
ESPORTS MOGUL ASIA PACIFIC LIMITED

ACN 148 878 782

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10:00am (EST)

DATE: Friday 21 April 2017

PLACE: The Seasons Botanic Gardens
348 St Kilda Road
MELBOURNE VIC 3004

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 8) 9429 8875.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the annual general meeting of the Shareholders will be held at 10:00am (EST) on Friday 21 April 2017 at:

The Seasons Botanic Gardens
348 St Kilda Road
MELBOURNE VIC 3004

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 this Notice.

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 Perth, Western Australia.

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 10:00am (EST) (8am Perth time) on 19 April 2017.

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 section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

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.

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 2016 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 2016."

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 GEORGE LAZAROU

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 George Lazarou, a Director, retires by rotation, and being eligible, is re-elected as a Director."

3. RESOLUTION 3 – ELECTION OF DIRECTOR – MR ADAM JACOBY

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, Mr Adam Jacoby, a Director who was appointed as an additional director on 31 December 2016, retires, and being eligible, is re-elected as a Director."

4. RESOLUTION 4 – APPROVAL TO ISSUE OPTIONS TO CONSULTANTS IN LIEU OF FEES

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 7.1 and for all other purposes, Shareholders approve the issue of up to 25,000,000 Options to the party referred in and 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 on this Resolution 4 by any person who may participate in the issue of options identified in this Resolution and any person who may obtain a benefit from the issue of options in this Resolution and any associate of such person. The Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or it is cast by the person chairing the meeting as a proxy for the person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

5. RESOLUTION 5 – APPROVAL OF 10% PLACEMENT CAPACITY

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 on the terms and conditions set out in the Explanatory Statement"

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of equity securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

DATED: 1 MARCH 2017

BY ORDER OF THE BOARD

A handwritten signature in black ink, reading "George Lazarou". The signature is written in a cursive, flowing style.

GEORGE LAZAROU
COMPANY SECRETARY
ESPORTS MOGUL ASIA PACIFIC 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 2016 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 specifically requested to do so. The Company's annual financial report is available on its website at www.esportmogul.com

2. 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 2016.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, 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 consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, 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 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy

You must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member).

You **do not** need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, ***you must mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.***

If you appoint any other person as your proxy

You **do not** need to direct your proxy how to vote on this Resolution, and you **do not** need to mark any further acknowledgement on the Proxy Form.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR GEORGE LAZAROU

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third AGM 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.

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

Mr Lazarou is a qualified Chartered Accountant with over 20 years' experience, including five years as a partner of a mid-tier accounting firm, specialising in the areas

of audit, advisory and corporate services. Mr Lazarou has extensive skills in the areas of audit, corporate services, due diligence, independent expert reports, mergers & acquisitions and valuations.

Mr Lazarou also brings with him a high level of commercial skills having worked closely with publicly listed companies in the mining, building, engineering, environmental and construction industries.

Mr Lazarou is currently the Managing Director of corporate advisory firm Citadel Capital.

4. RESOLUTION 3 – ELECTION OF DIRECTORS – MR ADAM JACOBY

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.

Mr Adam Jacob, having been appointed on 31 December 2016 will retire in accordance with clause 13.4 of the Constitution and ASX Listing Rule 14.4 and being eligible, seek election from Shareholders. Brief background information on Mr Jacoby is set out below.

Mr Jacoby was previously Chief Executive Officer of global sports travel business, Sportsnet Corporation, which was BRW's Fastest Growing Private Company (under \$100 million) in 2010. Prior to that he was the founder and CEO of IMS Sports, a leading sports marketing and athlete management business, from 1996 to 2003, and co-founder and General Manager of sport & leadership content company LFL Media from 2005 to 2008.

Amongst other roles, Mr Jacoby was also a founding director of Mummu Sport, from 2010 to 2015. Mummu Sport is a world leader in sports travel logistics, and was a BRW Fast Starter Award winner and Top 10 in Smart Company's Smart 50 Awards in 2015.

Mr Jacoby is currently a Non-Executive Director of globally focussed but Melbourne based, Centre for the Future and the Founder, Chief Steward and Council Member of the fast-growing global pro-democracy movement, MiVote.

5. RESOLUTION 4 – APPROVAL TO ISSUE OPTIONS TO CONSULTANTS IN LIEU OF FEES

5.1 Background

The Company seeks Shareholder approval to ratify the issue of 25,000,000 Options with an exercise price of \$0.05 each and an expiry date of 30 October 2019 to a consultant for services rendered to the Company.

5.2 ASX Listing Rule Requirements

ASX Listing Rule 7.1 provides, in summary, that a listed company may not issue equity securities in any 12 month period which, when aggregated with the equity securities issued by a company during the previous 12 months, will exceed 15% of the total number of fully paid ordinary shares on issue in the company at the beginning of the 12 month period, except with the prior approval of Shareholders.

ASX Listing Rule 7.4 provides that an issue by a company of equity securities made without approval under ASX Listing Rule 7.1 is treated as having been made with

approval for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 and the company's members subsequently approve it.

