



SPORTSHERO LIMITED

ACN 123 423 987

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 12:00 pm AET

DATE: Monday 31 January 2022

PLACE: To be a virtual meeting accessible through the share registry's online platform

SHAREHOLDERS WILL NOT BE ABLE TO ATTEND THE MEETING IN PERSON but will instead be able to attend and participate in the meeting using the share registry's online platform. Shareholders **ARE URGED TO VOTE BY LODGING THE PROXY FORM ATTACHED TO THE NOTICE.**

Due to the ongoing circumstances relating to COVID-19 and associated government-imposed restrictions, the Meeting is being held by way of a virtual meeting whereby Shareholders will only be able to attend and participate in the Meeting through an online platform provided by Advanced Share Registry, the Company's share registry service provider (Virtual Meeting or Meeting).

All voting will be conducted by poll using proxy instructions received in advance of the Meeting and by the online poll at the Meeting. Shareholders will not be able to attend the Meeting at a physical location. Please refer to the Proxy Form attached to the Notice for instructions regarding the Virtual Meeting.

The Explanatory Statement that accompanies and forms part of this Notice describes in more detail the matters to be considered. Capitalised terms used in this Notice and Explanatory Statement are defined in the Glossary.

More information regarding online participation at the Meeting is set out in the virtual attendance instructions included in page 2 of the Notice of Meeting.

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

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.

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 AET on Saturday 29 January 2022.

The Company has been closely monitoring the ongoing COVID-19 pandemic and due to travel and social gathering restrictions currently in place, the Board has decided that the Meeting will be held through an online platform provided by Advanced Share Registry, the Company's share registry service provider.

Shareholders will be able to listen to the proceedings, send online questions to the Board and vote in real time. This approach is in line with the temporary modifications to the law and current regulatory guidance.

Instructions and additional information regarding the Virtual Meeting are set out below and in the accompanying Proxy Form

Virtual attendance instructions

Shareholders wishing to virtually attend the Meeting (including voting and asking questions online during the Meeting) can do so by following the below instructions:

- Please login to the virtual Meeting platform at www.advancedshare.com.au/virtual-meeting using your Meeting ID and Shareholder ID which are provided in the table printed in the top corner of your Proxy Form.
- Only Shareholders virtually attending the Meeting will be able to participate in online voting.
- Voting on each Resolution will occur by a poll rather than by a show of hands. Online voting will only be enabled upon the Chair's instructions at the Meeting. Shareholders attending the Meeting virtually will then have only 10 minutes to cast their votes online, after which, the poll will be closed.
- Shareholders attending the Meeting virtually will be able to submit questions both written (by typing) and verbal (by recording their question) during the meeting, by clicking on the 'ASK A QUESTION' button. The Q&A facility will be enabled at the commencement of the Meeting.
- For Shareholders who have more than one shareholding, the login details for each shareholding will be provided on each Proxy Form. Shareholders who wish to vote all their shareholdings in the poll, will need to login individually and separately vote for each shareholding.
- If it becomes necessary to make alternative arrangements to those set out in this Notice in respect of the Meeting, the Company will notify Shareholders accordingly via an announcement on the Company's ASX platform (ASX: SHO).

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 two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (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.

Shareholders and their proxies should be aware that:

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

Voting in person (by virtual attendance)

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 (0)42 999 5000.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PREVIOUS ISSUE OF 31,045,563 PLACEMENT SHARES ISSUED ON 3 DECEMBER 2021 UNDER LISTING RULE 7.1

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, Shareholders ratify the issue of 31,045,563 Placement Shares issued under Listing Rule 7.1 on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely participants under the Placement) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. RESOLUTION 2 – RATIFICATION OF PREVIOUS ISSUE OF 48,954,437 PLACEMENT SHARES ISSUED ON 3 DECEMBER 2021 UNDER LISTING RULE 7.1A

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, Shareholders ratify the issue of 48,954,437 Placement Shares issued under Listing Rule 7.1A to participants under the Placement on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely, participants in the Placement) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. RESOLUTION 3 – RATIFICATION OF PREVIOUS ISSUE OF 40,000,000 PLACEMENT OPTIONS ISSUED ON 3 DECEMBER 2021 UNDER LISTING RULE 7.1

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, Shareholders ratify the issue of 40,000,000 free Placement Options issued under Listing Rule 7.1 to participants under the Placement on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely participants under the Placement) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

4. RESOLUTION 4 – APPROVAL OF ISSUE OF 6,000,000 LEAD MANAGER OPTIONS TO NOVUS CAPITAL LIMITED

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 6,000,000 Lead Manager Options to Novus Capital Limited (or the nominee(s) of Novus Capital Limited) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of Novus Capital Limited or any person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of those persons.

However, this does not apply to a vote cast in favour of Resolution 4 by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or

- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

5. RESOLUTIONS 5A, 5B AND 5C – APPROVAL OF ISSUE OF 1,000,000 CLASS A OPTIONS, 1,000,000 CLASS B OPTIONS AND 1,000,000 CLASS C OPTIONS TO AIDRIVEN PTY LTD

RESOLUTION 5A

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 1,000,000 Class A Options to AiDriven Pty Ltd (or the nominee(s) of AiDriven Pty Ltd) on the terms and conditions set out in the Explanatory Statement.”

RESOLUTION 5B

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 1,000,000 Class B Options to AiDriven Pty Ltd (or the nominee(s) of AiDriven Pty Ltd) on the terms and conditions set out in the Explanatory Statement.”

RESOLUTION 5C

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 1,000,000 Class C Options to AiDriven Pty Ltd (or the nominee(s) of AiDriven Pty Ltd) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of Resolutions 5A, 5B and 5C by or on behalf of AiDriven Pty Ltd or any person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of those persons.

