

POINTSBET HOLDINGS LIMITED
ACN 621 179 351

PROSPECTUS

Pro rata non-renounceable bonus issue of one (1) Deferred Bonus Equity Option for every 20.2 Shares held by Eligible Shareholders registered at the Record Date (**Bonus Issue**)

The DBEOs are issued for no consideration and Eligible Shareholders receiving this Prospectus are not required to take any action to be issued their DBEOs.

No application monies are payable for the grant of DBEOs.

IMPORTANT INFORMATION

This Prospectus is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The DBEOs and the Shares to be issued pursuant to the exercise of the DBEOs have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**US Securities Act**) or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the DBEOs and the Shares to be issued upon exercise of the DBEOs may not be offered, sold, taken up, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to any person acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of such person in the United States) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of the DBEOs in the United States.

NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES

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IMPORTANT NOTICE

Prospectus

This Prospectus relates to an offer of unlisted deferred bonus equity options (**DBEOs**) in PointsBet Holdings Limited ACN 621 179 351 (ASX: PBH) (**PointsBet** or the **Company**).

This Prospectus is dated 20 June 2022 (**Prospectus Date**) and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. The expiry date of the Prospectus is 5.00pm (Melbourne time) on the date that is 13 months after the Prospectus Date (**Prospectus Expiry Date**). No securities will be issued on the basis of this Prospectus after the Prospectus Expiry Date.

While the offer is being extended to New Zealand investors under the Mutual Recognition Regime, no application for listing and quotation is being made to NZX Limited. No offer of DBEOs is made in New Zealand until the relevant notice and accompanying documents required to be lodged under the Mutual Recognition Regime have been lodged with the New Zealand Companies Office.

This Prospectus is a 'transaction-specific' prospectus to which the special content rules under section 713 of the *Corporations Act 2001* (**Corporations Act**) apply. This allows the issue of a concise prospectus in relation to an offer of securities (including options to acquire securities) in a class which has been continuously quoted by the Australian Securities Exchange (**ASX**) in the three months prior to the date of the prospectus. In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus does not include all of the information that would be included for an initial public offering of securities.

ASX maintains a database of publicly available information issued by the Company as a disclosing entity. None of ASIC, ASX or their respective officers take any responsibility for the contents of this Prospectus or the merits of the securities to which this Prospectus relates.

Exposure period

No exposure period applies to this Prospectus by operation of ASIC Corporations (Exposure Period) Instrument 2016/74.

Investor warning

The information contained in this Prospectus is not financial product advice and does not take into account the investment objectives, financial position and particular needs of individual investors. Moreover, the contents of this Prospectus are not to be construed as legal, business or tax advice. It is important that you read this Prospectus carefully and in full to determine whether the DBEOs meets your objectives, financial situation and needs. In particular, you should consider the risk factors that could affect the business, prospectus, financial condition or results of operations of the Company in light of your personal circumstances and seek professional advice from your accountant, tax adviser, stockbroker, lawyer or other professional adviser.

No representation other than in this Prospectus

No person is authorised to provide any information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company or any of its related bodies corporate and affiliates, or any of their respective directors, officers, partners, employees, representatives, agents, consultants and advisers in connection with this Prospectus.

Except as required by law, and only to the extent so required, none of PointsBet or any of its related bodies corporate and

affiliates, nor any of their respective directors, officers, partners, employees, representatives, agents, consultants and advisers nor any other person warrants or guarantees, in relation to the Company, the success, repayment of capital, any rate of return on income or capital, the investment performance, or that there will be satisfactory liquidity in the DBEOs once they are issued.

Investors should read the entire Prospectus. The information contained in individual sections is not intended to and does not provide a comprehensive review of the business and the financial affairs of the Company. The information in this Prospectus is of a general nature only and does not take into account an investor's personal financial situation, investment objectives or needs. An investment in the Company is subject to investment risk, which may include loss of principal invested. For more information on the risks associated with an investment in the Company, please refer to Section 4. These risks, together with other general risks applicable to all investments in listed and unlisted securities which are not specifically referred to, may affect the value of the DBEOs and the Shares in the future. Before making an investment decision based on this Prospectus, investors should seek professional guidance from their stockbroker, solicitor, accountant or other professional adviser to obtain advice that is tailored to suit their personal circumstances.

Disclaimer

Determination of eligibility of investors for the purposes of the Bonus Issue is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company. To the maximum extent permitted by law, each of PointsBet and its related bodies corporate and affiliates, and each of their respective directors, officers, partners, employees, representatives, agents, consultants and advisers disclaims any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion.

No cooling off rights

Cooling off rights do not apply to the acquisition of DBEOs or, if you elect to exercise DBEOs, the acquisition of Shares as a result.

Warning for New Zealand Shareholders

The warning statement below is required under the Financial Markets Conduct Regulations 2014 of New Zealand and relates to the offer, which is made pursuant to those Regulations in New Zealand.

