



NEVADA IRON LIMITED

ACN 123 423 987

NOTICE OF GENERAL MEETING

TIME: 9:00 am AEST

DATE: 30 November 2016

PLACE: 116 Alastair Street
Lota, Queensland, Australia, 4179

The Independent Expert has concluded that the Disposal the subject of Resolutions 1A and 1B outlined in this Notice of Meeting and the Acquisition the subject of Resolution 4C outlined in this Notice of Meeting are NOT FAIR, BUT REASONABLE to the Non-Associated Shareholders.

All Shareholders should refer to the Independent Expert's Report enclosed with this Notice of Meeting.

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.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 42 999 5000.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 9:00 am AEST on Wednesday 30 November 2016 at:

116 Alastair Street
Lota, Queensland, Australia, 4179

Your vote is important

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

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 Meeting are those who are registered Shareholders at 5:00 pm AEST on Monday, 28 November 2016.

Voting in person

To vote in person, attend the 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, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder 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.

BUSINESS OF THE MEETING

AGENDA

RESOLUTION 1A – DISPOSAL OF MAIN UNDERTAKING

To consider and, if thought fit, to pass, with or without amendment, the following Resolutions 1A and 1B as **ordinary resolutions**:

*"That, subject to the passing of Resolutions 1B, 4A, 4B and 4C, for the purposes of ASX Listing Rule 11.2 and for all other purposes, approval is given for the Company to sell 100% of the issued capital of Nevada Iron Holdings Pty Ltd (**Disposal**) on the terms and conditions described in the Explanatory Statement accompanying this Notice of Meeting."*

Voting Exclusion: The Company will disregard any votes cast on Resolution 1A by a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 1A is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 1B – FINANCIAL BENEFIT ARISING FROM DISPOSAL OF MAIN UNDERTAKING

"That, subject to the passing of Resolutions 1A, 4A, 4B and 4C, for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.1 and for all other purposes, approval is given for the Company to pay the Disposal Consideration to the Purchasing Parties in consideration for the Disposal on the terms and conditions described in the Explanatory Statement accompanying this Notice of Meeting."

Expert's Report: Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of the Shareholder approval required under ASX Listing Rule 10.1. The Independent Expert's Report comments on the fairness and reasonableness of the transactions the subject of Resolutions 1A and 1B to the non-associated Shareholders in the Company.

Voting Exclusion: The Company will disregard any votes cast on Resolution 1B by a party to the transaction and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 2 – RATIFICATION OF ISSUE OF 10,389,530 SHARES ON 22 JULY 2016

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Company ratifies the issue of 10,389,530 Pre Consolidation Shares on 22 July 2016 and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 3 – CONVERSION OF CONVERTIBLE NOTES

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 16,950,000 Pre Consolidation Shares in order to convert 16,950,000 Convertible Notes and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and a 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 associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 4A – APPROVAL FOR ACQUISITION OF 100% OF SPORTZ HERO PTY LTD AND 83.33% OF SPORTSHERO ENTERPRISE PTE LTD

To consider and, if thought fit, to pass, with or without amendment, the following Resolutions 4A, 4B and 4C as an **ordinary resolutions**:

*"That, subject to the passing of Resolutions 1A, 1B, 4B, 4C, 7 and 8, for the purposes of ASX Listing Rule 11.1 and for all other purposes, Shareholders approve the acquisition by the Company of 100% of the issued capital of Sportz Hero Pty Ltd and 83.33% of Sportshero Enterprise Pte Ltd (**Acquisition**) in accordance with the terms of the Share Purchase Agreement and the Share Sale Agreement (collectively the **Agreements**) and otherwise on the terms and conditions in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on Resolution 4A by any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 4A is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 4B – APPROVAL FOR ISSUING THE CONSIDERATION

*"That, subject to the passing of Resolutions 1A, 1B, 4A, 4C, 7 and 8, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 96,000,000 Post Consolidation Shares and 72,000,000 Options (**Consideration**) pursuant to the terms of the Agreements and otherwise on the terms and conditions in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution 4B by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 4B is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 4C – APPROVAL FOR ISSUING THE MYHERO CONSIDERATION

*"That, subject to the passing of Resolutions 1A, 1B, 4A, 4B, 7 and 8, for the purposes of section 611 (Item 7) of the Corporations Act and for all other purposes, Shareholders approve the issue of 60,000,000 Post Consolidation Shares (such Post Consolidation Shares forming part of the Consideration) to MyHero Limited (or nominee) (**MyHero Consideration**), which could result in MyHero Limited's voting power in the Company being 29.01% and otherwise on the terms and conditions in the Explanatory Statement."*

Expert's Report: Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of the Shareholder approval required under section 611 Item 7 of the Corporations Act. The Independent Expert's Report comments on the fairness and reasonableness of the transactions the subject of this Resolution 4C to the non-associated Shareholders in the Company.

Voting Exclusion: The Company will disregard any votes cast on Resolution 4C by any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 4C is passed and, any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 5 – 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 and conditional upon the passing of Resolutions 4A, 4B and 4C and completion of the Acquisition, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to SportsHero Limited."

RESOLUTION 6 – ISSUE OF SHARES TO SUNSHORE HOLDINGS PTY LTD

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

"That, subject to and conditional upon the completion of the Acquisition, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 12,500,000 Post Consolidation Shares to Sunshore Holdings Pty Ltd (or nominee) and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution 6 by Sunshore Holdings Pty Ltd (or nominee) and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 6 is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a **person** as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 7 – CONSOLIDATION OF CAPITAL

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

"That, subject to and conditional upon the passing of Resolutions 4A, 4B, 4C and 8 and completion of the Acquisition, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that every two (2) Shares be consolidated into one (1) Share and, where this Consolidation results in a fraction of a Share being held, the Company be authorised to round that fraction up to the nearest whole Share."

RESOLUTION 8 – SHARE PLACEMENT BY PROSPECTUS

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

"That, subject to and conditional upon the passing of Resolutions 4A, 4B, 4C and 7 and completion of the Acquisition, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 175,000,000 Post Consolidation Shares under the Prospectus and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution 8 by any person who may participate in the proposed issue and a 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 associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 9 – ELECTION OF DIRECTOR – HOWARD DAWSON

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

"That, subject to the passing of Resolutions 4A, 4B, 4C, 7 to 8, for the purpose of clause 11.7 of the Constitution and for all other purposes, Mr Howard Dawson, being eligible to act as a Director, be elected as a Director with effect from the date of completion of the Acquisition."

RESOLUTION 10 – ELECTION OF DIRECTOR – DINESH BHATIA

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

"That, subject to the passing of Resolutions 4A, 4B, 4C, 7 to 8, for the purpose of clause 11.7 of the Constitution and for all other purposes, Mr Dinesh Bhatia, being eligible to act as a Director, be elected as a Director with effect from the date of completion of the Acquisition."

Dated: 27 October 2016

By order of the Board

Michael Higginson
Director and Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1A – DISPOSAL OF MAIN UNDERTAKING

AND

RESOLUTION 1B – FINANCIAL BENEFIT ARISING FROM DISPOSAL OF MAIN UNDERTAKING

1.1 Background

On 20 May 2016 the Company announced to ASX that it had entered into a heads of agreement for the acquisition of the SportsHero Business.

The parties to the HoA are the Company and Sportz Hero Pty Ltd, a company incorporated in Australia (**SPA**) which is to acquire 100% of Sportshero Enterprise Pte Ltd, a company incorporated in Singapore (**SPS**) which is the owner of the SportsHero Business.

Pursuant to the HoA and subject to the receipt of Shareholder approval, the Company also agreed to enter into a sale agreement for the sale of 100% of the issued share capital of Nevada Iron Holdings Pty Ltd (**NVH**) which is the owner of 100% of the issued share capital of each of Nevada Iron LLC (a company incorporated in Nevada USA) and Iron Horse Transportation LLC (a company incorporated in Nevada USA) which collectively own 100% of Nevada's interest in the Buena Vista Iron Project (**Disposal**).

On 27 September 2016, the Company executed a Binding Heads of Agreement for the sale of 100% of the issued share capital of Nevada Iron Holdings Pty Ltd (**NVH**) to Rhodes Investment Limited and New Nevada Resources LLC (the **Purchasing Parties**).

Details of the Purchasing Parties are set out below:

- (a) Rhodes Investment Limited, a Turks and Caicos Company of which Mr Mick McMullen is President. Mr McMullen is a Director of the Company and a substantial shareholder with a relevant interest in 5,710,000 Shares; and
- (b) New Nevada Resources LLC, a Florida USA limited company of which Mr Heath Rushing is a Managing Member. Mr Rushing resigned as director of the Company on 21 June 2016 and by virtue of 228(5) of the Corporations Act is a Related Party. In addition, Mr Rushing is a substantial shareholder of the Company having a relevant interest in 6,960,304 Shares.

Accordingly, each of the Purchasing Parties are Related Parties of the Company.

As a result of the above and the matters noted in Section 1.2, the Disposal results in the sale by the Company of a substantial asset to associates of Related Parties and the Company is therefore required to seek Shareholder approval for the purposes of ASX Listing Rules 10.1 and 11.2.

As required by Listing Rule 10.10.2, the Directors of the Company have commissioned the Independent Expert to prepare a report on the question of whether the Disposal is fair and reasonable to the Shareholders not associated with the proposal. That report accompanies the Notice and concludes that the Disposal and the Acquisition is "not fair, but reasonable" to Non-Associated Shareholders of the Company.

Disposal consideration

The consideration for the Disposal is as follows:

- the assumption of debt held by Nevada Iron LLC and Iron Horse Transportation LLC totalling not less than \$800,000;
- The assumption of \$227,500 in liabilities owed to Mr Mick McMullen and/or related entities;

- a cash payment of \$100,000 at settlement; and
- a cash payment of:
 - (i) US\$250,000 on commencement of iron ore production at 1Mtpa or greater from the existing Buena Vista claims (**Production Payment**);
 - (ii) US\$250,000 on the first anniversary of the Production Payment (**First Anniversary Payment**), subject to production having been continuous during the period between the Production Payment and the First Anniversary Payment; and
 - (iii) US\$250,000 on the second anniversary of the Production Payment (**Second Anniversary Payment**), subject to production having been continuous during the period between the Production Payment and Second Anniversary Payment.

Collectively the **Disposal Consideration**.

Conditions precedent for Disposal

Completion for the Disposal is conditional upon the satisfaction (or waiver) of the following conditions precedent:

- Shareholders approving all resolutions required to complete the sale of NVH, in accordance with the Corporations Act and ASX Listing Rules, including the requisite related party approvals under ASX Listing Rule 10.1 and section 208 of the Corporations Act;
- the parties to the Acquisition being ready, willing and able to complete the Acquisition;
- effective as at settlement, all liabilities owed to Mick McMullen (and his related entities) by the Company and any of its subsidiaries (other than NVH and its subsidiaries) being assumed by the purchasing parties; and
- there being no change in the ownership structure of NVH or its subsidiaries, prior to settlement.

Resolutions 1A and 1B are conditional on Resolutions 4A, 4B and 4C of this Notice of Meeting being approved.

1.2 Chapter 2E of the Corporations Act and ASX Listing Rules 10.1 and 11.2

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a Related Party of the public company unless providing the benefit falls within a prescribed exception to the general prohibition. Relevantly, there is an exception if the company first obtains the approval of its shareholders in a general meeting in circumstances where certain requirements specified in Chapter 2E in relation to the convening of that meeting have been met.

A Related Party is defined widely in section 228 of the Corporations Act and includes, relevantly, a director (or former director in the previous 6 months) of a public company, any entity that controls (or is reasonably likely to control) a public company, and any entity that is controlled by a person or entity which is otherwise a Related Party (or was a Related Party in the previous 6 months).

A financial benefit for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the Related Party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing (rather than just the legal form). Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate.

ASX Listing Rule 10.1

ASX Listing Rule 10.1 relevantly states that an entity must ensure that neither it, nor any of its child entities, acquires a substantial asset from, or disposes a substantial asset to a Related Party of the entity or one of its associates without the prior approval of the entity's ordinary shareholders.

For the purposes of ASX Listing Rule 10.1, an asset is substantial if its value, or the value of the consideration for it is, or in ASX's opinion is, 5% or more of the equity interests of the entity as set out in the latest accounts given to ASX under the ASX Listing Rules (being for the financial year ended 30 June 2016).

The equity interests of the Company as defined by the ASX Listing Rules (being for the financial year ended 30 June 2016) were negative \$299,016 and, accordingly, the value of the Disposal Consideration is more than 5% of the equity interests of the Company. On that basis, the Disposal will result in the disposal by the Company of a substantial asset.

For the purposes of ASX Listing Rule 10.1, a Related Party of the Company relevantly includes a Director of the Company and an entity controlled by a Director of the Company, a former director of the Company and an entity controlled by the former director of the Company and substantial shareholders of the Company.

