
VOLTA MINING LTD

ACN 148 878 782

(TO BE RENAMED ESPORTS MOGUL ASIA PACIFIC LIMITED)

NOTICE OF GENERAL MEETING

TIME: 10:00am (WST)

DATE: 17 October 2016

PLACE: Royal Perth Golf Club
Labouchere Road
SOUTH PERTH WA 6151

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

If you wish to discuss the matters in this Notice of Meeting please contact the Company Secretary on (+61 8) 9429 8875.

CONTENTS PAGE

Business of the Meeting (setting out the proposed resolutions)	5
Explanatory Statement (explaining the proposed resolutions)	9
Glossary	68
Annexure A – Pro Forma Statement of Financial Position	71
Annexure B – Terms of Performance Shares	73
Annexure C – ESM Vendors	76
Annexure D – Broker Option Terms	77
Proxy Form	Attached

IMPORTANT INFORMATION

This Notice and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their professional advisor prior to voting.

Important: Each Resolution is subject to, and conditional on, each of the other Resolutions being passed. Accordingly, the Resolutions should be considered collectively as well as individually.

TIME AND PLACE OF MEETING

Notice is given that the general meeting of the Shareholders will be held at 10:00am (WST) on 17 October 2016 at:

Royal Perth Golf Club
Labouchere Road
SOUTH PERTH WA 6151

YOUR VOTE IS IMPORTANT

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

INTERPRETATION

Capitalised terms which are not otherwise in this Notice and Explanatory Statement have the meanings given to those terms in the Glossary section of this Notice.

References to "\$" and "A\$" in this Notice and Explanatory Statement are references to Australian currency unless otherwise stated.

References to "US\$" in this Notice and Explanatory Statement are references to United States currency.

References to time in this Notice and Explanatory Statement relate to the time in Perth, Western Australia.

VOTING EXCLUSION STATEMENTS

Certain voting restrictions apply to the Resolutions as detailed beneath the applicable Resolutions in the Notice.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders at 10:00am (WST) (12pm Sydney time) on 15 October 2016.

VOTING IN PERSON

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

VOTING BY PROXY

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

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

SPECIAL BUSINESS

1. RESOLUTION 1 – CHANGE IN NATURE AND SCALE OF ACTIVITIES OF THE COMPANY

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

“That, subject to each other Resolution being passed, in accordance with Listing Rule 11.1.2, and for all other purposes, approval is given for the Company to make a significant change to the nature and scale of its activities as set out in the Explanatory Statement.”

Voting exclusion: The Company will disregard any votes cast on Resolution 1 by any person who might obtain a benefit if Resolution 1 is passed (except a benefit solely in the capacity of a holder of ordinary securities), and any person associated with those persons. However, the Company will not disregard any votes cast on Resolution 5 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chair of the Meeting acting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – APPROVAL OF PERFORMANCE SHARES

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

“That, subject to each other Resolution being passed, for the purposes of Section 246B(1) and 246C(5) of the Corporations Act and Rule 2.2 of the Constitution of the Company, and for all other purposes, the Company be authorised to issue the Performance Shares, the terms of which are set out in the Explanatory Statement accompanying this notice.”

Voting exclusion: The Company will disregard any votes cast on Resolution 2 by any person who may participate in the proposed issue and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the Resolution is passed, and any person associated with those persons. However, the Company will not disregard any votes cast on Resolution 2 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chair of the Meeting acting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTIONS 3(A) AND (B) – ISSUE OF CONSIDERATION SHARES TO VENDORS

To consider and, if thought fit, to separately pass, with or without amendment, each of the following resolutions as **ordinary resolutions**:

- (a) *“That, subject to each other Resolution being passed, and in accordance with Listing Rule 7.1 and section 208 of the Corporations Act and for all other*

purposes, approval be given to the issue of 20,000,000 New Shares at a deemed issue price of \$0.02 each, 20,000,000 Class A Performance Shares and 20,000,000 Class B Performance Shares to the Related Vendor as part consideration for the Company acquiring 100% of the issued capital of eSports Mogul Pty Ltd, further details of which are contained in the Explanatory Statement."

- (b) "That, subject to each other Resolution being passed, in accordance with Listing Rule 7.1, and for all other purposes, approval be given to the issue of 80,000,000 New Shares at a deemed issue price of \$0.02 , 80,000,000 Class A Performance Shares and 80,000,000 Class B Performance Shares to the Unrelated Vendors as part consideration for the Company acquiring 100% of the issued capital of eSports Mogul Pty Ltd, further details of which are contained in the Explanatory Statement."

Voting exclusion: The Company will disregard any votes cast on Resolutions 3(a) and (b) by any person who may participate in the proposed issue and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the Resolution is passed, and any person associated with those persons. However, the Company will not disregard any votes cast on Resolutions 3(a) and (b) by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chair of the Meeting acting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – ISSUE OF NEW SHARES PURSUANT TO THE CAPITAL RAISING

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

"That, subject to each other Resolution being passed, in accordance with Listing Rule 7.1, and for all other purposes, approval be given to the issue of up to 350,000,000 New Shares at an issue price of \$0.02 per New Share to raise up to \$7,000,000 under a prospectus, further details of which are contained in the Explanatory Statement."

Voting exclusion: The Company will disregard any votes cast on Resolution 4 by any person who may participate in the proposed issue and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the Resolution is passed, and any person associated with those persons. However, the Company will not disregard any votes cast on Resolution 4 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chair of the Meeting acting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTIONS 5 (A), (B), (C) AND (D) – RIGHT TO APPLY UNDER THE PROSPECTUS BY EXISTING AND PROPOSED DIRECTORS

To consider and, if thought fit, to separately pass, with or without amendment, each of the following resolutions as **ordinary resolutions**:

"That, subject to each other Resolution being passed, in accordance with Listing Rule 10.11 and section 208 of the Corporations Act, and for all other purposes, approval is given for the Company to allot and issue to

(a) Mr David Sumich (and/or his nominee) up to 5,000,000 Shares;

(b) Mr Gernot Abl (and/or his nominee) up to 5,000,000 Shares;

(c) Mr George Lazarou (and/or his nominee) up to 2,500,000 Shares;

(d) Mr Peter Smith (and/or his nominee) up to 1,250,000 Shares;

at an issue price of \$0.02 each out of the New Shares that may be issued under the Capital Raising on the terms set out in the Explanatory Statement."

Shareholders should note that if this Resolution is passed, the approval of Shareholders is not required under Listing Rule 7.1.

Voting exclusion: *The Company will disregard any votes cast on: Resolution 5(a) by David Sumich; Resolution 5(b) by Gernot Abl; Resolution 5(c) by George Lazarou; Resolution 5(d) by Peter Smith, and any associate of those persons (as applicable). However the Company need not disregard a vote if:*

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or*
- (b) the person is the Chair of the Meeting acting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.*

6. RESOLUTION 6 – CHANGE OF COMPANY NAME

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

"That, subject to each of the Resolutions being passed, in accordance with section 157(1) of the Corporations Act, and for all other purposes, the Company change its name from 'Volta Mining Limited' to 'eSports Mogul Asia Pacific Limited'."

7. RESOLUTION 7 – ISSUE OF ESPORTS MOGUL NOTEHOLDER SHARES ON THE CONVERSION OF THE ESPORTS MOGUL NOTES

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

"That, subject to each other Resolution being passed, in accordance with Listing Rule 7.1, and for all other purposes, approval be given to the issue of 200,000,000 ESM Noteholder Shares on the conversion of the ESM Notes, in the manner, in the amount and on the terms and conditions set out in the accompanying Explanatory Statement."

Voting exclusion: *The Company will disregard any votes cast on Resolution 7 by any person who may participate in the proposed issue and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the Resolution is passed, and any person associated with those persons. However, the Company will not disregard any votes cast on Resolution 7 by such person if:*

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or*

- (b) the person is the Chair of the Meeting acting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 8 – APPOINTMENT OF GERNOT ABL AS DIRECTOR

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

"That subject to each other Resolution being passed, in accordance with Rule 13.4 of the Constitution, and for all other purposes, Mr Gernot Abl, having provided conditional consent to act and be appointed as a Director of the Company from completion of the Proposed Transaction, be elected as a Director of the Company with effect from completion of the Proposed Transaction."

9. RESOLUTION 9 – APPOINTMENT OF ANDREW SCHNEIDER AS DIRECTOR

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

"That subject to each other Resolution being passed, in accordance with Rule 13.4 of the Constitution, and for all other purposes, Mr Andrew Schneider, having provided conditional consent to act and be appointed as a Director of the Company from completion of the Proposed Transaction, be elected as a Director of the Company with effect from completion of the Proposed Transaction."

10. RESOLUTION 10 – ISSUE OF BROKER OPTIONS TO BROKERS

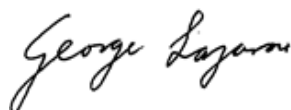
To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, subject to each other Resolution being passed, in accordance with Listing Rule 7.1, and for all other purposes, approval be given to the issue of up to 150,000,000 Broker Options to brokers (and/or their nominees) in consideration of broking services provided to the Company in connection with the Capital Raising, on the terms and conditions set out in the Explanatory Statement."

Voting exclusion: The Company will disregard any votes cast on Resolution 10 by any person who may participate in the proposed issue and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the Resolution is passed, and any person associated with those persons. However, the Company will not disregard any votes cast on Resolution 10 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chair of the Meeting acting 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.

DATED: 12 SEPTEMBER 2016
BY ORDER OF THE BOARD



GEORGE LAZAROU
COMPANY SECRETARY
VOLTA MINING LIMITED

EXPLANATORY STATEMENT

1. **THIS EXPLANATORY STATEMENT HAS BEEN PREPARED TO PROVIDE INFORMATION WHICH THE DIRECTORS BELIEVE TO BE MATERIAL TO SHAREHOLDERS IN DECIDING WHETHER OR NOT TO PASS THE RESOLUTIONS WHICH ARE THE SUBJECT OF THE BUSINESS OF THE MEETING**

Important: Certain statements in this Notice constitute forward looking statements. These forward looking statements are identified by words such as “may”, “could”, “believes”, “expects”, “intends”, and other similar words that involve risks and uncertainties. Shareholders should note that these statements are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and other factors which could cause actual values or results, performance or achievements to differ materially from anticipated results, implied values, performance or achievements expressed, projected or implied in the statements.

This Notice, including industry and market information in Section 2.2, uses market data and third party estimates and projections. There is no assurance that any of the third party estimates or projections contained in this information will be achieved. The Company has not independently verified this information. Estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed in the risk factors set out in Section 2.10.

2. **BACKGROUND TO THE ESPORTS MOGUL PTY LTD ACQUISITION**

2.1 **Background**

On 3 February 2016 the Company announced to ASX that it had entered into a Binding Term Sheet and subsequently on 21 April 2016 announced that it had entered into a Share Sale Agreement which was varied on 12 July 2016, the key terms of which were as follows:

- (a) The Company will acquire all the issued capital of eSports Mogul Pty Ltd (“**ESM**”) from its shareholders, Mandevilla Pty Ltd (ACN 054 147 214) ATF N J Bassett Superannuation Fund, CSNA Pty Ltd (ACN 165 229 363) ATF CGL Trust, CSNA Pty Ltd (ACN 165 229 363) ATF Abl Family Super Fund, Sierra Tech Nominees Pty Ltd (ACN 610 811 811), CPS Capital Group Pty Ltd (ACN 088 055 636), Shah Nominees Pty Ltd (ACN 008 830 886) ATF Louis Carsten S/F #2, Comprehensive Investments Pty Ltd (ACN 126 744 438) and Michael Stanley Carter (together the “**Vendors**”).
- (b) The Vendors will sell their interest in ESM for the following securities:
 - (i) 100,000,000 fully paid ordinary shares in the Company to be issued at Completion.
 - (ii) 100,000,000 Class A Performance Shares, which convert to 100,000,000 fully paid ordinary shares in the Company to be issued upon the Company (or any of its related bodies corporate) achieving:
 - (A) any combination of 100,000 ESM Subscribers, ESM Customers and/or ESM Players (in aggregate); and
 - (B) 30% Active Users,(as those terms are defined in the Platform Licence Agreement between eSports Hero Inc. and ESM) within 24 months of the date of issue; and

- (iii) 100,000,000 Class B Performance Shares, which convert to 100,000,000 fully paid ordinary shares in the Company upon the Company (or any of its related bodies corporate) achieving annualised EBIT of not less than \$5 million per annum, calculated over 3 consecutive months, within 60 months of the date of issue.

Further details of the Share Sale Agreement are included in section 6.3 of this Notice.

2.2 About eSports & eSports Mogul

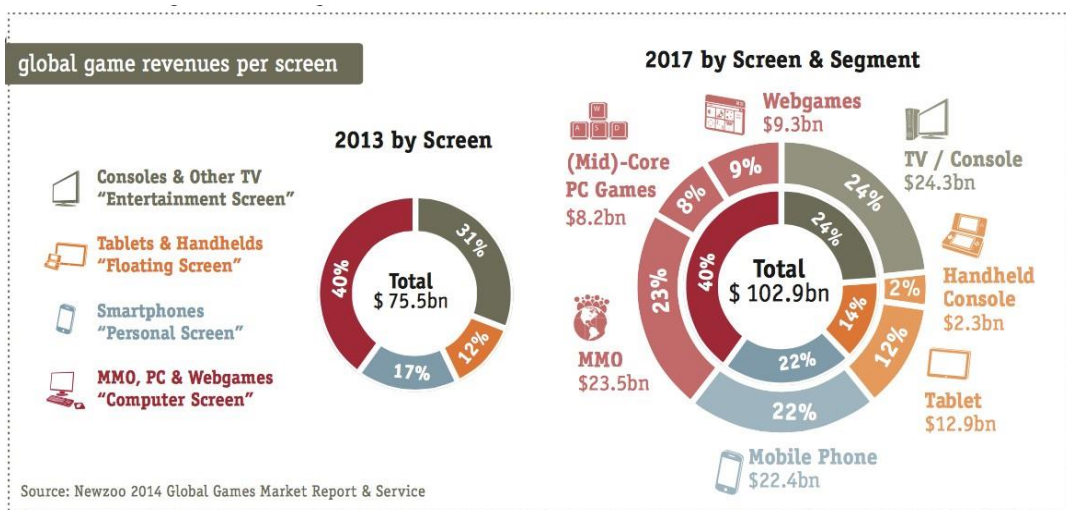
(a) Video Game Industry Growth

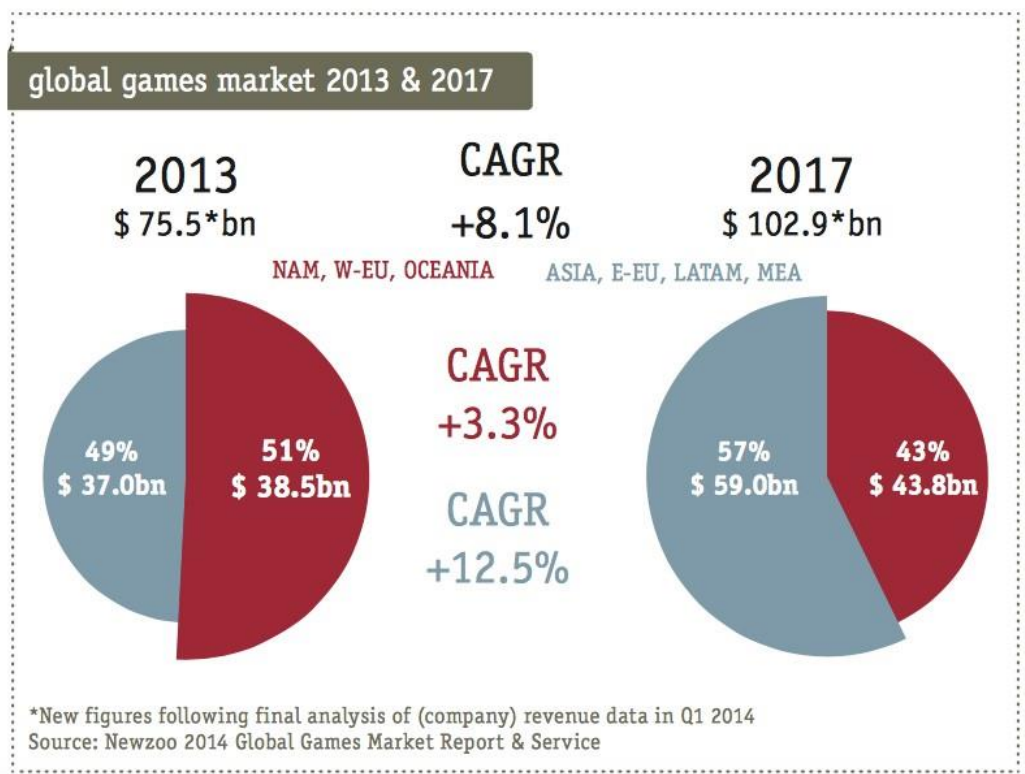
The video game industry continues to grow with component factors to growth including:

- the spread of accessible technology globally;
- the global network and management of games increasing in community engagement; and
- integration of games with other mainstream media such as film (e.g. the Angry Birds game recently being adapted to cinema).

Some industry experts are even now abandoning the term "Gamer" as being too constrictive, with the stereotype of a teenager in the basement long since dead. Today it is the choice of games and platforms that segments users, not whether they are a gamer or not.

To this end, serious gameplay has started to evolve and has included Smartphone and Tablet engagement as seen through the recent MOBA title Vainglory and MMO strategy title Clash of Clans.





(b) **Background to eSports**

eSports is defined as the competitive playing of video games in tournament format. With tournaments containing both professional players and amateur entrants, eSports is now a global phenomenon with a growing maturity and following to justify its categorisation as a Sport.

During the 1990s when the internet connectivity entered the mainstream, large eSports tournaments began to take place, including the 1990 Nintendo World Championships, which toured across the United States and held its finals at Universal Studios Hollywood in California. Blockbuster Video also ran its own World Game Championships in the early 1990s, co-hosted by GamePro magazine. Citizens from the United States, Canada, the United Kingdom, Australia, and Chile were eligible to compete. Games from the 1994 championships included NBA Jam and Virtual Racing.

The last ten years has seen compound growth for eSports viewership numbers and contestants, and has attracted a range of blue-chip sponsors such as Coke, Intel and Red Bull.

eSports is now readily comparable to recognised sports franchises, as is evidenced by the following:

Established audience base	Approximately 188m in 2015.
Established professional teams	Alisher Usmanov co-owner of mail.ru and Megafon invested US\$100m into team Vitrus.pro.
Broadcast support for viewers	Twitch.tv has 100m unique visitors a month and was purchased by Amazon in 2014 for ~US\$1B. ESPN, Fox, NBC and Hoyts all cover eSports.

Peripheral industries leveraging passion	Multiple wagering companies including Unikrn which raised US\$10m in 2015 for a dedicated eSports betting platform.
Maturing fandom	eSports stars have millions of Facebook followers, their own t-shirts and streaming channels.

eSports arguably has two strong advantages over traditional sports:

- (a) it is a truly global offering, with an incredibly low barrier to entry for new fans; and
- (b) fans can play the game, unlike traditional sports whereby most are arm-chair fans, any eSport fan can play the game that they are following. Professional tournaments serve to inspire grass roots involvement, creating a virtuous circle of user viewing to participation.

The landscape for eSports has led to a rapid global maturation of the industry, with strong forecasted growth in both viewership, and tournament participation.

eSports Viewership Growth



Source: NewZoo Asia Report 2014

Recent Mainstream and Digital Support for eSports

Major television networks such as ESPN, TBS and CBS in the United States and Fox Sports in Australia are all involved with eSports. Additionally, cinema companies such as Cineplex (TSE: CXG) have acquired online platforms in order to drive audiences into their venues.

Activity in 2015 highlights the quick movement of these traditional media players into the space.

April 2015	ESPN airs "Heroes of the Storm" competition
June 2015	ESPN Magazine publishes first ever eSports edition calling "the future of sports has arrived"
July 2015	Village Cinemas streams live eSports event in Australian cinemas
Sept 2015	Canadian based cinema operator Cineplex enters eSports through acquisition of WorldGaming
Sept 2015	TBS announced that it will make eSports a Friday night telecast featuring Counter Strike: Global Offensive
Oct 2015	Fox Sports Australia begins covering Counter Strike: Global Offensive Australian tournament
Nov 2015	Margret Court Arena in Melbourne hosts League of Legends tournament
Dec 2015	Disney XD channel features Mario Kart 8 and YouTube competitive gamers

With digital advertisement growth expected to surpass TV for the first time this year in the US and globally by 2017, online media platforms such as YouTube and Twitch.TV are positioned to capitalise on this growth by adding eSports streaming given that eSports viewers are just as engaged as conventional sports fans.¹

Indicative highlights include:

Amazon	In 2014, Amazon acquires Twitch.tv – an eSport streaming service – which boasts between 50m and 100m monthly viewers globally.
Google	In 2015, Google announces YouTube Gaming to compete with Twitch - differentiating the channel as a sign of eSports strategic importance.
Kadokawa Dwango (9468, NR)	The largest Japanese streaming company NicoNico already has 40-50% video game content.
Hoyts Australia and Village Roadshow	Streaming live content for RIOT Games and Blizzard tournaments in their cinemas.

