

Mogul Employee Incentive Scheme Update

Revised incentive program to better attract and retain key executive talent globally

HIGHLIGHTS

- ❖ Mogul to issue Performance Incentives to senior executives: Chief Product and Innovation Officer, Chief Strategy Officer, and Chief Marketing Officer
- ❖ Performance targets aimed towards driving monetisation of Mogul's world-class technology
- ❖ Focus on Recurring Revenue recognising the potential to establish dependable revenue streams with significant scalability
- ❖ First revenues from new platform developments expected this year with launch of the Organiser Hubs and Subscription Model
- ❖ Mogul continuing to attract some of the world's leading esports brands and organisations to the Platform – to be the premier destination for esports

Esports Mogul Limited (ASX: ESH) (**Mogul** or the **Company**), the world's best and most advanced tournament and matchmaking platform provider, is pleased to provide an update on the Company's employee incentive scheme, particularly with respect to developing global gaming industry-competitive remuneration packages.

Mogul Objective

A core strength of Mogul is its highly experienced executive team who have both the expertise within the global esports, gaming, technology, entertainment and digital media industries and the experience in industry leading organisations including Microsoft, Activision, and Blizzard. In order to retain talent of this calibre, Mogul has issued performance based equity incentives to these employees and executives. The performance milestones identified are reflective of Mogul's mid to long term targets, and better align the remuneration of executives to positive outcomes for shareholders and increases in shareholder wealth.

Senior Executive Team

As Mogul moves towards the development of significant revenue streams from the world-class Mogul technology stack, Mogul has made a number of senior executive appointments including:

Chief Product and Innovation Officer, Jamie Skella

Chief Strategy Officer, Mick O'Kane; and

Chief Marketing Officer, Mark Warburton.

Led by Mogul's Managing Director, Gernot Abl, Mogul's senior executive team brings together a diverse range of skills as well as the expertise in deploying their knowledge into technology and digital media companies. The work of the senior executive team has brought Mogul to a stage where we have:



- 🏆 Delivered a new Organiser Hub platform and subscription model which will see commencement of monetisation of the Mogul technology by the end of 2019
- 🏆 Positioned Mogul to be the premier destination for esports fans, competitors, teams, brands, and organisations – offering a complete product to each group across ease of participation, ease of hosting, better fan engagement, and developing a community for games
- 🏆 Packaged a highly attractive offering for esports brands and organisations, centralising their marketing activities, and significantly reducing costs of continued fan engagement
- 🏆 Signed one of the largest esports brands in the world, Alliance, to be the first Organiser Hub with a subscription model aimed at Alliance’s millions of online followers
- 🏆 Commenced negotiations with a number of future partners – establishing both a near-term and long-term pipeline for additional partnership arrangements with revenue pathways

Together, the senior executive team are delivering tangible outcomes for Mogul shareholders, including developing a strong pipeline of future partnerships, product and technology improvements, and new marketing activities which will continue to raise the profile of Mogul in its push to be the premier destination for esports.

Recurring Revenue as a Performance Indicator

A key measure of Mogul’s performance over the coming years will be Mogul’s ability to earn ‘Recurring Revenue’. Recurring Revenue is revenue that is stable, forecastable, and repeated – primarily revenue from subscriptions, ongoing fixed revenue long-term partnerships with esports teams, brands, and organisations and similar revenue streams which have a fixed frequency and quantum.

Mogul’s Recurring Revenue model is highly scalable globally – with the number of esports teams and organisations continuing to increase, and the fans and viewership numbers rivalling if not exceeding even the largest global sports. As Mogul further develops its platform model, attracting new partners on to the Organiser Hubs, and increasing subscriptions to Mogul, the Company’s Recurring Revenue base is expected to increase significantly.

Accordingly, as an indicator of performance, Recurring Revenue over ordinary revenue, or another metric is better aligned towards long term sustainable growth of Mogul. Recurring Revenue is thus also better aligned to sustainable shareholder wealth increases, rather than incentivising executives to take a short-term approach which may not result in sustained growth of Mogul.

Further, Recurring Revenue on a forward basis will be the highest margin form of revenue, hence also being a strong indicator of profitability, rather than once-off or irregular revenue which may have come with significant costs of acquisition.

