



NOTICE OF ANNUAL GENERAL MEETING
TOPBETTA HOLDINGS LTD ACN 164 521 395

TIME: 12:00pm AEDT
DATE: Wednesday, 22 November 2017
PLACE: TopBetta Holdings Limited
22 Lambton Road
Broadmeadow NSW 2292

Important notice

This Notice should be read in conjunction with the Explanatory Memorandum. The Explanatory Memorandum contains important information about the matters to be considered at the Annual General Meeting of TopBetta Holdings Limited to assist Shareholders to determine how to vote on the resolutions set out in the accompanying Notice.

Should you wish to discuss any of the matters detailed in this Notice, please do not hesitate to contact the Company Secretary on +61 3 9614 2444 or companysecretary@topbetta.com.

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Notice of Annual General Meeting of Shareholders of TopBeta Holdings Limited

Notice is given that the annual general meeting of Shareholders of TopBeta Holdings Limited (ACN 164 521 395) (**TopBeta** or the **Company**) will be held:

- on **Wednesday, 22 November 2017 at 12pm AEDT**
- at **22 Lambton Rd, Broadmeadow NSW 2292**

Important Information

Your vote is important

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

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7:00pm AEDT on 20 November 2017.

Voting in person

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

Voting online

To vote online, please go to:

- www.investorvote.com.au and follow the instructions on your Proxy Form; or
- www.intermediaryonline.com for Intermediary Online subscribers.

Voting by proxy

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

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

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

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

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular Resolution. If an appointment of a proxy specifies the way the proxy is to vote on a particular Resolution:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the Resolution, the proxy must not vote on a show of hands; and
- if the proxy is the Chair at which the Resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the Chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the appointed proxy is not the Chair and at the Meeting, a poll is duly demanded on the Resolution and either of the following applies:
 - the proxy is not recorded as attending the Meeting; or
 - the proxy does not vote on the Resolution,the Chair is taken, before voting on the Resolution closes, to have been appointed as the proxy for the purposes of voting on the Resolution at the Meeting.

Corporate representatives

A Shareholder that is a body corporate may appoint an individual to act as its representative at the Meeting by providing a duly executed Certificate of Appointment of Corporate Representative. Unless otherwise specified in the Certificate, the representative may exercise all or any of the powers that the body corporate may exercise at the meeting or in voting on a resolution. A Certificate is available upon request from the Share Registry.

Appointments may be lodged in advance of the meeting with the Share Registry, or handed in at the Meeting when registering.

BUSINESS OF THE ANNUAL GENERAL MEETING

Ordinary business

1. Financial Statements and Reports

To receive and consider the Annual Report of the Company for the financial year ended 30 June 2017, including the financial statements, 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 Report for the financial year ended 30 June 2017.”

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

Voting Exclusion 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,
- (each a **Restricted KMP Voter**).

However, a Restricted KMP Voter 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:

- (c) the Restricted KMP Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
 - (d) the Restricted KMP 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.
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3. Resolution 2 – Re-election of Director – Simon Dulhunty

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

“THAT Simon Dulhunty, having retired from his office as Director in accordance with Article 15.6 of the Constitution and ASX Listing Rule 14.4, and being eligible, having offered himself for election, be elected as a Director of the Company.”

The Chair intends to vote all undirected proxies in favour of this Resolution.

4. Resolution 3 – Ratification of the May Placement Shares issued under ASX 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 and allotment of 9,375,000 Shares under ASX Listing Rule 7.1 on 17 May 2017 on the terms and conditions as set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by any person who participated in the issue of Shares under this Resolution and any Associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Chair intends to vote all undirected proxies in favour of this Resolution.

5. Resolution 4 – Ratification of the Canaccord Shares issued under ASX 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 and allotment of 468,750 Shares to Canaccord Genuity (Australia) Limited (or its nominee) under ASX Listing Rule 7.1 on 17 May 2017 on the terms and conditions as set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by Canaccord Genuity (Australia) Limited and any of its Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Chair intends to vote all undirected proxies in favour of this Resolution.

6. Resolution 5 – Ratification of Options issued under ASX 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 and allotment of 2,000,000 Options in the Company to Sean Bartholomew on 15 June 2017 on the terms and conditions as set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by Sean Bartholomew and any of his Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Chair intends to vote all undirected proxies in favour of this Resolution.

7. Resolution 6 – Ratification of the August Placement Shares issued under ASX 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 and allotment of 8,129,909 Shares under ASX Listing Rule 7.1 on 29 August 2017 on the terms and conditions as set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by any person who participated in the issue of Shares under this Resolution and any Associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Chair intends to vote all undirected proxies in favour of this Resolution.

