



29th October 2014

Australian Securities Exchange  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam,

AMENDED NOTICE OF ANNUAL GENERAL MEETING

Further to the lodgement of the Company's Notice of Annual General Meeting, the Company hereby issues an Amended Notice of Annual General Meeting.

Page 3 of the amended Notice of Annual General Meeting, under Item 4: Non-Executive Directors' Fee Pool, Resolution 4 now reads as follows:

"That the maximum aggregate amount available for payment by way of remuneration to all Non-Executive Directors per annum be increased by \$100,000 from \$250,000 to \$350,000."

Due to a printing error, the terms of the resolution had been omitted from the Notice of Annual General Meeting previously lodged.

The rest of the information contained in the Notice of Annual General Meeting remains unchanged.

Yours Sincerely,

Robert Fredericks  
Company Secretary  
eBET Limited



## **eBET Limited – Amended Notice of Annual General Meeting 25 November 2014**

### **Letter from the Chairman**

Dear Shareholder

I am pleased to invite you to attend the 2014 Annual General Meeting (AGM) of eBET Limited (eBET or the Company).

The AGM will be held at the Press Room, Radisson Blu Hotel, 27 O'Connell Street, Sydney, NSW on Tuesday, 25 November, 2014, commencing at 11:00am.

### **Items of Business**

The following pages contain details with respect to the items of business that you have the opportunity to vote on, as well as the Explanatory Memorandum and voting procedures. At this year's AGM, the following items will be voted on:

- the election of Mr Anthony Peter Toohey as a Director of the Company;
- the re-election of Mr Michael Bernard Hale as a Director of the Company;
- an increase in the Non-Executive Directors' Fee Pool;
- a return of capital of 6.0 cents for each fully paid ordinary share, equating to approximately \$1.05 million; and
- the ratification of the share issue dated 23 July 2014.

You will also be asked to cast a non-binding vote in respect of the adoption of the Remuneration Report as set out in pages 14 to 18 of the 2014 Annual Report.

### **Re-election of Directors**

I recently announced the appointment of Mr Tony Toohey as Deputy Chairman and an Executive Director of the Company. Tony was previously CEO and Managing Director and his strategic vision and strong leadership has transformed eBET over the past 10 years. I look forward to Tony continuing his visionary approach to growing the business in his role as an Executive Director.

Mr Michael Hale will retire in accordance with the Company's Constitution, and offers himself for re-election. Michael brings significant experience and value to the Board having over 25 years' experience in marketing and brand building.

### **Non-Executive Directors' Fee Pool**

The current Fee Pool for Non-Executive Directors has remained unchanged since the Company's listing in 1999. Shareholder approval is sought to increase the maximum total amount of the Fee Pool.

The proposal to increase the Fee Pool is aimed at the Company maintaining an appropriate fee buffer in advance of specific needs arising. The proposed increase would:

- provide flexibility to allow the Board to appoint further Non-Executive Directors at an appropriate time (recognising the importance of orderly succession planning, and the desirability of having transition periods between outgoing and incoming directors); and
- ensure that the Company has the ability to pay competitive fees that are aligned with the market, and attract and retain high calibre Non-Executive Directors.

### **Return of Capital to Shareholders**

Subsequent to the sale of the Company's US-based eBET Online joint venture in December 2012, the Board investigated the most effective way to return part of the proceeds of this sale to shareholders. Following an application to the Australian Taxation Office, the Company has received a favourable class ruling. As a result, the Board has determined to propose a capital return of 6.0 cents per ordinary share, equating to a total payment to shareholders of approximately \$1.05 million.

## **Ratification of the share issue dated 23 July 2014**

On 23 July 2014, the Company announced a capital raising of \$8.38 million by way of placement to professional and sophisticated investors at \$3.65 per share. Shareholders are being asked to retrospectively ratify the placement to refresh the Company's capacity to issue further equity securities pursuant to ASX Listing Rule 7.1, should there be a requirement to do so.

