
ESPORTS MOGUL LIMITED

ACN 148 878 782

NOTICE OF EXTRAORDINARY GENERAL MEETING

TIME: 9:30am Perth time

DATE: Monday 22 July 2019

PLACE: Board Room
45 Ventnor Avenue
West Perth WA 6005

This Notice of Meeting and the accompanying Explanatory Statement 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.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting (**Meeting**) of eSports Mogul Limited ACN 148 878 782 (**Company**) will be held at:

Board Room
45 Ventnor Avenue
West Perth WA 6005
at 9:30am (Perth time) on Monday 22 July 2019

IMPORTANT INFORMATION

YOUR VOTE IS IMPORTANT

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

INTERPRETATION

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 each Resolution in the Business of the Meeting section of this Notice.

VOTING ELIGIBILITY

The persons eligible to vote at the Meeting are those who are registered holders of shares in the Company at 9:30am (Perth time) on 20 July 2019.

A member can vote at the meeting:

- in person;
- by proxy;
- by attorney; or
- by corporate representative (if they are a corporate Shareholder).

VOTING IN PERSON

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

VOTING BY PROXY

A member entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on behalf of the member. The person appointed as proxy may, but does not need to be, a member of the Company.

A member may appoint two proxies if they are entitled to cast two or more votes. Each proxy will require a separate proxy form. The member may specify the proportion or number of votes each proxy is appointed to exercise. If the proxy appointments do not specify a proportion or number, each proxy may exercise one-half of the member's votes.

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

Where a proxy form is executed under a power of attorney, the original or an attested copy of the power of attorney or other authority (if any) under which it is signed must also be lodged with the Company.

HOW THE CHAIRPERSON WILL VOTE UNDIRECTED PROXIES

The Chairperson will vote undirected proxies held by him in favour of all Resolutions.

BUSINESS OF THE MEETING

1. RESOLUTION 1 – APPROVAL TO ISSUE OPTIONS TO PARTICIPANTS IN THE PLACEMENT

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 155,000,000 Placement Options 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 1 by or on behalf of:

- any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed grant of Placement Options identified in this Resolution (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- any Associate of any such person.

However, 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 proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

2. RESOLUTION 2 – APPROVAL OF PRIOR ISSUE OF PLACEMENT SHARES UNDER ASX LISTING RULE 7.1

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the prior issue of 181,734,572 fully paid ordinary shares pursuant to a placement conducted by the Company to the parties referred to, and on the terms and conditions described, in the Explanatory Statement, be approved.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution 2 by or on behalf of:

- any person who participated in the issue of shares identified in this Resolution; or
- any Associate of any such person.

However, 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 proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

3. RESOLUTION 3 – APPROVAL OF PRIOR ISSUE OF PLACEMENT SHARES UNDER ASX LISTING RULE 7.1A

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the prior issue of 128,265,428 fully paid ordinary shares pursuant to a placement conducted by the Company to the parties referred to, and on the terms and conditions described, in the Explanatory Statement, be approved.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution 3 by or on behalf of:

- any person who participated in the issue of shares identified in this Resolution; or
- any Associate of any such person.

However, 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 proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

4. RESOLUTION 4 – ISSUE OF BROKER OPTIONS TO BROKERS

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

“That, in accordance with ASX Listing Rule 7.1, and for all other purposes, approval be given to the issue of up to 20,000,000 Broker Options to brokers (and/or their nominees) in consideration of broking services provided to the Company in connection with the Placement, 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 4 by or on behalf of:

- any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed grant of Broker Options identified in this Resolution (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- any Associate of any such person.

However, 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 proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

5. RESOLUTION 5 – ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTY – GERNOT ABL

To consider and, if thought fit, to pass, with or without amendment, 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 66,000,000 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 5 by or on behalf of:

- Mr Gernot Abl and his nominees or any associates of those persons.

