protect its intellectual property rights adequately, competitors may gain access to its technology which would in turn harm its business.

Third parties may knowingly or unknowingly infringe on the Group's intellectual property rights. Legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain and vary. Effective patent, trademark, copyright and trade secret protection may not be available to the Group in every country in which its products and services are available. Accordingly, despite its efforts, the Group may not be able to prevent third parties from infringing upon or misappropriating its intellectual property.

The Group may be required to incur significant expenses in monitoring and protecting its intellectual property rights. It may initiate or otherwise be involved in litigation against third parties for infringement, or to establish the validity, of its rights. Any litigation, whether or not successful, could result in significant expense to the Group and cause a distraction to management.

Unauthorised use of the Group's brands in counterfeit products or services may not only result in potential revenue loss, but also have an adverse impact on its brand value and perceptions of its product qualities.

**(k) Foreign Exchange Risk**

The Group's costs and expenses in foreign countries are likely to be in foreign currencies. Accordingly, the depreciation of the Australian dollar and/or the appreciation of the foreign currency relative to the Australian dollar could result in a translation loss on consolidation which is taken directly to shareholder equity.

Any depreciation of the foreign currency relative to the Australian currency may result in lower than anticipated revenue. The Group will be affected on

an ongoing basis by foreign exchange risks between the Australian dollar and foreign currencies, and will have to monitor this risk.

**(l) Attracting Users and Corporate Customers to Mogul Platform**

The Group's revenues will depend on sufficient users and corporate customers being attracted to the Mogul Platform. The number of visitors (consumers) to the Mogul Platform directly affects its financial model. Various factors can affect the level of web traffic arriving at the Group's website, including:

- (i) Marketing and promotions: if the Group's marketing and promotion efforts are not effective this will manifest itself as a lack of users and corporate customers visiting the Mogul Platform (also see Section 8.2(f) above);
- (ii) Brand damage: should the Group suffer from reputational damage, web traffic could be affected (also see Section 8.2(g) above); and
- (iii) Search engine traffic: search engines such as Google, direct significant traffic to the Mogul Platform. Should these search engines make changes to their algorithms and procedures that direct this traffic, the Group could see a substantial drop in users visiting the Mogul Platform. For example, Google regularly updates the algorithms that determine the ranking of results it returns for any given search term. The Company attempts to follow Google's guidelines and online best practice to maintain the flow of traffic to the Mogul Platform, but such changes could adversely affect the traffic to the Mogul Platform.

A decline in traffic to Mogul Platform would lead to a decline in the Group's ability to attract users, and negatively affect the Group's performance.

**(m) Contract Risk**

The operations of the Group will require the involvement of a number of third parties, including developers, suppliers, contractors and users. With respect to these third parties, and despite applying best practice in terms of pre-contracting due diligence, the Group is unable to completely avoid the risk of:

- (i) changes to the terms and conditions imposed by third parties (including game developers);
- (ii) insolvency, default on performance or delivery, or any managerial failure by any of the operators and contractors used by the Group in its activities;
- (iii) insolvency, default on performance or delivery, or any managerial failure by any other service providers used by the Group or operators for any activity; or
- (iv) insolvency or default by any third parties that the Group contracts or deals with.

Each game developer has differing requirements with respect to how its games can be monetised by third parties. Generally, third parties are not permitted to charge users a fee to play the game without the developer's prior consent.

Certain developers may not consent to the Group implementing the Pay to Play variants of its business models in relation to their titles, or may consent on terms that are not commercially viable for the Group. Where commercialisation is currently permitted by developers, those developers may amend the terms and conditions on which their titles can be commercialised by third parties, which may limit the Group's ability to generate revenue. The requirements of game developers therefore have the potential to have an adverse impact on the Group's performance.