If approved, the Company will have the flexibility to issue more shares in the next 12 months if an opportunity arises which the Directors believe is in the best interests of the Company, and which they expect will create shareholder value.

## **Remuneration Report**

At the Annual General Meeting in 2013, the majority of Shareholders voted in support of the financial year 2013 Remuneration Report. However, having received votes against the Remuneration Report totalling 25.8%, the Company recorded a 'first strike'.

Since last year's AGM, the Remuneration Committee initiated a review of the Company's remuneration structure by an independent remuneration consultant, with the aim of ensuring that eBET's remuneration policy remains competitive and relevant in the current employment environment.

The review assisted the Remuneration Committee in determining an appropriate remuneration structure for Senior Executives of the Group, with respect to:

- the Group's growth objectives
- industry specific and market considerations and,
- the appropriate mix between:
  - fixed and performance linked remuneration, and
  - short-term and long-term incentives.

In addition to the review, the Board has improved the clarity and level of detail of the information contained in the Remuneration Report. This includes additional information on the performance hurdles criteria for the 'at risk' short-term incentive (STI) bonus and the long-term incentive (LTI) bonus.

*The Board encourages you to vote in favour of the adoption of the Remuneration Report.*

## **Questions**

I encourage you to submit any questions you might have for the Company (or the Company's external auditor) in advance of the AGM. It would be appreciated if questions could be forwarded by 20 November, 2014 to one of the following:

- [InvestorRelations@ebetgroup.com](mailto:InvestorRelations@ebetgroup.com) or
- Company Secretary, eBET Limited, Unit 13, 112-118 Talavera Road, North Ryde NSW, 2113.

If you are unable to attend the AGM in person, you may vote directly or appoint a proxy to act on your behalf. You may register voting instructions electronically at [www.investorvote.com.au](http://www.investorvote.com.au) or complete and return the enclosed voting form by facsimile or by using the reply paid envelope provided.

I look forward to seeing you at the AGM.

**Yours sincerely**

**Paul Oneile**

**Chairman**

## Amended Notice of Annual General Meeting - 25 November 2014

This notice is for the purpose of providing information to Shareholders regarding the Annual General Meeting of eBET Limited to be held at 11.00am on Tuesday, 25 November, 2014 at the Press Room, Radisson Blu Hotel, 27 O'Connell Street, Sydney, NSW.

If you are unable to attend the meeting, we encourage you to complete and return the attached Shareholder Proxy Form. The completed proxy form must be received by Computershare no later than 11.00am on Sunday, 23 November, 2014.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote by marking either "For", "Against" or "Abstain" on the Voting Form for that item of business.

Voting will be determined by a poll at the meeting rather than a show of hands. Shareholders and proxy holders attending the meeting will be provided with voting cards.

### AGENDA

#### Item 1: Financial Report

To receive the Financial Statements, Directors' Report and Auditor's Report for the Company and its controlled entities for the year ended 30 June 2014, as set out in the Company's Annual Report.

Note: There is no requirement for Shareholders to approve these reports.

#### Item 2: Remuneration Report

Resolution 1 is to consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"The Company adopts the Remuneration Report for the financial year ended 30 June 2014 as set out in the Annual Report."*

##### Notes:

The vote on this resolution is advisory only, and does not bind the Directors or the Company.

The Company will disregard any votes cast (in any capacity) on this resolution by or on behalf of:

- a. a member of the key management personnel details of whose remuneration are included in the Remuneration Report; and
- b. closely related parties of such a member, unless the vote is cast:
  - i. as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
  - ii. by the Chairman of the meeting as proxy for a person entitled to vote in accordance with an express authority to vote undirected proxies as the Chairman sees fit.