While the outcome of Resolution 4 will have no effect on the issue of the Options in question, Shareholder approval will restore the Company's ability to issue further equity securities under ASX Listing Rule 7.1 in the next 12 months from the date of issue, to the extent of the 25,000,000 Options.

5.3 ASX Listing Rule Disclosure Requirements

The following information is provided in accordance with ASX Listing Rule 7.3:

(a) Number of securities allotted

The total number of Options to be issued is 25,000,00 which, if exercised, will result in the issue of 25,000,000 Shares.

(b) Issue price of securities

The Options are issued for no cash consideration and the exercise price of each Option is \$0.05 per share.

(c) Date by which the securities will be issued

The Options will be issued as soon as practicable, but in any event will be issued to the allottees on the same date which will be no later than 3 months after the Annual General Meeting.

(d) Terms of the securities

The Company will apply for quotation of the Options and the Options can be exercised at any time on or up to the date of expiry being 30 October 2019. Shares that are issued upon the exercise of the Options will rank equally with all other Shares on issue and in all other respects the rights and entitlements of the holders of the Shares will be identical to the rights and entitlements of the holders of then currently issued Shares. The detailed terms of the Options are set out in Annexure A.

(e) Names of the allottees or basis on which allottees were determined

The 25,000,00 Options are to be issued to Green Collar Pty Ltd, a consultant who is not a related party of the Company.

(f) The use or intended use of the funds raised

No cash was raised through the issue of the options. Up to \$1,250,000 will be raised by the issue of Shares pursuant to the exercise of the Options.

The funds raised from the exercise of the Options will be used to fund the eSports Mogul Media Hub and for general working capital requirements.

5.4 Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolution 4 as it will allow the Company greater flexibility to issue further securities which could assist the Company to raise capital and to preserve cash resources.

6. RESOLUTION 5 – APPROVAL OF 10% PLACEMENT CAPACITY

6.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 5, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 6.2 below).

The effect of Resolution 5 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under ASX Listing Rule 7.1.

Resolution 5 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 5 for it to be passed.

6.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and as at 1 March 2017, has a current market capitalisation of \$20,208,665.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has two classes of Equity Securities on issue, being the Shares and Options (ASX Code: ESH and ESHO).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;

- (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under ASX Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
- (iv) less the number of Shares cancelled in the previous 12 months.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

6.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 5:

(a) Minimum price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX 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; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in subparagraph 4.3(a)(i) above, the date on which the Equity Securities are issued.

(b) Date of issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) after which date, an approval under ASX Listing Rule 7.1A ceases to be valid.

(10% Placement Capacity Period).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 5 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, 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 ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

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 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.012 50% decrease in Issue Price	\$0.023 Issue Price	\$0.046 100% increase in Issue Price
878,637,609 (Current)	Shares issued - 10% voting dilution	87,863,761	87,863,761	87,863,761
	Funds raised	\$1,054,365	\$2,020,866	\$4,041,733
1,317,956,413 (50% increase)	Shares issued - 10% voting dilution	131,795,641	131,795,641	131,795,641
	Funds raised	\$1,581,548	\$3,031,300	\$6,062,600
1,757,275,218 (100% increase)	Shares issued - 10% voting dilution	175,727,522	175,727,522	175,727,522
	Funds raised	\$2,108,730	\$4,041,733	\$8,083,466

*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 878,637,609 Shares on issue.
2. The issue price set out above is the closing price of the Shares on the ASX on 1 March 2017.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
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 ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options or other convertible securities are converted 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 ASX Listing Rule 7.1.
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 10% Placement Capacity, 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.
- (d) **Purpose of issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised to provide further funding, if required, for the eSports Mogul Media Hub, ongoing administration and corporate costs, assessment of further opportunities in the eSports industry and general working capital; or
- (ii) as non-cash consideration for the acquisition of new business opportunities and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

(e) **Allocation policy for the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity 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. Further, if the Company is successful in acquiring new assets or investments, it is possible that the recipients under the 10% Placement Capacity will be the vendors of the new assets or investments.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity on a case by case basis, 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 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 ASX 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 31 May 2016 (**Previous Approval**).

The Company has not issued any Equity Securities pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 21 April 2016, the Company otherwise issued a total of 650,000,000 Shares and 150,000,000 Options which represents approximately 65.37% of the total diluted number of Equity Securities on issue in the Company on 21 April 2016, which were 423,865,816.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 1.

- (g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities allotted to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

6.4 Voting exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 5.

GLOSSARY

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

\$ means Australian dollars.

Annexure means annexure to this Explanatory Statement.

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

Associate has the meaning set out in sections 11 to 17 of the Corporations Act, and where applicable as applied in accordance with the Note to Listing Rule 14.11.

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 means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means a day (not being a Saturday, Sunday or public holiday) in Perth, Western Australia.

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 Asia Pacific Limited (ACN 148 878 782).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

EST means Eastern Standard Time as observed in Melbourne, Victoria

Existing Shareholders means the holder of an Existing Share.

Explanatory Statement means the explanatory statement accompanying the Notice.

