

**SPORTSHERO LIMITED**  
**ACN 123 423 987**

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**PROSPECTUS**

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For the offer of up to 200,000 New Options in the capital of the Company at an issue price of \$0.005 per New Option to raise up to \$1,000 (before expenses) (**Offer**).

**This Prospectus has been prepared primarily for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of New Options and Options in the same class as New Options issued by the Company prior to the Closing Date.**

**IMPORTANT NOTICE**

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the New Options being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The New Options offered under this Prospectus should be considered speculative.

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## 1. CORPORATE DIRECTORY

### Directors

John Dougall  
Tom Lapping  
Michael Higginson

### Company Secretary

Michael Higginson

### Share Registry\*

Advanced Share Registry Services Ltd  
110 Stirling Highway  
NEDLANDS WA 6009

Telephone: +61 (8) 9389 8033  
Facsimile: +61 (8) 9262 3723

### Registered Office

36 Prestwick Drive  
TWIN WATERS QLD 4564

### ASX Code

SHO

### Lawyers

Steinepreis Paganin  
Lawyers and Consultants  
Level 4, The Read Buildings  
16 Milligan Street  
PERTH WA 6000

### Auditors\*

RSM Australia Partners  
Level 32/2 The Esplanade  
PERTH WA 6000

\* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

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## 2. TIMETABLE AND IMPORTANT NOTES

### 2.1 Timetable

Action	Date
Lodgement of Prospectus with the ASIC and ASX	12 March 2021
Opening Date	12 March 2021
Expected date of Official Quotation of the New Options and Options in the same class as the New Options	17 March 2021
Closing Date	18 March 2021

\* The Directors reserve the right to bring forward or extend the Closing Date at any time after the Opening Date without notice.

\*\* Quotation of the New Options and Options in the same class as New Options is subject to the Company being able to satisfy ASX of the quotation requirements set out in Chapter 2 of the ASX Listing Rules.

### 2.2 Important Notes

This Prospectus is dated 12 March 2021 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No New Options may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Offer is only available to those who are personally invited to accept the Offer. Applications for New Options offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of New Options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

### 2.3 Website

A copy of this Prospectus can be downloaded from the website of the Company at [sportshero.live/](http://sportshero.live/). If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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 replacement prospectus or any of those documents were incomplete or altered.

## **2.4 Risk Factors**

Potential investors should be aware that subscribing for New Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the New Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for New Options pursuant to this Prospectus.

## **2.5 Overseas Investors**

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer of New Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

## **2.6 Forward-looking statements**

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

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 and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance 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.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6 of this Prospectus.

## **2.7 Disclaimer**

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information not so contained may not be relied upon as having been authorised by the Company or any other person in connection with the Offer. You should rely only on information in this Prospectus.

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### **3. DETAILS OF THE OFFER**

#### **3.1 Offer**

Under this Prospectus, the Company invites investors identified by the Directors to apply for up to 200,000 New Options at an issue price of \$0.005 per New Option to raise up to \$1,000 (before expenses).

The Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

The full terms and conditions of the New Options to be offered under this Prospectus are set out in Section 5.1. Subject to the Company being able to satisfy ASX of the requirements for quotation as per Chapter 2 of the ASX Listing Rules, the New Options and the existing Options in the same class as New Options will form a new class of quoted securities of the Company.

#### **3.2 Objective**

The Company is not seeking to raise any capital under this Prospectus and, accordingly, the purpose of this Prospectus is not to raise capital.

The purpose of this Prospectus is to remove any trading restrictions that may have attached to Options in the same class as the New Options issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date (including prior to lodgement of this Prospectus) so that, following quotation of the Options in the same class as the New Options, any on-sale of Options in that class issued before the Closing Date does not breach section 707(3) of the Corporations Act.

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body;
- (b) either:
  - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
  - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

Options in the same class as the New Options are not currently in a class of quoted securities. However, the Company will apply for quotation of the New Options (including Options on issue in the same class of the New Options) within 7 days following the date of this Prospectus and the issue of New Options under the Offer is conditional upon ASX granting Official Quotation to the New Options and Options on issue in the same class as the New Options.

### 3.3 Application for New Options

Applications for New Options must be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus, to the extent an Application Form is provided to investors.

Payment for the New Options must be made in full at the issue price of \$0.005 per New Option.

Completed Application Forms and accompanying cheques must be mailed or delivered to the Company as follows:

Delivery by hand	Delivery by post
36 Prestwick Drive TWIN WATERS QLD 4564	36 Prestwick Drive TWIN WATERS QLD 4564

Cheques should be made payable to "**SportsHero Limited – Share Offer Account**" and crossed "**Not Negotiable**". Completed Application Forms and cheques must reach the address set out above by no later than the Closing Date.

### 3.4 Minimum subscription

There is no minimum subscription.

