

MinterEllison

13 August 2019

ASX Market Announcements
ASX Limited
Level 6
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Correction of substantial holder notice for Penn Interactive Ventures, LLC and its associates

Please find enclosed a revised substantial holder notice for Penn Interactive Ventures, LLC (**PIV**) and its associates, which corrects the percentage shareholding disclosed in the previous Form 603 which PIV filed with respect to its shareholding in PointsBet Holdings Limited on 6 August 2019.

Yours faithfully



MinterEllison



Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme PointsBet Holdings Limited (Company)

ACN/ARSN 604 782 318

1. Details of substantial holder (1)

Name Penn Interactive Ventures, LLC (PIV) and its associates Penn National Gaming, Inc (PNG), Argosy Development, LLC (DE), Hostile Grape Development, LLC, Villaggio Development, LLC, Silver Screen Gaming, LLC, First Jackpot Interactive, LLC, ZIA Park Interactive, LLC, Boomtown Biloxi Interactive, LLC, Ameristar Interactive, LLC, L'auberge Interactive, LLC, Penn ADW, LLC, Rocket Speed, Inc., Absolute Games, LLC, Abradoodle, LLC, Magnum Pinnacle Interactive, LLC, Penn Sports Interactive, LLC, Penn Online Entertainment, LLC, POE 1 (IA), LLC, POE 1 (IN), LLC, POE 2 (IN), LLC, POE 1 (PA), LLC, POE 2 (PA), LLC and POE (WV), LLC (together, the Penn Entities)

ACN/ARSN (if applicable) N/A

The holder became a substantial holder on 02/08/2019

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	6,127,451	6,127,451	5.28%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
The Penn Entities	Shares acquired under the Subscription Agreement entered between, among others, the Company and the Penn Entities dated 1 August 2019 (a copy of which is annexed to this notice)	6,127,451 fully paid ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
The Penn Entities	PIV	PIV	6,127,451 fully paid ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
The Penn Entities	2 August 2019		Non-cash. Fully paid ordinary shares issued in the Company in consideration for the market access granted by PNG under the Online Services Gaming Agreement entered into between PNG and the Company dated 1 August 2019 (details of which were released by the Company to ASX on 1 August 2019)	6,127,451 fully paid ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
PBT	Parent entity of PIV
The Penn Entities (other than PBT)	Wholly-owned subsidiaries of PIV.

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
The Penn Entities	825 Berkshire Blvd., Suite 200, Wyomissing, Pennsylvania, United States

Signature

print name	Carl Sottosanti	capacity	Secretary of Penn Interactive Ventures, LLC
sign here		date	05/08/2019

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Subscription Agreement

PointsBet Holdings Limited

and

PointsBet USA, Inc.

and

Penn Interactive Ventures, LLC

and

Penn National Gaming, Inc.





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SUBSCRIPTION AGREEMENT

This agreement is made on 31 July 2019 between the following parties:

Pointsbet Holdings Limited (ACN 621 179 351) of Level 2, 165 Cremorne Street, Cremorne, 3121, Australia (Company);

Pointsbet USA, Inc. of 185 Hudson Street, Suite 1710, Jersey City, NJ 07311 United States of America (PBT);

Penn Interactive Ventures, LLC of 825 Berkshire Blvd., Suite 200, Wyomissing, Pennsylvania, United States (PIV); and

Penn National Gaming, Inc. of 825 Berkshire Blvd., Suite 200, Wyomissing, Pennsylvania, United States (Penn).

- | | | |
|---------|-----|---|
| Recital | (A) | PBT and Penn have entered into the Online Gaming Services Agreement. |
| | (B) | PIV is a wholly-owned subsidiary of Penn. |
| | (C) | At the direction of PBT, the Company has agreed to issue the Subscription Shares to PIV in full and final satisfaction of PBT's obligation to pay the Cash Consideration to Penn pursuant to the Online Gaming Services Agreement. |
| | (D) | Penn has agreed to apply the Cash Consideration payable by PBT under clause 2.1 of the Online Gaming Services Agreement to be used to satisfy the Share Subscription Amount payable by PIV to acquire the Subscription Shares pursuant to this agreement. |
| | (E) | PIV agrees to subscribe for, and be issued with, the Subscription Shares in full and final satisfaction of PBT's obligation to pay the Cash Consideration to Penn pursuant to the Online Gaming Services Agreement. |
| | (F) | PBT and Penn each agree that PBT's obligation to pay the Cash Consideration to Penn pursuant to the Online Gaming Services Agreement will be satisfied by the issue of the Subscription Shares to PIV by the Company pursuant to this agreement. |
| | (G) | In addition, the Company at the direction of PBT pursuant to and in satisfaction of PBT's obligations under the Online Gaming Services Agreement, has agreed to |

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Pointsbet Holdings Limited (ACN 621 179 351) of Level 2, 165 Cremorne Street, Cremorne, 3121, Australia (Company); Pointsbet USA, Inc. of 185 Hudson Street, Suite 1710, Jersey City, NJ 07311 United States of America (PBT); Penn Interactive Ventures, LLC of 825 Berkshire Blvd., Suite 200, Wyomissing, Pennsylvania, United States (PIV); and Penn National Gaming, Inc. of 825 Berkshire Blvd., Suite 200, Wyomissing, Pennsylvania, United States (Penn).



issue the Subscription Options to PIV and PIV has agreed to subscribe for the Subscription Options pursuant to this agreement.

The parties agree as follows:

1 Definitions and interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise.

Defined term	Meaning
Affiliate	in respect of a person (the primary person) a person who: (a) is Controlled directly or indirectly by the primary person; (b) Controls directly or indirectly the primary person; (c) is Controlled, directly or indirectly, by a person or persons who Control the primary person; or (d) is directly or indirectly under the common Control of the primary person and another person or persons.
ASIC	the Australian Securities and Investments Commission.
Associate	has the meaning given in section 12 of the Corporations Act.
ASX	ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange, as the context requires.
ASX Listing Rules	the official listing rules of ASX, as may be amended or waived from time to time.
Authorisation	any permit, licence, consent, certificate, notification, declaration or other authorisation.
Board	the board of directors of the Company.
Business Day	a day on which banks are open for general banking business in Melbourne, Australia and Pennsylvania, United States except for a Saturday, Sunday or a public holiday in those places.
Cash Consideration	the amount of US\$12,500,000 payable by PBT to Penn pursuant to clause 2.1 of the Online Gaming Services Agreement.
Cleansing Notice	a written notice by the Company to ASX pursuant to section 708A(5) of the Corporations Act meeting the requirements of section 708A(6) of the Corporations Act.

