
ESPORTS MOGUL LIMITED

ACN 148 878 782

NOTICE OF ANNUAL GENERAL MEETING

TIME: 9:30am (Melbourne time)

DATE: Wednesday 26 May 2021

PLACE: Workspace 365
Level 14
330 Collins Street
Melbourne Victoria 3000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

If you wish to discuss the matters in this Notice of Meeting please contact the Company Secretary on +61 412 076 641.

CONTENTS PAGE

Business of the Meeting (setting out the proposed resolutions)	5
Explanatory Statement (explaining the proposed resolutions)	9
Glossary	26
Annexure A - Summary of Terms of Performance Rights	28
Proxy Form	Attached

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held at **9:30am (Melbourne time) on Wednesday 26 May 2021 at Workspace 365, Level 14 330 Collins Street Melbourne Victoria 3000.**

ATTENDNG THE MEETING

The Company is looking forward to returning to a normal physical meeting format for the 2021 AGM.

For the health and safety of all attendees, the Company will be observing social distancing and any other government requirements that apply based on the COVID-19 situation prevailing at the time. Attendees will be required to register their contact details via the Service Victoria app or a paper-based register.

Shareholders who plan to attend the AGM should take heed of government warnings and advice and monitor the Company's website and ASX announcements for any updates about the AGM, including with respect to the location.

As we have seen recently, the situation can change rapidly. The health of the Company's shareholders, employees and other meeting attendees is of paramount importance. We ask that you do not attend the AGM if you feel unwell or have been in contact with someone who may have been affected by COVID-19.

Please note that, given current social distancing requirements, food and refreshments will not be served at the AGM. Other restrictions and precautionary measures may also be imposed on attendance if necessary, including limiting or refusing entry to attendees. Accordingly, all shareholders are encouraged to submit written questions in advance of the meeting and to lodge a direct vote or directed proxy, even if they plan to attend the meeting.

If it becomes necessary or appropriate to make alternative arrangements for the meeting, we will provide further information on the Company's website <https://esh.mogul.gg/> and via an ASX announcement.

You must lodge your vote or proxy in advance of the meeting **by 9:30 am (Melbourne time) on Monday 24 May 2021**. If you have lodged a proxy, you are still entitled to attend the Meeting either in person or by weblink.

You must register your interest to attend the meeting by weblink **on or before 9:30 am (Melbourne time) Monday 24 May 2021** by registering at [click on this to register](#).

SUBMITTING QUESTIONS

It is preferred that if you have any questions of the Board that they be submitted in writing to the Company Secretary by email at george.lazarou@mogul.gg on or before **5:00pm (Melbourne time) Wednesday 19 May 2021**.

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding, and your vote is important.

INTERPRETATION

Capitalised terms which are not otherwise in this Notice and Explanatory Statement have the meanings given to those terms in the Glossary section of the Explanatory Statement.

References to "\$" and "A\$" in this Notice and Explanatory Statement are references to Australian currency unless otherwise stated.

References to time in this Notice and Explanatory Statement relate to the time in Melbourne, Victoria.

VOTING EXCLUSION STATEMENTS

Certain voting restrictions apply to the Resolutions as detailed beneath the applicable Resolutions in the Notice.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00pm (Melbourne time) on Monday 24 May 2021.

ALL RESOLUTIONS WILL BE BY POLL

In accordance with clause 13.16(a) of the constitution, the Chairman intends to call a poll on each of the resolutions proposed at the AGM. The Chairman considers voting by poll to be in the interests of the shareholders as a whole and ensures the views of as many shareholders as possible are represented at the meeting.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or

number of the member's votes, then in accordance with clause 12.21 of the Constitution, each proxy may exercise one-half of the votes.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Chair's intentions in relation to undirected proxies

If the Chair is your proxy or is appointed as your proxy by default, and you do not direct the Chair how to vote on Resolutions 1,4,5 or 6 on your Proxy Form, you will be expressly authorising the Chair to vote on Resolutions 1,4,5 and 6 as the Chair sees fit. The Chair intends to vote undirected proxies in favour of all Resolutions (including Resolutions 1,4,5 and 6).

BUSINESS OF THE MEETING

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial period ended 31 December 2020 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report, as contained in the Company's annual financial report for the financial year ended 31 December 2020.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement: A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **Voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the Voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR GERNOT ABL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Gernot Abl, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

3. RESOLUTION 3 – ELECTION OF DIRECTOR – MS KATE VALE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 13.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, MS Kate Vale, a Director who was appointed as an additional director on 1 August 2020, retires, and being eligible, is elected as a Director.”