### 3.5 Issue of New Options

As noted in Section 3.2, the primary purpose of the Offer is to remove any trading restrictions that may have attached to Options in the same class as the New Options issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date of the Offer (including prior to the date of this Prospectus).

If the Directors decide to issue New Options under the Offer, the issue of New Options under the Offer will take place as soon as practicable after the Closing Date. Application monies will be held in a separate subscription account until the New Options are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application monies will be for the benefit of the Company and will be retained by the Company irrespective of whether any New Options are issued and each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all the New Options. The Directors reserve the right to reject any application or to allocate any Applicant fewer New Options than the number applied for.

Where the number of New Options issued is less than the number applied for, the surplus moneys will be returned by cheque as soon as practicable after the Closing Date. Where no issue of New Options is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on moneys refunded.

The Company's decision on the number of New Options to be allocated to an applicant will be final.

Holding statements for New Options issued under this Prospectus will be mailed to the investors under the Offer.

### **3.6 ASX listing**

Application for Official Quotation of the New Options offered pursuant to this Prospectus and Options in the same class as the New Options will be made within 7 days of the date of this Prospectus. If ASX does not grant Official Quotation of the New Options offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any New Options and Options of the same class as the New Options will remain unquoted.

The fact that ASX may grant Official Quotation to the New Options is not to be taken in any way as an indication of the merits of the Company or the New Options now offered for subscription.

### **3.7 Restrictions on the distribution of the Prospectus**

The distribution of this Prospectus outside the Commonwealth of Australia may be restricted by law.

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up New Options on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

### **3.8 Enquiries**

Any questions concerning the Offer should be directed to Michael Higginson, Company Secretary, on +61 42 999 5000.



## 4. PURPOSE AND EFFECT OF THE OFFER

### 4.1 Purpose of the Offer

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to New Options and Options in the same class as the New Options issued by the Company prior to the Closing Date (including prior to the date of this Prospectus). All of the funds raised from the Offer will be applied towards the expenses of the Offer. Refer to Section 7.8 of this Prospectus for further details relating to the estimated expenses of the Offer.

### 4.2 Effect of the Offer on capital structure

The effect of the Offer on the Company's capital structure is set out below.

Shares	Number
Shares currently on issue <sup>1</sup>	474,968,643
Shares offered under this Prospectus	Nil
<b>Total Shares on issue on completion of the Offer<sup>2</sup></b>	<b>474,968,643</b>

**Notes:**

1. The rights and liabilities attaching to the Shares are summarised in Section 5.2 of this Prospectus.
2. This assumes no Options are exercised and no Performance Rights or Convertible Notes are converted.

Options	Number
Unlisted Options exercisable at \$0.05 each on or before 16 December 2022 <sup>1 &amp; 2</sup>	97,750,000
Unlisted Options each exercisable at \$0.10 and expiring 30 September 2021	20,000,000
Unlisted Options each exercisable at \$0.20 and expiring 1 February 2022	1,000,000
New Options offered under this Prospectus <sup>1 &amp; 2</sup>	200,000
<b>Total Options on issue on completion of the Offer<sup>3</sup></b>	<b>118,950,000</b>

**Notes:**

1. The Company is proposing to seek quotation for these Options.
2. The rights and liabilities attaching to these Options are summarised in Section 5.1 of this Prospectus.
3. This assumes the Offer is fully subscribed, all New Options offered are issued and no Options are exercised. Note that the Company does not intend to issue any New Options under this Prospectus.

Performance Rights	Number
Class A Performance rights converting on a Tier 1 partnership agreement on or before 31 August 2021	2,000,000
Chairman Performance Rights <sup>1</sup>	4,000,000
Director Performance Rights – Classes A, B & C <sup>1</sup>	12,000,000
Performance Rights offered under this Prospectus	Nil
<b>Total Performance on issue on completion of the Offer</b>	<b>18,000,000</b>

**Notes:**

1. These Performance Rights were issued pursuant to Shareholder approval that was granted on 15 January 2021.

<b>Convertible Notes</b>	<b>Number</b>
Convertible Notes each with a Face Value of \$1,000 converting on or before 30 June 2021 <sup>1</sup>	62
Convertible Notes offered under this Prospectus	Nil
<b>Total Convertible Notes on issue on completion of the Offer</b>	<b>62</b>

**Notes:**

1. Shareholder ratification for the issue of the Convertible Notes was received on 15 January 2021.

### **4.3 Financial effect of the Offer**

After expenses of the Offer of approximately \$7,206, there will be no proceeds from the Offer. The expenses of the Offer will be met from the Company's existing cash reserves.

As the Company does not intend to issue any New Options under the Prospectus, the effect of the Offer will be to reduce the Company's financial position by an amount equal to the costs of preparing the Prospectus of approximately \$7,206.