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

A copy of this Prospectus, other documents relating to the offer and a copy of the Constitution will be lodged with the New Zealand Companies Office and will be available at www.business.govt.nz/disclose. While the offer is being extended to New Zealand investors under the Mutual Recognition Regime, no application for listing and quotation is being made to NZX Limited.

Notices to international investors

This Prospectus does not constitute an offer to sell, or a solicitation of any offer to buy, any securities in the United States or to any person acting for the account or benefit of a person in the United States or in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or solicitation. No action has been taken to register or qualify the DBEOs, or to otherwise permit a public offering of DBEOs, or the possession or distribution of this Prospectus or any other offering or publicity material in any jurisdiction where action for that purpose is required, other than Australia and New Zealand. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law. For further information, see Annexure B.

Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents or use of any information contained in this Prospectus for any purpose other than considering an investment in the DBEOs is prohibited. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Any person into whose possession this Prospectus comes should seek proper advice and will be deemed to have agreed to the foregoing restrictions and other restrictions included herein.

This Prospectus may not be released or distributed in the United States unless it is attached to, or forms part of, the US Private Placement Memorandum and is delivered by the Company to Eligible US Shareholders as part of the US Private Placement. The DBEOs and the Shares to be issued pursuant to the exercise of the DBEOs have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the DBEOs and the Shares to be issued pursuant to the exercise of the DBEOs may not be offered, sold, taken up, exercised, resold, transferred or delivered, directly or indirectly, in the United States or to any person acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of such person in the United States) except pursuant to an exemption from, or in a transaction not subject to, the registration

requirements of the US Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

Forward looking statements

This Prospectus contains forward looking statements which may be identified by words such as "may", "could", "believes", "estimates", "expects", "intends" and other similar words and expressions. All statements other than those of historical facts included in this Prospectus are forward-looking statements. These forward-looking statements include statements regarding the Bonus Issue, including but not limited to, statements regarding the purpose and expected benefits of the Bonus Issue and the anticipated timing, completion and potential effects of the Bonus Issue, statements about the vesting and exercise of the DBEOs, statements about the Company's plans, strategies and objectives and statements about the industry and the markets in which the Company operates. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company and which could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements or any projections and assumptions on which those statements are based. Although due care and attention has been used in the preparation of forward-looking statements, such statements, opinions and estimates represent the Company's current views with respect to future events and are necessarily based on assumptions and contingencies that are inherently subject to significant business, economic, competitive, political and social risks and uncertainties, certain of which are summarised under Section 4 "Risk Factors". The forward-looking statements included in this Prospectus speak only as of the date hereof. They are not guarantees or predictions of future performance, involve subjective judgement and analysis and are based on assumptions and contingencies that are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

You are cautioned not to place undue reliance on forward looking statements, particularly in light of the current economic climate and markets volatility and the significant uncertainty and disruption caused by the COVID-19 pandemic.

Neither the Company nor any of its related bodies corporate and affiliates, or any of their respective directors, officers, partners, employees, representatives, agents, consultants and advisers give any warranty, representation, assurance or guarantee that the occurrence of the events expressed or implied in any of the forward looking statements in this Prospectus will actually occur.

Other than where required by law, the Company does not undertake to publicly update or review any forward-looking statements whether as a result of new information or future events.

Target market determination

In accordance with the design and distribution obligations under section 994B the Corporations Act, the Company has prepared a target market determination for the offer of DBEOs issued under this Prospectus. The target market determination outlines the class of consumers for which the DBEOs has been designed and the criteria for their eligibility having regard to the target market's objectives, financial situation and needs. The Company will only distribute this Prospectus to those investors who fall within the target market determination as set out on the ASX website at <https://www2.asx.com.au/>.

Electronic Prospectus

This Prospectus is available electronically at <https://www2.asx.com.au/>. The information on the website does not form part of this Prospectus. Any person accessing the electronic version of this Prospectus, for the purpose of making an investment under the Bonus Issue, must only access this Prospectus from within Australia or New Zealand or any jurisdiction outside Australia or New Zealand where the distribution of the electronic version of this Prospectus is not restricted by law. Any Eligible Shareholder may obtain a paper copy of this Prospectus by contacting the PointsBet Bonus Issue Information Line on 1300 620 643 (within Australia) or +61 3 9415 4320 (outside Australia) at any time from 8.30am to 5.00pm (Melbourne time) Monday to Friday.

Photographs and diagrams

Any photographs used in this Prospectus without descriptions are only for illustration. Any diagrams used in this Prospectus may not be drawn to scale. Any assets depicted in photographs in this Prospectus are not assets of the Company unless otherwise stated.

Defined words and expressions

Some words and expressions used in this Prospectus have defined meanings. These words and expressions are capitalised and are defined throughout the Prospectus or in the Glossary in Section 8.

A reference to dollars, cents, or \$ in this Prospectus is a reference to Australian currency (unless otherwise stated). A reference to time in this Prospectus is a reference to Melbourne, Australia time.

References to "you" are references to Eligible Shareholders.