**(n) Litigation**

The Group may in the ordinary course of business become involved in litigation and disputes, for example with its contractors or clients. Any such litigation or dispute could involve significant economic costs and damage to relationships with contractors, clients or other stakeholders. Any such outcomes may have an adverse impact on the Group's business, market reputation and financial condition and financial performance.

There are currently legal proceedings in the Federal Circuit Court of Australia between the Company and First Point Ventures Pty Limited in relation to a Partnership Mandate Agreement. The Company is seeking a declaration that the Partnership Mandate Agreement be declared void on the basis of misrepresentations made by First Point Ventures Pty Limited. In the proceedings, First Point Ventures Pty Limited has filed a cross-claim seeking damages due under the Partnership Mandate Agreement or in the alternative, if the Partnership Mandate Agreement is declared void, reasonable remuneration for the services it performed under the Partnership Mandate Agreement. The Company is defending the cross-claim. The Company is confident the Partnership Mandate Agreement will be declared void and therefore, First Point Ventures Pty Limited's claim for damages under the Partnership Mandate Agreement will fail. First Point Ventures Pty Limited may be awarded some amount for its reasonable remuneration in performing services under the Partnership Mandate Agreement. It is not possible at this stage to provide an accurate estimate of the amount that may be awarded.

**(o) Future Funding Needs**

Further funding may be required by the Group in the event costs exceed estimates or revenues do not meet estimates, to support its ongoing operations and implement its strategies. For example, funding may be needed to develop new and existing products, or acquire complementary businesses and technologies. Accordingly, the Company may need to engage in equity or debt financings to secure additional funds. There can be no assurance that such funding will be available on satisfactory terms or at all at the relevant time. Any inability to obtain sufficient financing for the Group's activities and future projects may result in the delay or cancellation

of certain activities or projects, which would likely adversely affect the potential growth of the Group.

**(p) International Operations**

The Group currently operates in South East Asia and the United States of America and intends to expand its operations into other markets. Therefore, the Company will be exposed to risks relating to operating in those countries. Many of these risks are inherent in doing business internationally, and will include, but are not limited to:

- (i) changes in the regulatory environment (refer to Section 8.2(a));
- (ii) trade barriers or the imposition of taxes;
- (iii) difficulties with staffing or managing any foreign operations;
- (iv) issues or restrictions on the free transfer of funds;
- (v) technology export or import restrictions; and
- (vi) delays in dealing across borders caused by users or regulatory authorities.

**8.3 General Risks**

**(a) Coronavirus (COVID-19) risk**

The outbreak of the coronavirus disease ("COVID-19") is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Group remains unknown. The Company's share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Group's operations and are likely to be beyond the control of the Company.

The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Group's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of COVID-19 on its revenue channels and adverse impact on the Group.

**(b) Equity market conditions**

Securities listed on the stock market can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of Securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

General factors that may affect the market price of Securities include economic conditions in both Australia and internationally (particularly

Australian, US and Chinese economic conditions), investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

**(c) Reliance on key personnel**

The Group's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Group's business.

**(d) Insurance**

Insurance against all risks associated with the Group's business, and directors' and officers' liability insurance, are not always available or affordable. The Group maintains insurance where it is considered appropriate for its needs however it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

**(e) Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

**(f) General economic and political risks**

Changes in the general economic and political climate in Australia and on a global basis may impact on economic growth, interest rates, the rate of inflation, taxation and tariff laws, domestic security which may affect the value and viability of any activities that may be conducted by the Group.

**8.4 Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Group or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Group and the value of the New Listed Options offered under this Prospectus and the Shares in the Company.

The underlying Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Listed Options pursuant to this Prospectus.



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## **9. ADDITIONAL INFORMATION**

### **9.1 Transaction specific prospectus**

The New Listed Options to be issued pursuant to this Prospectus are options to acquire continuously quoted securities. This Prospectus is issued under the special prospectus content rules for continuously quoted securities (or options over continuously quoted securities) in section 713 of the Corporations Act. This enables listed disclosing entities, such as the Company, to issue a prospectus for continuously quoted securities or options over continuously quoted securities with modified disclosure requirements if they satisfy certain requirements.