However, 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 proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

6. RESOLUTION 6 – ISSUE OF PERFORMANCE RIGHTS – MICK O’KANE

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, approval is given for the Company to issue 40,000,000 Performance Rights to Mick O’Kane (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 6 by or on behalf of:*

- *any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed grant of Performance Rights identified in this Resolution (except a benefit solely by reason of being a holder of ordinary securities in the Company); or*
- *any Associate of any such person.*

However, 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 proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

7. RESOLUTION 7 – ISSUE OF PERFORMANCE RIGHTS – JAMIE SKELLA

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, approval is given for the Company to issue 30,800,000 Performance Rights to Jamie Skella (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 7 by or on behalf of:*

- *any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed grant of Performance Rights identified in this Resolution (except a benefit solely by reason of being a holder of ordinary securities in the Company); or*
- *any Associate of any such person.*

However, 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 proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

8. RESOLUTION 8 – ISSUE OF PERFORMANCE RIGHTS – MARK WARBURTON

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, approval is given for the Company to issue 13,200,000 Performance Rights to Mark Warburton (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 8 by or on behalf of:*

- *any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed grant of Performance Rights identified in this Resolution (except a benefit solely by reason of being a holder of ordinary securities in the Company); or*

- any Associate of any such person.

However, 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 proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

9. RESOLUTION 9 – ISSUE OF EMPLOYEE OPTIONS – JAMIE SKELLA

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, approval is given for the Company to issue 10,000,000 Employee Options to Jamie Skella (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 9 by or on behalf of:

- any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed grant of Employee Options identified in this Resolution (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- any Associate of any such person.

However, 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 proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

10. RESOLUTION 10 – ISSUE OF EMPLOYEE OPTIONS – MARK WARBURTON

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, approval is given for the Company to issue 20,000,000 Employee Options to Mark Warburton (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 10 by or on behalf of:

- any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed grant of Employee Options identified in this Resolution (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- any Associate of any such person.

However, 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 proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

DATE: 14 JUNE 2019

BY ORDER OF THE BOARD

**GEORGE LAZAROU
COMPANY SECRETARY
ESPORTS MOGUL LIMITED**

EXPLANATORY STATEMENT

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.

1. RESOLUTION 1 – APPROVAL TO ISSUE OPTIONS TO PARTICIPANTS IN THE PLACEMENTS

1.1 Background

On 20 May 2019, the Company announced a placement of 310,000,000 fully paid ordinary shares to sophisticated and institutional investors at 1 cent per Share (**Placement Shares**), raising \$3.1 million (**Placement**). The Company issued the Placement Shares on 24 May 2019. Subscribers in the Placement were to also receive one (1) free-attaching option (**Placement Option**) for every two (2) Placement Shares subscribed for and issued, exercisable at \$0.02 per Placement Option on or before the date which is two years from the date of issue. The Placement Options will be unquoted.

1.2 ASX Listing Rule Requirements

In general terms, ASX Listing Rule 7.1 provides that a company must not issue or agree to issue equity securities that total more than 15% of its fully paid ordinary shares in any 12-month period without the approval of shareholders (**15% Capacity**), subject to certain exceptions.

The effect of Resolution 1 will be to allow the Company to issue the Placement Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

1.3 ASX Listing Rule Disclosure Requirements

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

(a) *Number of securities issued*

The maximum number of Placement Options to be issued is 155,000,000.

(b) *Date by which the entity will issue the securities*

The Placement Options will be issued no later than 3 months after the Meeting (other than to the extent permitted by any waiver or modification of the ASX Listing Rules).

(c) *Issue price of the securities*

The Placement Options will be issued for nil cash consideration, as they are being issued to the parties that participated in the Placement.

(d) *Names of the persons to whom the entity will issue the securities (if known) or basis upon which those persons will be identified or selected*

The Placement Options will be issued to sophisticated investor clients of Veritas Securities Limited and Oracle Capital Pty Ltd who participated in the Placement. None of these subscribers are Related Parties of the Company.

