SPORTSHERO LIMITED

ACN 123 423 987

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 12:00 pm AEDT

DATE: 24 November 2023

PLACE: Meeting Room 3
RSM Australia
Level 13, 60 Castlereagh Street
Sydney, NSW 2000

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 AEDT on 22 November 2023.

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

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

You may still attend the Meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the Meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that Resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the Meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting but representatives from the Company will need to verify your identity.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 429 995 000.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2023."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting prohibition statement:
A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or

(b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or

(b) the voter is the Chair and the appointment of the Chair as proxy:

  (i) does not specify the way the proxy is to vote on this Resolution; and

  (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR TOM LAPPING

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

"That, for the purpose of clause 14.2 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Tom Lapping, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – RATIFICATION OF PREVIOUS ISSUE OF 10,000,000 OPTIONS TO TALON ESPORTS LIMITED ISSUED 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 10,000,000 Options to Talon Esports Limited 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 3 by or on behalf of a person who participated in the issue (namely, Talon Esports Limited) or an associate of that person.
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.

5. RESOLUTION 4 – APPROVAL OF ISSUE OF 1,331,753 SHARES TO MR STRATOS KAROUSOS

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 10.11 and for all other purposes, approval is given for the Company to issue 1,331,753 Shares to Mr Stratos Karousos (or his nominee) 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 5 by or on behalf of Mr Stratos Karousos 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 the Resolution by:

(a) 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

(b) 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 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(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.

6. RESOLUTION 5 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

> *"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued Share capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."*

OTHER BUSINESS

In accordance with section 250S(1) of the Corporations Act, Shareholders are invited to ask questions about or make comments on the management of the Company and to raise any other business which may lawfully be brought before the Meeting.

Dated: 17 October 2023
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. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at: https://asx.sportshero.live/

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

A voting prohibition statement is included in agenda item 2 of the Notice of Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR TOM LAPPING

3.1 General

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Tom Lapping, who has served as a Director since 10 April 2017 and was last re-elected on 10 November 2021, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Mr Tom Lapping is highly experienced across the securities and media sectors. Since 2016, he has played an integral role within SportsHero and was a key member of the team during the transition of the SportsHero business from a Singaporean unlisted entity to an ASX listed public company in February 2017.

Tom is a successful entrepreneur who has accumulated extensive experience leading both established and early-stage ventures in the Asia-Pacific region. Tom has keen understanding of consumer behaviour and was recognised as a 40under40 business entrepreneur award winner in Western Australia in 2003.

Mr Lapping holds no other material directorships.

3.3 Independence

If re-elected, the Board considers that Mr Lapping will not be an independent Director.

3.4 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, Mr Lapping will be re-elected to the Board as an executive Director.

In the event that Resolution 2 is not passed, Mr Lapping will not join the Board as an executive Director. The Company may seek nominations or otherwise identify suitably qualified candidates to join the Company. As an additional consequence, this may detract from the Board and Company's ability to execute on its strategic vision.

3.5 Board recommendation

The Board has reviewed Mr Lapping's performance since his appointment to the Board and considers that Mr Lapping's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports

the re-election of Mr Lapping and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RATIFICATION OF PREVIOUS ISSUE OF 10,000,000 OPTIONS TO TALON ESPORTS LIMITED ISSUED UNDER LISTING RULE 7.1

4.1 Background to Resolution 3

On 27 April 2023, the Company announced that it had entered into a legally binding intellectual property licence agreement (**Licence Agreement**) with Hong Kong based professional esports group Talon Esports Limited (**TALON**).

Pursuant to the Licence Agreement, TALON will white label, market and scale SportsHero's proprietary esports prediction and tournament management platform (**App**) in Hong Kong, Macau, Taiwan, the Philippines, Thailand and India (**Territory**) for an initial three year term (**Initial Term**) in consideration for SportsHero receiving 50% of all revenue generated from the App.