¹ Macquarie Research Report March 2016 – eSports The Tip of the Iceberg

eSports in the Asia Pacific region

The Asia Pacific region is widely regarded as the birthplace of eSports. South Korea is recognised as the regional leader with eSports having developed into a nationally recognised sport by the late 1990's / early 2000's.

By the end of 1998, the top eSports players had already formed the Korea Pro Gamer's League (KPGI). Within three years, South Korea had launched the Korean E-Sports Association; more than 50 corporate-sponsored teams competed in the league; and OnGameNet (OGN), the world's first dedicated e-sports TV channel, began broadcasting all the action. The first World Cyber Games, the Olympics of eSports, took place in 2001 and welcomed foreign gamers to experience eSports culture.

By 2007, the broadcast rights to eSports competitions had become so valuable that TV stations now had to negotiate with the eSports leagues – just like US networks do with the NFL and NBA. eSports has continued to grow throughout the region with a snapshot of the current APAC market opportunity presented below:

Snapshot of the Current APAC Market Opportunity

Gamer Population	Number 1 region with 800m+ gamers.
Games Revenue	Number 1 region with US\$37 billion or 45% of the global US\$82 billion games market.
eSports Penetration	Number 1 region globally for eSports penetration with: <ul style="list-style-type: none">- 54% of global interest;- 91.5 million enthusiasts in the region in 2014;- forecasted CAGR of 13.7% to 2017; and- forecasted eSports audience by 2017 is 141 million.
"Core Gamer" Penetration	Number 1 region globally for "Core Gamer" Penetration where "core gamer" is defined as playing one or more games per week.

Source: NewZoo

eSports in Australia

eSports in Australia has, in recent years, started to garner more mainstream coverage.

Indicative highlights are presented below:

July 2015	Village Cinemas streams a live eSports event throughout its Australian Cinema chain.
October 2015	Fox Sports Australia starts covering Counter Strike: Global Offensive Australian tournament.
November 2015	Margret Court Arena in Melbourne hosts a four day major international League of Legends tournament with competing teams from Oceania, Turkey, Russia, Japan, Brazil, South East Asia and Latin America.

May 2016	The largest sport series for university athletes in Australia, Unigames, officially sanctions League of Legends as a sport for their annual events going forward. This means that university students will be able to represent their tertiary institutions at the Australian Unigames each year, provided they make it through a series of qualifiers.
August 2016	Hoyts anticipates streaming additional live League of Legends content in 2016.

eSports Mogul Background

eSports Mogul Pty Ltd (**ESM**) is a private start-up company that was incorporated on 10 December 2015 for the purposes of designing and developing the eSports Mogul Media Hub (**ESM Media Hub**). ESM has been funded since incorporation via a number of convertible notes totalling \$2 million.

ESM is engaged in the business of designing and developing the subscription based ESM Media Hub, an online media platform through which eSports players, fans and enthusiasts will, amongst other things, be able to view exclusive eSports content, learn how to play their favourite eSports titles through the Academy, play and master their skills in online eSports tournaments and digitally purchase various video game titles.

On 16 December 2015, ESM entered into a Heads of Agreement (**HOA**) (and subsequent variation letter dated 8 January 2016) with eSports Hero, Inc (**ESH**) pursuant to which ESM acquired an approximately 20% shareholding interest in ESH for US\$1 million. On 7 July 2016 entered into a Platform License Agreement (**PLA**) with ESH which grants ESM an exclusive license to market the ESH Tournament Platform as part of its ESM Media Hub, for a period of 10 years, in the APAC region, subject to conditions.

The ESH Tournament Platform is operated by ESH, not ESM. Accordingly, ESH is responsible for hosting, maintenance, back office support and technical upgrades associated with the ESH Tournament Platform.

ESH has also hosted in excess of 20 Live eSports Events in New York City. These events have been co-hosted by Microsoft in their New York City store and included sponsorship by Alienware, Reb Bull and Logitech.

ESM will seek to advertise, market and promote the ESM Media Hub and its features in the APAC region.

The initial focus of ESM will be:

- furthering its content production and creation, extending industry relationships and starting to monetise its existing content library;
- completing the design, development and then marketing of the Academy;
- advertising, marketing and promotion of the ESM Digital Products; and
- advertising, marketing and promotion of the ESM Media Hub in Australia and Singapore.

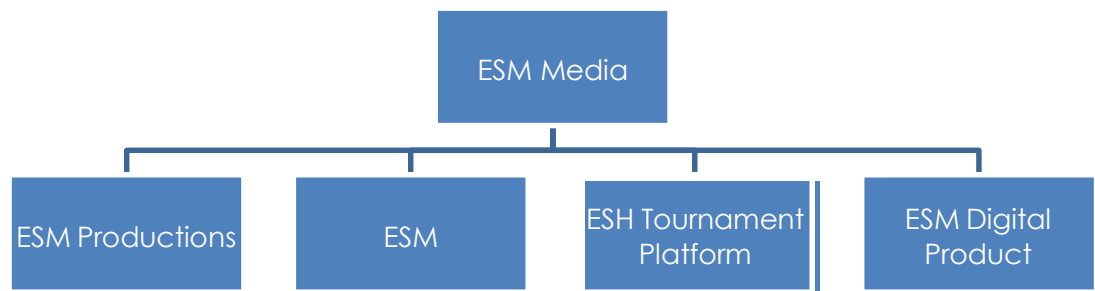
Singapore and Australia have initially been chosen by ESM to launch the ESM Media Hub as ESM believes these countries will drive superior revenues in contrast to other countries within the region. Common language and cultural aspects also reduce the ESM Media Hub localisation requirements. Jurisdictions outside of Australia and Singapore may require aspects of the ESM Media Hub to be localised to take into account cultural differentials.

Further, any decision to expand operations to other jurisdictions in the APAC region will be subject to a number of commercial and legal factors, including a consideration of any legal risks which may arise in conducting operations in the relevant jurisdictions.

How will the proposed eSports Mogul Media Hub operate?

With an estimated global video gaming population of 1.7bn,² the opportunity to build the ultimate eSports portal is significant. The growth of eSports is causing mainstream players to take note and show a desire to be involved and benefit from the huge traffic potential. However, the ability to penetrate the market is limited by the relative youth of the industry.

The Directors of ESM believe that currently there are only limited options open to new entrants or existing players with respect to growing, retaining and monetising eSports traffic. The development of the ESM Media Hub will attempt to solve this issue by integrating the business units depicted below.



A. ESM Productions

ESM Productions will deliver differentiated content to drive traffic and repeat views. It is envisaged that this will be achieved through the use of eSports film and interviews utilising both established production techniques whilst also leveraging developments in virtual and augmented reality.

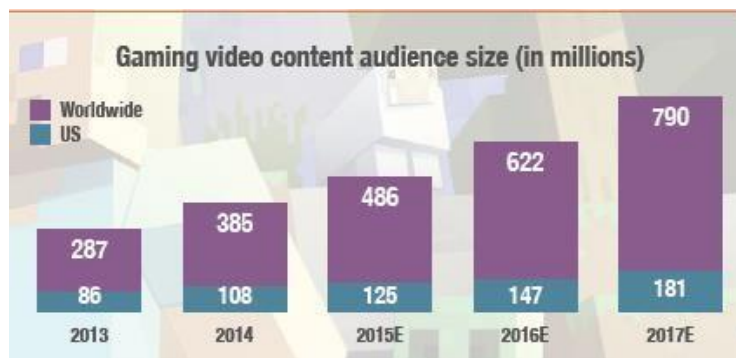
eSports Online Content Landscape

Online content and streaming underpins the eSports and video game markets. Key landscape statistics are presented below:

Gaming video content is worth USD\$3.8bn worldwide - 486m viewers tune in globally.
Advertising revenue and corporate sponsorship accounts for 77%.
American live stream viewers donate an average of US\$4.64 a month to content creators.
44% of live stream viewers pay for subscriptions, spending US\$21 each month on paid content.
Gaming video content drives monthly purchases of games and apparel.
US Cable ratings reduced by 9% in 2014. 16% of gaming content viewers have broadband internet access only.

Source: SuperData Gaming Video Content - The Market Brief 2015

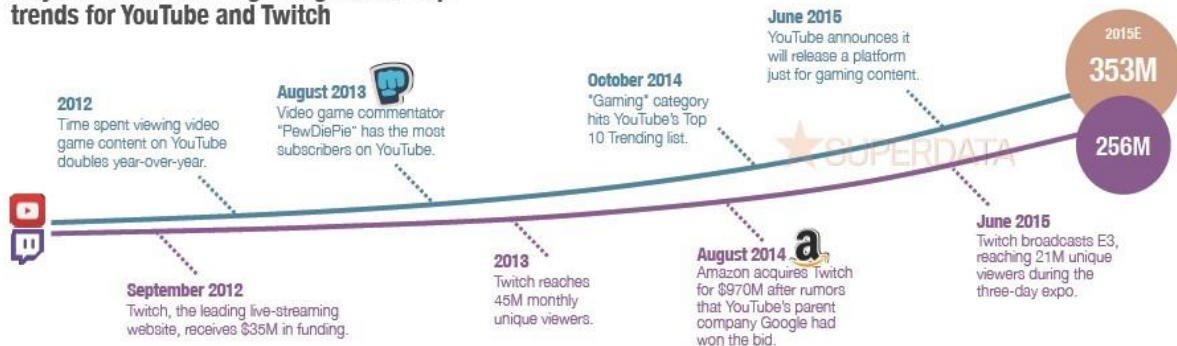
² NewZoo



Digital revenue for top viewed games on YouTube, 2014

Rank	Game/Franchise	Publisher	Genre	Billions of views*	Platform(s)	2014 digital revenue (\$ mil)
1	Minecraft	Microsoft	Simulation	30.8	PC, Console, Mobile	\$305
2	Grand Theft Auto	Take-Two	Action-Adventure	11.9	PC, Console	\$259
3	Call of Duty	Activision	First-Person Shooter	10.1	PC, Console	\$789
4	Angry Birds	Rovio	Arcade	5.9	Mobile	\$150
5	Halo	Microsoft	First-Person Shooter	4.8	PC, Console	\$26
6	Super Mario	Nintendo	Action-Adventure/Racing	4.0	Console	\$39
7	League of Legends	Riot	MOBA	3.7	PC	\$1,310
8	World of Warcraft	Activision	MMORPG	3.6	PC	\$1,180
9	Battlefield	Electronic Arts	First-Person Shooter	3.4	PC, Console	\$304
10	FIFA	Electronic Arts	Sports	2.8	PC, Console, Mobile	\$388
TOTAL 2014 DIGITAL REVENUE:						\$4.7B

Major milestones and gaming viewership trends for YouTube and Twitch



Despite this trend, ESM believes that there are still a number of opportunities in the content side of the market for the following reasons:

- content is heavily dominated by live game streams and walkthroughs - there is a scarce amount of behind the scenes content that eSports fans would find appealing;
- non-game stream and walkthrough content is either publisher driven or event organiser driven - leaving them in charge of the content;
- broadcasters and brands who want to venture into the eSports space are finding it difficult to approach as there is a gamut of titles (more than sports), stars in each title, events in different places, etc. Perhaps most importantly, there is limited ability to engage with professional teams or get access to behind the scenes;
- professional teams are being swept away by the broadcasters, and rely on them to create and distribute content, resulting in the teams not being able to control their brand portrayal in the market nor monetise their own content; and

- the recent media control from the likes of NBA, NFL and AFL have shown the opportunities present in controlling the media - namely controlling the brand, traffic and monetisation.

ESM believes that this leaves a significant market opportunity, as depicted below:



ESM Productions - Go to Market Strategy

Creating quality content around “real” stories focussed on backstory will provide audience appeal. The ESM point of difference as a business will be twofold:

1. ESM's ability to obtain partner access where required:
 - Tournament Organisers e.g. Electronic Sports League (ESL).
 - International Teams e.g. Team Secret.
 - Local Teams e.g. Team houses and training schedules.
 - Ancillary technology brands which enhance gameplay e.g. Nvidia.
 - Influencers e.g. Shoutcasters with large social media followings.
2. ESM's ability to push the production envelope with new technologies
 - First to shoot eSports event in Virtual Reality (VR).
 - Exclusive relationship with interactive platforms (choose your own adventure style).

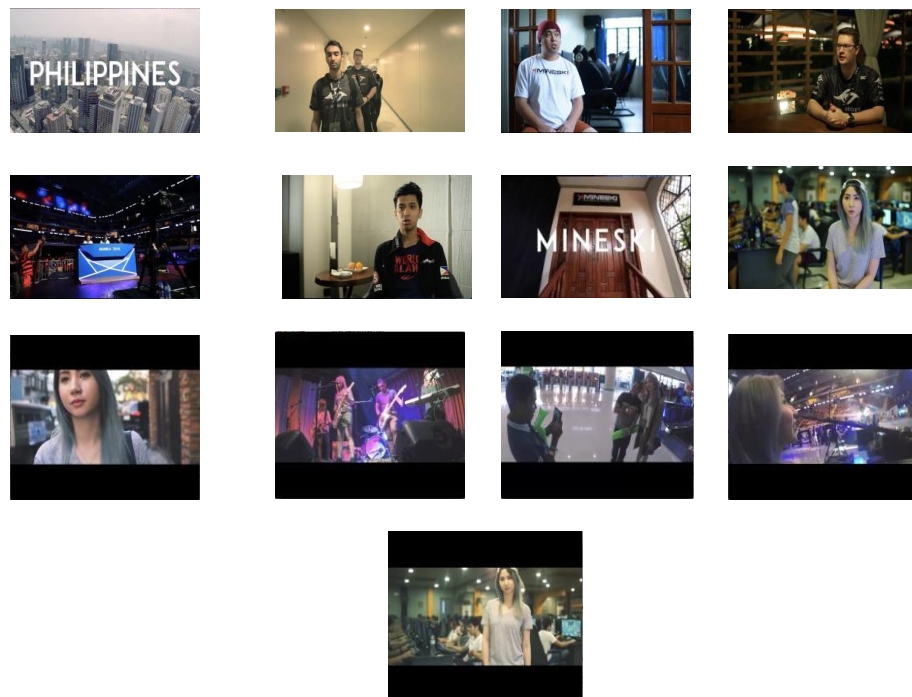
Using the above points of difference, ESM will have the ability to co-create content with partners, providing the opportunity to potentially revenue share this content through partners' existing tier 1 distribution channels. To date ESM has collaborated and worked with the following brands to establish itself in the market:



Case Study: Manila One Event Presented by ESL

The Manila One eSports event in May 2016 represented the first international DoTA 2 (game title) event in South East Asia. ESM Productions were sponsored by GoPro and Kolour to film both the event and the "fabric" of eSports in Manila.

The end product was a suite of short films, an 18 minute documentary and a series of 360 videos (screen shots depicted below). The content has been well received by sponsors and potential partners with ESM now in discussions to extend sponsorship arrangements whilst developing new content distribution channels.



B. ESM Academy

eSports Streaming Landscape

Consumption of gaming content is largely a streamed phenomenon – with gamers and enthusiasts live streaming and watching their video game play on pure Internet based platforms. These include, amongst others, Twitch.tv and YouTube Gaming. The bulk of these streamed content providers offer

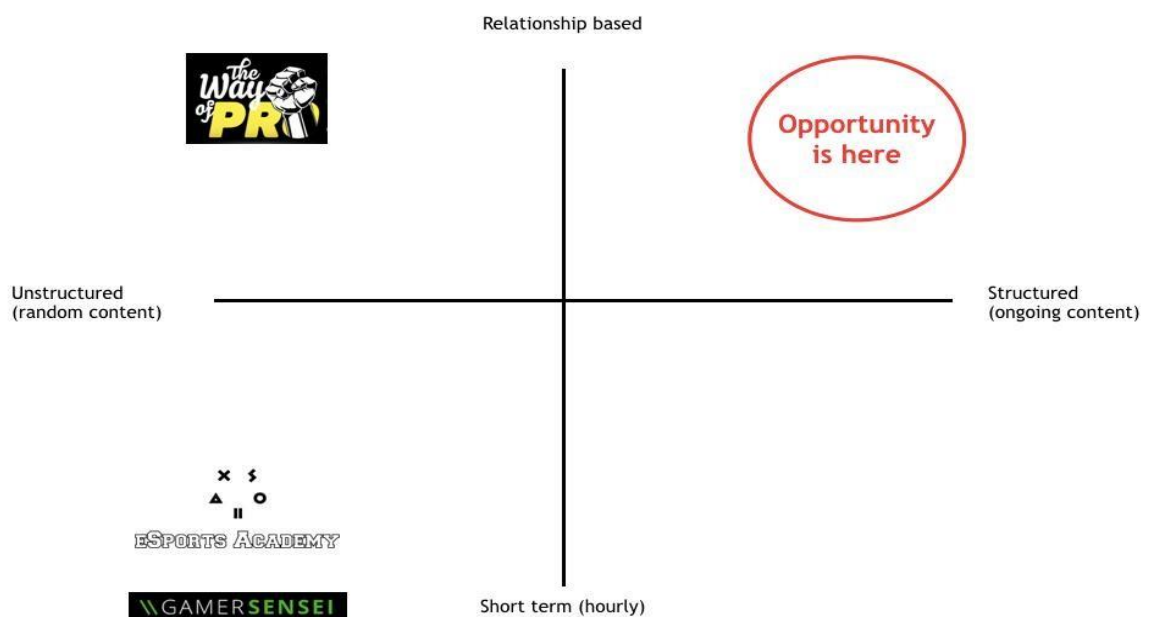
users insight into how to play a better game. However, there are very few structured improvement services that access professional insights or create an ongoing relationship based approach to learning.

Of the few structured services available the offering is based on a short term hourly rate model. This short term engagement is in direct contrast to the success that streaming has built with a monthly subscription for valuable content.

American live stream viewers donate an average of US\$4.64 a month to view content
Approximately 44% of live stream viewers pay for subscriptions, spending US\$21 each month on paid content
65% of 'hardcore gamers' watch live streams
27m people watch the League of <i>Legends</i> 2014 World Championship
Amazon buys Twitch.tv for US\$1bn, Twitch delivers 100m unique viewers per month
53% of US viewers watch walkthroughs (designed to help gamers play better or complete a specific level)

Table Source: SuperData Gaming Video Content - The Market Brief 2015

ESM's view of the marketplace taking the few established players:

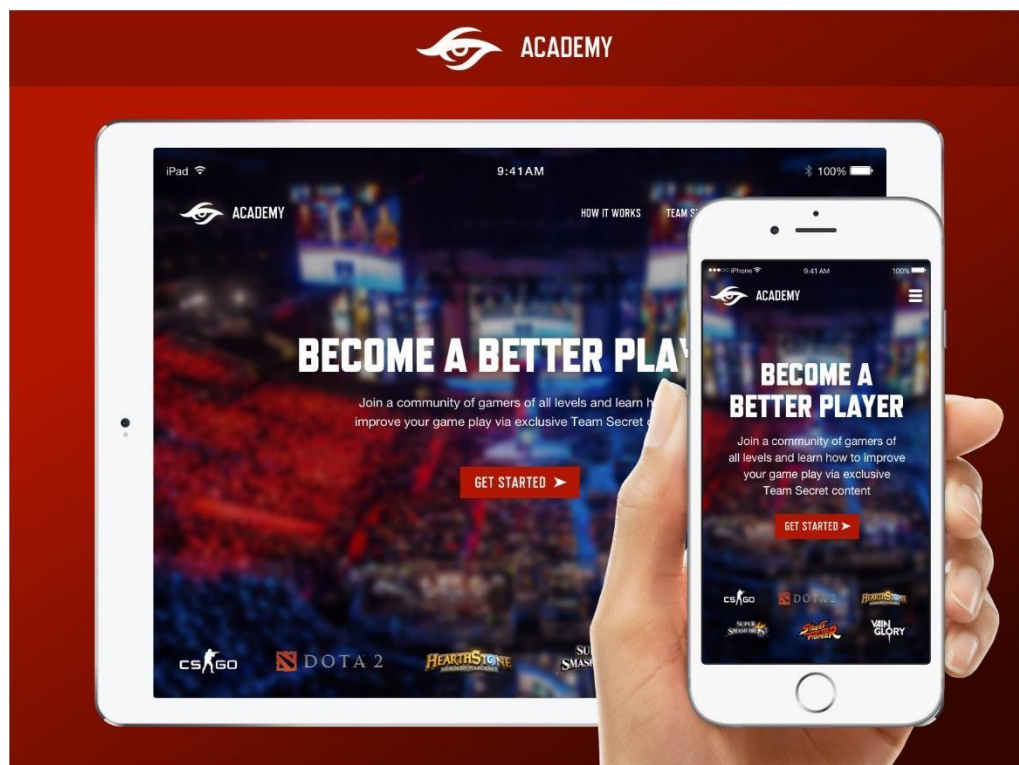
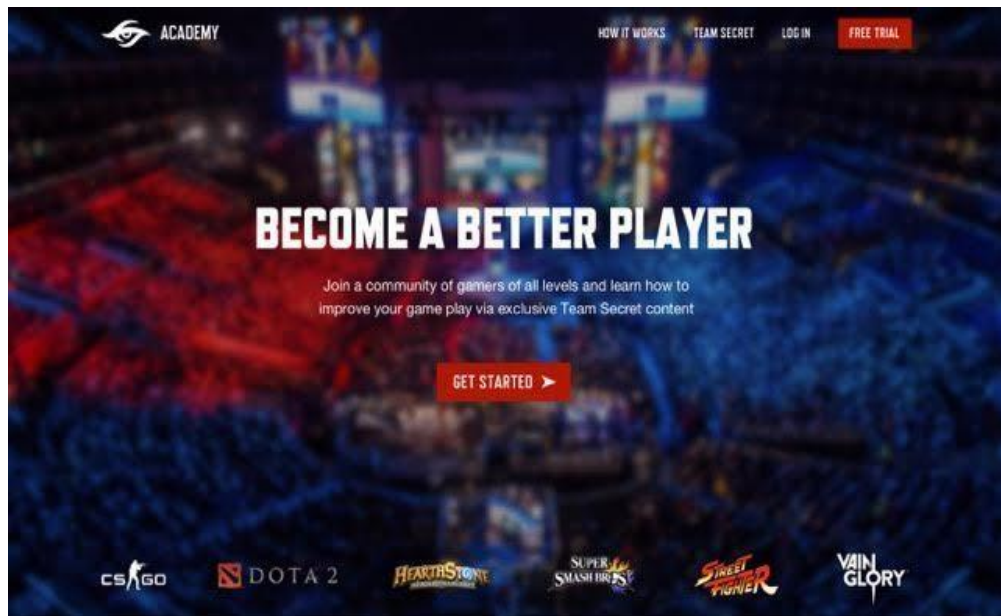


Development of the ESM Academy

Supporting this aspect of the ESM Media Hub will be the ESM Academy, which is proposed to be offered over iOS, Android, Mac, PC and Tablet systems.