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.

Listing Rules means the official Listing Rules of ASX, as amended from time to time.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Ordinary Securities means has the meaning set out in the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

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

Relevant Interest has the meaning given in sections 608 and 609 of 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 2016.

Resolutions means the resolutions set out in the Notice of Annual Meeting or any one of them, as the context requires.

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

Shareholder means a holder of a Share.

Voting Power has the meaning given in Part 6.1 of the Corporations Act.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – ISSUES OF EQUITY SECURITIES SINCE 21 APRIL 2016

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 14 November 2016 Appendix 3B – 15 November 2016	100,000,000	Shares ²	Issued to shareholders of eSports Mogul Pty Ltd (ESM).	Nil	Non-cash Consideration: Issued to the shareholders of ESM as consideration for the acquisition of ESM, as approved at the shareholders meeting on 17 October 2016. Current value ⁴ = \$2,300,000
Issue – 14 November 2016 Appendix 3B – 15 November 2016	200,000,000	Shares ²	Issued to noteholders of eSports Mogul Pty Ltd (ESM).	Nil	Non-cash Consideration: Issued to the noteholders of ESM as approved at the shareholders meeting on 17 October 2016. Current value ⁴ = \$4,600,000
Issue – 14 November 2016 Appendix 3B – 15 November 2016	350,000,000	Shares ²	Issued pursuant to the capital raising offer contained in the Company's Prospectus dated 11 October 2016.	\$0.02 per Share (discount of 10%)	Cash Amount raised: \$7,000,000 Amount spent: \$2,275,000 Use of Funds: Development of the ESM Media Hub, investment in Challenge game expenses of the Offer, corporate, administrative, and general expenses. Amount remaining = \$4,725,000 Proposed use of remaining funds ⁵ Development of the ESM Media Hub, advertising and marketing expenses in accordance with Platform Licence Agreement, corporate, administrative, and general expenses,
Issue – 14 November 2016 Appendix 3B – 15 November 2016	150,000,000	Quoted Options ³	Issued to various Advisors/Brokers	Nil	Non-Cash Consideration: Advisor/Broker options issued in relation to capital raising services, as approved at the shareholders meeting on 17 October 2016. Current Value ⁴ = \$750,000

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: ESH (terms are set out in the Constitution).
3. Quoted Options, exercisable at \$0.05 each, on or before 30 October 2019. The full terms and conditions were disclosed in the Prospectus lodged with ASIC dated 11 October 2016.
4. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.023) and Quoted Options (\$0.005) on the ASX on 1 March 2017.
5. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

ANNEXURE A – TERMS AND CONDITIONS OF OPTIONS

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

(a) Entitlement

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

(b) Exercise Price

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

(c) Expiry Date

Each Option will expire at 5:00 pm (WST) on 30 October 2019 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

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

(e) Notice of Exercise

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

(f) Exercise Date

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

(g) Timing of issue of Shares on exercise

Within 15 Business Days after the later of the following:

- (i) the Exercise Date; and
- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case no later than 20 Business Days after the Exercise Date, the Company will:

- (iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (iv) 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
- (v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(iv) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and

do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) Shares issued on exercise

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

(i) Quotation of Shares issued on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) Reconstruction of capital

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

(k) Participation in new issues

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

(l) Change in exercise price

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

(m) Quotation of New Options issued

The Company will apply for quotation of the Options on ASX. In addition, the Company will also apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.

(n) Transferability

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

PROXY FORM

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

ANNUAL GENERAL MEETING

I/We

of

being a member of eSports Mogul Asia Pacific 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 10:00am (EST), on Friday 21 April 2017 at The Seasons Botanical Gardens, 348 St Kilda Road, Melbourne, Victoria, 3004 and at any adjournment thereof.

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

Voting on Business of the Annual General Meeting

Resolution 1 – Adoption of Remuneration Report
Resolution 2 – Re-election of Director – Mr George Lazarou
Resolution 3 – Election of Director – Mr Adam Jacoby
Resolution 4 – Approval to Issue Options to Consultants in Lieu of Fees
Resolution 5 – Approval of 10% Placement Capacity - Shares

FOR	AGAINST	ABSTAIN
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<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 be counted in computing the required majority on a poll.

Important for Resolution 1

If you have not directed your proxy how to vote as your proxy in respect of Resolution 1 and the Chair is, or may by default be, appointed your proxy, you must mark the box below.

I/we direct the Chair to vote in accordance with his voting intentions (as set out above) on Resolution 1 (except where I/we have indicated a different voting intention above) and expressly authorise that the Chair may exercise my/our proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

If the Chair is, or may by default be, appointed your proxy and you do not mark this box and you have not directed the Chair how to vote, the Chair will not cast your votes on Resolution 1 and your votes will not be counted in calculating the required majority if a poll is called on Resolution 1.

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. **(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.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to PO Box 940, West Perth WA 6872; or
 - (b) facsimile to the Company on facsimile number +61 8 9429 8888; or
 - (c) email to the Company at glazarou@citadelcapital.com.au

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.