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## 5. RIGHTS AND LIABILITIES ATTACHING TO NEW OPTIONS

### 5.1 New Options

The following is a summary of the terms and conditions of the New Options being offered pursuant to this Prospectus:

(a) **Entitlement**

Each New Option entitles the holder to subscribe for one Share upon exercise of the New Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.05 (**Exercise Price**).

(c) **Expiry Date**

Each New Option will expire at 5:00 pm (AEDT) on 16 December 2022 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

The New Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the New Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New 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 New 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 New 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 New Options.

If a notice delivered under (g)(ii) 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 New 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 a New Option holder 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 New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.

(k) **Change in exercise price**

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

(l) **Transferability**

The New Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

## 5.2 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares issued upon exercise of the New Options. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

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 meeting and notices**

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Constitution, the Corporations Act or the ASX Listing Rules.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of the Company every holder of fully paid ordinary shares present in person or by an attorney representative or proxy has one vote on a show of hands and one vote per share on a poll.

Where there are 2 or more joint holders of a Share and more than one of them is present at a meeting and tenders a vote in respect of the Share, the Company will count only the vote cast by the member whose name appears first in the Company's register of members.

(c) **Issues of further Shares**

The Directors may, on behalf of the Company, issue, grant options over unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Constitution, ASX Listing Rules, the Corporations Act and any rights for the time being attached to the shares in any special class of those shares.

(d) **Variation of Rights**

Unless otherwise provided by the terms of issue of a class of shares and subject to the Corporations Act, the rights attached to the shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued shares of the affected class.

(e) **Transfer of Shares**

Subject to the Constitution, the Corporations Act and ASX Listing Rules, Shares are freely transferable.

The Shares may be transferred by a proper transfer effected in accordance with the ASX Settlement Operating Rules, by any other method of transferring or dealing with Shares introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by either the Directors or ASX that is permitted by the Corporations Act.

The Directors may decline to register a transfer of Shares (other than a proper transfer in accordance with the ASX Settlement Operating Rules) where permitted to do so under the ASX Listing Rules. If the Directors decline to register a transfer, the Company must, within 5 Business Days after the transfer is delivered to the Company, give the party lodging the transfer written notice of the refusal and the reason for the refusal. The Directors must decline to register a transfer of Shares when required by law, by the ASX Listing Rules or by the ASX Settlement Operating Rules.

(f) **Dividends**

The Directors may from time to time determine dividends to be distributed to members according to their rights and interests. The Directors may fix the time for distribution and the methods of distribution. Subject to the terms of issue of shares, the Company may pay a dividend on one class of shares to the exclusion of another class.

Each share carries the right to participate in the dividend in the same proportion that the amount for the time being paid on the share (not credited) bears to the total amounts paid and payable (excluding amounts credited) in respect of such shares.

(g) **Dividend reinvestment and Share plans**

Subject to the requirements in the Corporations Act and the ASX Listing Rules, the Directors may implement and maintain dividend reinvestment plans (under which any member may elect that dividends payable by the Company be reinvested by way of subscription for fully paid shares in the Company).

(h) **Capitalisation of profits**

Subject to the ASX Listing Rules and any rights or restrictions attaching to any class of shares, the Company may capitalise profits. Members are entitled to participate in a capital distribution in the same proportions in which they are entitled to participate in dividends.

(i) **Winding-up**

Subject to the rights of holders of shares with special rights in a winding-up and the Corporations Act, if the Company is wound up all monies and property that are to be distributed among Shareholders on a winding-up, shall be distributed in proportion to the Shares held by them respectively, irrespective of the amount paid-up or credited as paid-up on the Shares.

(j) **Shareholder liability**

As the Shares issued 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.

(k) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. 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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## **6. RISK FACTORS**

### **6.1 Introduction**

The New Options offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for New Options pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the New Options.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### **6.2 Coronavirus (COVID-19)**

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 Company 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 Company'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 Company'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 any adverse impact on the Company. If any of these impacts appear material prior to close of the Offer, the Company will notify investors under a supplementary prospectus.

### **6.3 Company specific**

#### **(a) Risks relating to the Company's business and industry**

If the Company fails to retain existing users or add new users, or if users decrease their level of engagement with the Company, the Company's revenue, financial results and business may be significantly harmed.

The size of the Company's user base and users' level of engagement are critical to the success (or otherwise) of the Company. The Company's financial performance has been and will continue to be significantly determined by its success in adding, retaining and engaging active users.

The Company anticipates that its user growth rate will decline over time as the size of its active user base increases and as higher market penetration rates are achieved. To the extent its user growth rate slows, its business performance will become increasingly dependent on its ability to increase levels of user engagement and monetisation in current and new markets.

If users and potential users do not perceive the Company's products to be useful, reliable and trustworthy, the Company may not be able to attract or retain users or otherwise maintain or increase the frequency and duration of their engagement.