8. Resolution 7 – Ratification of the August Placement Shares issued under ASX 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 and allotment of 13,315,772 Shares under ASX Listing Rule 7.1A on 29 August 2017 on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by any person who participated in the issue of Shares under this Resolution and any Associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Chair intends to vote all undirected proxies in favour of this Resolution.

9. Resolution 8 – Approval of 10% Placement Capacity

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

“THAT, for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the Company having the additional capacity to issue equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 over a 12 month period from the date of the Annual General Meeting, at a price no less than that determined pursuant to ASX Listing Rule 7.1A.3 and otherwise on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of equity securities under this Resolution and a person who may obtain a benefit, except a benefit solely in the capacity of a security holder, if the resolution is passed and any Associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Chair intends to vote all undirected proxies in favour of this Resolution.

10. Other Business

To transact any other business which may legally be brought before the meeting.

Dated: 20 October 2017

By order of the Board

**Charly Duffy
Company Secretary**

EXPLANATORY MEMORANDUM

This Explanatory Memorandum 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 Constitution, the business of the Meeting will include receipt and consideration of the Annual Report of the Company for the financial year ended 30 June 2017 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 Report to Shareholders unless specifically requested to do so. The Company's Annual Report is available on its website at www.corporate.topbeta.com.au/asxannouncements.

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 Report of the Company.

The Chair must allow a reasonable opportunity for its Shareholders to ask questions about or make comments on the Remuneration Report at the Annual General Meeting.

2.2 Voting consequences

Under the Corporations Act, 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 two consecutive annual general meetings, at least 25% of the votes cast on a resolution in respect of a remuneration report vote against the adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to a 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.

If a Spill Resolution is put to shareholders, 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 each person whose election or re-election as directors of the company was approved will continue as a director of the company.

2.3 Previous voting results

At TopBeta's previous annual general meeting, the votes cast against the Remuneration Report considered at that annual general meeting were less than 25% of votes cast. Accordingly, a Spill Resolution is not required for this Annual General Meeting.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Person appointed as proxy	Where directions are given on Proxy Form	Where no directions are given on Proxy Form
Key Management Personnel ¹	Vote as directed	Unable to vote ³
Chair ²	Vote as directed	Able to vote at discretion of proxy if expressly authorised to do so under the proxy form ⁴
Other	Vote as directed	Able to vote at discretion of proxy

Notes:

¹ Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that Key Management Personnel.

² Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that Key Management Personnel).

³ Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

⁴ The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

3. Resolution 2 – Re-election of Director – Simon Dulhunty

3.1 General

Article 15.6 of the Constitution requires that, if the Company has three or more Directors, one third of the Directors (or if their number is not three or a multiple of three, then the number nearest but not exceeding one third) must retire at the Company's next annual general meeting. Article 15.7 of the Constitution allows such Director who retires under Article 15.6 to be eligible for re-election at that meeting. Article 15.6 of the Constitution further prescribes that the Director who has held their office as Director for the longest period of time is to retire and stand for re-election at the Meeting and, in the event that multiple persons became Directors on the same day, the Director to retire shall be determined by lot (unless otherwise agreed between themselves).

As Managing Director of the Company, Todd Buckingham is not subject to the requirements of Article 15.6 of the Constitution.

Mr Simon Dulhunty was appointed to the Board on 2 October 2015. Accordingly, Mr Dulhunty, as longest serving Director since their election, will retire as Director at the Meeting and, being eligible, will stand for re-election.

Personal particulars for Mr Dulhunty are set out below.

3.2 Mr Simon Dulhunty

Simon Dulhunty has over 25 years' experience in print and digital media in management and operational roles at the top of metropolitan and regional Australian media, including as an award-winning Editor of The Sun-Herald newspaper in Sydney and General Manager of Fairfax Media's mobile development team responsible for acclaimed iPad apps for The Age, The Sydney Morning Herald and The Australian Financial Review. Mr Dulhunty now runs his own private media consultancy.

3.3 Board Recommendation

The Board (other than Mr Dulhunty) recommends that you vote in favour of this Resolution.

4. Resolutions 3 and 4 – Ratification of the May Placement Shares and the Canaccord Shares issued under ASX Listing Rule 7.1

4.1 General

On 17 May 2017, the Company announced that it had completed a placement of 9,375,000 Shares (**May Placement Shares**) to sophisticated and institutional investors (**May Placement**) (being the subject of Resolution 3). The May Placement raised a total of \$1.5 million (before costs) at \$0.16 per Share. The proceeds of the May Placement were used to assist the Company's Alderney-based subsidiary, The Global Tote Ltd, to accelerate the recently launched Global Tote product within Australia and internationally, as well as provide working capital for the overall business.