However, this does not apply to a vote cast in favour of Resolutions 5A, 5B and 5C by:

- (d) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (e) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (f) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. RESOLUTIONS 6A AND 6B – APPROVAL OF ISSUE OF 2,500,000 PERFORMANCE RIGHTS AND 2,500,000 EXECUTIVE OPTIONS TO SCOTT RUSSELL

RESOLUTION 6A

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 2,500,000 Performance Rights to Scott Russell (or his nominee(s)) on the terms and conditions set out in the Explanatory Statement."

RESOLUTION 6B

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 2,500,000 Executive Options to Scott Russell (or his nominee(s)) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of Resolutions 6A and 6B by or on behalf of Scott Russell or any person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of those persons.

However, this does not apply to a vote cast in favour of Resolutions 6A and 6B by:

- (g) a person as a proxy or attorney for a person who is entitled to vote on the Resolution(s), in accordance with the directions given to the proxy or attorney to vote on the Resolution(s) in that way; or
- (h) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution(s), in accordance with a direction given to the Chair to vote on the Resolution(s) as the Chair decides; or
- (i) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution(s); and
 - (ii) the holder votes on the Resolution(s) in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated: 31 December 2021

By order of the Board

Michael Higginson
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. RESOLUTIONS 1, 2 AND 3 – RATIFICATION OF PREVIOUS ISSUE OF PLACEMENT SECURITIES ON 3 DECEMBER 2021

1.2 Background to the Placement

As announced to ASX on 29 November 2021, the Company received binding commitments for a placement of 80,000,000 Shares at an issue price of \$0.035 per Share (**Placement Shares**) and the issue, on a 1 for 2 basis, of 40,000,000 free attaching Options (**Placement Options**), to raise \$2,800,000 (**Placement**). Under the Placement, the Company issued Placement Securities as follows:

- (i) 31,045,563 Placement Shares were issued under its placement capacity under Listing Rule 7.1 (being the Placement Shares the subject of Resolution 1);
- (ii) 48,954,437 Placement Shares were issued under its placement capacity under Listing Rule 7.1A (being the Placement Shares the subject of Resolution 2); and
- (iii) Placement Options were issued under its placement capacity under Listing Rule 7.1 (being the Placement Options the subject of Resolution 3),

(together, the **Placement Securities**).

The issue of the Placement Securities did not breach either Listing Rule 7.1 or 7.1A (as applicable).

Resolutions 1, 2 and 3 seek Shareholder ratification for the issue on 3 December 2021 of 31,045,563 Placement Shares issued under Listing Rule 7.1 (Resolution 1), 48,954,437 Placement Shares issued under the Listing Rule 7.1A (Resolution 2) and Placement Options issued under Listing Rule 7.1 (Resolution 3).

1.3 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

The issue of 31,045,563 Placement Shares (the subject of Resolution 1) and the Placement Options (the subject of Resolution 3) does not fit within any of the exceptions within Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up nearly all of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the 31,045,563 Placement Shares and Placement Options.

Under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity because it is not included in the S&P/ASX 300 Index and has a market capitalisation of less than \$300,000,000.

At the Company's 2021 Annual General Meeting held on 10 November 2021, the Company's Shareholders approved, by special resolution, the granting of 7.1A Mandate, effectively increasing the Company's placement capacity by an additional 10%.

The issue of the 48,954,437 Placement Shares (the subject of Resolution 2) does not fit within any of the exceptions within Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it used up the extra 10% placement capacity under Listing Rule 7.1A. Thus, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rules 7.1 and 7.1A for the 12 month period following the date of issue of the 48,954,437 Placement Shares.

The issue of the 48,954,437 Placement Shares (the subject of Resolution 2) used 100% of the Company's 7.1A Mandate that was granted at the Company's 2021 Annual General Meeting held on 10 November 2021.

1.4 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further Equity Securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under Listing Rules 7.1 and 7.1A. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Securities.

Resolutions 1, 2 and 3 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Securities, being 31,045,563 Placement Shares the subject of Resolution 1, 48,954,437 Placement Shares the subject of Resolution 2 and 40,000,000 Placement Options the subject of Resolution 3.

1.5 Technical information required by Listing Rule 14.1A

If Resolutions 1, 2 and 3 are passed, the Placement Shares and Placement Options will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares and Placement Options.

If Resolutions 1, 2 and 3 are not passed, the Placement Shares and Placement Options will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively substantially decreasing the number of Equity Securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Securities. In addition, the Company's current 7.1A Mandate capacity will remain at zero.

Resolutions 1, 2 and 3 are each interdependent. In other words, each of Resolutions 1, 2 and 3 not dependent on the passing of the other two Resolutions.

1.6 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 1, 2 and 3:

- (i) the Placement Shares and Placement Options were issued to clients of Novus Capital Limited (**Novus**) who qualified as professional or sophisticated investors (no related party of the Company participated in the issue). The recipients were identified through a bookbuild process, which involved Novus seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (ii) in accordance with Guidance Note 21, the Company confirms that none of the recipients were:
 - (A) a related party of the Company, a member of Key Management Personnel of the Company, a substantial holder in the Company, an adviser to the Company; or
 - (B) an associate of any of these parties,
 - (C) or issued more than 1% of the issued capital of the Company;
- (iii) the Placement 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;
- (iv) the Placement Options are options to acquire Shares issued on the terms and conditions set out in Schedule 1;
- (v) the Placement Securities were issued on 3 December 2021;
- (vi) the Placement Shares were issued at an issue price of \$0.035 per Share and raised \$2,800,000 (before costs). The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (vii) the Placement Options were issued for nil consideration on a 1 for 2 basis to the subscribers of the Placement Shares (refer Resolutions 1 and 2). Other than \$2,000,000 that could be received from the exercise of the Placement Options, the Company will not receive any other consideration from the issue of the Placement Options;
- (viii) the purpose of the issue of the Placement Securities was to raise \$2,800,000 in working capital that is to be applied towards the following purposes:
 - localisation of the eSportsHero prediction platform for key markets (estimated \$150k);
 - key executive hires to drive the go-to market strategy in Australia, Asia Pacific and China (estimated \$850k);
 - development of partnerships with gaming communities globally (estimated \$150k);
 - marketing and user acquisition through tournament organisers (estimated \$220k);
 - product and feature enhancements for OlahBola and the functionality of Ellevate Football (estimated \$170k);
 - launch and promote Ellevate Football throughout Indonesia (estimated \$180k);