The ESM Academy is currently in development. ESM has completed the initial design concepts for the ESM Academy, some of which are illustrated below.

These creative skins are indicative of the proposed interactive interface and remain subject to change.



The key steps for the development of the ESM Academy are expected to be as follows:

Step 1: Design phase

The phase will involve development of the scope and design of the ESM Academy and determination of the technologies across which the ESM Academy will operate.

The initial design concepts have been completed by ESM and the ESM Academy will be developed so that it is compliant with, and available on, iOS and Android mobile, Mac and PC.

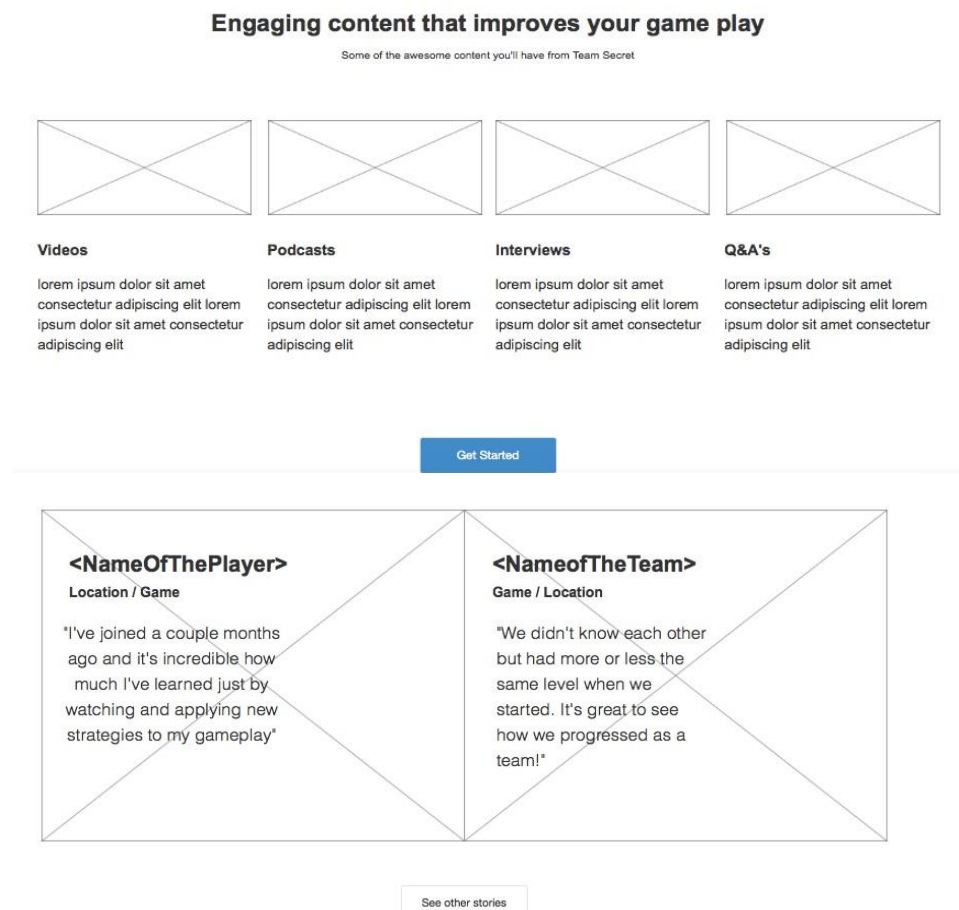
Step 2: Development of wireframes

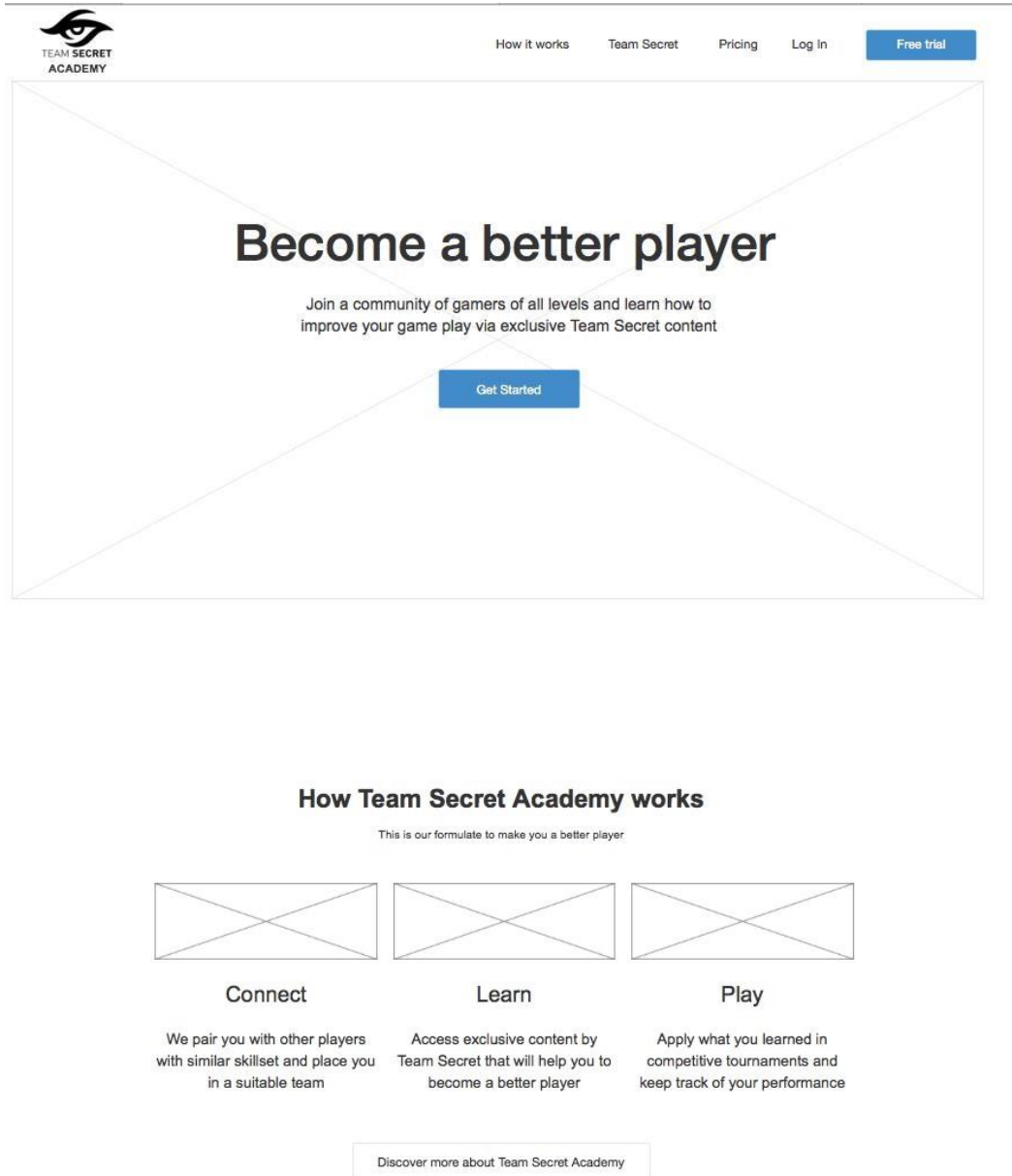
It is proposed that third party teams who are specialists in developing native mobile apps will be engaged to develop the wireframes for the ESM Academy.

"Wireframes" are two-dimensional illustrations of a webpage's interface that specifically focus on space allocation and prioritisation of content, functionalities available, and intended behaviours.

In architectural terms, the wireframes are the blueprints to the webpage which outline what information the website will contain, but without the functionality that will be present in the live webpage.

Possible delays to the anticipated timing include, amongst other things, inferior code based selection and/or poor determination of the scope and design of the ESM Academy. Initial wireframes - ready for testing and iteration - are depicted below:





Step 3: Code development

Once the wireframes have been iterated and fully developed, code development and integration of required third party services for the operation and functionality of the ESM Academy will be facilitated.

Code development will include the use of existing open source platforms combined with our own bespoke functional requirements. ESM believes that this will provide ESM with the best combination of robust and scalable infrastructure at a cost effective development and maintenance price point.

Third party services may include, for example, third party payment providers to facilitate the payment of subscription fees.

Possible delays to the anticipated timing include, amongst other things, reliance on key personnel, scope creep and/or poor budget or task management.

Step 4: Alpha testing

The next step will involve ESM stress testing the ESM Academy and identifying any missing functionalities or errors.

The alpha testing phase will be done in-house and will be the first formal testing phase for the ESM Academy.

Risks which may result in delays to the anticipated timing include, amongst other things, improper stress case definitions and/or code breakage due to poor infrastructure.

Step 5: Beta release

ESM will then complete the last stage of testing, which will involve sending the product to beta test sites outside ESM for real-world exposure.

The beta release is intended to identify issues with the ESM Academy which need to be rectified prior to a global launch and associated marketing campaign. Such issues may be:

- of a technical nature, such as missing functionalities or errors; or
- of a more fundamental or general nature such as the ESM Academy being confusing or suggestions of improvements.

Possible delays to the anticipated timing include latencies unforeseen in ISP/Mobile ISP carriers, third party system integrators and customer support systems.

The development of the ESM Academy is expected to be completed by the first quarter of 2017.

It should be noted that, as with any new product, the steps and anticipated timing set out above, may change depending on a number of factors, including the outcome of operational and development activities and the materialisation of risks (refer to 2.10 for additional detail regarding the likely risks). In light of this, the ESM reserves the right to alter the development process and timetable described above.

Features of the ESM Academy

ESM considers that professional gamers are not fully leveraging their brand power in order to harness the education potential. ESM believes that this is largely due to the relative youth of teams and their focus being on gameplay, not business or brand enhancing strategies. ESM believes that the ESM Academy can leverage off this, by offering a turnkey solution for professional teams.

Following completion of the Proposed Transaction, ESM intends to build the ESM Academy to overcome the current shortcomings in the industry. Unique aspects of the ESM Academy build will include:

- white label offering for Teams to harness their user following;
- management of content creation (by ESM Productions) to drive team and player brand attributes;
- ongoing insights into real tournaments from professionals with the ability to highlight what worked for teams and what didn't, and what fans can learn;
- exclusive content from teams;
- ongoing surveys of what the community wants to learn;

- matchmaking services (creating teams through a knowledge of player attributes);
- social media catalogue of direct video questions and responses from professional players; and
- all tied into constructed private free to play game tournaments (via the ESH Tournament Platform) - putting learnings into practice.

Content Management

The Academy provides a perfect environment for teams and players to share with their core fan base. As such, it is an excellent brand building vehicle that can be revenue generating.

ESM Productions will engage teams, define brand personas for each player and the overall team and then tie this into the content being created. This will be a far more controlled and sophisticated approach as opposed to what the teams are currently engaging with.

Community Management

The health of the community is paramount to repeat visitation and revenue. Conversely, churn is a negative brand endorsement and needs to be managed well. As such, ESM will be employing multiple tools to engage and maintain interest.

Qualification / Grading Process

On registration users will go through a process so that they can be allocated into specific groups of skill with data tags on interest areas and needs. This in turn will enable us to segment communications using different team members with different specialist approaches.

Team Creation

The unique data we generate from the on boarding process will enable us to pair players and create amateur teams. This will be established based on skill level (positive and negative), role interest, and data analytics on psychology.

Monthly reviews of the eSports world

There will be a review on what has happened globally and what players can learn from these outcomes. The equivalent of Rafael Nadal, Rodger Federer or Andy Murray taking you through a final at Wimbledon and showing you what to look for and how to learn from both players who played off in the final.

Controlled Tournaments

Using the ESH Tournament Platform, we will be able to mimic environments to replicate games of importance and have the community compete with the learnings we have shared. These tournaments will feed into leader boards and effectively rank players within our ecosystem.

User appointing

Teams and players who demonstrate superior skill will be recruited as official ambassadors and have tutorial status, creating a self-managed ecosystem.

ESM Academy - Go to Market Strategy

The development of the ESM Academy is expected to be completed by the first quarter of 2017. In the interim, ESM is initiating discussions with professional eSports organisations. Typically eSports organisations have multiple teams across multiple games. ESM will endeavour to partner with an eSports organisation that has multiple teams across multiple video game titles.

It is envisaged that partnerships with eSports organisations will enable ESM to retain the IP of our technology but share revenues based on relevant cost exposures.

Following establishment of the ESM Academy as a viable in-market engagement tool, ESM will compare its approach with the rest of the marketplace, which may include considering white label opportunities.

C. The Online Tournament Platform

At the heart of gaming is the ability for players to compete against each other. This is currently done in a variety of ways:

- through the publisher and first party servers e.g. Blizzard, PlayStation Network and Microsoft's X-Box Live;
- through organised tournaments; and
- though LAN (local area network) tournaments.

Over recent years, new tournament organisation platforms have emerged to great user interest. These platforms create an opportunity for greater engagement of users through:

- structure of tournament play;
- kudos recognition through leader board status; and
- a graded entry to like-skilled users.

From a media point of view, this creates sponsorship and advertising opportunities to engage with the highly engaged audiences.

The majority of the marketplace has positioned themselves around offering users large scale scheduled tournaments. Whilst this provides users with a strong ladder opportunity it denies them the ability to instantly compete.



ESM believes there exists an opportunity to engage users through providing an instant access tournament platform. This core point of difference can provide multiple benefits:

- users are able to play long tournaments (lasting hours or days) with a sweeper product offer for those players who are knocked out early on;
- users ability to play as a time “fill-in” (the heart of most of the app market success);
- users can implement learnings (e.g. through the ESM Academy) on the ESH Tournament Platform; and
- partnership models that offer flexibility e.g. full content creation for broadcasters.

ESH Tournament Platform Overview

Customers in Australia and Singapore will only be able to participate in **free to enter** tournaments where **no** prizes will be offered. Customers will have the opportunity to enter an unlimited number of free to play tournaments with no prize pools as part of the ESM Media Hub. ESM intends to leverage the unique combination of product features and other aspects of the ESM Media Hub to build up interest in competitive ladders and leagues and put into practice the tools being taught in the Academy.

Users attributable to Australia and Singapore will be attributable to ESM through geo location and ISP recognition services.

Wagering amongst competing users, similar to a typical totalisator product offered by bookmakers, is **not** available.

The initial tournament product offering will enable enthusiasts to pit themselves against others in a variety of game types:

- 1 v 1 tournaments (one player against one player even for games that are natively five players against five players);
- 5 v 5 tournaments (five players versus five players);
- 4 and 8 seat bracketed tournaments;
- tailored bracketed tournaments; and
- larger tournaments e.g. 164 seat tournament.

Each of these tournaments will be available across multiple game types e.g. first person shooter titles (such as Call of Duty) and MOBA (such as DoTA 2).

Tournaments across various video game titles are made available on the ESH Tournament Platform. However, the tournaments are hosted and played on the servers of the relevant game publishers – **not** on the ESH servers. This would include the PlayStation Network, X-Box Live & BattleNet.

Users will create either an individual account or a team-linked account, with the option of creating both. These accounts will also identify the user's unique gamer tags on the publisher game servers. This information will enable the platform to serve the appropriate game titles and tournaments of interest. Once this has been completed the user will be able to choose the style of gameplay it is interested in, for example, 1 v 1, 5 v 5 in a one off game, a best of 3 or through a tournament, each of these leading to a leader board ranking (with the ultimate ability to segment this by country e.g. best soccer video game player in Australia).

Depending on the game selected, the ESH Tournament Platform will offer best in class eSports structured for competing. This will mimic the structures used by professionals in international tournaments. For example, if the users are

entering a soccer video game tournament, the system will ensure the time restrictions for the game, the team choices within the game as well as any other rules needed create an even and fair competition.

The ESH Tournament Platform will then enable those opponents to find each other on the relevant game server. Wherever possible this game will be self-launched from the ESH Tournament Platform itself. Once on the server, the game structure that has been chosen in the ESH Tournament Platform will be loaded for the players. On completing the game, and where possible through the relevant publisher's interface, the game results will be verified through the ESH Tournament Platform. For those titles where automatic verification is not possible (mostly console based games), users will utilise widely accepted self-reporting mechanisms.

Once the result of the tournament is made available to the ESH Tournament Platform, the user's status will automatically change, which will promote the user within a tournament or on a leader board.

Variations to the above include:

- users being able to directly challenge other users within the ESH Tournament Platform; and
- users being able to create private leagues of their own.

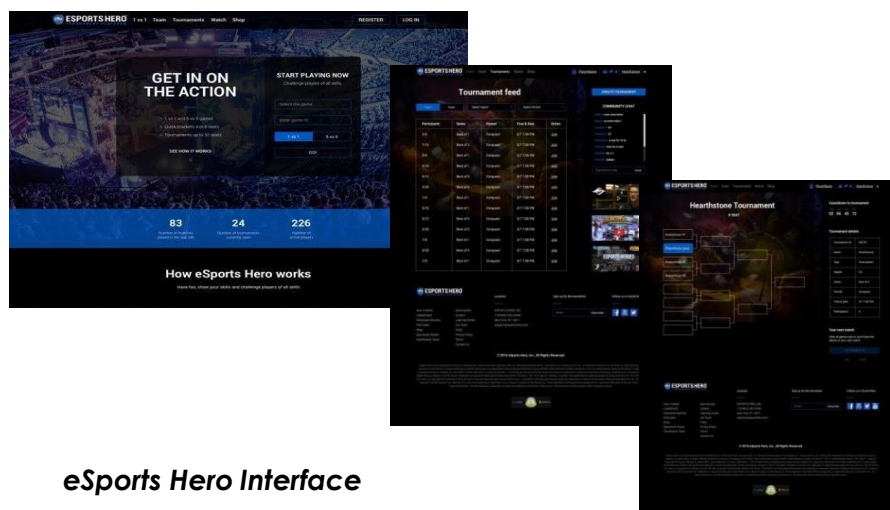
This depth of user tools will help to ensure there is a mixture of true eSports tournament style gameplay as well as the ability for groups to tailor bespoke competitions.

Status of the ESH Tournament Platform

The ESH Tournament Platform is currently in beta phase and is therefore subject to real-world exposure. The beta release phase is being utilised to ensure functionality, scalability and to potentially identify matters within the ESH Tournament Platform which may need to be rectified prior to the official global launch.

Matters currently being tested by ESH include, but are not limited to, the following relevant functionality:

- geolocation software to deduce the geolocation of customers;
- implementation of subscription based and free to play tournament functionality;
- bracket structures offering automatically generated 4 and 8 seat tournaments to 1 or 5 different players;
- large scale tournament structures - enabling hosting of up to 328 seat tournaments;
- integration and testing with relevant global payment providers;
- integration and testing with relevant Know Your Customer (KYC) and Anti Money Laundering (AML) providers;
- on boarding processes to manage individual versus team configurations and in-play management efficiencies;
- integration with publisher servers enabling automatic launching into the title as well as automatic reporting of wins and losses of games; and
- data scraping ability enabling analytics on players' levels and grading.



eSports Hero Interface

The ESH Tournament Platform is currently scheduled for official global launch by the end of November 2016, subject to satisfactory outcome of the beta testing activities. Investors should note that, as with any business plan, the steps and anticipated timing set out above may change depending on a number of factors outside the control of ESM.