In consideration for services provided by Canaccord Genuity (Australia) Limited (**Canaccord**) as lead manager and book runner for the May Placement, the Company was obliged to issue to Canaccord (or its nominee) 468,750 Shares (**Canaccord Shares**) at a deemed issue price of \$0.16 (being the same price as each May Placement Share), with a total value representing 5% of the total funds raised under the May Placement.

The May Placement Shares and the Canaccord Shares were issued under the Company's placement capacity under ASX Listing Rule 7.1.

Neither the issue of the May Placement Shares nor the Canaccord Shares breached ASX Listing Rules 7.1.

Approval is now sought pursuant to ASX Listing Rule 7.4 for the ratification of the issue of the May Placement Shares and the Canaccord Shares. Such approval will refresh the Company's ability to issue that number of securities in the future without seeking Shareholder approval.

4.2 ASX Listing Rules 7.1 & 7.4

Other than in respect of the exceptions prescribed under the ASX Listing Rules, ASX Listing Rule 7.1 limits the number of securities that a company may issue without shareholder approval in any 12 month period to 15% of its issued securities (**15% Placement Capacity**).

ASX Listing Rule 7.4 allows for shareholders to subsequently approve an issue of securities, provided the issue did not breach ASX Listing Rule 7.1 at the time of issue. Shareholders are being asked to approve the issue of the May Placement Shares and the Canaccord Shares in accordance with ASX Listing Rule 7.4.

If the May Placement Shares and the Canaccord Shares are approved pursuant to ASX Listing Rule 7.4, the Company's capacity to issue that number of securities under its 15% Placement Capacity will be restored. The Directors consider it prudent to retain the flexibility and capacity to issue further securities if circumstances require under ASX Listing Rule 7.1.

Accordingly, Shareholders are being asked to ratify the issue of the May Placement Shares and the Canaccord Shares in accordance with ASX Listing Rule 7.4.

4.3 Summary of the issue of the May Placement Shares under Resolution 3

For the purpose of ASX Listing Rule 7.5, the following information is provided:

- (a) the number of Shares for which Shareholder approval is being sought is 9,375,000 Shares issued under its 15% Placement Capacity;
- (b) the May Placement Shares were issued at an issue price of \$0.16 per Share;
- (c) from their date of issue, the May Placement Shares ranked equally in all respects with the Company's existing Shares;
- (d) the May Placement Shares were issued to 15 unrelated sophisticated and institutional investors who satisfied the definitions contained in sections 708(8) and 708(11) of the Corporations Act;
- (e) the May Placement Shares were issued under the May Placement to raise a total of \$1.5 million (before costs). These funds were used to assist the Company's Alderney-based subsidiary, The Global Tote Ltd, to accelerate the recently launched Global Tote product within Australia and internationally, as well as provide working capital for the overall business; and
- (f) a voting exclusion statement is included in the Notice.

4.4 Summary of the issue of the Canaccord Shares under Resolution 4

For the purpose of ASX Listing Rule 7.5, the following information is provided:

- (a) the number of Shares for which Shareholder approval is being sought is 468,750 Shares issued under its 15% Placement Capacity;
- (b) the Canaccord Shares were issued at a deemed issue price of \$0.16 per share in lieu of fees for services rendered in relation to the May Placement. Accordingly, the Canaccord Shares were issued for nil cash consideration;
- (c) from their date of issue, the Canaccord Shares ranked equally in all respects with the Company's existing Shares;
- (d) the Canaccord Shares were issued to Canaccord (or its nominee) on 17 May 2017;
- (e) no funds were raised by the issue of the Canaccord Shares as they were issued in lieu of fees for services rendered in relation to the May Placement; and
- (f) a voting exclusion statement is included in the Notice.

4.5 Board Recommendation

The Board recommends that you vote in favour of Resolution 3 and Resolution 4.

5. Resolution 5 – Ratification of Options issued under ASX Listing Rule 7.1

5.1 General

On 15 June 2017, the Company announced that it issued 2,000,000 unlisted Options to Sean Bartholomew as consideration for Mr Bartholomew's binding commitments to bet an estimated \$200 million into The Global Tote pools available via the Company's 'TopBetta' platform over the following 12 months. The Options were issued under the Company's 15% Placement Capacity.

The issue of the Options to Mr Bartholomew did not breach ASX Listing Rule 7.1.

Approval is now sought pursuant to ASX Listing Rule 7.4 to ratify the issue of the Options which, if approved, will refresh the Company's ability to issue that number of securities in the future under its 15% Placement Capacity.