- development of product features to support multiple revenue streams (estimated \$210k);
 - paying ongoing corporate and administration costs, including the salaries of Australian, Indonesian and Singaporean based personnel, director fees, ASX fees, legal fees, audit fees, accounting fees, company secretarial fees, share registry costs and occupancy costs (estimated \$574k);
 - working capital (estimated \$100k); and
 - costs of issue (\$196k).
- (ix) the Placement Securities were issued under an engagement letter dated 25 November 2021 (**Engagement Letter**). Pursuant to the Engagement Letter, the Company agreed to appoint Novus as Lead Manager for the Placement in consideration for the payment of a fee of 6% of the amount raised (ie \$168,000) and subject to the receipt of Shareholder approval the issue of 6,000,000 Lead Manager Options (refer Resolution 4). The Engagement Letter contains terms and conditions considered otherwise standard for an agreement of this nature; and
- (x) voting exclusion statements are included in Resolutions 1, 2 and 3 of the Notice.

2. RESOLUTION 4 – APPROVAL OF ISSUE OF 6,000,000 LEAD MANAGER OPTIONS TO NOVUS CAPITAL LIMITED

2.1 Background

On 3 December 2021, the Company placed 80,000,000 Placement Shares to professional and sophisticated investors at an issue price of \$0.035 per Share to raise \$2,800,000 in working capital (refer Resolutions 1 and 2). The Company further placed, on a 1 for 2 basis, 40,000,000 free attaching Placement Options (each exercisable at \$0.05 and expiring 16 December 2022) to those professional and sophisticated investors (refer Resolution 3).

In accordance with the Engagement Letter and subject to the receipt of Shareholder approval, the Company agreed to issue Novus (or their nominee(s)) 6,000,000 Lead Manager Options in part consideration for Novus acting as Lead Manager for the Placement.

Resolution 4 seeks Shareholder approval under Listing Rule 7.1 for the issue of the 6,000,000 Lead Manager Options to Novus (or their nominee(s)).

2.2 General

A summary of Listing Rule 7.1 is set out in Section 1.3 above.

The proposed issue of the 6,000,000 Lead Manager Options to Novus does not fall within any of the exceptions within Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Lead Manager Options.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval for the issue of the Lead Manager Options.

Resolution 4 seeks Shareholder approval for the issue of the 6,000,000 Lead Manager Options to Novus (or its nominee(s)).

2.3 Technical information required by Listing Rule 14.1A

If Resolution 4 is not passed, the Company will not proceed with the issue of the 6,000,000 Lead Manager Options. There is no other impact if Resolution 4 is not passed.

If Resolution 4 is passed, the Company will be able to proceed with the issue of the 6,000,000 Lead Manager Options. In addition, the issue of the 6,000,000 Lead Manager Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If the 6,000,000 Lead Manager Options are issued and then subsequently exercised, the Company will raise a further \$300,000 in working capital.

2.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (i) the 6,000,000 Lead Manager Options are to be issued to Novus (or its nominee(s)), who is not a related party of the Company;
- (ii) the maximum number of Lead Manager Options to be issued is 6,000,000;
- (iii) the 6,000,000 Lead Manager Options will be issued 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 Listing Rules) and it is intended that the issue of the Lead Manager Options will occur on the same date;
- (iv) the 6,000,000 Lead Manager Options will be issued to Novus (or its nominee(s)) in part consideration for Novus being appointed as Lead Manager for the Placement (refer Resolutions 1, 2 and 3). Other than the \$300,000 that could be received from the exercise of the Lead Manager Options, the Company will not receive any other additional consideration from the issue of the Lead Manager Options;
- (v) the terms and conditions of the Lead Manager Options are set out in Schedule 1;
- (vi) the 6,000,000 Lead Manager Options will, from their date of issue, rank pari passu with Company's existing listed options (ASX code: SHOO);
- (vii) the Lead Manager Options are being issued in accordance with the Engagement Letter, details of which are set out in Section 1.6 above;
- (viii) the purpose of the issue is to satisfy the Company's obligations under the Engagement Letter, as summarised in Section 1.6 above;
- (ix) the Lead manager Options are not being issued under, or to fund, a reverse takeover; and
- (x) a voting exclusion statement is included in Resolution 4 of the Notice.

3. RESOLUTIONS 5A, 5B AND 5C – APPROVAL TO ISSUE 1,000,000 CLASS A OPTIONS, 1,000,000 CLASS B OPTIONS AND 1,000,000 CLASS C OPTIONS TO AIDRIVEN PTY LTD

3.1 Background

On 11 October 2021, the Company announced that it will develop a world first proprietary esports prediction tournament platform (**Platform**) providing the Company with direct access to the rapidly expanding global esports market.

The Company's technology portfolio will include the entire suite of prediction and tournament structures (including points systems, scoring and live leaderboards) covering the largest and most popular esports games, as well as datasets covering these esports games globally.

