

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

SportsHero Ltd

ABN

98 123 423 987

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

| | | |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | +Class of +securities issued or to be issued | <ol style="list-style-type: none"> Fully paid ordinary shares Performance Rights – C Flintoft Performance Rights – Tony Wee |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ol style="list-style-type: none"> 17,000,000 2,500,000 8,000,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <ol style="list-style-type: none"> Fully paid ordinary shares Performance Rights – C Flintoft (refer Annexure A) Performance Rights – Tony Wee (refer Annexure B) |

+ See chapter 19 for defined terms.

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <ol style="list-style-type: none"> 1. Yes: 17,000,000 shares, 4,500,000 of which to be held in voluntary escrow for 12 months 2. No 3. No |
| <p>5 Issue price or consideration</p> | <ol style="list-style-type: none"> 1. 12,500,000 shares issued to IPV Capital (as announced 31 Oct 2017). <p>500,000 shares issued to the nominee of Mr Chris Flintoft in consideration for Mr Flintoft's engagement as the Company's Technical Strategy Advisor.</p> <p>1,000,000 shares issued to the nominee of Mr Chris Flintoft following the conversion of 1,000,000 Class A Performance Rights</p> <p>3,000,000 shares issued to Mr Tony Wee in consideration for Mr Wee's engagement as the Company's Corporate Advisor.</p> 2. Refer Annexure A 3. Refer Annexure B |

| | | |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6 | Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets) | <ol style="list-style-type: none"> 1. 12,500,000 shares issued to IPV Capital at an issue price of \$0.08 per share to raise \$1m in working capital. 500,000 shares issued to the nominee of Mr Chris Flintoft in consideration for Mr Flintoft's engagement as the Company's Technical Strategy Advisor. 1,000,000 shares issued to the nominee of Mr Chris Flintoft being the conversion of 1,000,000 Class A Performance Rights. 3,000,000 shares issued to Mr Tony Wee in consideration for Mr Wee's engagement as the Company's Corporate Advisor. 2. Refer Annexure A 3. Refer Annexure B |
| 6a | Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i | Yes |
| 6b | The date the security holder resolution under rule 7.1A was passed | 27 November 2017 |

+ See chapter 19 for defined terms.

| | | |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6c | Number of +securities issued without security holder approval under rule 7.1 | <p>1. 12,500,000 shares issued to IPV Capital at an issue price of \$0.08 per share to raise \$1m in working capital.</p> <p>500,000 shares issued to the nominee of Mr Chris Flintoft in consideration for Mr Flintoft's engagement as the Company's Technical Strategy Advisor.</p> <p>1,000,000 shares issued to the nominee of Mr Chris Flintoft being the conversion of 1,000,000 Class A Performance Rights.</p> <p>3,000,000 shares issued to Mr Tony Wee in consideration for Mr Wee's engagement as the Company's Corporate Advisor.</p> <p>2. Refer Annexure A</p> <p>3. Refer Annexure B</p> |
| 6d | Number of +securities issued with security holder approval under rule 7.1A | Nil |
| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | Nil |
| 6f | Number of securities issued under an exception in rule 7.2 | Nil |
| 6g | If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation. | N/A |
| 6h | If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements | N/A |

| | | | |
|----|--------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------|
| 6i | Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements | Rule 7.1: 6,451,248 Rule 7.1A: 22,634,165 | |
| 7 | Dates of entering +securities into uncertificated holdings or despatch of certificates | 10 January 2018 | |
| 8 | Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable) | Number 134,841,657 (including 10,000,000 held in voluntary escrow) | +Class Fully paid ordinary shares |
| 9 | Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable) | Number Refer Schedule A | +Class Refer Schedule A |
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | N/A | |

Part 2 - Bonus issue or pro rata issue

| | | |
|----|----------------------------------------------------------------------------------------------------|-----|
| 11 | Is security holder approval required? | N/A |
| 12 | Is the issue renounceable or non-renounceable? | N/A |
| 13 | Ratio in which the +securities will be offered | N/A |
| 14 | +Class of +securities to which the offer relates | N/A |
| 15 | +Record date to determine entitlements | N/A |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | N/A |

+ See chapter 19 for defined terms.