Commencing with the 2019 Annual Report for the period ended 31 December 2019, Mogul will report Recurring Revenues in its half yearly and annual reports. Mogul expects to additionally seek the confirmation of an independent accountant or the Company’s Auditor as to the accuracy of the calculation of Recurring Revenues and will disclose this in its periodic financial reporting.



Executive Performance Rights

Under the Employee Incentive Plan approved by shareholders on 24 May 2019 in accordance with ASX Listing Rule 7.2 Exception 9 (the **Employee Incentive Plan**), Mogul has issued the following Performance Rights to the senior executive team, other than to Gernot Abl given that he is the Managing Director of the Company:

Class A Performance Rights	Performance Rights converting on Annualised Recurring Revenue being at least A\$2,000,000 in any six-month period commencing 1 January 2020 to 1 January 2022.
Class B Performance Rights	Performance Rights converting on Annualised Recurring Revenue being at least A\$6,000,000 in any six-month period commencing 1 January 2020 to 1 January 2024.

(together, the **A&B Performance Rights**)

The A&B Performance Rights will convert 1:1 into Shares upon the achievement of the Annualised Recurring Revenue milestone within the period specified, being two years for Class A and four years for Class B. Annualised Recurring Revenue will be calculated based on each six-month period within the term of the A&B Performance Rights (being 2x the six-month Recurring Revenue). Given the nature of recurring revenue, the annualisation of Recurring Revenue is not expected to be significantly different from the full year Recurring Revenue.

Other terms of the A&B Performance Rights are consistent with the terms of the Company's Employee Incentive Scheme which was approved by shareholders on 24 May 2019.

Executive Shares and Options

Additionally, under the Employee Incentive Plan, Mogul has issued a total of 23,200,000 Shares to the senior executive team (other than Gernot Abl), and a total of 50,000,000 Unlisted Options which are exercisable at \$0.02 per Option on or before 21 August 2021. The Unlisted Options vest at a rate of 50% per year that recipient has been employed by Mogul.

Accordingly, the vesting schedule of the Unlisted Options will be:

Holder	Vesting Condition
Mick O'Kane	50% on 1 July 2020 50% on 1 July 2021 Exercisable on or before 21 August 2021
Jamie Skella	50% on 18 February 2020 50% on 18 February 2021 Exercisable on or before 21 August 2021



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Mark Warburton	50% on 27 May 2020 50% on 27 May 2021 Exercisable on or before 21 August 2021
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If all the Unlisted Options are exercised by the recipients, the Company will raise \$1,000,000 from the senior executive team.

In the event that the executives leave Mogul prior to the respective vesting dates, the unvested securities will lapse.

Engineering Team Performance Rights & Shares

Mogul has also granted 7,000,000 Shares and 8,500,000 Class C Performance Rights to a number of staff in Mogul's Engineering Team, also under the Employee Incentive Plan. The Class C Performance Rights convert 1:1 into Shares upon the achievement of a number of internal key performance within the next two quarters (September and December):

- Delivery of new Mogul features as directed by the Chief Product and Innovation Officer;
- Limitation of critical and external bugs in new development work;
- Internal stakeholder sentiment based on work output of the Engineering Team; and
- Internal revenue targets.

Whilst Mogul considers disclosures of the full targets to be inappropriate due to their commercial sensitivity at this time, Mogul will advise the ASX at the end of each quarter (in conjunction with its quarterly financial reporting) whether the performance targets were met by the Engineering Team for the Class C Performance Rights, and if so, will disclose the terms upon which that determination is made. The determination and verification of the achievement of these targets will be made by the Board in consultation with the Chief Product and Innovation Officer.

If a member of the Engineering Team leaves the Company prior to the determination of the Class C Performance Rights performance indicators being made, the Class C Performance Rights held by the employee will lapse.

The Class C Performance Right targets have been set by Mogul in order to incentivise both the accelerated achievement of revenue from the Mogul platform by the end of 2019, as well as the delivery of improvements planned for the Mogul platform. The use of the Employee Incentive Scheme both reduces the Company's reliance on cash for remuneration, and further aligns the interests of the Mogul team to the interests and expectations of shareholders.