The Platform has been designed to facilitate the generation of significant new revenue opportunities, including licensing, subscription, exclusive streaming and royalties, affiliate gaming revenue with potential customers that operate gaming communities and betting companies, esports and sporting news websites and esports tournament organisers.

To facilitate the development of the Platform, the Company has engaged artificial intelligence specialist AiDriven Pty Limited (**AiDriven**). AiDriven is a technology company with offices in Australia and Asia that provide artificial intelligence solutions to small and medium enterprises globally.

Agreement with AiDriven

The total cash consideration to be paid to AiDriven is \$130,000. In addition, the parties have agreed that subject to the receipt of Shareholder approval, SportsHero will grant AiDriven 3,000,000 options with exercise prices that, as at the date of this Notice, significantly exceed the Company's share price. The 3,000,000 options to be issued are as follows:

- 1,000,000 Class A Options each exercisable at \$0.05 and expiring 31 October 2023 (the subject of Resolution 5A);
- 1,000,000 Class B Options each exercisable at \$0.10 and expiring 30 November 2023 (the subject of Resolution 5B); and
- 1,000,000 Class C Options each exercisable at \$0.20 and expiring 31 December 2023 (the subject of Resolution 5C),

(together, the **AiDriven Options**).

The agreement with AiDriven contains terms and conditions considered otherwise standard for an agreement of this nature.

3.2 General

A summary of Listing Rules 7.1 is set out in Section 1.3 above.

The proposed issue of the AiDriven Options does not fall within any of the exceptions within Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the AiDriven Options.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval for the issue of the AiDriven Options.

Resolutions 5A, 5B, and 5C seek Shareholder approval for the issue of 1,000,000 Class A Options (Resolution 5A), 1,000,000 Class B Options (Resolution 5B) and 1,000,000 Class C Options (Resolution 5C) to AiDriven (or its nominee(s)).

3.3 Technical information required by Listing Rule 14.1A

If any of Resolutions 5A, 5B or 5C are not passed, then Company will not be able to proceed with the issue of the securities the subject of the specific Resolution that is not passed. For example, if Resolutions 5A and 5C are not passed then the Company will not be able to issue to AiDriven (or its nominee(s)) the 1,000,000 Class A Options (the subject of Resolution 5A) and the 1,000,000 Class C Options (the subject of Resolution 5C). There is no other impact if any or all of Resolutions 5A, 5B and 5C are not passed.

If Resolutions 5A, 5B and 5C are passed, the Company will be able to proceed with the issue of the AiDriven Options. In addition, the issue of the 3,000,000 Class A, B & C Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If the AiDriven Options are issued and then subsequently exercised, the Company will raise a further \$350,000 in working capital.

Resolutions 5A, 5B and 5C are each interdependent. In other words, each of Resolutions 5A, 5B and 5C not dependent on the passing of the other two Resolutions.

3.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolutions 5A, 5B and 5C:

- (i) the AiDriven Options are to be issued to AiDriven (or its nominee(s)), who is not a related party of the Company;
- (ii) the maximum number of Class A Options to be issued is 1,000,000, the maximum number of Class B Options to be issued is 1,000,000 and the maximum number of Class C Options to be issued is 1,000,000;
- (iii) the Class A, B & C Options will be issued 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 Listing Rules) and it is intended that the issue of the Class A, B & C Options will occur on the same date;
- (iv) the Class A, B & C Options will be issued to AiDriven (or its nominee(s)) in part consideration for the development by the Company of the Platform. The Company will not receive any additional consideration from the issue of the AiDriven Options (other than the \$350,000 that could be received from the exercise of the 3,000,000 Class A, B & C Options);
- (v) the Class A Options are each exercisable at \$0.05 and expire 31 October 2023, the Class B Options are each exercisable at \$0.10 and expire 30 November 2023 and the Class C Options are each exercisable at \$0.20 and

expire 31 December 2023. The full terms and conditions of the Class A, Class B and Class C Options are set out in Schedule 2;

- (vi) the Class A, B & C Options are being issued in accordance with the agreement with AiDriven, details of which are set out in Section 3.1 above;
- (vii) the purpose of the issue is to satisfy the Company's obligations under the agreement with AiDriven, as summarised in Section 3.1 above;
- (viii) the Class A, B & C Options are not being issued under, or to fund, a reverse takeover; and
- (ix) a voting exclusion statement is included in Resolution 5 of the Notice.

4. RESOLUTIONS 6A AND 6B – APPROVAL TO ISSUE 2,500,000 PERFORMANCE RIGHTS AND 2,500,000 EXECUTIVE OPTIONS TO SCOTT RUSSELL

4.1 Background

On 1 December 2021, the Company announced that it had secured the services of a highly experienced esports professional, Mr Scott Russell (who is not a related party of the Company) as Chief Commercial Officer.

Experience

Mr Scott Russell was previously Head of Gaming for Asia Pacific with US based global e-commerce and payment provider, Blackhawk Network wherein he launched dedicated gaming ecommerce channels focused entirely on digital game code distribution in Indonesia, Japan, India, Singapore and Australia.

In 2019, Scott launched his own esports consultancy business in Singapore and quickly established a strong network of contacts and relationships within the esports and gaming industries across Asia.

One of Scott's career highlights was his involvement in the launch of the first professional city based esports league in Australia and the first dedicated esports division in a cinema exhibitor in the world. Scott led the negotiation of a tripartite agreement between Gfinity, HT&E and Hoyts Group, which implemented the conversion of a cinema auditorium into a dedicated esports arena and broadcast studio.