There is no guarantee that the Company will not experience an erosion of its user base and/or its user engagement levels. A decrease in user retention, user growth and/or user engagement could render the Company less attractive to developers and advertisers, which may have a material and adverse impact on the Company's financial performance.

Any number of factors could potentially negatively affect user retention, user growth and user engagement, including:

- (i) users increasingly engaging with competing products;
- (ii) failure to introduce new and/or improved products and services, or if new and/or improved products and services are not favourably received;
- (iii) failure to successfully provide a compelling user experience as a result of the decisions made with respect to the frequency, prominence and size of advertisements and other commercial content displayed;
- (iv) failure to continue to develop products for devices that users find engaging, that work with a variety of mobile operating systems and networks and that achieve a high level of market acceptance;
- (v) changes in user sentiment about the quality or usefulness of the Company's products and/or concerns related to privacy and data sharing, safety, security or other factors;
- (vi) failure to manage and prioritise information to ensure users are presented with content that is interesting, useful and relevant to them;
- (vii) adverse changes in our products that are mandated by legislation, regulatory authorities, or litigation, including settlements or consent decrees;
- (viii) technical or other problems prevent the Company from delivering its products in a rapid and reliable manner that adversely affect the user experience;
- (ix) the adoption of policies or procedures by the Company related to areas such as data sharing and/or user data that are perceived negatively by both users and the general public;
- (x) failure to provide adequate customer service to users, developers and/or advertisers;
- (xi) the Company, its platform developers or other companies in the same industry are the subject of adverse media reports or other negative publicity; and



- (xii) the Company's current and/or future products, reducing user activity on the platform by making it easier for users to interact and share on third party websites.

Should such risks or uncertainties materialise, or should the Company's underlying assumptions and/or projections prove incorrect, then the Company's financial performance and/or achievements may vary materially from those described in relevant forward looking statements as being expected, anticipated, intended, planned, believed, sought, estimated or projected.

(b) **Risks relating to the Company's operations**

Future operations of the Company may be affected by various factors including:

- (i) unanticipated operational and technical difficulties encountered;
- (ii) failure of operating equipment, fire, accidents, industrial disputes and other force majeure events;
- (iii) risk that development and/or operating costs prove to be greater than expected or that the proposed developments or acquisitions may not be achieved;
- (iv) failure to achieve market penetration, user retention, user growth and/or user engagement;
- (v) the supply and cost of skilled labour; and
- (vi) the prevention and/or restriction of market penetration or user access by reason of political unrest, outbreak of hostilities and inability to obtain consents or approvals.

Notwithstanding the experience, knowledge and careful evaluation the Company brings to its activities, there is no assurance that commercial viability will be achieved.

Other factors such as technical difficulties, adverse changes in government policy and/or legislation or lack of access to sufficient funding or markets may prevent the Company from operating successfully.

(c) **Acquisitions and partnerships**

SportsHero cannot control the actions of partners and therefore cannot guarantee that any partnerships that may or will be entered into will be operated or managed in accordance with SportsHero's preferred direction, strategy or risk management parameters. To the extent that acquisitions or partnership arrangements are not successfully integrated with SportsHero's existing business lines, the growth and financial performance of SportsHero could be affected and despite the terms of the relevant agreements, it may be impractical to enforce all of SportsHero's rights (particularly when the partnerships operate in other jurisdictions).

(d) **Contracts**

There is the risk that if counterparties default on their obligations, which may in turn necessitate legal action, there is a risk of significant financial loss for SportsHero. In some cases, the contracts that SportsHero has entered into may be governed in jurisdictions outside Australia. It may be more difficult to resolve disputes in such jurisdictions than it would be under Australian law. As such, SportsHero cannot ensure that an appropriate legal resolution will be achieved.

(e) **Competitors**

SportsHero's market position and customer relationships may be affected by competitors. Although SportsHero will undertake all reasonable due diligence in its business decisions and operations, it will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the business of SportsHero.

(f) **Loss of key clients**

The SportsHero business currently operates with limited client relationships. SportsHero is expected to maintain the current as well as establish new relationships through the continued enhancement of its platforms. In the event that these established relationships diminish or fail (including through a termination event arising under an agreement) the resulting effect may negatively impact the operating results of SportsHero.

(g) **Operations and management of potential growth**

SportsHero is working in a fast moving environment, engaged in a business with potential multiple partners. Navigating these issues while effectively dealing with prioritisation, timing, execution, cost control and other business decisions is likely to provide real challenges for its small management team. There can be no guarantee that successful execution of SportsHero's strategy will make it profitable or commercially viable. Current product development and marketing strategies may not have the intended effect of increasing users and revenue. Similarly, strategies to increase revenue and user engagement may not yield the expected results and revenue.