4. RESOLUTION 4 – APPROVAL TO ISSUE SHARES IN LIEU OF DIRECTOR'S FEES – MR CAMERON ADAMS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,110,925 fully paid ordinary shares to Mr Cameron Adams (or his nominee) on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Cameron Adams, and any other person who will obtain a material benefit as a result of the issue of the shares (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person, a proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with the directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the chair to vote on this Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the persons excluded from voting, on this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

In addition, a person appointed as a proxy must not vote on this Resolution if the proxy is either:

- (a) a member of the Key Management Personnel; or
- (b) a Closely Related Party of such a member, and the appointment does not specify the way the proxy is to vote on the Resolution. However, this restriction does not apply if:
 - (i) the proxy is the Chair of the Meeting; and
 - (ii) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

5. RESOLUTION 5 – APPROVAL TO ISSUE SHARES IN LIEU OF DIRECTOR'S FEES – MS KATE VALE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,946,938 fully paid ordinary shares to Ms Kate Vale (or her nominee) on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Ms Kate Vale, and any other person who will obtain a material benefit as a result of the issue of the shares (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person, a proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with the directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the chair to vote on this Resolution as the chair decides; or

- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the persons excluded from voting, on this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

In addition, a person appointed as a proxy must not vote on this Resolution if the proxy is either:

- (a) a member of the Key Management Personnel; or
- (b) a Closely Related Party of such a member, and the appointment does not specify the way the proxy is to vote on the Resolution. However, this restriction does not apply if:
 - (i) the proxy is the Chair of the Meeting; and
 - (iii) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

6. RESOLUTION 6 – ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTY – MR GERNOT ABL

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 195(4) and Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 25,000,000 Performance Rights to Gernot Abl (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Gernot Abl (and/or his nominees) and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder or ordinary securities in the Company) or an associate of that person or those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

7. RESOLUTION 7 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of equity securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: If at the time this approval is sought the Company is proposing to make an issue of equity securities under ASX Listing Rule 7.1A.1, the Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person, a proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with the directions given to the proxy or attorney to vote on this Resolution in that way; or

- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the chair to vote on this Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the persons excluded from voting, on this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

DATED: 8 APRIL 2021

BY ORDER OF THE BOARD



**GEORGE LAZAROU
COMPANY SECRETARY
ESPORTS MOGUL LIMITED**

EXPLANATORY STATEMENT

1. THIS EXPLANATORY STATEMENT HAS BEEN PREPARED TO PROVIDE INFORMATION WHICH THE DIRECTORS BELIEVE TO BE MATERIAL TO SHAREHOLDERS IN DECIDING WHETHER OR NOT TO PASS THE RESOLUTIONS WHICH ARE THE SUBJECT OF THE BUSINESS OF THE MEETING, FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial period ended 31 December 2020 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has previously elected to receive one pursuant to section 314 of the Corporations Act. The Company's annual financial report is available on its website at <https://esh.mogul.gg/>

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the directors or the company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for the financial period ending 31 December 2020.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

2.2 Voting consequences

Under the Corporations Act, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at two consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report. The Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the previous financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2.4 Voting restrictions

Voting restrictions for this Resolution 1 are contained in the Notice of Meeting.

2.5 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 1 to adopt the Remuneration Report.

The Chair intends to vote undirected proxies in favour of Resolution 1.

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR GERNOT ABL

3.1 General

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

Clause 13.2 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

Mr Abl retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-election.

Mr Abl has been a Director since 14 November 2016.

3.2 Qualifications and other material directorships

Mr Abl's background is in Law, Corporate Finance and Strategic Consulting and has over 15 years of entrepreneurial, business strategy, and investment experience gained as a management consultant with Deloitte Consulting and Deloitte Corporate Finance. Mr Abl has had significant success in the online gaming industry and currently serves as a director of several private start-up technology companies. Mr Abl also currently serves as the Non-Executive Chairman of Live Verdure Limited (ASX:LV1) - an Australian Direct to Consumer (DtoC) plant-based food, nutraceutical and skin care company.

3.3 Independence

Mr Abl is not considered independent having been the Managing Director of the Company from 14 November 2016 to 10 September 2020.

If re-elected the Board considers Mr Abl will not be an independent director.

3.4 Directors' recommendation

The Board, with Mr Abl not being present while the matter was considered and abstaining from voting, consider that Mr Abl has made and will continue to make a valuation contribution to the Board and the Company, and recommend that Shareholders vote in favour of the re-election of Mr Abl.

The Chair intends to vote undirected proxies in favour of Resolution 2.

RESOLUTION 3 – ELECTION OF DIRECTOR – MS KATE VALE

4.1 General

Clause 13.4 of the Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to clause 13.4 of the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at the meeting.

Ms Kate Vale, having been appointed by the other Directors on 1 August 2020 in accordance with the Constitution, will retire in accordance with clause 13.4 of the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

Prior to the appointment of Ms Vale as a Director, the Company conducted appropriate checks into Ms Vales' background and experience, and those checks did not reveal any information of concern.

4.2 Qualifications and other material directorships

Ms Vale is a visionary experienced Senior Executive and Consultant with more than 24 years of success across digital media, social media and technology industries.

Ms Vale has held senior leadership positions with organisations including Google, YouTube and Spotify.