The information in this Prospectus principally concerns the terms and conditions of the Offers and the information reasonably necessary to make an informed assessment of:

- (a) the effect of the Offers on the Company; and
- (b) the rights and liabilities attaching to the New Listed Options offered pursuant to this Prospectus and the underlying securities.

This Prospectus is not required to provide information regarding the Company's assets and liabilities, financial position and performance, profits and losses or prospects on the basis that, as at the date of this Prospectus, the Company has not withheld from its continuous disclosure reporting any information about such matters that investors and their professional advisers would reasonably require to make an informed assessment of such matters and expect to find in this Prospectus.

The Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore also have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company.

### **9.2 Continuous disclosure obligations**

As the Company is admitted to the official list of ASX, the Company is a "disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company's securities (subject to specified exemptions).

Price sensitive information is publicly released through ASX. Distribution of other information to Shareholders and market participants is also managed through disclosure to ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

Investors are encouraged to check and monitor any further announcements

made by the Company to ASX prior to applying for securities under the Offers. To do so, please refer to the Company's ASX announcements platform via [www.asx.com.au](http://www.asx.com.au).

As a disclosing entity under the Corporations Act, the Company states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at an office of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the annual financial report most recently lodged by the Company with ASIC;
  - (ii) any half-year financial report of the Company lodged with ASIC after the lodgement of the annual financial report referred to above and before the lodgement of this Prospectus with ASIC; and
  - (iii) all continuous disclosure notices given by the Company after the lodgement of the annual financial report referred to above and before the lodgement of this Prospectus with ASIC (see below).

The following announcements have been lodged with ASX prior to the date of this Prospectus in respect of the Company since the Company lodged its annual financial report for the financial year ended 31 December 2019 on 28 February 2020.

Date	Description of Announcement
11/11/20	Mogul Investor Webinar and Q&A Session
05/11/20	Mogul Deliver World Class Player Experience in Mobile Titles
30/10/20	Notice of General Meeting/Proxy Form
30/10/20	Final Director's Interest Notice
30/10/20	Director Resignation
30/10/20	Cleansing Notice & Appendix 2A
29/10/20	Quarterly Activities Report & Appendix 4C
26/10/20	Cleansing Notice & Appendix 2A
22/10/20	Amended - Mogul Partners with NASDAQ-listed SLGG
22/10/20	Trading Halt
22/10/20	Pause in Trading
22/10/20	Mogul Partners with NASDAQ-listed Super League Gaming Inc
14/10/20	Company Presentation

Date	Description of Announcement
14/10/20	Proposed issue of Securities - ESH
14/10/20	Proposed issue of Securities - ESH
14/10/20	Mogul Raises \$8m in Significantly Oversubscribed Placement
12/10/20	Trading Halt
22/09/20	Mogul to use Custom Matchmaking for Fortnite
10/09/20	Board Changes
01/09/20	Buriram United Launches Branded Hub
27/08/20	Appendix 4D & Half Yearly Report
26/08/20	Appendix 3G
06/08/20	Michael Rubinelli joins Mogul as CEO
03/08/20	Initial Director's Interest Notice
03/08/20	Former Spotify MD Kate Vale joins Mogul Board
31/07/20	Quarterly Activities Report & Appendix 4C
20/07/20	Change of Director's Interest Notice
28/05/20	Cleansing Notice & Appendix 2A
28/05/20	Appendix 3G
28/05/20	Constitution
28/05/20	Results of Meeting
27/05/20	Chairman Retirement and Board Renewal Update
05/05/20	Cancellation of Securities
05/05/20	Change of Auditor
01/05/20	Quarterly Activities Report & Appendix 4C
28/04/20	Notice of Annual General Meeting/Proxy Form
16/04/20	Mogul Launches the Age of Empires II Asia Cup with Microsoft
08/04/20	Response to ASX Price Query
02/04/20	Mogul Business Update in Response to COVID-19
03/03/20	Mogul partners with Microsoft to deliver the AoE II Asia Cup
28/02/20	Appendix 4G