Scott's close involvement with the entertainment, gaming and esports industries includes working alongside top tier game publishers such as Riot Games, Activision Blizzard and Ubisoft, as well as professional Australian esports teams such as the Order, Chiefs and Legacy, whilst also working closely with key media channels such as Twitch, YouTube, and Fandom.

Scott has been directly involved in developing esports programs for major media publishers and has first-hand experience with the interface between media channels, esports organisations and game publishers in delivering bespoke initiatives to engage with gaming audiences.

Executive Services Agreement

On 1 December 2021, the Company entered into an executive services agreement with Mr Russell (**Executive Services Agreement**).

In accordance with the Executive Services Agreement and subject to the receipt of Shareholder approval, the Company agreed to issue to Mr Russell the following securities:

- 2,500,000 performance rights to acquire 2,500,000 Shares on the terms and conditions set out in Schedule 4 (**Performance Rights**); and
- 2,500,000 options to acquire Shares each exercisable at \$0.05 and expiring 31 December 2023 (**Executive Options**),

(together, the **Incentive Securities**).

The milestone to be achieved in order for the 2,500,000 Performance Rights to be converted into 2,500,000 Shares is the volume weighted average price for Shares traded on ASX over 7 consecutive trading days on or before 31 December 2022 exceeding \$0.10 (**Milestone**). As at the date of this Notice, the current trading price of Shares was \$0.037.

All Shares issued following the conversion of Performance Rights and/or the exercise of Options will be held in voluntary escrow for a period of twelve (12) months from their date of issue.

Other terms and conditions of the Executive Services Agreement are considered standard for an agreement of this nature.

4.2 General

A summary of Listing Rules 7.1 is set out in Section 1.3 above.

The proposed issue of the 2,500,000 Performance Rights and 2,500,000 Executive Options to Scott Russell (or his nominee(s)) does not fall within any of the exceptions within Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Incentive Securities.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval for the issue of the Incentive Securities.

Resolution 6A seeks Shareholder approval for the issue of the 2,500,000 Performance Rights to Mr Russell (or his nominee(s)) and Resolution 6B seeks Shareholder approval for the issue of the 2,500,000 Executive Options to Mr Russell (or his nominee(s)).

4.3 Technical information required by Listing Rule 14.1A

If any of Resolutions 6A or 6B are not passed, then Company will not be able to proceed with the issue of the Incentive Securities the subject of the specific Resolution that is not passed. For example, if Resolution 6A is not passed then the Company will not be able to issue to Mr Russell (or his nominee(s)) the 2,500,000 Performance Rights (the subject of Resolution 6A). There is no other impact if either or both of Resolutions 6A and 6B are not passed.

If Resolutions 6A and 6B are passed, the Company will be able to proceed with the issue of the Incentive Securities. In addition, the issue of the Incentive Securities

will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If the Executive Options (the subject of Resolution 6B) are issued and then subsequently exercised, the Company will raise a further \$125,000 in working capital.

Resolutions 6A and 6B are each interdependent. In other words, each of Resolutions 6A and 6B not dependent on the passing of the other Resolution.

4.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolutions 6A and 6B:

- (i) the Incentive Securities are to be issued to Mr Scott Russell (or his nominee(s)). Mr Russell is not a related party of the Company;
- (ii) the maximum number of Performance Rights to be issued is 2,500,000 (Resolution 6A);
- (iii) the Performance Rights are convertible into Shares if the volume weighted average price for Shares traded on ASX over 7 consecutive trading days on or before 31 December 2022 exceeds \$0.10 per Share. The full terms and conditions of the Performance Rights are set in Schedule 4;
- (iv) the maximum number of Executive Options to be issued is 2,500,000 (Resolution 6B);
- (v) the Executive Options are each exercisable at \$0.05 and expire on 31 December 2023. The full terms and conditions of the Executive Options are set out in Schedule 3;
- (vi) the Incentive Securities will be issued 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 Listing Rules) and it is intended that the issue of the Incentive Securities will occur on the same date;
- (vii) the Incentive Securities will be issued to Mr Scott Russell (or his nominee(s)) in part consideration for securing the services of Mr Russell as Chief Commercial Officer and also to provide an incentive for Mr Russell's future involvement and commitment to the Company. Other than the \$125,000 that could be received from the exercise of the 2,500,000 Executive Options, the Company will not receive any other additional consideration from the issue of the Incentive Securities;
- (viii) the Incentive Securities are being issued in accordance with the Executive Services Agreement, details of which are set out in Section 4.1 above;
- (ix) the purpose of the issue is to satisfy the Company's obligations under the Executive Services Agreement, as summarised in Section 4.1 above and also to provide an incentive for Mr Russell's future involvement and commitment to the Company;
- (x) the Incentive Securities are not being issued under, or to fund, a reverse takeover; and
- (xi) a voting exclusion statement is included in Resolution 6 of the Notice.

GLOSSARY

\$ means Australian dollars.

7.1A Mandate has the meaning given to that term in Section 1.3.

AET means Australian Eastern Time as observed in Sydney, New South Wales.

AiDriven means AiDriven Pty Ltd (ACN 647 391 115).

AiDriven Options has the meaning given to that term in Section 3.1.

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

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

Class A Options means options to acquire Shares each exercisable at \$0.05 per Share and expiring 31 October 2023 and otherwise on the terms and conditions set out in Schedule 2.

Class B Options means options to acquire Shares each exercisable at \$0.10 per Share and expiring 30 November 2023 and otherwise on the terms and conditions set out in Schedule 2.

Class C Options means options to acquire Shares each exercisable at \$0.20 per Share and expiring 31 December 2023 and otherwise on the terms and conditions set out in Schedule 2.

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

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

Directors means the current directors of the Company.

Engagement Letter has the meaning given to that term in Section 1.6.