As Managing Director, Australia and New Zealand with Spotify, Ms Vale was hired as the first regional employee and managed all aspects of the business across Australia and New Zealand. Ms Vale was instrumental in setting up the Asian operations in 2013. Ms Vale was instrumental in driving music streaming in Australia to reach the position of No. 1 revenue source for record labels in the country.

As Country Manager for Google Australia & New Zealand, Ms Vale established the Australian and New Zealand offices, hired and managed 150+ employees, and grew revenues from zero to US\$500 million over a six-year period. Ms Vale also drove YouTube product and sales strategy for ANZ managing sale of advertising solutions to advertisers and agencies.

Ms Vale served as a founding member of the IAB Australian Board. Ms Vale has achieved recognition for her success through her listing in the Top 40 Under 40 in Digital Age.

4.3 Independence

Ms Vale has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Ms Vale will be an independent director.

4.4 Directors' recommendation

The Board, with Ms Vale not being present when the matter was considered and abstaining from voting, consider that Ms Vale has made and will continue to make a valuation contribution to the Board and the Company, and therefore supports the election of Ms Vale and recommends that Shareholders vote in favour of Resolution 3.

The Chair intends to vote undirected proxies in favour of Resolution 3.

5. RESOLUTION 4 – APPROVAL TO ISSUE SHARES IN LIEU OF DIRECTOR'S FEES – CAMERON ADAMS

5.1 Background

As part of Mr Adams' Letter of Appointment his annual remuneration is \$90,000 per annum, exclusive of any applicable statutory superannuation (**Total Remuneration**). Mr Adams agreed to reduce his annual remuneration in May 2020 to \$72,000 per annum, exclusive of any applicable statutory superannuation, due to foreseen risk due to COVID and a desire for the Company to conserve cash.

Per Mr Adams Letter of Appointment, Mr Adams has agreed that two-thirds of the Total Remuneration, will be accrued and not pay in cash, being \$48,000 per annum (**Accrued Remuneration Component**). The remaining portion of the Total Remuneration, being \$24,000 is paid in cash on a monthly basis (\$2,000 per month).

Prior to each Annual General Meeting of the Company for a year in which Mr Adams earns the Accrued Remuneration Component (or part thereof), the Board may elect to seek shareholder and regulatory approval for the Accrued Remuneration Component to be paid by the issuance of the equal value of fully paid ordinary shares (**Shares**) in the Company to Mr Adams or his nominee.

If the Board makes an election to seek shareholder and regulatory approval for the Accrued Remuneration Component to be paid in Shares (**Remuneration Shares**), the issue price will be calculated on a monthly basis at the monthly Volume Weighted Average Price (**VWAP**) for the month in which the Accrued Remuneration Component is to be paid. The VWAP will be calculated as the volume weighted average price of the Company's Shares on the Australian Securities Exchange for the relevant month, or where no trading has occurred in the relevant month, at the volume weighted average price of the last month in which Company's Shares on the Australian Securities Exchange traded.

5.2 Information required by ASX Listing Rule 14.1A

The proposed issue of the Remuneration Shares to Mr Adams or his nominee requires Shareholder approval under ASX Listing Rule 10.11.

If Shareholder approval is not received by the Company to pay the Accrued Remuneration Component in Remuneration Shares, the Company will pay the Accrued

Remuneration Component as cash, being \$31,728 (net of tax and exclusive of any applicable statutory superannuation).

If Shareholder approval is received, then the Company will issue 3,110,925 fully paid ordinary shares to satisfy the Accrued Remuneration Component.

5.3 ASX Listing Rule Requirements

ASX Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to (amongst other persons) a Related Party or an associate of a Related Party, unless an exception in ASX Listing Rule 10.12 applies.

As the issue of the Remuneration Shares pursuant to Resolution 4 involves the issue of securities to a Related Party of the Company (or an associate of a Related Party) and none of the exceptions in ASX Listing Rule 10.12 applies, Shareholder approval pursuant to ASX Listing Rule 10.11 is required.

5.4 ASX Listing Rule 10.13 Disclosure Requirements

For the purposes of ASX Listing Rule 10.13, the following information is provided about the proposed issue the subject of Resolution 4:

(a) *The name of the Director*

The Remuneration Shares will be issued to Mr Cameron Adams, a Non-Executive Director of the Company, or his nominee.

(b) *Which category the person falls within*

As Mr Adams is a Director of the Company, he falls within ASX Listing Rule 10.11.1 as a Related Party of the Company. If the Remuneration Shares are to be issued to Mr Adams' nominee, that nominee will either also be a Related Party of the Company or fall within ASX Listing Rule 10.11.4 as an associate of Mr Adams.

(c) *Number and class of securities to be issued*

A maximum number of 3,110,925 fully paid ordinary shares will be issued pursuant to this Resolution 4.

(d) *The terms of issue of the securities*

The Remuneration Shares will be fully paid ordinary securities and will rank equally with the ordinary shares already on issue by the Company.