(e) *Terms of the securities*

The Placement Options will be issued on the terms set out in Annexure A. Any Shares issued on exercise of the Placement Options will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

(f) *Intended use of the funds raised*

No funds will be raised from the issue of the Placement Options. Any funds received from the exercise of the Placement Options will be applied to general working capital.

(g) *The issue date or a statement that the issue will occur progressively*

It is expected that the Placement Options will be granted on one date as soon as reasonably practical following the Meeting.

1.4 **Directors' recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolution 1.

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

2. **RESOLUTIONS 2 AND 3 – APPROVAL OF PRIOR ISSUE OF PLACEMENT SHARES UNDER ASX LISTING RULES 7.1 AND 7.1A**

2.1 **Background**

On 20 May 2019, the Company announced a placement of 310,000,000 fully paid ordinary shares to sophisticated and institutional investors at 1 cent per Share (**Placement Shares**), raising \$3.1 million (**Placement**). The Company issued the Placement Shares on 24 May 2019.

2.2 **ASX Listing Rule Requirements**

ASX Listing Rule 7.1 provides that a company must not issue or agree to issue equity securities that total more than 15% of its fully paid ordinary shares in any 12-month period without the approval of shareholders (**15% Capacity**), subject to certain exceptions.

In addition, ASX Listing Rule 7.1A provides that a company may seek shareholder approval at its annual general meeting to allow it to have an additional capacity to issue equity securities of up to a further 10% of its capital (**Additional 10% Capacity**), provided that it is an eligible entity. Such approval lasts for 12 months (unless shareholders of the company approve a transaction under ASX Listing Rule 11.1.2 or 11.2, in which case, the approval lasts until such approval date).

An eligible entity is one that, as at the date of the relevant annual general meeting:

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

The Company is an eligible entity and obtained Shareholder approval for the Additional 10% Capacity at its annual general meeting on 24 May 2019.

181,734,572 of the Placement Shares were issued within the Company's 15% Capacity and the remaining 128,265,428 of the Placement Shares were issued within the Company's Additional 10% Capacity.

Issues of securities made under the 15% Capacity and Additional 10% Capacity can, after they have been made, be ratified under ASX Listing Rule 7.4. This will have the effect of refreshing the Company's 15% Capacity and Additional 10% Capacity to the extent that the previous issues made are ratified.

- Resolution 2 seeks Shareholder approval under ASX Listing Rule 7.4 to the issue of 181,734,572 Placement Shares under the Placement so as to refresh the Company's 15% Capacity; and

- Resolution 3 seeks Shareholder approval under ASX Listing Rule 7.4 to the issue of 128,265,428 Placement Shares under the Placement so as to refresh the Company's Additional 10% Capacity.

If these approvals are given by Shareholders, the Company will be able to maintain flexibility to issue shares up to the 15% Capacity and Additional 10% Capacity to take advantage of any opportunities that may arise in the coming months.

2.3 **ASX Listing Rule Disclosure Requirements – Resolution 2**

The following information is provided in accordance with ASX Listing Rule 7.5:

(a) *Number of securities issued*

The total number of securities issued within the Company's 15% Capacity in respect of the Placement, and the subject of this Resolution 2, was 181,734,572 fully paid ordinary shares in the Company.

(b) *Issue price of securities*

The Placement Shares were issued at \$0.01 per Placement Share.

(c) *Terms of the securities*

The Placement Shares are fully paid ordinary shares in the Company and rank equally with the Company's existing Shares. The Company has applied for official quotation of the Placement Shares.

(d) *Recipients of securities*

The Placement Shares were issued to certain new and existing sophisticated and professional investors who subscribed under the Placement following a process conducted by the Company.

(e) *The use or intended use of the funds raised*

Proceeds from the Placement are being used to further support the rollout of the industry first deal with Alliance, accelerate revenue-generating activities, further international expansion and continued innovation of Mogul's market-leading tournament platform.