Privacy

The Company and the Share Registry collect, hold and use your personal information in order to assess your application, service your needs as a holder of the Company's securities, provide facilities and services that you request, and carry out appropriate administration. Company and tax laws require some of the information to be collected.

Each of the Company and the Share Registry may disclose your personal information for purposes related to your securities holding to each other and to their respective agents and services providers including those listed below or as otherwise authorised under the *Privacy Act 1988* (Cth) (**Privacy Act**):

- in the case of the Company, to the Share Registry for ongoing administration of the securities registers; and
- in the case of the Company and the Share Registry, to printers and mailing houses for the purposes of preparation and distribution of security holder information and for handling of mail.

Under the Privacy Act, you may request access to your personal information held by (or on behalf of) the Company or the Share Registry. You can request access to your personal information by emailing or writing to the Company through the Share Registry as follows:

PointsBet Holdings Limited
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001
Email: privacy@computershare.com.au

KEY OFFER INFORMATION

Overview of the Bonus Issue	
Bonus Issue ratio	1 DBEO for every 20.2 Shares held by Eligible Shareholders
Issue Price of DBEOs	Nil
Exercise Period of DBEOs	15 Business Days after the Company gives a Vesting Notice
Exercise Price of DBEOs	\$10.00 per DBEO, entitling the holder to \$10.00 worth of Shares at a 20% discount to the prevailing Share price at the relevant time
Expected Expiry Date of DBEOs	5.00pm 8 July 2024
Maximum number of DBEOs to be issued	15,030,604
Maximum amount to be raised on exercise of DBEOs	\$150 million
Event	Date
Lodgement of Prospectus with ASIC and ASX	20 June 2022
Shares trade ex-DBEOs entitlements	4 July 2022
Record Date (7.00pm)	5 July 2022
Allotment and issue of DBEOs	8 July 2022
Despatch of DBEO Holding Statements	12 July 2022

The above timetable is indicative only. PointsBet reserves the right to vary these times and dates in its absolute discretion, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. All times are Melbourne time.

CHAIRMAN'S LETTER

20 June 2022

Dear Shareholder,

As announced today, the Company has welcomed a strategic investment of A\$94.16 million from SIG Sports Investment Corp. (**SIG Sports**), a member of the Susquehanna International Group of companies. This is a very exciting development for the Company as it teams up with a visionary investor who has committed ongoing support and is eminently qualified in analytical trading in financial markets, and now in sports. The cultural alignment between both organisations is strong, and this investment will assist with expanding and growing our North American operations as we seek to lead in in-play betting and enhance the overall customer experience.

While the Board believes the Company is adequately funded to execute its strategy in the near term, given volatility of markets and the evolving competitive wagering landscape (particularly in North America), the Board has determined that it would make a bonus issue of options that expire in two years and which are exercisable into ordinary shares in the Company at a 20% discount to the prevailing share price at the relevant time. This will provide the Company with flexibility to access future capital as needed, while ensuring our existing, Eligible Shareholders who have been loyal and supported the Company, can participate in an equitable way. We have decided to call these options "deferred bonus equity options" or "DBEOs".

The Board is pleased to release this Prospectus to facilitate the bonus issue of approximately 15 million DBEOs on the terms and conditions set out in this Prospectus. All Eligible Shareholders will be entitled to receive one (1) DBEO for every 20.2 Shares held by them on the register at 7.00pm (Melbourne time) on the Record Date, being 5 July 2022.

Upon the Board determining to vest the DBEOs, each DBEO is exercisable at \$10.00 per DBEO (**Exercise Price**) and entitles the holder the right, but not the obligation, to acquire \$10.00 worth of Shares at a 20% discount to the 10 trading day VWAP of Shares, commencing two Business Days following the end of the 15 Business Day period over which the DBEOs can be exercised. The DBEOs will expire at 5.00pm (Melbourne time) on the date that is two years from their date of issue, expected to be 8 July 2024 (**Expiry Date**).

As the DBEOs will be issued for nil consideration, no funds will initially be raised from the Bonus Issue. If the maximum number of DBEOs issued under this Prospectus are subsequently exercised, the Company will raise a maximum of approximately \$150 million.

The Bonus Issue is non-renounceable and therefore the right to receive the DBEOs will not be tradeable on the ASX or otherwise. Subject to receipt of all regulatory approvals at the time, the Board intends to facilitate liquidity opportunities for holders of DBEOs at the time it determines to vest the DBEOs, in order for DBEO holders who do not wish to exercise their DBEOs to realise some value for their DBEOs. However, there is no guarantee that a liquidity opportunity will be established or that there will be a liquid market for the DBEOs.

This Prospectus contains important information regarding the Bonus Issue and I encourage you to read it carefully, having particular regard to the 'Risk Factors' outlined in Section 4.

If you have any questions, you should contact the PointsBet Bonus Issue Information Line on 1300 620 643 (within Australia) or +61 3 9415 4320 (outside Australia) at any time from 8.30am to 5.00pm (Melbourne time) Monday to Friday, or consult your financial or other professional adviser.

On behalf of the Board, I thank you for your continued support.