(e) *The date by which the securities will be issued*

The Shares will be issued no later than 1 month after the date of the Meeting and it is intended that the issue of all of the Remuneration Shares will occur on the same date.

(f) *The issue price of the securities*

The issue prices of the Remuneration Shares to be issued are outlined in the below table:

Month earned	No. of Remuneration Shares	Monthly VWAP Price (issue price)
April	338,295	\$0.0078

May	404,453	\$0.0065
June	571,850	\$0.0046
July	525,288	\$0.0050
August	200,403	\$0.0132
September	187,928	\$0.0141
October	115,473	\$0.0229
November	129,411	\$0.0204
December	152,170	\$0.0174
January	157,423	\$0.0168
February	150,141	\$0.0176
March	178,090	\$0.0148
TOTAL	3,110,925	

(g) *Purpose of the issue and the intended use of funds raised*

The purpose of the issue of the Remuneration Shares is to satisfy the Accrued Remuneration Component of Mr Adam's Directors' fees owed to him for the period 1 April 2020 to 31 March 2021. As such, no funds will be raised.

(h) *Details of Director's current total remuneration package*

Details of Mr Adam's current total remuneration package are set out in Section 5.1 of this Explanatory Statement.

(i) *Other material terms*

Other than as set out in Sections 5.1 and this 5.4 of this Explanatory Statement, there are no other material terms relevant to the issue of the Remuneration Shares.

(j) *Voting exclusion statement*

A voting exclusion statement for this Resolution 4 is included in the Notice of Meeting.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Remuneration Shares as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of the Shares to Mr Adams (or his nominee) under Resolution 4 will not be included in the use of the Company's 15% Capacity pursuant to ASX Listing Rule 7.1.

5.5 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Remuneration Shares constitutes giving a financial benefit and Mr Adams is a Related Party of the Company by virtue of being a Director.

The Directors (other than Mr Adams who has a material personal interest in Resolution 4) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act

is not required in respect of the issue of the Remuneration Shares because the agreement to issue the Remuneration Shares, reached as part of the remuneration package for Mr Adams, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

5.6 Directors' recommendation

Mr Adams declines to make a recommendation to Shareholders in relation to Resolution 4 as he has a material personal interest in the outcome of Resolution 4. Mr Adams and his associates will not be entitled to vote on Resolution 4. The Board, with Mr Adams not being present while the matter was considered and abstaining from voting, unanimously recommends that Shareholders vote in favour of Resolution 4.

The Chair intends to vote undirected proxies in favour of Resolution 4.

6. RESOLUTION 5 – APPROVAL TO ISSUE SHARES IN LIEU OF DIRECTOR'S FEES – KATE VALE

6.1 Background

As part of Ms Vale's Letter of Appointment her annual remuneration is \$72,000 per annum, exclusive of any applicable statutory superannuation (**Total Remuneration**).

Per Ms Vale's Letter of Appointment, Ms Vale has agreed that 100% of the Total Remuneration, will be accrued and not pay in cash, being \$72,000 per annum. The Company will accrue the Total Remuneration (**Accrued Remuneration Component**). As Ms Vale was appointed as a Director on 1 August 2020, the Accrued Remuneration Component up to 31 March 2021 is \$48,000.

Prior to each Annual General Meeting of the Company for a year in which Mrs Vale earns the Accrued Remuneration Component (or part thereof), the Board may elect to seek shareholder and regulatory approval for the Accrued Remuneration Component to be paid by the issuance of the equal value of fully paid ordinary shares (**Shares**) in the Company to Ms Vale or her nominee.

If the Board makes an election to seek shareholder and regulatory approval for the Accrued Remuneration Component to be paid in Shares (**Remuneration Shares**), the issue price will be calculated on a monthly basis at the monthly Volume Weighted Average Price (**VWAP**) for the month in which the Accrued Remuneration Component is to be paid. The VWAP will be calculated as the volume weighted average price of the Company's Shares on the Australian Securities Exchange for the relevant month, or where no trading has occurred in the relevant month, at the volume weighted average price of the last month in which Company's Shares on the Australian Securities Exchange traded.

6.2 Information required by ASX Listing Rule 14.1A

The proposed issue of the Remuneration Shares to Ms Vale or her nominee requires Shareholder approval under ASX Listing Rule 10.11.

If Shareholder approval is not received by the Company to pay the Accrued Remuneration Component in Remuneration Shares, the Company will pay the Accrued Remuneration Component as cash, being \$48,000 plus 9.5% superannuation, if applicable (\$32,400 net of tax and exclusive of any applicable statutory superannuation).

If Shareholder approval is received, then the Company will issue 1,946,938 fully paid ordinary shares to satisfy the Accrued Remuneration Component.

6.3 ASX Listing Rule Requirements

ASX Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to (amongst other persons) a Related Party or an associate of a Related Party, unless an exception in ASX Listing Rule 10.12 applies.

