



NOTICE OF GENERAL MEETING

TOPBETTA HOLDINGS LTD ACN 164 521 395

TIME: 1:00pm AEDT
DATE: 14 March 2017
PLACE: TopBetta Holdings Limited
22 Lambton Road
Broadmeadow NSW 2292

Important notice

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

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

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Notice of General Meeting of Shareholders of TopBeta Holdings Limited

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

- i. on **14 March 2017 at 1:00pm AEDT**
- ii. 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 12 March 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 follows 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.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean 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.

Further details on these changes are set out below.

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 and, if it does:

- 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 of the meeting 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).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular Resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the Resolution; and
- either of the following applies:
 1. the proxy is not recorded as attending the meeting; or
 2. the proxy does not vote on the Resolution,the chair of the meeting 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 Company's share registry, or handed in at the Meeting when registering.

BUSINESS OF THE GENERAL MEETING

Ordinary business

1. Resolution 1 – Ratification of 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 3,918,078 Placement Shares under ASX Listing Rule 7.1 on 30 November 2016, 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 Chairman intends to vote all undirected proxies in favour of this Resolution.

2. Resolution 2 – Ratification of 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 11,081,922 Placement Shares under ASX Listing Rule 7.1A on 30 November 2016, 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 Chairman intends to vote all undirected proxies in favour of this Resolution.

3. Resolution 3 – 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 1,000,000 Options in the Company to Canaccord Genuity (Australia) Limited on 30 November 2016 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 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 Chairman intends to vote all undirected proxies in favour of this Resolution.

4. Resolution 4 – Approval of Issue of Shares

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 7.1 and for all other purposes, approval is given in respect of the issue of a total of 3,500,000 Shares to Modern Wagering Systems Pty Ltd and Live Datacast Pty Limited 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 MWS and Live Datacast 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 Chairman intends to vote all undirected proxies in favour of this Resolution.

5. Resolution 5 – Approval of Issue of Options to Director, Matthew Cain

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 10.11 and for all other purposes, approval is given for the issue of 1,500,000 Options to Matthew Cain, non-executive Director of the Company, or his nominee 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 Matthew Cain 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.

Further, a vote must not be cast on this Resolution by a member of the Key Management Personnel or a Closely Related Party of such a member acting as a proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, a vote may be cast by such persons if:

- (a) it is cast by the Key Management Personnel or their Closely Related Party as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, and it is not cast on behalf of Mr Matthew Cain or his respective associates; or
- (b) it is cast by the Chairman (who is a Key Management Personnel) as a proxy and the proxy appointment expressly authorises the Chairman to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of the Key Management Personnel.

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

6. Resolution 6 – Approval of Issue of Options to Director, Simon Dulhunty

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 10.11 and for all other purposes, approval is given for the issue of 1,500,000 Options to Simon Dulhunty, non-executive Director of the Company, or his nominee 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 Simon Dulhunty 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.

Further, a vote must not be cast on this Resolution by a member of the Key Management Personnel or a Closely Related Party of such a member acting as a proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, a vote may be cast by such persons if:

- (a) it is cast by the Key Management Personnel or their Closely Related Party as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, and it is not cast on behalf of Mr Simon Dulhunty or his respective associates; or
- (b) it is cast by the Chairman (who is a Key Management Personnel) as a proxy and the proxy appointment expressly authorises the Chairman to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of the Key Management Personnel.

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

7. Resolution 7 – Approval of Issue of Options to Director, Nicholas Chan

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 10.11 and for all other purposes, approval is given for the issue of 1,500,000 Options to Nicholas Chan, non-executive Director and Chairman of the Company, or his nominee 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 Nicholas Chan 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.

Further, a vote must not be cast on this Resolution by a member of the Key Management Personnel or a Closely Related Party of such a member acting as a proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, a vote may be cast by such persons if:

- (a) it is cast by the Key Management Personnel or their Closely Related Party as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, and it is not cast on behalf of Mr Nicholas Chan or his respective associates; or
- (b) it is cast by the Chairman (who is a Key Management Personnel) as a proxy and the proxy appointment expressly authorises the Chairman to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of the Key Management Personnel.