Yours sincerely,



Brett Paton
Chairman
PointsBet Holdings Limited

1 FREQUENTLY ASKED QUESTIONS

Question	Answer	Further information
Key information about the Bonus Issue		
Who is the issuer of the DBEOs?	PointsBet Holdings Limited ACN 621 179 351 (ASX: PBH).	N/A
What is the Bonus Issue?	<p>The Bonus Issue is a pro rata non-renounceable bonus issue of one (1) DBEO for every 20.2 Shares held by Eligible Shareholders at 7.00pm (Melbourne time) on the Record Date, being 5 July 2022.</p> <p>Concurrently with the Bonus Issue, the Company is conducting the US Private Placement.</p>	Section 2.1
Why is the Company undertaking the Bonus Issue?	The Company is undertaking the Bonus Issue to ensure the current Eligible Shareholders are able to subscribe for additional shares in the Company at a significant discount to the prevailing Share price at the time the Company determines to vest the DBEOs, noting it may not ever make that determination.	Section 2.1
Who is an Eligible Shareholder?	An Eligible Shareholder is a Shareholder that is registered as a holder of Shares as at the Record Date, being 7.00pm (Melbourne time) on 5 July 2022, with a registered address in Australia or New Zealand or any other Permitted Jurisdiction to whom it is lawful to make the offer of DBEOs in accordance with this Prospectus.	Section 2.2
Will the Bonus Issue be extended into New Zealand?	<p>Yes. All DBEOs issued to Eligible Shareholders in New Zealand as part of the Bonus Issue are being offered under the Mutual Recognition Regime.</p> <p>No offer of DBEOs is being made to investors in New Zealand until such time as the relevant notice and accompanying documents required to be lodged under the Mutual Recognition Regime have been lodged.</p> <p>Investors in New Zealand should refer to the warning statement for New Zealand investors in the Important Notice section of this Prospectus.</p>	Important Notice
What do Eligible Shareholders need to do to receive their DBEOs?	Eligible Shareholders do not need to take any action or pay any amounts to receive the DBEOs under the Bonus Issue.	Section 2.1
Is an amount payable upon issue of the DBEOs?	As the DBEOs are being issued as part of a bonus issue, nothing is payable upon issue of the DBEOs and no funds will be raised by the Company unless and until the DBEOs are exercised.	Section 2.1
Can the entitlement to be issued DBEOs be transferred?	No. The Bonus Issue is not renounceable.	N/A

Question	Answer	Further information
Key information about the DBEOs		
What are the DBEOs?	Each DBEO expires two years from their date of issue and entitles the holder the right, but not the obligation, to acquire \$10.00 worth of Shares at a 20% discount to the then 10 day VWAP of Shares commencing two Business Days following the end of the Exercise Period.	Section 2.3, Annexure A
Will the DBEOs be quoted on ASX?	The Company will not apply to ASX for quotation of the DBEOs offered under this Prospectus.	Section 2.8
Are the DBEOs transferrable?	While the DBEOs will not be quoted and tradeable on ASX, the DBEOs may be traded through off-market transfers in accordance with their terms. The Company intends to facilitate liquidity opportunities for DBEO holders who may not wish to exercise their DBEOs at the time a Vesting Notice is given. However, there is no guarantee that a liquidity opportunity will be established or that there will be a liquid market for the DBEOs.	Section 2.4, Annexure A
When can the DBEOs be exercised?	The DBEOs will vest, and become exercisable for a period of 15 Business Days once the Board makes a determination to call for the exercise of the DBEOs and gives a Vesting Notice to all DBEO holders.	Section 2.3, Annexure A
How do DBEO holders exercise their DBEOs?	If you would like to exercise some or all of your DBEOs after they have vested, you can do so within 15 Business Days of the Board giving a Vesting Notice by giving an Exercise Notice and payment of the Exercise Price for each DBEO being exercised. The Company intends to provide all DBEO holders the relevant form of the Exercise Notice applicable to them at the time it gives a Vesting Notice.	Annexure A
How many Shares will be issued on exercise of a DBEO?	The number of Shares issued on exercise of the DBEOs will be determined based on a 20% discount to the 10 day VWAP of Shares commencing two Business Days following the end of the Exercise Period, in accordance with the following formula (rounded down to the nearest whole Share): $\text{Number of Shares} = \frac{\text{Aggregate Entitlement}}{\text{Subscription Price}}$	Section 2.3, Annexure A
When do the DBEOs Expire?	The DBEOs expire at 5.00pm (Melbourne time) on the date that is two years from the date of issue, expected to be 8 July 2024.	Section 2.3, Annexure A
Can DBEO holders exercise part of their DBEO holding?	Yes, DBEO holders should indicate on their applicable Exercise Notice the number of DBEOs they wish to exercise and remit the appropriate amount for that number of DBEOs.	Section 2.3, Annexure A
Is the exercise of the DBEOs underwritten?	No. The Company may look to have the exercise of the DBEOs underwritten at the time it gives a Vesting Notice.	Section 2.3