As the issue of the Remuneration Shares pursuant to Resolution 5 involves the issue of securities to a Related Party of the Company (or an associate of a Related Party) and none of the exceptions in ASX Listing Rule 10.12 applies, Shareholder approval pursuant to ASX Listing Rule 10.11 is required.

6.4 ASX Listing Rule 10.13 Disclosure Requirements

For the purposes of ASX Listing Rule 10.13, the following information is provided about the proposed issue the subject of Resolution 5:

(a) *The name of the Director*

The Remuneration Shares will be issued to Ms Kate Vale, a Non-Executive Director of the Company, or her nominee.

(b) *Which category the person falls within*

As Ms Vale is a Director of the Company, she falls within ASX Listing Rule 10.11.1 as a Related Party of the Company. If the Remuneration Shares are to be issued to Ms Vales' nominee, that nominee will either also be a Related Party of the Company or fall within ASX Listing Rule 10.11.4 as an associate of Ms Vale.

(c) *Number and class of securities to be issued*

A maximum number of 1,946,938 fully paid ordinary shares will be issued pursuant to this Resolution 5.

(d) *The terms of issue of the securities*

The Remuneration Shares will be fully paid ordinary securities and will rank equally with the ordinary shares already on issue by the Company.

(e) *The date by which the securities will be issued*

The Shares will be issued no later than 1 month after the date of the Meeting and it is intended that the issue of all of the Remuneration Shares will occur on the same date.

(f) *The issue price of the securities*

The issue prices of the Remuneration Shares to be issued are outlined in the below table:

Month earned	No. of Remuneration Shares	Monthly VWAP Price (issue price)
August	306,971	\$0.0132
September	287,863	\$0.0141
October	176,878	\$0.0229
November	198,227	\$0.0204
December	233,089	\$0.0174
January	241,136	\$0.0168
February	229,981	\$0.0176

March	272,793	\$0.0148
TOTAL	1,946,938	

(g) *Purpose of the issue and the intended use of funds raised*

The purpose of the issue of the Remuneration Shares is to satisfy the Accrued Remuneration Component of Ms Vale's Directors' fees owed to her for the period 1 August 2020 to 31 March 2021. As such, no funds will be raised.

(h) *Details of Director's current total remuneration package*

Details of Ms Vale's current total remuneration package are set out in Section 6.1 of this Explanatory Statement.

(i) *Other material terms*

Other than as set out in Sections 6.1 and this 6.4 of this Explanatory Statement, there are no other material terms relevant to the issue of the Remuneration Shares.

(j) *Voting exclusion statement*

A voting exclusion statement for this Resolution 5 is included in the Notice of Meeting.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Remuneration Shares as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of the Shares to Ms Vale (or her nominee) under Resolution 5 will not be included in the use of the Company's 15% Capacity pursuant to ASX Listing Rule 7.1.

6.5 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (c) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (d) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Remuneration Shares constitutes giving a financial benefit and Ms Vale is a Related Party of the Company by virtue of being a Director.

The Directors (other than Ms Vale who has a material personal interest in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Remuneration Shares because the agreement to issue the Remuneration Shares, reached as part of the remuneration package for Ms Vale, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

6.6 Directors' recommendation

Ms Vale declines to make a recommendation to Shareholders in relation to Resolution 5 as she has a material personal interest in the outcome of Resolution 5. Ms Vale and her associates will not be entitled to vote on Resolution 5. The Board, with Ms Vale not

being present while the matter was considered and abstaining from voting, unanimously recommends that Shareholders vote in favour of Resolution 5.

The Chair intends to vote undirected proxies in favour of Resolution 5.

7. RESOLUTION 6 – ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTY – GERNOT ABL

7.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 25,000,000 Performance Rights to Mr Abl (or his nominee) pursuant to the terms and conditions set out below and at Annexure A.

The issue of the Performance Rights is a non-cash form of remuneration and will allow the Company to spend a greater portion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Abl.

The grant of the Performance Rights also provides a performance linked incentive component in the remuneration package to motivate and reward the performance of the holder in their role as Non-Executive Chairman.

The 25,000,000 Performance Rights vest as follows:

- (a) 7,500,000 Performance Rights will be subject to the following Tenure related vesting conditions:
 - (i) 1,875,000 Performance Rights, twelve (12) months from date of appointment as a Non-Executive Chairman, being 10 September 2020 (**Tranche 1**);
 - (ii) 156,250 Performance Rights to vest on a monthly basis (1,875,000 in total) after Tranche 1 has been met but not issued until twenty-four (24) months from date of employment (**Tranche 2**);
 - (iii) 156,250 Performance Rights to vest on a monthly basis (1,875,000 in total) after Tranche 2 has been met but not issued until thirty-six (36) months from date of employment (**Tranche 3**); and
 - (iv) 156,250 Performance Rights to vest on a monthly basis (1,875,000 in total) after Tranche 3 has been met but not issued until forty-eight (48) months from date of employment (**Tranche 4**).
- (b) 17,500,000 Performance Rights will be subject to the following Business Performance related vesting conditions:
 - (i) Milestone 1: 2,187,500 Performance Rights will independently vest (up to 4,375,000 Performance Rights in total), upon the achievement of either of the below vesting conditions being met:
 - A. 1 million Monthly Active Users (MAU's) for a consecutive 90 day period ("Active" is defined as a unique user who participates in content offered by Mogul); or
 - B. \$2.5 million in revenue to the Company within 24 months from date of appointment as a Non-Executive Chairman, being 10 September 2020.(the **Initial Vesting Events**); and
 - (ii) Milestone 2: 6,562,500 Performance Rights will vest (up to 13,125,000 Performance Rights in total) provided each of the Initial Vesting Events as outlined at section 7.1 (b)(i) has been met as follows:

- A. 2,187,500 Performance Rights (up to 4,375,000 Performance Rights in total) twelve (12) months from date of Initial Vesting Event (**Tranche 1**);
- B. 2,187,500 Performance Rights (up to 4,375,000 Performance Rights in total) twenty-four (24) months from date of Initial Vesting Event (**Tranche 2**); and
- C. 2,187,500 Performance Rights (up to 4,375,000 Performance Rights in total) thirty-six (36) months from date of Initial Vesting Event (**Tranche 3**),

(together, the **Milestones**), on the terms and conditions as set out in Annexure A.

In the event of a change of control, all Performance Rights immediately vest, provided the Initial Vesting Events have been met.

Any Performance Rights that do not vest and become exercisable in accordance with the Initial Vesting Events as outlined in section 7.1(b)(i) will automatically lapse.

Any Performance Rights that have not vested, automatically lapse on cessation of employment.

The proposed issue of securities to Mr Abl (or his nominee) requires Shareholder approval under both Chapter 2E of the Corporations Act and ASX Listing Rule 10.11.

7.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval, unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Performance Rights constitutes giving a financial benefit and Mr Abl is a Related Party of the Company by virtue of being a Director.

The Directors (other than Mr Abl who has a material personal interest in Resolution 6) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Performance Rights because the agreement to grant the Related Party Performance Rights, reached as part of the remuneration package for Mr Abl, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

7.3 Listing Rule 10.11

Listing Rule 10.11 provides that a company must not (subject to specified exceptions) issue or agree to issue equity securities to a related party without the approval of shareholders. Mr Abl is a related party of the Company by virtue of being a Director. Therefore, approval is required under Listing Rule 10.11 for the issue of any Performance Rights to him.

Resolution 6 seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of the Performance Rights to Mr Abl. If approval is given under Listing Rule 10.11, Shareholder

approval is not required under Listing Rule 7.1. Furthermore, Shareholder approval of the issue of the Performance Rights means that these issues will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Performance Rights to Mr Abl. If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the Performance Rights to Mr Abl, instead under his Letter of Appointment, Mr Abl is entitled to receive a cash payment at the time each Milestone is achieved. The value of each Milestone Cash Payment will be determined by the Company's Non-Executive Directors at the time each Milestone is achieved. The Milestone Cash Payments will negatively affect the Company's available cash position.

Resolution 6 is an ordinary resolution.

7.4 Specific information required by Listing Rule 10.13

For the purposes of ASX Listing Rule 10.13, the following information is provided about the proposed issues the subject of Resolution 6:

- (a) the Related Party to whom the Director Performance Rights are to be issued under this Resolution is Mr Abl who is a Related Party by virtue of being a Director in accordance with ASX Listing Rule 10.11.1. Mr Abl may appoint a nominee to holder the Performance Rights).
- (b) The maximum number of Performance Rights to be issued is 25,000,000.
- (c) the Performance Rights to be issued will be issued for nil cash consideration (and there is no consideration payable on the vesting of Performance Rights to Shares), accordingly no funds will be raised on issue of the Performance Rights or the vesting into Shares;
- (d) The Performance Rights will be issued no later than 1 month after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue will occur on the same date.
- (e) The terms of the Performance Rights are set out in Annexure A.
- (f) The relevant securities held by Mr Abl (or his nominees) as at the date of this Notice are set out below:

Director	Shares	Options
Gernot Abl	25,000,000 ¹	5,000,000 ²

Notes:

- 1. 15,000,000 fully paid ordinary shares held by CSNA Pty Ltd <ATF CGL Trust>, 5,000,000 fully paid ordinary shares held by CSNA Pty Ltd <Abl Family Super Fund> and 5,000,000 fully paid ordinary shares held by KG Venture Holdings Pty Ltd <KG Venture Holdings A/C>.
- 2. Held by KG Venture Holdings Pty Ltd <KG Venture Holdings A/C>.

- (g) the remuneration and emoluments from the Company to Mr Abl for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Director	Current	Financial Year ended
Gernot Abl	\$98,550 ¹	\$476,285 ²

Notes:

1. Remuneration includes Director fees of \$98,550 including superannuation.
2. Remuneration includes salary and superannuation of \$253,472, and \$222,813 paid to CSNA Pty Ltd ATF CGL Trust, an entity of which Mr Abl is a beneficiary, for services provided by Mr Abl in relation to short-term incentives and other consulting services.

