



## **SPORTSHERO LIMITED**

ABN 98 123 423 987

### **NOTICE OF ANNUAL GENERAL MEETING**

**For the Annual General Meeting of the Company to be held at  
3:00 pm (AEDT) on Friday 29 November 2019 at  
C/- Hall Chadwick, Level 40, 2 Park Street  
Sydney, NSW, Australia**

*This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

***Should you wish to discuss any matter please do not hesitate to contact the Company  
Secretary by telephone on +61 42 999 5000***

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## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that an annual general meeting of Shareholders of SportsHero Limited (**Company**) will be held at C/- Hall Chadwick, Level 40, 2 Park Street, Sydney, New South Wales, Australia 2000 on Friday, 29 November 2019 at 3:00 pm (AEDT) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 27 November 2019 at 5.00 pm (AEDT).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1 of the Explanatory Memorandum.

## **AGENDA**

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### **1. Annual Report**

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2019, which includes the Financial Report, the Directors' Report and the Auditor's Report.

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### **2. Resolution 1 – Adoption of Remuneration Report**

To consider, and if thought fit, to pass the following resolution as a **non-binding resolution**:

*"That, the Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum."*

#### **Voting Exclusion**

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the remuneration report, or a Closely Related Party of such member. However, a vote may be cast by such person if:

- (a) the person is acting as proxy and the Proxy Form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the Key Management Personnel.

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### **3. Resolution 2 – Re-election of Director – Mr John Dougall**

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

*"That, Mr John Dougall, being a Director of the Company who retires in accordance with clause 11.12 of the Constitution and, being eligible for re-election, is re-elected as a Director of the Company."*

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### **4. Resolution 3 – Re-election of Director – Mr Tom Lapping**

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

*"That, Mr Tom Lapping, being a Director of the Company who retires in accordance with clause 11.3 of the Constitution and, being eligible for re-election, is re-elected as a Director of the Company."*

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### **5. Resolution 4 – Ratification of issue of 10,808,334 Shares on 8 February 2019**

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 7.4 and for all other purposes, the Company ratifies the issue of 10,808,334 Shares on 8 February 2019 and otherwise on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who participated in the issue 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.

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## 6. Resolution 5 – Ratification of issue of 500,000 Shares on 27 February 2019

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 7.4 and for all other purposes, the Company ratifies the issue of 500,000 Shares on 27 February 2019 and otherwise on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion:** The Company will disregard any votes cast in favour the Resolution by or on behalf of Messrs Drew Mitchell and Matt Giteau or any associates of Messrs Mitchell and Giteau. 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.

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## 7. Resolution 6 – Ratification of issue of 4,283,333 Shares on 24 July 2019

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 7.4 and for all other purposes, the Company ratifies the issue of 4,283,333 Shares on 24 July 2019 and otherwise on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of IPV Capital II HK Limited and Dalrae Pty Ltd or any associates of IPV Capital II HK Limited and Dalrae Pty Ltd. 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.

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## 8. Resolution 7 – Ratification of issue of 20,000,000 unquoted Options on 12 September 2019

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 7.4 and for all other purposes, the Company ratifies the issue of 20,000,000 unquoted Options on 12 September 2019 and otherwise on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion:** The Company will disregard any votes cast in favour the Resolution by or on behalf of Veritas Securities Limited, Pace Limited, Cinque Holdings Pty Ltd and Dolphin Partners Pty Ltd or any associates of Veritas Securities Limited, Pace Limited, Cinque Holdings Pty Ltd and Dolphin Partners Pty Ltd. 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.

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## 9. Resolution 8 – Approval of 10% Placement Facility

To consider and if thought fit, to pass the following resolution as a **special resolution**:

*"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in the 10% Placement Facility, or who will obtain a material benefit as a result of the 10% Placement Facility (except a benefit solely by reason of being a holder of Shares in the Company) or any associates of such a persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) 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.

The Board recommends that Shareholders vote in favour of Resolution 8.

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## 10. Resolution 9 – Replacement of Constitution

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes.”*

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## 11. Resolution 10 – Non-executive Directors Remuneration

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

*“That, for the purposes of clause 11.15 of the Constitution, ASX Listing Rule 10.17 and for all other purposes, Shareholders approve an increase of the maximum total aggregate amount of fees payable to non-executive Directors from \$150,000 per annum to \$500,000 per annum in accordance with the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a Director or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

### **Voting Prohibition Statement**

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

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

However, the above prohibition does not apply if:

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

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**Dated 30 October 2019**

**BY ORDER OF THE BOARD**

**Michael Higginson**

**Company Secretary**

## **EXPLANATORY MEMORANDUM**

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### **1. Introduction**

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held at C/- Hall Chadwick, Level 40, 2 Park Street, Sydney, New South Wales, Australia 2000 on Friday, 29 November 2019 at 3:00 pm (AEDT).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice.