About TALON

Established in 2017 by Sean Zhang and Jarrold Tham, TALON is a professional esports organisation founded in Hong Kong. The organisation has teams competing in various esports, including League of Legends, VALORANT, Dota 2, Arena of Valor, Rainbow 6, Tekken 7 and Street Fighter V. Operating out of Hong Kong, Taiwan, South Korea, the Philippines and Thailand, TALON is one of the fastest growing digital entertainment platforms in Asia-Pacific. They have diversified revenue streams across esports gaming competitions, sponsorships, lifestyle and digital solutions and content creation and production.

TALON brings the discipline of traditional sport to competitive gaming. It is particularly known for its PSG TALON team, which plays League of Legends, in partnership with the esports division of legendary French sporting club Paris Saint-Germain.

TALON is Asia-Pacific's fastest growing esports brand (with a 20m+ fan base) winning 4 out of the last 5 championships in the PCS (League of Legends). They have qualified for every international tournament since their entry into League of Legends and have continued to build a portfolio across several popular game titles, including League of Legends, Valorant, Dota2, Arena of Valor, Rainbow 6, Tekken 7 and Street Fighter V.

Since their establishment in 2017, TALON has successfully grown their fan base in Asia Pacific with 20.2 million fans across all channels including players and influencers. Its partners include the likes of Animoca Brands, PSG, Nike, KFC and Mastercard.

In the last 12 months, with 23 TALON owned and managed social channels in 7 different languages across 7 different markets, they have achieved:

- Over 61 million average monthly impressions across all TALON channels;
- Over 10.1 million average monthly views across all TALON live and video content; and
- Over 4,000 pieces of content produced per month across the entire network.

TALON works and develops with the leading Web3 platforms and are keen to leverage SportsHero's proprietary technology in esports prediction and

tournament management to enhance their esports offering to their network and clientele.

Pursuant to the Licence Agreement, SportsHero's App will be marketed and promoted by TALON throughout the Territory.

The parties have agreed that all revenue generated in the Territory from all sources, including memberships, subscriptions, advertising, sponsorship and ecommerce, will be shared equally after deducting agreed costs and expenses.

Licence Agreement Term

The Licence Agreement has a term of 3 years, which will be automatically renewed for a further 3 years, unless terminated by one party giving no less than three months' written notice.

Either party may terminate the Licence Agreement immediately by written notice to the other party:

(a) if a party commits a material breach of any of the terms and conditions of the Licence Agreement that, if capable of remedy, continues unremedied for a period of 30 days following written notice of such breach or has committed more than 3 immaterial or minor breaches of the Licence Agreement in any 12 month period;

(b) if an insolvency event occurs with respect to the other party; or

(c) if TALON ceases to carry on business.

Without prejudice to any other right or remedy available to it whether under the Licence Agreement or at law, SportsHero may terminate the Licence Agreement by 30 days' written notice where practicable, or as much notice as is practicable in the circumstances:

(a) if continuing to supply the App would in SportsHero's reasonable opinion be a breach of law or regulation in the Territory;

(b) if the TALON loses the right to offer the App in the Territory or such activity becomes contrary to law or regulation; or

(c) if continued association with the TALON would in SportsHero's reasonable opinion bring or potentially bring SportsHero into disrepute.

All other terms and conditions of the Licence Agreement are considered standard for an agreement of this nature.

4.2 General

On 27 April 2023, the Company issued 10,000,000 Options to TALON comprising:

(a) 2,500,000 Class A Options each exercisable $0.05 and expiring 30 April 2026;

(b) 2,500,000 Class B Options each exercisable $0.10 and expiring 30 April 2026; and

(c) 5,000,000 Class C Options each exercisable $0.15 and expiring 30 April 2026,

in consideration for TALON white labeling, marketing and scaling SportsHero's App in the Territory (**TALON Options**).

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.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 29 November 2022.

The issue of the TALON Options does not fit within any of the exceptions set out in 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 TALON Options.

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 Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the TALON Options.

Resolution 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the TALON Options.

4.3 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the TALON Options will be excluded in calculating the Company's 15% placement limit in Listing Rule 7.1, 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 TALON Options.

If Resolution 3 is not passed, the TALON Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively 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 TALON Options.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 5 being passed at this Meeting.