D. ESM Digital Product Landscape

Traditionally, games have been purchased off the shelf as discs or cartridges. However, this distribution process is quickly following the path that music CD's have taken and is moving to an online digital download model. Worldwide sales are up 5% year on year in April 2016, totalling US\$6.2B.³

Opportunity

ESM has entered into a global partnership with TwoBobJar that enables it to offer digital games at competitive market rates. Taking Australia as the strongest market advantage, ESM will be able to market products at a significant saving to customers.

This contract enables ESM to sell authentic publisher approved digital keys across the majority of popular Western game titles. ESM believes that Asian titles will follow. With more than 3,800 titles on offer the range will include titles to suit all ages. Examples of the range and indicative Australian savings are summarised below:

Title	ESM	Steam	Customer Saving	ESM Gross Margin
GTA V	\$79.95	\$101.99	-\$22.04	\$9.54
NBA 2K16	\$69.00	\$95.13	-\$26.13	\$9.35
Fallout 4	\$79.95	\$108.73	-\$28.78	\$6.71
Rainbow 6	\$79.95	\$82.89	-\$2.94	\$7.62
Disney 12 month Club Penguin	\$69.95	\$90.45	-\$20.50	\$13.58

³ Superdata Research Brief - eSports Market Brief, May 2015

ESM Digital Product - Go to Market Strategy

The digital product business requires only advertising, marketing and promotional support. There is no requirement for inventory investments. ESM will employ a mixed strategy for market entrance - paying media dollars in markets with the strongest potential.

Success in any markets will empower greater negotiations with the publishers, enabling a review of second stage media spend by market.

Australia creates the strongest initial opportunity. Through fast movement we will be able to establish a brand that is known for the cheapest prices on the market.

Our market approach will be specifically video game title focused. Picking titles with strong consumer interest and good savings.

For other markets, we will be leveraging our ESM Production content to cost effectively accrue media space and views of our brand – further demonstrating cross business unit efficiency.

As an example, the content produced for Manila One is due to be aired on Astro Malaysia's dedicated eSports channel. This will include high run rates for our 18 minute documentary as well as filler space for our 1 minute and 20 second short film.

ESM Media Hub - Social Media Marketing Strategy

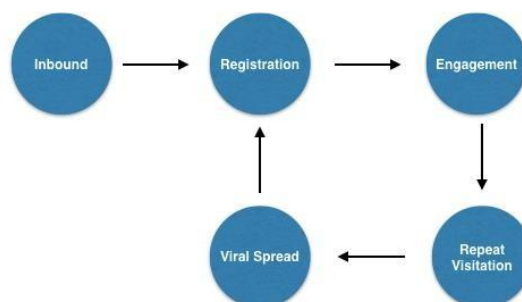
ESM will generate quality traffic to the ESM Media Hub and engage users on an ongoing basis.

ESM is confident of its ability to find eSports players, fans and enthusiasts in the APAC region. A Google Display Network review of the region provides the following:

In-market	Consumer Electronics > Game Consoles	1-5 billion impressions per month
Interests/affinity audiences	Gamers > Hardcore Gamers	10+ billion impressions per month
	Gamers > Roleplaying Game Fan	10+ billion impressions per month
Topics	Games > Computer & Video Games	5-10 billion impressions per month
	Games > Online Games > Massive Multiplayer	1-5 billion impressions per month

Source: Google & Internet Warriors January 2016

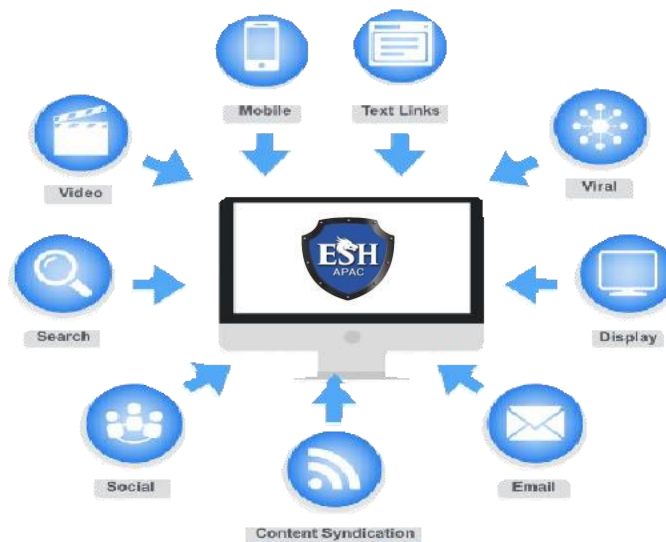
ESM's primary need is to have an optimal flow that feeds the growth of the Media Hub, creating its virtuous circle:



In order to achieve this, ESM has employed a suite of best in class tools that will enable it to understand traffic flow and user behaviour.

Source	Use
Inbound Tool	<ul style="list-style-type: none"> - Track effectiveness of each media channel used to drive traffic - Optimise inbound cost by media channel - Iterate to optimise inbound value of customer through inputs below - Understand combinations of media together - Form part of conversion funnel review
On platform Tool	<ul style="list-style-type: none"> - Additional conversion funnel review - Track user behaviour throughout site - Attribute social value to individual users - Attribute social value impact of individual users on others - Create segmentation of users based on LTV and Activity value - Compile learnings with inbound learnings to further optimise channels
Outbound Tool	<ul style="list-style-type: none"> - Outbound communications to prospects and registered users via SMS, Push and email - Triggered activity to segmented groups by activity type - Create programs of optimisation based on offers and engagement activities - Churn reduction - Feed findings back into above tools
Social Tool	<ul style="list-style-type: none"> - Track mentions of brand in marketplace - Track sentiment towards brand by region - Review of competitors on activity and impact - Review of ESM activity impact

ESM will be leveraging a range of proven gamer related media using the above tools to drive its virtuous circle.



ESM Media Hub – Sources of Revenue

The ESM Media Hub is scheduled to launch around 1 November 2016. The principal revenue sources flowing from the ESM Media Hub are expected to be as follows:

Subscription Fees

In Australia and Singapore, fixed monthly subscription fees will be payable by customers who wish to access the ESM Media Hub and the various products and services provided through the ESM Media Hub. ESM expects the subscription fee to be between USD\$2.50 and USD\$5 per month. Revenue generated from subscription fees is intended to be recurring and it is anticipated that revenue will be generated no earlier than 3 months following the global launch of the ESM Media Hub.

Content Monetisation

ESM believes that partnerships with professional eSports teams and other industry participants, through managing content and brand, will afford the company significant financial opportunity – akin to being in control of the content creation and its distribution for a professional sporting organisation, such as Manchester United.

ESM believes revenue can be derived from multiple sources in the short to medium term. Specifically:

- partnering with brands who have a subscription based content offering. This would potentially include GoPro's Premium Content Licensing Portal;
- creating content that will generate advertising revenue from major channels such as Youtube or Twitch;
- creating a typical agency relationship that charges for the creation of content; and
- leveraging the content behind ESM's own intellectual property - such as the ESM Academy.

ESM also anticipates that content creation will enable the company to forge strong partnerships between relevant brands, teams and organisations - thereby enabling ESM to further leverage its Media Hub.

Advertising Revenue

If significant traffic flows through the ESM Media Hub, there will be an opportunity to offer brands and advertising agencies a content site from which digital advertising may be hosted. Advertising revenue is dependent on building viable traffic figures through the acquisition and retention of customers. The anticipated timing to generate advertising revenue is expected no earlier than 3 months following the launch of the ESM Media Hub.

Merchandise Sales

The ESM Media Hub will be integrated with ESM Digital Products and its own online store. Depending on the level of customer engagement, merchandising opportunities may become available.

Customers will also be able to purchase actual digital and physical merchandise (such as, hats, t-shirts, video games and hardware) for a fee. Fulfilment of the merchandise sale system (e.g.s payment and postage) would be accomplished through a third party provider. Currently, eSports fans spend

on average US\$200 per month on games and hardware⁴, it is envisaged that merchandise sales could be a significant and growing opportunity for ESM.

Data resale

Compliant back office technologies will be utilised to aggregate customer behaviour into segments, from which predictive models will be built and then monetised via third party brands seeking greater insight into their prospective customer base. This revenue opportunity is not anticipated to materialise earlier than 9 months following the launch of the ESM Media Hub.

An estimated 70% of large organisations currently purchase external data. It is anticipated that there will be a growing opportunity for ESM to monetise its data through sale of data or value-added content to third parties.

Platform Revenues

ESH will operate the ESH Tournament Platform as well as conduct live eSports terrestrial events in the APAC region (initially Australia and Singapore), similar to the live eSports tournaments conducted in venues currently in New York City.

Through advertising, marketing and promoting the ESM Media Hub, subject to the paragraph below, ESM will be entitled to 65% of net revenue of all non-refundable amounts actually received in relation to the ESH Tournament Platform in the APAC region (commencing with Australia and Singapore), including from advertising, sponsorships, product sales, data sales, player sponsorship and management. This therefore includes a percentage of the net revenue received by the online ESH Tournament Platform **and** the ESH Online Store in the APAC region.

However, for the first 24 months after launch of the Platform, ESM will only be entitled to retain only 50% of net revenue of all non-refundable amounts actually received by the ESH Tournament Platform from any revenue generated in China and South Korea. If ESM successfully meets or exceeds the requirements of Milestone 1 under the PLA, its net revenue share in relation to China and South Korea will thereafter be 65%.

Strategic Alliances

The size and passion for eSports is attracting interest from a range of event companies, including tour operators and cinema chains. The ESM Media Hub has the ability to provide deeper engagement and monetisation to these operators.

Cinema chains, for example, can have audiences and online tournaments to then culminate in a streamed in-cinema event.

Tour operators who bring in professional teams for an invitational event (much like the Australian Open does) can leverage the ESM Media Hub to pre-engage audiences with bespoke content and player specific interviews.

Third parties will be able to leverage the ESM Media Hub to aid with their own events, via an agency relationship, for which ESM will receive an agreed revenue split.

⁴ Superdata Research Brief - eSports Market Brief, May 2015

Owning a professional team is of strong interest to many entrants in eSports. The data and ability to segment and engage with specific players enables ESM to be an ideal ground to help recruit or own eSports teams. ESM is currently seeking out partnerships in order to provide long term revenue potential.

The ESM Management Team

ESM has assembled a highly connected team of video games and marketing experts, and regional on-ground eSports staff. The team is accustomed to working in multiple regions and understand regional bias and needs to localise messaging and structures. The team also has experience in start-ups, technology, platform development and successful business exits.

The key members of the team are:

(i) Gernot Abl – Managing Director

Mr Abl's background is in Law, Corporate Finance and Strategic Consulting. He has had over 15 years of entrepreneurial, business strategy, and investment experience gained as a management consultant with Deloitte Consulting and Deloitte Corporate Finance.

Mr Abl has had significant success in the online gaming industry, is a lifelong gamer and currently serves as a director of a private start-up technology company.

Mr Abl is also currently a Director with New York based eSports Hero Inc.

(ii) Jonathan Noal – Chief Operating Officer

Mr Noal has over 20 years of marketing and management experience. Early in his career, he worked in London, Sydney and Melbourne in advertising, collecting more than 50 awards for effectiveness and creativity as well as being requested to be an industry judge in the USA and Australia. He was part of Octopus Communications Group prior to their purchase by WPP, before starting his own agency, BoilerRoom. BoilerRoom was awarded the Direct Agency of the Year for Australia within two years of establishment, before exiting via an Initial Public Offering.

Mr Noal is currently a director of a digital download and distribution company for games.

(iii) Marcus Bell - Regional Manager

Mr Bell has 20 years of experience with interactive media; start-up consulting, international business development and marketing strategies. He has worked as a core team member with AAA gaming companies such as Wargaming, Meteor Entertainment, Big Blind Casino, Star Stable Entertainment, Vae Victis and Greybox.

For the past 6 years, Mr. Bell has run his media agency Freemeum that guides game developers and publishers on successful launch strategies for their titles. He has a proven track record in marketing, public relations, live events, and managing strategic partners. With his gaming experience he works effectively at evaluating product positioning within market landscapes while driving traffic generation.

Mr Bell will drive new user acquisition through interactive media strategies. He will be influential in reaching the different gaming audiences in the fast paced world of eSports.

(iv) **Rodney Block - Strategic Adviser**

Mr Block has had over 20 years of Video Games experience, culminating in being Vice President for THQ APAC and Japan where he managed \$80 million in revenues and 40 on the ground staff throughout the region. After THQ, Mr Block grew a distribution business to \$35 million in revenue within two years through launching Disney Infinity throughout Australia and New Zealand.

Mr Block's experience will bring an array of senior relationships from within all publishers and OEM suppliers throughout APAC and globally. Mr Block will be instrumental in creating relationships with AAA titles, sponsors and generating tournament engagements. In addition, Mr Block's experience throughout the region will add valuable insight into effective market penetration.

Mr Block is currently a Director, Head of ANZ, SEA and India Sales for GoPro.

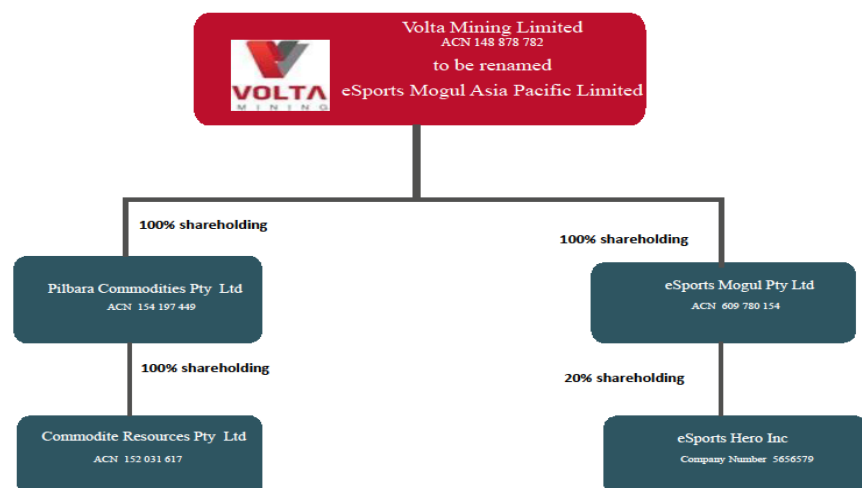
Third Party Support

In addition to the team, the company will leverage third party support from:

- (a) media agencies who offer significant games and APAC acquisition experience;
- (b) best in class analytics engine with the capability to track and measure individual value in addition to social value through peer influencing;
- (c) customer management tool currently employed by, amongst others, Jetstar, Coca-Cola and Boost; and
- (d) financial modelling experts.

Post-transaction ownership structure

If the Resolutions are approved and the Company successfully acquires all of the issued capital in ESM, the Company's name will change from "Volta Mining Limited" to "eSports Hero Asia Pacific Limited" and the overall ownership structure of the Company will be as follows:



(a) **Financial History**

ESM is essentially a start-up with limited trading history. Since incorporating on 10 December 2015, ESM's activities have included acquiring a 20% shareholding interest in ESH and executing a 10 year Platform Licence Agreement for the Asia Pacific region (subject to meeting certain conditions) with ESH.

ESM began generating revenue in June 2016 through the sale of bespoke eSports content developed by ESM Productions to Nvidia (US\$28bn NASDAQ listed technology company) and ASTRO (US\$3.5bn Malaysian media company).

Capital and debt raised via a convertible note to date has been used on acquiring the 20% shareholding interest in ESH, execution of the Platform Licence Agreement, the construction of the ESM Media Hub and corporate expenses.

Given ESM's limited trading history and given that its business is largely unproven, it is difficult to make an evaluation of ESM's business or its prospects. Accordingly, no assurance can be given that the Company will achieve commercial viability through the acquisition of ESM and the implementation of its business plan.

(b) **Business Plan**

Following completion of the Proposed Transaction, the Company will focus on growing ESM's business by prioritising funds towards sales, marketing and construction of the ESM Media Hub in accordance with the table set out in section 2.9. Through commercialisation of the ESM Media Hub, the Company will endeavour to generate revenue and profits, as discussed above.

The Company will also look to divest its current mining tenements, as these will be considered non-core assets of the Company on completion of the Proposed Transaction.

2.3 Existing Activities

The Company currently has mineral exploration projects in the Pilbara region of Western Australia.

Hancock Ranges Iron Ore Project

The Company, through Commodite Resources Pty Ltd, holds a 100% interest in a number of exploration licences in the Pilbara region including the Hancock Ranges Iron Ore Project, which comprises three leases (E47/2606, E47/2607 and E47/2608) targeting BID style iron mineralisation.

Hamersley Ranges Iron Ore Project

The Company, through Pilbara Commodities Pty Ltd, holds a 100% interest in the Hamersley Ranges Iron Ore Project (E47/2855), which is prospective for iron ore.

Solomon Iron Ore Project

The Company was successful in the Warden Court ballot for tenement E47/3082, and it has been recommended for grant. The tenement is located immediately south (~12km) of Fortescue Mining Limited's Solomon – Kings – Firetail operating mines and rail spur line.

Following an extended period of difficulty in the resources sector, the Board embarked upon a review of the Company's resource projects and future strategy at the beginning of 2016.

If the Proposed Transaction completes, the Company will likely seek to sell or otherwise dispose of its remaining mineral exploration assets.

2.4 Share Sale Agreement

The Company and the Vendors entered into a Share Sale Agreement on 21 April 2016 and a Deed of Variation on 12 July 2016, whereby the Company agreed to purchase, and the Vendors agreed to sell, 100% of the ordinary shares in eSports Mogul Pty Ltd.

Completion is due to occur 5 business days following the satisfaction (or waiver) of the following conditions:

- (a) The Company obtaining all required regulatory and shareholder approval.
- (b) The Company completing the Capital Raising of at least \$4,000,000.
- (c) The Company re-complying with Chapters 1 and 2 of the Listing Rules.

At Completion, the Company will issue the following securities to the Vendors in accordance with Annexure C:

- (a) 100,000,000 fully paid ordinary shares in the Company.
- (b) 100,000,000 Class A Performance Shares, which convert to 100,000,000 fully paid ordinary shares in the Company to be issued upon the Company (or any of its related bodies corporate) achieving:
 - (i) any combination of 100,000 ESM Subscribers, ESM Customers and/or ESM Players (in aggregate); and
 - (ii) 30% Active Users,(as those terms are defined in the Platform Licence Agreement between eSports Hero Inc. and ESM) within 24 months of the date of issue; and
- (c) 100,000,000 Class B Performance Shares, which convert to 100,000,000 fully paid ordinary shares in the Company upon the Company (or any of its related bodies corporate) achieving annualised EBIT of not less than \$5 million per annum, calculated over 3 consecutive months, within 60 months of the date of issue.

In addition, following the Company will appoint Mr Gernot Abl and Mr Andrew Schneider to the Board at Completion. At the same Mr George Lazarou and Mr Peter Smith will resign as Directors.

The Share Sale Agreement contains additional provisions, including warranties and indemnities in respect of the status of ESM and the Company, which are considered standard for agreements of this kind.

2.5 Platform Licence Agreement

ESM has entered into a Platform Licence Agreement (**PLA**) with ESH for the exclusive rights to use the ESH Tournament Platform in the Asia Pacific Region for a period of 10 years, subject to meeting the following milestones within the relevant time periods:

- (a) ESM must demonstrate that it has:

- (i) 100,000 ESM Players;
 - (ii) 30% Monthly Active Tournament Users;
 - (iii) paid a fee of approximately US\$120,000 to ESH; and
 - (iv) spent a minimum of \$1,750,000 on advertising, marketing or promoting the ESM Media Hub in the Territory,
- within 24 months from the date the ESM Media Hub is launched (collectively, **PLA Milestone 1**).
- (b) ESM must demonstrate that it has:
- (i) 250,000 ESM Players;
 - (ii) 20% Monthly Active Tournament Users;
 - (iii) paid a fee of approximately US\$100,000 to ESH; and
 - (iv) spent a minimum of \$2,500,000 on advertising, marketing or promoting the ESM Media Hub in the Territory,
- within 48 months from the date the ESM Media Hub is launched (collectively, **PLA Milestone 2**).

If ESM is unable to meet the PLA Milestones or breaches any of the conditions of the PLA, there is no guarantee that the PLA will not be cancelled or revoked.

Any cancellation or revocation of the PLA could have a material adverse impact on its reputation, business and results of operation.

Briefly, the key terms of the PLA are as follows:

- (a) ESH has granted ESM an exclusive, non-transferable, non-assignable, right to advertise, market, promote and exploit the ESH Business in the Territory for a period of 10 years.
- (b) All customer data obtained from ESM Subscribers through the ESH Tournament Platform must be shared between ESH and ESM (**ESM Subscriber Data**).
- (c) ESM may sell, licence or grant access to third parties the anonymised demographic ESM Subscriber Data for the purpose of maximising customer acquisition, advertising, marketing or promotion of the ESM Media Hub.
- (d) ESM through advertising, marketing and promoting the ESM Media Hub will be entitled to 65% of net revenue of all non-refundable amounts actually received in relation to the ESH Tournament Platform in the APAC region including from advertising, sponsorships, product sales, data sales, player sponsorship and management. This includes 65% of the net revenue received by the online ESH Tournament Platform and the ESH Online Store in the APAC region. However, ESM will only be entitled to retain 50% of net revenue generated in China and South Korea within the first 24 month period from launch of the ESH Tournament Platform. If ESM successfully satisfies PLA Milestone 1, its net revenue share from China and South Korea will thereafter be 65%.
- (e) ESM Subscribers will have access to free-to-play tournaments on the ESH Tournament Platform via the ESM Media Hub.