5.2 ASX Listing Rules 7.1 & 7.4

Shareholders are being asked to ratify the issue of the Options in accordance with ASX Listing Rule 7.4. A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 4.2 of this Explanatory Memorandum.

If the issue of the Options is ratified pursuant to ASX Listing Rule 7.4, the Company's capacity to issue further securities under its 15% Placement Capacity will be restored. The Directors consider it prudent to retain the flexibility and capacity to issue further securities if circumstances require under its 15% Placement Capacity.

5.3 Summary of the issue of Options under this Resolution

For the purposes of ASX Listing Rule 7.5, the following information is provided:

- (a) the number of Options for which Shareholder approval is being sought is 2,000,000 Options issued under ASX Listing Rule 7.1;
- (b) the Options were granted as consideration for services to be rendered by Sean Bartholomew, and to align his interests with those of Shareholders in the performance of those services. Accordingly, the Options were issued for nil cash consideration;
- (c) the terms of the Options are as follows:
 - (i) exercise price of \$0.20 per Option;
 - (ii) the Options will expire on 14 June 2020;
 - (iii) the Options vest at 5pm on 30 June 2018 if, by that time, Mr Bartholomew has complied with his obligations to bet the relevant amount into TopBetta in 11 of the 12 prior months;
 - (iv) each Option is exercisable into one fully paid Share; and
 - (v) such other terms as detailed in Annexure A;
- (d) the Options were issued to Sean Bartholomew on 15 June 2017;
- (e) no funds were raised by the issue of the Options. Any funds raised from the exercise of the Options will be used for working capital; and
- (f) a voting exclusion statement is included in the Notice.

5.4 Board Recommendation

The Board recommends that you vote in favour of this Resolution.

6. Resolutions 6 and 7 – Ratification of the August Placement Shares issued under ASX Listing Rules 7.1 and 7.1A

6.1 General

On 29 August 2017, the Company announced that it had completed a placement of 21,445,681 Shares in the Company (**August Placement Shares**) to sophisticated and institutional investors (**August Placement**). The August Placement raised a total of \$9,007,186.02 (before costs) at \$0.42 per Share, comprising:

- (a) 8,129,909 August Placement Shares issued under the Company's 15% Placement Capacity (being the subject of Resolution 6); and
- (b) 13,315,772 August Placement Shares issued under the Company's additional 10% Placement Capacity under ASX Listing Rule 7.1A (being the subject of Resolution 7).

The proceeds of the August Placement will be used to assist the Company's subsidiary, TopBetta Pty Ltd, to expand its retail businesses into the US market and to assist the Company's Alderney-based subsidiary, The Global Tote Limited, to:

- (a) accelerate the roll-out of The Global Tote product with full race coverage and wagering product offering;
- (b) on-board local and international B2B bookmakers;
- (c) launch The Global Tote product into UK and European markets;
- (d) on-board additional development and technology resources; and
- (e) expand its wholesale business into the US market.

The issue of the August Placement Shares did not breach ASX Listing Rules 7.1 or 7.1A.

The Company wishes to ratify the issue of the August Placement Shares under ASX Listing Rules 7.1 (Resolution 6) and 7.1A (Resolution 7) pursuant to ASX Listing Rule 7.4. Such approval will refresh the Company's ability to issue that number of securities in the future under its 15% Placement Capacity and 10% Placement Capacity.

6.2 ASX Listing Rules 7.1, 7.1A & 7.4

Under Resolution 6, Shareholders are being asked to ratify the issue of 8,129,909 August Placement Shares (**7.1 August Placement Shares**) issued under the Company's 15% Placement Capacity under ASX Listing Rule 7.1 in accordance with ASX Listing Rule 7.4. A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 4.2 of this Explanatory Memorandum.

Under Resolution 7, Shareholders are being asked to ratify the issue of 13,315,772 August Placement Shares (**7.1A August Placement Shares**) issued under the Company's 10% Placement Capacity. A summary of ASX Listing Rule 7.1A is set out in Section 7.1 of this Explanatory Memorandum.

The Company previously received Shareholder approval for the 10% Placement Capacity at the Annual General Meeting held on 22 November 2016.

If the issue of the 7.1 August Placement Shares is ratified pursuant to ASX Listing Rule 7.4, the Company's capacity to issue that number of securities under its 15% Placement Capacity will be restored. Similarly, if the issue of the 7.1A August Placement Shares is ratified pursuant to ASX Listing Rule 7.4, the Company's capacity to issue that number of securities under its 10% Placement Capacity will be restored.