ASX Listing Rule 11.2

ASX Listing Rule 11.2 provides that where a company proposes to make a significant change in the nature or scale of its activities which involves the disposal of its main undertaking, it must first obtain the approval of its shareholders.

Resolution 1A seeks Shareholder approval for the Disposal of the Company's main undertaking and Resolution 1B seeks approval to pay the Disposal Consideration to Related Parties.

1.3 Independent Expert's Report

As required by ASX Listing Rule 10.10.2, the Directors of the Company have commissioned the Independent Expert to prepare a report on the question of whether the Disposal Consideration is fair and reasonable to the Shareholders not associated with the proposal. That report accompanies the Notice.

Shareholders are asked to note that the Independent Expert's Report has been prepared by the Independent Expert and the Company does not accept or assume any responsibility for the accuracy or completeness of the Independent Expert's Report, other than factual information provided by the Company to the Independent Expert for the purposes of the Independent Expert's Report.

The Independent Expert has concluded that the terms of the Disposal and Acquisition are "not fair, but reasonable" to the Non-Associated Shareholders of the Company. Summaries of the findings are contained below and further details are contained in the Independent Expert's Report.

(a) Fairness

The Independent Expert concluded the value of the Disposal Consideration to be received by the Company for the Disposal is below the range of the value of the Assets being sold. The following table sets out the Independent Expert's assessed value of the assets and the value of the Disposal Consideration to be received by the Company:

	Low Value	Preferred	High Value
Value of the Assets	\$1.32m	\$2.24m	\$7.24m
Value of the consideration to be received	\$1.13m	\$1.13m	\$1.36m

In addition, the Independent Expert concluded that the assessed fair value of a Share pre and post the Disposal and Acquisition is as presented in the following table:

	Low Value	High Value
Assessed fair value pre Disposal and Acquisition	\$0.013	\$0.14
Assessed fair value post Disposal and Acquisition	\$0.010	\$0.019

After considering the information summarised above and set out in more detail in section 10 of the Independent Expert's Report, the Independent Expert formed the view that the proposed Disposal and Acquisition is not fair to the Non-Associated Shareholders as on balance, the value of a Share post the Disposal and Acquisition is below the range of the value of a Share pre the Disposal and Acquisition.

(b) Reasonableness: Key advantages and disadvantages of Disposal and Acquisition

The table below summarises the advantages and disadvantages of the Disposal, as identified by the Independent Expert.

Advantage	Disadvantage
The Company will no longer be a shell and will be able to operate as a going concern.	Change in the nature and scale of activities.
The Company will become exposed to an evolving industry.	SportsHero is an early stage business with no operating cash flows.
The Company will reduce its creditors and eliminate future costs related to the BVI Project.	Dilution of Non-Associated Shareholders.
There is potential for up to US\$750,000 in deferred payments should the BVI Project be developed.	The SPS Shareholder may obtain control of the Company
The Company will receive additional working capital to develop the SportsHero Business.	Change if the risk profile of the Company.
The Company's ability to raise funds and attract strategic investors may be improved.	
New directors will add relevant experience, skills and networks to the Company.	

After considering the advantages and disadvantages of the Disposal summarised above and set out in more detail in sections 2.14 and 2.15 of the Independent Expert's Report, the Independent Expert formed the view that the Disposal and Acquisition is not fair but reasonable to Non-Associated Shareholders.

Shareholders are urged to read and consider the Independent Expert's Report which accompanies the Notice, prior to making a decision as to how to vote on Resolutions 1A and 1B.

The above is a summary only, for further details of the assessment made by the Independent Expert in determining the fairness and reasonableness of the Disposal Consideration please refer to the Independent Expert's Report accompanying the Notice.

1.4 Specific information required under Chapter 2E of the Corporations Act

In accordance with the requirements of Chapter 2E of the Corporations Act, and in particular, section 219 of the Corporations Act, the following information is provided to Shareholders to enable them to assess the financial benefit:

- (a) The passing of Resolution 1B would permit financial benefits to be given to Rhodes Investment Limited, an entity associated with Michael McMullen (a Director and substantial shareholder of the Company) and to New Nevada Resources LLC, an entity associated with Heath Rushing (a former director and current substantial shareholder of the Company).
- (b) The nature of the financial benefit to be given is 100% of the issued capital of NVH, which owns 100% of the Company's interest in the Buena Vista Iron Project:
- (c) The highest, lowest and last trading prices of the Shares during the 12 months prior to the date ASX suspended trading in the Company's securities is set out below:

Description	Date	Share Price
High	3 June 2015	\$0.07
Low	5 May 2016	\$0.01
Last	10 May 2016	\$0.011

- (d) As at the date of issue of this Notice, the purchasing parties hold the following relevant interests in Shares and options of the Company:

Name of Related Party	Number of Shares	Interest in the Company (%)	Number of options
Mick McMullen	5,710,000	7.17%	20,834 ¹
Heath Rushing	6,960,304	8.74%	-

¹ Each option is exercisable at \$1.20 and expires on 31 October 2016.

- (e) Completion of the Disposal will not result in the issue of any securities and hence will not dilute the interest of Shareholders.
- (f) As set out in the IER, completion of the Disposal will result in the Company receiving \$100,000 at settlement, the liabilities of the Company being reduced by approximately \$1,027,500 and should iron ore production commence at the BVI Project then additional cash payments of up to US\$750,000 could be received.
- (g) Other than as disclosed in this Notice and the IER, there are no significant opportunity costs to the Company, taxation consequences or benefits foregone by the Company as result of the Disposal.
- (h) The Directors are not aware of any information other than that set out in the Notice, the Explanatory Statement or IER that is reasonably required by Shareholders in order for them to decide whether or not it is in the Company's interest to pass Resolution 1B.

1.5 Indicative timetable

Subject to ASX Listing Rules and Corporations Act requirements, the Company anticipates completion of the Disposal will be in accordance with the following timetable:

Action	Date
ASX announcement of Disposal	20 May 2016
Meeting to approve Disposal	30 Nov 2016
Satisfaction/waiver of all conditions in the binding heads of agreement	15 Dec 2016
Settlement of the Disposal	15 Dec 2016

1.6 Financial effect of the Disposal on the Company

The impact of the Disposal on the Company's balance sheet is set out in the unaudited pro-forma consolidated balance sheet contained in Schedule 1.

The liabilities of the Company will be reduced by approximately \$1,027,500 as a consequence of the Disposal.

There will be no impact on the capital structure of the Company.

1.7 Reasons for and against the Disposal

Advantages

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

- (a) the Disposal is reasonable;
- (b) the Disposal will reduce the Company's liabilities by approximately \$1,027,500;
- (c) the Disposal will eliminate the ongoing holding costs of the sub-economic BVI Project of an amount of not less than US\$150,000 per annum; and
- (d) the Disposal provides potential for up to an additional US\$750,000 in deferred payments should the BVI Project be developed.

Disadvantages

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

- (e) the Disposal is not fair;
- (f) the Company will dispose of its main undertaking, which may not suit Shareholders; and
- (g) other than the Production Payment, First Anniversary Payment and Second Anniversary Payment, the Company will forego all future benefits derived should the BVI Project be bought into commercial production.

1.8 Future activities and direction post Disposal

Following completion of the Disposal, the Company will pursue the SportsHero Business (refer Section 4 of this Explanatory Statement)

As a result of the Disposal being conditional on the Acquisition, in the event Shareholder approval is not obtained and completion of the Disposal is unable to occur then Company will not acquire the SportsHero Business (as per Resolution 4A). As such, the Company would initiate processes to further reduce operational costs and pursue the sale of the BVI Project to another party. It is noted that any further operational cost reduction may adversely affect the ability of the Company to sell the BVI Project and could potentially reduce the value of sale terms.

1.9 Director interests and recommendations

Other than Mr McMullen, the Directors do not have any material interest in the outcome of Resolutions 1A and 1B, other than as a result of their interest arising solely in the capacity as Shareholders.

Mr McMullen declines to make a recommendation to Shareholders in relation to Resolutions 1A and 1B due to his material personal interest in the outcome of Resolutions 1A and 1B on the basis that Mr McMullen's associated entity is to jointly acquire NVH should Resolutions 1A and 1B be passed

The Directors have a relevant interest in the securities of the Company as set out in the following table:

Director	Shares	Options
Mick McMullen	5,710,000	20,834 ¹
Michael Higginson	41,668	41,667 ¹
Christopher Green	-	-

¹ Each option is exercisable at \$1.20 and expires on 31 October 2016.

Other than Mr McMullen, who abstained, the Board has approved the proposal to put Resolutions 1A and 1B to Shareholders.

Other than Mr McMullen and parties associated with Mr McMullen, each of the Directors intend to vote all of their Shares in favour of Resolutions 1A and 1B.

Based on the information available, the Directors (other than Mr McMullen who for the reasons stated above declined to make a recommendation) consider that the proposed Disposal is in the best interests of the Company and recommend that the Shareholders vote in favour of Resolutions 1A and 1B.

2. RESOLUTION 2 – RATIFICATION OF ISSUE OF 10,389,530 SHARES ON 22 JULY 2016

Background

On 22 July 2016, the Company announced to the ASX that it had placed 10,389,530 Pre Consolidation Shares.

Resolution 2 seeks Shareholder ratification for the issue and allotment of 10,389,530 Pre Consolidation Shares that you're Directors issued at an issue price of \$0.01 per Share, on 22 July 2016.

ASX Listing Rules

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

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

While the Pre Consolidation Shares described in this Resolution 2 have been issued within the 15% limit required by ASX Listing Rule 7.1, the Company seeks Shareholder ratification of the issue of those Pre Consolidation Shares for the purpose of ASX Listing Rule 7.4 so that the Company's ability to issue securities will be 'refreshed' and it will have flexibility to issue further securities should the need or opportunity arise.

Information required by ASX Listing Rule 7.5

Pursuant to and in accordance with the requirements of ASX Listing Rule 7.5, the following information is provided to Shareholders to allow them to assess the ratification of the issue of the Pre Consolidation Shares the subject of this Resolution 2:

- (a) the number of Pre Consolidation Shares issued and allotted was 10,389,530;
- (b) the Pre Consolidation Shares were issued at an issue price of \$0.01 per Share, which raised \$103,895.30 for the Company, before issue costs;

- (c) The 10,389,530 Pre Consolidation Shares rank pari passu with the Company's existing issued Shares;
- (d) the Pre Consolidation Shares were allotted to investors who qualified as professional or sophisticated investors (no related party of the Company participated in the issue); and
- (e) the funds raised from the issue of the Pre Consolidation Shares has been applied towards the payment of existing creditors, the payment of costs associated with the Acquisition and for general working capital purposes.

3. RESOLUTION 3 – CONVERSION OF CONVERTIBLE NOTES

Background

On 22 July 2016, the Company issued 16,950,000 Convertible Notes at an issue price of \$0.01 per Convertible Note to raise \$169,500 in working capital.

Resolution 3 seeks Shareholder approval for the issue and allotment of 16,950,000 Pre Consolidation Shares (or 8,475,000 Post Consolidation Shares) in order to convert into Shares the 16,950,000 Convertible Notes.

ASX Listing Rules

For information on ASX Listing Rules 7.1 please refer to Section 2 of this Explanatory Statement.

The Shares to be issued pursuant to Resolution 3 exceed the 15% limit required by ASX Listing Rule 7.1. Accordingly, the Company seeks Shareholder approval for the issue of the 16,950,000 Pre Consolidation Shares (or 8,475,000 Post Consolidation Shares).

Information required by ASX Listing Rule 7.3

Pursuant to and in accordance with the requirements of ASX Listing Rule 7.3, the following information is provided to Shareholders to allow them to assess the issue of the Shares the subject of this Resolution 3:

- (a) the number of Pre Consolidation Shares to be issued is 16,950,000 (or 8,475,000 Post Consolidation Shares);
- (b) the Pre Consolidation Shares will be issued within three months from the date of this Meeting;
- (c) the Convertible Notes were issued on 22 July 2016 for a consideration of \$0.01 per Convertible Note. No additional consideration is payable upon conversion of the Convertible Notes;
- (d) the names of the entities/persons to whom the Company will issue the 16,950,000 Pre Consolidation Shares (or 8,475,000 Post Consolidation Shares) are as follows:
 - Timriki Pty Ltd (4,250,000 Pre Consolidation Shares or 2,125,000 Post Consolidation Shares)
 - Allgreen Holdings Pty Ltd (4,200,000 Pre Consolidation Shares or 2,100,000 Post Consolidation Shares)
 - Boveri Limited (4,250,000 Share Pre Consolidation Shares or 2,125,000 Post Consolidation Shares)
 - Kelly M Lapping (4,250,000 Pre Consolidation Shares or 2,125,000 Post Consolidation Shares)
- (e) the securities to be issued are fully paid ordinary shares which rank pari passu with the Company's existing Shares; and
- (f) the funds raised from the issue of the Convertible Notes has been applied towards the payment of existing creditors, the payment of costs associated with the Disposal, Acquisition and for general working capital purposes.