A Proxy Form accompanies this Notice.

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### **2. Action to be taken by Shareholders**

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

#### **2.1 Proxies**

A Proxy Form accompanies this Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon and set out in 2.3 below. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

#### **2.2 Voting Prohibition by Proxy Holders**

In accordance with section 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 as proxy if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 1; or
- (b) the person is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on Resolution 1; and
  - (ii) expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of the Key Management Personnel.

#### **2.3 Lodging your Proxy Form**

A Proxy Form accompanies this Notice. To be valid, your Proxy Form must be received by the Company by one of the means outlined below by no later than 5:00 pm (AEDT) on 27 November 2019 (**Proxy Deadline**):

- (a) by mail to SportsHero Limited, 29 Brookside Place, Lota, Queensland, Australia 4179
- (b) in person to 29 Brookside Place, Lota, Queensland, Australia 4179
- (c) by facsimile to +61 7 3901 0751
- (d) email to [mike.higginson@iinet.net.au](mailto:mike.higginson@iinet.net.au)

**Proxy Forms received after the Proxy Deadline will be invalid.**

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### 3. Annual Report

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report which is available online at [www.sportshero.live/](http://www.sportshero.live/);
- (b) ask questions or make comment on the management of the Company;
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 Business Days before the Meeting to the Company Secretary at the Company's registered office.

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### 4. Resolution 1 – Adoption of Remuneration Report

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

Section 250R(3) of the Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors of the Company of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, the Corporations Act has been amended by the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011 (Director and Executive Remuneration Act)* which received the Royal Assent on 27 June 2011 and came into effect on 1 July 2011.

The Director and Executive Remuneration Act introduced sections 250U and 250Y, amongst others, into the Corporations Act, giving Shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election (**Spill Resolution**).

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting did not exceed 25%. Accordingly, a Spill Resolution is not relevant for this Meeting.

In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this Meeting, Shareholders should be aware that if there is a 'no' vote of 25% or more at the next annual general meeting the consequences are that it may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

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### 5. Resolution 2 – Re-election of Director – Mr John Dougall

Mr John Dougall was appointed as a Director of the Company on 30 October 2019 in accordance with Article 11.11 of the Constitution.

Article 11.11 of the Constitution allows at any time the appointment by the Directors of a person to be a Director to fill a casual vacancy or as addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Article 11.12 of the Constitution provides that any Director so appointed holds office until the next annual general meeting of members of the Company and is then eligible for re-election at that meeting.

In accordance with Article 11.12 of the Constitution, Mr Dougall retires from office and, being eligible for re-election, submits himself for re-election as a Director of the Company.

Details of the qualifications and experience of Mr Dougall are as follows:

Mr Dougall has worked at senior executive and board level in a number of technology companies based in Melbourne,

New York, Sydney, London and San Francisco. John has also served as Managing Director of four ASX listed companies, successfully exporting Australian technology to China, India, Indonesia, The Philippines, Vietnam and Latin America.

John is currently the Non-Executive Chairman of Tinybeans Group Limited (ASX:TNY), a mobile and web based technology company based in Sydney and New York, that connects parents with the most trusted tools and resources to assist, in particular, young families. Tinybeans has an engaged user base of 3.5 million members and over 1.28 million active monthly users in over 200 countries.

John has also served as President and CEO of an Australian company that ultimately listed on the NASDAQ, selling its software solutions to major retailers in the USA and Europe.

In addition, John previously served as a director to several industry associations, as chairman of the Australian Government's CSIRO Information Technology Advisory Board, as well as advising Government on industry strategy and trade.

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## **6. Resolution 3 – Re-election of Director – Mr Tom Lapping**

Clause 11.3 of the Constitution of the Company provides that at each annual general meeting one third of the Directors, or if their number is not a multiple of three, then the number nearest to but not more than one third of the Directors must retire from office. A retiring Director is eligible for re-election.

Pursuant to Resolution 3, Mr Tom Lapping retires in accordance with the Constitution and being eligible for re-election, offers himself for re-election.

Details of the qualifications and experience of Mr Lapping are as follows:

Mr Lapping is highly experienced across the securities and media sectors. Since 2016, he has played an integral role within SportsHero and was a key member of the team during the transition of the SportsHero business from a Singaporean unlisted entity to an ASX listed public company in February 2017.

