

3 May 2022

Emerge Completes Miggster Sale, Receives A\$1.75m

Highlights:

- **Emerge completes sale of Miggster Business**
- **A\$1.75m initial payment of A\$5m sale consideration received by EmERGE**
- **Emerge to receive deferred consideration balance of A\$3.25m over 12 months**
- **Emerge implements changes to the Board**

Emerge Gaming Limited (ASX: EM1) (“Emerge” or the “Company”), is pleased to advise that it has completed the sale of the Miggster Business and received the initial payment of A\$1,750,000.

Completion of Miggster Sale Agreement

On 9 March 2022, EmERGE executed a binding sale agreement (“Sale Agreement”) to sell the Miggster Business to NIBIRU e-gaming AB (“the Purchaser”) for a consideration of A\$5,000,000 payable over 12 months.

Completion of the Sale Agreement has now occurred, which has resulted in the Purchaser making the initial payment being A\$1,750,000 of the A\$5,000,000 sale consideration.

The payment of the balance of the \$3,250,000 deferred consideration will be made over 12 months with the payments being determined quarterly and calculated as 10% of the difference between the Purchaser’s revenue derived from the Miggster platforms less an amount of fixed operational, technological and staff costs, with these costs being limited to average actual costs incurred by EmERGE for the Miggster Business between the dates of execution and settlement of the agreement. The Purchaser will make an additional payment to EmERGE after 12 months for the balance of the \$3,250,000 deferred consideration that remains unpaid.

Board Changes

Mr. Gregory Stevens has taken the decision to complete his term as CEO and Executive Director of EmERGE.

Mr. Stevens will remain on the EmERGE board as a non-executive director and provide services to assist the Company in management of partnership relations and to the ongoing execution of EmERGE’s strategic objectives that will include assistance in the delivery of the \$3.25m deferred compensation as part of the second phase of the Miggster sale transaction. The main terms of Mr. Steven services agreement that have been varied are set out below:

- Services provided are managing external partnerships as directed by the Board;
- Monthly compensation fees will reduce from A\$15,000 to A\$12,000 per month effective 1 August 2022;
- Effective 1 August 2022 either party can terminate the service agreement with 3 months written notice;



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- An incentive performance commission is payable by the Company to Mr. Stevens equivalent to 3% of the A\$3.25m deferred compensation received from NIBIRU e-gaming AB; and
- Non-compete restrictions continue to apply to Mr. Stevens during the term of the service agreement, and for 2 years post termination of service, with the exclusion of the business of NIBIRU e-gaming AB or its related bodies corporate.

Emerge will continue to focus on its MNO Strategy (B2B2C partnerships with MNOs) by leveraging its strongly established partnership with MTN to expand into other MTN countries and market to other multinational MNOs and will identify a suitable CEO candidate for this next phase of planned growth.

Further information:

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About Emerge Gaming

Emerge Gaming Limited (ASX:EM1) is a leading eSports and gaming technology company. Emerge Gaming owns and operates an online eSports and casual gaming tournament platform technology and lifestyle hub. Via this platform, casual, social and hardcore gamers can play hundreds of gaming titles against each other via their mobile, console or PC, earning rewards and winning prizes.

The platform uses its unique IP, advanced analytics tracking and proprietary algorithms to deliver an optimum tournament gaming experience for users while providing advertisers with the perfect vehicle for delivery of their messaging to a fully engaged audience.

More information: view www.emergegaming.com.au

ASX release authorised by the Board of Directors of Emerge Gaming Limited