2.4 **ASX Listing Rule Disclosure Requirements – Resolution 3**

The following information is provided in accordance with ASX Listing Rule 7.5:

(a) *Number of securities issued*

The total number of securities issued within the Company's Additional 10% Capacity in respect of the Placement, and the subject of this Resolution 3, was 128,265,428 fully paid ordinary shares in the Company.

(b) *Issue price of securities*

The Placement Shares were issued at \$0.01 per Placement Share.

(c) *Terms of the securities*

The Placement Shares are fully paid ordinary shares in the Company and rank equally with the Company's existing Shares. The Company has applied for official quotation of the Placement Shares.

(d) *Recipients of securities*

The Placement Shares were issued to certain new and existing sophisticated and professional investors who subscribed under the Placement following a process conducted by the Company.

(e) *The use or intended use of the funds raised*

Proceeds from the Placement are being used to further support the rollout of the industry first deal with Alliance, accelerate revenue-generating activities, further international expansion and continued innovation of Mogul's market-leading tournament platform.

2.5 **Directors' recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolutions 2 and 3.

The Chair intends to vote undirected proxies in favour of Resolutions 2 and 3.

3. **RESOLUTION 4 – ISSUE BROKER OPTIONS TO BROKERS**

3.1 **Background**

As part of the Placement the Company entered into a Joint Lead Manager Mandate with Veritas Securities Limited and Oracle Capital Pty Ltd whereby it would issue 20,000,000 Broker Options on the same terms and conditions as the Placement Options under Resolution 1.

3.2 **ASX Listing Rule Requirements**

ASX Listing Rule 7.1 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company without approval and which were not subject to an exception during the previous 12 months, exceed 15% of the number of shares on issue at the commencement of that 12 month period.

ASX Listing Rule 7.1 provides that where a company approves an issue of securities, the company's 15% capacity will be replenished and the company will be able to issue further securities up to that limit.

Resolution 4 seeks approval for the issue of up to 20,000,000 Broker Options for the purpose of satisfying the requirements of ASX Listing Rule 7.1. If Resolution 4 is approved, the Broker Options issued will not affect the capacity of the Company to issue securities in the next 12 months under ASX Listing Rule 7.1 as those securities, once issued, will be excluded from the calculations under ASX Listing Rule 7.1.

3.3 **ASX Listing Rule Disclosure Requirements – Resolution 4**

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

(a) *Number of securities issued*

The maximum number of Broker Options to be issued is 20,000,000.

(b) *Date by which the entity will issue the securities*

Broker Options will be issued to the relevant brokers no later than 3 months after the Meeting (other than to the extent permitted by any waiver or modification of the ASX Listing Rules).

(c) *Issue price of the securities*

No cash consideration is payable for the Broker Options as they are being issued in consideration of services provided to the Company in connection with the Placement.

- (d) *Names of the persons to whom the entity will issue the securities (if known) or basis upon which those persons will be identified or selected*

10,000,000 Broker Options will be issued to Veritas Securities Limited (or nominee) and 10,000,000 Broker Options will be issued to Oracle Capital Pty Ltd (or nominee). None of these subscribers are Related Parties of the Company.

- (e) *Terms of the securities*

The Broker Options will be issued on the terms set out in Annexure A. Any Shares issued on exercise of the Broker Options will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

- (f) *Intended use of the funds raised*

No funds will be raised from the issue of the Broker Options as they are being issued in consideration of services provided by the relevant brokers to the Company in connection with the Placement.

Any funds received from the exercise of the Broker Options will be applied to general working capital.

- (g) *The issue date or a statement that the issue will occur progressively*

It is expected that the Broker Options will be granted on one date as soon as reasonably practical following the Meeting.

3.4 **Directors' recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

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

4. **RESOLUTIONS 5 TO 8 – ISSUE OF PERFORMANCE RIGHTS**

4.1 **Background**

The Company proposes to issue 66,000,000 Performance Rights to the Company's Managing Director and 84,000,000 Performance Rights to Employees and Consultants of the Company. The primary purpose of the grant of the Performance Rights is to provide a performance linked incentive component in the remuneration package to motivate and reward the performance of the holder in their respective roles as Managing Director, Employee and Consultant of the Company in a manner that aligns the holder's interests with the Company and minimises cash spend.