Tom is a successful entrepreneur who has accumulated extensive experience leading both established and early stage ventures in the Asia-Pacific region. Tom has keen understanding of consumer behaviour and was recognised as a 40under40 business entrepreneur award winner in Western Australia in 2003.

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## **7. Resolution 4 – Ratification of issue of 10,808,334 Shares on 8 February 2019**

### **Background**

As announced to ASX on 8 February 2019, on 8 February 2019 the Company issued 10,808,334 Shares at an issue price of \$0.10 per Share to raise \$1,080,833 in working capital.

The 10,808,334 Shares rank pari passu with the Company's existing listed Shares.

Resolution 4 seeks Shareholder ratification for the issue of the 10,808,334 Shares on 8 February 2019.

### **ASX Listing Rules**

Subject to certain exceptions, ASX Listing Rule 7.1 restricts a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of the company's ordinary securities on issue at the commencement of that period without shareholder approval.

The exception to this rule contained in ASX Listing Rule 7.4 provides an issue made within the 15% limit will be treated as having been made with the approval of shareholders under ASX Listing Rule 7.1 if subsequently approved by shareholders, thereby 'refreshing' the company's ability to issue equity securities within the 15% limit, and restoring the company's ability to make placements within that limit (if that is thought desirable) without the need for shareholder approval.

While the Shares described in this Resolution 4 have been issued within the 15% limit required by ASX Listing Rule 7.1, the Company seeks Shareholder ratification of the issuing of the Shares for the purpose of ASX Listing Rule 7.4 so that the Company's ability to issue securities will be 'refreshed' and it will have flexibility to issue further securities should the need or opportunity arise.

The Company confirms that it has not breached ASX Listing Rule 7.1 in relation to the issue of the Shares the subject of this Resolution 4.

### **Information Required by ASX Listing Rule 7.5**

Pursuant to and in accordance with the requirements of ASX Listing Rule 7.5, the following information is provided to Shareholders to allow them to assess the ratification of the issue of the Shares the subject of this Resolution 4:

- (a) the number of Shares issued was 10,808,334;
- (b) the Shares were issued at an issue price of \$0.10 per Share to raise \$1,080,833 in working capital;

- (c) the Shares were issued to investors who qualified as professional or sophisticated investors;
- (d) the funds raised were used for working capital and to further develop the Kita Garuda mobile application;
- (e) the Shares rank pari passu with the Company's existing Shares; and
- (f) no related party of the Company participated in the issue of the Shares.

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## **8. Resolution 5 – Ratification of issue of 500,000 Shares on 27 February 2019**

### **Background**

As announced to ASX on 27 February 2019, on 27 February 2019 the Company issued 500,000 Shares to Drew Mitchell and Matt Giteau in part consideration for their appointment as SportsHero ambassadors.

The 500,000 Shares rank pari passu with the Company's existing listed Shares.

Resolution 5 seeks Shareholder ratification for the issue of the 500,000 Shares on 27 February 2019.

### **ASX Listing Rules**

For information in relation to Listing Rules 7.1 and 7.4, please refer to Section 7 of this Explanatory Memorandum.

While the Shares described in this Resolution 5 have been issued within the 15% limit required by ASX Listing Rule 7.1, the Company seeks Shareholder ratification of the issuing of the Shares for the purpose of ASX Listing Rule 7.4 so that the Company's ability to issue securities will be 'refreshed' and it will have flexibility to issue further securities should the need or opportunity arise.

The Company confirms that it has not breached ASX Listing Rule 7.1 in relation to the issue of the Shares the subject of this Resolution 5.

### **Information Required by ASX Listing Rule 7.5**

Pursuant to and in accordance with the requirements of ASX Listing Rule 7.5, the following information is provided to Shareholders to allow them to assess the ratification of the issue of the Shares the subject of this Resolution 5:

- (a) the number of Shares issued was 500,000;
- (b) the Shares rank pari passu with the Company's existing Shares;
- (c) 250,000 Shares were issued to Mr Drew Mitchell and 250,000 Shares were issued to Mr Matt Giteau in part consideration for the engagement of Messrs Mitchell and Giteau as SportsHero ambassadors;
- (d) no cash consideration was received from the issue of the 500,000 Shares; and
- (e) no related party of the Company participated in the issue of the Shares.

