

Performance Shares

The terms and conditions of the Performance Shares are as follows:

Rights attaching to the Performance Shares

1. **(Performance Shares)** Each Performance Share is a share in the capital of the Company.
2. **(General Meetings)** The Performance Shares shall confer on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to shareholders. Holders have the right to attend general meetings of shareholders of the Company.
3. **(No Voting Rights)** The Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of shareholders of the Company, subject to any voting rights under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.
4. **(No Dividend Rights)** The Performance Shares do not entitle the Holder to any dividends.
5. **(Rights on Winding Up)** Upon winding up of the Company, the Performance Shares may not participate in the surplus profits or assets of the Company, unless and only to the extent that each Performance Share has converted into a Share.
6. **(Transfer of Performance Shares)** The Performance Shares are not transferrable.
7. **(Reorganisation of Capital)** In the event that the Company is admitted to the official list of the ASX and the issued capital of the Company is subsequently reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the ASX Listing Rules at the time of reorganisation.
8. **(Application to ASX)** The Performance Shares will not be quoted on ASX. Upon conversion of the Performance Shares into Shares in accordance with these terms, the Company must within seven (7) days after the conversion, apply for the official quotation on ASX of the Shares arising from the conversion.
9. **(Participation in Entitlements and Bonus Issues)** Holders of Performance Shares will not be entitled to participate in new issues of capital offered to holders of the Shares such as bonus issues and entitlement issues.
10. **(Amendments required by ASX)** The directors of the Company may amend the terms of the Performance Shares as necessary in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms.
11. **(No Other Rights)** The Performance Shares give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Conversion of the Performance Shares

1. **(Conversion Milestone and Conversion Rate)** For any given year over the 5 financial years ended 31 December 2020, the Holder is eligible to convert Performance Shares to fully paid ordinary shares in the Company if Stotsenberg's audited financial statements for that financial year report an NPAT of US\$5,000,000 or an amount greater than US\$5,000,000. The Holder is then entitled to convert 4.5504 Performance Shares per US\$1 of NPAT.
2. **(Conversion Time)** The Company must convert the Performance Shares on these terms within 10 business days of receipt by the Company of the Stotsenberg audited annual accounts, which must state the NPAT.
3. **(Conversion Ratio)** Performance Shares will convert to Shares on the basis of one (1) Performance Share will convert to one (1) Share.
4. **(Cancellation)** Any Performance Shares, which have not converted will be cancelled following the Conversion relating to the NPAT of the 2020 Financial Year.
5. **(Maximum Number of Shares)** The Holder may convert a maximum of 113,760,000 Performance Shares over the 5 financial years ended 31 December 2020.

6. **(After Conversion)** The Shares issued on conversion of the Performance Shares will, as and from 5.00pm (EST) on the date of allotment, rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for official quotation of the Shares issued upon conversion.
7. **(Conversion Procedure)** The Company will issue the Holder with a new holding statement for the Shares as soon as practicable following the conversion of the Performance Shares into the Shares.
8. **(Ranking of Shares)** The Shares into which the Performance Shares will convert will rank pari passu in all respects with the Shares on issue at the date of conversion.

Definitions:

Company means Frontier capital Group Limited

Holder means Elxcite Gaming and Entertainment Inc

NPAT means Net Profit after Tax

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

Stotsenberg means Stotsenberg Leisure & Hotel Corporation