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Defined term	Meaning
Completion	completion of the issue and allotment of the Subscription Securities in accordance with this agreement.
Completion Date	the date of this agreement, being 1 August 2019
Confidential Information	<p>information in any form or medium that is disclosed or otherwise made available to the Recipient or any of its Related Bodies Corporate or Representatives on or after the date of this agreement, by or on behalf of the Discloser or any of its Related Bodies Corporate or Representatives, under or in connection with this agreement, including:</p> <ul style="list-style-type: none">(a) the existence and contents of, or commercial basis for, this agreement;(b) the terms, contents and status of any discussions, negotiations or agreements between the parties or any of their respective Related Bodies Corporate or Representatives in relation to this agreement and the transactions contemplated by it;(c) all analyses, notes, records, forecasts, calculations, conclusions, summaries or other information derived or produced by the Recipient or any of its Related Bodies Corporate or Representatives partly or wholly from any of the Confidential Information;(d) information which is marked or indicated as being the proprietary or confidential information of the Discloser or its Related Bodies Corporate; and(e) trade secrets or information which is capable of protection at law or in equity as confidential information,(f) but does not include Excluded Information.
Constitution	the constitution of the Company.
Control	has the meaning given to that term in section 50AA of the Corporations Act.
Control Transaction	<ul style="list-style-type: none">(a) a takeover offer under Chapter 6 of the Corporations Act for 50% or more of all Shares made by Penn or an Affiliate of Penn; or(b) a scheme of arrangement under Part 5.1 of the Corporations Act with the Company's shareholders whereby a Penn or an Affiliate of Penn would acquire 50% or more of all Shares.
Controller Interest	the securities, economic interests or other interests in PIV or the Subscription Securities in which Penn has a direct or indirect interest and each intermediate entity through which that interest occurs.

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Defined term	Meaning
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Deal	to directly or indirectly: (a) sell, assign, transfer or otherwise Dispose of, or agree or offer to sell, assign, transfer or otherwise Dispose of, any Subscription Security or Controller Interest or any legal, beneficial or economic interest in any Subscription Security or Controller Interest; (b) create, or agree or offer to create, any security interest in that Subscription Security or Controller Interest or any legal, beneficial or economic interest in that Subscription Security or Controller Interest; (c) enter into any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise Dispose of any Subscription Security or Controller Interest; (d) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of any Subscription Security or Controller Interest, or any legal, beneficial or economic interest in a Subscription Security or Controller Interest; or (e) agree to do any of these things, and Deal and Dealt each have a corresponding meaning.
Discloser	the party disclosing or otherwise making available Confidential Information to the Recipient.
Dispose	has the meaning given in the ASX Listing Rules.
Disclosure Document	has the meaning given in the Corporations Act.
Encumbrance	a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect, including any "security interest" as defined in section 12(1) and (2) of the <i>Personal Property Securities Act 2009</i> (Cth), and includes any agreement to create any of them or allow them to exist.
Excluded Information	information: (a) which is in, or comes into, the public domain other than by a breach of this agreement; (b) which the Recipient can prove by contemporaneous written evidence was already known to it at the time it was first received from the Discloser provided such knowledge did not arise from disclosure of information in breach of a confidentiality obligation;

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Defined term	Meaning
	<p>(c) which was made known to it by a source other than the Discloser or any Related Body Corporate or Representative of the Discloser, provided the source has not acted in breach of a confidentiality obligation owed to the Discloser or its Related Bodies Corporate; or</p> <p>(d) which is independently developed by the Recipient without using Confidential Information of the Discloser.</p>
Government Agency	a government or a governmental, quasi-governmental, judicial or administrative body or entity, authority, department, court, tribunal, commission, agency or official, wherever situated, and includes a securities exchange or self-regulatory organisation established under statute.
Holding Lock	has the meaning in Section 2 of the operating rules of ASX Settlement Pty Ltd (ABN 49 008 504 532).
Insolvency Event	<p>in relation to a person:</p> <p>(a) the person resolves that it be wound up or a court makes an order for the winding up or dissolution of the person;</p> <p>(b) the person is in liquidation, in provisional liquidation, under administration or wound up or a liquidator, provisional liquidator, administrator, controller, receiver, receiver and manager or other insolvency official is appointed to the person or in relation to the whole, or a substantial part, of its assets;</p> <p>(c) the person enters into any arrangement, assignment, moratorium, reorganisation or composition involving one or more of its creditors;</p> <p>(d) the person executes a deed of company arrangement;</p> <p>(e) the person ceases or suspends, or threatens to cease or suspend, the payment of all or a class of its debts or the conduct or all of a substantial part of its business;</p> <p>(f) the person is, or admits in writing that it is, insolvent or unable to pay its debts when they fall due or is presumed to be insolvent under any applicable law;</p> <p>(g) an application or order is made (and in the case of an application, it is not stayed, withdrawn or dismissed within 14 days), a resolution is passed or any other action is taken, in each case in connection with that person, in respect of any of the things described in paragraph (a), (b), (c), (d), (e) or (f);</p> <p>(h) the person is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;</p> <p>(i) the person is deregistered as a company or otherwise</p>



Defined term	Meaning
	dissolved; or (j) anything analogous to or of a similar effect to any of the events described in paragraphs (a) to (i) above happens in connection with the person under the law of any relevant jurisdiction.
Issuer Sponsored Subregister	the part of the Company's register that is administered by the Company and records uncertificated holdings of Shares and options.
Lock Up Period	the period of 12 months from the Completion Date.
Online Gaming Services Agreement	the agreement titled "Online Gaming Services Framework Agreement" between Penn and PBT having the same date as this agreement.
Loss	includes any losses, liabilities, damages, costs, charges or expenses (including lawyers' fees and expenses on a full indemnity basis), fines and penalties, however arising.
Options	the unlisted options issued by the Company to PIV pursuant to this agreement having the terms of issue as set out in the Option Terms of Issue.
Option Terms of Issue	the terms of issue of the Options, as set out in Schedule 1.
Recipient	a party who receives Confidential Information.
Related Body Corporate	has the meaning given in section 50 of the Corporations Act.
Relevant Interest	has the meaning given in Chapter 6 of the Corporations Act.
Representative	in relation to a party: (a) a director, officer, employee, consultant, agent, auditor, adviser (including, without limitation, attorneys, accountants, bankers and financial advisers), insurer, partner, associate, joint venturer, sub-contractor or financier of that party or any of that party's Related Bodies Corporate; or (b) such other person as may be designated by a party as its Representative with the consent in writing of the other party.
Restricted Person	(a) a person who controls or is a material service provider to an online sports betting, wagering, casino or similar gaming operation (wherever located); (b) a Related Body Corporate or Affiliate of a person referred to in (a); and (c) any person acting as nominee, custodian, bare trustee or