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## **9. Resolution 6 – Ratification of issue of 4,283,333 Shares on 24 July 2019**

### **Background**

As announced to ASX on 24 July 2019, on 24 July 2019 the Company issued 4,283,333 Shares, at an issue price of \$0.10 per Share, to an institutional investor and to a professional investor to raise \$428,333 in working capital.

The 4,283,333 Shares rank pari passu with the Company's existing listed Shares.

Resolution 6 seeks Shareholder ratification for the issue of the 4,283,333 Shares on 24 July 2019.

### **ASX Listing Rules**

For information in relation to Listing Rules 7.1 and 7.4, please refer to Section 7 of this Explanatory Memorandum.

While the Shares described in this Resolution 6 have been issued within the 15% limit required by ASX Listing Rule 7.1, the Company seeks Shareholder ratification of the issuing of the Shares for the purpose of ASX Listing Rule 7.4 so that the Company's ability to issue securities will be 'refreshed' and it will have flexibility to issue further securities should the need or opportunity arise.

The Company confirms that it has not breached ASX Listing Rule 7.1 in relation to the issue of the Shares the subject of this Resolution 6.



## Information Required by ASX Listing Rule 7.5

Pursuant to and in accordance with the requirements of ASX Listing Rule 7.5, the following information is provided to Shareholders to allow them to assess the ratification of the issue of the Shares the subject of this Resolution 6:

- (a) the number of Shares issued was 4,283,333;
- (b) the Shares were issued at an issue price of \$0.10 per Share;
- (c) the Shares rank pari passu with the Company's existing Shares;
- (d) 4,150,000 of the Shares were issued to institutional investor IPV Capital II HK Limited and 133,333 of the Shares were issued to professional investor Dalrae Pty Ltd;
- (e) the cash consideration received from the issue of the Shares was used as working capital; and
- (f) no related party of the Company participated in the issue of the Shares.

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## 10. Resolution 7 – Ratification of issue of unquoted 20,000,000 Options on 12 September 2019

### Background

As announced to ASX on 12 September 2019, on 12 September 2019 the Company issued 20,000,000 unquoted Options each exercisable at \$0.10 and expiring 30 September 2021 to the nominees of Veritas Securities Limited. The terms and conditions of the 20,000,000 unquoted Options are set out in Schedule 2.

Resolution 7 seeks Shareholder ratification for the issue of the 20,000,000 unquoted Options on 12 September 2019.

### ASX Listing Rules

For information in relation to Listing Rules 7.1 and 7.4, please refer to Section 7 of this Explanatory Memorandum.

While the Options described in this Resolution 7 have been issued within the 15% limit required by ASX Listing Rule 7.1, the Company seeks Shareholder ratification of the issuing of the Options for the purpose of ASX Listing Rule 7.4 so that the Company's ability to issue securities will be 'refreshed' and it will have flexibility to issue further securities should the need or opportunity arise.

The Company confirms that it has not breached ASX Listing Rule 7.1 in relation to the issue of the unquoted Options the subject of this Resolution 7.

## Information Required by ASX Listing Rule 7.5

Pursuant to and in accordance with the requirements of ASX Listing Rule 7.5, the following information is provided to Shareholders to allow them to assess the ratification of the issue of the unquoted Options the subject of this Resolution 7:

- (a) the number of unquoted Options issued was 20,000,000;
- (b) the 20,000,000 unquoted Options were issued in consideration for the provision by Veritas Securities Limited of ongoing corporate advisory and professional services for a period of 12 months;
- (c) the unquoted Options constitute a new class of security and the terms and conditions of the 20,000,000 unquoted Options are set out in Schedule 2;
- (d) 14,000,000 of the unquoted Options were issued to Veritas Securities Limited and 6,000,000 of the unquoted Options were issued to the following parties: 4,000,000 to Pace Limited, 1,600,000 to Cinque Holdings Pty Ltd and 400,000 to Dolphin Partners Pty Ltd. No related party of the Company participated in the issue of the unquoted Options;
- (e) no cash consideration was received from the issue of the unquoted Options; and
- (f) no related party of the Company participated in the issue of the unquoted Options

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## 11. Resolution 8 – Approval of 10% Placement Facility

### 11.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity because it is not included in the S&P/ASX 300 and its market cap as at 7 October 2019 was \$19.7m.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 11.2(c) below).

The Company is looking to build a large and hyper-engaging community of sports fans around its gamification platform. The Company may use funds raised from the issue of Equity Securities under the 10% Placement Facility to provide further working capital and/or for the possible acquisition of strategic assets.

## 11.2 Description of Listing Rule 7.1A

### (a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

### (b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue three classes of Equity Securities, namely Shares, options to acquire Shares and performance rights that can be converted into Shares.