Issue of Performance Rights to the Managing Director

Mogul notes that due to issues of securities to the Managing Director, Gernot Abl, requiring shareholder approval, the Company has not included the Managing Director in this new Employee Incentive issuance round. However, Mogul intends to seek shareholder approval at the next general meeting of the Company for the issue of 20,000,000 Class A Performance Rights, 20,000,000 Class B Performance Rights, and 10,000,000 Unlisted Options to the Managing Director, noting his significant role in bringing Mogul to the stage of being able to monetise the world-leading Mogul technology stack, and progresses into the next stage of the Company's growth – developing a strong, scalable, secure Recurring Revenue model.



Escrow Provisions

In accordance with ASX Listing Rule 3.10.5, the Company notes that 22,600,000 Shares issued to employees and executives are subject to a three-month escrow provision from the date of their issue. The Company will apply for quotation of the 22,600,000 Shares on their issue, however, will place those Shares in a holding lock on the register to effect the Voluntary Escrow arrangement.

Summary of Securities Issued

The following is a summary of the issues of securities to the senior executive team and to the Engineering Team:

Holder	Securities Issued
Mick O’Kane	5,000,000 Class A Performance Rights 5,000,000 Class B Performance Rights 10,000,000 Shares 20,000,000 Unlisted Options exercisable at \$0.02 expiring 21 August 2021
Jamie Skella	15,400,000 Class A Performance Rights 15,400,000 Class B Performance Rights 6,600,000 Shares 10,000,000 Unlisted Options exercisable at \$0.02 expiring 21 August 2021
Mark Warburton	6,600,000 Class A Performance Rights 6,600,000 Class B Performance Rights 6,600,000 Shares 20,000,000 Unlisted Options exercisable at \$0.02 expiring 21 August 2021
Engineering Team (in aggregate)	8,500,000 Class C Performance Rights 7,000,000 Shares

Mogul Chairman, Adam Jacoby commented:

“The issue of these securities under the Company’s Employee Incentive Plan is to reward and incentivise our senior executive team and Engineering Team towards further acceleration of Mogul’s strategy, recognising their significant efforts to bring Mogul to where we are today, and the continued work to come.

Mogul’s approach to secure Recurring Revenues will deliver a strong diverse revenue base that is highly dependable and highly scalable. In addition to Recurring Revenues, we will continue to explore and develop a number of other revenue opportunities utilising the Mogul Technology, as we look to position Mogul as the premier destination for esports.”



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For further information, please contact:



Gernot Abl
Managing Director
e: gernot.abl@mogul.gg

MMR Corporate Services Pty Ltd
p: +61 2 9251 7177
e: mogul@mrrcorporate.com

Pheobe McCreath
Communications Manager
e: pheobe.mccreath@mogul.gg

About Mogul

Esports Mogul Limited (ASX: ESH) (**Mogul** or the **Company**) is an ASX listed esports media and software business. Mogul owns and operates the mogul.gg tournament platform technology - the **world's best and most advanced tournament and matchmaking platform** with automation for major esports titles, including in platform chat functionality.

Having secured strong game-publisher relationships, Mogul.gg is already **deeply integrated** with the leading global esports titles and is the only platform that allows **completely automated** tournament play and results across multiple games.

Mogul's top-class technology stack enables esports fans to compete and organise tournaments with ease. The platform deeply integrates with game title APIs (application programming interface), offering rich features, providing gamers with the best user experience possible, and organisers with a unique and seamless way of hosting and marketing esports tournaments with features including:

-  Automated gameplay experience
-  Multiple tournament modes
-  Friendly esports communities
-  Lifetime player statistics
-  Achievements, ranks and rewards
-  Match reminder notifications
-  Easy tournament administrative access
-  Automated prize pool payouts

In addition to online PC games such as Dota 2, League of Legends, CS:GO, Starcraft II, and PUBG, Mogul can also provide semi-automated brackets for **any game** including mobile (e.g. Vainglory) and console (e.g. NBA 2K) titles for strategic partners and brands.