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Defined term	Meaning
	similar for or for the account or benefit of a person referred to in (a) or (b) in relation to any securities.
securities	has the meaning given in section 92(3) of the Corporations Act.
Shares	fully paid ordinary shares in the capital of the Company.
Share Subscription Amount	the Share Subscription Price multiplied by the total number of Subscription Shares, being A\$[insert].
Share Subscription Price	for each Subscription Share, an amount of A\$[insert] (being the 5 day volume weighted average price (VWAP) of the Company's shares trading on the ASX prior to the date of the Online Gaming Services Agreement
Subscription Options	the 10,372,549 Options issued to PIV pursuant to this agreement.
Subscription Securities	the Subscription Shares and the Subscription Options.
Subscription Shares	the 6,127,451 Shares subscribed for by PIV at the Share Subscription Price pursuant to this agreement.
Third Party	a person other than Penn or an Affiliate of Penn.
Third Party Control Transaction	<p>(a) a takeover offer under Chapter 6 of the Corporations Act for 50% or more of all Shares made by a Third Party;</p> <p>(b) a scheme of arrangement under Part 5.1 of the Corporations Act with the Company's shareholders whereby a Third Party would acquire 50% or more of all Shares; or</p> <p>(c) any other transaction made, announced or proposed by a Third Party which would have the result on implementation of providing the Third Party with:</p> <ul style="list-style-type: none">(i) a holding that is 20% or more of all Shares; or(ii) the capacity to influence the outcome of decisions about the Company's financial and operating policies (having regard to the practical influence the Third Party can exert, rather than the rights it can enforce), including as a result of an appointment to the Board of one or more directors nominated by the Third Party (or its Associates).
Trading Day	has the meaning given in the ASX Listing Rules.
Voting Power	has the meaning given in section 9 of the Corporations Act.
Warranties	means the warranties, undertakings and representations provided by the Company set out in clause 7.1.



1.2 Interpretation

In this agreement, the following rules of interpretation apply unless the context requires otherwise:

- (a) headings are for convenience only and do not affect interpretation;
- (b) the singular includes the plural and vice versa;
- (c) a gender includes other genders;
- (d) another grammatical form of a defined word or expression has a corresponding meaning;
- (e) a reference to a person includes a natural person, a body corporate, a corporation, a trust, a partnership, an unincorporated association or any other entity;
- (f) a reference to a person includes a reference to the person's successors, administrators, executors, and permitted assigns and substitutes;
- (g) a reference to legislation includes regulations and other instruments issued under it and consolidations, amendments, modifications, re-enactments or replacements of any of them;
- (h) a reference to a clause, schedule or annexure is to a clause of, or schedule or annexure to, this agreement;
- (i) a reference to a document includes any amendment, variation, replacement or novation of it;
- (j) the meaning of general words is not limited by using the words "including", "for example" or similar expressions;
- (k) a reference to dollars, AUD, \$ or A\$ is a reference to the lawful currency of Australia;
- (l) a reference to USD or US\$ is a reference to the lawful currency of the United States;
- (m) a reference to time is a reference to time in Melbourne, Australia;
- (n) nothing in this agreement is to be construed to the disadvantage of a party because that party prepared it or any part of it;
- (o) a reference to a day (including a Business Day) means a period of time commencing at midnight and ending 24 hours later; and
- (p) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day.

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2 Termination

2.1 Termination of agreement

This agreement will be automatically terminated at any time prior to Completion without any action by any party, if the Online Gaming Services Agreement is terminated for any reason or without reason (in each case, in accordance with the terms of the Online Gaming Services Agreement).

2.2 Effect of termination

If this agreement is terminated under clause 2.1, then all rights and obligations under this agreement terminate on the date of termination other than:

- (a) under this clause 2.2 and clauses 1 ('Definitions and interpretation'), 9 ('Confidentiality and announcements'), 10 ('Notices') and 11 ('General') (other than clause 11.4); and
- (b) rights that accrue before that date.

3 Subscription and issue

3.1 Subscription Shares

- (a) At the direction of PBT, the Company agrees to issue and allot, and PIV agrees to subscribe for, the Subscription Shares on the terms of this agreement.
- (b) Execution of this agreement by PIV constitutes an irrevocable:
 - (i) application for the Subscription Shares;
 - (ii) consent to being named in the register of members of the Company in respect of the Subscription Shares; and
 - (iii) consent to being bound by the Constitution.
- (c) In satisfaction of PIV's obligation to pay the Company the Share Subscription Amount, the parties agree that the Share Subscription Amount will be satisfied by way of a set off against the Cash Consideration owed by PBT to Penn pursuant to the Online Gaming Services Agreement.
- (d) PBT agrees that its obligation to pay the Cash Consideration to Penn pursuant to the Online Gaming Services agreement will be satisfied by the issue of the Subscription Shares by the Company to PIV on behalf of Penn on the terms of this agreement.
- (e) The parties agree that the issue of the Subscription Shares to PIV will represent a full and final discharge of PBT's obligation to pay the Cash Consideration, calculated by:
 - (i) converting the Share Subscription Price of A\$2.97 into per Subscription Share into United States dollars at an agreed

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exchange rate of 0.69 to calculate an indicative Share Subscription Price denominated in United States dollars of US\$2.04 per Subscription Share; and

- (ii) multiplying the indicative United States dollar Share Subscription Price denominated in United States dollars as calculated pursuant to clause 3.1(e)(i) by the total number of 6,127,451 Subscription Shares for a total of US\$12,500,000.
- (f) The Company will not issue or cause to be lodged with ASIC or ASX a Disclosure Document in connection with the issue of the Subscription Shares.
- (g) Penn acknowledges and agrees that the Subscription Shares will be subject to on-sale restrictions pursuant to section 707 of the Corporations Act.