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

8. Other Business

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

Dated: 13 February 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. Resolutions 1 and 2 – Ratification of Placement Shares issued under ASX Listing Rules 7.1 and 7.1A

1.1 General

On 30 November 2016, the Company announced that it had completed a placement of 15,000,000 Shares in the Company (**Placement Shares**) to sophisticated and institutional investors (**Placement**). The Placement raised a total of \$3 million (before costs) at \$0.20 per Share, comprising:

- (a) 3,918,078 Placement Shares issued under the Company's 15% placement capacity under ASX Listing Rule 7.1 (being the subject of Resolution 1); and
- (b) 11,081,922 Placement Shares issued under the Company's additional 10% placement capacity under ASX Listing Rule 7.1A (being the subject of Resolution 2).

The proceeds of the Placement were used to strengthen the Company's balance sheet and to fast track the launch of The Global Tote.

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

The Company wishes to ratify the issue of the Placement Shares under ASX Listing Rules 7.1 (Resolution 1) and 7.1A (Resolution 2) pursuant to ASX Listing Rule 7.4. Such approval will refresh the Company's ability to issue additional securities in the future under each of ASX Listing Rules 7.1 and 7.1A without seeking Shareholder approval.

1.2 ASX Listing Rules 7.1, 7.1A and 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.

ASX Listing Rule 7.1A permits eligible entities, which have obtained shareholder approval by special resolution at the Company's Annual General Meeting, to issue equity securities up to an additional 10% of its issued capital over the 12 month period following the date of such approval at the Annual General Meeting (**10% Placement Capacity**).

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

ASX Listing Rule 7.4 allows for shareholders to subsequently approve an issue of securities, provided the issue was not in breach of ASX Listing Rule 7.1 or 7.1A (as applicable).

Under Resolution 1, Shareholders are being asked to approve the issue of 3,918,078 Placement Shares (**7.1 Placement Shares**) issued under the Company's 15% placement capacity under ASX Listing Rule 7.1 in accordance with ASX Listing Rule 7.4.

Under Resolution 2, Shareholders are being asked to approve the issue of 11,081,922 Placement Shares (**7.1A Placement Shares**) issued under the Company's 10% Placement Capacity.

If the issue of the 7.1 Placement Shares is approved pursuant to ASX Listing Rule 7.4, the Company's capacity to issue further securities under ASX Listing Rules 7.1 is restored. Similarly, if the issue of the 7.1A Placement Shares is approved pursuant to ASX Listing Rule 7.4, the Company's capacity to issue further securities under ASX Listing Rules 7.1A is 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 and, accordingly, seek Shareholders' approval to the issue of the Placement Shares as set out in Resolutions 1 and 2.

1.3 Summary of the issue of Shares under Resolution 1

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.5:

- (a) the number of shares for which Shareholder approval is being sought under Resolution 1 is 3,918,078 Shares issued under ASX Listing Rule 7.1;
- (b) the 7.1 Placement Shares were issued at an issue price of \$0.20 each;
- (c) from their date of issue, the 7.1 Placement Shares rank equally in all respects with the Company's existing Shares;
- (d) the 7.1 Placement Shares were issued to various unrelated sophisticated and institutional investors who satisfied the definitions contained in sections 708(8) and 708(11) of the Corporations Act;

- (e) the 7.1 Placement Shares were issued under the Placement to raise a total of \$783,615.60. These funds have been, or will be, used to strengthen the Company's balance sheet and to fast track the launch of The Global Tote; and
- (f) a voting exclusion statement has been included in the Notice of Meeting for the purpose of Resolution 1.