- (f) ESM will retain 100% of all Subscription Fees other than for ESM Subscribers that play a minimum of 3 tournaments per month in which case ESH will be paid USD\$0.50 for that month.
- (g) ESH is responsible for ensuring that the ESH Tournament Platform is designed, operated and conducted in a manner that is compliant with each of the relevant laws of the jurisdictions within the Territory. Also, ESH will be responsible for ensuring that the ESH Tournament Platform is programmed as required by ESM to ensure the requisite technical and geo-blocking measures are in place to prevent ESM Subscribers from accessing certain aspects of the ESH Tournament Platform.
- (h) The PLA may be terminated:
 - (i) by either ESH or ESM if the other materially breaches a term of the PLA and that breach is not remedied within 30 days;
 - (ii) by ESH or ESM party upon another triggering insolvency event; or
 - (iii) by ESH if ESM fails to complete a capital raising of at least USD\$2,000,000 by 1 November 2016.
- (i) ESH may elect to terminate the PLA if ESM fails to meet one of the PLA Milestones, and fails to remedy that non-performance within an additional 60 day period.

2.6 Capital Raising and Convertible Notes

On 22 December 2015 the Company issued 76,660,456 Options for \$0.003 per Option, each having an exercise price of \$0.05 and exercisable on or before 30 October 2019, in accordance with a prospectus for a pro rata non-renounceable entitlement issue on the basis of three (3) Options for every four (4) Shares held by Shareholders on the record date. The total proceeds generated were \$514,435 before expenses (**Option Entitlement Issue**).

In January 2016, ESM raised \$2,000,000 by way of convertible notes (**ESM Notes**) that, following Completion will be repaid by the Company, and will result in the ESM Noteholders being issued 200,000,000 fully paid New Shares at \$0.01 per Share.

The Option Entitlement Issue funds were used to fund exploration expenditure on the Company's mineral tenements, identify and evaluate new opportunities and working capital.

2.7 Advantages of the Proposed Transaction

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the Resolutions:

- (a) Greater commercial opportunities – the proposed shift from a mineral exploration company to a technology company will provide the Company with greater opportunities, given that the commercialisation of the software platform is scheduled to occur in the short term.
- (b) Improved Capitalisation – as a result of the Capital Raising, the Company will be well capitalised with an additional \$6,000,000 to \$7,000,000 in its bank account (before costs). These funds will be primarily used to grow ESM's business with a view to achieving capital growth for shareholders. See section 2.11 for further information on the proposed use of funds raised under the Public offer.

- (c) Additional sources of financing – the injection of capital via the Capital Raising will significantly strengthen the Company's balance sheet. This will make the Company more attractive to investors which may improve the Company's ability to raise further funds as and when required via equity and debt markets.
- (d) Improvements to liquidity in the market – a stronger market capitalisation and enhanced Shareholder base resulting from the Proposed Transaction may provide a more liquid market for the Company's Shares than that which has existed previously.
- (e) Directors' expertise – the appointment of the Proposed Directors as part of the Proposed Transaction will add experience and skill to the Board to assist with the growth of the Company.
- (f) Acquisition of ESM – the acquisition seeks to leverage on the increasing global growth trends of the eSports industry.
- (g) The Company will acquire one hundred percent (100%) of ESM and its business, as well as a 20% indirect interest in ESH under the Share Sale Agreement.

2.8 Disadvantages of the Proposed Transaction

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on the proposed Resolutions:

- (a) Change of nature – the Company will be changing the nature of its activities from being a mineral exploration company to an eSports on line tournament platform provider, which may not be consistent with the objectives of the Shareholders.
- (b) Dilution – the Proposed Transaction will result in the issue of Shares to the Vendors and ESM Noteholders with Existing Shareholders' interests diluted from holding 100% of the Company to holding an interest of 27.59% based on the Company achieving the minimum Capital Raising of \$6,000,000 and 26.02% based on the Company achieving the maximum Capital Raising of \$7,000,000 assuming all Shares are issued, the ESM Notes convert and no Options are exercised.
- (c) Potential lower liquidity of shares – if the acquisition is completed, trading in the Company's Shares may be negatively affected by the presence of the Vendors and ESM Noteholders holding a potential 36.20% ownership interest based on the Company achieving the minimum Capital Raising of \$6,000,000 and 34.14% based on the Company achieving the maximum Capital Raising of \$7,000,000. The Existing Shares will therefore have a materially lower float on a proportional basis which may reduce liquidity.
- (d) Absence of significant revenues – the business being acquired has not generated any significant revenues. There is, therefore, a higher degree of uncertainty in relation to the future prospects of ESM. There is no guarantee that ESM will be able to successfully commercialise the ESM Media Hub and realise significant revenues going forward.
- (e) Competitive market – the eSports market may become more competitive in the short and medium term. This may impact ESM's ability to acquire subscribers and subsequently revenue.

- (f) There are risk factors associated with ESM and the Proposed Transaction. Some of these risks are set out in Section 2.12 below.

2.9 Effect of the Proposed Transaction on the Company

Upon completion of the Proposed Transaction, the capital structure of the Company is anticipated to be as follows:

Pro forma capital structure		
Shares	Minimum Capital Raising (\$6,000,000)	Maximum Capital Raising (\$7,000,000)
Shares currently on Issue	228,637,609	228,637,609
Shares to be issued to Vendors (Resolutions 7(a) & 7(b))	100,000,000	100,000,000
Shares to be issued on Capital Raising (Resolution 8)	300,000,000	350,000,000
Shares to be issued upon conversion of ESM Notes (Resolution 11)	200,000,000	200,000,000
Total Shares on issue	828,637,609	878,637,609
Class A Performance Shares to be issued to Vendors	100,000,000	100,000,000
Class B Performance Shares to be issued to Vendors	100,000,000	100,000,000
Broker Options	150,000,000	150,000,000
Existing Options (exercisable at \$0.05 by 30 October 2019)	171,478,207	171,478,207
Existing Options (exercisable at \$0.20 by 10 November 2016)	22,750,000	22,750,000
Existing Options (exercisable at \$0.30 by 10 November 2016)	1,000,000	1,000,000
Fully diluted share capital	1,373,865,816	1,423,865,816

Notes

¹ The above figures also assume that no Options are exercised.

2.10 Indicative timetable

Set out in the table below is the expected timing for completion of the Proposed Transaction and the matters contemplated by the Resolutions, subject to compliance with all regulatory requirements. These dates are indicative only and are subject to change. The Directors reserve the right to amend the timetable without notice.

Action	Date
Notice of Meeting sent to Shareholders	15 September 2016
Lodgement of Prospectus with ASIC	7 October 2016
Prospectus offer opens	14 October 2016
Suspension of the Company's securities from trading on ASX at the opening of trading General Meeting	17 October 2016
Prospectus offer closes	14 November 2016
Issue of all New Shares Completion of the Proposed Transaction	28 November 2016
Satisfaction of ASX conditions for reinstatement	5 December 2016
Commencement of trading of New Shares on ASX	12 December 2016

2.11 Expenditure plans and use of funds

The Company intends to use the funds raised from the New Shares issued pursuant to the Prospectus, as contemplated by Resolution 8 as follows:

	Minimum Subscription (\$6,000,000)		Full Subscription (\$7,000,000)	
	Amount (\$)	%	Amount (\$)	%
Expenses of the Capital Raising (including capital raising fees)	520,000	9%	580,000	8%
Sales and marketing	2,500,000	42%	3,000,000	43%
Corporate and administration	475,000	8%	510,000	7%
Media Hub development	1,100,000	18%	1,100,000	16%
Working capital ¹	1,405,000	23%	1,820,000	26%
Total	\$6,000,000	100%	\$7,000,000	100%

Notes

- Working capital may include wages, payments to contractors, rent and outgoings, insurance, accounting, audit, legal and listing fees, other items of a general administrative nature and cash reserves which may be used in connection with any project, as determined by the Board at the relevant time.
- If the proceeds raised are between the Minimum Subscription and the Maximum Subscription, funds will be allocated between the above uses on a pro-rata basis.

2.12 Risks – Change in Nature of Activities

Shareholders should be aware that if the Resolutions are approved, the Company will be changing the nature and scale of its activities which will, because of its nature, be subject to various risk factors. These risks are both specific to the industry in which the Company operates and also relate to the general business and economic environment in which the Company will operate. An investment in the Company is not risk free and Existing Shareholders should consider the risk factors described below, together with information contained elsewhere in this Notice of General Meeting. The following is not intended to be an exhaustive list of the risk factors to which the Company will be exposed to on the acquisition of ESM.

Based on the information available, the principal risks facing the Company upon completion of the Proposed Transaction will be as follows:

SPECIFIC RISKS

(a) Risks Associated with the Regulatory Environment

ESM's is based in Australia and subject to Australian laws and regulations. For example, ESM is required to comply with the *Corporations Act 2001* (Cth) and the *Competition and Consumer Act 2010* (Cth). However ESM also intends to increase its operations in international jurisdictions such as the Asia Pacific region. Users, competitors, members of the general public or regulators could allege breaches of the legislation in the relevant jurisdictions, for example, if they considered an advertisement to be misleading or deceptive. This could result in remedial action or litigation, which could potentially lead to ESM being required to pay compensation or a fine. ESM's operations may become subject to regulatory requirements, such as licensing and reporting obligations, which would increase the costs and resources associated with its regulatory compliance. Any such increase in the costs and resources associated with regulatory compliance could impact upon ESM's profitability. In addition, if regulators took the view that ESM had failed to comply with regulatory requirements, this could lead to enforcement action resulting in public warnings, infringement notices or the imposition of a pecuniary penalty. This could lead to significant reputational damage to ESM and consequent impact upon its revenue.

ESM through the ESM Media Hub intends to offer its products throughout the Asia Pacific region. Regulatory changes could see ESM being required to hold a licence in some of these jurisdictions or otherwise comply with local regulations. This could preclude ESM from offering certain services in these jurisdictions until such a licence has been obtained, or may require ESM to comply with a range of regulatory requirements. Any such increase in the costs and resources associated with the regulatory compliance in these jurisdictions could impact upon ESM's profitability.

Any future reforms to laws and regulations applying to the online gaming industry in Australia or in any other jurisdiction in which ESM intends to offer its products may have a material adverse impact on the financial performance of ESM. Regulation at all levels of government is subject to change and the Company and ESM have no control over such changes. The introduction of new legislation or amendments to existing legislation by governments, developments in existing common law, or the respective interpretation of the legal requirements in any of the legal jurisdictions which govern ESM's operations or contractual obligations, could impact adversely on the assets, operations and, ultimately, the financial performance of ESM.

(b) **Change in nature and scale of activities**

As part of the Company's change in nature and scale of activities, ASX will require the Company to re-comply with Chapters 1 and 2 of the Listing Rules. There is a risk that the Company may not be able to meet the requirements of ASX for re-quotation on the ASX.

(c) **Commercialisation Risk**

ESM is now in the process of commercialising the ESM Media Hub (as described in Section 2.2(a)). There is a risk that ESM will not be able to successfully commercialise the ESM Media Hub, or by being unable to attract sufficient customers.

(d) **Competition and new technologies**

The industry in which ESM is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing. While ESM will undertake all reasonable due diligence in its business decisions and operations, ESM will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively, or negatively affect the operating and financial performance of ESM's Media Hub and business. For instance, new technologies could overtake the advancements made by ESM Media Hub. In that case, ESM's revenues and profitability could be adversely affected.

(e) **Special Reputational Risks**

ESM operates in an online and fast-changing environment. Negative publicity can spread quickly, whether true or false. Disgruntled customers posting negative comments about ESM in public forums may have a disproportionate effect on ESM's reputation and its ability to earn revenues and profits. Additionally, complaints by such users can lead to additional regulatory scrutiny and a consequential increased compliance burden in responding to regulatory inquiries. This could negatively impact on ESM's profitability.

(f) **Hosting Provider Disruption Risks**

ESM will rely on its primary hosting provider, to maintain continuous operation of its ESM Media Hub and mobile applications stores to maintain the mobile applications when developed (iOS and Android). Should the host suffer outages, for example due to catastrophic destruction of infrastructure following a natural disaster, services to aspects of the ESM Media Hub may also be disrupted. If the Host ceases to offer its services to ESM and ESM is unable to obtain a replacement hosting provider quickly, this could also lead to disruption of services to the ESH Tournament Platform.

Unavailability of the ESM Media Hub would lead to a loss of revenue while ESM is unable to provide its services. Further, particularly in the case of prolonged outages, such disruptions could have a material adverse impact on ESM's reputation. This could hinder ESM's ability to retain existing customers or attract new customers which would have a material adverse impact on ESM's growth.

(g) **Limited Trading History**

ESM was incorporated on 10 December 2015 and the business is yet to be fully commercialised and has started to generate revenues in June 2016. There is therefore greater uncertainty in relation to the business and Existing

Shareholders should consider ESM's prospects in light of its limited financial history. In addition, there is no guarantee that ESM will be able to successfully commercialise ESH's platform and if it is unable to do so it will not be able to realise significant revenues in the future.

(h) **Reliance on Key Personnel**

Although ESM has entered into service contracts with Gernot Abl, Jonathan Noal and Marcus Bell, there is no assurance that such contracts will not be terminated or will be renewed on the expiry of their term. In addition, there is no assurance that Messrs Abl, Noal and Bell, or senior management would remain healthy and able to continue in their current roles. If such contracts were terminated or breached, or if the relevant employees were no longer to continue in their current roles, ESM would need to employ alternative staff, and ESM's operations and business would be adversely affected.

(i) **Data Loss, Theft or Corruption**

ESM provides its services (exclusively) online through the ESM Media Hub, which will include native mobile applications. Hacking or exploitation of some unidentified vulnerability in its website could lead to a loss, theft or corruption of data.

ESM will collect sensitive data relating to user information/ demographics, etc, which could be attractive to hacking or exploitation.

This could render the platform unavailable for a period of time whilst data is restored. It could also lead to unauthorised disclosure of users' data with associated reputational damage, claims by users and regulatory scrutiny and fines. Although ESM has strategies and protections in place to try to minimise security breaches and to protect data, these strategies might not be successful. In that event, disruption to the ESM Media Hub and unauthorised disclosure of user data could negatively impact upon ESM's revenues and profitability.

(j) **Hacker Attacks**

To some extent, ESM relies upon the availability of its website to provide services to customers and attract new customers. Hackers could render the website unavailable through a disrupted denial of service or other disruptive attacks. ESM will collect sensitive data relating to user information/ demographics, etc, which could be attractive to hacking or exploitation.

Although ESM has strategies in place to minimise such attacks, these strategies may not be successful. Unavailability of the website could lead to a loss of revenues whilst ESM is unable to provide its services. Further, it could hinder ESM's abilities to retain existing customers or attract new customers, which would have a material adverse impact on ESM's growth.

(k) **Domain Name Risk**

To some extent, ESM's business depends on customers being attracted to its website. ESM has registered a domain name in Australia for the purposes of its website. However, should ESM not renew or otherwise lose control of its domain name, it would lose all website traffic direct to that domain. This would adversely affect ESM's revenue.

(l) **Attracting Customers to ESM's Website**

To some extent, ESM's revenues depend on sufficient customers being attracted to its website. The amount of visitors to its website directly affects its sales of the product.

Various factors can affect the level of web traffic arriving at ESM's website including:

- (i) **Marketing and promotions:** if ESM's marketing and promotion efforts are not effective this will manifest itself as a lack of customers visiting the ESM website.
- (ii) **Brand damage:** should ESM suffer from reputational damage, web traffic could be affected.
- (iii) **Search engine traffic:** search engines such as Google, direct significant traffic to the ESM website. Should these search engines make changes to their algorithms and procedures that direct this traffic, ESM could see a substantial drop in customers visiting its website. For example, Google regularly updates the algorithms that determine the ranking of results it returns for any given search term. ESM attempts to follow Google's guidelines and online best practice to maintain the flow of traffic to its website, but such changes could adversely affect the traffic to its website.

A decline in traffic to ESM's website could lead to a decline in ESM's ability to attract customers. This could adversely affect ESM's revenue.

(m) **Customer Service Risk**

Customers may need to engage with ESM's customer service personnel in certain circumstances, such as if they have a question about the services or if there is a dispute between a customer and ESM. ESM needs to recruit and retain staff with interpersonal skills sufficient to respond appropriately to customer services requests. Poor customer service experiences may result in the loss of customers. If ESM loses key customer service personnel, fails to provide adequate training and resources for customer service personnel, or if the computer systems relied on by customer service personnel are disrupted by technological failures, this could lead to adverse publicity, litigation, regulatory inquiries and/or a decrease in customers, all of which may negatively impact on ESM's revenue.

(n) **Foreign Exchange Risks**

ESM's costs and expenses in other Asia Pacific countries is likely to be in other foreign currencies (eg. US\$). Accordingly, the depreciation and/or the appreciation of the foreign currency relative to the Australian currency could result in a translation loss on consolidation which is taken directly to shareholder equity.

Any depreciation of the foreign currency relative to the Australian currency may result in lower than anticipated revenue, profit and earnings. ESM will be affected on an ongoing basis by foreign exchange risks between the Australian dollar and the other foreign currencies, and will have to monitor this risk on an ongoing basis.

(o) **Liability Claims**

ESM's Media Hub, which includes the ESH Tournament Platform licence allows it to operate within the Asia Pacific region. ESM may be exposed to liability claims if those service products are provided in fault and/or cause harm to its

customers. As a result, ESM may have to expend significant financial and managerial resources to defend against such claims. ESM believes that such liability claim risks will increase as new technology is introduced to the market that competes with ESM's products. If a successful claim is made against ESM, ESM may be fined or sanctioned and its reputation and brand may be negatively impacted, which could materially and adversely affect its reputation, business prospects, financial condition and results of operation.

(p) **Contractors and Contractual Disputes**

The operations of the Company will require the involvement of a number of third parties, including suppliers, contractors and customers. With respect to these third parties, and despite applying best practice in terms of pre-contracting due diligence, the Directors are unable to completely avoid the risk of:

- (i) financial failure or default by a participant in any joint venture to which the Company or its subsidiaries may become a party;
- (ii) insolvency, default on performance or delivery, or any managerial failure by any of the operators and contractors used by the Company or its subsidiaries in its exploration activities; or
- (iii) insolvency, default on performance or delivery, or any managerial failure by any other service providers used by the Company or its subsidiaries or operators for any activity.

Financial failure, insolvency, default on performance or delivery, or any managerial failure by such third parties may have a material impact on the Company's operations and performance. Whilst best practice pre-contracting due diligence is undertaken for all third parties engaged by the Company, it is not possible for the Company to predict or protect itself completely against all such risks.

(q) **Liquidity and Dilution Risk**

There are currently 228,637,609 Shares on issue with between 36.20% and 39.83% of the total Shares on issue following requotation of the Company's shares being offered to the public pursuant to the Prospectus. Upon requotation of the Company's Shares, a significant portion of the Shares on issue will be subject to escrow restrictions imposed by the Listing Rules. Some Existing Shareholders may consider that there is an increased liquidity risk as a large portion of the issued capital may not be able to be traded freely for a period of up to 24 months. For further information on potential restrictions to be imposed by ASX see Section 3.5(f).

(r) **Future Capital Needs**

Further funding of projects may be required by ESM to support its ongoing activities and operations. There can be no assurance that such funding will be available on satisfactory terms or at all. Any inability to obtain funding will adversely affect the business and financial condition of ESM and consequently its performance.

(s) **No profit to date**

ESM was incorporated on 10 December 2015 and has limited trading history, and has incurred losses since its inception and it is therefore not possible to evaluate its prospects based on past performance. Since the Company intends to continue investing in sales and marketing to drive customer numbers to the ESM platform, the Directors anticipate making further losses in the foreseeable future.

While the Directors have confidence in the future revenue-earning potential of the Company, there can be no certainty that the Company will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

GENERAL RISKS

(a) Unforeseen Expenditure Risk

Expenditure may need to be incurred that has not been taken into account in the preparation of this Notice. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(b) Insurance Coverage

ESM will maintain insurance where it is considered appropriate for its needs, however, it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

Accordingly, ESM may not be fully insured against all losses and liabilities that could unintentionally arise from its operations. If ESM incurs uninsured losses or liabilities, the value of the ESM's assets may be at risk.

(c) Management of Growth

There is a risk that Company's management will not be able to implement the Company's growth strategy after completion of the ESM Acquisition. The management's capacity to properly implement and manage the Company's strategic direction, in particular as regard to the ESM Business, may affect the Company's financial performance.