3.2 Subscription Options

- (a) The Company at the direction of PBT pursuant to and in satisfaction of PBT's obligations under clause 2.2 of the Online Gaming Services Agreement, agrees to issue and allot, and PIV agrees to subscribe for, the Subscription Options on the terms of this agreement.
- (b) Execution of this agreement by PIV constitutes an irrevocable:
 - (i) application for the Subscription Options; and
 - (ii) consent to being named in the register of members of the Company and to be bound by the Constitution in respect of the Shares received on exercise of the Subscription Options.

4 Completion

4.1 Time and place of Completion

Completion will take place at Clarendon Lawyers, Level 29, 55 Collins Street, Melbourne, VIC, 3000 on the Completion Date and may occur remotely by way of electronic exchange of documents or at any other time and place agreed in writing by the Company, PIV and Penn.

4.2 Penn's obligations at Completion

At Completion, Penn will pay the Share Subscription Amount to the Company by directing that the Cash Consideration owed by PBT under the Online Gaming Services Agreement be used to satisfy the Share Subscription Amount payable by PIV to acquire the Subscription Shares pursuant to this agreement.

4.3 Company's obligations at Completion

At Completion, the Company will:

- (a) deliver to its share registry, Computershare Investor Services Pty Limited, an irrevocable direction to cause the Subscription Securities to be issued and allotted to PIV and provide PIV with a copy of that direction; and



- (b) execute and lodge with ASX in accordance with all applicable laws an Appendix 3B in respect of the Subscription Securities.

4.4 Company's obligations after Completion

- (a) As soon as practicable after Completion, and in any event within 1 Business Day after Completion, the Company must:
 - (i) issue the Subscription Securities to PIV;
 - (ii) procure and ensure that PIV is registered as the holder of the Subscription Securities in the Company's register of members and register of optionholders (as applicable); and
 - (iii) deliver (or procure the delivery of) holding statements for the Subscription Shares and Subscription Options.
- (b) Immediately following the issue of Shares on exercise of the Subscription Options, the Company agrees to issue a Cleansing Notice in relation to such Shares and release the same to the ASX Company Announcements Platform, provided that if the Company is unable to comply with the requirements of section 708A(5) of the Corporations Act for any reason in respect of any such Shares that are issued on exercise of the Subscription Options, the Company must, at its own expense, do everything necessary to ensure that the Shares issued on exercise of the Subscription Options are able to be freely traded on ASX in compliance with the requirements of the ASX Listing Rules and the Corporations Act, including the obtaining of an exemption from ASIC or the lodging of a Disclosure Document with ASIC in accordance with Chapter 6D of the Corporations Act.

4.5 Simultaneous actions at Completion

In respect of Completion:

- (a) the obligations of the parties under this agreement are interdependent; and
- (b) all actions required to be performed will be taken to have occurred simultaneously on the Completion Date.

5 Voluntary lock up

5.1 Lock up

The parties acknowledge and agree that:

- (a) the Subscription Securities will be registered and held for PIV on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock to the Subscription Securities for the Lock Up Period (and any Shares issued on exercise and conversion of the Subscription Shares during the Lock Up Period) immediately on registration of the Subscription Securities (or, if applicable, Shares) on the Issuer



Sponsored Subregister and PIV hereby agrees to the application of the Holding Lock;

- (c) subject to clause 5.2(a):
 - (i) PIV must not Deal in the Subscription Securities (and any Shares issued on exercise and conversion of the Subscription Shares) during the Lock Up Period; and
 - (ii) Penn must not Deal in the Controller Interests during the Lock Up Period;
- (d) the Company will do all things necessary to ensure that the Holding Lock is released:
 - (i) to the extent necessary to permit disposals of Subscription Securities as permitted by clause 5.2; and
 - (ii) in full at the conclusion of the Lock Up Period,including notifying ASX that the Subscription Securities will be released from the Holding Lock, in accordance with the timing requirements set out in ASX Listing Rule 3.10A.

5.2 Release of lock up

- (a) During the Lock Up Period, PIV or Penn may Deal in any of its Subscription Securities (and any Shares issued on exercise and conversion of the Subscription Options) or Controller Interests (as relevant) if the Dealing arises solely as a result of:
 - (i) the acceptance of a bona fide third party takeover bid (including a proportional takeover bid) made under chapter 6 of the Corporations Act in respect of the Subscription Securities, provided that the holders of at least half of the Shares that are not subject to any mandatory or voluntary escrow restrictions, and to which the offers under the bid relate, have accepted the bid;
 - (ii) the transfer or cancellation of the Subscription Securities in the Company as part of a scheme of arrangement under Part 5.1 of the Corporations Act;
 - (iii) any Dealing is in connection with an:
 - (A) equal access share buyback;
 - (B) equal capital return; or
 - (C) equal capital reduction,in each case, made in accordance with the Corporations Act;
 - (iv) a requirement of applicable law (including an order of a court of competent jurisdiction);



- (v) the granting or enforcement of Encumbrances granted to any third party under any financing facilities which Penn or its Affiliates have in place with third parties from time to time; or
 - (vi) any Dealing to a Related Body Corporate of PIV, provided that simultaneous with such transfer, all of PIV's rights and obligations under this agreement are novated to the transferee on terms acceptable to the Company.
- (b) If either of the events described in clauses 5.2(a)(i) or 5.2(a)(ii) occur, and if for any reason any or all Subscription Securities are not transferred or cancelled in accordance with such a takeover bid or scheme of arrangement for any reason, then PIV and Penn each agree that the restrictions applying to the Subscription Securities and Controller Interests under this deed will continue to apply and without limiting the foregoing, the Holding Lock will be reapplied to all Subscription Securities not so transferred or cancelled.