The Directors consider it prudent to retain the flexibility and capacity to issue additional securities in accordance with ASX Listing Rules 7.1 and 7.1A if circumstances require and, accordingly, seek Shareholders' ratification of the issue of the August Placement Shares as set out in Resolutions 6 and 7.

6.3 Summary of the issue of the 7.1 August Placement Shares under Resolution 6

For the purposes of ASX Listing Rule 7.5, the following information is provided:

- (a) the number of Shares for which Shareholder approval is being sought is 8,129,909 Shares issued under ASX Listing Rule 7.1;
- (b) the 7.1 August Placement Shares were issued at an issue price of \$0.42 per Share;
- (c) from their date of issue, the 7.1 August Placement Shares ranked equally in all respects with all other Shares in the Company;
- (d) the 7.1 August Placement Shares were issued to 43 unrelated sophisticated and institutional investors who satisfied the definitions contained in sections 708(8) and 708(11) of the Corporations Act;
- (e) the issue of the 7.1 August Placement Shares raised \$3,414,561.78 (before costs). These funds have been, or will be, used to assist TopBetta Pty Ltd to expand its retail businesses into the US market and will be used to assist The Global Tote Limited to:
 - (i) accelerate the roll-out of The Global Tote product with full race coverage and wagering product offering;
 - (ii) on-board local and international B2B bookmakers;
 - (iii) launch The Global Tote product into UK and European markets;
 - (iv) on-board additional development and technology resources; and
 - (v) expand its wholesale business into the US market; and
- (f) a voting exclusion statement is included in the Notice.

6.4 Summary of the issue of the 7.1A August Placement Shares under Resolution 7

For the purposes of ASX Listing Rule 7.5, the following information is provided:

- (a) the number of Shares for which Shareholder approval is being sought is 13,315,772 Shares issued under ASX Listing Rule 7.1A;
- (b) the 7.1A August Placement Shares were issued at an issue price of \$0.42 per Share;
- (c) from their date of issue, the 7.1A August Placement Shares ranked equally in all respects with all other Shares in the Company;
- (d) the 7.1A August Placement Shares were issued to 55 unrelated sophisticated and institutional investors who satisfied the definitions contained in sections 708(8) and 708(11) of the Corporations Act;
- (e) the issue of the 7.1A August Placement Shares raised \$5,592,624.24 (before costs). These funds have been, or will be, used to assist TopBetta Pty Ltd to expand its retail businesses into the US market and will be used to assist The Global Tote Limited to:
 - (i) accelerate the roll-out of The Global Tote product with full race coverage and wagering product offering;
 - (ii) on-board local and international B2B bookmakers;
 - (iii) launch The Global Tote product into UK and European markets;
 - (iv) on-board additional development and technology resources; and
 - (v) expand its wholesale business into the US market; and
- (f) a voting exclusion statement is included in the Notice.

7. Resolution 8 – Approval of 10% Placement Capacity

7.1 General

ASX Listing Rule 7.1A provides that an eligible entity may seek shareholder approval at its annual general meeting to allow it to issue equity securities (which term has the meaning given to it in the ASX Listing Rules) to up to 10% of its issued capital over a period up to 12 months after its annual general meeting (**10% Placement Capacity**). The

10% Placement Capacity is in addition to the capacity to issue securities under ASX Listing Rule 7.1 without shareholder approval.

If Shareholders approve this Resolution, the number of equity securities TopBetta may issue under its 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 as detailed in section 7.2 below.

This Resolution is a special resolution and, accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) must be in favour of this Resolution for it to be passed.

7.2 ASX Listing Rule 7.1A

The ASX Listing Rules provide that an entity that satisfies both of the following tests may seek shareholder approval under ASX Listing Rule 7.1A:

- (a) the entity is not included in the S&P/ASX 300 Index; and
- (b) the entity's market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) is not greater than \$300,000,000.

TopBetta is not included in the S&P/ASX 300 Index and has a market capitalisation, as at 16 October 2017, of approximately \$57.6million.

Any equity securities issued in reliance on ASX Listing Rule 7.1A must be in the same class as an existing class of quoted equity securities. TopBetta currently has one class of equity securities on issue which are quoted, being the Shares.

ASX Listing Rule 7.1A.2 provides that an eligible entity which has obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of equity securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is the number of shares on issue 12 months before the date of issue or agreement to issue:

- (1) plus the number of shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
- (2) plus the number of partly paid shares that became fully paid in the previous 12 months;
- (3) plus the number of shares issued in the previous 12 months with the approval of shareholders under ASX Listing Rules 7.1 and 7.4; and
- (4) less the number of shares cancelled in the previous 12 months.