4. RESOLUTION 4A – APPROVAL FOR ACQUISITION OF 100% SPORTZ HERO PTY LTD AND 83.33% OF SPORTSHERO ENTERPRISE PTE LTD

AND

RESOLUTION 4B – APPROVAL FOR ISSUING THE CONSIDERATION

AND

RESOLUTION 4C – APPROVAL FOR ISSUING THE MYHERO CONSIDERATION

4.1 Background

Nevada is a public company listed on the official list of the ASX (ASX code: NVI) which has been focussing on the exploration and development of the Buena Vista Iron Project located in Nevada USA. The Company was admitted to the official list of the ASX on 10 June 2008 and on 20 May 2016 was suspended from quotation on the ASX immediately following the announcement of the Acquisition.

4.2 Background to change in nature and scale of activities

Due to market conditions in the commodities (in particular iron) and exploration sectors, the Directors believe that market conditions made it very difficult to raise funds to continue exploration and development of the Company's Buena Vista Iron Project. Hence the Company commenced the evaluation of other opportunities outside the commodities and exploration sectors for the benefit of Shareholders.

As announced by the Company on 20 May 2016, the Company entered into a heads of agreement to acquire the SportsHero Business. On 27 September 2016, the heads of agreement was superseded as a result of the execution of the Share Purchase Agreement and the Share Sale Agreement (collectively the **Agreements**). A summary of the material terms of the Agreements are set out in Section 4.6 of this Explanatory Statement.

Resolution 4A is conditional on Resolutions 1A, 1B, 4B, 4C, 7 and 8 of this Notice of Meeting being approved.

4.3 SportsHero Business

SportsHero is a social media platform boasting Asia's first real time fantasy sports app and social prediction platform. The app is the new incarnation of FootballHero, which was launched in January 2015 and already has over 250,000 users. These users are to be transferred to the SportsHero app.

SportsHero and FootballHero were developed within MyHero Limited, the Singapore-based company behind leading mobile stock trading app, TradeHero.

The essentials of the SportsHero business model is that it is based on allowing following users to subscribe to information broadcast by broadcast users through an online platform. SportsHero then shares the subscription revenue from this information service with these broadcast users who have a motivation to provide top quality information so as to amass more followers and thus more shared subscription revenue.

The information broadcast by the users can be anything. In TradeHero's case, it is trading signals. In SportsHero's case, it is news and comments about a sporting event and the participants and discussion of the potential outcome. In both cases, past events are validated so that following users can automatically select the top information broadcast users they wish.

This is a unique system in which a US patent was granted in December 2015. The patent in question is "Method, system and computer program to broker the monetized broadcasts of users through a subscription based information ecosystem" US 2015/0356559 A1.

TradeHero was launched in January 2013 and bridges the gap between casual and experienced investors by providing a platform where users can choose to subscribe to expert trade feeds for data and insights to support their understanding in the stock markets, or become a top trader and earn monthly subscription fees from users who follow their tips.

TradeHero shares subscription revenues from followers equally with top traders, enabling users to monetise their trading expertise with the app.

TradeHero has been ranked as the #1 finance app in over 91 countries and has over 8 million users.

SportsHero will replicate the TradeHero model and allow sports fans to gain an increased understanding and enjoyment of the games by collating the power of all other sports fans in its social community with validated predictions and social sentiment. Using this engagement, SportsHero will leverage the growing interest in sports across Asia to become an encompassing sports social media site where fans can engage directly with their sports heroes, purchase tickets to sporting events, engage through ecommerce to purchase and sell their favourite team or individuals clothing, sports paraphernalia and memorabilia and interact with other users to create a true sports fan base experience.

The SportsHero app is already available in all app stores globally for both Android and iOS.

Revenue model

SportsHero is a social media competition platform where top ranked fans can win daily, weekly and monthly prizes through interaction with fellow sports fans on the SportsHero network to make the various sporting events and games more interesting and engaging.

More successful users can guide the actions of other users and charge for it through a subscription based following. The platform charges the followers a monthly fee (up to US\$100) for following others and SportsHero then splits the fee with those being followed, paving the way for a sustainable revenue model.

In SportsHero, there are currently two primary sources of revenue, (1) subscription based sports tips and (2) pool-based contests where valuable sports souvenirs and endorsed merchandise as prizes are provided.

Sporting brands as well as other businesses can engage and contract SportsHero to allow access to its user base and sporting products through sponsored content.

In the subscription based sports tips revenue stream, SportsHero is a brokerage platform to monetise the flow of information in a way that empowers and enriches its users and contributors. Users with the best prediction history are placed on top of leader board slots in various categories. Other users can then subscribe to them for a monthly fee or one off prediction and receive their sports tips before games take place. SportsHero collects the subscription fees and splits the fees 50%-50% (after other costs like App Store and other distribution costs) with the leaders who are being followed.

In the pool-based contest revenue stream, users "buy-in" to join contests, and receive valuable prizes (where the sum of the prizes are close to the pool buy-in amount) and SportsHero award prizes to the winners of the contests. The contests also help to keep users engaged and create a more virtuous circle of leaders and followers.

The SportsHero app will also feature virtual currency which is exchangeable for merchandise, event tickets and other items on the SportsHero website.

Further planned areas for monetisation as the app is commercialised include ecommerce and direct engagement between the sporting hero and sporting identities and the exchanging of virtual gifts.

SportsHero market

The fantasy sports market in the United States alone has been valued at US\$70 billion annually.

In addition, there are over 1 billion smart phone users across the Asia Pacific region (including China) and it has been estimated that around 50% of these users are sports fans. The interest in football (soccer) is particularly large and this is one of the first sports to be featured on the SportsHero app.

China, in particular, is leading this growth in sports interest and the Chinese Premier has been publicly quoted as having an ambition to make China the world's largest sporting economy.

By way of comparison, when India played Pakistan last year in cricket, more than 1 billion people watched the game, whereas about 115 million people watched the Super Bowl. Over the next decade, it is predicted that the global sports world is going to shift on its axis to Asia and SportsHero intends to be a significant player in this rapidly expanding market.

To capitalise on this growth potential SportsHero will target the smartphone market across Asia, including China, by providing video highlights, live scores, user tournaments and games.

It is also planned to expand the app into Europe and the Americas.

YuuZoo

The potential and endorsement of SportsHero to be a significant social media business has been confirmed with the recent agreement with YuuZoo (a main board SGX listed entity) to have the SportsHero app marketed across YuuZoo's network and partner platforms.

This agreement gives SportsHero access to YuuZoo's 118 million user base, as well as a more substantial number of TV viewers across 164 countries (refer Section 4.5).

Vision of SportsHero

The vision of SportsHero is to be the number one social network dedicated to sports in the world.

The objective is to deliver a global social media platform for social sports prediction where users can interact, predict and compete across a large range of sporting codes and all major sports events to become a SportsHero.

With its growth driven by the fast growing sports prediction and eSports markets, as well as the growing sports culture (particularly across Asia), SportsHero has the potential to become the dominant social media platform for sport.

4.4 SportsHero's technologies

On 10 December 2015 US patent 2015/0356559 was granted. The patent secures the rights to a unique method, system and computer program to broker the monetised broadcasts of users through a subscription based information system.

The object of the invention is to democratise and monetise the flow of information in a way that empowers and enriches its users and contributors. The invention enabling the creation of an information ecosystem where the system operates in the role of information broker wherein it collects fees from certain users for access to the information other users within the ecosystem have elected to broadcast. The monetised broadcast information is then disseminated in the form of a pushed notification, but may not be limited in the form of distribution between the publisher and the subscriber(s) who have paid to have access to the said information.

The system utilises information and payment flows in order to monetise and incentivise the information ecosystem, allowing smooth and optimised transfer of information between those who seek to profit from the transmission of their information to a wider audience and those who seek to be a recipient of information that they value. The system facilitates and manages the information and payment flows between users and the system.

The system further enables a user to discern which publisher they should seek to receive monetised broadcasts from. Accordingly, the information ecosystem provides the framework for the discovery of publishers that subscribers may choose to follow.

The subscriber can validate monetised broadcasts against a database to confirm their accuracy and quality. An embodiment of this function is the use of various leader boards to allow the browser a cross comparison tool for the discovery of a publisher's track record in relation to all other publishers.

4.5 SportsHero agreements

On 4 April 2016, Mr Dinesh Bhatia entered into a four year employment agreement with SPS.

Pursuant to the agreement, Mr Bhatia was engaged as Chief Executive Officer of SPS at a base rate of US\$7,500 per month. Mr Bhatia is entitled for up to a one month bonus (to be paid in the last week of January) for every year/part-year of service.

The employment agreement can be terminated by SPS providing 90 days prior written notice to Mr Bhatia.

In June 2016 Sports Hero entered into a partnership agreement with Singapore based YuuZoo (SGX:AFC).

Under this partnership agreement the SportsHero app will be marketed through YuuZoo's networks and partner platforms which at the time of the signing of the agreement exceeded 118 million registered users. From commencement YuuZoo's customers will be able to play games on SportsHero and win prizes on a regular basis.

4.6 Key terms of the Acquisition

On 20 May 2016, the Company announced that it had entered into a heads of agreement to conditionally acquire the SportsHero Business in 3 stages. Following consultation with ASX, the Company amended the proposed transaction in order to acquire 100% of the SportsHero business.

Accordingly, on 27 September 2016 the Company announced that it had entered into a Share Purchase Agreement to acquire 100% of the issued capital of Sportz Hero Pty Ltd (ACN 612 084 465) (**SPA**) and a Share Sale Agreement whereby SPA acquires an additional 83.33% of SportsHero Enterprise Pte Ltd (**SPS**) (making SPS a 100% owned subsidiary of SPA) (the **Acquisition**). SPS is a company incorporated in Singapore and owner of the SportsHero Business.

Key terms of the Share Purchase Agreement

Subject to satisfaction of the conditions precedent (summarised below), the Company will acquire 100% of SPA in consideration for the issue of 36,000,000 Post Consolidation Shares and 72,000,000 Options each exercisable at \$0.05 each on or before 31 August 2019.

The Company will prepare and lodge a prospectus for the issue of Post Consolidation Shares at an issue price of not less than \$0.02 per Post Consolidation Share to raise a minimum of \$2,500,000 plus oversubscriptions to raise a further \$1,000,000 (**Placement**). It is the current intention of the Company to issue the Placement Shares at an issue price of up to \$0.05 per Post Consolidation Share.

Following completion of the Acquisition, the Company will issue to Sunshore Holdings Pty Ltd (or its nominee) 12,500,000 Post Consolidation Shares in consideration for introducing and assisting with the Acquisition (refer Resolution 6).

Conditions precedent of the Share Purchase Agreement

Completion of the acquisition of 100% of the issued capital of SPA under the Share Purchase Agreement is subject to satisfaction (or waiver) of a number of conditions, including:

- simultaneous completion under the Share Sale Agreement (see below);
- Nevada obtaining all necessary Shareholder approvals required in connection with the Acquisition, including the Company's shareholders approving the change to the nature and scale of the Company's activities resulting from the Acquisition (Resolution 4A);
- Nevada obtaining all necessary ASX, governmental and regulatory consents and approvals required in connection with the Acquisition;

- Nevada complying with any requirements of ASX including, if necessary, receiving conditional approval to have its shares readmitted to trading on the official list of ASX and those conditions being satisfied to the reasonable satisfaction of the parties (as required by ASX Listing Rule 11.1.3);
- Nevada preparing the Prospectus, lodging the Prospectus with the ASIC and receiving applications to meet the minimum subscription; the SPA Shareholder entering into restriction agreements as required by ASX;
- the SPA Shareholders entering into restriction agreements as required by ASX;
- Shareholders approving the sale of the BVI Project (Resolutions 1A and 1B); and
- Completion of the Consolidation (Resolution 7).

Key terms of the Share Sale Agreement

SPA is the owner of 16.67% of SPS.

Subject to satisfaction of the conditions precedent (summarised below), SPA will acquire an additional 83.33% of SPS in consideration for the issue of 60,000,000 Post Consolidation Shares.

Conditions precedent of the Share Sale Agreement

Completion of the acquisition of an additional 83.33% of SPS under the Share Sale Agreement is subject to satisfaction (or waiver) of the following conditions:

- simultaneous completion under the Share Purchase Agreement (see above);
- the SPS Shareholder entering into restriction agreements as required by ASX.
- all conditions precedent under the Share Purchase Agreement being satisfied or waived.

Approval for the Acquisition, which includes a change in nature and scale of activities of the Company, is the subject of Resolution 4A.