6 Standstill and other arrangements

6.1 Standstill

For a period of 12 months following the Completion Date, PIV and Penn must not, and Penn must procure that its Related Bodies Corporate do not, directly or indirectly, without the written consent of the Company:

- (a) purchase, agree or offer to purchase securities (or direct or indirect rights, warrants or options to acquire any securities) of the Company;
- (b) purchase, agree or offer to purchase or otherwise acquire a Relevant Interest in any securities (or direct or indirect rights, warrants or options to acquire any securities) of the Company;
- (c) enter into any agreement or arrangement with any person involving the conferring of rights, the economic effect of which is equivalent or substantially equivalent to the acquisition, holding or disposal of securities in the Company (including cash-settled derivative contracts, contracts for differences or other derivative contracts);
- (d) solicit or enter into any discussions or negotiations with, or enter into any agreement or arrangement with or become an Associate of any third party:
 - (i) with respect to ownership or control of, or an economic interest in, securities of the Company or all or part of the business, operations, affairs or assets of the Company or any of its Affiliates; or
 - (ii) under which either of them agree (whether or not subject to conditions or exceptions) not to acquire or offer to acquire securities in the Company;
- (e) solicit any proxy or voting agreement from any shareholder of the Company or otherwise seek to influence or control the management or policies of the Company; or

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- (f) co-operate with, assist, or enter into any agreement or arrangement of any kind with any other person, or publicly announce that it will do anything, relating to (or in any way connected with) any action referred to in clauses 6.1(a), 6.1(b) or 6.1(c).

6.2 Exceptions to standstill

The standstill in clause 6.1 does not apply to:

- (a) the subscription and issue of Subscription Securities pursuant to this agreement;
- (b) any purchase of, or subscription for, securities in the Company by PIV or a Related Body Corporate which does not result in PIV, together with its Associates, having a relevant interest in 20% or more of the Company's Shares;
- (c) any Encumbrance which is granted in favour of a third party in respect of the Subscription Securities under any third party financing arrangements which Penn or its Affiliates have in place from time to time;
- (d) the exercise and conversion of the Subscription Options;
- (e) any issuance of securities expressly contemplated by the Online Gaming Services Agreement;
- (f) participation by PIV in a pro rata entitlement offer or bonus issue;
- (g) PIV's acceptance into a Third Party Control Transaction (to the extent recommended by the Board and that recommendation having not been withdrawn or adversely changed); or
- (h) a purchase, agreement, offer, acquisition or arrangement approved in writing by the Board.

6.3 Third Party Control Transactions

For a period of 5 years following the Completion Date, Penn and PIV agree, and Penn must procure that its Related Bodies Corporate agree:

- (a) that it will not launch a Control Transaction in relation to the Company unless it has first been approved by the Board;
- (b) that it will not accept or otherwise support a Third Party Control Transaction in relation to the Company unless it has first been recommended by the Board, and that recommendation has not been withdrawn or adversely changed; and
- (c) in the absence of Penn announcing a superior proposal recommended by the Board, to accept a Third Party Control Transaction that has been recommended by the Board and that recommendation has not been withdrawn or adversely changed.



6.4 Disposal Restrictions

In addition to the restrictions in clause 5, and subject to clause 6.5, each of Penn and PIV agrees that it will not, and will ensure that none of its Affiliates will:

- (a) for a period of 24 months following the Completion Date (“Restriction Period”), Dispose of or agree to Dispose of any Shares in which it has a Relevant Interest; and
- (b) after the Restriction Period, Dispose of or agree to Dispose of any Subscription Shares or any Shares issued on exercise of the Subscription Options to:
 - (i) a Restricted Person;
 - (ii) any other person if, as far as it is reasonable for Penn to be aware (after having undertaken such enquiries as are appropriate in the circumstances), the Disposal would result in a Restricted Person obtaining a Relevant Interest in such Subscription Securities or any other interest which would have the economic effect of being substantially equivalent to acquiring or holding any such Subscription Securities (including any cash-settled equity swap or contract for difference or other derivatives); or
 - (iii) any other person if, as far as it is reasonable for Penn to be aware (after having undertaken such enquiries as are appropriate in the circumstances), the person acquires the Subscription Securities for the purposes of Disposing of them to a person referred to in clauses 6.4(b)(i) or 6.4(b)(ii),

except where the relevant Disposal occurs as a result of the acquisition of Penn by a Third Party.

6.5 Exceptions to Disposal Restrictions

The prohibitions in clause 6.4 do not apply:

- (a) if Penn, PIV or an Affiliate Disposes of all Shares in which it has a Relevant Interest in accordance with the participation rights and obligations under clause 6.3; or
- (b) if the Disposal occurs with the prior written consent of the Board, in its absolute discretion.

7 Warranties

7.1 Company’s Warranties

The Company represents and warrants to Penn and PIV that each of the following statements is correct and not misleading on the Completion Date:

- (a) (incorporation) it is validly incorporated, organised and subsisting in accordance with all applicable laws;



- (b) (power) it has the power to own its assets and to carry on its business as it is being conducted immediately prior to entry into this agreement and the power to enter into and perform this agreement and has obtained all necessary Authorisations to enable it to do so;
- (c) (constituent documents) its business and affairs have at all times been and continue to be conducted in accordance with the Constitution, the Corporations Act and the ASX Listing Rules in all material respects;
- (d) (binding obligations) this agreement constitutes valid and binding obligations upon it enforceable in accordance with its terms by appropriate legal remedy;
- (e) (no material breach) this agreement and Completion do not conflict with or result in a breach of any obligation (including any statutory, contractual or fiduciary obligation) or constitute or result in any default under any provision of the Constitution or any provision of any writ, order, injunction, judgment, law, rule or regulation or any material agreement or deed to which it is a party or is subject or by which it is bound;
- (f) (solvency) no Insolvency Event has occurred with respect to it;
- (g) (good standing) the Subscription Securities will, upon issue, be fully paid (other than, in respect of the Subscription Options, the payment of the exercise price payable by PIV to exercise the Subscription Options);
- (h) (ranking) the Subscription Shares will rank equally in all respects with existing issued fully paid ordinary shares in the Company, including the payment of any distributions following allotment;
- (i) (no Encumbrances) the Subscription Securities will be free from all Encumbrances;
- (j) (Subscription Options) the Subscription Options will be issued in accordance with the Option Terms of Issue;
- (k) (no restriction) there is no restriction on, or approval required for, the issue of the Subscription Securities to PIV;
- (l) (on-sale) it is not issuing the Subscription Securities or the Shares issued on exercise of the Subscription Options for the purpose of PIV selling or transferring them or granting, issuing or transferring interests in, or options over, the Subscription Securities;
- (m) (compliance):
- (i) the terms of the Subscription Options are appropriate and equitable for the purposes of ASX Listing Rule 6.1;
 - (ii) save as disclosed to Penn, PIV or on the Company Announcements Platform of the ASX, the Company has complied with its obligations under the ASX Listing Rules and the Corporations Act;