D is 10%.

E is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Shares under ASX Listing Rule 7.1 or 7.4.

7.3 Information required by ASX Listing Rule 7.1A

ASX Listing Rule 7.3A requires the following information to be provided in relation to Resolution 8:

7.3.1 Minimum Price

The minimum price at which the equity securities may be issued under the 10% Placement Capacity is 75% of the VWAP of equity securities in that class, calculated over the 15 trading days on which trades in that class were recorded on the ASX immediately before:

- (a) the date on which the price at which the equity securities are to be issued is agreed; or
- (b) if the equity securities are not issued within 5 trading days of the date in paragraph (a) above, the date on which the equity securities are issued.

7.3.2 10% placement period

The equity securities may be issued under the 10% Placement Capacity commencing on the date of the Annual General Meeting and ceasing to be valid on the first to occur of:

- (a) 12 months after the date of the Annual General Meeting; or
- (b) the date of approval by shareholders of any transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of the Company's activities) or ASX Listing Rule 11.2 (disposal of the Company's main undertaking).

7.3.3 Risk of voting dilution

Any issue of equity securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive their pro rata interest in the Shares allotted under the issue.

If this Resolution is approved by Shareholders and the Company issues the maximum number of equity securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below, in the circumstances set out in the table below.

The table below shows the dilution of existing Shareholders on the basis of the closing price of the Shares on the ASX on 16 October 2017 (**Closing Price**) and the number of Shares for variable A, calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, on the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) has increased by 50% and by 100% and the economic dilution where the issue price of Shares issued under the 10% Placement Capacity is 50% less than the Closing Price and 100% greater than the Closing Price.

Variable A in ASX Listing Rule 7.1A.2		Dilution		
		\$0.175	\$0.35	\$0.70
		50% decrease in Issue Price	Issue Price	100% increase in Issue Price
Current Variable A= 164,447,158	10% voting dilution (Shares to be issued under 7.1A)	16,444,716	16,444,716	16,444,716
	Funds raised	\$2,877,825.30	\$5,755,650.60	\$11,511,301.20
50% increase in Current Variable A= 246,670,737	10% voting dilution (Shares to be issued under 7.1A)	24,667,074	24,667,074	24,667,074
	Funds raised	\$4,316,737.95	\$8,633,475.90	\$17,266,951.80
100% increase in Current Variable A= 328,894,316	10% voting dilution (Shares to be issued under 7.1A)	32,889,432	32,889,432	32,889,432
	Funds raised	\$5,755,650.60	\$11,511,301.20	\$23,022,602.40

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 ASX Listing Rule 7.1.

The table above has been prepared on the basis of the following assumptions:

- the Issue Price set out in the table is the closing price of the Shares on the ASX on 16 October 2017;
- the Company issues the maximum possible number of equity securities under the 10% Placement Capacity;
- no options or rights convertible into Shares are exercised;
- subject to point (e) below, the Company has not issued any equity securities in the 12 months prior to the date of the Annual General Meeting that were not issued under an exception in ASX Listing Rule 7.2 or which were not approved under ASX Listing Rule 7.1 or 7.4;
- Resolutions 3, 4, 5, 6 and 7 contained in this Notice are approved by Shareholders;
- this table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1;
- the issue of equity securities under the 10% placement facility consists only of Shares.

Shareholders should note that there is a risk that:

- the market price for the Shares may be significantly lower on the issue date than on the date of the Annual General Meeting; and
- the equity securities issued under the 10% Placement Capacity may be issued at a price that is at a discount to the market price for the Shares on the date of issue,

which may affect the amount of funds raised by the issue.

Shareholders should also note that the calculations in the table 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.

7.3.4 Purpose of an issue under 10% Placement Capacity

The Company may issue equity securities under the 10% Placement Capacity for the following purposes:

- (a) as cash consideration in which case the Company intends to use funds raised for either or both of working capital purposes or to fund growth opportunities; or
- (b) as non-cash consideration for the acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

7.3.5 Allocation under the 10% Placement Capacity

The allottees of the equity securities to be issued under the 10% Placement Capacity will depend on prevailing market conditions and will be determined on a case by case basis. However, the allottees of equity securities could consist of current Shareholders, new investors or both. Allottees may also include vendors of assets into the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (a) the purpose of the issue;
- (b) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (c) the effect of the issue of the equity securities on the control of the Company;
- (d) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (e) prevailing market conditions; and
- (f) advice from corporate, financial and broking advisers (if applicable).