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

eSports Mogul Limited

ABN

22 148 878 782

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 | <ul style="list-style-type: none">(a) Ordinary Shares(b) Class A Performance Rights(c) Class B Performance Rights(d) Class C Performance Rights(e) Unquoted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ul style="list-style-type: none">(a) 30,200,000(b) 27,000,000(c) 27,000,000(d) 8,500,000(e) 50,000,000 |

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

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)

(a) Issued under the Company's Employee Incentive Plan approved at the Company's 2019 Annual General Meeting held on 24 May 2019 – Fully Paid Ordinary Shares.

(b) Issued under the Company's Employee Incentive Plan approved at the Company's 2019 Annual General Meeting held on 24 May 2019.

The key terms of the Performance Rights are as follows:

- Each Performance Right entitles its holder to acquire one Share (subject to certain adjustments if there are any reconstructions of the capital of the Company) for nil exercise price upon the satisfaction of the vesting condition referred to below.
- The Performance Rights will vest and become exercisable upon the Company achieving Annualised Recurring Revenue being at least A\$2,000,000 in any six-month period commencing 1 January 2020 to 1 January 2022.
- Annualised Gross Recurring Revenue is defined as the amount of gross revenue forecast to be generated during a 12 month period, measured on the actual gross revenues for each Half Year and Annual reporting period for the six months.
- If the Performance Rights do not vest, they will automatically lapse (unless the board of directors of the Company (Board) waives the vesting condition in its absolute discretion).
- Shares issued on exercise of the Performance Rights will, upon their issue, be credited as fully paid, rank equally for dividends and other entitlements where the record date is on or after the date of issue, and otherwise rank equally with existing issued Shares at the time of their issue. The Company will, as soon as practicable after the Shares are issued, apply for quotation of the Shares on ASX.

(c) Issued under the Company's Employee Incentive Plan approved at the Company's 2019 Annual General Meeting held on 24 May 2019.

+ See chapter 19 for defined terms.

The key terms of the Performance Rights are as follows:

- Each Performance Right entitles its holder to acquire one Share (subject to certain adjustments if there are any reconstructions of the capital of the Company) for nil exercise price upon the satisfaction of the vesting condition referred to below.
- Annualised Recurring Revenue being at least A\$6,000,000 in any six-month period commencing 1 January 2020 to 1 January 2024.
- Annualised Gross Recurring Revenue is defined as the amount of gross revenue forecast to be generated during a 12 month period, measured on the actual gross revenues for each Half Year and Annual reporting period for the six months.
- If the Performance Rights do not vest, they will automatically lapse (unless the board of directors of the Company (Board) waives the vesting condition in its absolute discretion).
- Shares issued on exercise of the Performance Rights will, upon their issue, be credited as fully paid, rank equally for dividends and other entitlements where the record date is on or after the date of issue, and otherwise rank equally with existing issued Shares at the time of their issue. The Company will, as soon as practicable after the Shares are issued, apply for quotation of the Shares on ASX.

(d) Issued under the Company's Employee Incentive Plan approved at the Company's 2019 Annual General Meeting held on 24 May 2019.

The key terms of the Performance Rights are as follows:

- Each Performance Right entitles its holder to acquire one Share (subject to certain adjustments if there are any reconstructions of the capital of the Company) for nil exercise price upon the satisfaction of the vesting conditions referred to below with 50% vesting in the September Quarter and 50% vesting in the December Quarter:

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

- 50% of quarterly KPI from “Delivery on Schedule”;
 - up to 13% of quarterly KPI from “Critical & External Bugs”;
 - up to 12% of quarterly KPI from “Stakeholder Sentiment”; and
 - 25% of quarterly KPI from “Company Wide Revenue”.
- If the Performance Rights do not vest, they will automatically lapse (unless the board of directors of the Company (Board) waives the vesting condition in its absolute discretion).
 - Shares issued on exercise of the Performance Rights will, upon their issue, be credited as fully paid, rank equally for dividends and other entitlements where the record date is on or after the date of issue, and otherwise rank equally with existing issued Shares at the time of their issue. The Company will, as soon as practicable after the Shares are issued, apply for quotation of the Shares on ASX
- (e) Issued under the Company’s Employee Incentive Plan approved at the Company’s 2019 Annual General Meeting held on 24 May 2019.