### (c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

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

**A** is the number of fully paid shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

*Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.*

**D** is 10%

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

### (d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 328,206,064 Shares and therefore has a capacity to issue up to:

- (i) 49,230,909 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being obtained under Resolution 8, 32,820,606 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 11.2(c) above).

### (e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class of security were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

### (f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking) (**10% Placement Period**).

### 11.3 Listing Rule 7.1A

The effect of Resolution 8 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 8 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

### 11.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class of security were recorded immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 8 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
  - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.03 50% decrease in Issue Price	\$0.06 Issue Price	\$0.12 100% increase in Issue Price
328,206,064 Current Variable A	10% Voting Dilution	32,820,606 Shares	32,820,606 Shares	32,820,606 Shares
	Funds raised	\$984,618	\$1,969,236	\$3,938,472
492,309,096 50% increase in current Variable A	10% Voting Dilution	49,230,909 Shares	49,230,909 Shares	49,230,909 Shares
	Funds raised	\$1,476,927	\$2,953,854	\$5,907,709
656,412,128 100% increase in current Variable A	10% Voting Dilution	65,641,212 Shares	65,641,212 Shares	65,641,212 Shares
	Funds raised	\$1,969,236	\$3,938,472	\$7,876,945

**The table has been prepared on the following assumptions:**

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  - (ii) No options are exercised and no performance rights are converted into Shares before the date of the issue of the Equity Securities;
  - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
  - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
  - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
  - (vii) The issue price is \$0.06, being the closing price of the Shares on ASX on 7 October 2019.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 8 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of strategic assets. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
  - (ii) cash consideration. In such circumstances, the Company may use the funds raised towards expanding the Company's gamification platform, to provide further working capital and/or for the possible acquisition of strategic assets.

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

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (i) the financial situation and solvency of the Company; and
- (ii) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company does acquire new strategic assets, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new assets.

- (e) The Company previously obtained Shareholder approval for the 10% Placement Facility under Listing Rule 7.1A at the 2018 Annual General Meeting on 28 November 2018.

During the 12 months preceding the date of the 2018 Annual General Meeting, a total of 72,753,335 Shares and 20,000,000 Options have been issued by the Company. The 72,753,335 Shares represent a 28.5% increase over the total number of Shares on issue as at 28 November 2018.

Details of the 72,753,335 Shares and 20,000,000 Options issued in the 12 month period preceding the date of the meeting are set out in Schedule 3.

- (f) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

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## **12. Resolution 9 – Replacement of Constitution**

### **12.1 General**

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 9 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and ASX Listing Rules.

This will incorporate amendments to the Corporations Act and ASX Listing Rules since the current Constitution was adopted in 2008.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- (a) updating the name of the Company to that adopted in Resolution 5 of General Meeting approved on 30 November 2016;
- (b) updating references to bodies or legislation which have been renamed (e.g. references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer); and
- (c) expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website <https://sportshero.live> and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 429 995 000). Shareholders are invited to contact the Company if they have any queries or concerns.

## **12.2 Summary of material proposed changes**

### **Restricted Securities (clause 2.12)**

The Proposed Constitution complies with the proposed changes to ASX Listing Rule 15.12 which are due to be finalised and released in December 2019. Under this change, ASX will require certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) to execute a formal escrow agreement in the form Appendix 9A, as is currently the case. However, for less significant holdings (such as non-related parties and non-promoters), ASX will instead permit the Company to issue restriction notices to holders of restricted securities in the form of a new Appendix 9C advising them of the restriction rather than requiring signed restriction agreements.

### **Minimum Shareholding (clause 3)**

Clause 3 of the Constitution outlines how the Company can manage shareholdings which represent an "unmarketable parcel" of shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with "unmarketable parcels" outlined in the Corporations Act such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Clause 3 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with unmarketable parcels.

### **Fee for registration of off market transfers (clause 8.4(c))**

On 24 January 2011, ASX amended ASX Listing Rule 8.14 with the effect that the Company may now charge a "reasonable fee" for registering paper-based transfers, sometimes referred to "off-market transfers".

Clause 8.4 of the Proposed Constitution is being made to enable the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

### **Direct Voting (clause 13, specifically clauses 13.35 – 13.40)**

The Proposed Constitution includes a new provision which allows Shareholders to exercise their voting rights through direct voting (in addition to exercising their existing rights to appoint a proxy). Direct voting is a mechanism by which Shareholders can vote directly on resolutions which are to be determined by poll. Votes cast by direct vote by a Shareholder are taken to have been cast on the poll as if the Shareholder had cast the votes on the poll at the meeting. In order for direct voting to be available, Directors must elect that votes can be cast via direct vote for all or any resolutions

and determine the manner appropriate for the casting of direct votes. If such a determination is made by the Directors, the notice of meeting will include information on the application of direct voting.