1.4 Summary of the issue of Shares under Resolution 2

The following information is provided to Shareholders for the purpose of ASX Listing Rule 7.5:

- (a) the number of shares for which Shareholder approval is being sought under Resolution 2 is 11,081,922 Shares issued under ASX Listing Rule 7.1A;
- (b) the 7.1A Placement Shares were issued at an issue price of \$0.20 each;
- (c) from their date of issue, the 7.1A Placement Shares rank equally in all respects with the Company's existing Shares;
- (d) the 7.1A Placement Shares were issued to various unrelated sophisticated and institutional investors who satisfied the definitions contained in sections 708(8) and 708(11) of the Corporations Act;
- (e) the 7.1A Placement Shares were issued under the Placement to raise a total of \$2,216,384.40. These funds have been, or will be, used to strengthen the Company's balance sheet and to fast track the launch of The Global Tote; and
- (f) a voting exclusion statement has been included in the Notice of Meeting for the purpose of Resolution 2.

1.5 Board Recommendation

The Board recommends that you vote in favour of Resolutions 1 and 2.

2. Resolution 3 – Ratification of Options issued under ASX Listing Rule 7.1

2.1 General

On 30 November 2016, the Company announced that it had issued 1,000,000 Options to Canaccord in consideration for its services as lead manager and book runner for the Placement. The Options were issued under the Company's placement capacity under ASX Listing Rule 7.1.

The issue of the Options did not breach ASX Listing Rules 7.1.

The Company wishes to ratify the issue of the Options under ASX Listing Rule 7.4. Such approval will refresh the Company's ability to issue additional securities in the future under ASX Listing Rules 7.1 without seeking shareholder approval.

2.2 ASX Listing Rules 7.1 and 7.4

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 1.2 of this Explanatory Memorandum.

Under Resolution 3, Shareholders are being asked to approve the issue of 1,000,000 Options issued under ASX Listing Rule 7.4.

If the issue of the Options is approved pursuant to ASX Listing Rule 7.4, the Company's capacity to issue further securities under ASX Listing Rules 7.1 is restored.

The Directors consider it prudent to retain the capacity to issue further securities and, accordingly, seek Shareholders' approval to the issue of the Options as set out in Resolution 3. Accordingly, Shareholders are being asked to approve the issue of the Options in accordance with ASX Listing Rule 7.4.

2.3 Summary of the issue of Options under Resolution 3

The following information is provided to Shareholders for the purpose of ASX Listing Rule 7.5:

- (a) the number of Options for which Shareholder approval is being sought under Resolution 3 is 1,000,000 Options issued under ASX Listing Rule 7.1;
- (b) as the Options were granted in lieu of fees for services rendered in relation to the Placement, the Options were issued for nil consideration;
- (c) the terms of the Options are as follows:
 - (i) exercise price of \$0.30 per Option;
 - (ii) the Options will expire on the date that is 3 years from the date of issue; and
 - (iii) the Options will vest on the earlier of:
 - (A) 12 months after completion of the Placement; or
 - (B) the Company's VWAP trading above \$0.50 for a period of at least one month; and
 - (iv) each Option is exercisable into one fully paid ordinary Share;

- (d) the Options were issued to Canaccord on 30 November 2016;
- (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 of Meeting for the purpose of Resolution 3.

Additional terms and conditions of the Options proposed to be issued are set out at Annexure A.

2.4 Board Recommendation

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

3. Resolution 4 – Approval of Issue of Shares

3.1 General

On 13 January 2017, the Company announced that it had entered into a binding, conditional heads of agreement with MWS and Live Datacast. As set out in the announcement, in part consideration for the:

- (a) services provided by each of MWS and Live Datacast; and
- (b) assignment of, and grant of licences for, the intellectual property rights in the various components comprising The Global Tote technology,

to the Company's subsidiary, The Global Tote Limited, the Company agreed to issue the following Shares, subject to obtaining Shareholder approval at a General Meeting:

- (a) 1,750,000 Shares to be issued to MWS; and
- (b) 1,750,000 Shares to be issued to Live Datacast.

Approval is now sought pursuant to ASX Listing Rule 7.1 for the issue of the Shares which, if approved, will allow the Company to issue that number of securities in the future without affecting the Company's 15% placement capacity.