Placement

In order to fund the Acquisition, to re-comply with Chapters 1 and 2 of the ASX Listing Rules and meet the conditions of the Agreements, the Company will conduct the Placement to raise at least \$2,500,000 (before costs) at an issue price of not less than \$0.02 per Post Consolidation Share. The Placement will be conducted under a full form prospectus to be prepared by Nevada. The Company will also offer oversubscriptions to raise up to a further \$1,000,000. It is the current intention of the Company to issue the Placement Shares at an issue price of up to \$0.05 per Post Consolidation Share.

On 17 August 2016 ASX granted the Company a waiver to ASX Listing Rule 2.1 condition 2 to allow the issue price of the Placement to be not less than \$0.02 per Post Consolidation Share. The waiver was granted on the condition that the Shareholders approve the Placement terms and the Consolidation.

Approval for the issue of Shares pursuant to the Placement is the subject of Resolution 8.

Consolidation of capital

As required by the ASX Listing Rules, the Company will undertake a consolidation of its issued capital on the basis of one (1) Share for every two (2) Shares held (**Consolidation**).

Approval for the Consolidation is the subject of Resolution 7.

Appointment of Directors

Subject to Shareholders approving Resolutions 4A, 4B, 4C, 7 and 8 and in accordance with clause 11.7 of the Constitution, it is proposed that Messrs Howard Dawson and Dinesh Bhatia

be elected as Directors. Following the appointment of Messrs Dawson and Bhatia, it is intended that Mr McMullen will resign as Director.

Approval for the appointment of Mr Dawson is the subject of Resolution 9 and approval for the appointment of Mr Bhatia is the subject of Resolution 10.

Change of name

As a result of the Acquisition, the Company proposes to change its name to SportsHero Limited.

Approval for the change of name is the subject of Resolution 5.

4.7 Change in nature and scale of activities

Resolution 4A seeks the approval of Shareholders for the Acquisition, which will result in a change in the nature and scale of the Company's activities. It also seeks approval for the issue of the Consideration.

As outlined in Section 4.6 of this Explanatory Statement, the Company has entered into the Agreements to acquire 100% of the issued share capital of SPA and for SPA to acquire an additional 83.33% of SPS.

A detailed description of the Acquisition is outlined in Section 4.6 above.

Resolution 4A is conditional on the passing by Shareholders of Resolutions 1A, 1B, 4B, 4C, 7 and 8 of the Notice.

4.8 ASX Listing Rule 11.1

ASX 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 and comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;
- (b) if ASX requires, obtain the approval of holders of its shares and any requirements of ASX in relation to the notice of meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the ASX Listing Rules as if the company were applying for admission to the official list of ASX.

ASX has indicated to the Company that, given the significant change in the nature and scale of the activities of the Company upon completion of the Acquisition, it requires the Company to:

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

For this reason, the Company is seeking Shareholder approval for the Company to change the nature and scale of its activities under ASX Listing Rule 11.1.2 and pursuant to ASX Listing Rule 11.1.3 in order to re-comply with Chapters 1 and 2 of the ASX Listing Rules.

Details of the SportsHero Business, assets and the proposed changes to the structure and operations of the Company are set out throughout this Explanatory Statement.

4.9 ASX Listing Rule 7.1

For information on ASX Listing Rules 7.1 please refer to Section 2 of this Explanatory Statement.

The effect of Resolution 4B will be to allow the Company to issue the Consideration during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

4.10 ASX Listing Rule 7.3.2

ASX Listing Rule 7.3 sets out the requirements for shareholder approval under ASX Listing Rule 7.1. In particular, ASX Listing Rule 7.3.2 provides that the notice of meeting must, inter alia, state the date by which the entity will issue the securities and that the securities must be issued no later than 3 months after the date of the meeting or such later date as may be permitted by any ASX waiver or modification of the ASX Listing Rules.

Disclosure requirements

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Consideration in accordance with Resolution 4B:

- (I) the maximum number of securities to be issued is 96,000,000 Post Consolidation Shares and 72,000,000 Options;
- (II) 96,000,000 Post Consolidation Shares and 72,000,000 Options will be issued no later than 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 ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (III) the 96,000,000 Post Consolidation Shares and 72,000,000 Options will be issued as consideration for the Acquisition and not for cash consideration. Accordingly, no funds will be raised from the issue of the Consideration;
- (IV) the 96,000,000 Post Consolidation Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares (and will rank equally with the Company's existing Post Consolidation Shares). The Options constitute an new class of security, the terms and conditions of which are set out in Schedule 2; and
- (V) the Consideration will be issued to the Vendors (none of which are related parties of the Company, other than as a result of the Acquisition).

4.11 Waivers to ASX Listing Rules

Condition 2 of ASX Listing Rule 2.1 specifies that the issue or sale price of all the securities for which a company seeks quotation must be at least 20 cents (**20 cent rule**). Similarly, condition 11 of Listing Rule 1.1 provides that any options on issue must be exercisable at a price of at least 20 cents.

Under Guidance Note 12 of the ASX Listing Rules, a Company may be granted relief from the 20 cent rule by ASX in certain circumstances. This includes where:

- (a) the issue price or sale price for any securities being issued or sold as part of, or in conjunction with, the transaction:
 - is not less than two (2) cents each; and
 - is specifically approved by security holders as part of the approval(s) obtained under Listing Rule 11.1.2; and
- (b) ASX is otherwise satisfied that the entity's proposed capital structure after the transaction will satisfy Listing Rules 1.1 Condition 1 and 12.5, being that the Company has an appropriate structure for a listing entity.

It is generally accepted that the issue price for the purposes of the 20 cent rule is the price at which an associated capital raising is undertaken when a re-compliance listing is in progress.

The Company applied to the ASX for a waiver of the application of condition 2 of Listing Rule 2.1 and condition 11 of Listing Rule 1.1 with respect to the Company's re-compliance with the admission requirements outlined in Chapters 1 and 2 of the ASX Listing Rules to allow the Company to:

- issue Shares in respect of the Placement at a price not less than \$0.02 each;
- issue the Options with an exercise price of \$0.05 each.

On 17 August 2016 ASX approved the Company's waiver applications. The waivers being granted on the condition that Shareholders approve the Placement terms, Option terms and the Consolidation.

Accordingly, Shares in respect of the Placement (Resolution 8) will be issued at a price of not less than \$0.02 per Share and the Options (Resolution 4B) will have an exercise price of \$0.05 each.

4.12 Item 7 of section 611 of the Corporations Act

Resolution 4C seeks Shareholder approval, for the purpose of Item 7 of section 611 of the Corporations Act, to allow the Company to issue and allot 60,000,000 Shares (the **MyHero Consideration**) to MyHero Ltd (**Majority Shareholder**), which will result in the Majority Shareholder's voting power in the Company being a maximum of 29.01%

The 60,000,000 Shares proposed to be issued to the Majority Shareholder form part of the total number of Consideration Shares proposed to be issued to the Vendors pursuant to the Agreements.

Section 606 of the Corporations Act – Statutory Prohibition

Pursuant to section 606(1) of the Corporations Act, a person must not acquire a relevant interest in issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person's or someone else's voting power in the company increases:

- (a) from 20% or below to more than 20%; or
- (b) from a starting point that is above 20% and below 90% (**Prohibition**).

Voting Power

The voting power of a person in a body corporate is determined in accordance with section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

Associates

For the purposes of determining voting power under the Corporations Act, a person (**second person**) is an "associate" of the other person (**first person**) if:

- (a) (pursuant to section 11 of the Corporations Act) the primary person is a body corporate and the second person is:
 - (i) a director or secretary of the body;
 - (ii) a related body corporate; or
 - (iii) a director or secretary of a related body corporate,

- (b) (pursuant to section 12(2) of the Corporations Act) the first person is a body corporate and the second person is:
 - (i) a body corporate the first person controls;
 - (ii) a body corporate that controls the first person; or
 - (iii) a body corporate that is controlled by an entity that controls the person;
- (c) the second person has entered or proposed to enter into a relevant agreement with the first person for the purpose of controlling or influencing the composition of the company's board or the conduct of the company's affairs; or
- (d) the second person is a person with whom the first person is acting or proposed to act, in concert in relation to the company's affairs.

Relevant interests

Section 608(1) of the Corporations Act provides that a person has a relevant interest in securities if they:

- (a) are the holder of the securities;
- (b) have the power to exercise, or control the exercise of, a right to vote attached to the securities; or
- (c) have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

In addition, section 608(3) of the Corporations Act provides that a person has a relevant interest in securities that any of the following has:

- (a) a body corporate in which the person's voting power is above 20%;
- (b) a body corporate that the person controls.

No associates of the Majority Shareholder currently has or will have a relevant interest in the Company.

Reason section 611 approval is required

Item 7 of section 611 of the Corporations Act provides an exception to the Prohibition, whereby a person may acquire a relevant interest in a company's voting shares with shareholder approval.

Shareholder approval under Item 7 of section 611 of the Corporations Act is required for Resolution 4C.

Relevant interest greater than 20%

Depending on the issue price of the Placement and the amount raised pursuant to the Placement, following the issue of the Consideration Shares the Majority Shareholder will hold 60,000,000 Consideration Shares, giving the Majority Shareholder voting power of up to a maximum of 29.01%

This assumes that the issue price of the Placement is \$0.05 Per Post Consolidation Share, that the Company raises only \$2,500,000 pursuant to the Placement and no other Post Consolidation Shares are issued other than those contemplated by this Notice.

The following table sets out the interest of the Majority Shareholder In the event that the issue price of the Placement is \$0.02, \$0.03, \$0.04 or \$0.05 per Post Consolidation Share and the

amount raised Pursuant to the Placement is either the minimum of \$2,500,000 or the maximum of \$3,500,000.

Issue price per Placement Share	\$2.5m raised	\$3.5m raised
\$0.02	21.29%	18.08%
\$0.03	24.99%	21.94%
\$0.04	27.36%	24.56%
\$0.05	29.01%	26.45%

Prescribed information – ASIC Regulatory Guide

The following information is required to be provided to Shareholders under the Corporations Act and ASIC Regulatory Guide 74 in respect of obtaining approval for Item 7 of section 611 of the Corporations Act. Shareholders are also referred to the Independent Expert's Report prepared by RSM Corporate Australia Pty Ltd accompanying this Explanatory Statement.

(a) Identity of the acquirer and its associates

It is proposed that MyHero Ltd will be issued and allotted 60,000,000 of the Consideration Shares in accordance with the terms of the Share Sale Agreement and for the reasons set out in Section 4.6 of this Explanatory Statement.

(b) Relevant interest and voting power

The effect of the relevant interests and voting power of the Majority Shareholder pursuant to the proposed issue and allotment of the Consideration Shares is set out in detail in the table above.

Further details on the voting power of the Majority Shareholder are set out in the Independent Expert's Report prepared by RSM Corporate Australia Pty Ltd.

(c) Majority Shareholder's intentions

Other than as disclosed elsewhere in this Explanatory Statement and following completion of the Acquisition, the Company understands that the Majority Shareholder (or any of their associates):

- (i) have no present intention of making any significant changes to the business of the Company;
- (ii) have no present intention to inject further capital into the Company;
- (iii) have no present intention of making changes regarding the future employment of the present employees of the Company;
- (iv) do not intend to redeploy any fixed assets of the Company;
- (v) do not intend to transfer any property between the Company and the Majority Shareholder or any of their associates; and
- (vi) has no intention to change the Company's existing policies in relation to financial matters or dividends.

These intentions are based on information concerning the Company, its business and the business environment which is known to the Majority Shareholder and their associates at the date of this Notice.

These present intentions may change as new information becomes available, as circumstances change or in the light of all material information, facts and circumstances necessary to assess the operational, commercial, taxation and financial implications of those decisions at the relevant time.

(d) Particulars of proposed allotment

Particulars relating to the proposed issue and allotment of the Consideration are set out in Sections 4.6 and 4.10 of this Explanatory Statement.

(e) Date of proposed allotment

The Consideration the subject of Resolution 4B will be issued on a date after the Meeting to be determined by the Company in accordance with the Agreements, ASX Listing Rules and Corporations Act.

(f) Reason for the proposed allotment

The Consideration will be issued pursuant to the Agreements for the reasons set out in Section 4.6 of this Explanatory Statement.

(g) Interests and recommendations of Directors

The Directors do not have an interest in the outcome of Resolutions 4A, 4B and 4C and recommend that Shareholders approve Resolutions 4A, 4B and 4C.

(h) Capital structure

The capital structure of the Company will not be affected by the issue of the Consideration pursuant to Resolution 4B other than as noted in Sections 4.6 and 7.6 of this Explanatory Statement.