If the Company's business grows rapidly and the Company fails to properly manage that growth, then that failure could harm its business. Any failure to meet user demand properly could adversely affect the business, including demand for products and services, revenue, customer satisfaction and public perception

(h) **Product development**

SportsHero believes that it provides meaningful and engaging social media platforms. Moreover, in addition to its current products, features and services, SportsHero is planning to offer new products, features and apps to its users. Delays in product and app development, cost overruns, or difficulties in delivering new features will negatively impact the Company and its business.

(i) **Reliance on core information technology, other systems and security**

Techniques used to gain unauthorised access to private networks are constantly evolving and SportsHero may be unable to anticipate or prevent unauthorised access to data pertaining to the platform and its customers, which could include credit card and debit card information, bank account details or other personally identifiable information. SportsHero's service is vulnerable to computer viruses, phishing attacks or other attacks and similar disruptions from unauthorised use of its systems, any of which could lead to system interruptions, delays or shutdowns, causing loss of critical data or the unauthorised access to personally identifiable information. If an actual or perceived breach of security occurs of SportsHero's systems, it may face civil liability and public perception of our security measures could be diminished, either of which would negatively affect SportsHero's ability to attract or maintain customers. SportsHero also would be required to expend significant resources to mitigate any such breach of security and to address related matters.

(j) **Risks associated with jurisdictional expansion**

The SportsHero platforms have been constructed so as to be capable of being utilised in multiple overseas jurisdictions. As the Company is seeking to expand into overseas markets, it may require a physical presence in other jurisdictions/markets which will result in an associated increase in overheads and development and marketing costs. There is the risk that any jurisdictional expansion will be unsuccessful, or that even if there is demand for the Company's products and services in that market, that the costs of doing business in that market, including the costs of establishing a new base in-country, overseas regulatory compliance and the potential duplication of running costs for the Company, are such that the Company's profitability and available working capital will be adversely impacted.

(k) **Business model to initially focus on growing market share**

As with other social entertainment developers, the Company's business model is initially focused on maximising sales and market share, rather than profitability. This will require expenditure on marketing and business development. Only once the Company has achieved its market penetration and customer dependence objectives will its focus shift to maximising profitability. Accordingly, the Company may not achieve significant profitability in the short term, or may suffer losses.

(l) **Availability of IT staff in the market**

The Company is reliant upon employees with specialist IT skills in order to develop and maintain its products and services. Any shortage of availability of these skills in the IT employment market could impair the development of the Company's products and business and the rate of such development. Such shortage could also cause wage inflation, which may impact on the Company's profitability.

(m) **Reliance on third party IT service provision**

The Company utilises equipment, software and services provided by third parties to deliver its platform. Significant or extended disruption of the SportsHero platform caused by supplied equipment, software or

service failure may reduce the Company's ability to generate revenue, impact consumer service levels and damage the Company's brand. This could adversely affect the Company's ability to attract and retain users, generate new business and cause it to suffer financial loss. Any mitigation of this loss via redress from third party suppliers may not be immediately available, if at all.

(n) **Reliance on core information technology and other systems**

The availability of the Company's platforms is dependent upon the performance, reliability and availability of its IT and communication systems. This includes its core technologies such as computer servers and back-end processing systems. These systems may be adversely affected by a number of factors including major events such as acts of terrorism or war, a breakdown in utilities such as electricity and fibre optic cabling and even pandemics. Events of that nature may cause one or more of those core technologies to become unavailable. There are also internal and external factors that may adversely affect those systems and technologies such as natural disasters, misuse by employees or contractors or other technical issues. The Company's disaster recovery plans may not adequately address every potential event and its insurance policies may not cover loss or damage suffered as a result of a system failure.

Any damage to, or failure of, the Company's key systems can result in disruptions in the Company's ability to operate its social entertainment platforms. Such disruptions have the potential to reduce the Company's ability to generate revenue, attract and/or retain users, impact user service levels and damage the Company's brand. This could adversely affect the Company's ability to generate new business and cause it to suffer financial loss

(o) **Security breaches**

A malicious attack on the Company's systems, processes or people from external or internal sources could put the integrity and privacy of customers' data and business systems used to run the social entertainment platforms at risk. The impact of loss or leakage of customer or business data could include costs for rebates, potential service disruption, litigation and brand damage resulting in reduced or falling revenues. The Company follows best practice in relation to security policies, procedures, automated and manual protections, encryption systems and staff screening to minimise this risk.

(p) **Protection of intellectual property**

The Company's intellectual property includes its software development, knowledge base of business operations, including user, industry and market behaviours, customer records and the experience of its management team and workforce. The Company maintains strict security and monitoring its software code and customer records, including protection and restriction on physical access. The Company encourages employee retention and through the use of confidentiality, non-competition and invention agreements.

The Company has a trademark in place to protect its intellectual property. The Company cannot be certain that the unauthorised use or access of intellectual property relevant to the Company's business will

not be undertaken by third parties to the detriment of the Company, its operations and business. In addition, there can be no guarantee that unauthorised use or copying of the Company's software, data, specialised technology or algorithms will be prevented. Any unauthorised use, access or copying of the Company's intellectual property could impact adversely on the Company's margins and revenue.