The Performance Rights vest as follows:

- (a) 50% on achieving Annualised Gross Recurring Revenue Forecast of AU\$2 million, as early as 6 months, but no later than 24 months from date of issue. (**Tranche 1**).
- (b) 50% on achieving Annualised Gross Recurring Revenue Forecast of AU\$4 million, as early as 6 months, but no later than 48 months from date of issue. (**Tranche 2**).

Annualised Gross Recurring Revenue is defined as the amount of gross revenue forecast to be generated during a 12 month period, measured on the actual gross revenues of any prior quarter.

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

The proposed issue of securities to the Company's Managing Director or their nominees requires Shareholder approval under both Chapter 2E of the Corporations Act and ASX Listing Rule 10.11. The Company seeks Shareholder approval for the proposed issue to the Employees and Consultant without using the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

Mr Skella is the Chief Strategy and Commercial Officer of the Company and is responsible for leading the business operations and strategy – including go-to-market and commercialisation – as well as oversee software and technology development. Mr Skella has over 20 years' experience across multiple facets of esports, bringing with him strategic affiliations and industry insights. He was previously a player for then-top-ranked Counter-Strike team in Australia and went on to manage large international communities and run major national esports events.

Mr Warburton is the Chief Marketing Officer of the Company and is responsible for developing and executing the global marketing strategy, steering market entry to maximise the Company's global expansion plans and extend on newly developed commercialisation strategies such as the recent industry-first deal with Alliance. Mr Warburton will also drive partner development globally, collaborating with esports teams, leagues, grassroots organisations, influencers, consumer brands and game creators. These responsibilities are essential in optimising user acquisition as the Company continues to significantly drive revenue for the Company.

Mr O'Kane is a Strategic Adviser to the Company and is responsible for providing strategic advice and guidance to the Company in relation to monetisation strategies and relationship opportunities. Mr O'Kane works closely with the Managing Director, Chief Strategy and Commercial Officer and Chief Marketing Officer to identify and drive potential revenue streams for the Company.

4.2 **Information required by Chapter 2E of the Corporations Act – Resolution 5**

For the purposes of section 219 of the Corporations Act and ASIC Regulatory Guide 76, the following information is provided to Shareholders to enable them to assess the merits of the resolution:

- (a) *The Related Party to whom Resolution 5 would permit the benefit to be given:*

Gernot Abl; who is the Managing Director.

- (b) *The nature of the financial benefit:*

66,000,000 Performance Rights to Gernot Abl.

- (c) *Reasons for giving the benefit:*

The reason for giving the benefit is set out in section 4.1 above.

- (d) *The existing relevant interest of the Related Party in securities of the Company are set out below:*

Related Party	Shares
Gernot Abl	20,000,000

(e) *Total remuneration package (including superannuation)*

Related Party	Current Financial Year (\$)	Previous Financial year (\$)
Gernot Abl	246,375	246,375

(f) *Dilution*

The Company's issued share capital will not change as a result of the issue of the Performance Shares to the Related Party.

If the Performance Rights granted to the Related Party vest, a total of 66,000,000 Shares would be issued. This will increase the number of Shares on issue from 1,592,654,275 to 1,658,654,275 (assuming no other Shares are issued; including the securities the subject of Resolutions 1, 4 and 6 to 10) with the effect that the shareholding of existing Shares would be diluted by an aggregate of approximately 4.14%.

