

2 July 2018

TBH COMPLETES THE SALE OF RETAIL ASSETS

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- **TBH retail businesses, 'TopBetta' and 'Mad Bookie', sold to PlayUp Limited for \$6M**
 - **\$3M paid and remaining \$3M to be paid by 30 September 2018**
 - **Service Agreement and Software Agreement Executed**
 - **Cancellation of Options**

Further to the announcements released on 18 April 2018 ("**Prior Announcement**") and 23 April 2018, The BetMakers Holdings Limited (ASX:TBH) (formally TopBetta Holdings Limited) ("**BetMakers**", "**TBH**" or the "**Company**") is pleased to announce that it has completed the sale to PlayUp Australia Pty Limited ("**PlayUp**", a wholly owned subsidiary of PlayUp Limited) of 100% of the shares in the Company's wholly-owned subsidiary, TopBetta Pty Ltd ("**TopBetta**"), and the associated retail assets, TopBetta and Mad Bookie ("**Sale**"). PlayUp has taken over the running of the 'TopBetta' and 'MadBookie' businesses from July 1st 2018.

Completion of the Sale ("**Completion**") allows TBH to focus on rolling out its plans to be the preferred wholesale supplier of smarter data feeds and B2B wagering solutions to all wagering operators. It also allows the Company to significantly reduce its monthly cost base.

The Company confirms that it has received from PlayUp a non-refundable payment of \$3M. TBH has agreed to extend the payment term of the remaining \$3M of the purchase price ("**Deferred Payment**") until 30 September 2018. If PlayUp fails to pay the Deferred Payment, TBH will have the right to buy back the shares in TopBetta for \$1. Alternatively, if agreed between the parties, the Deferred Payment may be satisfied by way of issue of shares in PlayUp Limited at a value of a 25% discount to the most recent capital raise by PlayUp, or \$70m.

The Company has also executed the Services Agreement and White Label Agreement in accordance with the terms set out in the Prior Announcement ("**Agreements**") for the 'TopBetta' and 'Mad Bookie' brands ("**Retail Brands**"). The Agreement has been executed for two years ("**Initial Term**"). Terms of the Services Agreement are as follows:

- A monthly Commission fee (exclusive of GST) equal to ten percent (10%) of total Gross Wagering Revenue of each of the Retail Brands and PlayUpBET brands for that month.
- A monthly Commission Fee (exclusive of GST) equal to ten percent (10%) of total Gross Wagering Revenue of each of the Retail Brands.

As noted in the Prior Announcement, TBH and PlayUp entered into a share sale agreement ("**SSA**") in respect of the Sale pursuant to which TBH gave warranties and indemnities which are customary for a transaction of this nature. Under the SSA, TBH also gave customary undertakings not to compete with, or solicit the employees or customers of, TopBetta.



All other conditions precedent to Completion have either been satisfied or otherwise waived by TBH to allow for the Sale to complete.

Betmakers CEO Todd Buckingham said: "The completion of the Sale sees the transition out of our B2C business and into the B2B wagering space as a supplier of proprietary data, products and wagering solutions. As Betmakers, we believe we are well positioned to serve Australian online wagering operators requiring cost-saving data solutions as well as revenue-generating new product solutions and assist them to overcome recent head winds of new taxes and shrinking margins. Likewise, we now believe we are well placed with our B2B product suite and toolkit to assist global wagering operators maximise profitability in international markets, including those that are fast opening up for expansion in racing and sports betting."

Cancellation of Options

Further to the announcement released on 15 June 2017, TBH advises that the vesting conditions associated with 2,000,000 unquoted options ("**Options**") issued to Sean Bartholomew have not been satisfied. Accordingly, the Company has cancelled the Options with effect on and from 5pm on 30 June 2018.

An Appendix 3B is attached

For further information, please contact:

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Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

The Betmakers Holdings Limited

ABN

21 164 521 395

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Cancellation of 2,000,000 Unlisted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Cancellation of 2,000,000 Unlisted Options |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 2,000,000 options exercisable at \$0.20 expiring on 14 June 2020 cancelled due to failure to meet applicable vesting conditions |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

| | |
|---|---|
| <p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <p>No, the options were unlisted</p> |
| <p>5 Issue price or consideration</p> | <p>N/A</p> |
| <p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p> | <p>Cancellation of options due to failure to meet applicable vesting conditions</p> |
| <p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p> | <p>Yes</p> |
| <p>6b The date the security holder resolution under rule 7.1A was passed</p> | <p>22 November 2017</p> |
| <p>6c Number of +securities issued without security holder approval under rule 7.1</p> | <p>N/A</p> |
| <p>6d Number of +securities issued with security holder approval under rule 7.1A</p> | <p>N/A</p> |

+ See chapter 19 for defined terms.

| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | N/A | | | | | | |
|--------------|--|---|--------|--------|--------------|---|------------|---|
| 6f | Number of +securities issued under an exception in rule 7.2 | N/A | | | | | | |
| 6g | If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation. | N/A | | | | | | |
| 6h | If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements | N/A | | | | | | |
| 6i | Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements | 7.1: 25,230,889 7.1A: 16,802,592 | | | | | | |
| 7 | <p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p> | Cancelled on 30 June 2018 | | | | | | |
| 8 | Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable) | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">168,205,929*</td> <td>Fully paid ordinary shares</td> </tr> <tr> <td></td> <td style="text-align: right;"><small>*1,250,000 shares are subject to voluntary escrow restrictions</small></td> </tr> </tbody> </table> | Number | +Class | 168,205,929* | Fully paid ordinary shares | | <small>*1,250,000 shares are subject to voluntary escrow restrictions</small> |
| Number | +Class | | | | | | | |
| 168,205,929* | Fully paid ordinary shares | | | | | | | |
| | <small>*1,250,000 shares are subject to voluntary escrow restrictions</small> | | | | | | | |
| 9 | Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable) | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">9,750,000</td> <td>Unlisted Options (exercisable at \$0.20; expiring 12/11/18)</td> </tr> <tr> <td style="text-align: center;">16,667,000</td> <td>Unlisted Options (exercisable at \$0.25; expiring 12/11/20;</td> </tr> </tbody> </table> | Number | +Class | 9,750,000 | Unlisted Options (exercisable at \$0.20; expiring 12/11/18) | 16,667,000 | Unlisted Options (exercisable at \$0.25; expiring 12/11/20; |
| Number | +Class | | | | | | | |
| 9,750,000 | Unlisted Options (exercisable at \$0.20; expiring 12/11/18) | | | | | | | |
| 16,667,000 | Unlisted Options (exercisable at \$0.25; expiring 12/11/20; | | | | | | | |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

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| 2,000,000 | subject to various performance hurdles) Unlisted Options (exercisable at \$0.25; expiring 21/3/19; subject to various performance hurdles) |
| 1,000,000 | Unlisted Options (exercisable at \$0.30; expiring 30/11/19; subject to vesting conditions) |
| 3,000,000 | Unlisted Options (exercisable at \$0.25; expiring 30/11/19; subject to vesting conditions) |
| 2,954,681 | Unlisted Options (exercisable at \$0.30; expiring 31/10/20; subject to vesting conditions) |

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Part 2 - Pro rata issue

11 Is security holder approval required?

12 Is the issue renounceable or non-renounceable?

13 Ratio in which the *securities will be offered

14 *Class of *securities to which the offer relates

15 *Record date to determine entitlements

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?

+ See chapter 19 for defined terms.

| | | |
|----|--|-----|
| 17 | Policy for deciding entitlements in relation to fractions | N/A |
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small> | N/A |
| 19 | Closing date for receipt of acceptances or renunciations | N/A |
| 20 | Names of any underwriters | N/A |
| 21 | Amount of any underwriting fee or commission | N/A |
| 22 | Names of any brokers to the issue | N/A |
| 23 | Fee or commission payable to the broker to the issue | N/A |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders | N/A |
| 25 | If the issue is contingent on security holders' approval, the date of the meeting | N/A |
| 26 | Date entitlement and acceptance form and offer documents will be sent to persons entitled | N/A |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | N/A |
| 28 | Date rights trading will begin (if applicable) | N/A |
| 29 | Date rights trading will end (if applicable) | N/A |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

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|----|---|-----|
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | N/A |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | N/A |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | N/A |
| 33 | +Issue date | N/A |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

+ See chapter 19 for defined terms.

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

| | Number | +Class |
|--|--------|--------|
| 42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38) | | |

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

 - There is no reason why those +securities should not be granted +quotation.

 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date: 2 July 2018
(Company Secretary)

Print name: Charly Duffy

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

| Rule 7.1 – Issues exceeding 15% of capital | |
|---|--|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue | 143,001,477 |
| <p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p>Note:</p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | <p>8,129,909 Ordinary Shares issued on 29 August 2017 approved at the meeting held on 22 November 2017</p> <p>13,315,772 Ordinary Shares issued on 29 August 2017 approved at the meeting held on 22 November 2017</p> <p>250,000 Ordinary Shares issued on 28 December 2017 upon the exercise of that number of unlisted options</p> <p>3,508,771 Ordinary Shares issued on 26 February 2018 approved at the meeting held on 18 June 2018</p> |
| Subtract the number of fully paid +ordinary securities cancelled during that 12 month period | 0 |
| “A” | 168,205,929 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

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|---|---|
| Step 2: Calculate 15% of “A” | |
| “B” | 0.15 <i>[Note: this value cannot be changed]</i> |
| Multiply “A” by 0.15 | 25,230,889 |
| Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used | |
| <p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | |
| “C” | 0 |
| Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1 | |
| <p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p> | 25,230,889 |
| <p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p> | 0 |
| Total [“A” x 0.15] – “C” | 25,230,889 |

+ See chapter 19 for defined terms.

Part 2

| Rule 7.1A – Additional placement capacity for eligible entities | |
|--|---|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| “A” <i>Note: number must be same as shown in Step 1 of Part 1</i> | 168,205,929 |
| Step 2: Calculate 10% of “A” | |
| “D” | 0.10 <i>Note: this value cannot be changed</i> |
| Multiply “A” by 0.10 | 16,802,592 |
| Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used | |
| Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | 0 |
| “E” | 0 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

| Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A | |
|--|---|
| “A” x 0.10 <i>Note: number must be same as shown in Step 2</i> | 16,802,592 |
| Subtract “E” <i>Note: number must be same as shown in Step 3</i> | 0 |
| Total [“A” x 0.10] – “E” | 16,802,592 <i>Note: this is the remaining placement capacity under rule 7.1A</i> |

+ See chapter 19 for defined terms.