(h) A voting exclusion statement is included in the Notice.

7.5 Directors' recommendation

Mr Abl declines to make a recommendation to Shareholders in relation to Resolution 6 as he has a material personal interest in the outcome of Resolution 6. Mr Abl and his Associates will not be entitled to vote on Resolution 6. The Directors other than Mr Abl recommend that Shareholders vote in favour of Resolution 6 for the reasons set out in section 7.1.

In forming their recommendations, each Director considered the experience of Mr Abl, the current market price of Shares, the current market practices when determining the number of Performance Rights to be granted as well as the exercise price and expiry date of those Performance Rights.

8 RESOLUTION 7 – APPROVAL OF 7.1A MANDATE

8.1 General

Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and as at 7 April 2021 has a market capitalisation of \$35,525,995.

Resolution 7 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 7 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 7 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

8.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 7:

(a) **Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) **Minimum Price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 8.2(b)(i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate to provide further funding, if required, for Mogul's world-class tournament platform, accelerate monetisation strategy, around brands, further international partner expansion, continuing to secure partnerships with PC and Mobile game publishers, ongoing administration and corporate costs, general working capital and/or for the acquisition of new businesses, assets or other investments.

The Company will comply with the disclosure obligations under Listing Rule 7.1A.4 upon issue of any Equity Securities.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 7 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the

closing market price of Shares and the number of Equity Securities on issue as at 7 April 2021.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.006	\$0.012	\$0.018
			50% decrease	Issue Price	50% increase
		Funds Raised			
Current	2,877,166,328 Shares	287,716,633 Shares	\$1,726,300	\$3,452,600	\$5,178,900
50% increase	4,315,749,492 Shares	431,574,949 Shares	\$2,589,450	\$5,178,900	\$7,768,350
100% increase	5,754,332,656 Shares	575,433,266 Shares	\$3,452,600	\$6,905,200	\$10,357,800

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 2,877,166,328 Shares on issue.
2. The issue price set out above is the closing market price of the Shares on the ASX on 7 April 2021.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 28 May 2020 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 26 May 2020, the Company issued 193,540,051 Equity Securities pursuant to the Previous Approval (**Previous Issue**), which represent approximately 8.48% of the total diluted number of Equity Securities on issue in the Company on 26 May 2020, which was 2,281,862,275.

The following information is provided in accordance with Listing Rule 7.3A.6(b) in respect of the Previous Issue:

Date	Issue Date – 26 October 2020
Recipients	Part of a Share Placement to professional and sophisticated investors as announced on 14 October 2020. The placement participants were clients of CPS Capital Group Pty Ltd who acted as Lead Manager to the Placement. None of these shares were issued to related parties of the Company.
Number and Class of Equity Securities Issued	193,540,051 Shares (issued under Listing Rule 7.1A)
Issue Price and discount to Market Price¹	\$0.01 per Share (at a discount of 23.08 % to the Company's 15-day volume weighted average price).

Consideration	<p>Amount raised: \$1,935,400</p> <p>Amount spent: \$Nil</p> <p>Use of funds: Funds will be used to support continued innovation of Mogul's world-class tournament platform, accelerate monetisation strategy around brands, further international partner expansion, and continuing to secure partnerships with PC and Mobile game publishers.</p>
----------------------	--

(g) **Compliance with ASX Listing Rules 7.1A.4**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must:

- (i) state in its announcement of the proposed issue under Listing Rule 3.10.3 or in its application for quotation of the securities under Listing Rule 2.7 that the securities are being issued under Listing Rule 7.1A; and
- (iii) give to ASX immediately after the issue a list of names of the persons to whom the entity issued the equity securities and the number of equity securities issued to each. This list is not for release to the market.

9.3 Technical information required by ASX Listing Rule 14.1A

If Resolution 7 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 7 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

9.4 Voting Exclusion Statement

A voting exclusion statement for Resolution 7 is included in the Notice of Meeting. As at the date of the Notice of Meeting, the Company has not invited any existing Shareholder to participate in an issue of equity securities under the Additional 10% Capacity. Therefore, no existing Shareholders will be excluded from voting on Resolution 7.

9.5 Board recommendation

The Directors unanimously recommends that Shareholders vote in favour of Resolution 7.

GLOSSARY

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires. Other terms are defined within the Explanatory Statement.

\$ means Australian dollars.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means Australian Securities and Investments Commission.

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

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

Board means the current board of Directors.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

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

Constitution means the Company's constitution.

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

Director means a current director of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means this explanatory statement.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Mogul means the mogul.gg tournament platform.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means the notice of annual general meeting which this Explanatory Statement accompanies.

Option means an option to acquire a Share.

Proxy Form means the proxy form accompanying the Notice.

Related Party has the meaning given to that term in the Corporations Act.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the period ended 31 December 2020.