4.4 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 Resolution 3:

(a) the TALON Options were issued as an incentive to TALON to promote and market the App in Territory during the Initial Term;

(b) in accordance with paragraph 7.4 of Guidance Note 21, the Company confirms that TALON is not:

(i) 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 an associate of any of these parties; and

(ii) being issued more than 1% of the issued capital of the Company;

(c) the terms and conditions of the TALON Options are set in Schedule 1;

(d) the TALON Options were granted on 27 April 2023;

(e) the TALON Options were issued as an incentive for TALON to promote and market the App in Territory during the Initial Term;

(f) the TALON Options were issued in accordance with the Licence Agreement. Pursuant to the Licence Agreement, SportsHero agreed to grant the TALON Options (the subject of Resolution 3). A summary of the material terms of the Licence Agreement is set out in Section 4.1; and

(g) a voting exclusion statement is included in agenda item 4 of the Notice of Meeting.

5. RESOLUTION 4 – APPROVAL TO ISSUE 1,331,753 SHARES TO MR STRATOS KAROUSOS

5.1 General

On 13 October 2022, the Company appointed Mr Stratos Karousos as a non-executive Director and Chair of the Company (**Appointment Letter**). A summary of the relevant material terms and conditions of the Appointment Letter is set out below.

(a) (**Position/Role**): The Company agreed to engage Mr Stratos Karousos to act as non-executive Director and Chair of the Company;

(b) (**Time Commitments**): Mr Stratos Karousos agreed to attend board meetings, which are proposed to be held every 6 to 8 weeks; and

(c) (**Remuneration**): The Company agreed to pay Mr Karousos a base cash fee of $5,000.00 per month, payable monthly in arrears, and a base Share fee equal to $40,000 per annum (**Share Fee**). The parties agreed that the Share Fee would be based on the Company's VWAP over the applicable financial year.

The Appointment Letter was on terms and conditions considered otherwise standard for an agreement of this nature.

In accordance with the Appointment Letter, the number of Shares to be issued in lieu of the outstanding Share Fee under the Appointment Letter is to be calculated using the VWAP of the Company's Shares on ASX for the period in respect of which the outstanding fees are owed, in this case being the period from 13 October 2022 to 30 June 2023.

Over this period, the Company's VWAP was $0.0212752 per Share. Accordingly, the Company is seeking shareholder approval for the issue of 1,331,753 Shares to Mr Karousos under Resolution 4.

5.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Shares to Mr Karousos constitutes the giving a financial benefit as Mr Karousos is a related party of the Company by virtue of being a Director.

The Directors, other than Mr Karousos who has a material personal interest in the Resolution, consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the Shares because the agreement to issue the Shares, reached as part of the remuneration package for Mr Karousos, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

5.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to:

10.11.1 a related party;

10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;

10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Shares falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. The issue, therefore, requires the approval of Shareholders under Listing Rule 10.11.

Resolution 4 seeks Shareholder approval for the issue of Shares under and for the purposes of Listing Rule 10.11.

5.4 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of Shares to Mr Karousos within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Shares (because approval is being obtained under Listing Rule 10.11), the issue of the Shares will not use up any of the Company's 15% annual placement capacity.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Shares and the Company will be required to pay $28,333.31 (being the total of the Share Fee) in cash to Mr Karousos.

5.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13 and section 219 of the Corporations Act, the following information is provided in relation to Resolution 4:

(a) the Shares will be issued to Mr Stratos Karousos (or his nominee), who falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director;

(b) the maximum number of Shares to be issued to Mr Karousos (being the nature of the financial benefit proposed to be given) is 1,331,753;

(c) the 1,331,753 Shares to be issued to Mr Karousos are fully paid ordinary shares in the capital of the Company and will rank pari passu with the Company's existing Shares;

(d) the Shares will be issued no later than 1 month 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 issue of the Shares will occur on the same date;

(e) the issue price of the Shares is $0.0212752 per Share. The Company will not receive any other consideration in respect of the issue of the Shares;