### 9.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares at the close of

business on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

<b>Highest</b>	\$0.031	27 October 2020
<b>Lowest</b>	\$0.011	14 October 2020
<b>Last market price</b>	\$0.021	13 November 2020

#### 9.4 Material Agreements

##### **Lead Manager Mandate**

On 12 October 2020, the Company entered into a mandate to appoint CPS as lead manager to the Placement (**Lead Manager Mandate**).

The material terms and conditions of the Lead Manager Mandate are as follows:

##### **(a) Capital Raising**

CPS has agreed to use its best endeavours to co-ordinate and manage the Placement. The Company agreed to appoint CPS as the lead manager, broker and corporate adviser to the Company.

##### **(b) Fees**

The Company has agreed to pay/issue to CPS (or its nominee):

- (i) a management fee of 2% plus GST for funds raised via the Placement;
- (ii) a placement fee of 4%, plus GST for funds raised via the Placement; and
- (iii) 82,000,000 Broker Options issued at \$0.00001 per Broker Option, noting some of these Broker Options may be payable to third parties and may require Shareholder approval to be listed. The Broker Options are to be listed.

CPS (or its nominee) will also receive an exercise fee of 6% plus GST for any funds raised via the exercise of any of the 82,000,000 Broker Options that CPS (or its nominee) receive.

CPS (or its nominee) will also receive a monthly corporate advisory fee of \$8,000 plus GST for the services performed by CPS for a minimum term of 12 months.

##### **(c) Termination**

CPS may terminate the Lead Manager Mandate:

- (a) By providing fourteen (14) days' notice in writing to that effect:
  - (i) if the Company commits or allows to be committed a material breach of any of the terms or conditions of the Lead Manager Mandate, and the Company being unable to rectify the matter within that time; or

- (ii) if any warranty or representation given or made by the Company is not complied with or proves to be untrue in any respect, and the Company being unable to rectify the matter within that time; or
- (b) Immediately by notice in writing to that effect if:
  - (i) the Company becomes insolvent, has a receiver, administrative receiver or manager or administrator appointed over the whole of or any of their assets, enters into any composition with creditors generally or has an order made or resolution passed for it to be wound up; or
  - (ii) a court makes an administration order with respect to the Company or any composition in satisfaction of its debts of or a scheme of arrangement of the affairs of the Company.

The Lead Manager Mandate may be terminated by the Company, by seven (7) days written notice. In this event any outstanding expenses will be immediately payable.

The Lead Manager Mandate contains otherwise standard terms and conditions, including warranties and indemnities, for an agreement of this nature.

## **9.5 Directors**

As at the date of this Prospectus, the board of Directors of the Company consists of:

Mr Gernot Abl                      Non-Executive Chairman

Mr Cameron Adams              Non-Executive Director

Ms Kate Vale                      Non-Executive Director

The profiles of each of Mr Abl and Mr Adams are set out on pages 3 and 4 of the Company's 2019 Annual Report. The profile of Ms Vale can be found in the Company's ASX release dated 3 August 2020. These documents are accessible on ASX's website at [www.asx.com.au](http://www.asx.com.au) under the code "ESH". You may also obtain a copy of these documents, free of charge, by contacting the Company before the Closing Date of the Offers (see Section 9.2).

None of the Directors has been the subject of any legal or disciplinary action or involved in the management of any company that has entered into any form of external administration because of insolvency.

## **9.6 Corporate governance**

The Directors are responsible for the governance of the Company and oversees its operational and financial performance. The Directors set strategic direction, establish goals for management and assess the achievement of those goals, determine the appropriate risk profile and monitor compliance in terms of regulatory and ethical standards. Copies of the Company's main corporate governance documents are available on the Company's website at [esh.mogul.gg/invest](http://esh.mogul.gg/invest).