Question	Answer	Further information
Other key questions		
How many DBEOs will be issued under the Bonus Issue?	<p>For illustrative purposes only, PointsBet currently has 303,618,212 Shares on issue (assuming completion and issue of 38,750,000 Shares to SIG Sports as announced on 20 June 2022).</p> <p>Assuming that no existing Options are exercised, or Performance Share Rights converted into Shares before the Record Date, a maximum of 15,030,604 DBEOs will be issued under the Bonus Issue (subject to rounding).</p> <p>The actual number of DBEOs to be issued under the Bonus Issue will not be known until after the Record Date.</p>	Section 3.2
What rights are attached to the DBEOs and Shares issued on exercise of the DBEOs?	<p>Shares issued on exercise of DBEOs will rank equally with other issued Shares and will be governed by the Constitution, the Corporations Act and the ASX Listing Rules.</p> <p>The DBEOs do not entitle the holder to vote on any resolutions proposed by the Company, except as otherwise required by law, or to participate in any dividends.</p>	Section 5, Annexure A
What is the maximum amount of money that may be raised if all DBEOs are exercised?	<p>A maximum of \$150 million would be raised if all DBEOs are exercised, assuming the full number of DBEOs are issued under the Bonus Issue.</p>	Section 2.1, 3.4
What are the key risks associated with the Company and the DBEOs?	<p>Eligible Shareholders should consider the specific and general risk factors described in Section 4, together with information contained elsewhere in this Prospectus, and consult their professional advisers before dealing in and exercising their DBEOs.</p>	Section 4
What are the taxation implications of the Bonus Issue and issue of DBEOs?	<p>There may be tax implications arising from the Bonus Issue and issue of DBEOs. Summaries of certain Australian tax consequences as a result of the Bonus Issue and issue of DBEOs are set out in Section 6. These implications will differ depending on the individual circumstances of the Eligible Shareholder.</p> <p>Eligible Shareholders should obtain their own professional taxation advice about the consequences of the Bonus Issue and the issue of DBEOs.</p>	Section 6
How can I obtain further information about the Bonus Issue?	<p>Eligible Shareholders can obtain a copy of this Prospectus from the ASX website at https://www2.asx.com.au/ or by calling the PointsBet Bonus Issue Information Line on 1300 620 643 (from within Australia) and +61 3 9415 4320 (from outside Australia) at any time from 8.30am to 5.00pm (Melbourne time) Monday to Friday (excluding public holidays).</p>	Section 7.9

2 DETAILS OF THE BONUS ISSUE

2.1 Bonus Issue

The Company is undertaking the Bonus Issue to ensure its current Eligible Shareholders are able to subscribe for additional shares in the Company at a significant discount to the prevailing Share price at the time the Company determines to vest the DBEOs, noting it may not ever make that determination.

The Bonus Issue is a pro rata non-renounceable bonus issue of one (1) DBEO for every 20.2 Shares held by Eligible Shareholders as at 7.00pm (Melbourne time) on the Record Date, being 5 July 2022, rounded down to the nearest whole number of DBEOs.

Concurrently with the Bonus Issue, the Company is conducting the US Private Placement.

Subject to the Board determining to vest the DBEOs, each DBEO is exercisable at \$10.00 per DBEO and entitles the holder the right, but not the obligation, to acquire \$10.00 worth of Shares at a 20% discount to the then 10 day VWAP of Shares. Further details of how the DBEOs may be exercised and their full terms and conditions is set out in Section 2.3 and Annexure A.

While the Board believes the Company is adequately funded to execute its strategy in the near term, given volatility of markets and the evolving competitive wagering landscape (particularly in North America), the Company is undertaking the Bonus Issue to provide it with flexibility to access future capital as needed, while ensuring existing, Eligible Shareholders who have been loyal and supported the Company, can participate in an equitable way.

No funds will be raised from the Bonus Issue. If all DBEOs issued under this Prospectus are subsequently exercised, the Shares issued would raise approximately \$150 million.

Eligible Shareholders do not need to take any action or pay any amounts to receive the DBEOs. Eligible Shareholders will be sent instructions on how to access a copy of this Prospectus, which will enclose a DBEO holding statement that will state the number of DBEOs that will be issued to you.

2.2 Eligible Shareholders

The Bonus Issue constitutes an offer to Eligible Shareholders only. Eligible Shareholders are Shareholders who are registered as holders of Shares as at the Record Date, being 7.00pm (Melbourne time) on 5 July 2022, with a registered address in Australia or New Zealand or any other Permitted Jurisdiction to whom it is lawful to make the offer of DBEOs in accordance with this Prospectus.

Concurrently with the Bonus Issue, the Company is conducting the US Private Placement to Eligible US Shareholders.

PointsBet, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Shareholder and therefore eligible to be issued DBEOs pursuant to the Bonus Issue. PointsBet disclaims all liability to the maximum extent permitted by law in respect of the determination as to whether a Shareholder is or is not an Eligible Shareholder.