(d) Economic Risks

The future viability of the Company is also dependent on a number of other factors affecting performance of all industries including, but not limited to, the following:

- (i) general economic conditions in Australia and its major trading partners;
- (ii) changes in government policies, taxation and other laws, particularly in Australia;
- (iii) the strength of the equity and share markets in Australia and throughout the world, and in particular investor sentiment towards the commodities (resources) sector;
- (iv) movement in, or outlook on, interest rates and inflation rates; and
- (v) natural disasters, social upheaval or war in Australia or overseas.

Further, share market conditions may affect the value of the Company's Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) the general global political and economic outlook, particularly in Australia;

- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors (in particular cloud based businesses and technology businesses); and
- (v) terrorism or other hostilities,

as well as other factors beyond the control of the Company or the Directors.

(e) **Share Market**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. The market price of the Company's securities may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(f) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(g) **Currency Risk**

As the Company's potential earnings will be largely derived from customers both in Australia and overseas, the Company's future revenues and cash flows will be impacted by changes in the prices of the currencies in which it operates. However, the Company's cost base will be primarily in Australian dollars. Consequently changes in the Australian dollar exchange rate will impact on the earnings of the Company. The exchange rate is affected by numerous factors beyond the control of the Company, including interest rates, inflation and the general economic outlook.

3. SPECIAL BUSINESS

3.1 Action to be taken by Shareholders

In order to proceed with the acquisition of ESM, the Company must convene a general meeting of its Shareholders for the purpose of passing the Resolutions in compliance with the requirements of the Corporations Act and the Listing Rules.

The Notice convening the General Meeting is included in the front of this booklet. Shareholders are encouraged to attend and vote in favour of each of the Resolutions to be put to the General Meeting.

If a Shareholder is unable to attend and vote at the General Meeting, the Shareholder is encouraged to complete the Proxy Form at the back of this booklet and return it to the Company by no later than 10.00am (WST) on 15 October 2016.

3.2 Resolutions

There are 10 Resolutions to be put to the General Meeting. Resolutions 2 and 6 are special resolutions and all other Resolutions are ordinary resolutions. Each Resolution relates to the Proposed Transaction and is conditional on the passing of each of the other Resolutions so that the Resolutions will not have any effect unless all of the Resolutions are passed. Accordingly, Shareholders should consider each Resolution collectively, as well as individually. Certain voting restrictions are imposed in relation to the Resolutions as detailed in the Notice under the "voting exclusion statement" section. This Section 3 sets out a brief explanation of each Resolution.

3.3 Resolution 1 – Change in nature and scale of activities of the Company

Subject and pursuant to the passing of each other Resolution, Resolution 1 is an ordinary resolution which seeks approval for the change of the Company's nature and scale of activities as a result of the acquisition of ESM.

Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature and scale of its activities, it must provide full details to ASX as soon as practicable. Listing Rule 11.1.2 provides, that, if ASX requires, the entity must get the approval of Shareholders and must comply with any requirements of ASX in relation to the Notice of General Meeting.

ASX has indicated to the Company that it has exercised its discretion to require the Company to seek the approval of Shareholders under Listing Rule 11.1.2 for a change in the nature of its activities. For this reason, the Company is seeking Shareholder approval for the Company to change the nature of its activities under Listing Rule 11.1.1.

As a consequence of the change to the Company's nature and scale of activities, it is required to re-comply with Chapters 1 and 2 of the Listing Rules. Listing Rule 2.1 Condition 2 requires that the offer price of securities is a minimum of 20 cents. The Company has applied to the ASX for a waiver from Listing Rule 2.1 Condition 2 to allow the Company to offer Shares under its Prospectus for 2 cents.

As required by ASX Guidance Note 12: Significant Changes to Activities, the following information is provided in relation to Resolution 1:

(a) **Material terms of the transaction**

A summary of the key terms of the Share Sale Agreement is set out in Section 2.3, and a summary of the Proposed Transaction generally is set out in Section 2.

(b) **Financial effect of the transaction on the entity and on the interests of security holders**

The effect of the Proposed Transaction on the financial position of the Company is set out in Annexure A. The Company will raise up to \$7,000,000 through the Capital Raising, of which \$Nil will be paid to the Vendors as part of the purchase price of ESM, and up to approximately \$580,000 will be applied towards costs of the Proposed Transaction. The remainder funds will be applied by the Company in accordance with the table set out in Section 2.11.

The effect of the Proposed Transaction on the capital structure of the Company is set out in Section 2.9. Upon completion of the Proposed Transaction, assuming Full Subscription, existing Shareholders will be diluted by approximately 66.31%. Further, there will be an additional 545,228,207 convertible securities on issue (ESM Notes and Options) which, if converted

into Shares, would dilute existing Shareholders by up to approximately 81.32%. Please see the table below for further details.

Dilution table	Minimum Subscription	Full Subscription
All Shares are issued, ESM Notes do not convert into Shares and no Options are exercised	63.86%	66.31%
All Shares are issued, ESM Notes convert into Shares but no Options are exercised	72.41%	73.98%
All Shares are issued, ESM Notes convert into Shares and all Options are exercised	80.52%	81.32%

(c) **Details of how the entity will be modifying its business model to accommodate the significant change in the scale of the entity's activities**

From completion of the Proposed Transaction, the Company will change from a mineral exploration company to an eSports media hub company that will seek to advertise, market, promote and generate traffic to the ESM Media Hub in the APAC region (initially Australia and Singapore only). The Company will adopt the nature and the business model of ESM's described in section 2.2.

(d) **Information about the entity's need to borrow any funds or raise any capital in the short term as a result of the transaction**

Other than as disclosed elsewhere in this Notice, the Board has no current intention of borrowing any funds or raising any capital in the short term in connection with the Proposed Transaction. However, final decisions regarding further funding will only be made by the Company in light of material information and circumstances at the relevant time. Accordingly, this statement is a statement of current intention only, which may change as new information becomes available or as circumstances change.

(e) **Changes proposed to the entity's board or senior management**

In accordance with the Share Sale Agreement, Gernot Abl (as an incoming Managing Director) and Andrew Schneider (as an incoming Director) are to be appointed as Directors of the Company with effect from completion of the Share Sale Agreement. Brief background information on Gernot and Andrew is set out in Section 4.3.

Upon completion of the Proposed Transaction, management and officers of the Company will comprise the following persons:

Name	Position
David Sumich	Executive Chairman
Gernot Abl	Managing Director
Andrew Schneider	Non-Executive Director
Johnathan Noal	Chief Operating Officer
George Lazarou	Chief Financial Officer
Marcus Bell	Regional Manager
Neville Bassett	Company Secretary

(f) **Timetable for implementing the transaction**

The Share Sale Agreement was executed on 21 April 2016 and the Deed of Variation to Share Sale Agreement on 12 July 2016, and the Company is anticipated to resume trading on the ASX on or about 12 December 2016. Further issues of Shares may occur from time to time after completion as a result of Options and Performance Shares being converted into Shares in accordance with their respective terms.

Recommendation

Each of the Directors has no interest in the outcome of Resolution 1, other than as Existing Shareholders. Each of them recommends that Shareholders vote in favour of Resolution 1.

Shareholders should refer to the information in Section 2.2 for information about the acquisition of ESM and its impact on the Company.

3.4 **Resolution 2 – Approval of Performance Shares**

Subject to the passing of each other Resolution, Resolution 2 is a special resolution which seeks the approval for the issue of the Performance Shares under the Company's Constitution.

Under Rule 2.2 of the Company's Constitution, without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares but subject to the Corporations Act and the Listing Rules, except as the Company in general meeting may when authorising any issue of shares otherwise direct and subject to the Company's Constitution, shares in the Company are under the Control of the Directors who may allot or dispose of all or any of the same to such person at such times at such price and on such terms and conditions and having attached to them such preferred, deferred or other special rights or such restrictions, whether with regard to dividend, voting, return of capital or otherwise and whether as preference shares that are at the option of the Company likely to be redeemed as the Directors think fit.

Section 246C(5) of the Corporations Act provides that if a company has one class of shares and seeks to issue a new class of shares, such issue is taken to vary the rights attached to shares already issued.

Under section 246B(1) of the Corporations Act, if a company has a constitution which sets out the procedure for varying or cancelling (in the case of a company with share capital) rights attached to shares in a class of shares, those rights may be varied or

cancelled only in accordance with the procedure. In accordance with Rule 2.2 of the Company's Constitution, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, be varied or abrogated in any way with the consent in writing of the holders of three-quarters of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

Accordingly, the Company seeks approval from Shareholders for the issue of the Performance Shares as a new class of shares on the terms set out in Annexure B.

The Company will also seek Shareholder approval in Resolution 2 to issue Performance Shares to the Vendors.

The resolution the subject of Resolution 2 is a **special resolution**. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote (in person or by proxy) at the meeting must be in favour of this resolution for it to be passed.

3.5 Resolution 3(a) and 3(b) – Issue of Consideration Shares to the Vendors

(a) Background

Subject to the passing of each other Resolution:

- (i) Resolution 3(a) is an ordinary resolution which seeks approval for the issue of 20,000,000 Consideration Shares and 40,000,000 Performance Shares to the Related Vendor, as part of the consideration for the Proposed Transaction, as summarised in section 2.
- (ii) Resolution 3(b) is an ordinary resolution which seeks approval for the issue of 80,000,000 Consideration Shares and 160,000,000 Performance Shares to the Unrelated Vendors, as part of the consideration for the Proposed Transaction, as summarised in section 2.

(b) Regulatory Requirements

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue equity securities if the equity securities will in themselves or when aggregated with the equity securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

The issue of the Consideration Securities pursuant to Resolutions 3(a) and 3(b) will exceed the 15% limit and therefore requires the approval of Shareholders.

The Consideration Securities to be issued pursuant to these Resolutions 3(a) and (b) will be issued such that no individual Vendor or their associates will hold more than 19.9% of the Shares on issue.

In compliance with the information requirements of Listing Rule 7.3, Shareholders are advised of the following information:

(i) Maximum number of securities to be issued

The Company intends to issue up to 100,000,000 Consideration Shares and 200,000,000 Performance Shares to the Vendors as outlined in Annexure C.

(ii) **Date of issue**

The Consideration Shares will be issued on the completion date of the Proposed Transaction, and in any event not later than three months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). It is anticipated that the allotment will occur on the same date.

The Class A Consideration Shares will be issued no later than the date that is 24 months after the Company is re-quoted on ASX and it is intended that issue of all Class A Consideration Shares will occur on the same date.

The Class B Consideration Shares will be issued no later than the date that is 60 months after the Company is re-quoted on ASX and it is intended that issue of all Class B Consideration Shares will occur on the same date.

(iii) **Issue price**

The Consideration Shares will be issued at a deemed issue price of \$0.02 per Share.

(iv) **The names of the persons to whom the entity will issue the securities or the basis on which those persons will be determined**

The Consideration Securities will be issued to the Vendors as set out in Annexure C.

Other than Mr Gernot Abl (who is a Proposed Director of the Company), none of the other Vendors are related parties of the Company. In addition, none of the Vendors will hold a relevant interest of 20% or greater in the capital of the Company as a result.

(v) **Terms of the securities**

The Consideration Shares will be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and rank equally in all respects with the existing Shares.

The Performance Shares proposed to be issued will be issued on the terms and conditions set out in Annexure B.

(vi) **Intended use of the funds raised**

The Consideration Securities will be issued for nil cash in consideration for the Proposed Transaction. Accordingly, no funds will be raised from the issue of the Consideration Securities.

(vii) **Voting exclusion statement**

A voting exclusion statement for Resolutions 3(a) and 3(b) is included in the Notice of General Meeting preceding this Explanatory Statement.

(c) **Section 208 of the Corporations Act**

Resolution 3(a) requires Shareholder approval under section 208(1) of the corporations Act with respect to Related Party transactions.

Under Chapter 2E of the Corporations Act a public company cannot give a “financial benefit” (including an issue of shares and options) to a Related Party of that company, unless one of the exceptions set out in sections 210 to 216 (inclusive) of the Corporations Act apply, or shareholders have in a general meeting approved the giving of the financial benefit to the Related Party.

CSNA is a Related Party to the Company as a result of its relevant interest in voting shares in the Company, and the control that this allows them to have in determining questions in relation to the Company's financial and operating policies.

CSNA (an entity controlled by Gernot Abl) is a Related Party of the Company as it is intended that Mr Abl will become a Director of the Company following Completion of the acquisition of ESM. As Director Mr Abl will have control in determining questions in relation to the Company's financial and operating policies.

The financial benefit being obtained by CSNA pursuant to Resolution 3(a) is:

- (i) the issue of 20,000,000 Consideration Shares and 40,000,000 Performance Shares to CSNA as a Related Party;
- (ii) the Company purchasing ESM from CSNA as a Related Party of the Company.

Resolution 3(a) therefore requires Shareholder approval under section 208(1) of the Corporations Act to allow the Directors to issue Consideration Shares and Performance Shares in the Company to CSNA as a Related Party, on the terms proposed in Resolution 3(a). The issue of the Consideration Shares is pursuant to an agreement allowing the Company to acquire 100% of ESM.

Section 219 of the Corporations Act requires the following information be provided to the Shareholders for approval to be granted under section 208(1) of the Corporations Act.

- (i) The Related Party to whom Consideration Shares and Performance Shares are being issued under Resolution 3(a) is CSNA.
- (ii) The financial benefit being obtained by CSNA is the issue of 20,000,000 Consideration Shares and 20,000,000 Class A and 20,000,000 Class B Performance Shares.
- (iii) The quantum of the benefit of the New Shares to be issued to the Related Vendor pursuant to Resolution 3(a) will depend in part on the price at which the Shares trade on ASX (assuming the Shares are re-instated to official quotation). Based on the proposed offer price under the Capital Raising of \$0.02 per Share, the 20,000,000 Consideration Shares are valued at \$400,000.

The quantum of the benefit of the Performance Shares to be issued to the Related Vendor pursuant to Resolution 3(a) will depend in part on the price at which the Shares trade on ASX (assuming the Shares are re-instated to official quotation) and whether the Milestones set out in the terms of the Performance Shares (refer Annexure B) are satisfied. It is anticipated that the value of the benefit will be commensurate to the benefit that flows to the Company as a result of satisfying the relevant Milestones.

- (iv) The Directors of the Company recommend Shareholders vote in favour of Resolution 3(a).
- (v) The New Shares that may be issued to the Related Vendor pursuant to Resolution 3(a) will rank equally in all respects with Existing Shares on issue. The Performance Shares will be issued on the terms set out in Annexure B.
- (vi) None of the Existing Directors have any interest in the outcome of Resolution 3.
- (vii) If all New Shares are issued pursuant to the Resolutions in this Notice and no other Shares are issued by the Company (including pursuant to the conversion of any Performance Shares), then the New Shares to be issued under Resolution 3(a) would dilute Shareholders by approximately 2.41% based on the Company achieving the minimum Capital Raising of \$6,000,000 and 2.28% based on the Company achieving the maximum Capital Raising of \$7,000,000.
- (viii) If all New Shares are issued pursuant to the Resolutions in this Notice and no other Shares are issued by the Company, then the conversion of all of the Performance Shares issued under Resolution 3(a) into Shares would dilute Shareholders by approximately 43.89% based on the Company achieving the minimum Capital Raising of \$6,000,000 and 3.871% based on the Company achieving the maximum Capital Raising of \$7,000,000.

(d) **Listing Rule 10.11**

Unless one of the exceptions in Listing Rule 10.12 applies, Listing Rule 10.11 requires that an entity must not issue or agree to issue equity securities to a related party of the Company unless it obtains prior Shareholder approval. Listing Rule 10.12 exception 6 provides that where a person is only a related party by reason of the transaction which is the reason for the issue of the securities and the application of section 228(6) of the Corporations Act, Listing Rule 10.11 shall not apply. The Related Vendors are only related parties of the Company by reason of the Proposed Transaction which is the reason for the issue of New Shares to them and the application of section 228(6) of the Corporations Act. As a result, Shareholder approval under Listing Rule 10.11 is not required for the purposes of Resolution 3(a).

(e) **ASIC and ASX's Role**

The fact that the accompanying Notice of General Meeting, this Explanatory Statement and other relevant documentation has been received by ASX and ASIC is not to be taken as an indication of the merits of the Proposed Transaction, or the Company. ASX and ASIC and their respective officers take no responsibility for any decision a Shareholder may make in reliance on any of that documentation.

(f) **Restriction of Consideration Securities**

In accordance with Appendix 9B of the Listing Rules, some of the New Shares and Performance Shares issued under Resolutions 3(a) and 3(b) will be classified by the ASX as "restricted securities" and unable to be traded for periods of up to 24 months.

(g) **Recommendation by Directors**

The Directors recommend that Shareholders should approve Resolutions 3(a) and 3(b) to be put to the General Meeting. However, Shareholders must decide how to vote based on the matters set out in the Explanatory Statement.

3.6 Resolution 4 – Issue of New Shares pursuant to the Capital Raising

Subject to the passing of each other Resolution, Resolution 4 is an ordinary resolution which seeks approval for the issue of up to 350,000,000 New Shares at an issue price of \$0.02 per share to raise up to of \$7,000,000 (**Capital Raising**). The Capital Raising will have a minimum subscription of \$6,000,000.

For the purposes of Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) the maximum number of securities to be issued by the Company under Resolution 4 is 350,000,000 New Shares;
- (b) the New Shares will be issued no later than three (3) months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules), and it is intended that allotment will occur on the same date;
- (c) the issue price of each New Share will be \$0.02;
- (d) participants in the Capital Raising (other than the Directors and Proposed Directors) will be members of the public who are not related parties of the Company being applicants under a Prospectus. The successful applicants will be determined at the sole discretion of the Company;
- (e) the New Shares are ordinary fully paid shares and will rank equally in respect with the Existing Shares; and
- (f) the intended use of the funds raised is set out in section 2.12.

Pursuant to and in accordance with Listing Rules 7.3 and 14.11 a voting exclusion statement is included in the Notice of General Meeting.

3.7 Resolution 5 – Resolutions 5(a), (b), (c) and (d) – Right to apply under the Prospectus by Existing Directors and Proposed Directors

Subject to the passing of each other Resolution, Resolutions 5(a), (b), (c) and (d) is an ordinary resolution which seeks approval for the right for the Existing and Proposed Directors to apply to be issued up to 13,750,000 New Shares (in aggregate) of the New Shares to be issued under the Capital Raising as referred to in Resolution 4.

As the Existing and Proposed Directors are related parties of the Company, Resolution 5 must be approved by Shareholders under section 208(1) of the Corporations Act and Listing Rule 10.11. For a summary of those provisions see Sections 5.2 and 5.3.

Mr David Sumich, Mr Gernot Abl, Mr George Lazarou and Mr Peter Smith are Related Parties of the Company under section 228(6) of the Corporations Act as they are either Existing Directors, or it is proposed that they will be directors of the Company from completion of the Proposed Transaction.

Section 219 of the Corporations Act requires the following information be provided to the Shareholders for approval to be granted under section 208(1) of the Corporations Act:

(a) **Related parties to whom the financial benefit is given**

The Related Parties to whom the Shares may be issued under Resolution 5 are the Existing and Proposed Directors.

(b) **Nature of the financial benefits**

The nature of the financial benefit to be given is the 5,000,000 New Shares that may be issued to each of Mr David Sumich and Mr Gernot Abl, 2,500,000 New Shares that may be issued to Mr George Lazarou and the 1,250,000 New Shares that may be issued to Mr Peter Smith, pursuant to Resolution 9, which are to be issued on the basis and terms set out in section 3.7. Like other Shares issued under the Capital Raising, the New Shares will be issued at a subscription price of \$0.02 each.

(c) **Valuation of the financial benefits**

If each Related Party applies for and is issued New Shares under the Capital Raising, to which it is entitled under Resolution 5, then the value of this parcel of Shares upon issue would be:

- \$100,000 each for Mr David Sumich and Mr Gernot Abl, being 5,000,000 New Shares each at the issue price of \$0.02 per share;
- \$50,000 to Mr George Lazarou, being 2,500,000 New Shares at the issue price of \$0.02 per New Share; and
- \$25,000 to Mr Peter Smith, being 1,250,000 New Shares at the issue price of \$0.02 per New Share.

It should be noted, however, that in order to be issued the maximum allowance of New Shares under the Capital Raising, the Related Parties would need to pay \$275,000 in total, to the Company. The quantum of the benefit will depend in part on the price at which the Shares trade on ASX (assuming the Shares are re-instated to official quotation).

(d) **Current remuneration and security interests**

Please refer to section 4.4 and 4.6 for the Existing and Proposed Directors' interests in the Company.

The following table shows the total annual remuneration (including superannuation) paid to Existing Directors:

Director	2014	2015	2016 (to June 2016)
George Lazarou	53,208	27,375	22,812
David Sumich	205,534	65,700	83,950
Peter Smith ¹	32,813	19,710	16,425

Notes:

¹ Appointed as a director on 3 February 2014.

To date the Proposed Directors have not received any remuneration from the Company and as at the date of this Notice no decision has been made as to what (if any) remuneration will or may be provided to the Proposed Directors

and (subject to any necessary approvals) any such decision will be announced at the relevant time.