(q) **Technology and intellectual property**

The Company's success will depend, in part, on its ability to maintain trade secret protection and operate without infringing the proprietary rights of third parties or having third parties circumvent the Company's rights. No guarantee can be given that such protection will be successfully and validly maintained by the Company.

The Company's commercial success depends in part on its ability to protect its intellectual property assets. The commercial value of these assets is dependent on legal protections provided by a combination of copyright, patent, confidentiality, trade mark, trade secrecy laws and other intellectual property rights. These legal mechanisms, however, do not guarantee that the intellectual property will be protected or that the commercial value of the Company's intellectual property assets will be maintained.

The Company intends to continually evaluate its intellectual property and undertake steps to continually protect its proprietary intellectual property rights and undertake formal registration of them as and when appropriate. However, there can be no assurance at any time that:

- (i) any such rights can be formally established;
- (ii) the measures taken will be adequate to protect its proprietary technology;
- (iii) any intellectual property rights will provide it with any competitive advantages and will not be challenged by third parties; and
- (iv) the rights of others will not materially adversely affect the Company's ability to do business, its financial condition and the results of its operations (and therefore impact on the future viability and profitability of the Company).

While SportsHero believes that it has taken appropriate steps to protect its proprietary rights to date, the law may not adequately protect these rights in all places where the Company does business, or enable the same rights to be defended sufficiently to avoid adverse material impact on operations.

(r) **Legal environment**

The legal system in the markets in which the Company operates and/or intends to operate, may be less developed than more established countries and this could result in the following risks:

- (i) political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation or in an ownership dispute;

- (ii) a higher degree of discretion held by various government officials or agencies.
- (iii) the lack of political or administrative guidance on implementing applicable rules and regulations, particularly in relation to intellectual property rights and taxation;
- (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or
- (v) relative inexperience of the judiciary and court in matters affecting the Company.

(s) **International operations**

International sales and operations are subject to a number of risks, including:

- (i) potential difficulties in enforcing agreements and collecting receivables through foreign local systems;
- (ii) potential difficulties in protecting intellectual property;
- (iii) increases in operating costs; and
- (iv) restrictive governmental actions.

Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

A large proportion of the Company's operations are based in Indonesia and are subject to the laws and regulations of Indonesia. Generally, investing in emerging markets such as Indonesia involves greater risk than investing in more developed markets, including, in some cases, significant legal, economic and political risks. Financial problems or an increase in the perceived risks associated with investing in emerging economies could dampen foreign investment in Indonesia and adversely affect the Indonesian economy.

The Company's operations may also be affected by changes to income and other taxes and exchange controls. The success of the Company is dependent on the stability of the political, economic and legal situation in Indonesia, which may be subject to rapid change. Any change in legislation could have an adverse effect on the company.

(i) **Corruption in Indonesia**

The local and international press has reported that high levels of corruption exist in Indonesia. The demands of corrupt officials or potential future claims that the Company has been involved in official corruption could result in negative publicity or disrupt its ability to conduct its business effectively, which could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

(ii) **The Indonesian tax system**

The Company is subject to a broad range of taxes payable at federal, regional and local levels in Indonesia. Indonesian tax laws, regulations and court practice are subject to frequent change, varying interpretations and inconsistent and selective enforcement. Tax audits or inspections may result in additional costs to the Company if the relevant tax authorities conclude that the Company did not satisfy its tax obligations in any given year. Such audits or inspections may also impose additional burdens on the Company by diverting the attention of management resources. The outcome of these audits or inspections could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

If the tax authorities and/or courts adopt a different interpretation of various tax laws and regulations from that followed by the Company and its legal and tax advisors, the Company may have to pay taxes of a different type and quantum currently anticipated. This could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

(iii) **The Indonesian legal system and legislation**

Risks associated with the Indonesian legal system include, to varying degrees, the following:

- (A) inconsistencies between: (i) federal laws; (ii) decrees, orders and regulations issued by the President, the Government and federal ministers; and (iii) regional and local laws, rules and regulations;
- (B) a lack of judicial and administrative guidance on interpreting legislation as well as a lack of sufficient commentaries on judicial rulings and legislation;
- (C) the relative unavailability of Indonesian legislation and court decisions in an organised manner that facilitates understanding of such legislation and court decisions;
- (D) the relative inexperience of judges and courts in interpreting newly adopted legislation and complex commercial arrangements;
- (E) substantial gaps in the legal framework due to the delay or absence of implementing regulations for certain legislation;
- (F) a lack of judicial independence from political, social and commercial forces;
- (G) alleged corruption within the judiciary and governmental authorities;

- (H) problematic and time-consuming enforcement of both Indonesian and non-Indonesian judicial orders and international arbitration awards;
- (I) a high degree of discretion on the part of governmental authorities, leaving significant opportunities for arbitrary and capricious government action; and
- (J) bankruptcy procedures that are not well developed and are subject to abuse.