- (iii) the Company has procedures in place which constitute the taking of reasonable steps in order to ensure continued compliance with the requirements of all applicable laws including the ASX Listing Rules and the Corporations Act; and
- (iv) the Company is not in breach of any provision of the Corporations Act, the ASX Listing Rules or any other relevant law or regulation;
- (n) **(consents)** it has obtained all consents, authorisations and approvals necessary to enable it to issue the Subscription Securities to PIV and to comply with the obligations imposed on it under this agreement; and
- (o) **(no breach by issue of Subscription Securities)** the offer, issue and, in the case of the Subscription Shares their official quotation on ASX, complies with the Corporations Act, the ASX Listing Rules and the Constitution.

7.2 Separate Warranties

Each Warranty is to be treated as a separate representation and warranty. The interpretation of any statement made may not be restricted by reference to or inference from any other statement.

7.3 Reliance on Warranties

The Company acknowledges that Penn and PIV have entered this agreement and that PIV has agreed to subscribe for the Subscription Securities in reliance on the Warranties provided by the Company in clause 7.1.

7.4 Time limit on claims

Either Penn or PIV may not make any claim for breach of Warranty unless full details of the claim have been notified to the Company within 18 months from the Completion Date. A claim is not enforceable against the Company and is taken to have been withdrawn unless any legal proceedings in connection with the claim are commenced within 9 months after written notice of the claim is served on the Company.

7.5 Notification to Penn and PIV

The Company must notify Penn and PIV as soon as the Company becomes aware that any Warranty is untrue, inaccurate or misleading.

7.6 Liability cap

The total aggregate liability of the Company to Penn and PIV for any Loss actually incurred by Penn and/or PIV as a result of the Company's breach of this agreement shall not exceed the Share Subscription Amount.

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8 Penn and PIV Warranties

8.1 Penn and PIV Warranties

Each of Penn and PIV severally represent and warrant to the Company (and in the case of clause 8.1(g), the Company and PBT jointly and severally) that each of the following statements is correct and not misleading on the Completion Date:

- (a) **(incorporation)** it is validly incorporated, organised and subsisting in accordance with all applicable laws;
- (b) **(power)** it has the power to enter into and perform this agreement and has obtained or will obtain prior to Completion all necessary Authorisations to enable it to do so;
- (c) **(binding obligation)** this agreement constitutes valid and binding obligations upon it enforceable in accordance with its terms by appropriate legal remedy;
- (d) **(consents)** in respect of PIV only, it has obtained all consents necessary to enable it to subscribe for the Subscription Securities;
- (e) **(shareholder approval)** it is not required to obtain under applicable law the approval of its shareholders (Penn) and members (PIV) in relation to the performance of any of its obligations under this agreement;
- (f) **(release)** the issue of the Subscription Securities by the Company to PIV represents a full and final discharge and release of PBT's obligation to pay the Cash Consideration to Penn pursuant to the Online Gaming Services Agreement;
- (g) **(no Disclosure Document or registration)** it acknowledges that the Company will not issue or lodge any Disclosure Document in connection with the issue and on-sale of the Subscription Securities and Shares issued on exercise of the Subscription Options (other than as expressly provided in clause 4.4(b)) and represents and warrants that it is a person to whom the Subscription Securities can be offered and issued without the need for a prospectus or other disclosure document, registration, lodgement or other formality under the applicable securities laws of Australia or any other jurisdiction, including United States;
- (h) **(information)** at no time has:
 - (i) the Company or any of its Representatives made; or
 - (ii) Penn or PIV (as the case may be) relied on,any representation, warranty, promise or undertaking in connection with the offer and issue of the Subscription Securities and the financial or operational performance and prospects of the Company, except those set out in this agreement and those provided by PBT in the Online Gaming Services Agreement;
- (i) **(no breach)** this agreement and Completion do not conflict with or result in a breach of any obligation (including any statutory, contractual or fiduciary

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obligation) or constitute or result in any default under any provision of its constitution or except as disclosed in writing, any material provision of any agreement, deed, writ, order, injunction, judgment, law, rule or regulation to which it is a party or is subject or by which it is bound; and

- (j) (solvency) no Insolvency Event has occurred with respect to it.

8.2 Separate Warranties

Each warranty provided by Penn and PIV under clause 8.1 is to be treated as a separate representation and warranty. The interpretation of any statement made may not be restricted by reference to or inference from any other statement.

8.3 Reliance on Warranties

Each of Penn and PIV acknowledge that the Company has entered this agreement and has agreed to issue the Subscription Shares to PIV in reliance on the warranties provided by Penn and PIV in clause 8.1.

8.4 Notification to the Company

Each of Penn and PIV must notify the Company as soon as Penn or PIV (as applicable) becomes aware that any warranty in clause 8.1 is untrue, inaccurate or misleading.

9 Confidentiality and announcements

9.1 Confidentiality

Subject to clause 9.3, a party must not use or disclose, or permit any person to use or disclose, any Confidential Information for a purpose other than as contemplated or permitted under this agreement or under the Online Gaming Services Agreement.

9.2 Announcements

A party must not make any press release or other public announcement relating to this agreement (including the fact that the parties have entered this agreement) unless:

- (a) each other party has consented to the announcement, including the form and content of that disclosure (such consent not to be unreasonably withheld or delayed);
- (b) the announcement is made without using any Confidential Information; or
- (c) the announcement would be permitted under clause 9.3(b).

9.3 Disclosure exceptions

Except as otherwise permitted in the Online Gaming Services Agreement, a Recipient may disclose any Confidential Information:

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- (a) on a confidential basis to any of the directors, officers or employees of the Recipient or its Related Bodies Corporate who have a legitimate need to know the Confidential Information;
- (b) which is required to be disclosed by law or by any notice, order or regulation of any Government Agency (including any rules of a securities exchange) that is binding on the Recipient or a Related Body Corporate of the Recipient (whether or not that requirement arises as a result of actions by a party);
- (c) to prosecute or defend any legal proceedings, or to otherwise enforce or protect the Recipient's lawful rights and interests, arising out of or in connection with this agreement;
- (d) to any of the professional advisers, insurers, auditors or financiers of the Recipient or its Related Bodies Corporate in circumstances where the relevant person is under a corresponding obligation to keep the information confidential and has a legitimate need to know the Confidential Information; or
- (e) with the prior written consent of the other party to this agreement.