(g) *Valuation of the financial benefit to be given*

The Directors have obtained an independent valuation of the Performance Rights. Using the Monte Carlo Simulation model and the following assumptions, the value of the Performance Rights is as follows:

	Tranche 1	Tranche 2
Underlying price per share	\$0.012 per share	\$0.012 per share
Exercise price	zero	zero
Vesting conditions	See section 4.1 above	
Vesting date	Upon achievement of vesting trigger	
Expiry date	2 years from date of issue	4 years from date of issue
Vesting period	2 years	4 years
Proposed Grant date	31 May 2019	31 May 2019
Risk-free rate	1.14%	1.22%
Volatility	50%	50%
Dividend Yield	0.00%	0.00%
Provision for Employee Exit	16%	16%
Probability of Vesting Condition being met	50%	50%
Un-risked Performance Right Value	\$0.008	\$0.006
Risked Performance Right Value	\$0.004	\$0.003

Source: The above Monte Carlo Simulation values were calculated using the Hoadley Trading and Investment Tools.

The total value of the Performance Rights being issued to Gernot Abl on an un-risked basis is \$462,000 and on a risked basis is \$231,000.

(h) *Other Information*

The Directors are not aware of any other information that is reasonably required by Shareholders to allow them to make a decision on whether it is in the best interests of the Company to pass Resolutions 5 to 8.

4.3 Information required by ASX Listing Rule 10.13 – Resolution 5

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

- (a) The Performance Rights will be issued to Gernot Abl, being the Managing Director of the Company, or his nominee.
- (b) The maximum number of Performance Rights to be issued to a Related Party:
66,000,000 Performance Rights to Gernot Abl
- (c) The Performance Rights will be issued for nil cash consideration. Accordingly, no funds will be raised.
- (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 C.
- (f) A voting exclusion statement is included in the Notice.

4.4 Information required by ASX Listing Rule 7.3 – Resolutions 6 to 8

For the purposes of ASX Listing Rule 7.3, the following information is provided about the issue of Performance Rights to Employees and Consultants of the Company:

- (a) The maximum number of securities to be issued is 84,000,000 Performance Rights allocated as follows:
 - (i) Mick O’Kane - 40,000,000 Performance Rights;
 - (ii) Jamie Skella - 30,800,000 Performance Rights; and
 - (iii) Mark Warburton – 13,200,000 Performance Rights
- (b) The Performance Rights will be issued for nil cash consideration. Accordingly, no funds will be raised.
- (c) The securities will be issued no later than 3 months 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.
- (d) The Performance Rights are issued for the reasons set out in section 4.1 and do not have an issue price, and no funds will be raised from the issue.
- (e) The Performance Rights will be issued to Employees and Consultants of the Company, who are not Related Parties of the Company.
- (f) The terms of the Performance Rights are set out in Annexure C.

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

4.5 **Directors' recommendation**

Mr Abl declines to make a recommendation to Shareholders in relation to Resolution 5 as he has a material personal interest in the outcome of Resolution 5. Mr Abl and his Associates will not be entitled to vote on Resolution 5. The Directors other than Mr Abl recommend that Shareholders vote in favour of Resolution 5 for the reasons set out in section 4.1.

The Directors each recommend that Shareholders vote in favour of Resolutions 6 to 8 for the reasons set out in section 4.1.

In forming their recommendations, each Director considered the experience of the Managing Director, Employees and Consultant of the Company, 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.

5. **RESOLUTIONS 9 TO 10 – ISSUE OF EMPLOYEE OPTIONS**

5.1 **Introduction**

The Company proposes to issue 10,000,000 Employee Options to Jamie Skella and 20,000,000 Employee Options to Mark Warburton (**Employees**) (or nominees). The primary purpose of the Employee Options is to provide a remuneration package to motivate and reward the performance of the holder in their roles as employees in a manner that aligns the holder's interests with the Company and minimises cash spend.