#### Item 3: Election and Re-election of Directors

Resolution 2 is to consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That in accordance with the Constitution of the Company, Mr Anthony Peter Toohey, a Director appointed since the last Annual General Meeting and eligible to be elected, be elected as a Director."*

Resolution 3 is to consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That Mr Michael Bernard Hale, who retires by rotation in accordance with the Company's Constitution and the Listing Rules, being eligible for re-election, be re-elected as a Director."*

#### Item 4: Non-Executive Directors' Fee Pool

Resolution 4 is to consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That the maximum aggregate amount available for payment by way of remuneration to all Non-Executive Directors per annum be increased by \$100,000 from \$250,000 to \$350,000."*

##### Notes:

The Company will disregard any votes cast (in any capacity) on this resolution by:

- a. any Director and any associate of any Director;
- b. a member of the key management personnel, details of whose remuneration are included in the Remuneration Report; and

- c. closely related parties of such a member, unless the vote is cast:
  - i. as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
  - ii. by the Chairman of the meeting as proxy for a person entitled to vote in accordance with an express authority to vote undirected proxies as the Chairman sees fit.

#### **Item 5: Non-Executive Directors' Fee Pool**

Resolution 5 is to consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That approval is given for the share capital of the Company to be reduced by approximately \$1.05 million, to be effected by the repayment to each holder of fully paid ordinary shares in the Company as at the record date of 5:00pm, Tuesday 25 November 2014, the amount of 6.0 cents for each fully paid ordinary share held by that holder at that time."*

The above notice and agenda should be read in conjunction with the Explanatory Notes which provide further information.

#### **Item 6: Ratification of the share issue dated 23 July 2014**

Resolution 6: 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 issue of 2,296,975 fully paid ordinary shares in the Company on 23 July 2014 at \$3.65 per share and otherwise as described in the Explanatory Memorandum be ratified and approved."*

##### Notes:

The Company will disregard any votes cast on this resolution by any person who participated in the issue and any of their associates.

However, the Company will not disregard a vote if:

- a. 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
- b. it is cast by the Chair 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.

#### **CONTINGENT BUSINESS**

##### **Item 7: Board Spill Meeting**

*This resolution will be considered at the 2014 AGM only if at least 25% of votes cast on Resolution 1 are against the adoption of the Remuneration Report. The Explanatory Statement further explains the circumstances in which this resolution will be put to the meeting.*

Resolution 7 is to consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That subject to and conditional on at least 25% of the votes cast on Resolution 1 being cast against that resolution:*

- a. a meeting of the Company's members be held within 90 days after the date of this Meeting (Spill Meeting);
- b. all the Directors who were Directors when the resolution to approve the Remuneration Report for the year ended 30 June, 2014 was passed (excluding the Managing Director) cease to hold office immediately before the end of the Spill Meeting; and
- c. resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting."

##### Notes:

In accordance with Section 250V of the Corporations Act, the same voting exclusions which apply to Resolution 1 also apply to Resolution 7.

#### **By order of the Board**

**Robert Fredericks**  
**Company Secretary**  
29 October, 2014

## Other Information

### *Entitlement to Vote*

In accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations, the Company has determined that, for the purposes of the meeting, all Shares will be taken to be held by the persons who held them as registered holders at 7.00pm on 23 November, 2014. Accordingly, Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

### *Attending the Meeting*

To assist with registering your attendance at the meeting, please bring your proxy form. If you do not bring your proxy form, you will still be able to attend the meeting, but representatives of the Company will need to verify your identity. You will be able to register from 10.30am (AEDST) on the day of the meeting.

### *Corporate Shareholders*

Corporate Shareholders who wish to appoint a representative(s) to attend the meeting on their behalf must provide the representative(s) with a properly executed letter or other document confirming that they are authorised to act as the corporate Shareholder's representative.

### *Proxies*

A proxy need not be a member of the Company. A member entitled to attend and vote at this AGM is entitled to appoint not more than 2 proxies to attend and vote in his/her stead. If the member appoints 2 proxies, the member may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the votes. If the specified proportion or number of votes exceeds that which the member is entitled to, each proxy may exercise half of the member's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

The Chairman of the meeting will vote undirected proxies on and in favour of all resolutions.