Equity Securities includes a Share, a right to a Share or option, an option, a convertible security and any security that ASX decides to classify as an equity security.

Executive Options means 2,500,000 options to acquire Shares each exercisable at \$0.05 per Share and expiring 31 December 2023 and otherwise on the terms and conditions set out in Schedule 3.

Executive Services Agreement has the meaning given to that term in Section 4.1.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Incentive Securities has the meaning given to that term in Section 4.1.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or

indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Lead Manager Options means 6,000,000 Options to acquire Shares each exercisable at \$0.05 per Share and expiring 16 December 2022 and otherwise on the terms and conditions set out in Schedule 1.

Listing Rules means the Listing Rules of ASX.

Milestone has the meaning given to that term in Section 4.1 and clause (a) of Schedule 4.

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

Options means options to acquire Shares each exercisable at \$0.05 per Share and expiring 16 December 2022 and otherwise on the terms and conditions set out in Schedule 1.

Performance Rights has the meaning given to that term in Section 4.1.

Placement has the meaning given to that term in Section 1.2.

Placement Options means 40,000,000 free attaching Options, the subject of Resolution 3.

Placement Shares means 80,000,000 Shares, issued at an issue price of \$0.035 per Share, the subject of Resolutions 1 and 2.

Placement Securities has the meaning given to that term in Section 1.2.

Proxy Form means the proxy form accompanying the Notice.

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

Schedule means a schedule to this Notice.

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

SCHEDULE 1 – TERMS AND CONDITIONS OF PLACEMENT OPTIONS, AND LEAD MANAGER OPTIONS

The Options entitle the holder to subscribe for Shares in the capital of SportsHero Limited on the following terms and conditions:

- (a) The exercise price of each Option is \$0.05 (**Exercise Price**).
- (b) The Options expire at 5:00pm AET on 16 December 2022 (**Expiry Date**).
- (c) The Options can be exercised by the holder at any time on or before the Expiry Date.
- (d) Each Option shall entitle the holder to subscribe for and be issued one Share in the capital of SportsHero Limited (the "Company") upon exercise of the Option and payment to the Company of the Exercise Price.
- (e) Shares issued as a result of the exercise of any of the Options will rank equally in all respects with all Shares currently on issue.
- (f) The Option holder is not entitled to participate in new issues of securities offered to Shareholders of the Company (including any rights issue, entitlement issue or bonus issue) unless the Option is exercised before the relevant record date for that new issue.
- (g) Shares issued on the exercise of Options will be issued not more than five (5) business days after receipt of a properly executed exercise notice and application moneys. Shares issued pursuant to the exercise of an Option will rank equally with the then issued Shares of the Company in all respects. If the Company is listed on the Australian Securities Exchange, it will, pursuant to the exercise of an Option, apply to ASX for quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act 2001 and the ASX Listing Rules.
- (h) 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 ASX Listing Rules applying to the reconstruction of capital at the time of the reconstruction.

SCHEDULE 2 – TERMS AND CONDITIONS OF CLASS A OPTIONS, CLASS B OPTIONS AND CLASS C OPTIONS

Class A Options

The Class A Options entitle the holder to subscribe for Shares in the capital of SportsHero Limited on the following terms and conditions:

- (a) The exercise price of each Class A Option is \$0.05 (**Exercise Price**).
- (b) The Class A Options expire at 5:00pm AET on 31 October 2023 (**Expiry Date**).
- (c) The Class A Options can be exercised by the holder at any time on or before the Expiry Date.
- (d) Each Class A Option shall entitle the holder to subscribe for and be issued one Share in the capital of SportsHero Limited (the “Company”) upon exercise of the Class A Option and payment to the Company of the Exercise Price.
- (e) Shares issued as a result of the exercise of any of the Class A Options will rank equally in all respects with all Shares currently on issue.
- (f) Class A Options are non-transferable.
- (g) The Class A Option holder is not entitled to participate in new issues of securities offered to Shareholders of the Company (including any rights issue, entitlement issue or bonus issue) unless the Class A Option is exercised before the relevant record date for that new issue.
- (h) Shares issued on the exercise of Class A Options will be issued not more than five (5) business days after receipt of a properly executed exercise notice and application moneys. Shares issued pursuant to the exercise of a Class A Option will rank equally with the then issued Shares of the Company in all respects. If the Company is listed on the Australian Securities Exchange, it will, pursuant to the exercise of a Class A Option, apply to ASX for quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act 2001 and the ASX Listing Rules.
- (i) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Class A Option holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to the reconstruction of capital at the time of the reconstruction.

Class B Options

The Class B Options entitle the holder to subscribe for Shares in the capital of SportsHero Limited on the following terms and conditions:

- (a) The exercise price of each Class B Option is \$0.10 (**Exercise Price**).
- (b) The Class B Options expire at 5:00pm AET on 30 November 2023 (**Expiry Date**).
- (c) The Class B Options can be exercised by the holder at any time on or before the Expiry Date.

- (d) Each Class B Option shall entitle the holder to subscribe for and be issued one Share in the capital of SportsHero Limited (the "Company") upon exercise of the Class B Option and payment to the Company of the Exercise Price.
- (e) Shares issued as a result of the exercise of any of the Class B Options will rank equally in all respects with all Shares currently on issue.
- (f) Class B Options are non-transferable.
- (g) The Class B Option holder is not entitled to participate in new issues of securities offered to Shareholders of the Company (including any rights issue, entitlement issue or bonus issue) unless the Class B Option is exercised before the relevant record date for that new issue.
- (h) Shares issued on the exercise of Class B Options will be issued not more than five (5) business days after receipt of a properly executed exercise notice and application moneys. Shares issued pursuant to the exercise of a Class B Option will rank equally with the then issued Shares of the Company in all respects. If the Company is listed on the Australian Securities Exchange, it will, pursuant to the exercise of a Class B Option, apply to ASX for quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act 2001 and the ASX Listing Rules.
- (i) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Class B Option holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to the reconstruction of capital at the time of the reconstruction.