These weaknesses and others could affect the Company's ability to enforce its rights under contracts or statutes, or to defend itself against claims by others or enforce or safeguard its property rights.

(f) **Court orders**

As announced on 3 March 2021, the Company identified an inadvertent failure to cleanse Shares issued on 22 January 2021, following which the Company entered into a trading halt and subsequent suspension from trading. The Company was reinstated to trading on ASX prior to market open on 11 March 2021, following release of orders from the Supreme Court of Western Australia (**Court**) received on 10 March 2021 with respect to the cleansing of Shares, a copy of which are annexed to the Company's announcement of 10 March 2021 (**Orders**).

The Company notes that, under the Orders granted by the Court, a party claiming to have suffered substantial injustice (or that is likely to suffer substantial injustice) as a result of the Orders being granted, has liberty to apply to the Court to vary the Orders during the 28-day period following grant of the Orders. In the event that such an application is made, the Company's securities will likely be placed into trading halt (and suspension from trading, if required) until the application is resolved and the Company may incur additional expenses as a result of responding to such an application.

## 6.4 General

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;



- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its activities. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(d) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

## **6.5 Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company 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 Company and the value of the New Options offered under this Prospectus.

Therefore, the New Options to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Options.

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 Options pursuant to this Prospectus.

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## **7. ADDITIONAL INFORMATION**

### **7.1 Litigation**

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

### **7.2 Continuous disclosure obligations**

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

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 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 have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the 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 the ASIC;

- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company or an ASIC office during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below:

Date	Description of Announcement
10 Mar 2021	Reinstatement to Official Quotation
10 Mar 2021	Supreme Court Orders Granted
5 Mar 2021	Suspension from Official Quotation
5 Mar 2021	Section 708A Notice
4 Mar 2021	Trading Halt
26 Feb 2021	Half Yearly Report and Accounts
22 Feb 2021	Exclusive partnership with Ellevate Football
18 Feb 2021	Over 3 million new unique users
17 Feb 2021	Exclusive Indonesian partnership with ICON Esports
9 Feb 2021	Section 708A notice
9 Feb 2021	Appendix 2A
5 Feb 2021	Appendix 3B
5 Feb 2021	Binding commitments received to raise \$1,500,000
3 Feb 2021	Trading Halt
2 Feb 2021	2,701,472 OlahBola users generated
29 Jan 2021	Quarterly Activities Report
29 Jan 2021	Appendix 4C Quarterly cash flow report
22 Jan 2021	Change of Director's Interest Notice
22 Jan 2021	Change of Director's Interest Notice
22 Jan 2021	Change of Director's Interest Notice
22 Jan 2021	Completion of \$450,000 capital raising and other issues of securities
22 Jan 2021	Appendix 2A
22 Jan 2021	Appendix 3G
22 Jan 2021	Appendix 3B
22 Jan 2021	Appendix 3B
22 Jan 2021	Appendix 3B
15 Jan 2021	Results of Meeting

Date	Description of Announcement
15 Jan 2021	Chairman's Address
16 Dec 2020	First revenue generating agreement and 1.8 million users
8 Dec 2020	Annual General Meeting attendance and voting arrangements
8 Dec 2020	Notice of Annual General Meeting/Proxy Form
1 Dec 2020	Record user growth – over 250,000 new users in 10 days
20 Nov 2020	Over 1.25 million users and MolaTV integration ahead of schedule
11 Nov 2020	Section 7008A notice
11 Nov 2020	Appendix 2A
11 Nov 2020	Partnership with MolaTV
4 Nov 2020	Appendix 3B
4 Nov 2020	Appendix 3B
4 Nov 2020	Appendix 3B
4 Nov 2020	Completion of \$1.34 million placement and Strategic investor
2 Nov 2020	Trading Halt
28 Oct 2020	Investor Deck
27 Oct 2020	Quarterly Activities Report
27 Oct 2020	Appendix 4C Quarterly cash flow report
20 Oct 2020	Section 708A Notice
20 Oct 2020	Appendix 2A
20 Oct 2020	1,000,000 OlahBola users and Nivea Tokopedia collaboration

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website [sportshero.live/](http://sportshero.live/).

### 7.3 Market price of New Options

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

There is currently no market for the New Options and the Options in the same class as the New Options. However, the Company will apply for Official Quotation of the New Options and the existing Options in the same class as New Options within 7 days following the date of this Prospectus.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	Price	Date
Highest	\$0.081	22 February 2021
Lowest	\$0.028	20 January 2021
Last	\$0.034	12 March 2021

## 7.4 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
MyHero Limited	60,000,000	12.63

## 7.5 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director of the Company, has or had within 2 years before the 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:
  - (i) its formation or promotion; or
  - (ii) the Offer; or

- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director of the Company:

- (d) as an inducement to become, or to qualify as, a director of the Company; or
- (e) for services provided in connection with:
  - (i) the formation or promotion of the Company; or
  - (ii) the Offer.