3.2 ASX Listing Rules 7.1

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.

The effect of Resolution 4 will be to allow the Company to issue the Shares to each of MWS and Live Datacast without using the Company's 15% placement capacity.

3.3 Summary of the issue of Shares under Resolution 4

The following information is provided to Shareholders for the purpose of ASX Listing Rule 7.3:

- (a) the maximum number of Shares for which Shareholder approval is being sought under Resolution 4 is 3,500,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (c) the Shares will be issued by the Company for nil cash consideration and, accordingly, no funds will be raised by the issue of Shares. The Shares will be granted in part consideration for services provided by each of MWS and Live Datacast to the Company;
- (d) the Shares will be issued to MWS and Live Datacast in equal proportions;
- (e) 2,500,000 Shares will be subject to voluntary escrow restrictions for 12 months from the date of issue;
- (f) the Shares will rank equally with the Company's existing Shares; and
- (g) a voting exclusion statement has been included in the Notice of Meeting for the purpose of Resolution 4.

3.4 Board Recommendation

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

4. Resolutions 5 to 7 – Approval of Issue of Options to Directors

4.1 General

ASX Listing Rule 10.11 requires Shareholder approval to be obtained in respect of an issue of equity securities (which includes Options) to a related party of the Company unless an exception applies.

The Company has agreed to issue, subject to obtaining Shareholder approval:

- (a) 1,500,000 Director Options to Matthew Cain, non-executive Director of the Company, (or his nominee) in lieu of part consideration for additional director services to be provided by Mr Cain, as non-executive Director, to the Company (being the subject of Resolution 5);

- (b) 1,500,000 Director Options to Simon Dulhunty, non-executive Director of the Company, (or his nominee) in lieu of part consideration for additional services to be provided by Mr Dulhunty, as non-executive Director, to the Company (being the subject of Resolution 6); and
- (c) 1,500,000 Director Options to Nicholas Chan, non-executive Director and Chairman of the Company, (or his nominee) in lieu of part consideration for additional services to be provided by Mr Chan, as non-executive Director, to the Company (being the subject of Resolution 7).

If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1 pursuant to ASX Listing Rule 7.2, Exception 14.

Under section 208 of the Corporations Act, for a public company to give a financial benefit to a related party (such as a director of the Company), the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in section 217 and 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 and 216 of the Corporations Act.

The proposed grant of Director Options to Matthew Cain, Simon Dulhunty and Nicholas Chan under Resolutions 5, 6 and 7, respectively, each constitutes the provision of a financial benefit to a related party. Section 229 of the Corporations Act includes, as an example of a "financial benefit", the issuing of securities or the granting of an option to a related party.

The Company considers that the proposed issue of the Director Options under Resolutions 5 to 7 constitute reasonable remuneration to each respective non-executive Director and, as such, falls within the exception set out in section 211 of the Corporations Act. In reaching this view, the Company has considered:

- (a) the position and responsibilities of each of Mr Cain, Mr Dulhunty and Mr Chan;
- (b) the Company's reliance on a limited number of executive personnel;
- (c) the increasing time commitment and workload required of the Board to drive and monitor the Company's strategies and objectives given the recent, and expected, expansion of the Company and its subsidiaries;
- (d) the need for the Company to effectively incentivise each of Mr Cain, Mr Dulhunty and Mr Chan while aligning the incentive with increasing shareholder value;
- (e) the desirability of preserving cash resources within the Company; and
- (f) the terms of the Director Options.

The Board believes that Director Options are an effective remuneration tool which preserves the cash reserves of the Company and its group entities whilst providing valuable remuneration.

Accordingly, Shareholders are being asked to approve the issue of the Director Options in accordance with ASX Listing Rule 10.11 only.