Class C Options

The Class C Options entitle the holder to subscribe for Shares in the capital of SportsHero Limited on the following terms and conditions:

- (a) The exercise price of each Class C Option is \$0.20 (**Exercise Price**).
- (b) The Class C Options expire at 5:00pm AET on 31 December 2023 (**Expiry Date**).
- (c) The Class C Options can be exercised by the holder at any time on or before the Expiry Date.
- (d) Each Class C Option shall entitle the holder to subscribe for and be issued one Share in the capital of SportsHero Limited (the "Company") upon exercise of the Class C Option and payment to the Company of the Exercise Price.
- (e) Shares issued as a result of the exercise of any of the Class C Options will rank equally in all respects with all Shares currently on issue.
- (f) Class C Options are non-transferable.
- (g) The Class C Option holder is not entitled to participate in new issues of securities offered to Shareholders of the Company (including any rights issue, entitlement issue or bonus issue) unless the Class C Option is exercised before the relevant record date for that new issue.
- (h) Shares issued on the exercise of Class C Options will be issued not more than five (5) business days after receipt of a properly executed exercise notice and application moneys. Shares issued pursuant to the exercise of a Class C Option will rank equally with the then issued Shares of the Company in all respects. If the

Company is listed on the Australian Securities Exchange, it will, pursuant to the exercise of a Class C Option, apply to ASX for quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act 2001 and the ASX Listing Rules.

- (i) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Class C Option holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to the reconstruction of capital at the time of the reconstruction.

SCHEDULE 3 – TERMS AND CONDITIONS OF EXECUTIVE OPTIONS

The Options entitle the holder to subscribe for Shares in the capital of SportsHero Limited on the following terms and conditions:

- (a) The exercise price of each Executive Option is \$0.05 (**Exercise Price**).
- (b) The Executive Options expire at 5:00pm AET on 31 December 2023 (**Expiry Date**).
- (c) The Executive Options can be exercised by the holder at any time on or before the Expiry Date.
- (d) Each Executive Option shall entitle the holder to subscribe for and be issued one Share in the capital of SportsHero Limited (the "Company") upon exercise of the Executive Option and payment to the Company of the Exercise Price.
- (e) Shares issued as a result of the exercise of any of the Executive Options will rank equally in all respects with all Shares currently on issue.
- (f) The Executive Option holder is not entitled to participate in new issues of securities offered to Shareholders of the Company (including any rights issue, entitlement issue or bonus issue) unless the Executive Option is exercised before the relevant record date for that new issue.
- (g) Shares issued on the exercise of Executive Options will be issued not more than five (5) business days after receipt of a properly executed exercise notice and application moneys. Shares issued pursuant to the exercise of an Executive Option will rank equally with the then issued Shares of the Company in all respects. If the Company is listed on the Australian Securities Exchange, it will, pursuant to the exercise of an Executive Option, apply to ASX for quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act 2001 and the ASX Listing Rules.
- (h) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Executive Option holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to the reconstruction of capital at the time of the reconstruction.

SCHEDULE 4 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

The following is a summary of the key terms and conditions of the Performance Rights to be issued to Mr Scott Russell (or his nominee):

- (a) **(Milestone)** The milestone of the Performance Rights is the volume weighted average price for Shares traded on ASX over 7 consecutive trading days on or before 31 December 2022 exceeding \$0.10 **(Milestone)**
- (b) **(Expiry Date)** To the extent that a Performance Right has not been converted into a Share as at 31 March 2023, it shall lapse in accordance with paragraph (o) **(Expiry Date)**;
- (c) **(No voting rights)** A Performance Right does not entitle the Holder to vote on any resolutions proposed by the Company except as otherwise required by law.
- (d) **(No dividend rights)** A Performance Right does not entitle the Holder to any dividends.
- (e) **(No rights to return of capital)** A Performance Right does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (f) **(Rights on winding up)** A Performance Right does not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up.
- (g) **(Not transferable)** A Performance Right is not transferable.
- (h) **(Reorganisation of capital)** If at any time the issued capital of the Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of reorganisation.
- (i) **(Application to ASX)** The Performance Rights will not be quoted on ASX. However, if the Company is listed on ASX at the time of conversion of the Performance Rights into fully paid ordinary shares **(Shares)**, the Company must within 10 Business Days apply for the official quotation of the Shares arising from the conversion on ASX. Any amendment to the terms of these Performance Rights as required by ASX will be deemed to be incorporated in these terms.
- (j) **(Participation in entitlements and bonus issues)** A Performance Right does not entitle a Holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (k) **(No other rights)** A Performance Rights gives the Holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (l) **(Conversion on achievement of Milestone)** Subject to paragraph (m), a Performance Right will convert into one Share upon achievement of the Milestone under paragraph (a).
- (m) **(Conversion on change of control)** Subject to paragraph 1.1(n) and notwithstanding the Milestone has not been satisfied, upon the occurrence of either:
 - (i) a takeover bid under Chapter 6 of the Corporations Act 2001 (Cth) having been made in respect of the Company having received

acceptances for more than 50% of the Company's Shares on issue and being declared unconditional by the bidder; or

- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

the Performance Rights shall automatically convert into Shares, provided that if the number of Shares that would be issued upon such conversion is greater than 10% of the Company's Shares on issue as at the date of conversion, then that number of Performance Rights that is equal to 10% of the Company's Shares on issue as at the date of conversion under this paragraph will automatically convert into an equivalent number of Company Shares. The conversion will be completed on a pro rata basis across each class of Performance Shares then on issue as well as on a pro rata basis for each Holder. Performance Rights that are not converted into Shares under this paragraph will continue to be held by the Holders on the same terms and conditions.