Proxies must be:

- a) lodged by mail c/- Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, VIC, 3001; or
- b) received by fax number 1800 783 447 within Australia, or +61 3 6473 2555 outside Australia; and not later than 48 hours before the AGM – that is, 11.00am (Sydney time) on Sunday 23 November, 2014.

A form of proxy is provided with this Notice.

### *Questions at the Meeting*

The Company encourages questions from Shareholders at the meeting. However, to enable the efficient running of the meeting, it would be appreciated if questions could be forwarded by 20 November, 2014 to one of the following:

- [InvestorRelations@ebetgroup.com](mailto:InvestorRelations@ebetgroup.com) or
- Company Secretary, eBET Limited, Unit 13, 112-118 Talavera Road, North Ryde NSW, 2113.

## Explanatory Memorandum

This Explanatory Memorandum sets out further information regarding the proposed resolutions to be considered by Shareholders of eBET Limited (Company) at the 2014 Annual General Meeting (AGM) to be held at 11.00am on Tuesday, 25 November, 2014 at the Press Room, Radisson Blu Hotel, 27 O'Connell Street, Sydney NSW. The Directors recommend that Shareholders read this Explanatory Memorandum before determining whether or not to support the Resolutions.

All members should read this Explanatory Memorandum carefully and in its entirety. Members who are in doubt regarding any part of the business of the AGM should consult their financial or legal adviser for assistance.

### Item 1: Financial report

As required by section 317 of the Corporations Act, the Financial Report of the Company, Directors' Report and Auditor's Report for the year will be laid before the meeting. Shareholders will be given reasonable opportunity to ask questions about the reports, or the Company generally. The auditor of the Company will be available at the meeting to answer any reasonable questions in relation to the Auditor's Report or the conduct of the audit.

## Item 2: Remuneration Report

The Corporations Act requires listed companies to put a Remuneration Report relating to Director and Executive remuneration for each financial year to a resolution of members at their annual general meeting. The Remuneration Report is included in the Directors' Report section of the Company's Annual Report.

In summary, the Remuneration Report:

- explains the Board's policy for determining the nature and amount of remuneration for Directors, executives and key management personnel of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- details and explains any performance conditions applicable to the remuneration of Directors, executives and key management personnel of the Company; and
- sets out remuneration details for each Director, executive and key management personnel of the Group, including the value of any options granted to those persons.

### Response to 'First Strike' against 2013 Remuneration Report

At the Annual General Meeting in 2013, the majority of Shareholders voted in support of the financial year 2013 Remuneration Report. However, having received votes against the Remuneration Report totalling 25.8%, the Company recorded a 'first strike'.

Since last year's AGM, the Remuneration Committee initiated a review of the Company's remuneration structure by an independent remuneration consultant with the aim of ensuring that eBET's remuneration policy remains competitive and relevant in the current employment environment.

The review assisted the Remuneration Committee with determining an appropriate remuneration structure for Senior Executives of the Group, with respect to:

- the Group's growth objectives
- industry specific and market considerations and,
- the appropriate mix between:
  - fixed and performance linked remuneration, and
  - short-term and long-term incentives.

In addition to the review, the Board has improved the clarity and level of detail of the information contained in the Remuneration Report. This includes additional information on the performance hurdles criteria for the 'at risk' short-term incentive (STI) bonus and the long-term incentive (LTI).

Under section 250R(3) of the Corporations Act, the vote is advisory only and does not bind the Directors or the Company. Accordingly, Resolution 2 is not binding on the Company and does not affect the employment arrangements in place for Directors and employees of the Company. The Board will consider the outcome of the vote and comments made by shareholders at the meeting when reviewing the Company's remuneration policies.

The Remuneration Report identifies the Company's key management personnel for the financial year to 30 June, 2014. Their closely related parties are defined in the Corporations Act 2001, and include certain of their family members, dependants and companies they control.