| | | |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| 17 | Policy for deciding entitlements in relation to fractions | N/A |
| 18 | Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7. | N/A |
| 19 | Closing date for receipt of acceptances or renunciations | N/A |
| 20 | Names of any underwriters | N/A |
| 21 | Amount of any underwriting fee or commission | N/A |
| 22 | Names of any brokers to the issue | N/A |
| 23 | Fee or commission payable to the broker to the issue | N/A |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders | N/A |
| 25 | If the issue is contingent on ⁺ security holders' approval, the date of the meeting | N/A |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | N/A |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | N/A |
| 28 | Date rights trading will begin (if applicable) | N/A |
| 29 | Date rights trading will end (if applicable) | N/A |

- | | | |
|----|--------------------------------------------------------------------------------------------------------------|-----|
| 30 | How do +security holders sell their entitlements <i>in full</i> through a broker? | N/A |
| 31 | How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | N/A |
| 32 | How do +security holders dispose of their entitlements (except by sale through a broker)? | N/A |
| 33 | +Despatch date | N/A |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) ☒ Securities described in Part 1 – Note: only 64,313,141 Shares to be quoted (ie 116,701,859 Shares to be held in escrow), the 72,000,000 Options are not to be quoted.
- (b) ☐ All other securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000

1,001 - 5,000

5,001 - 10,000

10,001 - 100,000

100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

+ See chapter 19 for defined terms.

| 38 | Number of securities for which +quotation is sought | | | | | |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|--------|--|--|
| 39 | Class of +securities for which quotation is sought | | | | | |
| 40 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: <ul style="list-style-type: none"> the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | | | | | |
| 41 | Reason for request for quotation now <small>Example: In the case of restricted securities, end of restriction period</small> (if issued upon conversion of another security, clearly identify that other security) | | | | | |
| 42 | Number and +class of all +securities quoted on ASX (including the securities in clause 38) | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 40px;"></td> <td></td> </tr> </tbody> </table> | Number | +Class | | |
| Number | +Class | | | | | |
| | | | | | | |

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:
(Company Secretary)

Date: 10 January 2018

Print name: Michael Higginson

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

| Rule 7.1 – Issues exceeding 15% of capital | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| <i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i> | |
| <i>Insert</i> number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue | 220,841,657 |
| <i>Add</i> the following: <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | <div>Nil</div> <div>5,500,000</div> |
| <i>Subtract</i> the number of fully paid ordinary securities cancelled during that 12 month period | Nil |
| “A” | 226,341,657 |

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| Step 2: Calculate 15% of “A” | |
| “B” | 0.15 <i>[Note: this value cannot be changed]</i> |
| Multiply “A” by 0.15 | 33,951,248 |
| Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used | |
| <p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • This applies to equity securities, unless specifically excluded – not just ordinary securities • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items | <p>17,000,000 fully paid ordinary shares (this Appendix 3B)</p> <p>10,500,000 Performance Rights (this Appendix 3B)</p> |
| “C” | 27,500,000 |
| Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1 | |
| <p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p> | 33,951,248 |
| <p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p> | 27,500,000 |
| Total [“A” x 0.15] – “C” | <p>6,451,248</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p> |

+ See chapter 19 for defined terms.

Part 2

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| Rule 7.1A – Additional placement capacity for eligible entities | |
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| “A” <i>Note: number must be same as shown in Step 1 of Part 1</i> | 226,341,657 |
| Step 2: Calculate 10% of “A” | |
| “D” | 0.10 <i>Note: this value cannot be changed</i> |
| Multiply “A” by 0.10 | 22,634,165 |
| Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used | |
| Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | Nil |
| “E” | Nil |

| Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A | |
|--------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| “A” x 0.10 <i>Note: number must be same as shown in Step 2</i> | 22,634,165 |
| Subtract “E” <i>Note: number must be same as shown in Step 3</i> | Nil |
| Total [“A” x 0.10] – “E” | 22,634,165 <i>Note: this is the remaining placement capacity under rule 7.1A</i> |

+ See chapter 19 for defined terms.

Schedule A

Number and class of all securities not quoted on ASX (including the securities in section 2 if applicable).