## 9.7 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid (in cash or securities or otherwise) and no benefits have been given or agreed to be given to any Director:

- (a) as an inducement to become, or to qualify as, a Director; or
- (b) for services provided in connection with the formation or promotion of the Company or the Offers.

### **Security holdings**

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, is set out in the table below.

Director	Shares	Options
Gernot Abl	20,000,000 <sup>1&amp;2</sup>	Nil <sup>2</sup>
Cameron Adams	2,004,053 <sup>3</sup>	Nil
Kate Vale	Nil	Nil

#### **Notes:**

1. Mr Abl holds shares indirectly in the following entities:
  - (a) 15,000,000 Shares held by CSNA Pty Ltd <CGL A/C>; and
  - (b) 5,000,000 Shares held by CSNA Pty Ltd <Abl Family Super Fund A/C>;
2. Mr Abl (or his nominee) will subscribe for 5,000,000 Shares under the Placement, subject to approval by Shareholders at the General Meeting on 30 November 2020, and if approved will be entitled to be issued 2,500,000 free attaching New Listed Options pursuant to this Prospectus as a result of his participation in the Placement, subject to approval by Shareholders at the General Meeting on 30 November 2020.
3. Mr Adams holds 2,004,053 Shares indirectly under Selora Pty Ltd <Adams Miller A/C>.

## Remuneration

The remuneration (including superannuation) paid or payable to the Directors for the two financial years prior to the date of this Prospectus, and proposed to be paid to the Directors for the current financial year (on an annualised basis), is set out below.

Director	Financial year ending 31 December 2020	Financial year ending 31 December 2019	Financial year ending 31 December 2018
Gernot Abl <sup>1</sup>	\$491,235 <sup>2</sup>	\$246,375	\$246,375
Cameron Adams <sup>3</sup>	\$ 85,410	\$3,742	Nil
Kate Vale <sup>4</sup>	\$30,000	\$Nil	\$Nil

### Notes:

1. Mr Abl was the Managing Director of the Company until 10 September 2020 and then transitioned to Non-Executive Chairman on remuneration of \$90,000 per annum plus superannuation.
2. Includes \$212,500 paid or payable to CSNA Pty Ltd <CGL A/C> for capital raising services.
3. Mr Adams was appointed to the Board on 19 November 2019.
4. Ms Vale was appointed to the Board on 1 August 2020.

## 9.8 Litigation

There are currently legal proceedings in the Federal Circuit Court of Australia between the Company and First Point Ventures Pty Limited in relation to a Partnership Mandate Agreement. Refer to Section 8.2(n) for more details.

## 9.9 Interests and consents of advisers

Other than as set out below or elsewhere in this Prospectus, no underwriter, promoter or any other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus holds, or has held within two years before lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any underwriter, promoter or any other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, for services rendered by that person in connection with the formation or promotion of the Company or the Offers.

Addisons has given and, as at the date of this Prospectus, has not withdrawn, its written consent to being named as Solicitors to the Company in this Prospectus in the form and context in which it is named. Addisons has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus (or any statement on which a statement made in this Prospectus is based), and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name as specified in this paragraph. Addisons has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Addisons approximately \$10,000 (excluding GST and disbursements) for these services. Further amounts may be paid to Addisons in accordance with its normal time-based charges.

CPS Capital Group Pty Ltd has given and, as at the date of this Prospectus, has not withdrawn, its written consent to being named as Lead Manager to the Placement in this Prospectus. CPS Capital Group Pty Ltd has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus (or any statement on which a statement made in this Prospectus is based), and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name as specified in this paragraph. Refer to Section 9.4 for details of the fees payable to CPS Capital Group Pty Ltd as consideration for services provided in respect of the Placement. During the 24 months preceding lodgement of this Prospectus with the ASIC, CPS Capital Group Pty Ltd has received fees of \$407,770 (including GST) in respect of services provided to the Company.