If the Chairman of the meeting is to be your proxy, you should be aware that if you do not provide a voting direction in respect of this resolution on the proxy form, you will be deemed to have directed the Chairman of the meeting to vote in favour of this resolution. The Chairman of the meeting intends to vote undirected proxies able to be voted in favour of the adoption of the Remuneration Report. A Shareholder may appoint the Chairman of the meeting as proxy, with a direction to cast the votes contrary to the Chairman's stated voting intentions, or to abstain from voting on that Resolution.

***The Board recommends that Shareholders vote in favour of adopting the Remuneration Report.***

### **Item 3: Election and Re-election of Directors**

#### **Anthony Peter Toohey**

Mr Anthony Peter Toohey, previously Chief Executive Officer and Managing Director, was appointed to the Board as Deputy Chairman and an Executive Director of the Company since the last Annual General Meeting. In accordance with the Constitution of the Company, Mr Toohey will retire from office as a Director at the 2014 Annual General Meeting and, being eligible to do, offers himself for election as a Director.

***The Board (with Mr Toohey abstaining and not voting) recommends that Shareholders vote in favour of Mr Toohey's election.***

#### **Michael Bernard Hale**

Mr Michael Bernard Hale will retire from office as a Director at the 2014 Annual General Meeting and, being eligible to do, offers himself for re-election as a Director.

***The Board (with Mr Hale abstaining and not voting) recommends that Shareholders vote in favour of Mr Hale's re-election.***

### **Item 4: Non-Executive Directors' Fee Pool**

The ASX Listing Rules (Listing Rule 10.17) and the Company's Constitution require the maximum amount of Non-Executive Directors' remuneration to be determined by shareholders in a general meeting.

The current maximum aggregate remuneration of the Non-Executive Directors is \$250,000 per annum, having remained unchanged since the Company's listing in 1999. Shareholder approval is sought to increase the maximum total amount available for payment by way of remuneration to Non-Executive Directors (Fee Pool) by \$100,000 to \$350,000 per annum.

With the exception of fees for Board sub-committees, remuneration for Non-Executive Directors has remained unchanged since the Company was listed in 1999.

No securities have been issued to any Non-Executive Director under ASX Listing Rules 10.11 or 10.14 with shareholder approval within the last three years.

***Because each Non-Executive Director has an interest in this matter, the Board does not believe it is appropriate to make a recommendation to shareholders in relation to voting on this resolution.***

### **Item 5: Return of Capital to Shareholders**

As announced on 26 June, 2014 the Board proposes to undertake a return of capital to shareholders.

If Item 5 is approved, the return of capital will result in a distribution to shareholders of 6.0 cents per fully paid ordinary share and represent a total payment to shareholders of approximately \$1.05 million.

#### **Why is the capital management initiative being undertaken?**

Subsequent to the sale of the Company's US-based eBET Online joint venture in December 2012, the Board investigated the most effective way to return part of the proceeds of this sale to shareholders. Following an application to the Australian Taxation Office, the Company has received a favourable class ruling. As a result, the Board has determined to propose a capital return of 6.0 cents per ordinary share, equating to a total payment to shareholders of approximately \$1.05 million.

### **Item 6: Ratification of share issue dated 23 July 2014**

ASX Listing Rule 7.1 restricts the number of equity securities that a listed entity may issue in any 12 month period, without the approval of shareholders, to 15% of the number of ordinary securities on issue at the start of the period, subject to certain adjustments and permitted exceptions. The entity does not need to include within the 15% limit any ordinary securities issued in the 12 month period that were issued with the approval of shareholders for the purposes of ASX Listing Rule 7.1.

Under ASX Listing Rule 7.4 an issue of securities without approval under ASX Listing Rule 7.1 will be treated as having been made with shareholder approval for the purposes of ASX Listing Rule 7.1 if the original issue did not breach the 15% limit under ASX Listing Rule 7.1 and shareholders subsequently approve the issue.