- (n) **(Deferral of conversion if resulting in a prohibited acquisition of Shares)** If the conversion of a Performance Rights under paragraph 1.1(l) or 1.1(n) would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the conversion of that Performance Rights shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:

- (i) Holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance Rights will not result in any person being in contravention of the General Prohibition.

- (ii) The Company may (but is not obliged to) by written notice to a Holder request a Holder to provide the written notice referred to in paragraph 1.1(n)(i) within seven days if the Company considers that the conversion of a Performance Rights may result in a contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance Rights will not result in any person being in contravention of the General Prohibition.

- (o) **(Lapse of Performance Right)** Each Performance Right shall expire on the date set out in paragraph (b). If the Milestone attached to the Performance Rights has not been achieved by the Expiry Date, the Company will redeem the Performance Rights in accordance with paragraph 1.1(q) below. For the avoidance of doubt, a Performance Right will not lapse in the event the Milestone is met before the Expiry Date and the Shares the subject of a conversion are deferred in accordance with paragraph 1.1(n) above.

- (p) **(Redemption if Milestone not achieved)** If the Milestone is not achieved by the Expiry Date, then each Performance Right will be automatically redeemed by the Company for the sum of \$0.00001 within 10 Business Days of that Expiry Date.

- (q) **(Conversion procedure)** The Company will issue the Holder with a new holding statement for any Share issued upon conversion of a Performance Right within 10 Business Days following the conversion.

- (r) **(Ranking upon conversion)** The Share into which a Performance Right may convert will rank pari passu in all respects with existing Shares.
- (s) **(ASX approval)** The terms of these Performance Rights are subject to ASX approval. In the event that ASX does not approve the terms of these Performance Rights, the Milestone will be varied to the extent required to obtain the necessary ASX approval.

SPORTSHERO LIMITED
ACN 123 423 987

PROXY FORM
GENERAL MEETING
all Resolutions will be determined by poll

Important note: Due to the ongoing COVID-19 pandemic and uncertainty regarding the level of travel around the time of the Meeting, the Company has determined that Shareholders will only be able to attend and participate in the Meeting through an online platform provided by Advanced Share Registry. To participate in the Meeting or register questions in advance of the Meeting, please visit www.advancedshare.com.au/virtual-meeting and refer to the Meeting ID and Shareholder ID on this Proxy Form to log into the portal.

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 12:00 pm (AET) on Monday 31 January 2022 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 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 1	Ratification of issue of 31,045,563 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of issue of 48,954,437 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of issue of 40,000,000 Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval for issue of 6,000,000 Lead Manager Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5A	Approval for issue of 1,000,000 Class A Options to AiDriven	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5B	Approval for issue of 1,000,000 Class B Options to AiDriven	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5C	Approval for issue of 1,000,000 Class C Options to AiDriven	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6A	Approval of issue of 2,500,000 Performance Rights to Mr Russell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6B	Approval of issue of 2,500,000 Executive Options to Mr Russell	<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 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. Compliance with Listing Rule 14.11

In accordance to Listing Rule 14.11, if you hold Shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the Shares, you are required to ensure that the person(s) or entity/entities for which you hold the Shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the Company that you are in compliance with Listing Rule 14.11.

4. 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.

5. Virtually attending the Meeting

Completion of a Proxy Form will not prevent individual Shareholders from virtually attending the Meeting if they wish. Where a Shareholder completes and lodges a valid Proxy Form and virtually attends the Meeting, then the proxy's authority to vote for that Shareholder is suspended while the Shareholder is virtually attending the Meeting.

A live webcast at www.advancedshare.com.au/virtual-meeting will be offered to allow Shareholders to listen to the Meeting, ask questions online during the Meeting and vote online. Please refer to the Meeting ID and Shareholder ID (appearing in the table printed on the front of this Proxy Form) to login to the website. Detailed information regarding online participation at the Meeting is available in the "virtual attendance instructions" included in the Notice of Meeting.

6. Lodgement of Proxy Form

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- post to SportsHero Limited, 36 Prestwick Drive, Twin Waters, Qld 4564;
- facsimile to the Company on facsimile number +61 7 5457 0557;
- in person to SportsHero Limited, 36 Prestwick Drive, Twin Waters, Qld 4564; or
- email to the Company at mike.higginson@inet.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.

SportsHero Limited
ACN 123 423 987

Questions from Shareholders

A General Meeting (**Meeting**) of SportsHero Limited will be held virtually on Monday 31 January 2022 at 12:00pm Australian Eastern Time (**AET**). Shareholders are encouraged to register questions in advance of the Meeting.

Your questions are important to us. You can submit a question or comment prior to the Meeting through an online platform provided by Advanced Share Registry or you can use this form to submit questions concerning the Company that you would like us to respond to at the Meeting. You may also submit questions to the Auditor if they relate to the content of the Auditor's Report or the conduct of the audit.

If you wish to use this form to submit your questions, please return it with your Proxy Form:

By email: mike.higginson@iinet.net.au

My mail: SportsHero Limited
36 Prestwick Drive
Twin Waters., Qld 4564

Please ensure that your Proxy Form and questions are received no later than 12:00pm (AET) on Saturday 29 January 2022.

The Chair of the Meeting will address as many of the more frequently raised relevant questions and comments as possible during the Meeting. Individual responses will not be sent to Shareholders.

Shareholder's name

SRN/HIN

.....

.....

Question/s

1
2
3
4
5