4.2 Summary of the issue of Options under Resolution 5

The following information is provided to Shareholders as a requirement under ASX Listing Rule 10.13 for the purpose of ASX Listing Rule 10.11:

- (a) the Director Options will be granted to Matthew Cain, non-executive Director of the Company (or his nominee);
- (b) the maximum number of Director Options for which Shareholder approval is being sought under Resolution 5 is 1,500,000;
- (c) the Director Options will be issued no later than 1 month after the date of the Meeting;
- (d) as the Director Options will be issued as part consideration for additional non-executive Director services to be provided by Mr Cain to the Company and its subsidiaries, the Director Options will be issued for nil consideration. If these Director Options are exercised by Mr Cain, the Company will receive \$450,000;
- (e) the terms of the Director Options are as follows:
 - (i) exercise price of \$0.30 per Director Option;
 - (ii) the Director Options will expire on the date that is 12 months from the date of issue; and
 - (iii) each Director Option is exercisable into one fully paid ordinary Share;
- (g) a voting exclusion statement is included in the Notice of Meeting for the purpose of Resolution 5; and
- (h) no funds will be raised by the issue of the Director Options. Any funds raised from the exercise of the Director Options will be used for working capital.

Additional terms and conditions of the Director Options proposed to be issued are set out at Annexure A.

4.3 Summary of the issue of Options under Resolution 6

The following information is provided to Shareholders as a requirement under ASX Listing Rule 10.13 for the purpose of ASX Listing Rule 10.11:

- (a) the Director Options will be granted to Simon Dulhunty, non-executive Director of the Company (or his nominee);
- (b) the maximum number of Director Options for which Shareholder approval is being sought under Resolution 6 is 1,500,000;
- (c) the Director Options will be issued no later than 1 month after the date of the Meeting;
- (d) as the Director Options will be issued as part consideration for additional non-executive Director services to be provided by Mr Dulhunty to the Company and its subsidiaries, the Director Options will be issued for nil consideration. If these Director Options are exercised by Mr Dulhunty, the Company will receive \$450,000;
- (e) the terms of the Director Options are as follows:
 - (i) exercise price of \$0.30 per Director Option;
 - (ii) the Director Options will expire on the date that is 12 months from the date of issue; and
 - (iii) each Director Option is exercisable into one fully paid ordinary Share;
- (f) a voting exclusion statement is included in the Notice of Meeting for the purpose of Resolution 6; and
- (g) no funds will be raised by the issue of the Director Options. Any funds raised from the exercise of the Director Options will be used for working capital.

Additional terms and conditions of the Director Options proposed to be issued are set out at Annexure A.

4.3 Summary of the issue of Options under Resolution 7

The following information is provided to Shareholders as a requirement under ASX Listing Rule 10.13 for the purpose of ASX Listing Rule 10.11:

- (a) the Director Options will be granted to Nicholas Chan, non-executive Director and Chairman of the Company (or his nominee);
- (b) the maximum number of Director Options for which Shareholder approval is being sought under Resolution 7 is 1,500,000;
- (c) the Director Options will be issued no later than 1 month after the date of the Meeting;
- (d) as the Director Options will be issued as part consideration for additional non-executive Director services to be provided by Mr Chan to the Company and its subsidiaries, the Director Options will be issued for nil consideration. If these Director Options are exercised by Mr Chan, the Company will receive \$450,000;
- (e) the terms of the Director Options are as follows:
 - (i) exercise price of \$0.30 per Director Option;
 - (ii) the Director Options will expire on the date that is 12 months from the date of issue; and
 - (iii) each Director Option is exercisable into one fully paid ordinary Share;
- (f) a voting exclusion statement is included in the Notice of Meeting for the purpose of Resolution 7; and
- (g) no funds will be raised by the issue of the Director Options. Any funds raised from the exercise of the Director Options will be used for working capital.

Additional terms and conditions of the Director Options proposed to be issued are set out at Annexure A.

4.4 Board Recommendation

The Board (other than Matthew Cain) recommends that you vote in favour of Resolution 5. Mr Cain has abstained from making a recommendation to Shareholders in respect of Resolution 5 due to his material personal interest in the outcome of the Resolution.