7.3.6 Previous approval under ASX Listing Rule 7.1A

The Company has previously obtained approval under ASX Listing Rule 7.1A. The following information is provided in accordance with ASX Listing Rule 7.3A.6:

- (a) during the 12 months preceding the date of the Meeting, being on and from 22 November 2016, the Company issued a total of 67,082,612 equity securities representing 60.53% of the equity securities on issue at the commencement of this 12 month period; and
- (b) the equity securities issued in the 12 month period are set out in the following table:

Date	Quantity	Class	Recipient(s) or the basis upon which recipient(s) were determined	Issue price	Closing Market Price on date of issue ¹	% Discount/Premium to Closing Price on date of issue	Consideration ⁷
30/11/2016	15,000,000	Fully paid ordinary shares	Issued to sophisticated and institutional investors pursuant to a placement.	\$0.20	\$0.19	5.26% discount	<ul style="list-style-type: none"> • Cash consideration of \$3,000,000. • The amount of cash consideration spent is \$3,000,000. • Cash consideration was spent on the launch of The Global Tote.
30/11/2016	4,000,000	Unlisted Options ^{2,3}	Issued as consideration for brokerage services.	Nil	N/A	N/A	<ul style="list-style-type: none"> • Non-cash. Issued in consideration for brokerage services provided to the Company in respect of the Placements completed on 23 August 2016 and 30 November 2016. • Current value of non-cash consideration: <ul style="list-style-type: none"> ○ 1m options: \$118,649; ○ 3m options: \$439,654.
16/3/2017	4,500,000	Unlisted Options ⁴	Issued in consideration for services provided to the Company.	Nil	N/A	N/A	<ul style="list-style-type: none"> • Non-cash. Issued in consideration for the services to be provided to the Company by each non-executive director. • Current value of non-cash consideration: \$337,487.

17/5/2017	9,375,000	Fully paid ordinary shares	Issued to sophisticated and institutional investors pursuant to a placement.	\$0.16	\$0.18	12.5% premium	<ul style="list-style-type: none"> Cash consideration of \$1,500,000. The amount of cash consideration spent is \$1,500,000. Cash consideration was spent on funding the Company's Alderney-based subsidiary, The Global Tote Limited (TGT), to accelerate the roll-out of The Global Tote product in Australia and internationally as well as working capital for the Company's overall business.
17/5/2017	468,750	Fully paid ordinary shares	Issued as consideration for brokerage services provided by Canaccord Genuity (Australia) Limited in connection with the placement on 17 May 2017.	Nil	\$0.18	N/A	<ul style="list-style-type: none"> Non-cash. Issued in consideration for brokerage services. Current value of non-cash consideration: \$168,750.
24/5/2017	3,500,000	Fully paid ordinary shares	Issued as consideration for services and the grant of intellectual property rights by each of Modern Wagering Systems Ltd and Live Datacast Pty Ltd.	Nil	\$0.195	N/A	<ul style="list-style-type: none"> Non-cash. Issued in consideration for the grant of various intellectual property rights relating to The Global Tote technology, and provision of services. Current value of non-cash consideration: \$1,260,000.
15/6/2017	2,000,000	Unlisted Options ⁵	Issued as consideration for services provided by Sean Bartholomew in relation to the seeding of The Global Tote pools.	Nil	N/A	N/A	<ul style="list-style-type: none"> Non-cash. Issued as consideration for various services. Current value of non-cash consideration: \$370,436.
23/6/2017	3,838,500	Fully paid ordinary shares	Issued to shareholders of the Company under a share purchase plan.	\$0.16	\$0.285	78.125% premium	<ul style="list-style-type: none"> Cash consideration of \$614,160. The amount of cash consideration spent is \$614,160. Cash consideration was spent on general working capital for the Company's overall business.
3/7/2017	2,954,681	Unlisted Options ⁶	Issued to employees of the Company.	Nil	N/A	N/A	<ul style="list-style-type: none"> Non-cash. Issued to incentivise various key employees of the Company and to align their interests with those of the shareholders of the Company. Current value of non-cash consideration: \$377,353.
29/8/2017	21,445,681	Fully paid ordinary shares	Issued to sophisticated and institutional investors pursuant to a placement.	\$0.42	\$0.385	9.09% discount	<ul style="list-style-type: none"> Cash consideration of \$9,007,186.02. The amount of cash consideration spent is \$208,000. Cash consideration was spent on assisting TopBetta Pty Ltd to expand its retail business into the US market and assisting TGT to accelerate the roll-out of The Global Tote product with full race coverage and wagering product offering; on-board local and international B2B bookmakers; launch The Global Tote product into UK and European markets; on-board additional development and technology resources; and expand its wholesale business into the US market. The remaining cash is intended to be used for assisting TopBetta Pty Ltd to expand its retail business into the US market and assisting TGT to accelerate the

							roll-out of The Global Tote product with full race coverage and wagering product offering; on-board local and international B2B bookmakers; launch The Global Tote product into UK and European markets; on-board additional development and technology resources; and expand its wholesale business into the US market.
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Notes

¹ The Closing Market Price is considered to be the closing market price on the last trading day on which a sale was recorded prior to the date of issue of the relevant equity securities.