### **Dividends (clause 22)**

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not pay a dividend unless:

- (a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- (c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The existing Constitution reflects the former profits test and restricts the dividends to be paid only out of the profits of the Company. The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

### **Partial (proportional) takeover provisions (new clause 36)**

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

#### Information required by section 648G of the Corporations Act

##### *Effect of proposed proportional takeover provisions*

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

##### *Reasons for proportional takeover provisions*

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle and assist in ensuring that any partial bid is appropriately priced.

##### *Knowledge of any acquisition proposals*

As at the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

##### *Potential advantages and disadvantages of proportional takeover provisions*

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and

- (d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium; and
- (c) the likelihood of a proportional takeover bid succeeding may be reduced.

#### *Recommendation of the Board*

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 9.

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## **13. Resolution 10 – Non-executive Directors Remuneration**

ASX Listing Rule 10.17 provides that an entity must not increase the total aggregate amount of directors' fees payable to all of its non-executive directors without the approval of holders of its ordinary securities.

Clause 11.15 of the Constitution also requires that remuneration payable to the non-executive Directors will not exceed the sum initially set and subsequently increase by ordinary resolution of Shareholders in general meeting.

The maximum aggregate amount of fees payable to all of the non-executive Directors is currently set at \$150,000. Resolution 10 seeks Shareholder approval to increase this figure by \$350,000 to \$500,000.

This amount includes superannuation contributions made by the Company for the benefit of non-executive Directors and any fees which a non-executive Director agrees to sacrifice for other benefits. It does not include reimbursement of genuine out of pocket expenses, genuine "special exertion" fees paid in accordance with the Constitution, or securities issued to a non-executive Director under ASX Listing Rule 10.11 or 10.14 with approval of Shareholders.

The maximum aggregate amount of fees proposed to be paid to the non-executive Directors per annum has been determined after reviewing similar companies listed on ASX and the Directors believe that this level of remuneration is in line with corporate remuneration of similar companies.

Whilst it is not envisaged that the maximum amount sought will be utilised immediately, the proposed limit is requested to ensure that the Company:

- (a) maintains its capacity to remunerate both existing and any new non-executive directors joining the Board;
- (b) remunerates its non-executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates; and
- (c) has the ability to attract and retain non-executive directors whose skills and qualifications are appropriate for a company of the size and nature of the Company.

In the past 3 years, the Company has issued non-executive Directors no Options.

Given the interest of the non-executive Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

## Schedule 1 - Definitions

In this Notice and the Explanatory Memorandum:

**AEDT** means Australia Eastern Daylight Time, being the time in Sydney, New South Wales, Australia.

**Annual Report** means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2019.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**Auditor's Report** means the auditor's report on the Financial Report.

**Board** means the board of Directors.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the person appointed to chair the Meeting convened by this Notice.

**Closely Related Party** means:

- (i) a spouse or child of the member; or
- (ii) has the meaning given in section 9 of the Corporations Act.

**Company** or **SportsHero** means SportsHero Limited ACN 123 423 987.

**Constitution** means the constitution of the Company as at the commencement of the Meeting.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company.

**Directors' Report** means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

**Equity Securities** has the same meaning as in the Listing Rules.

**Explanatory Memorandum** means the explanatory memorandum attached to the Notice.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

**Key Management Personnel** means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

**Listing Rules** means the listing rules of ASX.

**Meeting** has the meaning in the introductory paragraph of the Notice.

**Notice** means this notice of meeting.

**Option** means an option to acquire a Share issued on the terms and conditions set out in Schedule 2.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolution** means a resolution contained in the Notice.

**Schedule** means a schedule to this Notice.

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

**Shareholder** means a shareholder of the Company.

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

**VWAP** means the volume weighted average price.

In this Notice and the Explanatory Memorandum words importing the singular include the plural and vice versa.