(e) **Terms of the securities**

The New Shares that may be issued to the Existing and Proposed Directors will rank equally in all respects with the Existing Shares on issue. Full terms and conditions of the Capital Raising will be set out in the Prospectus.

(f) **Dilution**

Shareholders should note, if Resolution 5 is approved and the New Shares are issued to the Existing and Proposed Directors, Existing Shareholders' holdings will be diluted as compared to their holdings of Existing Shares as at the date of this Explanatory Statement. The potential effects of the Capital Raising on the dilution of the capital structure of the Company are outlined in the table at section 3.3.

(g) **Opportunity costs to the Company**

The Directors do not consider that there are any opportunity costs to the Company or benefits foregone by the Company in issuing New Shares to the Existing and Proposed Directors under the Capital Raising.

(h) **Intended use of funds**

Funds raised by the issue of the New Shares under the Capital Raising are intended to be used in accordance with the table set out in section 2.9.

(i) **Directors' interests**

Please refer to section 4.4 for the Existing Directors' interests in the Company.

Please refer to section 4.6 for the Proposed Directors' interests in the Company.

(j) **Directors' Recommendations**

The Existing Directors recommend that Shareholders vote in favour of Resolution 5(b) for the reasons set out in this Explanatory Statement and on the basis that, in their opinion, the proposed issue of New Shares:

- (i) will raise up to \$275,000 of the \$6,000,000 to \$7,000,000 being sought under the Company's Capital Raising;
- (ii) is fair and reasonable in the circumstances as it is on the same terms as the proposed issue of New Shares to non-Related Parties under the Capital Raising; and
- (iii) will further align the interests of the Proposed Director with those of Shareholders.

The Existing Directors decline to make a recommendation in relation to Resolutions 5(a), (c) and (d) due to the fact that they have a personal interest in the outcome.

(k) **Other information**

Other than as set out in this Explanatory Statement, there is no further information that is known to the Company or any of the Existing Directors

which Shareholders would reasonably require in order to decide whether or not it is in the Company's best interests to pass Resolution 5.

Listing Rule 10.11

Listing Rule 10.11 provides that a company must not issue equity securities to a "related party" without the approval of holders of ordinary securities. Further, Listing Rule 7.2 (Exception 14) states that approval pursuant to Listing Rule 7.1 is not required if shareholder approval is obtained under Listing Rule 10.11.

As set out above, the Existing and Proposed Directors are Related Parties of the Company for the purposes of section 228 of the Corporations Act. Accordingly, Shareholder approval is sought under Listing Rule 10.11 to permit the issue of New Shares under the Capital Raising to the Existing and Proposed Directors.

The issue of New Shares under Resolution 5 will not affect the capacity of the Company to issue securities in the next 12 months under Listing Rule 7.1, as those securities (once issued) will be excluded from the calculations under Listing Rule 7.1.

For the purposes of Listing Rule 10.13 the following information is provided to Shareholders in respect of Resolution 5:

(a) **Name of the persons**

The allottees under Resolution 5 are the Existing Directors and Proposed Directors or their nominees who apply for New Shares under the Prospectus for the Capital Raising.

Name	New Shares
Mr David Sumich	Up to 5,000,000
Mr Gernot Abl	Up to 5,000,000
Mr George Lazarou	Up to 2,500,000
Mr Peter Smith	Up to 1,250,000

(b) **Maximum number of securities that can be applied for and issued**

The maximum number of New Shares to be issued under Resolution 5 is 13,750,000 New Shares. These New Shares form part of the New Shares that are being approved under Resolution 4, and are not in addition to those New Shares.

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

It is proposed that the New Shares will be issued pursuant to the Capital Raising in accordance with the timetable set out in section 2.8. In any event, however, the New Shares will be issued under Resolution 5 no later than one (1) month after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(d) **Issue price of the securities**

The issue price for the New Shares under Resolution 5 is \$0.02 per Share.

(e) **Terms of the issue**

The Shares to be issued under Resolution 5 are ordinary fully paid shares which on issue will rank equally with the Existing Shares in the Company.

(f) **Relationship that requires Shareholder approval**

The Existing Directors are considered related parties and the Proposed Directors will be appointed as directors of the Company upon Completion.

(g) **Intended use of the funds raised**

A maximum of \$275,000 will be raised by the issue of New Shares pursuant to Resolution 5. Funds raised by the issue of the New Shares under the Capital Raising are intended to be used in accordance with the table set out in section 2.9.

3.8 Resolution 6 – Change of Company Name

Subject to the passing of each other Resolution, Resolution 6 is a special resolution which seeks approval for the Company to change its name.

Subject to the various Resolutions being passed and completion of the acquisition of ESM, and consistent with the new focus and direction of the Company, the Company proposes to change its name from “Volta Mining Limited” to “eSports Mogul Asia Pacific Limited”. This change will not, in itself, affect the legal status of the Company or any of its assets or liabilities.

Shareholder approval is required for Resolution 6 under section 157 of the Corporations Act by special resolution. The change of name will take effect on the day it is approved by ASIC.

3.9 Resolution 7 – Issue of eSports Mogul Noteholder Shares on the Conversion of the eSports Mogul Notes

Subject to the passing of each other Resolution, Resolution 7 is an ordinary resolution and seeks Shareholder approval under Listing Rule 7.1 for the issue of 200,000,000 ESM Noteholder Shares on the conversion of the ESM Notes.

Under the terms of the Share Sale Agreement, the advances made by the ESM Noteholders will be redeemed through the issue of ESM Noteholder Shares.

The material terms and conditions of the ESM Note Agreements are as follows:

(a) Subject to the Company:

- (i) obtaining all necessary Shareholder approvals under the Corporations Act and the Listing Rules; and
- (ii) being satisfied that it has complied with, or will be able to comply with, ASX's conditions to reinstatement of the Company's securities to the Official List,

the ESM Notes will be redeemed via the issue by the Company of ESM Noteholder Shares.

- (b) Each ESM Note will convert into ESM Noteholder Shares at the rate of a 50% discount to the Capital Raising price pursuant to Resolution 4 (i.e. \$0.01 each).
- (c) The ESM Noteholder Shares issued on conversion of the ESM Notes will rank equally in all respects with the Shares on issue at that time.

- (d) Interest is not payable.
- (e) The ESM Notes are unsecured.
- (f) If the condition in (a) above is not satisfied, the advances provided to ESM for the ESM Notes will be repayable by ESM.

The ESM Note Agreements otherwise contain provisions considered standard for agreements of this nature.

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 7 will be to allow the Company to issue 200,000,000 Shares to the ESM Noteholders during the 3 months after the General Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

In accordance with Listing Rule 7.3, the Company provides the following information in relation to the proposed issue of securities to the ESM Noteholders:

Listing Rule 7.3 requires the following information to be provided to Shareholders:

- (a) The maximum number of securities to be issued by the Company to the ESM Noteholders under Resolution 7 is 200,000,000 ESM Noteholder Shares.
- (b) The ESM Noteholder Shares will be allotted and issued under Resolution 7 within 3 months of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules). Allotment will occur on the same date as the persons to be issued shares have already been identified.
- (c) The effective issue price payable for the ESM Noteholder Shares under Resolution 7 is \$0.01 per ESM Noteholder Share.
- (d) The ESM Noteholder Shares to be issued under Resolution 7 are to be issued to the ESM Noteholders.
- (e) None of the ESM Noteholder Shares under Resolution 7 are to be issued to related parties of the Company.
- (f) The ESM Noteholder Shares to be issued under Resolution 7 are ordinary fully paid shares which, upon being issued, will rank equally with the Shares in the Company.
- (g) No funds will be raised from the issue of the ESM Noteholder Shares under Resolution 7. Funds raised on the issue of the ESM Notes were used by ESM to acquire a 20% shareholding in ESH, enter into the Platform Licence Agreement, develop the ESM Media Hub and general working capital.

In addition, in accordance with Appendix 9B of the Listing Rules, it is expected that some or all of the ESM Noteholder Shares will be classified by the ASX as "restricted securities" and will be unable to be traded for up to 12 months from the date of issue.

None of the Directors has an interest in the outcome of Resolution 7, other than as Existing Shareholders. Each of them recommends that Shareholders vote in favour of Resolution 7.

3.10 Resolution 8 – Appointment of Gernot Abl as Director

Subject to the passing of each other Resolution, Resolution 8 is an ordinary resolution and provides for the approval of the appointment of Mr Gernot Abl to the Board. The appointment of Mr Gernot Abl will become effective only on and from the date on which the Proposed Transaction is completed. A profile of Mr Gernot Abl is set out at section 4.3.

3.11 Resolution 9 – Appointment of Andrew Schneider as Director

Subject to the passing of each other Resolution, Resolution 9 is an ordinary resolution and provides for the approval of the appointment of Mr Andrew Schneider to the Board. The appointment of Mr Andrew Schneider will become effective only on and from the date on which the Proposed Transaction is completed. A profile of Mr Andrew Schneider is set out at section 4.3.

3.12 Resolution 10 – Issue of Broker Options to Brokers

Subject to the passing of each other Resolution, Resolution 10 seeks Shareholder approval for the issue of up to 150,000,000 Broker Options to brokers and advisers in consideration of services provided to the Company in connection with the Proposed Transaction.

The Company will determine which brokers and advisers the Broker Options to be issued under Resolution 10 will go to. Such determination will be based on services provided by the relevant brokers and advisers to the Company in connection with the Proposed Transaction.

Listing Rule 7.1

Listing Rule 7.1 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company without approval and which were not subject to an exception during the previous 8 months, exceed 15% of the number of shares on issue at the commencement of that 8 month period.

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

Resolution 10 seeks approval for the issue of up to 150,000,000 Broker Options for the purpose of satisfying the requirements of Listing Rule 7.1. If Resolution 10 is approved, the Shares issued will not affect the capacity of the Company to issue securities in the next 8 months under Listing Rule 7.1 as those securities, once issued, will be excluded from the calculations under Listing Rule 7.1.

For the purposes of Listing Rule 7.3, the following information is provided to Shareholders in relation to Resolution 10:

(a) **Maximum number of securities the entity is to issue**

150,000,000 Broker Options.

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

Any Broker Options will be issued to the relevant brokers and advisers on completion of the Proposed Transaction. In any event, however, no Broker Options will be issued to the relevant brokers and advisers later than 3 months after the Meeting (other than to the extent permitted by any waiver or modification of the Listing Rules).

(c) **Issue price of the securities**

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

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

The Broker Options will be issued to brokers and advisers to the Company, as determined by the Company. No Broker Options will be issued to related parties of the Company.

(e) **Terms of the securities**

Each Broker Options will have an exercise price of \$0.05, an expiry date of 30 October 2019, and will otherwise be on the terms set out in Annexure D. Shares issued upon any exercise of the Broker Options will rank equally in all respects with existing Shares on issue at the time.

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

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

The proceeds from any future exercise of the Broker Options are intended to be applied towards meeting working capital requirements of the Company relevant at, or about, the time of the exercise of the Broker Options at the discretion of the Board.

Directors' recommendations

None of the Directors has an interest in the outcome of Resolution 10, other than as Existing Shareholders. Each of them recommends that Shareholders vote in favour of Resolution 10.

4. OTHER INFORMATION

4.1 Scope of Disclosure

The law requires that this Explanatory Statement sets out all other information that is reasonably required by the Existing Shareholders in order to decide whether or not it is in the Company's interests to pass the Resolutions and which is known to the Company.

The Company is not aware of any relevant information that is material to the decision on how to vote on the Resolutions other than as is disclosed in this Explanatory Statement or previously disclosed to Existing Shareholders by the Company by notification to the ASX.

4.2 Existing Directors' Profiles

Mr George Lazarou, Non-Executive Chairman

Mr Lazarou is a qualified Chartered Accountant with over 20 years' experience, including five years as a partner of a mid-tier accounting firm, specialising in the areas of audit, advisory and corporate services. Mr Lazarou has extensive skills in the areas of audit, corporate services, due diligence, independent expert reports, mergers & acquisitions and valuations.

Mr Lazarou also brings with him a high level of commercial skills having worked closely with publicly listed companies in the mining, building, engineering, environmental and construction industries.

Mr Lazarou is currently the Managing Director of corporate advisory firm Citadel Capital and an Executive Director of Ultima United Ltd.

Mr David Sumich, Managing Director

Mr Sumich is the current Managing Director of Volta and brings public company & corporate financing experience over the past 20 years to the board. He has held various public company Directorships, including that of Chairman, including; previous to Volta, Managing Director of DMC Mining which was the subject of an ASX on-market takeover in 2010 for A\$50 million. Mr Sumich has held investment advisory and/or corporate finance roles with Merrill Lynch in Australia and HSBC in Dubai and has been a licenced financial adviser in Australia, USA, UK & Hong Kong.

Mr Peter Smith, Non-Executive Director

Mr Smith graduated from the University of Sydney in 1987 with a Bachelor of Science (majoring in Geophysics).

Mr Smith has 25 years' experience in mineral exploration having worked for Normandy, Pasminco, BHP Billiton and Cliffs Natural Resources as well as being a founder of Intierra. Mr Smith has also held exploration management positions in MM Mining, NGM Resources and Cliffs Natural Resources and brings a broad range of skills and experience in mineral exploration for base metals, iron ore, and gold.

4.3 Proposed Directors' Profiles

Mr Gernot Abl, Managing Director

Mr Abl's background is in Law, Corporate Finance and Strategic Consulting and has over 15 years of entrepreneurial, business strategy, and investment experience gained as a management consultant with Deloitte Consulting and Deloitte Corporate Finance. Mr Abl has had significant success in the online gaming industry and currently serves as a director of a number of private startup technology companies.

Mr Abl is also currently a Director with New York based eSports Hero Inc.

Mr Andrew Schneider, Non-Executive Director

Mr Schneider has more than 20 years of experience in developing ecosystems for new technologies, pioneering new digital business models and innovating consumer experiences.

Mr Schneider helped shape the way entertainment companies leverage the internet for marketing, content distribution and revenue generation while leading NBC Interactive, Sony Pictures Digital and Wind-up Records. Later, Mr Schneider was instrumental in initiating new digital business models in the video game industry for Microsoft, Sony, Samsung, Facebook, Electronic Arts and Yahoo! while managing Live Gamer. Mr Schneider is now helping to accelerate the ambitions of eSports Hero, his latest start-up.

Mr Schneider's unique experience across entertainment and payments/e-commerce coupled with an extensive international network of C-Level relationships, investors, peers and collaborators has allowed him to help some of the world's leading companies accelerate digital businesses to the delight of millions of consumers.

4.4 Voting intentions and interests of Existing Directors

The Existing Directors of the Company and their interests in the Company are set out in the table below. As at the date of this Explanatory Statement, the Existing Directors intend to vote in favour of the Resolutions set out in the Notice of General Meeting, except Resolutions 5(a), (d) and (e) in which they have a personal interest and are excluded from voting.

Except as otherwise disclosed or referred to in this section 4.4, the Existing Directors have no interest in the outcome of the Resolutions except as Existing Shareholders of the Company. In this regard, the table below sets out the details of the Shares held (directly or indirectly) by the Existing Directors and their Associates and the percentage ownership in the Existing Shares of the Company.

Name of Existing Director	Number of Existing Shares held (directly or indirectly)	Percentage interest in Existing Shares
Mr George Lazarou	951,514	0.4%
Mr David Sumich	11,840,418	5.2%
Mr Peter Smith	551,289	0.2%
TOTAL	13,343,221	5.8%

¹ Based on the total number of 228,637,609 Existing Shares of the Company.

² George Lazarou holds these Existing Shares indirectly through Bessarlie Pty Ltd <Lazarou Family A/C> of which he is a beneficiary.

³ David Sumich holds these Existing Shares indirectly as follows: 2,999,999 shares are held by Ekul Nominees Pty Ltd, 1,376,000 shares are held by Tirol Investments Pty Ltd and 7,464,419 shares by the Lorimer Pty Ltd <Lorimer Superfund A/C>, of which he is either a director, shareholder or a beneficiary.

4.5 Taxation

The Proposed Transaction and/or the passing of the Resolutions may give rise to income tax implications for the Company and Existing Shareholders.

Existing Shareholders are advised to seek their own taxation advice on the effect of the Resolutions on their personal position and neither the Company, nor any Existing Director or advisor to the Company accepts any responsibility for any individual Existing Shareholder's taxation consequences on any aspect of the Proposed Transaction or the Resolutions.

4.6 Interests of the Proposed Directors

The Proposed Directors are Mr Gernot Abl and Mr Andrew Scheider. Details of the Proposed Directors of the Company are set out in section 4.3.

Except as otherwise disclosed or referred to in this section 4.6, the Proposed Directors have no interest in the outcome of the Resolutions except as Existing Shareholders of the Company. In this regard, the table below sets out the details of the Shares held (directly or indirectly) by the Proposed Directors and their Associates and the percentage ownership in the Existing Shares of the Company.

Name of Proposed Director	Number of Existing Shares held (directly or indirectly)	Percentage interest in Existing Shares
Mr Gernot Abl	Nil	0%
Mr Andrew Scheider	Nil	0%
TOTAL	Nil	0%

4.7 Existing Director's recommendations in respect of Resolutions

The Existing Directors recommend that Shareholders vote in favour of all Resolutions other than with respect to Resolutions 5(a), (c) and (d) to the extent the Director has a material personal interest in that Resolution (as applicable), in which case the Director declines to make a recommendation.

5. REGULATORY REQUIREMENTS

5.1 Listing Rule 11.1

Under Listing Rule 11.1, if a Company wishes to make a significant change to the nature or scale of its activities it must provide ASX full details regarding the change and if ASX requires, it must obtain Shareholder approval.

ASX has informed the Company that the acquisition of ESM constitutes a significant change in the nature and scale of activities of the Company and it requires the Company to:

- (a) obtain Shareholder approval for the proposed change of activities; and
- (b) re-comply with the requirements set out in Chapters 1 and 2 of the Listing Rules.

Accordingly, the Company is seeking Shareholder approval under Listing Rule 11.1.2 in relation to Resolution 1.

The acquisition of ESM will result in a change to the nature and scale of the Company's activities from mineral exploration, to an eSports media hub business.

The Company will seek to relist on the ASX, and the ASX has confirmed that it will require the Company to re-comply with the requirements of Chapters 1 and 2 of the Listing Rules.

ASX may suspend quotation of the Shares until the Company has satisfied the requirements of Listing Rule 11.1. The Company will require a trading halt on the day of the General Meeting in respect of the approval of the Proposed Transaction. If Shareholders approve the Proposed Transaction by passing Resolutions 1 to 10 (inclusive), trading in the Company's securities will be suspended until the Company satisfies the requirements of Chapters 1 and 2 of the Listing Rules in accordance with Listing Rule 11.1.3. It is anticipated that the re-quotation of the Company's securities will occur on or around 12 December 2016.

If all the Resolutions are approved and implemented, re-quotation of the Company on ASX will be subject to the Company meeting these requirements. The Company intends to meet these requirements as soon as practicable after the General Meeting. A copy of the Prospectus will be available to Existing Shareholders once lodged with ASIC.

If Shareholders reject the Resolutions or completion of the acquisition does not occur in accordance with the terms (including the approval of ASX for reinstatement of the Company's securities to quotation), the Company will not issue the securities contemplated in the Resolutions.

Accordingly, Shareholders should carefully consider all of the information contained in this Explanatory Statement before making a decision as to whether to vote in favour of the change in the nature and scale of the Company's activities. In particular, Shareholders should carefully consider the advantages, disadvantages and risks of the proposed acquisition of ESM set out in sections 2.5, 2.6 and 2.10.

5.2 Listing Rule 10.11

Chapter 10 of the Listing Rules contains certain provisions in relation to transactions between a company and "persons in a position of influence". Listing Rule 10.11 provides that a company must not issue equity securities to a "related party" without the approval of holders of ordinary securities by ordinary resolution. The terms "related party" is defined in for these purposes to include a related party within the meaning of section 228 of the Corporations Act and a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained.

The Existing and Proposed Directors are "related parties" of the Company within the terms of the Listing Rules. As a result Resolution 5 must be approved by Shareholders under Listing Rule 10.11.

For the purposes of Listing Rule 10.13, the information set out at sections 3.7 is provided to Shareholders in respect of Resolution.

5.3 Section 208 of the Corporations Act

Section 208(1)(a) of the Corporations Act prohibits a company from giving a financial benefit (including an issue of shares) to a related party of the company without the approval of shareholders by a resolution passed at a general meeting at which no votes are cast in relation to the resolution in respect of any shares held by the related party or by an Associate of the related party or the giving of the financial benefit falls within an exception set out in the Corporations Act.

The Existing and Proposed Directors are "related parties" of the Company for the purposes of section 208 of the Corporations Act. Accordingly, approval is sought for the issue of New Shares and Employee Options as contemplated by Resolutions 3(a) and 5 under section 208 of the Corporations Act.

For the purposes of ASIC Regulatory Guide 76, the information set out at sections 3.5 and 3.7 is provided to Shareholders in respect of Resolutions 3(a) and 50.