² 1,000,000 of the unlisted options will be exercisable at \$0.30 on or before 30 November 2019, subject to vesting conditions, and are otherwise on the terms and conditions set out at Annexure A to the notice of general meeting dated 13 February 2017.

³ 3,000,000 of the unlisted options will be exercisable at \$0.25 on or before 30 November 2019, subject to vesting conditions, and are otherwise on the terms and conditions set out at Annexure B to the notice of 2016 annual general meeting dated 20 October 2016.

⁴ Exercisable at \$0.30 on or before 16 March 2018, and otherwise on the terms and conditions set out at Annexure A to the notice of general meeting dated 13 February 2017.

⁵ Exercisable at \$0.20 on or before 14 June 2020, subject to vesting conditions, and otherwise on the terms and conditions set out at Annexure A.

⁶ Exercisable at \$0.30 on or before 31 October 2020, subject to vesting conditions, and otherwise on the terms and conditions of the Company's long term incentive plan.

⁷ Non-cash consideration is based on the closing price of shares on 5 October 2017 of \$0.36.

7.3.7 Voting exclusion statement

A voting exclusion statement is included in the Notice. As at the date of the Notice, TopBetta has not approached any existing Shareholder, security holder or an identifiable class of existing security holders to participate in any issue of equity securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

7.4 Board Recommendation

The Board recommends that you vote in favour of this Resolution.

Glossary

\$ means Australian dollars.

10% Placement Capacity has the meaning ascribed to it in section 7.1 of the Explanatory Memorandum.

AEDT means Australian Eastern Daylight Time as observed in Melbourne, Victoria, Australia.

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

Annual Report means the annual financial report of the Company for the year ended 30 June 2017.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the ASX Listing Rules and on the basis that the entity is the “designated body” for the purpose of that section.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of Directors of the Company.

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

Chair means the chairperson of the Meeting.

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

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

Company or **TopBetta** means TopBetta Holdings Ltd ACN 164 521 395.

Constitution means the Company’s constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director’s Report means the director’s report contained in the Annual Report.

Directors means the current directors of the Company.

Explanatory Memorandum means the explanatory memorandum accompanying this Notice.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

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

Option means an option to subscribe for Shares in the capital of the Company on the terms set out in Annexure A.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Directors’ Report contained in the Company’s Annual Report.

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

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

Share Registry means the share registry of the Company, being Computershare Investor Services Pty Limited.

Shareholder means a holder of a Share.

VWAP means volume weighted average price.

Annexure A – Terms and conditions of Options the subject of Resolution 5

The material terms and conditions of the Options the subject of Resolution 5 are as follows:

- (a) The exercise price of each Option is \$0.20 per Option (**Exercise Price**).
- (b) The Options will vest at 5:00pm on 30 June 2018 if, by that time, the Optionholder has complied with his obligations to bet the relevant amount into TopBeta in 11 of the 12 prior months (**Vesting Condition**).
- (c) Subject to the satisfaction of the Vesting Condition, the Options may be exercised any time up to 14 June 2020 (**Expiry Date**).
- (d) Each Option gives the Optionholder the right to subscribe for one Share.
- (e) Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (f) The amount payable upon exercise of each Option is the Exercise Price.
- (g) Options will not be quoted on ASX and will not otherwise be transferable.
- (h) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 10,000 must be exercised on each occasion.
- (i) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number and class of options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised, (**Exercise Notice**).
- (j) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (k) Within 20 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price (and subject to the Company obtaining any necessary prior approvals from Shareholders or regulatory bodies for the issue of the Shares), the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (l) All Shares issued upon the exercise of Options will upon issue rank pari passu in all respects with other Shares.
- (m) The Company will apply for quotation of all Shares issued pursuant to the exercise of Options on ASX within 10 Business Days after the date of issue of those Shares.
- (n) If at any time the issued capital of the Company is reorganised, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (o) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 4 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (p) Options do not carry any dividend entitlement until they are exercised. Shares issued on exercise of Options rank equally with other issued Shares of the Company from their date of issue.
- (q) Other than otherwise provided in these terms, an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.