



ASX RELEASE

21 April 2021

SPORTSHERO TO DEVELOP WORLD FIRST ARTIFICIAL INTELLIGENCE LIVE ESPORTS PREDICTOR

Highlights

- ✓ SportsHero to develop a world first proprietary esports prediction platform (**Platform**) – the Platform will utilise the latest advancements in deep learning to predict the outcomes of esports competitions prior to the match, as well as live during the competition.
- ✓ Given the large global audiences and significant fan interaction of esports tournaments, the Platform is expected to generate multiple revenue opportunities for SportsHero.
- ✓ Under the terms of the development agreement, SportsHero will fully own and operate the Platform, immediately adding a significant global technology asset to SportsHero's portfolio.
- ✓ Revenue opportunities include affiliate gaming revenue, subscription revenue, advertising/sponsorship revenue, exclusive streaming revenue and royalties.
- ✓ The deep learning/machine learning Platform being built will autonomously become more and more precise as more data is added to its ecosystem. Delivering for SportsHero a significant competitive advantage.
- ✓ SportsHero is building a competitive advantage with the Platform, given it requires significant artificial intelligence, software programming, development knowledge and specialist esports knowledge.

SportsHero (**ASX: SHO**) (**SportsHero** or the **Company**) is very pleased to announce it will develop a world first artificial intelligence based live esports prediction platform (**Platform**). The proprietary system will add a significant global software asset and capability to SportsHero's technical portfolio.

To facilitate the development of the Platform, the Company has engaged artificial intelligence specialist Ai-Driven Pty Limited (**Ai-Driven**). Ai-Driven is a technology company with offices in Australia and in Asia that provides cutting edge artificial intelligence solutions to small and medium enterprises globally.

SportsHero Limited
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Principal and Registered Office: 36 Prestwick Drive, Twin Waters, Queensland 4564
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SportsHero

SportsHero's CEO Tom Lapping said: *"The development of this cutting-edge and innovative technology is expected to significantly complement SportsHero's existing platforms and our co-branded esports focused prediction network partnership with ICON Esports."*

"We further anticipate that the introduction of deep learning technology and artificial intelligence will broaden and enrich our offering and deliver significant new revenue opportunities for SportsHero."

"As a testimony of Ai-Driven's confidence in SportsHero and the potential of the Platform, Ai-Driven have agreed to take the majority of their fees in SportsHero shares and options."

SportsHero's artificial intelligence Esports platform

By developing an artificial intelligence esports platform, SportsHero is looking to be a world leader in the rapidly expanding esports prediction market by not only being the first to market, but also by developing a proprietary deep learning based prediction platform.

Given that SportsHero has generated over 3.6 million users and established a 3 year partnership with ICON (the owner of the Chiefs Esports Club, which is Australia's leading esports brand and the largest in Oceania) provides the foundation for the building of a competitive advantage in the esports sector.

In addition, this competitive advantage is further enhanced as a consequence of the fact that deep learning algorithms and applications require significant computing power, extensive high-level programming and development knowledge and resources. These factors creating for SportsHero a significant first mover advantage and a unique opportunity to corner the esports prediction market.

SportsHero is looking to develop a state-of-the-art deep learning platform which predicts the outcome of esports competitions for the most popular competitive games. The algorithms are unique, in that they will take into account the full data set that contains the millions of data points that are available and will learn and correlate (by itself) the data points that are linked to the desired sporting outcome.

Essentially the Platform will autonomously decide which data has no correlation and which data actually affects the end result and to what extent. Furthermore, as more data is fed into the ecosystem, over time the Platform will become more intelligent and more efficient.

It is intended that the Platform being developed could overlay and add to SportsHero's existing platforms and can be plugged in to web based platforms as well as app-based applications.

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Development team

The development team is led by Ai-Driven Chief Technical Officer, Mr Henry Tian. Mr Tian is an experienced software engineer who specialises in machine learning and artificial intelligence.

Mr Tian previously held senior development roles with one of the world's largest telco and smartphone manufacturers. Mr Tian is one of the top minds with respect to deep learning applications in Australia and has multiple publications in journals worldwide, including articles in the prestigious European Journal of Electrical Engineering & Computer Science.

Agreement with Ai-Driven

Ai-Driven has agreed to take the majority of their fees in shares and options to acquire shares.

Fees to be paid to Ai-Driven, include a one-time cash fee of \$50,000, of which \$30,000 is payable immediately and the balance payable on completion (completion is scheduled for Q1 FY21/22) and subject to the receipt of shareholder approval, the following securities:

- 2,000,000 fully paid ordinary shares to be issued following completion; and
- 3,000,000 options, to be issued following completion, as set out below:
 - (i) 1,000,000 options each exercisable at \$0.05 and expiring 30 April 2023;
 - (ii) 1,000,000 options each exercisable at \$0.10 and expiring 31 May 2023; and
 - (iii) 1,000,000 options each exercisable at \$0.20 and expiring 30 June 2023.

Authorised for release by the Board

Michael Higginson
Company Secretary

About SportsHero

SportsHero's strategy is to build a large user base of active sports fans utilising our premium technologies and official associations with the sport's governing bodies. We will then monetise these strategic assets with recurring revenue generated from complementary advertising income, brand sponsorship, subscriptions, competition revenue, video streaming, and match and gamification ticket sales.

SportsHero has developed an intelligent, engaging sports prediction platform, designed to provide a dynamic immersive social experience, coupled with both monetary and other prizes.

The Company has exclusive digital partnerships with the Football Association of Indonesia (PSSI), Spain's LaLiga, Indonesia's MolaTV, Icon Esports and Ellevate Football.

Having developed a white label digital solution, SportsHero is now able to offer that digital solution across multiple sports to sporting groups and other partners globally.

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