2.3 Key terms of the DBEOs

Each DBEO has an exercise price of \$10.00 (**Exercise Price**), expires two years from its date of issue and entitles the holder the right, but not the obligation, to acquire \$10.00 worth of Shares at a 20% discount to the VWAP of Shares, which will be calculated over the 10 trading days commencing two Business Days following the end of the Exercise Period (defined below) (**Pricing Period**).

The DBEOs are not exercisable unless and until there is a determination by the Board to call for the exercise of the DBEOs and the provision of a notice to all DBEO holders (**Vesting Notice**), which may occur at any time not later than three months prior to the expiry of the DBEOs. The Vesting Notice will include the relevant form of notice of exercise applicable to DBEO holders.

After the provision of a Vesting Notice, the DBEOs will become exercisable for a period of 15 Business Days (**Exercise Period**). During the Exercise Period, DBEO holders may elect to exercise their DBEOs by providing the relevant form of notice of exercise applicable to them to the Company, specifying the number of DBEOs they would like to exercise and paying the aggregate Exercise Price (**Exercise Notice**).

The number of Shares issued to a holder of DBEOs on exercise of the DBEOs held by that DBEO holder will be determined in accordance with the following formula (rounded down to the nearest whole Share):

$$\text{Number of Shares} = \frac{\text{Aggregate Entitlement}}{\text{Subscription Price}}$$

where:

- **Aggregate Entitlement** means the Exercise Price multiplied by the number of DBEOs exercised by the DBEO holder;
- **Subscription Price** means the VWAP multiplied by 80%; and
- **VWAP** means the arithmetic average of the daily volume weighted average price of trading in Shares on the ASX during the 10 consecutive trading days commencing two Business Days after the Exercise Period concludes.

Accordingly, the number of Shares a DBEO holder will receive on exercise of their DBEOs will not be known at the time of exercise, but will only be determined after the conclusion of the Pricing Period.

For example, an Eligible Shareholder that has a holding of 2,020 Shares on the Record Date will be issued 100 DBEOs. If exercised, those DBEOs will entitle the DBEO holder to acquire \$1,000 worth of Shares. Assuming a VWAP of \$5.00 and therefore a Subscription Price of \$4.00, the DBEO holder will receive 250 Shares by exercising all 100 DBEOs and paying the aggregate Exercise Price of \$1,000.

The full terms and conditions of the DBEOs are set out in Annexure A.



Figure 1: DBEO vesting and exercise process.

The exercise of the DBEOs is not currently underwritten. The Company may look to have the exercise of the DBEOs underwritten at the time it gives a Vesting Notice.

2.4 Liquidity opportunity

The Company intends to facilitate liquidity opportunities for DBEO holders who may not wish to exercise all their DBEOs at the time a Vesting Notice is given.

Subject to obtaining all necessary approvals at the relevant time, the Company may look to establish an option sale facility, pursuant to which DBEO holders who do not exercise all or some of their DBEOs will have all their unexercised DBEOs sold through a bookbuild process which will take place after the Exercise Period, but before commencement of the Pricing Period. The amount realised for those DBEOs, if any, will be remitted proportionally to those DBEO holders net of any expenses or applicable withholding tax.

There is no guarantee that an option sale facility or alternative liquidity opportunity will be established or that there will be a liquid market for the DBEOs. PointsBet will communicate to DBEO holders of any liquidity opportunities established and details of how they can participate at the relevant time.

2.5 Bonus Issue and allotment of DBEOs

No DBEOs or other securities will be issued on the basis of this Prospectus later than the expiry date of this Prospectus, being 13 months after the Prospectus Date.

PointsBet currently expects that DBEOs under the Bonus Issue will be issued on or about 8 July 2022. Holding statements for DBEOs will be despatched as soon as reasonably practicable after the issue of the DBEOs.

2.6 Rounding of DBEOs

Where fractions arise in the calculation of DBEOs to be issued, they will be rounded down to the nearest whole number of DBEOs.

2.7 Withdrawal of the Bonus Issue

Subject to all applicable laws, the Directors reserve the right to withdraw the Bonus Issue and this Prospectus at any time.

2.8 ASX quotation

The Company will not apply to ASX for quotation of the DBEOs offered under this Prospectus. Neither ASIC nor ASX take responsibility for the contents of this Prospectus.

2.9 Minimum subscription

There is no minimum subscription for the Bonus Issue.

2.10 Risks of the Bonus Issue

As with any securities investment, there are risks associated with investing in the Company and the DBEOs. Eligible Shareholders should consider the specific and general risk factors described in Section 4.

2.11 Clearing House Electronic Sub-Register System (CHES) and issuer sponsorship

The Company will not be issuing certificates for the DBEOs. Instead of certificates, investors will be provided with a holding statement or confirmation notice that sets out the number of DBEOs allotted to them under this Prospectus. The DBEOs will be held on the Company's issuer sponsored sub-register and the notice will also advise holders of their Security Holder Reference Number (SRN).