## **Schedule 2 – (Resolution 7)**

The 20,000,000 Options granted by SportsHero were granted on the terms and conditions set out below:

The Options entitle the holder to subscribe for Shares in the capital of SportsHero Limited on the following terms and conditions:

- a) The exercise price of each Option is \$0.10 ("Exercise Price").
- b) The Options expire at 5:00 pm Western Standard Time in Perth, Australia on 30 September 2021 ("Expiry Date").
- c) The Options can be exercised by the holder at any time on or before the Expiry Date.
- d) Each Option shall entitle the holder to subscribe for and be issued one Share in the capital of SportsHero Limited (the "Company") upon exercise of the Option and payment to the Company of the Exercise Price.
- e) Shares issued as a result of the exercise of any of the Options will rank equally in all respects with all Shares currently on issue.
- f) The Option holder is not entitled to participate in new issues of securities offered to shareholders of the Company (including any rights issue, entitlement issue or bonus issue) unless the Option is exercised before the relevant record date for that new issue.
- g) Shares issued on the exercise of Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys. Shares issued pursuant to the exercise of an Option will rank equally with the then issued Shares of the Company in all respects. If the Company is listed on the Australian Securities Exchange ("ASX") it will, pursuant to the exercise of an Option, apply to ASX for quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act 2001 and the ASX Listing Rules.
- h) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Option holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to the reconstruction of capital at the time of the reconstruction.

### Schedule 3 – Resolution 8

Details of the 72,753,335 Shares and 20,000,000 Options issued in the 12 month period proceeding the date of the 2019 Annual General Meeting are set out in the following 7 tables:

Date of issue	8 February 2019
Number issued	10,808,334 (refer Resolution 4)
Class/type of equity security	Shares
Summary of terms	Fully paid ordinary shares
Name of persons who received securities or basis on which those persons were determined	The Shares were issued to sophisticated and professional investors
Price	\$0.10 per Share
Discount to market price (if any)	Not applicable (closing Share price on 8 Feb 2019 being \$0.077)
<b>For cash issues</b>	
Total cash consideration received	\$1,080,833
Amount of cash consideration spent	\$1,080,833
Use of cash consideration	Working capital to develop the Company's app and drive the Company's growth strategy
Intended use for remaining amount of cash (if any)	\$1,080,833 has been spent
<b>For non-cash issues</b>	
Non-cash consideration paid	Not applicable
Current value of that non-cash consideration	Not applicable

Date of issue	8 February 2019
Number issued	3,508,334
Class/type of equity security	Shares
Summary of terms	Fully paid ordinary shares
Name of persons who received securities or basis on which those persons were determined	The Shares were issued following the exercise of 3,508,334 options each exercisable at \$0.05 and expiring 31 August 2019
Price	\$0.05 per Share
Discount to market price (if any)	\$0.027 (closing Share price on 8 Feb 2019 being \$0.077)
<b>For cash issues</b>	
Total cash consideration received	\$175,417
Amount of cash consideration spent	\$175,417

Use of cash consideration	Working capital to develop the Company's app and drive the Company's growth strategy
Intended use for remaining amount of cash (if any)	\$175,417 has been spent
<b>For non-cash issues</b>	
Non-cash consideration paid	Not applicable
Current value of that non-cash consideration	Not applicable

Date of issue	27 February 2019
Number issued	500,000 Shares (refer Resolution 5)
Class/type of equity security	Shares
Summary of terms	Fully paid ordinary shares
Name of persons who received securities or basis on which those persons were determined	Mr Drew Mitchell (250,000 Shares) and Mr Matt Giteau (250,000 Shares)
Price	Nil (closing Share price on 27 February being \$0.071) Issued in consideration for the appointment of Mr Drew Mitchell and Mr Matt Giteau as rugby ambassadors
Discount to market price (if any)	Not applicable
<b>For cash issues</b>	
Total cash consideration received	Not applicable
Amount of cash consideration spent	Not applicable
Use of cash consideration	Not applicable
Intended use for remaining amount of cash (if any)	Not applicable
<b>For non-cash issues</b>	
Non-cash consideration paid	\$35,500 (being 500,000 Shares @ \$0.071 per Share)
Current value of that non-cash consideration	\$30,000 (being 500,000 Shares @ \$0.06 per Share, using a 7 Oct 2019 closing Share price of \$0.06)

Date of issue	24 July 2019
Number issued	4,283,333 (refer Resolution 6)
Class/type of equity security	Shares
Summary of terms	Fully paid ordinary shares
Name of persons who received securities or basis on which those persons were determined	The Shares were issued to sophisticated and professional investors
Price	\$0.10 per Share.