Mr Skella is the Chief Strategy and Commercial Officer of the Company and is responsible for leading the business operations and strategy – including go-to-market and commercialisation – as well as oversee software and technology development. Mr Skella has over 20 years' experience across multiple facets of esports, bringing with him strategic affiliations and industry insights. He was previously a player for then-top-ranked Counter-Strike team in Australia and went on to manage large international communities and run major national esports events

Mr Warburton is the Chief Marketing Officer of the Company and is responsible for developing and executing the global marketing strategy, steering market entry to maximise the Company's global expansion plans and extend on newly developed commercialisation strategies such as the recent industry-first deal with Alliance. Mr Warburton will also drive partner development globally, collaborating with esports teams, leagues, grassroots organisations, influencers, consumer brands and game creators. These responsibilities are essential in optimising user acquisition as the Company continues to significantly drive revenue for the Company.

The Employee Options proposed to be issued are as follows:

- (a) 15,000,000 Employee Options vest after 6 months of employment and are exercisable at \$0.02 per Employee Option on or before the date which is two years from the date of issue. The Employee Options will be unquoted.
- (b) 15,000,000 Employee Options vest after 6 months of employment and are exercisable at \$0.02 per Employee Option on or before the date which is three years from the date of issue. The Employee Options will be unquoted.

Any Employee Options that have not vested, automatically lapse on cessation of employment.

5.2 Information required by ASX Listing Rule 7.3

For the purposes of ASX Listing Rule 7.3, the following information is provided about the issue:

- (a) The maximum number of securities to be issued is 30,000,000 Employee Options allocated as follows:
 - (i) Jamie Skella – 10,000,000 Employee Options; and
 - (ii) Mark Warburton – 20,000,000 Employee Options
- (b) No cash consideration is payable for the Employee Options as they are being issued to motivate and reward the performance of the holder in their roles as employees.
- (c) The securities will be issued no later than 3 months 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.
- (d) The Employee Options will be issued as part of a remuneration package to motivate and reward the performance of the holder in their roles as employees and no funds will be raised from the issue. Funds raised from exercising the Employee Options will be used to meet the Company's financial needs at the time including for working capital.
- (e) The Employee Options will be issued to Jamie Skella and Mark Warburton (or their nominee), who are not Related parties of the Company.
- (f) The terms of the Employee Options will be:
 - (i) 15,000,000 Employee Options exercisable at \$0.02 each and on or before the date, which is two years from the date of issue, and otherwise on the same terms and conditions as the Placement Options under Resolution 1; and
 - (ii) 15,000,000 Employee Options exercisable at \$0.02 each and on or before the date, which is three years from the date of issue, and otherwise on the terms and conditions set out in Annexure B.
- (g) A voting exclusion statement is included in the Notice.

5.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolutions 9 and 10. This will allow the Company to issue securities and raise funds whilst preserving the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

GLOSSARY

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

Annexure means annexure to this Explanatory Statement.

ASIC means Australian Securities and Investments Commission.

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 ASX Listing Rule 14.11.

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

Board means the current board of directors of the Company.

Broker Option means an Option on the terms set out in Annexure A.

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

Chair or Chairperson means the chair of the Meeting.

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

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Employee Options means an Option on the terms set out in Annexure A and Annexure B.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

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

Option means an option (including a Broker Option and a Placement Option) to acquire a Share.

Performance Rights means a right to be issued a Share on the terms set out in Annexure C of this Explanatory Statement and which vest as set out in section 4.1 of this Explanatory Statement.

Placement Options means an Option on the terms set out in Annexure A.

Proxy Form means the proxy form accompanying the Notice.

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

Resolutions means the resolutions set out in the Notice of 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.

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

ANNEXURE A – OPTION TERMS AND CONDITIONS – 2 YEARS

The terms and conditions of the Options are:

(i) **Entitlement**

Each Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise of the Option.

(ii) **Exercise Price**

Subject to paragraph (xii), the amount payable upon exercise of each Option will be \$0.02 (**Exercise Price**).

(iii) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on that date which is two (2) years from the date of issue of the Options (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(iv) **Exercise Period**

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

(v) **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.

(vi) **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**).

(vii) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (A) 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;
- (B) 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
- (C) 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 (vii)(B) 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.

(viii) **Shares issued on exercise**

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

(ix) **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.