4.13 Indicative timetable

If Resolutions 1A, 1B, 4A, 4B, 4C, 7 and 8 are passed and subject to ASX Listing Rules and Corporations Act requirements, the Company anticipates that completion of the Disposal, Acquisition, Consolidation and Placement will be in accordance with the following indicative timetable:

Action	Date
Date of General Meeting	30 Nov 2016
Company tells ASX that Shareholders have approved the Disposal (Resolutions 1A and 1B), Acquisition (Resolutions 4A, 4B and 4C), Consolidation (Resolution 7) and Placement (Resolution 8)	30 Nov 2016
Consolidation completed (refer Section 7)	12 Dec 2016
Conversion of Convertible Notes (Resolution 3)	13 Dec 2016
Placement completed (refer Section 8)	13 Dec 2016
Settlement of Disposal (Resolutions 1A and 1B)	15 Dec 2016
Settlement of Acquisition (Resolution 4A)	15 Dec 2016
Issue of Consideration and Placement Shares (Resolutions 4B, 4C and 8)	15 Dec 2016
Anticipated date for re-admission to ASX and suspension of trading lifted	20 Dec 2016

4.14 Advantages of the Acquisition

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 Resolutions 4A, 4B and 4C:

- (a) provides existing Shareholders with the opportunity to realise value for their Shares while obtaining the opportunity to create liquidity in the Shares which presently does not exist;
- (b) through the Acquisition and following completion of the Placement, a larger market capitalisation and enhanced shareholder base should provide a more liquid stock for Shareholders;
- (c) the Board of Directors will provide experience and the required set of skills to guide the growth of the Company;
- (d) the SportsHero Business is initially targeting the smartphone markets across Asia, Including China. The Acquisition provides Shareholders with exposure to an existing business with significant potential for growth. The business will be well capitalised, with cash reserves following completion of the Acquisition of not less than \$2.5 million, which will be used to fund sales and marketing activities as well as continuing product development;
- (e) given the current continued low investor sentiment with regard to junior iron exploration and development companies, including a lack of well valued investment opportunities, the Directors consider that in the current share market environment there is a greater likelihood of increasing Shareholder value by progressing the proposed Acquisition than by the Company remaining as a junior mineral explorer listed on ASX;
- (f) the Independent Expert reports of "low volume and low liquidity" in Nevada's Shares. The Company anticipates improved volume and liquidity in the Company's Shares post completion of the Acquisition;
- (g) no cash payment for the Acquisition. The Consideration for the Acquisition is entirely in the form of Shares and Options. Accordingly, all Vendors retain an interest in the future of the Company;
- (h) completion of the Acquisition will provide Shareholders with the opportunity to be involved in a Company that:
 - (i) holds patented technology that provides an opportunity for Shareholders to participate in Asia's rapidly expanding social media markets;
 - (ii) has an opportunity to develop a number of commercial pathways in order to provide value to its Shareholders; and
 - (iii) has an experienced management team with strong technical experience and know-how with a proven record of developing start up enterprises;
- (i) the issue of the Consideration will enable the Company to complete the Company's obligations under the Agreements and will not require renegotiation of its terms;
- (j) RSM Corporate Australia Pty Ltd has concluded that completion of the Acquisition and Disposal is reasonable for the Non-Associated Shareholders; and
- (k) successful completion of the Acquisition will enable the Company to meet the re-listing requirements imposed by ASX on the Company, allowing the Company's Shares to trade on the ASX.

4.15 Disadvantages of the Acquisition

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 Resolutions 4A, 4B and 4C.

- (a) opportunity costs associated with the Company being offered a more attractive acquisition by not completing the Acquisition;
- (b) there is no guarantee of the value of the Company's Shares upon completion of the Acquisition;
- (d) RSM Corporate Australia Pty Ltd has concluded that completion of the Acquisition and Disposal is not fair for the Non-Associated Shareholders
- (a) the Company will be changing the nature and scale of its activities by focussing on the social media sector, which may not be consistent with the objectives of some Shareholders;
- (b) the Acquisition and Placement will result in the issue of Shares to the Vendors and subscribers which will have a dilutionary effect on the current holdings and voting rights of Shareholders;
- (c) there are many risk factors associated with the proposed change to the nature and scale of the Company's activities following completion of the Acquisition. Some of these risks are set out in Section 4.16 and 4.17;
- (d) if Shareholder approval for Resolutions 1A, 1B, 4A, 4B, 4C, 7 and 8 (inclusive) is obtained, the Company will be required to bear the costs of the preparation of the documentation required to ensure compliance with the ASX Listing Rules and other statutory requirements and approvals. The total remaining associated costs required to complete the Acquisition are estimated to be approximately \$150,000.
- (e) there is no guarantee with regard to the future success, achievements and/or the financial performance of the Company and the value of the Shares following completion of the Acquisition and Placement.

4.15 Key risk factors

Below is a list of the key risk factors which will be faced by the Company upon completion of the Disposal and Acquisition.

The SportsHero Business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can effectively be managed or mitigated may be limited.

An investment in the Company's securities is not risk free and the Directors strongly recommend that Shareholders consider the risk factors described below, together with information contained elsewhere in this Notice, before deciding whether to vote on Resolutions 1A, 1B, 4A, 4B and 4C.

There are specific risks which relate directly to the SportsHero Business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the value of an investment in the securities of the Company.

Set out below are specific risks that the Company is exposed to. Further risks associated with an investment in the Company are outlined in Sections 4.16 and 4.17. The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

(a) Additional requirements for capital

Depending on the success and timing of the monetisation of the platform and the growth in user numbers, additional funding may be required for the continued development of the Company's business model. This possible additional capital may also be used take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

The Company may seek to raise further funds through equity or debt financing, joint ventures, revenue sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delays and/or indefinite postponement of further growth in the monetisation of the platform and user numbers. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(b) Operational and commercialisation risk

There can be no assurance that the Company's intended goals will lead to profitability and/or commercial viability. Accordingly, the Company may not achieve either short or long term profitability and may suffer losses.

The Company will seek to mitigate this risk by:

- (i) engaging additional experienced and proven engineering/technical personnel to ensure that the platform operates to the maximum efficiency and reliability engaging additional experienced and proven marketing personnel to ensure that the platform is promoted as quickly and efficiently as possible to all of the Company's targeted markets; and
- (ii) engaging additional experienced financial personnel to ensure efficient financial control of all revenues, costs and contingencies.

(c) Suspension and re-quotation of Shares on the ASX

The Acquisition constitutes a significant change in the nature and scale of the Company's activities and the Company is required to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the official list of the ASX.

Trading in the Company's securities will continue to be suspended until the Company satisfies the requirements of Chapters 1 and 2 of the ASX Listing Rules in accordance with the ASX Listing Rule 11.1.3. It is anticipated that this will occur on or around December 2016 which is anticipated by the Company to be when the issue of Shares under the Prospectus is completed and all requirements for the re-listing of the Company's Shares have been met. Until such time the Company's Shares may continue to be suspended from trading on the ASX resulting in the Shares remaining untradeable on a stock market. **If Shareholders do not approve the Acquisition and the Acquisition does not complete, the Company's Shares will continue to be suspended from trading on the ASX resulting in the Shares remaining untradeable on a stock market.**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company and you should refer to the additional risk factors in Sections 4.16 and 4.17 before deciding whether to approve Resolutions 1A, 1B, 4A, 4B and 4C .

4.16 Industry specific risks

The SportsHero platform has a limited operating history and the potential of its business model is unproven. No assurances can be given that the Company will achieve commercial viability through the successful implementation of its business plans.

Accordingly, there is no guarantee that the proposed marketing and pricing strategies will be successful to achieve a sizeable take up rate by users of its products and/or market share.

In addition, there is the risk that the SportsHero platform may not function as intended, including with respect to its stated scalability and coping with increasing numbers of users or client numbers. This may lead to the Company's reputation suffering amongst users and customers as well as potential claims for redress.

Risks relating to the Company's business and industry

If the Company fails to retain existing users or add new users, or if users decrease their level of engagement with the Company, the Company's revenue, financial results and business may be significantly harmed.

The size of the Company's user base and users' level of engagement are critical to the success (or otherwise) of the Company. The Company's financial performance has been and will continue to be significantly determined by its success in adding, retaining and engaging active users.

The Company anticipates that its active user growth rate will decline over time as the size of its active user base increases and as higher market penetration rates are achieved. To the extent its active user growth rate slows, its business performance will become increasingly dependent on its ability to increase levels of user engagement and monetisation in current and new markets.

If users and potential users do not perceive the Company's products to be useful, reliable and trustworthy, the Company may not be able to attract or retain users or otherwise maintain or increase the frequency and duration of their engagement.

There is no guarantee that the Company will not experience an erosion of its active user base and/or its user engagement levels. A decrease in user retention, user growth and/or user engagement could render the Company less attractive to developers and advertisers, which may have a material and adverse impact on the Company's financial performance.

Any number of factors could potentially negatively affect user retention, user growth and user engagement, including:

- users increasingly engaging with competing products;
- failure to introduce new and/or improved products and services, or if new and/or improved products and services are not favourably received;
- failure to successfully provide a compelling user experience as a result of the decisions made with respect to the frequency, prominence and size of advertisements and other commercial content displayed;
- failure to continue to develop products for mobile devices that users find engaging, that work with a variety of mobile operating systems and networks and that achieve a high level of market acceptance;
- changes in user sentiment about the quality or usefulness of the Company's products and/or concerns related to privacy and data sharing, safety, security or other factors;
- failure to manage and prioritise information to ensure users are presented with content that is interesting, useful and relevant to them;
- adverse changes in our products that are mandated by legislation, regulatory authorities, or litigation, including settlements or consent decrees;
- technical or other problems prevent the Company from delivering its products in a rapid and reliable manner that adversely affect the user experience;
- the adoption of policies or procedures by the Company related to areas such as data sharing and/or user data that are perceived negatively by both users and the general public;
- failure to provide adequate customer service to users, developers and/or advertisers;
- the Company, its platform developers or other companies in the same industry are the subject of adverse media reports or other negative publicity; and
- the Company's current and/or future products, reducing user activity on the platform by making it easier for users to interact and share on third party websites.

Should such risks or uncertainties materialise, or should the Company's underlying assumptions and/or projections prove incorrect, then the Company's financial performance and/or achievements may vary materially from those described in relevant forward looking statements as being expected, anticipated, intended, planned, believed, sought, estimated or projected.

Risks relating to the Company's operations

Future operations of the Company may be affected by various factors including:

- unanticipated operational and technical difficulties encountered;
- failure of operating equipment, fire, accidents, industrial disputes and other force majeure events;
- risk that development and/or operating costs prove to be greater than expected or that the proposed developments or acquisitions may not be achieved;
- failure to achieve market penetration, user retention, user growth and/or user engagement;
- the supply and cost of skilled labour; and
- the prevention and/or restriction of market penetration or user access by reason of political unrest, outbreak of hostilities and inability to obtain consents or approvals.

Notwithstanding the experience, knowledge and careful evaluation the Company brings to its activities, there is no assurance that commercial viability will be achieved.

Other factors such as technical difficulties, adverse changes in government policy and/or legislation or lack of access to sufficient funding or markets may prevent the Company from operating successfully.

Failure to deal with growth

The Company's business has the potential to grow rapidly. If that occurs and the Company fails to properly manage that growth, then that failure could harm its business. Any failure to meet user demand properly could adversely affect the business, including demand for products and services, revenue, customer satisfaction and public perception.

Risks associated with jurisdictional expansion

The SportsHero platform has been constructed so as to be capable of being utilised in multiple overseas jurisdictions. As the Company is seeking to expand into overseas markets, it may require a physical presence in other jurisdictions/markets which will result in an associated increase in overheads and development and marketing costs. There is the risk that any jurisdictional expansion will be unsuccessful, or that even if there is demand for the Company's products and services in that market, that the costs of doing business in that market, including the costs of establishing a new base in-country, overseas regulatory compliance and the potential duplication of running costs for the Company, are such that the Company's profitability and available working capital will be adversely impacted.

Business model to initially focus on growing market share

As with other social entertainment developers, the Company's business model is initially focused on maximising sales and market share, rather than profitability. This will require expenditure on marketing and business development. Only once the Company has achieved its market penetration and customer dependence objectives will its focus shift to maximising profitability. Accordingly, the Company may not achieve significant profitability in the short term, or may suffer losses.

Attraction and retention of key employees

The Company's ability to effectively execute its growth strategy depends upon the performance and expertise of key employees, including those with valuable technological skills and specialist knowledge of the Company's underlying products, services and markets. The departure of certain key employees and any delay in their replacement could hamper the Company's ability to achieve its strategic growth objectives and financial performance goals. As the Company grows it will need to make additional key appointments to finalise its executive team and will also need to expand its technical sales support team. There is no guarantee that the Company will be able to attract and retain appropriately qualified personnel.

Availability of IT staff in the market

The Company is reliant upon employees with specialist IT skills in order to develop and maintain its products and services. Any shortage of availability of these skills in the IT employment market could impair the development of the Company's products and business and the rate of such development. Such shortage could also cause wage inflation, which may impact on the Company's profitability

Reliance on third party IT service provision

The Company utilises equipment, software and services provided by third parties to deliver its platform. Significant or extended disruption of the SportsHero platform caused by supplied equipment, software or service failure may reduce the Company's ability to generate revenue, impact consumer service levels and damage the Company's brand. This could adversely affect the Company's ability to attract and retain users, generate new business and cause it to suffer financial loss. Any mitigation of this loss via redress from third party suppliers may not be immediately available, if at all.