(f) the purpose of the issue of the Shares is to remunerate Mr Karousos in accordance with and to satisfy the Company's obligations under the terms and conditions set out in the Appointment Letter. The issue of Shares to Mr Karousos aligns the interests of Mr Karousos with those of Shareholders and provided a cost effective way for the Company to remunerate Mr Karousos;

(g) the Company agreed to issue the Shares to Mr Karousos in lieu of the payment of cash in order to secure the services of Mr Karousos as Chair of the Company;

(h) the total remuneration package for Mr Karousos for the previous financial year and the proposed total remuneration package for the current financial year is set out below:

Related Party	Current Financial Year[2]	Previous Financial Year[1]
Stratos Karousos	$100,000	$70,833.31

Notes:

1. Comprising fees paid in cash of $42,500.00 and fees to be paid in Shares to the value of $28,333.31 (Resolution 4) for the period commencing 13 October 2022 and ending 30 June 2023.
2. Comprising fees to be paid in cash of $60,000 and fees to be paid in Shares to the value of $40,000.

(i) the Shares are being issued under the Appointment Letter, a summary of which is provided in Section 5.1; and

(j) a voting exclusion statement is included in agenda item 5 of the Notice of Meeting.

6. RESOLUTION 5 – APPROVAL OF 7.1A MANDATE

6.1 General

A summary of Listing Rule 7.1 is set out in Section 4.2.

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 for these purposes.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of $13.2m (based on the number of Shares on issue and the closing price of Shares on the ASX on 3 October 2023 and excluding any restricted securities that may be on issue).

Resolution 5 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 5 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 5 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

6.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 5:

(a) **Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

(i) the date that is 12 months after the date of this Meeting;

(ii) the time and date of the Company's next annual general meeting; and

(iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) **Minimum Price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

(i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or

(ii) if the Equity Securities are not issued within 10 trading days of the date in Section 6.2(b)(i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for the following purposes:

(i) continued development and growth of SportsHero's business;

(ii) product development and future enhancements to the Company's apps and/or predictor(s);

(iii) market development and expansion into new sports and/or new jurisdictions;

(iv) marketing and user acquisition, with a particular focus on user retention and engagement;

(v) expansion of our team to enhance and develop content, features and products;

(vi) advertising and promotion costs;

(vii) administration and operating costs; and

(viii) general working capital.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 5 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 3 October 2023.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

		Dilution			
Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		**Shares issued – 10% voting dilution**	**Issue Price**		
			$0.0115	**$0.023**	**$0.0345**
			50% decrease	**Issue Price**	**50% increase**
			Funds Raised		
Current	576,332,837 Shares	57,633,283 Shares	$662,782	$1,325,565	$1,988,348
50% increase	864,499,256 Shares	86,449,925 Shares	$994,174	$1,988,348	$2,982,522
100% increase	1,152,665,674 Shares	115,266,567 Shares	$1,325,565	$2,651,131	$3,976,696

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 576,332,837 Shares on issue comprising:
   (a) 575,001,084 existing Shares as at the date of this Notice of Meeting;
   (b) 1,331,753 Shares which will be issued if Resolution 4 is passed at this Meeting; and
   (c) nil Shares which are to be issued pursuant to any prior approved issue of Shares in relation to which additional Shares will be issued after the date of the Notice.
2. The issue price set out above is the closing market price of the Shares on the ASX on 3 October 2023 (being $0.023).
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The total number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting was nil Shares (refer Section 6.2(f)).
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no options are exercised or performance rights converted into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

(i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and

(ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

(i) the purpose of the issue;

(ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;

(iii) the effect of the issue of the Equity Securities on the control of the Company;

(iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;

(v) prevailing market conditions; and

(vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 29 November 2022 (**Previous Approval**).

During the 12 month period preceding the date of the Meeting, the Company issued nil Shares pursuant to the Previous Approval.

6.3 Voting exclusion statement

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

GLOSSARY

$ means Australian dollars.

7.1A Mandate has the meaning given to that term in Section 6.1.

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

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

App has the meaning given to that term in Section 4.1.

Appointment Letter has the meaning given to that term in Section 5.1.