The key terms of the Unquoted Options are as follows:

- 50% vest after 12 months of employment and are exercisable at \$0.02 per Option on or before the date which is two years from the date of issue; and
- 50% vest after 24 months of employment and are exercisable at \$0.02 per Option on or before the date which is two years from the date of issue.

+ See chapter 19 for defined terms.

<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>(a) - Yes</p> <p>(b), (c) & (d) - No, the Performance Rights will not be quoted or rank equally with any class of quoted securities.</p> <p>However, shares issued on exercise of the Performance Rights will, upon their issue, be credited as fully paid, rank equally for dividends and other entitlements where the record date is on or after the date of issue, and otherwise rank equally with existing issued fully paid ordinary shares then on issue. The Company will, as soon as practicable after the shares are issued on exercise of the Performance Rights, apply for quotation of the Shares on ASX.</p> <p>(e) No, however on exercise of the options into fully paid ordinary shares, the issued shares will rank equally with existing fully paid ordinary shares currently on issue in the Company.</p>
<p>5 Issue price or consideration</p>	<p>(a) Nil cash consideration</p> <p>(b) Nil cash consideration</p> <p>(c) Nil cash consideration</p> <p>(d) Nil cash consideration</p> <p>(e) Nil cash consideration</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>(a) to (e) - Have been issued to (non-director) employees of the Company and operating subsidiary under the Company's Employee Incentive Plan.</p> <p>The Employee Incentive Plan is intended to provide an opportunity for eligible participants to participate in the Company's future growth and provide an incentive to contribute to that growth. The Employee Incentive Plan is further designed to assist in attracting and retaining employees.</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 in relation to the +securities the subject of this Appendix 3B, 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>24 May 2019</p>

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

6c	Number of +securities issued without security holder approval under rule 7.1	Nil
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of +securities issued under an exception in rule 7.2	(a) 30,200,000 (b) 27,000,000 (c) 27,000,000 (d) 8,500,000 (e) 50,000,000
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.	Not applicable
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	Not applicable
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	Rule 7.1 – 243,428,141 Rule 7.1A – 162,285,428
7	+Issue dates 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. Cross reference: item 33 of Appendix 3B.	21 August 2019

+ See chapter 19 for defined terms.

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	1,622,854,275	Fully Paid Ordinary Shares
	346,478,207	\$0.05 options exercisable on or before 30 October 2019

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	175,000,000	\$0.02 unquoted options exercisable on or before 23 July 2021
	27,000,000	Class A Performance Rights
	27,000,000	Class B Performance Rights
	8,500,000	Class C Performance Rights
	50,000,000	\$0.02 unquoted options exercisable on or before 21 August 2021

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable
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Part 2 - Pro rata issue

11 Is security holder approval required?	Not applicable
12 Is the issue renounceable or non-renounceable?	Not applicable
13 Ratio in which the +securities will be offered	Not applicable
14 +Class of +securities to which the offer relates	Not applicable
15 +Record date to determine entitlements	Not applicable
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

17	Policy for deciding entitlements in relation to fractions	Not applicable
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>	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not applicable
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	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable

+ See chapter 19 for defined terms.

30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	+Issue date	Not applicable

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

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

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

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 (<i>including</i> 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:



Company secretary

Date: 22 August 2019

Print name:

George Lazarou

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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	
<i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i>	
<i>Insert</i> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	1,259,254,275
<i>Add</i> the following: <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 13,400,000 30,200,000 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval 320,000,000 • Number of partly paid +ordinary securities that became fully paid in that 12 month period Nil <p><i>Note:</i></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> 	
<i>Subtract</i> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	1,622,854,275

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	243,428,141
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> 	Nil
“C”	Nil
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>	243,428,141
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	Nil
Total [“A” x 0.15] – “C”	243,428,141 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ 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>	1,622,854,275
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	162,285,428
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 Notes: <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> 	Nil
“E”	Nil

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
<p>“A” x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	<p>162,285,428</p>
<p>Subtract “E”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	<p>Nil</p>
<p>Total [“A” x 0.10] – “E”</p>	<p style="text-align: center;">162,285,428</p> <p><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

+ See chapter 19 for defined terms.