Reliance on core information technology and other systems

The availability of the Company's platform is dependent upon the performance, reliability and availability of its IT and communication systems. This includes its core technologies such as computer servers and back-end processing systems. These systems may be adversely affected by a number of factors including major events such as acts of terrorism or war, a breakdown in utilities such as electricity and fibre optic cabling and even pandemics. Events of that nature may cause one or more of those core technologies to become unavailable. There are also internal and external factors that may adversely affect those systems and technologies such as natural disasters, misuse by employees or contractors or other technical issues. The Company's disaster recovery plans may not adequately address every potential event and its insurance policies may not cover loss or damage suffered as a result of a system failure.

Any damage to, or failure of, the Company's key systems can result in disruptions in the Company's ability to operate its social entertainment platform. Such disruptions have the potential to reduce the Company's ability to generate revenue, attract and/or retain users, impact user service levels and damage the Company's brand. This could adversely affect the Company's ability to generate new business and cause it to suffer financial loss.

Security breaches

A malicious attack on the Company's systems, processes or people from external or internal sources could put the integrity and privacy of customers' data and business systems used to run the social entertainment platform at risk. The impact of loss or leakage of customer or business data could include costs for rebates, potential service disruption, litigation and brand damage resulting in reduced or falling revenues. The Company follows best practice in relation to security policies, procedures, automated and manual protections, encryption systems and staff screening to minimise this risk.

Shortage of funding

The Company will hold a minimum of \$2.5 million in cash following completion of the Acquisition, which will be used to accelerate the Company's business, marketing and growth plans. However, if the Company incurs unexpected costs or is unable to generate sufficient operating income further funding may be required. Any additional funding through Share issues is dependent upon market conditions at the time. Debt financing may not be available

to support the scope and extent of proposed developments. If available, it may impose restrictions on operating activities or anticipated expansion of the Company's operations.

Protection of intellectual property

The Company's intellectual property includes its software development, knowledge base of business operations, including user, industry and market behaviours, customer records and the experience of its management team and workforce. The Company maintains strict security and monitoring its software code and customer records, including protection and restriction on physical access. The Company encourages employee retention and through the use of competitive long-term employment contracts, confidentiality, non-competition and invention agreements.

The Company has trademarks and a patent in place to protect its intellectual property. The Company cannot be certain that the unauthorised use or access of intellectual property relevant to the Company's business will not be undertaken by third parties to the detriment of the Company, its operations and business. In addition, there can be no guarantee that unauthorised use or copying of the Company's software, data, specialised technology or algorithms will be prevented. Any unauthorised use, access or copying of the Company's intellectual property could impact adversely on the Company's margins and revenue.

Technology and intellectual property

The Company's success will depend, in part, on its ability to maintain trade secret protection and operate without infringing the proprietary rights of third parties or having third parties circumvent the Company's rights. No guarantee can be given that such protection will be successfully and validly maintained by the Company.

The Company's commercial success depends in part on its ability to protect its intellectual property assets. The commercial value of these assets is dependent on legal protections provided by a combination of copyright, patent, confidentiality, trade mark, trade secrecy laws and other intellectual property rights. These legal mechanisms, however, do not guarantee that the intellectual property will be protected or that the commercial value of the Company's intellectual property assets will be maintained.

The Company intends to continually evaluate its intellectual property and undertake steps to continually protect its proprietary intellectual property rights and undertake formal registration of them as and when appropriate. Sportshero will establish an intellectual property sub-committee to focus on protection of its intellectual property rights. However, there can be no assurance at any time that:

- (a) any such rights can be formally established;
- (b) the measures taken will be adequate to protect its proprietary technology;
- (c) any intellectual property rights will provide it with any competitive advantages and will not be challenged by third parties; and
- (d) the rights of others will not materially adversely affect the Company's ability to do business, its financial condition and the results of its operations (and therefore impact on the future viability and profitability of the Company).

While SportsHero believes that it has taken appropriate steps to protect its proprietary rights to date, the law may not adequately protect these rights in all places where the Company does business, or enable the same rights to be defended sufficiently to avoid adverse material impact on operations.

Vendors may sell their Shares

Some Vendors may elect to sell their Shares which are not subject to escrow restrictions by ASX immediately following completion of the Acquisition. If one or more Vendors elect to sell a sufficiently large number of Shares, then this may negatively impact the price of Shares and decrease the realisable value of existing Shareholders' investment in the Company.

Legal environment

The legal system in the markets in which the Company operates and/or intends to operate, may be less developed than more established countries and this could result in the following risks:

- political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation or in an ownership dispute;
- a higher degree of discretion held by various government officials or agencies;
- the lack of political or administrative guidance on implementing applicable rules and regulations, particularly in relation to intellectual property rights and taxation;
- inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or
- relative inexperience of the judiciary and court in matters affecting the Company.

Risks relating to operating in other jurisdictions

The Company's will target markets that inherently are subject to emerging legal and political systems, when compared with the systems in place in Australia.

Possible sovereign risks include, without limitation, changes in legislation, a shift in political attitude, changes in economic and social conditions, political instability, the imposition of operating restrictions, government participation, changes to taxation rates and/or concessions, working conditions, rates of exchange, exchange control, licensing, duties or imposts, repatriation of income or return of capital and changes in the ability to enforce legal rights.

The Company's activities are subject to applicable local laws, regulations and to the relevant conditions applying in each jurisdiction in which the Company operates or intends to operate. Failure to comply with these conditions may cause the Company to suffer significant damage through loss of opportunity and/or the imposition of penalties and fines.

Changes in government and/or statutory changes in jurisdictions in which the Company operates, or intends to operate, may affect the Company's business and its operations.

Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares.

Contractual risks

The ability of the Company to achieve its objectives will also be dependent on the performance by the counterparties to any agreements that the Company has entered into or may enter into. If any counterparty defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy. Legal action can be costly. Furthermore, certain contracts to which either the Company is a party may be governed by laws of jurisdictions outside Australia. There is a risk that the Company may not be able to seek legal redress that it could expect under Australian law; and generally there can be no guarantee that a legal remedy will ultimately be granted on the appropriate terms.

International operations

International sales and operations are subject to a number of risks, including:

- potential difficulties in enforcing agreements and collecting receivables through foreign local systems;
- potential difficulties in protecting intellectual property;
- increases in operating costs; and
- restrictive governmental actions.

Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

Exchange rate risks

Exchange rates fluctuate and are affected by many factors beyond the control of the Company.

To comply with Australian reporting requirements the income, expenditure and cash flows of the Company will need to be accounted for in Australian dollars. This will result in the income, expenditure and cash flows of the Company being exposed to the fluctuations and volatility of the rate of exchange between other currencies and the Australian dollar, as determined in international markets.

This will result in the Company being exposed to exchange rate risk, which may have an adverse impact on the profitability and/or financial position of the Company.

Subsidiary risk

SPS is a company incorporated in Singapore.

On completion of the Acquisition, SPA and SPS will become wholly owned subsidiaries of the Company.

The Company's rights to participate in a distribution of SPA's and SPS's assets and/or the assets of their subsidiaries in the event of liquidation, re-organisation or insolvency is generally subject to prior claims of that entity's creditors, including trade creditors.

Reliance on key management

The responsibility of overseeing the day-to-day operations and the strategic management of the Company and its controlled entities depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these senior management, key personnel or employees cease their involvement or employment with the Company or its controlled entities.

Additional requirements for capital

The continued operations of the Company are dependent on its ability to obtain financing through debt and equity financing, or generating sufficient cash flows from future operations. There is a risk that the Company may not be able to access capital from debt or equity markets for future acquisitions or developments, which could have a material adverse impact on the Company's business and financial condition.

Insurance risks

The Company maintains insurance for certain activities within ranges of coverage that it believes to be consistent with industry practice and having regard to the nature of activities being conducted. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. In addition, there remains the risk that an insurer defaults in the payment of a legitimate claim by the Company.

Competition

There is a risk that the Company will not be able to continue to compete in the competitive industry in which it operates. The potential exists for the nature and extent of the competition to change rapidly, which may cause loss to the Company.

The Company is and will be competing against a number of significant global IT companies for users, user growth, user engagement, advertisements, commercial content and revenue. In addition, the emergence of new competitors in the market, or technological developments providing an alternative to the Company's products and services could adversely impact the Company's market share and cause downward price pressure on the Company's margins and revenue. Existing and new providers of social entertainment platforms may respond aggressively to the Company's products and services and seek to regain market share and revenue, which could also impact adversely the Company's margins and revenue.

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's business.

The Company intends to operate in an industry that relies on accurate and innovative products. Technology changes occur rapidly, and there is a risk that the services provided and products to be produced by the Company may become technically inferior to other services and products available in the market.

Additionally, the development and commercialisation of new technologies that are more cost efficient than the Company's technology or offer greater variety in services and products than those of the Company, could place the Company at a competitive disadvantage.

4.17 General risks

Share market

There are general risks associated with any investment and the share market. The price of the Company's securities on the ASX may rise and fall depending on a range of factors beyond the Company's control and which are unrelated to the Company's financial performance.

These factors may include movements on international stock markets, interest rates and exchange rates, together with domestic and international economic conditions, inflation rates, investor perceptions, changes in government policy, commodity supply and demand, government taxation and royalties, war, global hostilities and acts of terrorism.

There is no assurance that the price of the Shares will increase following completion of the Acquisition and the Company's re-quotation on ASX, even if the Company's revenues and/or earnings increase.

Government policies and legislation

The Company's businesses and performance are affected generally by the fiscal or other policies (including taxation) that are adopted by government both in Australia and in the other jurisdictions in which the Company operates. Any change in regulation or policy may adversely affect the performance or financial position of the Company, either on a short-term or long-term basis. The Company may also be adversely affected by the pace or extent of such change.

Adverse changes in government policies or legislation (both in Australia and overseas) may affect the Company's activities and earnings and the business plans of the Company. It is possible that current governmental policies may change, resulting in impairment of rights, imposts or restrictions in relation to the Company's proposed future activities.

Share market conditions

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:

- (a) general economic outlook;
- (b) introduction of tax reform or other new legislation;
- (c) interest rates and inflation rates;
- (d) changes in investor sentiment toward particular market sectors;
- (e) the demand for, and supply of, capital; and
- (f) terrorism or other hostilities.

The market price of securities can fall as well as rise and 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.

Regulatory conditions

Changes in relevant taxes (including GST and excise), legal and administrative regimes and government policies both in Australia and overseas may adversely affect the financial performance of the Company.

Any change to the current rate of company income tax in jurisdictions where the Company intends on operating may impact on Shareholder returns. Any change to the current rates of income tax applying to individuals, companies and trusts may similarly impact on returns to Shareholders.

General economic conditions

The Company's business is affected by general economic conditions. A deterioration in economic conditions could lead to reductions in personal and business spending and other potential revenues which could be expected to have a corresponding adverse impact on the Company's operating and financial performance

Market risk and interest rate volatility

From time to time, the Company may borrow money and accordingly will be subject to interest rates which may be fixed or floating. A change in interest rates would be expected to result in a change in the interest cost to the Company and, hence, may affect its financial performance.

Liquidity risk

There is no guarantee that there will be an ongoing liquid market for the Company's securities. Accordingly, there is a risk that, should the market for the Company's securities become illiquid, Shareholders will be unable to realise their investment in the Company.

Risk of Shareholder dilution

In the future, the Company may elect to issue Shares to engage in fundraisings and also to fund, or raise proceeds, for acquisitions the Company may decide to make. While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital it is able to issue within a 12 month period (other than where exceptions apply), Shareholders may be diluted as a result of such issues of Shares and fundraisings.

Litigation

Litigation brought by third parties including but not limited to customers, partners, suppliers, business partners or employees could negatively impact the business, particularly in the case where the impact of such litigation is greater than or outside the scope of the Company's insurance.

Force majeure events

Events may occur within or outside Australia that could impact upon the global and Australian economies, the operations of the Company and the price of the Shares. Such events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the demand for the Company's products and services and its ability to conduct business. The Company will have only a limited ability to insure against some of these risks.

Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by Shareholders in the Company. The above factors, and others not specifically

referred to above may, in the future, materially affect the financial performance of the Company and the value of the Company's securities.

4.18 Independent Expert's Report

The Independent Expert's Report assesses whether the issue of the MyHero Consideration outlined in Resolution 4C is fair and reasonable to the Shareholders who are not associated with the Majority Shareholder.

The Independent Expert's Report also contains an assessment of the advantages and disadvantages of the proposed issue and allotment of the MyHero Consideration the subject of Resolution 4C. This assessment is designed to assist all Shareholders in reaching their voting decision.