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 Option means an option to acquire a Share exercisable at $0.05 and expiring 30 April 2026 and otherwise on the terms and conditions set out in Schedule 1.

Class B Option means an option to acquire a Share exercisable at $0.10 and expiring 30 April 2026 and otherwise on the terms and conditions set out in Schedule 1.

Class C Option means an option to acquire a Share exercisable at $0.15 and expiring 30 April 2026 and otherwise on the terms and conditions set out in Schedule 1.

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

(a) a spouse or child of the member;

(b) a child of the member's spouse;

(c) a dependent of the member or the member's spouse;

(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;

(e) a company the member controls; or

(f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

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

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

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.

Explanatory Statement means the explanatory statement accompanying the Notice.

Initial Term 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.

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

Listing Rules means the Listing Rules of ASX.

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

Option means either a Class A Option, Class B Option or Class C Option, as applicable.

Previous Approval has the meaning given to that term in Section 6.2(f).

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2023.

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.

Share Fee has the meaning given to that term in Section 5.1(c).

Spill Meeting has the meaning given to that term in Section 2.2.

Spill Resolution has the meaning given to that term in Section 2.2.

TALON means Talon Esports Limited (CR 2487867) of Room C-E, 9/F China Overseas Building, 139 Hennessy Road, Wan Chai, Hong Kong.

TALON Options has the meaning given to that term in Section 4.2.

Territory has the meaning given to that term in Section 4.1.

VWAP means volume weighted average price.

SCHEDULE 1 – TERMS AND CONDITIONS OF TALON OPTIONS

The Options entitle TALON 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 (**Class A Exercise Price**).

(b) The exercise price of each Class B Option is $0.10 (**Class B Exercise Price**).

(c) The exercise price of each Class C Option is $0.15 (**Class C Exercise Price**).

(d) The Options expire at 5:00pm Australian Eastern Time on 30 April 2026 (**Expiry Date**).

(e) The Options can be exercised by TALON at any time on or before the Expiry Date.

(f) Each Option shall entitle TALON 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 relevant Class A, B or C Exercise Price.

(g) 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.

(h) The Options will immediately terminate if the Licence Agreement (dated on or around 27 April 2023) between the Company and TALON is terminated for any reason.

(i) The Option holder (TALON) 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.

(j) 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.

(k) 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 (TALON) 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.

SportsHero

ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Sportshero Limited and entitled to attend and vote hereby:

STEP 1

APPOINT A PROXY

☐ The Chair of the Meeting **OR** _____

PLEASE NOTE: If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of the Company to be held **at Meeting Room 3, RSM Australia, Level 13, 60 Castlereagh Street, Sydney, NSW 2000 on Friday, 24 November 2023 at 12:00 pm (AEDT)** and at any adjournment or postponement of that Meeting.

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

Chair authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though this resolution is connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chair.

STEP 2

VOTING DIRECTIONS

Resolutions		For	Against	Abstain*
1	Adoption of Remuneration Report	☐	☐	☐
2	Re-election of Director – Mr Tom Lapping	☐	☐	☐
3	Ratification of previous issue of 10,000,000 Options to Talon Esports Limited issued under Listing Rule 7.1	☐	☐	☐
4	Approval of issue of 1,331,753 Shares to Mr Stratos Karousos	☐	☐	☐
5	Approval of 7.1A Mandate	☐	☐	☐

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

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address _____

☐ Please tick here to agree to receive communications sent by the Company via email. This may include meeting notifications, dividend remittance, and selected announcements.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU. THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.

CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chair) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolution 1, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolution 1.

PLEASE NOTE: If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as they see fit on that resolution.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

(a) on each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and

(b) return both forms together.

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.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:
Where the holding is in one name, the security holder must sign.

Joint Holding:
Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney:
If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

Companies:
Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 12:00 pm (AEDT) on 22 November 2023, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.

BY MAIL
36 Prestwick Drive, Twin Waters, Qld 4564

BY EMAIL
mike.higginson@iinet.net.au

ALL ENQUIRIES TO
Telephone: +61 8 9389 8033