Automic Pty Ltd (**Share Registry**) has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Application Forms received pursuant to this Prospectus. The Company will pay the Share Registry approximately \$7,500 (excluding GST) for these services. The Share Registry has given and, as at the date of this Prospectus, has not withdrawn, its written consent to be named as Share Registry in this Prospectus in the form and context in which it is named. The Share Registry has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus (or any statement on which a statement made in this Prospectus is based), and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name as specified in this paragraph.

#### 9.10 Expenses of the Offers

In the event that all New Listed Options offered under this Prospectus are subscribed for, the total expenses of the Offers are estimated to be approximately \$42,894 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	22,188
Legal fees	10,000



	\$
Printing and distribution	7,500
<b>Total</b>	<b>42,894</b>

**Note:** The Company engaged the services of CPS Capital Group Pty Ltd to manage the Placement. Refer to Section 9.4 for details of the fees payable to CPS Capital Group Pty Ltd pursuant to the Lead Manager Mandate.

### 9.11 Electronic prospectus

Pursuant to ASIC Regulatory Guide 107, ASIC has expressed that its view is that electronic prospectuses can be used and distributed without the need for ASIC relief, and constitute a “copy” of the lodged prospectus, provided that the electronic prospectus (a) is identical in format and content to the prospectus lodged with ASIC; or (b) contains the same information in the same sequence and with the same prominence, as the lodged prospectus, with the exception of modifications that are immaterial and reflect necessary adjustments or increased functionality when using different electronic media.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or Prospectus or any of those documents were incomplete or altered.

### 9.12 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

### 9.13 Privacy disclosure

If you apply for New Listed Options pursuant to this Prospectus, you will be providing personal information to the Company, its officers, employees, agents,

contractors and third party service providers (including the Share Registry) (collectively, **Collecting Parties**) (directly or through the Share Registry). The Collecting Parties collect, hold and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a holder of Securities and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your Securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

By submitting an Application Form, each Applicant agrees that the Collecting Parties may use the personal information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Company and its related bodies corporate, agents, contractors and third party service providers, including the Share Registry, mailing houses and professional advisers and to the ASX and other regulatory authorities.

You can access, correct and update the personal information that we hold about you. Please contact the Company or the Share Registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988 (Cth)* (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Application Form, the Collecting Parties (as relevant) may not be able to accept or process your application.

Further information about the Company's management of personal information, including how an Applicant may request access to or seek the correction of his or her personal information or submit a complaint or a general privacy-related query, is contained in our Privacy Policy, available at <https://esh.mogul.gg/governance/SEA%20-%20Mogul%20Privacy%20Policy.pdf>.

#### **9.14 No modifications to Corporations Act or Listing Rules**

The Company has not obtained any modifications or waivers of, or exemptions from, the Corporations Act or the Listing Rules in connection with the Offers.

#### **9.15 Selling restrictions**

This Prospectus does not constitute an offer of Shares in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Securities may not be offered or sold, in any country outside Australia except to the extent permitted below.

##### **China**

This document has not been approved by, nor registered with, any competent regulatory authority of the People's Republic of China (excluding, for purposes of

this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). Accordingly, the Securities may not be offered or sold, nor may any invitation, advertisement or solicitation for Securities be made from, within the PRC. This document does not constitute an offer Securities within the PRC.

The Securities may not be offered or sold to legal or natural persons in the PRC other than to: (i) "qualified domestic institutional investors" as approved by a relevant PRC regulatory authority to invest in overseas capital markets; (ii) sovereign wealth funds or quasi-government investment funds that have the authorization to make overseas investments; or (iii) other types of qualified investors that have obtained all necessary PRC governmental approvals, registrations and/or filings (whether statutorily or otherwise).