The Board (other than Simon Dulhunty) recommends that you vote in favour of Resolution 6. Mr Dulhunty has abstained from making a recommendation to Shareholders in respect of Resolution 6 due to his material personal interest in the outcome of the Resolution.

The Board (other than Nicholas Chan) recommends that you vote in favour of Resolution 7. Mr Chan has abstained from making a recommendation to Shareholders in respect of Resolution 7 due to his material personal interest in the outcome of the Resolution.

Glossary

\$ means Australian dollars.

10% Placement Capacity has the meaning ascribed to it in section 1.2 of the Explanatory Memorandum.

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

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.

Canaccord means Canaccord Genuity (Australia) Limited ACN 075 071 466.

Canaccord Options means the Options issued to Canaccord under Resolution 3.

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 Options means the Options proposed to be issued to Directors under Resolutions 5, 6 and 7.

Directors means the current directors of the Company.

Explanatory Memorandum means the explanatory memorandum accompanying the Notice of Meeting.

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

Live Datacast means Live Datacast Pty Limited ACN 125 563 822.

MWS means Modern Wagering Systems Pty Ltd ACN 161 379 460.

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

Options means an option to subscribe for Shares in the capital of the Company.

Placement has the meaning ascribed to in section 1.1 of the Explanatory Memorandum.

Placement Shares has the meaning ascribed to in section 1.1 of the Explanatory Memorandum.

Proxy Form means the proxy form accompanying the Notice.

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

SDMSC means Simon Dulhunty Media Solutions Company Pty Ltd ACN 610 290 643.

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

Shareholder means a holder of a Share.

VWAP means volume weighted average price.

Annexure A – Terms and Conditions of Options

The material terms and conditions of the Options the subject of Resolutions 3, 5, 6 and 7 are as follows:

- (a) For the purposes of these terms and conditions:
- (i) **Exercise Price** means the relevant exercise price of the Canaccord Options or Director Options as applicable;
 - (ii) **Expiry Date** mean the relevant expiry date of the Canaccord Options or Director Options as applicable; and
 - (iii) **Options** means the Canaccord Options and the Director Options.
- (b) In respect of the Canaccord Options:
- (iv) subject to clause (p) of these terms, the exercise price of each Canaccord Option is \$0.30 per Option;
 - (v) subject to the satisfaction of any vesting conditions, the Canaccord Options may be exercised any time up to the date that is 3 years after the date of issue; and
 - (vi) the Canaccord Options will vest on the earlier of:
 - (A) 12 months after completion of the Placement; or
 - (B) the Company's VWAP trading above \$0.50 for a period of at least one month.
- (c) In respect of the Director Options:
- (i) subject to clause (p) of these terms, the exercise price of each Director Option is \$0.30 per Option; and
 - (ii) the Director Options may be exercised any time up to the date that is 12 months from the date of issue.
- (d) Subject to clause (q) of these terms, each Option gives the Option holder 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 Option holder 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 Option holder 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 10 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 20 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 Option holder 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 Option holders 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 Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (p) If, between the date of issue and the date of exercise of an Option, the Company makes one or more rights issues (being a pro rata issue of Shares in the capital of the Company that is not a bonus issue) in accordance with the ASX Listing Rules, the exercise price of Options on issue will be reduced in respect of each rights issue according to the following formula:

$$NE = OE - \frac{E [P - (S + D)]}{(N + 1)}$$

where:

NE is the new exercise price of the Option.

OE is the old exercise price of the Option.

E is the number of underlying Shares into which one Option is exercisable.

P is volume weighted average market price per Share (as defined in the ASX Listing Rules) calculated over the five trading days ending on the day before the ex-rights date or ex-entitlements date.

S is the subscription price for a Share under the pro rata issue.

D is the dividend due but not yet paid on the existing underlying Share (except those to be issued under the pro-rata issue).

N is the number of Shares with rights or entitlements that must be held to receive a right to one new Share.

- (q) If there is a bonus issue to shareholders of the Company, the number of Shares over which the Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
- (r) 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.
- (s) 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.