The Independent Expert has provided the Independent Expert's Report and has provided an opinion that it believes the proposal as outlined in Resolution 4C and, on balance, **is not fair, but reasonable** to the Non-Associated Shareholders. It is recommended that all Shareholders read the Independent Expert's Report in full.

The Independent Expert's Report accompanies this Notice of Meeting.

4.19 Directors recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolutions 4A, 4B and 4C for the reasons set out in Section 4.14.

The Directors are not aware of any other information other than as set out in this Notice of Meeting that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 4A, 4B and 4C.

5. RESOLUTION 5 – CHANGE OF NAME

In accordance with section 157 of the Corporations Act, if a company wants to change its name it must pass a special resolution adopting a new name.

As a result of the Acquisition, the Company proposes to change its name to '*SportsHero Limited*'.

Resolution 5 is a special resolution and, therefore, requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative). Approval for the change of name is the subject of Resolution 5.

The change in name will only take effect upon the Acquisition being successfully completed and when ASIC alters the details of the Company's registration.

Resolution 5 is a special resolution. However, it will not take effect unless Resolutions 4A, 4B and 4C are passed and completion of the Acquisition.

The Directors will also request that ASX change the Company's listing code from "NVI" to "SHO" following completion of the Acquisition and the resumption of trading of the Shares on ASX. The ASX listing code "SHO" has been reserved by the Company.

6. RESOLUTION 6 – ISSUE OF 25,000,000 SHARES TO SUNSHORE HOLDINGS PTY LTD

6.1 Background

Pursuant to the HoA and subject to the receipt of Shareholder approval the Company agreed to issue to Sunshore Holdings Pty Ltd (**Sunshore**) (or nominee) 25,000,000 Pre Consolidation Shares in consideration for expenses incurred by Sunshore in relation to the Acquisition.

Resolution 6 is an ordinary resolution. However, it will not take effect unless the Acquisition is completed.

6.2 ASX Listing Rule 7.1

For information on ASX Listing Rules 7.1 please refer to Section 2 of this Explanatory Statement.

The effect of Resolution 6 will be to allow the Company to issue the Shares to Sunshore during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

6.3 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue:

- (i) the number of Shares to be issued is 25,000,000 Pre Consolidation Shares (or 12,500,000 Post Consolidation Shares);
- (ii) the Shares will be issued on one day no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (iii) the issue price will be \$0.025 per Post Consolidation Share;
- (iv) the Shares will be issued to Sunshore and or nominee;
- (v) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (vi) the Shares will be issued as consideration for expenses incurred by Sunshore in relation to the Acquisition.

7. RESOLUTION 7 – CONSOLIDATION OF CAPITAL

7.1 Background

Resolution 7 seeks approval from Shareholders to consolidate the number of Pre Consolidation Shares on issue on a one (1) for two (2) basis. The Consolidation is required to ensure that the Company's capital structure is appropriate for it to be able to re-comply with the admission requirements of the ASX.

If Resolution 7 is passed and the Consolidation is implemented and excluding any Shares issued pursuant to Resolutions 3, 4B, 4C, 6 and 8, the number of Pre Consolidation Shares on issue will be reduced from 79,653,096 to 39,826,548 Post Consolidation Shares (subject to rounding).

Resolution 7 is an ordinary resolution. However, it will only take effect if Resolutions 4A, 4B, 4C and 8 are passed and the Acquisition is completed.

7.2 Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

7.3 Fractional entitlements

Not all Shareholders will hold that number of Pre Consolidation Shares which can be evenly divided by two (2). Where a fractional entitlement occurs, the Company will round that fraction up to the nearest whole Share.

7.4 Taxation

It is not considered that any taxation implications will exist for Shareholders arising from the Consolidation. However, Shareholders are advised to seek their own tax advice on the effect of the Consolidation and that the Company does not accept any responsibility for the individual taxation implications arising from the Consolidation.

7.5 Holding statements

From the date of the Consolidation, all holding statements for Pre Consolidation Shares will cease to have any effect, except as evidence of entitlement to a certain number of Post Consolidation Shares.

After the Consolidation is effected, the Company will arrange for new holding statements for Post Consolidation Shares to be issued to holders of those Post Consolidation Shares.

It is the responsibility of each Shareholder to check the number of Shares held prior to disposal.

7.6 Effect on capital structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table below:

Capital Structure	Shares	Options
Existing shares on issue ¹	79,653,096	9,815,882 ²
Post 1 for 2 Consolidation (Resolution 7)	39,826,548	4,907,941
Conversion of Convertible Notes (Resolution 3)	8,475,000	-
Issue of Consideration (Resolution 4B)	96,000,000	72,000,000 ³
Issue of Post Consolidation Shares to Sunshore (Resolution 6)	12,500,000	-
Issue of Post Consolidation Shares under Placement (Resolution 8) ⁴	50,000,000	-
Completion of all Resolutions	206,801,548	76,907,941⁵

Notes:

1. Securities represented on a pre-Consolidation basis.
2. Consisting of: 300,002 unquoted options each exercisable at \$1.20 and expiring 31 October 2016; 60,000 unquoted options each exercisable at \$0.51 and expiring 31 December 2017; 60,000 unquoted options each exercisable at \$0.62 and expiring 31 December 2017; 9,395,880 unquoted options each exercisable at \$0.10 and expiring 30 September 2017.
3. Options exercisable at \$0.05 each on or before 31 August 2019.
4. It is the Company's present intention that the issue price will be \$0.05 per Post Consolidation Share. Assumes that \$2.5 million is raised pursuant to the Placement.
5. Consisting of: 150,001 unquoted options each exercisable at \$2.40 and expiring 31 October 2016; 30,000 unquoted options each exercisable at \$1.02 and expiring 31 December 2017; 30,000 unquoted options each exercisable at \$1.24 and expiring 31 December 2017; 4,697,940 unquoted options each exercisable at \$0.20 and expiring 30 September 2017; 72,000,000 unquoted options each exercisable at \$0.05 and expiring 31 August 2019 September.

7.7 Indicative timetable

If Resolution 7 is passed, the Consolidation will take effect in accordance with the following timetable (as set out in Appendix 7A (paragraph 8) of the ASX Listing Rules):

Action	Date
Company dispatches Notice of Meeting.	31 Oct 2016
Company tells ASX that Shareholders have approved the Consolidation.	30 Nov 2016
Last day for pre-Consolidation trading.	1 Dec 2016
Post-Consolidation trading starts on a deferred settlement basis.	2 Dec 2016
Last day for Company to register transfers on a pre-Consolidation basis.	5 Dec 2016
First day for Company to send notice to each holder of the change in their details of holdings.	6 Dec 2016
First day for the Company to register Shares on a post-Consolidation basis and first day for issue of holding statements.	

Action	Date
Issue date. Deferred settlement market ends.	12 Dec 2016
Last day for Shares to be entered into holders' Security holdings.	
Last day for the Company to send notice to each holder of the change in their details of holdings.	

8. RESOLUTION 8 – SHARE PLACEMENT BY PROSPECTUS

8.1 General

Resolution 8 seeks Shareholder approval for the issue of up to 125,000,000 Post Consolidation Shares at an issue price of not less than \$0.02 per Share to raise a minimum of \$2,500,000 plus oversubscriptions of up to a further 50,000,000 Post Consolidation Shares to raise up to a further \$1,000,000 (**Placement**).

It is the current intention of the Company to issue Post Consolidation Shares, pursuant to the Placement, at an issue price of \$0.05 per Post Consolidation Share. Should the issue price of the Placement be \$0.05, then the Company will raise \$2,500,000 by the issue of 50,000,000 Post Consolidation Shares and a up to a further \$1,000,000 in oversubscriptions by the issue of up to a further 20,000,000 Post Consolidation Shares.

The Company has not yet engaged a broker for the Placement but anticipates doing so. Any broker engaged in respect of the Placement will be engaged on standard market rates and such rates will be fully disclosed in the prospectus for the Placement.

For information on ASX Listing Rules 7.1 please refer to Section 2 of this Explanatory Statement.

The effect of Resolution 8 will be to allow the Company to issue the Post Consolidation Shares pursuant to the Placement during the period within three months after the date of the Meeting, without using the Company's 15% annual placement capacity.

8.2 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Post Consolidation Shares to be issued is 175,000,000 (assuming an issue price of \$0.02 per Post Consolidation Shares);
- (b) the Post Consolidation Shares will be issued within 3 months of the date of the Meeting and it is anticipated that all of the Post Consolidation Shares will be issued on one date;
- (c) the issue price will be not less than \$0.02 per Post Consolidation Share. As at the date of this Notice, it is the intention of the Company to issue the Post Consolidation Shares at an issue price of \$0.05 per Post Consolidation Share;
- (d) the Directors and proposed broker of the Placement will determine to whom the Shares will be issued but these persons will not be related parties of the Company;
- (e) the Post Consolidation Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the Company intends to use the funds raised from the Placement towards re-complying with Chapters 1 and 2 of the ASX Listing Rules, satisfying any outstanding conditions precedent to the Acquisition and for general working capital. Further details are set out in the table below:

Application of funds raised	Minimum subscription	Maximum subscription
Cash on hand	\$250,000	\$250,000
Placement proceeds	\$2,500,000	\$3,500,000
Total funds available	\$2,750,000	\$3,750,000
Marketing and Promotion	\$575,000	\$980,000
Advertising	\$675,000	\$920,000
Engineering	\$155,000	\$175,000
Operations	\$520,000	\$710,000
Office, administration and compliance	\$500,000	\$500,000
Costs of the Offer	\$175,000	\$265,000
Working Capital	\$150,000	\$200,000
Total	\$2,750,000	\$3,750,000

Resolution 8 is an ordinary resolution. However, it will not take effect unless Resolutions 4A, 4B, 4C and 7 are also passed and the Company completes the Acquisition.

9. RESOLUTION 9 – ELECTION OF DIRECTOR – HOWARD DAWSON

Clause 11.7 of the Constitution allows the Company in a general meeting by ordinary resolution to appoint any person as a director, but only where the total number of directors does not at any time exceed the maximum number specified by the Constitution.

Mr Dawson has been nominated to join the Board of the Company as Non-executive Chairman. Mr Dawson is one of the Vendors and, being eligible, seeks election.

Howard had an 11 year career as a geologist before entering the securities industry as a research analyst in 1987. Over the subsequent 18 years he fulfilled a number of complimentary roles within the securities industry including research, corporate advisory, business development and senior management and directorships with firms including Hartley Poynton, McIntosh Securities, Merrill Lynch and ABN AMRO Morgan's Limited.

He has a Bachelor of Science (Geology) and was a SFFINSIA and is currently a MAIG.

Howard is an experienced Company Director and Chairman with his most recent role as Chairman of ASX listed migme Limited until his retirement from the board in May 2016.

Resolution 9 proposes Mr Dawson as a Director of the Company on and from completion of the Acquisition and in accordance with clause 11.7 of the Constitution. A copy of Mr Dawson's notice of candidature for election is attached as Schedule 4 of this Notice of Meeting.

It is intended that Mr Dawson's remuneration will be \$4,500 per month.

Pursuant to the Acquisition (refer Resolution 4A), Mr Dawson and his related entities are to be issued 2,057,142 Post Consolidation Shares and 4,114,286 Options.

Resolution 9 is an ordinary resolution. However, it will not take effect unless Resolutions 4A, 4B, 4C, 7 and 8 (inclusive) are also passed.

10. RESOLUTION 10 – ELECTION OF DIRECTOR – DINESH BHATIA

Clause 11.7 of the Constitution allows the Company in a general meeting by ordinary resolution to appoint any person as a director, but only where the total number of directors does not at any time exceed the maximum number specified by the Constitution.

Mr Bhatia has been nominated to join the Board of the Company as Managing Director. Mr Bhatia is associated with one of the Vendors and, being eligible, seeks election.

Dinesh has a MSc Engineering and Physical Science in Medicine and is a start-up entrepreneur with broad experience in starting up companies in the high-tech arena, especially in the early-stage level moving forward.

He has direct experience with television, telecommunication and internet industries specialising in B2C high-tech software plays, software and strategic consulting, and start-ups.

Dinesh has CEO experience including multiple successful fund-raising campaigns, leadership, strategic direction formulation and tactical oversight/action. Dinesh's experience with companies include CEO & Founder of Edgematrix, co-founder Bowtie Asia, Director and Partner Interruption Television, Director & co-founder Iteru, Executive Director and Partner Okilabs, Founding Consultant O Channel TV, Jakarta, Partner and VP/Co-founder of Mobinex.

During 2009-2012, Dinesh was with Vickers Venture Partners as an Entrepreneur-In-Residence and Venture Partner.

From 2010-2012, Dinesh was a co-founder and partner of Edenpod, an independent creative mobile app studio and incubator.

