



ASX RELEASE

22 January 2021

Completion of \$450,000 capital raising (and other issues of securities following the receipt of shareholder approval)

First Growth Funds Limited

Further to the SportsHero Limited's ("**SportsHero**", the "**Company**") (**ASX: SHO**) announcement dated 4 November 2020, SportsHero is pleased to announce that following the receipt of shareholder approval on 15 January 2021 (refer Resolution 19) it has today raised \$450,000 from strategic institutional investor First Growth Funds Limited.

The consideration issued by the Company was the issue of 18,000,000 fully paid ordinary shares, at an issue price of \$0.025 per share, and the granting of 9,000,000 free attaching options each exercisable at \$0.05 and expiring 16 December 2022 (**Options**).

Conversion of 175 Convertible Notes

The Company further confirms that it has today issued a total of 7,720,303 ordinary fully paid shares, at an issue price of \$0.024 per share following the conversion of 175 Convertible Notes each with a Face Value of \$1,000 per note. The conversion price being the lower of \$0.03 per share or 80% of the Company's 7 day VWAP prior to the conversion date (refer ASX announcement dated 16 April 2020).

The 7,720,303 shares were issued for the following consideration:

- 7,292,783 shares on conversion of 175 Convertible Notes (total Face Value of \$175,000); and
- 427,520 shares to pay a total of \$10,258.90 in interest (at the rate of 10% pa).

Further securities issued following the receipt of shareholder approval

The Company advises that following the receipt of shareholder approval on 15 January 2021, the following additional securities have been issued:

1. As announced on 4 November 2020 and pursuant to the passing of Resolution 17, 26,750,000 free attaching Options have been issued on a 1 for 2 basis to the allottees of the 53,500,000 ordinary fully paid shares issued at an issue price of \$0.025 per share, which raised a total of \$1,337,500 in working capital (before costs) (**Placement**);
2. As announced on 4 November 2020 and pursuant to the passing of Resolution 18, 12,000,000 Options each exercisable at \$0.05 and expiring 16 December 2022 have been issued to the nominees of Veritas Securities Limited (**Veritas**) in consideration for Veritas acting as the Company's Lead Manager and assisting the Company with the Placement;
3. Pursuant to the passing of Resolution 8, 1,510,756 ordinary fully paid shares have been issued to Mr John Dougall at an issue price of \$0.0221 per share in lieu of the payment of \$33,333.33 in outstanding fees;
4. Pursuant to the passing of Resolution 9, 4,000,000 Performance Rights have been issued to Mr John Dougall.

The Performance Hurdle for each of the 4,000,000 Performance Rights being upon the SportsHero Limited consolidated group of companies achieving breakeven operating cash flow (or better) for any six month period up to and including the six months ended 31 December 2022 as determined

SportsHero

by the audited and/or audit reviewed financial statements lodged with ASX by SportsHero Limited in compliance with the Listing Rules of the ASX;

5. Pursuant to the passing of Resolutions 10 to 12 (inclusive), 12,000,000 Director Performance Rights have been issued as follows:
- 3,000,000 Director Performance Rights to Mr John Dougall pursuant to Resolution 10, comprising;
 - 1,000,000 Class A Director Performance Rights;
 - 1,000,000 Class B Director Performance Rights; and
 - 1,000,000 Class C Director Performance Rights;
 - 6,000,000 Director Performance Rights to Mr Tom Lapping pursuant to Resolution 11, comprising;
 - 2,000,000 Class A Director Performance Rights;
 - 2,000,000 Class B Director Performance Rights; and
 - 2,000,000 Class C Director Performance Rights; and
 - 3,000,000 Director Performance Rights to Mr Michael Higginson pursuant to Resolution 12, comprising;
 - 1,000,000 Class A Director Performance Rights;
 - 1,000,000 Class B Director Performance Rights; and
 - 1,000,000 Class C Director Performance Rights.

Each Director Performance Right will vest and convert into one fully paid ordinary share upon satisfaction of the following Milestones:

Class	Milestone
A	The volume weighted average price for the Company's Shares as traded on ASX over 7 consecutive trading days on or before 31 December 2021 exceeds \$0.08 (eight cents).
B	The attainment on or before 31 December 2021 of an aggregate of not less than 3,000,000 new unique users for the Company's Olahbola app.
C	During any 6 (six) month period up to and including 31 December 2022, the Company and its subsidiaries achieves a consolidated positive EBITDA (with all share based payments being excluded from the EBITDA calculation) and such EBITDA is confirmed by the signed attestation of a registered company auditor or is properly included in the Company's audited financial statements.

Authorised for release by the Board

Michael Higginson
Director/Company Secretary