The placement was made without Shareholder approval under ASX Listing Rule 7.1, with 2,296,975 Shares issued using the entirety of the Company's capacity under ASX Listing Rule 7.1.

It is the issue of these 2,296,975 Shares issued without Shareholder approval under ASX Listing Rule 7.1 for which the Company is seeking approval under Resolution 6.

Shareholder approval of Resolution 6 will provide the Company flexibility in considering any further fundraising, and will enable the Company to raise further funds at any time during the next 12 months by issuing up to the full 15% of its issued share capital in accordance with ASX Listing Rule 7.1. The Share issue approved in accordance with Resolution 6 will not be included within the Company's 15% limit under ASX Listing Rule 7.1.



In accordance with the requirements of ASX Listing Rule 7.5, the following information is provided in relation to the issue of Shares to professional and sophisticated investors on 23 July 2014:

- a. the number of Shares issued was 2,296,975;
- b. the issue price of the Shares was \$3.65 per Share, resulting in a total issue price of \$8,383,959;
- c. the Shares issued were fully paid ordinary shares in the capital of the Company which rank equally with all other Shares on issue;
- d. the persons issued the Shares were professional and sophisticated investors; and
- e. the funds raised by the Company are being used to fund the acquisition of the Flexi-NET gaming systems business and to supplement working capital.

A voting exclusion statement in relation to this Resolution has been included in this Notice.

***The Directors unanimously recommend that Shareholders vote FOR this Resolution.***

## CONTINGENT BUSINESS

### Item 7: Board Spill Meeting

At last year's AGM, more than 25% of the votes cast on the resolution to adopt the 2013 Remuneration Report were voted 'against' the resolution. Accordingly, the Company received a 'first strike' under the executive remuneration laws.

If less than 25% of the votes on Resolution 1 are cast 'against' the adoption of the Remuneration Report at the 2014 AGM, then there will be no 'second strike' and it is intended that this Resolution 7 will not be put to the meeting.

If at least 25% of the votes cast on Resolution 1 are against adopting the remuneration report at the 2014 AGM, this will constitute a 'second strike' and Resolution 7 will be put to the meeting and voted on as required by section 250V of the Corporations Act.

If the votes cast 'against' the 2014 Remuneration Report are at least 25% of the votes cast, and Resolution 7 is put to the meeting and passed, then:

- a. an extraordinary general meeting must be convened within 90 days after the date of this meeting (Board Spill Meeting);
- b. all of the current members of the Board (other than Mr Carr) will vacate their offices immediately before the end of the Spill Meeting; and
- c. at the Spill Meeting, resolutions will be voted on to elect individuals to the vacated offices.

If this resolution is passed and becomes effective, all Directors will offer themselves for re-election. If, however, all of the current Directors (other than Mr Carr) cease to be Directors prior to the Spill Meeting, the meeting need not be held.

If Resolution 7 is put to the meeting, it will be an ordinary resolution conducted by way of a poll.

The Board unanimously recommends that Shareholders vote against Resolution 7, on the basis that it would be extremely disruptive to the Company and, in the Board's view, inappropriate to remove all the Non-Executive Directors in the circumstances. However, the Board recognises that Shareholders can remove a Director by majority shareholder vote at any time and for any reason.

## GLOSSARY

In this Notice and Explanatory Memorandum:

**AGM** means the Annual General Meeting of the Company to be held on 25 November, 2014.

**Board** means the board of directors of the Company.

**Company** means eBet Limited.

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

**Explanatory Memorandum** means the explanatory memorandum which forms part of the Notice.

**Key Management Personnel** means members of the executive team of eBET Limited

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

**Notice** means the Notice of AGM, including the Explanatory Memorandum and all annexures to those documents.

**Remuneration Report** refers to the Remuneration Report as set out in pages 14 to 18 of the 2014 Annual Report.

**Share** means an ordinary share in the capital of the Company.

**Shareholder** means a holder of a share