(x) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed (including consolidation, subdivision, reduction or return), all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(xi) **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.

(xii) **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.

(xiii) **Transferability**

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

ANNEXURE B – OPTION TERMS AND CONDITIONS – 3 YEARS

The terms and conditions of the Options are:

(i) **Entitlement**

Each Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise of the Option.

(ii) **Exercise Price**

Subject to paragraph (xii), the amount payable upon exercise of each Option will be \$0.02 (**Exercise Price**).

(iii) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on that date which is three (3) years from the date of issue of the Options (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(iv) **Exercise Period**

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

(v) **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.

(vi) **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**).

(vii) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (A) 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;
- (B) 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
- (C) 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 (vii)(B) 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.

(viii) **Shares issued on exercise**

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

(ix) **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.

(x) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed (including consolidation, subdivision, reduction or return), all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(xi) **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.

(xii) **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.

ANNEXURE C – PERFORMANCE RIGHTS TERMS AND CONDITIONS

The key terms of the Performance Rights are as follows:

Performance Rights	<p>Upon satisfaction of any vesting conditions, 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).</p> <p>Performance Rights do not carry any voting rights or dividend entitlements.</p>
Shares	<p>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.</p> <p>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.</p>
Quotation	<p>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.</p>
Cessation of employment	<p>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.</p>
Change of control	<p>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.</p>
Restrictions	<p>Without the prior approval of the Board, or unless required by law, Performance Rights may not be sold, transferred, encumbered or otherwise dealt with.</p>
Rights to participate in future issues and reorganisations	<p>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.</p>
Amendments	<p>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.</p>
Other terms	<p>The Performance Rights contains customary and usual terms having regard to Australian law for dealing with administration, variation, suspension and termination of Performance Rights.</p>

PROXY FORM

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

EXTRAORDINARY GENERAL MEETING

I/We
of

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

Name of proxy
OR the Chair of the Extraordinary General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the 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 Extraordinary General Meeting of Esports Mogul Limited to be held at Board Room, 45 Ventnor Avenue, West Perth WA 6005 on Monday, 22 July 2019 at 9.30am (Perth time) 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. If you have appointed the Chair as your proxy (or the Chair becomes your proxy by default), and you wish to give the Chair specific voting directions on a Resolution, you should mark the appropriate box(es) opposite those Resolutions in the panel below (directing the Chair to vote for, against or to abstain from voting).

Voting on Business of the Extraordinary General Meeting	FOR	AGAINST	ABSTAIN
Resolution 1 – Approval to Issue Options to Participants in the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Approval of Prior Issue of Placement Shares under LR7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Approval of Prior Issue of Placement Shares under LR7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Approval of Issue of Broker Options to Brokers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Approval of Issue of Performance Rights to Related Party – Gernot Abl	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Approval of Issue of Performance Rights – Mick O’Kane	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Approval of Issue of Performance Rights – Jamie Skella	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Approval of Issue of Performance Rights – Mark Warburton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 – Approval of Issue of Employee Options – Jamie Skella	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 – Approval of Issue of Employee Options – Mark Warburton	<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
<input style="width: 250px; height: 20px;" type="text"/>	<input style="width: 250px; height: 20px;" type="text"/>	<input style="width: 250px; height: 20px;" type="text"/>

Sole Director/Company Secretary **Director** **Director/Company Secretary**

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

ESPORTS MOGUL LIMITED
ACN 148 878 782

Instructions for Completing Proxy Form

1. **(Appointing a Proxy):** A member entitled to attend and cast a vote at an Extraordinary 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 Proxy Form. 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. However, a Proxy Form signed by the member whose name appears first in the register but not by the other joint holder(s), will also be accepted as valid.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach the original or 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 Extraordinary General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Extraordinary 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 Extraordinary 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 8800; 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 Extraordinary General Meeting.

Proxy forms received later than this time will be invalid. If the Proxy Form is signed under power of attorney, evidence of the authority must also be received by this time.
6. 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 will be disregarded.