9.4 Disclosure required by law

Except as otherwise permitted in the Online Gaming Services Agreement, where a Recipient is required to make a disclosure under clause 9.3(b), it must:

- (a) to the extent reasonably practicable and permitted by law, give notice to and use reasonable endeavours to consult with the Discloser before making the disclosure and may discuss the form and content of the disclosure, provided such consultation and discussion is not prohibited by law or by any Government Agency; and
- (b) ensure that only so much of the Confidential Information that is legally required to be disclosed is disclosed.

9.5 Survival

This clause 9 survives the termination of this agreement.

10 Notices

10.1 How to give a Notice

Any notice, demand, consent, waiver, approval or other communication (a Notice) given or made under or in connection with this agreement:

- (a) must be in legible writing and in English;
- (b) must be signed by the sender or a person duly authorised by the sender; and
- (c) must be delivered to the intended recipient by hand, email, registered or certified air mail (postage prepaid and return receipt requested) or internationally recognised overnight courier to the address or email address

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below or the address or email address last notified in writing by the intended recipient to the sender:

Company	Address:	Level 2, 165 Cremorne Street, Cremorne, 3121, Australia
	Email:	andrew.hensher@pointsbet.com Copy to: andrew.mellor@pointsbet.com
	Attention:	Andrew Hensher Copy to: Andrew Mellor
PBT	Address:	185 Hudson Street, Suite 1710, Jersey City, NJ 07311 USA
	Email:	jill.kelley@pointsbet.com Copy to: <u>andrew.hensher@pointsbet.com</u> andrew.mellor@pointsbet.com
	Attention:	Jill Kelley Copy to: Andrew Hensher Andrew Mellor
Penn and PIV	Address:	825 Berkshire Blvd., Suite 200, Wyomissing, Pennsylvania, United States
	Email:	carl.sottosanti@pngaming.com
	Attention:	Carl Sottosanti, General Counsel

10.2 When effective

A Notice will be effective upon receipt and will be taken to be received:

- (a) in the case of delivery by hand, when delivered;
- (b) in the case of delivery by mail or internationally recognised overnight courier, on the date that mail or package is delivered or its delivery is attempted; and
- (c) in the case of email, the earlier of:
 - (i) at the time the sender receives an automated message confirming delivery;
 - (ii) at the time the intended recipient confirms delivery by reply email; and
 - (iii) one hour after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated delivery failure notification indicating that the email has not been delivered,

but if the result is that a Notice is received or taken to be received outside the period between 9.00am and 5.00pm on a Business Day in the place of the addressee's

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postal address for Notices, then the Notice will be taken to be received at 9.00am on the following Business Day in that place.

11 General

11.1 Amendment

This agreement can only be amended or replaced by another agreement signed by or on behalf of each of the parties.

11.2 Assignment

A party may not assign, encumber, declare a trust over or otherwise deal with its rights or obligations under this agreement, or attempt or purport to do so, without the prior written consent of each other party.

11.3 Costs

Each party must bear its own costs arising out of the negotiation, preparation, execution and performance of this agreement.

11.4 Further assurances

Each party must do all things necessary, including executing agreements and documents, to give full effect to this agreement and the transactions contemplated by it.

11.5 Waivers, rights and remedies

- (a) No failure to exercise or a delay in exercising any right, power or remedy under this agreement fully or at a particular time will affect that right, power or remedy or operate as a waiver.
- (b) The single or partial exercise or waiver of the exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy.
- (c) A waiver is not valid or binding on a party granting a waiver unless it is made in writing and signed by the party giving it.
- (d) A party may exercise right, power or remedy or give or refuse to its consent, waiver or approval in its absolute discretion (including by imposing conditions), unless this agreement specifies otherwise.
- (e) Except as provided in this agreement and permitted by law or equity, the rights, powers and remedies provided in this agreement are cumulative with and not exclusive to the rights, powers and remedies provided by law or equity independently of this agreement.

11.6 Severability

Any provision of this agreement which is prohibited or unenforceable in any jurisdiction is ineffective as to that jurisdiction to the extent of the prohibition or

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unenforceability. That does not invalidate the remaining provisions of this agreement nor affect the validity or enforceability of that provision in any other jurisdiction.

11.7 Entire agreement

This agreement and the Online Gaming Services Agreement contains the entire agreement between the parties with respect to its subject matter and supersedes all previous agreements, understandings and negotiations on that subject matter.

11.8 No merger

No provision of this agreement merges on completion of any transaction contemplated by this agreement.

11.9 Governing law

This agreement is governed by the laws of Victoria, Australia. Each party irrevocably submits to the non-exclusive jurisdiction of the courts of that place, and any court that may hear appeals from any of those courts, for any proceedings in connection with this agreement.

11.10 Counterparts

This agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.



Schedule 1 – Option Terms of Issue

Each option (**Option**) issued by the Company in connection with this agreement, entitle its holder to subscribe for Shares on the following terms and conditions.