Discount to market price (if any)	Not applicable (closing Share price on 24 July 2019 being \$0.073)
<b>For cash issues</b>	
Total cash consideration received	\$428,333
Amount of cash consideration spent	\$428,333
Use of cash consideration	Working capital to develop the Company's app and drive the Company's growth strategy
Intended use for remaining amount of cash (if any)	\$428,333 has been spent
<b>For non-cash issues</b>	
Non-cash consideration paid	Not applicable
Current value of that non-cash consideration	Not applicable

Date of issue	24 July 2019
Number issued	16,403,334
Class/type of equity security	Shares
Summary of terms	Fully paid ordinary shares
Name of persons who received securities or basis on which those persons were determined	The Shares were issued following the exercise of 16,403,334 options each exercisable at \$0.05 and expiring 31 August 2019
Price	\$0.05 per Share
Discount to market price (if any)	\$0.023 (closing Share price on 24 July 2019 being \$0.073)
<b>For cash issues</b>	
Total cash consideration received	\$820,167
Amount of cash consideration spent	\$820,167
Use of cash consideration	Working capital to develop the Company's app and drive the Company's growth strategy
Intended use for remaining amount of cash (if any)	\$820,167 has been spent
<b>For non-cash issues</b>	
Non-cash consideration paid	Not applicable
Current value of that non-cash consideration	Not applicable

Date of issue	12 September 2019
Number issued	37,250,000
Class/type of equity security	Shares
Summary of terms	Fully paid ordinary shares

Name of persons who received securities or basis on which those persons were determined	The Shares were issued following the exercise of 37,250,000 options each exercisable at \$0.05 and expiring 31 August 2019
Price	\$0.05 per Share
Discount to market price (if any)	\$0.013 (closing Share price on 12 September 2019 being \$0.063)
<b>For cash issues</b>	
Total cash consideration received	\$1,862,500
Amount of cash consideration spent	\$505,000
Use of cash consideration	Working capital to develop the Company's app and drive the Company's growth strategy
Intended use for remaining amount of cash (if any)	Working capital to develop the Company's app and drive the Company's growth strategy
<b>For non-cash issues</b>	
Non-cash consideration paid	Not applicable
Current value of that non-cash consideration	Not applicable

Date of issue	12 September 2019
Number issued	20,000,000 (refer Resolution 7)
Class/type of equity security	Options
Summary of terms	Options each exercisable at \$0.10 and expiring 30 September 2021 (refer Schedule 2)
Name of persons who received securities or basis on which those persons were determined	14,000,000 of the Options were issued to Veritas Securities Limited, 4,000,000 to Pace Limited, 1,600,000 to Cinque Holdings Pty Ltd and 400,000 to Dolphin Partners Pty Ltd (refer Resolution 7)
Price	Nil (closing Share price on 12 September 2019 being \$0.063) The Options were issued in accordance with underwriting agreement with Veritas dated 2 August 2019.
Discount to market price (if any)	Not applicable
<b>For cash issues</b>	
Total cash consideration received	Not applicable
Amount of cash consideration spent	Not applicable
Use of cash consideration	Not applicable
Intended use for remaining amount of cash (if any)	Not applicable
<b>For non-cash issues</b>	
Non-cash consideration paid	Not applicable
Current value of that non-cash consideration	\$480,000 using the Black & Scholes valuation model

# PROXY FORM

**SPORTSHERO LIMITED**  
ACN 123 423 987

## ANNUAL GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

**OR:** ☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, 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 Meeting to be held at 3:00 pm AEDT, on Friday, 29 November 2019 at C/- Hall Chadwick, Level 40, 2 Park Street, Sydney, New South Wales, Australia 2000 and at any adjournment thereof.

### AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1 and 10 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 10 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

### CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs, an ASX announcement will be made immediately disclosing the reasons for the change.

#### Voting on business of the Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – John Dougall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Director – Tom Lapping	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of issue of 10,808,334 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of issue of 500,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of issue of 4,283,333 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of issue of 20,000,000 Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	10% Placement facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Non-executive Directors Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: \_\_\_\_\_ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: \_\_\_\_\_

Contact name: \_\_\_\_\_

Contact ph (daytime): \_\_\_\_\_

E-mail address: \_\_\_\_\_

Consent for contact by e-mail in  
relation to this Proxy Form:

YES ☐ NO ☐

## Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. 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 Shareholder must sign.
  - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
  - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy 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. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - post to SportsHero Limited, 29 Brookside Place, Lota, Queensland, Australia 4179; or
  - in person to 29 Brookside Place, Lota, Queensland, Australia 4179; or
  - facsimile to the Company on facsimile number +61 7 3901 0751; or
  - email to the Company at [mike.higginson@iinet.net.au](mailto:mike.higginson@iinet.net.au),

so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy Forms received later than this time will be invalid.**