5.4 ASIC Regulatory Guide 76

The information set out in section 3.7 is included in accordance with the requirements of section 219 of the Corporations Act and ASIC Regulatory Guide 76.

5.5 Listing Rule 7.1

Under Chapter 7 of the Listing Rules there are limitations on the capacity of a company to enlarge its capital by the issue of equity securities without shareholder approval. The limitation is to 15% of a company's capital in any 12 month period.

Listing Rule 7.1 provides that a company must not, without shareholder approval, subject to certain exceptions, issue during any 12 month period any equity securities, or other securities with rights of conversion to equity (such as an option), if the number

of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

For the purposes of Listing Rule 7.3, the information set out at sections 3.5, 3.6 and 3.9 is provided in relation to Resolutions 3(a), 3(b), 4 and 7 respectively.

5.6 ASIC and ASX's Role

The fact that the Notice of General Meeting, Explanatory Statement and other relevant documentation has been received by ASX and ASIC is not to be taken as an indication of the merits of the Resolutions or the Company. ASIC, ASX and their respective officers take no responsibility for any decision a Shareholder may make in reliance on any of that documentation.

GLOSSARY

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

Annexure means annexure to this Explanatory Statement.

Associate has the meaning set out in sections 11 to 17 of the Corporations Act, and where applicable as applied in accordance with the Note to Listing Rule 14.11.

ASIC means Australian Securities and Investments Commission.

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

Board means the current board of directors of the Company.

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

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

Capital Raising means the proposed issue of New Shares under the Prospectus, as contemplated by Resolution 4.

Chair means the chair of the meeting.

Class A Consideration Shares means 100,000,000 Shares to be issued to the Vendors (or their nominees) pursuant to the Share Sale Agreement, on the satisfaction of Milestone 1.

Class B Consideration Shares means 100,000,000 Shares to be issued to the Vendors (or their nominees) pursuant to the Share Sale Agreement t, on the satisfaction of Milestone 2

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth).

Company means Volta Mining Ltd (ACN 148 878 782).

Completion means completion under the Share Sale Agreement.

Consideration Securities means the Consideration Shares and the Performance Shares and together.

Consideration Shares means the 100,000,000 fully paid ordinary shares in the Company to be issued to the Vendors as part consideration for ESM.

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

CSNA means CSNA Pty Ltd (ACN 165 229 363) ATF CGL Trust and CSNA Pty Ltd (ACN 165 229 363) ATF Abl Family Super Fund

Directors means the current directors of the Company.

ESH means eSports Hero Inc. (Company Number 5656579)

ESM means eSports Mogul Pty Ltd (ACN 609 780 154).

ESM Notes means the convertible notes issued pursuant to the ESM Note Agreements.

ESM Note Agreements means the convertible note agreements between the Company and the ESM Noteholders having the terms set out in 3.9.

ESM Noteholder Shares means the New Shares to be issued to ESM Noteholders under Resolution 7.

ESM Player means an ESM User in the Territory that plays or has played on the ESH Tournament Platform, or that has purchased goods or services through the ESH Online Store.

ESM Subscribers means eligible subscribers to the ESM Media Hub.

ESM User means an individual that registers with ESM to access the ESM Media Hub.

Existing Directors means George Lazarou, David Sumich and Peter Smith.

Existing Shareholders means the holder of an Existing Share.

Existing Shares means the issued Shares in the Company as at the date of this Notice of Meeting being 228,637,609 fully paid ordinary shares

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those 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 official Listing Rules of ASX, as amended from time to time.

Milestone 1 means upon ESM (based on its assets at the time of acquisition) achieving any combination of 100,000 ESM Subscribers, ESM Customers and/or ESM Players (in aggregate), and 30% Active Users, within 24 months of the launch date being 1 November 2016.

Milestone 2 means upon ESM (based on its assets at the time of acquisition) achieving annualised EBIT of not less than \$5 million per annum, calculated over 3 consecutive months, within 60 months of the date of issue.

MMO means massively multiplayer online game.

MOBA means multiplayer online battle arena.

Monthly Active Tournament Users means an ESM Player who has played in at least 4 Tournaments per month during the relevant PLA milestone period.

New Shares means new fully paid ordinary shares in the Company to be issued pursuant to the Resolutions.

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

Option means an option to acquire a Share.

Performance Shares means the 200,000,000 performance shares to be issued to Vendors on the terms set out in Annexure B.

Proposed Directors means Gernot Abl and Andrew Schneider.

Proposed Transaction means the proposal for the acquisition of all the issued shares in ESM pursuant to the Share Sale Agreement as described in section 2.3.

Prospectus means the prospectus to be issued by the Company as contemplated by Resolution 4.

Proxy Form means the proxy form accompanying the Notice.

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

Related Vendor means Gernot Abl.

Resolutions means the resolutions set out in the Notice of Meeting or any one of them, as the context requires.

Share Sale Agreement means the Share Sale Agreement (as amended) referred to in section 2.3.

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

Shareholder means a holder of a Share.

Tournament means a contest between a number of competitors, however no prizes are awarded.

Vendors means Mandevilla Pty Ltd (ACN 054 147 214) ATF N J Bassett Superannuation Fund, CSNA Pty Ltd (ACN 165 229 363) ATF CGL Trust, CSNA Pty Ltd (ACN 165 229 363) ATF Abl Family Super Fund, Sierra Tech Nominees Pty Ltd (ACN 610 811 811), CPS Capital Group Pty Ltd (ACN 088 055 636), Shah Nominees Pty Ltd (ACN 008 830 886) ATF Louis Carsten S/F #2, Comprehensive Investments Pty Ltd (ACN 126 744 438) and Michael Stanley Carter.

Unrelated Vendors means Mandevilla Pty Ltd (ACN 054 147 214) ATF N J Bassett Superannuation Fund, Sierra Tech Nominees Pty Ltd (ACN 610 811 811), CPS Capital Group Pty Ltd (ACN 088 055 636), Shah Nominees Pty Ltd (ACN 008 830 886) ATF Louis Carsten S/F #2, Comprehensive Investments Pty Ltd (ACN 126 744 438) and Michael Stanley Carter.

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

ANNEXURE A – PRO FORMA STATEMENT OF FINANCIAL POSITION

This section contains the Pro Forma Statement of Financial Position for the Company as a merged group with ESM (**Merged Group**), reflecting the combined business of the Company and ESM. The Pro Forma Statement of Financial Position is presented to provide Shareholders with an indication of the Merged Group's consolidated financial position as if the Proposed Transaction had been implemented as at 31 December 2015.

As the Proposed Transaction, if implemented, will be effected at a future date, the actual financial position of the Merged Group post implementation of the Proposed Transaction will differ from that presented below.

References to notes in the table presented below refer to the notes to pro forma adjustments set out in this section.

Basis of preparation

The Pro Forma Statement of Financial Position is provided for illustrative purposes and is prepared in accordance with the recognition and measurement requirements of applicable Australian Accounting Standards on the assumption that the proposed transaction occurred on 31 December 2015.

The Pro Forma Statement of Financial Position is presented in an abbreviated form insofar as it does not contain all of the disclosures, statements or comparative information as required by Australian Accounting Standards applicable to annual financial reports usually provided in an annual report prepared in accordance with the Corporations Act.

The Company is the legal acquirer (i.e. the parent company) and will be the reporting entity of the Merged Group. The accounting policies of the Merged Group used in the compilation of the Pro Forma Financial Information are based on those of the Company. A summary of the significant accounting policies of the Company is disclosed in the audited financial statements of the Company for the year ended 31 December 2015, available on ASX's website at www.asx.com.au or on the Company's website at www.voltamining.com.au.

Upon completion of the Proposed Transaction, the business purpose of the Company will have changed to that of the Merged Group resulting in the need to consider and/or adopt new accounting policies.

No adjustments have been made in the Pro Forma Statement of Financial Position for any expected synergies or integration costs following the completion of the Proposed Transaction. Nor have any adjustments been made in the Pro Forma Statement of Financial Position for any one-off or non-recurring costs, other than those set out in the pro forma adjustments.

The functional and presentation currency of the Company (the reporting entity) is Australian dollars.

Consolidated Balance Sheet and Pro Forma Balance Sheet as at 31 December 2015

	Audited 31 December 2015 Actual \$	Audited 31 December 2015 Pro-forma (\$6 million capital raising) \$	Audited 31 December 2015 Pro-forma (\$7 million capital raising) \$
CURRENT ASSETS			
Cash and cash equivalents	836,141	6,316,141	7,256,141
Other receivables	13,390	13,390	13,390
Other assets	8,317	8,317	8,317
TOTAL CURRENT ASSETS	857,848	6,337,848	7,277,848
NON CURRENT ASSETS			
Plant and equipment	5,212	5,212	5,212
Exploration and evaluation expenditure	300,000	300,000	300,000
Intangibles	4,198,357	4,198,357	4,198,357
Equity Investment	1,437,195	1,437,195	1,437,195
TOTAL NON CURRENT ASSETS	5,940,764	5,940,764	5,940,764
TOTAL ASSETS	6,798,612	12,278,612	13,218,612
CURRENT LIABILITIES			
Trade and other payables	57,485	57,485	57,485
Provisions	20,897	20,897	20,897
Convertible notes	1,877,000	-	-
Contingent Equity Liability - Licence Fee	2,192,644	2,192,644	2,192,644
TOTAL CURRENT LIABILITIES	4,148,026	2,271,026	2,271,026
TOTAL LIABILITIES	4,148,026	2,271,026	2,271,026
NET ASSETS	2,650,586	10,007,586	10,947,586
EQUITY			
Issued capital	19,200,584	26,965,342	27,905,342
Option reserve	1,821,786	3,537,028	3,537,028
Share based payments reserve	388,571	388,571	388,571
Accumulated losses	(18,760,355)	(20,883,355)	(20,883,355)
TOTAL EQUITY	2,650,586	10,007,586	10,947,586

Notes:

- A. The issue of 100,000,000 Shares to acquire 100% of the share capital of ESM.
- B. The issue of the Convertible Notes by ESM, including transaction costs.
- C. The investment in eSports Hero Inc. by ESM.
- D. The Pro Forma Statement of Financial Position assumes that the Capital Raising will be fully subscribed.
 - (i) A Capital Raising of 300,000,000 shares at \$0.02, net of transaction costs of \$0.52m for the minimum amount of \$6m and 350,000,000 shares at \$0.02, net of transaction costs of \$0.58m for the maximum amount of \$7m;
 - (ii) The issue of 200,000,000 Shares in repayment of the ESM Convertible Notes; and
 - (iii) 150 million listed share options shall be issued for nil consideration to brokers in relation to the Capital Raising as outlined in Resolution 10.

ANNEXURE B – TERMS OF PERFORMANCE SHARES

Terms attaching to the Performance Shares

- (a) **(Performance Shares)** Each Performance Share is a share in the capital of Volta Mining Limited (ACN 148 878 782) (**Company**).
- (b) **(General meetings)** Each Performance Share confers on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to holders of fully paid ordinary shares in the capital of the Company (**Shareholders**). Holders have the right to attend general meetings of Shareholders.
- (c) **(No voting rights)** A Performance Share does not entitle the Holder to vote on any resolutions proposed by the Company except as otherwise required by law.
- (d) **(No dividend rights)** A Performance Share does not entitle the Holder to any dividends.
- (e) **(No rights to return of capital)** A Performance Share does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (f) **(Rights on winding up)** A Performance Share does not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up.
- (g) **(Not transferable)** A Performance Share is not transferable.
- (h) **(Reorganisation of capital)** If at any time the issued capital of the Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the applicable Listing Rules at the time of reorganisation.
- (i) **(Application to ASX)** The Performance Shares will not be quoted on ASX. However, if the Company is listed on ASX at the time of conversion of the Performance Shares into fully paid ordinary shares (**Shares**), the Company must within 10 Business Days apply for the official quotation of the Shares arising from the conversion on ASX.
- (j) **(Participation in entitlements and bonus issues)** A Performance Share does not entitle a Holder (in their capacity as a holder of a Performance Share) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (k) **(No other rights)** A Performance Share gives 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.
- (l) **(Conversion on achievement of milestone)** Subject to paragraph (a), a Performance Share in the relevant class will convert into one Share upon achievement of:
 - (i) Class A: upon ESM (based on its assets at the time of acquisition) achieving any combination of 100,000 ESM Subscribers, ESM Customers and/or ESM Players (in aggregate) and 30% Active Users (defined below) within 24 months of the date of issue (**Milestone**).
 - (ii) Class B: upon ESM (based on its assets at the time of acquisition) achieving annualised EBIT of not less than \$5 million per annum, calculated over 3 consecutive months, within 60 months of the date of issue (**Milestone**).
- (m) **(Conversion on change of control)** Subject to paragraph (a) and notwithstanding the relevant Milestone has not been satisfied, upon the occurrence of either:
 - (i) a takeover bid under Chapter 6 of the *Corporations Act 2001* (Cth) having been made in respect of the Company having received acceptances for more than 50% of the Company's shares on issue and being declared unconditional by the bidder; or
 - (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the

reconstruction of the Company or its amalgamation with any other company or companies,

that number of Performance Shares that is equal to 10% of the Shares on issue immediately following conversion under this paragraph will convert into an equivalent number of Shares. The conversion will be completed on a pro rata basis across each class of Performance Shares then on issue as well as on a pro rata basis for each Holder. Performance Shares that are not converted into Shares under this paragraph will continue to be held by the Holders on the same terms and conditions.

- (n) **(Deferral of conversion if resulting in a prohibited acquisition of Shares)** If the conversion of a Performance Share under paragraph (a) or (a) would result in any person being in contravention of section 606(1) of the Corporations Act (**General Prohibition**) then the conversion of that Performance Share shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Share would result in a contravention of the General Prohibition:
- (i) Holders may give written notification to the Company if they consider that the conversion of a Performance Share may result in the contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance Share will not result in any person being in contravention of the General Prohibition.
 - (ii) The Company may (but is not obliged to) by written notice to a Holder request a Holder to provide the written notice referred to in paragraph (a)(i) within seven days if the Company considers that the conversion of a Performance Share may result in a contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance Share will not result in any person being in contravention of the General Prohibition.
- (o) **(Redemption if Milestone not achieved)** If the relevant Milestone is not achieved by the required date, then each Performance Share in that class will be automatically redeemed by the Company for the sum of \$0.00001 within 10 Business Days of non-satisfaction of the Milestone.
- (p) **(Conversion procedure)** The Company will issue the Holder with a new holding statement for any Share issued upon conversion of a Performance Share within 10 Business Days following the conversion.
- (q) **(Ranking upon conversion)** The Share into which a Performance Share may convert will rank pari passu in all respects with existing Shares.
- (r) **(Definitions):**
- (i) **Active User** means an:
 - a) ESM Subscriber that has been a paying subscriber for at least 3 months in any 6 month period within to the relevant Milestone period;
 - b) ESM Customer that has paid for a downloaded game from the ESM Hub Online Store in any 6 month period within to the relevant Milestone period; or
 - c) ESM Player who has played in at least five (5) Tournaments in any 6 month period within to the relevant Milestone period.
 - (ii) **ESH** means eSports Hero, Inc.;
 - (iii) **ESH Business** means the Platform and the ESH Online Store;
 - (iv) **ESH Live Event Business** means the ESH business unit responsible for conducting live eSports events and tournaments in physical locations;
 - (v) **ESH Marks** means the ESH trade names and logos;
 - (vi) **ESH Online Store** means online shopping portal where customers are able to purchase physical and digital products and services whether or not

- relating to the ESH Business and under, or in association with, the ESH Marks;
- (vii) **ESM Customer** means any individual who is not an ESM Subscriber, but acquires products via the ESM Hub;
 - (viii) **ESM Hub** means the online business conducted by ESM containing various products and services including an eSports learning academy, a digital products shop and exclusive eSports viewing content;
 - (ix) **ESM Player** means any ESM User in the Territory that plays or has played on the Platform, or that purchase or has purchased goods or services through the ESH Online Store or any other aspect of the ESH Business;
 - (x) **ESM Subscriber** means any individual who has paid the requisite subscription fee to access the ESM Hub;
to time for ongoing registration with, and access to, the ESM Hub;
 - (xi) **Launch Date** means the date that the Platform is launched in the Territory;
 - (xii) **Platform** means the 'eSports Hero Tournament' platform available at www.esportshero.com;
 - (xiii) **Territory** means Australia, Bangladesh, Bhutan, Burma, Cambodia, China, Hong Kong, India, Indonesia, Japan, Laos, Malaysia, Mongolia, Nepal, New Zealand, Pacific Islands (Fiji, New Caledonia, Samoa, Solomons, Tonga and Vanuatu, but excluding Hawaii), Pakistan, Papua New Guinea, Philippines, Singapore, South Korea, Sri Lanka, Taiwan, Thailand, Timor Leste and Vietnam; and
 - (xiv) **Tournament** means a contest between a number of competitors, however no prizes are awarded."

ANNEXURE C – ESM VENDORS

Name	Number of Consideration Shares	Number of Class A Performance Shares	Number of Class B Performance Shares	Number of Shares if Performance Shares Convert	Number of Shares to be potentially subscribed for under the Capital Raising
CSNA Pty Ltd ATF CGL Trust	15,000,000	15,000,000	15,000,000	45,000,000	5,000,000 ¹
CSNA Pty Ltd ATF Abl Family Super Fund	5,000,000	5,000,000	5,000,000	15,000,000	
Related Vendor Total	20,000,000	20,000,000	20,000,000	60,000,000	
Mandevilla Pty Ltd	20,000,000	20,000,000	20,000,000	60,000,000	
Sierra Tech Nominees Pty Ltd	10,000,000	10,000,000	10,000,000	30,000,000	
CPS Capital Group Pty Ltd	6,000,000	6,000,000	6,000,000	18,000,000	
Shah Nominees Pty Ltd ATF Louis Carsten S/F #2	7,000,000	7,000,000	7,000,000	21,000,000	
Comprehensive Investments Pty Ltd	30,000,000	30,000,000	30,000,000	90,000,000	
Michael Stanley Carter	7,000,000	7,000,000	7,000,000	21,000,000	
Unrelated Vendor Total	80,000,000	80,000,000	80,000,000	240,000,000	
TOTAL	100,000,000	100,000,000	100,000,000	300,000,000	5,000,000

Note:

- Under Resolution 5, Mr Gernot Abl, the controller of CSNA Pty Ltd ATF both the CGL Trust and Abl Family Super Fund, may subscribe for up to 5,000,000 Shares under the Capital Raising
- It is not yet known how many Shares (if any) the Unrelated Vendors will subscribe for under the Capital Raising.

ANNEXURE D – BROKER OPTIONS TERMS

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.05 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 October 2019 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

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

Within 15 Business Days after the later of the following:

- (i) the Exercise Date; and
 - (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,
- but in any case no later than 20 Business Days after the Exercise Date, the Company will:
- (iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(iv) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no

later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Quotation of New Options issued**

The Company will apply for quotation of the Options on ASX. In addition, the Company will also apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.

(n) **Transferability**

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

PROXY FORM

**APPOINTMENT OF PROXY
VOLTA MINING LTD
ACN 148 878 782**

GENERAL MEETING

I/We
of
being a member of Volta Mining Ltd entitled to attend and vote at the General Meeting, hereby
Appoint

Name of proxy

OR ☐ the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the General Meeting to be held at 10:00 (WST), on 17 October 2016 at Royal Perth Golf Club, Labouchere Road, South Perth, WA 6151 and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote. If you have appointed the Chair as your proxy (or the Chair becomes your proxy by default), and you wish to give the Chair specific voting directions on a Resolution, you should mark the appropriate box(es) opposite those Resolutions in the panel below (directing the Chair to vote for, against or to abstain from voting).

Important: Each Resolution is subject to, and conditional on, each of the other Resolutions being passed. Accordingly, the Resolutions should be considered collectively as well as individually.

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Change in Nature and Scale of Activities of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Approval of Performance Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(a) – Issue of Consideration Shares and Performance Shares to Related Vendor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(b) – Issue of Consideration Shares and Performance Shares to Unrelated Vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Issue of New Shares Pursuant to the Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 (a) – Right to apply under the Prospectus Mr David Sumich	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 (b) – Right to apply under the Prospectus Mr Gernot Abl	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 (c) – Right to apply under the Prospectus Mr George Lazarou	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 (d) – Right to apply under the Prospectus Mr Peter Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Issue of Esports Mogul Noteholder Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Appointment of Gernot Abl as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 – Appointment of Andrew Schneider as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 – Issue of Broker Options to brokers	<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 Member(s):

Date:

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

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

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and cast a vote at an General Meeting is entitled to appoint a proxy to attend and vote on their behalf at the meeting. If the member is entitled to cast 2 or more votes at the meeting, the member may appoint a second proxy to attend and vote on their behalf at the meeting. However, where both proxies attend the meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate cop of these principles will be disregarded. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
 - **(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 form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to PO Box 940, West Perth WA 6872; or
 - (b) facsimile to the Company on facsimile number +61 8 9429 8888; or
 - (c) email to the Company at glazarou@citadelcapital.com.auso 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.
6. A member who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints 2 proxies and the appointments do not specify the proportion or number of the member's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application.