- (a) The Options are exercisable at \$4.75 each (**Option Exercise Price**) (representing 1.6 times the 5 day volume weighted average price (VWAP) of the Company's shares trading on the ASX prior to the date of the Online Gaming Services Agreement), at any time after 12 September 2019 up to 5pm Australian Eastern Time on 12 September 2021, but not thereafter (**Option Exercise Period**). Each Option will automatically lapse if not exercised prior to expiry of the Option Exercise Period.
- (b) Each Option entitles the holder to subscribe for, and be issued with, one Share.
- (c) The Company must give each Option holder a certificate or holding statement stating:
- (i) the number of Options issued to the Option holder;
 - (ii) the exercise price of the Options; and
 - (iii) the date of issue of the Options and the Option Exercise Period.
- (d) The Company will maintain a register of holders of Options in accordance with section 168(1)(b) of the Corporations Act.
- (e) Except where the transfer is to an Affiliate of the Option holder, the Options may only be transferred with the Company's approval.
- (f) For such time as the Company is listed, the official listing rules of ASX (**Listing Rules**) will apply to the Options.
- (g) Options do not carry any dividend entitlement until they are exercised. Subject to the Constitution, Shares issued on exercise of Options will rank equally with all other issued Shares from the date they are issued by the Company.
- (h) A Option holder is not entitled to participate in any new issue of securities to existing shareholders of the Company (**Shareholders**) unless the Option holder has exercised its Options before the record date for determining entitlements to the new issue of securities and participates as a result of holding Shares.
- (i) If the Company is listed on ASX, the Company must give the Option holder, in accordance with the Listing Rules, notice of:
- (i) the proposed terms of the issue or offer proposed under paragraph (h); and
 - (ii) the right to exercise the Option holder's Options under paragraph (h).
- (j) If the Company makes a bonus issue of Shares or other securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and no Share has been issued in respect of an Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Option is exercisable is increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for determining entitlements to the issue, in accordance with the Listing Rules.
- (k) If the Company makes a pro rata issue of Shares (except a bonus issue) to existing Shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Share has been issued in respect of the Option before the record date for

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determining entitlements to the issue, the exercise price of each Option is reduced in accordance with the Listing Rules.

- (l) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option holder (including the number of Options to which each Option holder is entitled and the exercise price) is changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (m) Any calculations or adjustments which are required to be made under these Option Terms of Issue will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option holder.
- (n) The Company must within a reasonable period give to each Option holder notice of any change under paragraphs (h) to (l) (inclusive) to the exercise price of any Options held by an Option holder or the number of Shares for which the Option holder is entitled to subscribe on exercise of the Options.
- (o) When exercising Options, an Option holder must give the Company or its share registry a Notice of Exercise of Options Form (in a form approved by the Company and set out in Appendix A, with the parties acknowledging that the Notice of Exercise of Options Form may be delivered by the Option holder to the Company by email), together with payment of the exercise monies payable to the Company in connection with the Options being exercised and, if one was issued, the Option holder certificate.
- (p) The Options are exercisable on any Business Day during the Option Exercise Period. An Option holder may only exercise Options in multiples of 1,000,000, unless the Option holder exercises all of its Options (or any remaining Options, if less than 1,000,000).
- (q) If an Option holder exercises less than the total number of its Options, the Company must cancel the Option certificate (if any) and issue the Option holder a new certificate or holding statement for the remaining number of Options held by the Option holder.
- (r) Options will be deemed to be exercised on the date that the Notice of Exercise of Option Form is received by the Company in accordance with paragraphs (o) and (p). The Company shall within 5 Business Days after the receipt of such Notice and cleared funds, issue Shares in respect of the Options exercised and dispatch a holding statement to the holder in respect of the Shares so issued.
- (s) The Company will apply to ASX for official quotation of the Shares issued on exercise of the Options on the date of issue of such Shares.
- (t) The Company will advise an Option holder at least 20 Business Days before the impending expiry of their Options and will advise the due date for payment, the amount of money payable on exercise, the consequences of non-payment and such other details as the Listing Rules then prescribe, so as to enable holders to determine whether or not to exercise their Options during the Option Exercise Period.
- (u) These Option Terms of Issue and the rights and obligations of Option holders are governed by the laws of Victoria. Each Option holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Victoria and the Federal Court of Australia and any courts that may hear appeals from those courts about any proceedings in connection with this deed.

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Execution Page

Executed as an agreement.

Executed by **Pointsbet Holdings Limited** in accordance with section 127 of the *Corporations Act 2001* (Cth):

Sam Swannell
Signature of Director

SAM SWANNELL
Name of Director

A. Hensher
Signature of Director/Secretary

Andrew Hensher
Name of Director/Secretary

Executed by **PointsBet USA, Inc.** by its duly authorised signatory, in the presence of:

Jill Kelley
Signature of Witness

Jill Kelley
Name of Witness

JA
Signature of Authorised Signatory

John Aitken
Name of Authorised Signatory

Executed by **Penn National Gaming, Inc.** by its duly authorised signatory, in the presence of:

Signature of Witness

Name of Witness

Signature of Authorised Signatory

Name of Authorised Signatory



Execution Page

Executed as an agreement.

Executed by **Pointsbet Holdings Limited** in accordance with section 127 of the *Corporations Act 2001* (Cth):

Signature of Director

Signature of Director/Secretary

Name of Director

Name of Director/Secretary

Executed by **PointsBet USA, Inc.** by its duly authorised signatory, in the presence of:

Signature of Witness

Signature of Authorised Signatory

Name of Witness

Name of Authorised Signatory

Executed by **Penn National Gaming, Inc.** by its duly authorised signatory, in the presence of:

Elliot Hoops
Signature of Witness

Carl S. Tosant
Signature of Authorised Signatory

Elliot Hoops
Name of Witness

Carl S. Tosant
Name of Authorised Signatory
Executive Vice President,
General Counsel and
Secretary

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Executed by Penn Interactive Ventures, LLC.
by its duly authorised signatory, in the presence
of:

E. K. Hoops

Signature of Witness

Elliot Hoops

Name of Witness

Carl Sottosanti

Signature of Authorised Signatory

Carl Sottosanti, Secretary

Name of Authorised Signatory

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Appendix A - Notice of Exercise of Options

To: **Pointsbet Holdings Limited (ACN 621 179 351) (Company)**
Level 2, 165 Cremorne Street, Cremorne, 3121, Australia or by email

Attention: Group General Counsel and Company Secretary

#insert date#

#insert email address#

Notice of Exercise of Options pursuant to Subscription Agreement dated #insert date#

#insert name of Subscriber or Nominee# ("**Subscriber**") of #insert address#:

- (a) hereby exercise our option for #number in words# (#number in figures#) fully paid ordinary shares in the capital of the Company ("**Exercised Subscription Options**");
- (b) agree to pay the Subscription Option Price of \$#number in words# (\$#number in figures#) to the Company's nominated bank account; and
- (c) agree to be bound by the Company's Constitution and to comply with its obligations under the Subscription Agreement.

Capitalised terms which are used but not defined in this application have the meaning given to them (if any) in the Subscription Agreement.

Yours faithfully

#insert execution clause#