ASX Restricted Securities

| Number | Class |
|------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| 74,557,142 | Fully paid ordinary shares (held in ASX imposed escrow for 24 months from date of re-instatement). |
| 33,942,858 | Fully paid ordinary shares (held in ASX imposed escrow for 12 months to 7 February 2018). |
| 4,114,286 | Options each exercisable at \$0.05 and expiring 31 August 2019 (held in ASX imposed escrow for 24 months from date of re-instatement). |
| 67,885,714 | Options each exercisable at \$0.05 and expiring 31 August 2019 (held in ASX imposed escrow for 12 months to 7 February 2018). |

Unquoted unrestricted securities

| | |
|-----------|--------------------------------------------------------|
| 4,000,000 | Performance Rights (Ian Chappell – refer Annexure A) |
| 2,500,000 | Performance Rights (Chris Flintoft – refer Annexure B) |
| 8,000,000 | Performance Rights (Tony Wee – refer Annexure C) |

Annexure A

| Class | Performance Hurdle | Entitlement |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| Class A Performance Right | Mr Chappell still being engaged as SportsHero's Cricket Ambassador as at twelve (12) months from the Commencement Date and SportsHero achieving five hundred thousand (500,000) monthly active cricket users on or before twelve (12) months from the Commencement Date | 1,000,000 Class A Performance Rights |
| Class B Performance Right | Mr Chappell still being engaged as SportsHero's Cricket Ambassador as at (24) months from the Commencement Date and SportsHero achieving one million five hundred thousand (1,500,000) monthly active cricket users on or before twenty four (24) months from the Commencement Date | 1,000,000 Class B Performance Rights |
| Class C Performance Right | Mr Chappell still being engaged as SportsHero's Cricket Ambassador as at thirty six (36) months from the Commencement Date and SportsHero achieving three million (3,000,000) monthly active cricket users on or before thirty six (36) months from the Commencement Date | 1,000,000 Class C Performance Rights |
| Class D Performance Right | Mr Chappell still being engaged as SportsHero's Cricket Ambassador as at 1 April 2020 | 1,000,000 Class D Performance Rights |

Annexure B

| Class | Performance Hurdle | Entitlement |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| Class A Performance Rights | As determined by the Board, the delivery on or before 31 December 2017 of an implementation plan and strategy for V3 of SportsHero's app which delivers an even better mobile user experience than the improved V 2.5, including: <ul style="list-style-type: none"> • Comprehensive, intelligent re-engineering of the platform, including powerful new personalised data and analytics; • API to unlock access to partner networks and emerging new technologies; • Completely re-imagined, world-class user experience (UX); • Compelling new "state-of-the-art" web experience collectively the " Class A Performance Hurdle ". | 1,000,000 Class A Performance Rights. |
| Class B Performance Rights | As determined by the Board, the delivery on or before 7 February 2018 of an implementation plan and strategy for the | 1,000,000 Class B Performance Rights. |

+ See chapter 19 for defined terms.

| | | |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| | introduction of a SportsHero cryptocurrency/coin, the "Class B Performance Hurdle". | |
| Class C Performance Rights | On or before 31 May 2018, the successful release to the market of V3 of the SportsHero app that delivers all of the deliverables as per the Class A and Class B Performance Hurdles. | 1,500,000 Class C Performance Rights. |

Annexure C

| Class | Performance Hurdle | Entitlement |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| Class A Performance Rights | 2,000,000 Shares upon the market capitalisation of SportsHero on the ASX exceeding A\$30 million for a period of 7 consecutive trading days during the two year term commencing 22 December 2017. | 2,000,000 Class A Performance Rights |
| Class B Performance Rights | 2,000,000 Shares upon the market capitalisation of SportsHero on the ASX exceeding A\$40 million for a period of 7 consecutive trading days during the two year term commencing 22 December 2017. | 2,000,000 Class B Performance Rights |
| Class C Performance Rights | 2,000,000 Shares upon the market capitalisation of SportsHero on the ASX exceeding A\$50 million for a period of 7 consecutive trading days during the two year term commencing 22 December 2017. | 2,000,000 Class C Performance Rights |
| Class D Performance Rights | 2,000,000 Shares upon the market capitalisation of SportsHero on the ASX exceeding A\$60 million for a period of 7 consecutive trading days during the two year term commencing 22 December 2017. | 2,000,000 Class D Performance Rights |