

Government confirms that IGA Bill will not impact Plus Connect products

Further to the announcement released on 30 April 2018, Plus Connect Limited (ASX:PC1) (“Plus Connect” or the “Company”), is pleased to advise that it has **received written confirmation from the Federal Department of Communications and the Arts** (“Department”) that the Interactive Gambling Amendment (Lottery Betting) Bill 2018 (“Bill”) **will not impact the legality of the Company's operations as proposed if the Bill is passed.**

As announced on 23 April 2018, in response to ASX’s concerns regarding the impact of the Bill on Plus Connect’s business, the Company confirmed to ASX that if the Bill were passed, the underlying events used as the basis for the results of several Plus Connect products would be simply changed to an event which is unrelated to official lottery draws, such as weather and greyhound racing (“Other Underlying Events”), without any impact on the structure, substance, offering or marketing of those Plus Connect products and without the consent of any third party. Accordingly, **in Plus Connect’s view, the Plus Connect business model would not be affected by the Bill.** Notwithstanding these submissions, the ASX determined that, until the Federal Government had passed the Bill, there can be no certainty as to how the Bill will affect the Plus Connect business model and, accordingly, the Company is unlikely to meet ASX’s requirements for re-admission to the Official List if it proceeds with re-compliance with Chapters 1 and 2 of the ASX Listing Rules on the basis of the Plus Connect business model.

Accordingly, the Company sought clarification from the Department’s Federal Minister in respect of the application of the Bill to, and the ongoing permissibility to bet on, the Other Underlying Events.

The Company has received written confirmation from the Department confirming Plus Connect’s view that the Bill will not affect the operation of Plus Connect’s products if the products rely on the Other Underlying Events (“Response”). Specifically, the Response confirms that the Bill will not affect the ability of a licensed wagering operator to accept bets on the outcome of greyhound racing or the weather.

In light of the positive Response, the Board is currently progressing the steps required to change the underlying events of the relevant the Plus Connect products to rely on the Other Underlying Events prior to enactment of the Bill.

The Company has provided a copy of the Response to the ASX and has requested ASX to reconsider the Company’s application for in-principle advice in light of the Response and the changes to the Other Underlying Events. The Company is awaiting ASX’s response and will update investors in due course in accordance with its continuous disclosure obligations.

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