### 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	Performance Rights
John Dougall	1,510,756	-	7,000,000
Tom Lapping	11,782,143	-	6,000,000
Michael Higginson	20,834	-	3,000,000

### Remuneration

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. The maximum aggregate remuneration for non-executive Directors has not been set. The Board has not formally engaged the services of the remuneration consultant to provide recommendations when

setting the remuneration received by key management personnel during the financial year.

In addition, a Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

The table below shows the total annual remuneration paid to both executive and non-executive directors and proposed directors in each of the past two financial years and the proposed remuneration for the current financial year.

Director	30 June 2019	30 June 2020	30 June 2021 (Proposed)
John Dougall (appointed 30 Oct 2019)	-	\$54,166 <sup>1</sup>	\$209,367 <sup>2 &amp; 3</sup>
Tom Lapping	\$190,000	\$157,500	\$258,900 <sup>2 &amp; 3</sup>
Michael Higginson	\$105,350	\$98,446	\$138,200 <sup>2 &amp; 3</sup>

**Notes:**

1. Comprising fees paid in cash of \$20,833 and fees to the value of \$33,333 paid in Shares.
2. Comprising cash fees to be paid as follows:
  - a) \$29,167 to be paid to Mr Dougall
  - b) \$142,500 to be paid to Mr Lapping
  - c) as Mr Higginson provides Company Secretarial services which are charged at an agreed hourly rate, an estimated \$80,000 to be paid to Mr Higginson.
3. Comprising non-cash fees as follows:
  - a) \$180,200 for Mr Dougall – being the value of 1,510,756 Shares, 4,000,000 Performance Rights and 3,000,000 Director Performance Rights issued on 22 January 2021, following the receipt of shareholder approval on 15 January 2021.
  - b) \$116,400 for Mr Lapping – being the value of 6,000,000 Director Performance Rights issued on 22 January 2021, following the receipt of shareholder approval on 15 January 2021.
  - c) \$58,200 for Mr Higginson – being the valuation of 3,000,000 Director Performance Rights issued on 22 January 2021, following the receipt of shareholder approval on 15 January 2021.

## 7.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) 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;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;

- (e) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$3,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$10,197.50 (excluding GST and disbursements) for legal services provided to the Company.

## 7.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the New Options), the Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only 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 and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

## 7.8 Estimated expenses of Offer

The total expenses of the Offer are estimated to be approximately \$7,206 as follows:

Expense	(\$)
ASIC Fees	3,206
Legal Expenses	3,000

Expense	(\$)
Miscellaneous, printing and other expenses	1,000
<b>Total</b>	<b>7,206</b>

## 7.9 Electronic Prospectus

ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on + 61 8 42 999 5000 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.

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

The Company will not be issuing Share certificates, New Option certificates or certificates for Options of the same class as New Options. 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 New Options 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.

## 7.11 Privacy Act

If you complete an application for New Options, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder 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.



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

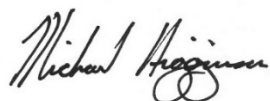
Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988 (Cth)* (as amended), the *Corporations Act* and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required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

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**8. DIRECTORS' AUTHORISATION**

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



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**Michael Higginson**  
**For and on behalf of**  
**SportsHero Limited**

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## 9. DEFINITIONS

**\$** means Australian dollars.

**AEDT** means Australian Eastern Daylight Time as observed in Sydney, New South Wales, Australia.

**Applicant** means an investor who applies for New Options pursuant to the Offer.

**Application Form** means an application form either attached to or accompanying this Prospectus.

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

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

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

**ASX Settlement Operating Rules** means the settlement rules of the securities clearing house which operates CHESSE.

**Board** means the board of Directors unless the context indicates otherwise.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

**Closing Date** means the date specified in the timetable in Section 2.1 of this Prospectus (unless extended or brought forward).

**Company** or **SportsHero** means SportsHero Limited (ACN 123 423 987).

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

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

**Directors** means the directors of the Company as at the date of this Prospectus.

**New Option** means an Option with the terms and conditions set out in Section 5.1.

**Offer** means the offer of New Options referred to in the "Details of the Offer" Section of this Prospectus.

**Official Quotation** means official quotation on ASX.

**Opening Date** means the opening date of the Offer as specified in the timetable set out in Section 2.1 of this Prospectus (unless varied).

**Option** means an option to acquire a Share.

**Prospectus** means this prospectus.

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

**Shareholder** means a shareholder of the Company.

**Share Registry** means Advanced Share Registry Services Ltd.