2.12 Notice to nominees and custodians

Nominees and custodians that hold Shares should note that the Bonus Issue under this Prospectus is available only to Eligible Shareholders that are not in the United States and are not acting for the account or benefit of a person in the United States. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Bonus Issue is compatible with applicable foreign laws. In particular, nominees and custodians must not send this Prospectus or any material relating to the Bonus Issue to any person in the United States or any person acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of a person in the United States).

2.13 Foreign selling restrictions

This Prospectus does not constitute an offer to sell, or a solicitation of any offer to buy, any securities in the United States or in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or solicitation. No action has been taken to register or qualify the DBEOs or to otherwise permit a public offering of DBEOs, or the possession or distribution of this Prospectus or any other offering or publicity material in any jurisdiction where

action for that purpose is required, other than Australia and New Zealand. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law.

Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents or use of any information contained in this Prospectus for any purpose other than considering an investment in, and exercise of, the DBEOs is prohibited. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, this Prospectus should not be distributed, forwarded to or transmitted in or into the United States unless it is attached to, or forms part of, the US Private Placement Memorandum and is delivered by the Company to Eligible US Shareholders as part of the US Private Placement. Any person into whose possession this Prospectus comes will be deemed to have agreed to the foregoing restrictions and other restrictions included herein.

Further details on the restrictions that apply to persons in the Permitted Jurisdictions other than Australia and New Zealand are set out in Annexure B.

3 EFFECT OF THE BONUS ISSUE

3.1 Effect of the Bonus Issue

The principal and immediate effect of the Bonus Issue, assuming all DBEOs are issued, will be the issue of a maximum of 15,030,604 DBEOs.

No funds will be raised by the Bonus Issue. The Bonus Issue is not expected to have a material impact on the Company's financial position other than the decrease in cash reserves of approximately \$335,000 resulting from the expenses of the Bonus Issue as set out in Section 7.5.

3.2 Effect on capital structure

Assuming that no existing Options are exercised, or Performance Share Rights converted into Shares before the Record Date, the effect of the Bonus Issue on the Company's issued capital as at the date of this Prospectus is as shown in the following table:

Table 1: Capital structure

	Shares	DBEOs ¹	Listed Options ²	Unlisted Options ³	Performance Share Rights	Matched Rights ⁴
As at the date of this Prospectus ⁵	303,618,212	Nil	11,780,274	75,580,713	2,004,177	16,702
To be issued under the Bonus Issue	Nil	15,030,604	Nil	Nil	Nil	Nil
Total	303,618,212	15,030,604	11,780,274	75,580,713	2,004,177	16,702

Notes:

1. Assuming the maximum number of DBEOs are issued and subject to rounding.
2. Each listed Option has an exercise price of \$12.609 and expire on 30 September 2022.
3. Comprising unlisted Options with various exercise prices and expiry dates.
4. Rights granted to eligible participants under the Company's Global Acquisition and Matching Equity (GAME) Plan, each entitling the holder to one Share upon vesting.
5. Assumes completion and issue of 38,750,000 Shares to SIG Sports as announced to the ASX on 20 June 2022.

3.3 Potential effect on control of the Company

The Bonus Issue will not have an immediate effect on control of the Company as the DBEOs may not be exercised until the Company gives a Vesting Notice.

Once the DBEOs become exercisable, the exact effect on control depends on the extent to which DBEOs are exercised by holders and the VWAP of Shares determined during the Pricing Period.

For example, an Eligible Shareholder that has a holding of 15,200,000 Shares on the Record Date (equal to a holding just over 5%) will be issued 752,475 DBEOs. Assuming the Eligible Shareholder exercises all their DBEOs, the following table shows the changes to that Eligible Shareholder's interest in the Company based on the total percentage of DBEOs exercised and varying 10 trading day VWAP of Shares determined during the Pricing Period.

Table 2: Effect on Shareholding

% of all DBEOs Exercised	VWAP of Shares	Subscription Price	Shares acquired from exercise of DBEOs	% interest post-exercise of DBEOs
100%	\$10.00	\$8.00	940,593	5.01%
	\$5.00	\$4.00	1,881,187	5.01%
	\$2.00	\$1.60	4,702,968	5.01%
75%	\$10.00	\$8.00	940,593	5.08%
	\$5.00	\$4.00	1,881,187	5.15%
	\$2.00	\$1.60	4,702,968	5.32%
50%	\$10.00	\$8.00	940,593	5.16%
	\$5.00	\$4.00	1,881,187	5.30%
	\$2.00	\$1.60	4,702,968	5.68%

The Directors reserve the right to not issue Shares on the exercise of DBEOs which would, if issued, result in the DBEO holder increasing their voting power in the Company in a manner prohibited by the Corporations Act or other applicable laws or regulations.

3.4 Unaudited pro forma statement of financial position

To illustrate the effect of the Bonus Issue and exercise of DBEOs on the Company, the Company's pro forma statement of financial position as at 31 December 2021 is set out below.