## **Hong Kong**

**WARNING:** This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Securities have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Securities may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

## **Singapore**

This document and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Securities, may not be issued, circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore Securities

and Futures Act (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

### **United Kingdom**

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Securities.

The Securities may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Securities has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

### **United States**

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Securities have not been, and will not be,

registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States, or to or for the account or benefit of, a U.S. Person, except transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and any other applicable U.S. securities laws.

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**10. DIRECTORS' AUTHORISATION**

This Prospectus is dated 16 November 2020 and is issued by Esports Mogul Limited.

Each of the Directors of Esports Mogul Limited has consented to the lodgement of this Prospectus in accordance with Section 720 of the Corporations Act and has not withdrawn that consent.

Signed for and on behalf of Esports Mogul Limited.



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**Gernot Abl**  
**Non-Executive Chairman**

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## 11. GLOSSARY

**Applicant** means a person who submits an Application.

**Application** means an application made to subscribe for New Listed Options offered under this Prospectus.

**Application Form** means an application form attached to or accompanying this Prospectus (and any supplementary or replacement prospectus), and including any electronic form.

**Application Monies** means the amount of money accompanying an Application Form submitted by an Applicant.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market operated by it.

**Australian Accounting Standards** means accounting standards, principles and practices applying by law or otherwise generally accepted and consistently applied in Australia.

**Broker Options** means the Options offered pursuant to the Broker Options Offer.

**Broker Options Offer** has the meaning given in Section 5.2(b).

**Brokers** means third party brokers to the Placement, including the Lead Manager.

**Business Day** means any day which is defined to be a business day pursuant to Listing Rule 19.12 of the Listing Rules.

**CHESS** means Clearing House Electronic Sub-register System of ASX Settlement Pty Limited (ACN 008 504 532).

**Closing Date** means the closing date of the Offers being 5.00pm WST on 1 December 2020 (unless extended).

**Company** means Esports Mogul Limited (ACN 148 878 782).

**Constitution** means the Company's constitution as at the date of this Prospectus.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means directors of the Company.

**Dollars** or **\$** means dollars in Australian currency.

**Eligible Participants** means the Placement Participants and the Brokers (and their nominees).

**General Meeting** means the Company's general meeting to be held on Monday 30 November 2020.

**Group** means the Company and its subsidiaries, or as the context requires, means any of the Company or its subsidiaries.

**GST** means goods and service tax levied in Australia pursuant to A New Tax System (Goods and Services Tax) Act 1999 (Cth).

**Lead Manager** or **CPS** means CPS Capital Group Pty Ltd (ABN 73 088 055 636).

**Lead Manager Mandate** means the mandate to appoint CPS as lead manager to the Placement, the material terms of which are set out in Section 9.4.

**Listing Rules** or **ASX Listing Rules** means the listing rules of the ASX.

**Mogul Platform** means the online esports tournament platform operated by the Group.

**New Listed Options** means the Placement Options and Broker Options offered pursuant to the Offers, on the terms and conditions set out in Section 7.1.

**Offers** means the Placement Options Offer and Broker Options Offer.

**Official List** means the official list of ASX.

**Opening Date** means 17 November 2020.

**Option** means an option to acquire a Share, on the terms and conditions set out in Section 7.1.

**Placement** has the meaning given to it in Section 5.1.

**Placement Options** means the Options offered pursuant to the Placement Options Offer.

**Placement Options Offer** has the meaning given in Section 5.2(a).

**Placement Participants** means persons who subscribed for and were issued Shares under the Placement.

**Placement Shares** means the Shares issued pursuant to the Placement.

**Prospectus** means this prospectus dated 16 November 2020.

**Quotation** and **Official Quotation** means quotation on the Official List.

**Section** means a section of this Prospectus.

**Securities** means Shares and/or Options.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means the holder of a Share as recorded in the register of the Company.

**Share Registry** means Automic Pty Ltd.

**WST** means Western Standard Time, Perth, Western Australia.