Dinesh is currently CEO/co-founder of MyHero which released TradeHero, a gamified approach to stock trading which allows anyone to monetise through their ranked trader performance. TradeHero has secured #1 position in the finance category in more than 75 countries on the iOS App Store and currently has over 6m users.

Dinesh has presented at many forums and conferences worldwide including the APEC Telecommunications and Ministerial Meeting (TELMIN4), Red Herring, APEC Young Leaders Forum, Goldman Sachs Financial Services Conference, Digital Hollywood.

In 2015, Dinesh was voted Fast Company 100 Most Creative People in Business for teaching aspiring investors to make the leap. Dinesh is a recipient of many other awards including the Young Professional of the Year Award in 2001 from the Singapore Computer Society and the Washington University Young Alumni Award in 2001 for pioneering and innovating business systems.

Resolution 10 proposes Mr Bhatia as a Director of the Company on and from completion of the Acquisition and in accordance with clause 11.7 of the Constitution. A copy of Mr Bhatia's notice of candidature for election is attached as Schedule 5 of this Notice of Meeting.

Mr Bhatia is a Director of My Hero Limited. Pursuant to the Acquisition (refer Resolution 4A), My Hero Limited is to be issued 60,000,000 Post Consolidation Shares.

Resolution 10 is an ordinary resolution. However, it will not take effect unless Resolutions 4A, 4B, 4C, 7 and 8 (inclusive) are also passed.

GLOSSARY

\$ means Australian dollars.

AEST means Australian Eastern Standard Time as observed in Brisbane, Queensland, Australia.

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Acquisition means the acquisition by the Company of 100% of the issued share capital of SPA and the acquisition by SPA of an additional 83.33% of SPS.

Agreements means collectively the Share Purchase Agreement and the Share Sale Agreement.

Assets means 100% of the issued share capital of NVH, which is the owner of 100% of the issued share capital of each of Nevada Iron LLC and Iron Horse Transportation LLC which collectively own 100% of Nevada's interest in the Buena Vista Iron Project.

Board means the current board of directors of the Company.

Buena Vista Iron Project or **BVI Project** means the iron project located in Nevada USA approximately 40 kilometres from the Union Pacific rail line that connects to port facilities at Sacramento, Stockton, Richmond and San Francisco that is 100% owned by the Company via its wholly owned subsidiary NVH.

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

Chair means the chair of the Meeting.

Company or **Nevada** means Nevada Iron Limited (ACN 123 423 987).

Consideration means 96,000,000 Post Consolidation Shares and 72,000,000 Options.

Consolidation means a 1 for 2 consolidation of the Company's share capital (as per Resolution 7).

Constitution means the Company's constitution.

Convertible Notes means 5% Convertible Notes issued by the Company on 22 July 2016 at an issue price of \$0.01 per convertible note and otherwise on the terms and conditions set in Schedule 3.

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

Directors means the current directors of the Company.

Disposal means the sale of 100% of the issued capital of NVH which is the subject of Resolution 1A.

Disposal Consideration has the same meaning given to that term in Section 1.1.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Independent Expert means RSM Corporate Australia Pty Ltd ACN 050 508 024.

Independent Expert's Report or **IER** means the report prepared by the Independent Expert and dated 25 October 2016 accompanying this Notice.

Iron Horse Transportation LLC means a company incorporated in Nevada USA which is 100% owned by NVH.

MyHero Consideration has the meaning given to that term in Section 4.12

Nevada Iron LLC means a company incorporated in Nevada USA which is 100% owned by NVH.

Non-Associated Shareholders means the holders of the Company's Shares whose votes are not to be disregarded on Resolutions 1A, 1B, 4A, 4B and 4C.

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

NVH means Nevada Iron Holdings Pty Ltd ACN 142 072 311 a 100% owned subsidiary of the Company.

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

Placement has the meaning in Sections 4.6 and 8.1.

Post Consolidation Shares means Shares issued post the Consolidation.

Pre Consolidation Shares means Shares issued pre the Consolidation.

Prospectus means a prospectus to be lodged in respect of the Placement, in accordance with Resolution 8 and for purposes of re-compliance with Chapters 1 and 2 of the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

Purchasing Parties has the same meaning given to that term in Section 1.1.

Related Party has the meaning given to that term in section 228 of the Corporations Act.

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

Schedule means a schedule to the Explanatory Statement.

Section means a section of the Explanatory Statement.

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

Share Purchase Agreement means the agreement between the SPA Shareholders, SPA and the Company dated on or about 27 September 2016, pursuant to which the Company is to acquire from the SPA Shareholders 7,000,000 fully paid ordinary shares in SPA (representing 100% of SPA) for a consideration of 36,000,000 Post Consolidation Shares and 72,000,000 Options.

Share Sale Agreement means the agreement between the SPS Shareholder, SPA and the Company dated on or about 27 September 2016, pursuant to which SPA is to acquire from MyHero Limited 5,000,000 fully paid ordinary shares in SPS (representing 83.33% of SPS) for a consideration of 60,000,000 Post Consolidation Shares.

Shareholder means a registered holder of a Share.

SPA means Sportz Hero Pty Ltd (ACN 612 084 465) a company incorporated in Australia.

SPA Shareholders means collectively the holders of all of the issued share capital of SPA.

SPS means Sportshero Enterprise Pte Ltd a company incorporated in Singapore with registration number 201606171W.

SPS Shareholder or **Majority Shareholder** means MyHero Limited an exempted company incorporated with limited liability in the Cayman Islands with incorporation number MC-279316.

SportsHero Business means the social media platform described in Section 4.3 of the Explanatory Statement.

Vendors means collectively the SPA Shareholders and SPS Shareholder.

SCHEDULE 1 – UNAUDITED CONSOLIDATED PRO-FORMA BALANCE SHEET

		SportsHero	Nevada	Subsequent	Pro forma	
	Note	Audited	Audited	Unaudited	Unaudited	Pro forma
		30-Jun-16	30-Jun-16	30-Jun-16	30-Jun-16	30-Jun-16
		\$	\$	\$	\$	\$
Assets						
Current assets						
Cash and cash equivalents	1	624,108	245,673	-	2,450,000	3,319,781
Trade and other receivables		19,617	3,449	-	-	23,066
Assets classified as held for sale	2	-	1,040,154	-	(1,040,154)	-
Total current assets		<u>643,725</u>	<u>1,289,276</u>	<u>-</u>	<u>1,409,846</u>	<u>3,342,847</u>
Non-current assets						
Property, plant and equipment		1,493	-	-	-	1,493
Investments		-	-	-	-	-
Intangible asset		2,693,240	-	-	-	2,693,240
Total non-current assets		<u>2,694,733</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,694,733</u>
Total assets		<u>3,338,458</u>	<u>1,289,276</u>	<u>-</u>	<u>1,409,846</u>	<u>6,037,580</u>
Liabilities						
Current liabilities						
Trade and other payables	3 & 4	142,108	647,645	(273,395)	(227,500)	288,858
Borrowings		30,000	-	-	-	30,000
Liabilities associated with assets held for sale	2	-	809,397	-	(809,397)	-
Total current liabilities		<u>172,108</u>	<u>1,457,042</u>	<u>(273,395)</u>	<u>(1,036,897)</u>	<u>318,858</u>
Total liabilities		<u>172,108</u>	<u>1,457,042</u>	<u>(273,395)</u>	<u>(1,036,897)</u>	<u>318,858</u>
Net assets		<u>3,166,350</u>	<u>(167,766)</u>	<u>273,395</u>	<u>2,446,743</u>	<u>5,718,723</u>
Equity						
Issued capital	1	3,366,550	37,525,429	273,395	(33,033,747)	8,131,627
Reserves		6,967	6,512,171	-	(6,512,171)	6,967
Accumulated losses	2,3 & 4	(207,167)	(44,205,366)	-	41,992,661	(2,419,872)
Total equity		<u>3,166,350</u>	<u>(167,766)</u>	<u>273,395</u>	<u>2,446,743</u>	<u>5,718,723</u>

Notes

1. Raising of \$2,500,000 pursuant to the Placement (refer Resolution 8), less estimated costs of issue of \$150,000.
2. Sale of the BVI Project (Resolutions 1A and 1B).
3. Issue by the Company of 10,389,530 Shares at an issue price of \$0.01 per Share on 22 July 2016 (refer Resolution 2) and the conversion of 16,950,000 Convertible Notes issued at a price of \$0.01 per Convertible Note (refer Resolution 3).
4. Assumption of debt of \$227,500 owing to an entity associated with Mick McMullen (refer Section 1.1 of the Explanatory Statement).

SCHEDULE 2 – OPTION TERMS AND CONDITIONS

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

- a) The exercise price of each Option is \$0.05 per Post Consolidation Share (Exercise Price).
- b) The Options expire at 5.00pm Western Standard Time on 31 August 2019 (Expiry Date).
- c) The Options can be exercised at any time and each Option shall entitle the holder to subscribe for and be allotted one Post Consolidation Share in the capital of Nevada Iron Ltd (Share) upon exercise of the Option and payment to the Company of the Exercise Price.
- d) Post Consolidation Shares issued as a result of the exercise of any of the Options will rank equally in all respects with all Post Consolidation Shares in Nevada Iron Ltd.
- e) The Option holder is not entitled to participate in new issues of securities offered to Shareholders unless the Option is exercised before the relevant record date for that new issue.
- f) Post Consolidation Shares issued on the exercise of Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys. Post Consolidation Shares allotted pursuant to the exercise of an Option will rank equally with the then issued Post Consolidation Shares of the Company in all respects. If the Company is listed on Australian Securities Exchange (ASX) it will, pursuant to the exercise of an Option, apply to ASX for quotation of the Post Consolidation Shares issued as a result of the exercise, in accordance with the Corporations Act 2001 and the ASX Listing Rules.
- g) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital at the time of the reconstruction.

SCHEDULE 3 – CONVERTIBLE NOTE TERMS AND CONDITIONS

Subject to the receipt of Shareholder approval (Resolution 3) Each Convertible Note will as of the date of the General Meeting convert into one Share in the Capital of the Company for no additional consideration.

Interest on the Convertible Notes will be paid by the Company at a rate of 5% per annum for the period commencing on the date of issue of the Convertible Notes and ending on the date of conversion of the Convertible Notes into Shares.

The interest will be paid by the Company within 7 days of conversion of the Convertible Notes into Shares.

Shares issued on conversion of Convertible Notes will rank equally in all respects with the existing ordinary shares in the Company.

Should shareholder approval not be received at the General Meeting to convert the Convertible Notes, then the Convertible Notes will be redeemed by the Company at their issue price at a time when the Company reasonably determines that it is financially able to redeem the Convertible Notes.

SCHEDULE 4 – NOTICE OF CANDIDATURE: HOWARD DAWSON

31 August 2016

The Company Secretary
Nevada Iron Limited
116 Alastair Street
Lota, Queensland, Australia 4179

Dear Sir

NOTICE OF CANDIDATURE

I, Howard Dawson, hereby nominate myself for the position of Director of Nevada Iron Limited (Nevada or the Company) and in accordance with clause 11.7 of the Company's constitution hereby consent to my nomination and signify my candidature for election as a Director of Nevada.

Yours faithfully

Howard Dawson

SCHEDULE 5 – NOTICE OF CANDIDATURE: DINESH BHATIA

31 August 2016

The Company Secretary
Nevada Iron Limited
116 Alastair Street
Lota, Queensland, Australia 4179

Dear Sir

NOTICE OF CANDIDATURE

I, Dinesh Bhatia, hereby nominate myself for the position of Director of Nevada Iron Limited (Nevada or the Company) and in accordance with clause 11.7 of the Company's constitution hereby consent to my nomination and signify my candidature for election as a Director of Nevada.

Yours faithfully

Dinesh Bhatia

PROXY FORM

NEVADA IRON LIMITED
ACN 123 423 987

GENERAL MEETING

I/We

of:

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

Name:

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

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 9:00 am AEST, on Wednesday, 30 November 2016 at 116 Alastair Street, Lota, Queensland, Australia 4179 and at any adjournment thereof.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

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

Voting on business of the Meeting		FOR	AGAINST	ABSTAIN
Resolution 1A	Disposal of Main Undertaking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 1B	Financial Benefit arising from Disposal of Main Undertaking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of issue of 10,389,530 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Conversion of Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4A	Approval of Acquisition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4B	Approval to issue the Consideration for the Acquisition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4C	Approval to issue the MyHero Consideration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Change of Company name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Shares to Sunshore Holdings Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Share Placement by Prospectus	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Election of Director – Howard Dawson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Election of Director – Dinesh Bhatia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

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

YES ☐ NO ☐

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - post to Nevada Iron Limited, 116 Alastair Street, Lota, QLD 4179; or
 - facsimile to the Company on facsimile number +61 7 3901 0751; or
 - email to the Company at mike.higginson@iinet.net.au,

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

Proxy Forms received later than this time will be invalid.