Resolutions means the resolutions set out in the Notice of Annual General Meeting and **Resolution** means any one of them.

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

Shareholder means a holder of a Share.

Variable A means "A" as set out in the formula in Listing Rule 7.1A.2.

ANNEXURE A – SUMMARY OF TERMS OF PERFORMANCE RIGHTS

The key terms of the Performance Rights are as follows:

Performance Rights

Upon satisfaction of the Milestones, each Performance Right will convert to a Share on a one-for-one basis (subject to adjustment for reconstructions of the capital of the Company).

Performance Rights do not carry any voting rights or dividend entitlements.

Shares

Shares issued upon vesting of Performance Rights will rank equally with the other issued Shares. Depending on the terms of issue, the Shares may be subject to disposal restrictions, which means that they may not be disposed or dealt with for a period of time.

Shares allocated on vesting or exercise of a Performance Right carry the same rights and entitlements as other issued Shares, including dividend and voting rights.

Quotation

Performance Rights will not be quoted on the ASX. If the Shares are officially quoted on the ASX at the time of Performance Rights vesting, the Company will apply for official quotation of such Shares, in accordance with the ASX Listing Rules and having regard to any disposal restrictions in place.

Cessation of employment

If a holder ceases to hold office of, or be employed by, the Company, all unvested Performance Rights automatically lapse. However, the Board may elect to accelerate the vesting of any Performance Rights if a holder has died, suffered total and permanent disablement or been made redundant.

Change of control

The Board has the discretion to accelerate vesting of Performance Rights in the event of certain types of change of control transactions involving the Company. Unless the Board determines to exercise that discretion, any unvested Performance Rights will lapse on a change of control of the Company.

Restrictions

Without the prior approval of the Board, or unless required by law, Performance Rights may not be sold, transferred, encumbered or otherwise dealt with.

Rights to participate in future issues and reorganisations

The Performance Rights do not entitle the holder to participate in new issues of Shares unless those Performance Rights have vested, and the underlying Shares issued prior to any relevant record date. If a rights issue or any reorganisation of the Company's issued capital occurs, the number of Shares to which a holder of Performance Rights is entitled will be adjusted as determined by the Board (having regard to the requirements of any applicable ASX Listing Rules) in order to minimise or eliminate any material advantage or disadvantage to that holder resulting from the corporation action.

Amendments

To the extent permitted by the ASX Listing Rules, the Board retains the discretion to vary the terms and conditions of Performance Rights, provided that no amendment may reduce the accrued rights of holders unless (1) consented to by holders holding no less than 75% of the total number of Performance Rights issued, (2) required by law or ASX Listing Rules, (3) to correct any manifest error or mistake or (4) for certain tax reasons.

Other terms

The Performance Rights contains customary and usual terms having regard to Australian law for dealing with administration, variation, suspension and termination of Performance Rights.

PROXY FORM

**APPOINTMENT OF PROXY
ESPORTS MOGUL LIMITED
ACN 148 878 782**

ANNUAL GENERAL MEETING

I/We
of

being a member of Esports Mogul Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws, as the proxy sees fit, at the Annual General Meeting to be held at **9:30am (Melbourne time), on Wednesday 26 May 2021** and at any postponement or adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions on which the Chair is entitled to vote.

Important for Resolutions 1,4,5 and 6

If you have not directed your proxy how to vote as your proxy in respect of Resolution 1,4,5 or 6 and the Chair is, or may by default be, appointed your proxy, you expressly authorise the Chair to exercise the proxy in respect of Resolutions 1,4,5 and 6, even though Resolutions 1,4,5 and 6 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Mr Gernot Abl	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Election of Director – Ms Kate Vale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Approval to Issue Shares in Lieu of Director's Fees – Mr Cameron Adams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Approval to Issue Shares in Lieu of Director's Fees – Ms Kate Vale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Issue of Performance Rights to Related Party – Mr Gernot Abl	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Approval of 7.1A Mandate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is

_____ %

Signature of Member(s):

Date: _____

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and cast a vote at an Annual General Meeting is entitled to appoint a proxy to attend and vote on their behalf at the meeting. If the member is entitled to cast 2 or more votes at the meeting, the member may appoint a second proxy to attend and vote on their behalf at the meeting. However, where both proxies attend the meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A member who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints 2 proxies and the appointments do not specify the proportion or number of the member's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a member of the Company.

2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.

3. **Compliance with Listing Rule 14.11**

In accordance to Listing Rule 14.11, if you hold Shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the Shares, you are required to ensure that the person(s) or entity/entities for which you hold the Shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the Company that you are in compliance with Listing Rule 14.11.

4. **(Signing Instructions):**

- **(Individual):** Where the holding is in one name, the member must sign.
- **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
- **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.

5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

(a) post to Suite 4, Level 10, 220 Queens Street, Melbourne, Victoria, 3000; or

(b) email to the Company at george.lazarou@mogul.gg,

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy forms received later than this time will be invalid.