The pro forma statement of financial position has been prepared on the basis that there are no material movements in the assets and liabilities of the Company since 31 December 2021 except for:

- completion and issue of 38,750,000 Shares to SIG Sports as announced on 20 June 2022;
- completion of the Bonus Issue and the exercise of DBEOs (assuming all 15,030,604 DBEOs issued in connection with the Bonus Issue are exercised at the Exercise Price of \$10.00, but before costs and expenses); and
- expenses incurred in relation to the Bonus Issue.

The pro forma financial information in this Section is based on the Company's reviewed accounts for the half-year ended 31 December 2021. It has been prepared in accordance with the recognition and measurement principles of the Australian Accounting Standards (**AAS**).

The pro-forma financial information is presented in an abbreviated form insofar as it does not include all the disclosures, statements or comparative information required by the AAS applicable to annual financial reports prepared in accordance with the Corporations Act.

	Historical as at 31 Dec 2021	Placement to SIG Sports	Assumed exercise of DBEOs ¹	Pro-forma as at 31 Dec 2021
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current assets				
Cash and cash equivalents ²	569,001	94,163	149,971	813,134
Trade and other receivables	567			567
Other current assets	56,819			56,819
Total current assets	626,387	94,163	149,971	870,520
Non-current assets				
Plant and equipment	8,136			8,136
Intangible assets	188,779			188,779
Other non-current assets	138,579			138,579
Right-of-use assets	9,353			9,353
Total non-current assets	344,847	-	-	344,847
Total assets	971,234	94,163	149,971	1,215,367
LIABILITIES				
Current liabilities				
Trade and other payables	51,460			51,460
Employee benefit obligations	3,505			3,505
Provisions	535			535
Financial liabilities	5,972			5,972
Other current liabilities	46,134			46,134
Lease liabilities	3,544			3,544
Contract liabilities	1,836			1,836
Total current liabilities	112,986	-	-	112,986
Non-current liabilities				
Other non-current liabilities	6,197			6,197
Employee benefit obligations	402			402
Lease liabilities	8,535			8,535
Financial liabilities	80,612			80,612
Deferred tax liabilities	9,423			9,423
Contract liabilities	10,328			10,328
Total non-current liabilities	115,497	-	-	115,497
Total liabilities	228,483	-	-	228,483
Net assets	742,751	94,163	149,971	986,884
EQUITY				
Share capital	1,097,888	94,163	149,971	1,342,021
Other reserves	71,884			71,884
Accumulated losses	-427,021			-427,021
Total equity	742,751	94,163	149,971	986,884

Notes:

1. The impact from the exercise of DBEOs has been prepared on the basis that all DBEOs are exercised on or before the Expiry Date by payment of the exercise price of \$10.00 by the holders of the DBEOs. The number of Shares that will be issued by the Company is dependent on the market value of Shares as calculated in accordance with the DBEOs terms and

the portion of DBEOs holders that elect to exercise. The DBEOs will only be exercisable if the Board determines to vest the DBEOs by giving a Vesting Notice. The Board retains discretion whether to vest the DBEOs, and may choose not to do so before the DBEOs expire.

2. Corporate cash as at 31 December 2021 was \$523.3 million. Further, as disclosed in the Company's March quarter Appendix 4C released to ASX on 29 April 2022, corporate cash as at 31 March 2022 was \$424.9 million.

4 RISK FACTORS

4.1 Introduction

Eligible Shareholders should consider the specific and general risk factors described below, together with information contained elsewhere in this Prospectus, and consult their professional advisers before dealing in and exercising their DBEOs.

There are specific risks which relate directly to PointsBet's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Company's securities.

The following is not intended to be an exhaustive list of the risk factors to which PointsBet is exposed.

(a) Risks associated with DBEOs

Each DBEO entitles the holder to acquire \$10.00 worth of Shares at a 20% discount to the VWAP of Shares over the 10 trading days commencing two Business Days following the end of the Exercise Period. Eligible Shareholders should have regard to the fact that DBEOs will only have value if and to the extent that the Board determines to vest the DBEOs and gives a Vesting Notice. The Board gives no assurance that it will vest the DBEOs and give a Vesting Notice before the DBEOs expire.

As the DBEOs will not be listed for quotation on ASX or any other financial market, opportunities for off-market sales prior to their expiry date are limited. While the Company intends to explore liquidity opportunities for DBEO holders who may not wish to exercise their DBEOs, such as establishing an option sale facility which DBEO holders may elect to have all their unexercised DBEOs sold through a bookbuild process (refer to Section 2.4 for further details), there is no guarantee that such a facility or alternative liquidity opportunity will be established or that there will be a liquid market for the DBEOs.

(b) Impact of rising interest rates and inflation to the business

A number of the largest global economies are currently experiencing increasing inflation due to the effects of the novel coronavirus (**COVID-19**), the ongoing war in Ukraine and disruption to supply-chains. Central banks in many jurisdictions, including the Australian Reserve Bank, are increasing interest rates in response to the rising inflation.

There is a risk that increasing interest rates may cause a reduction in consumer spending and have a negative impact on the Company's operations and/or financial results.

(c) Impact of COVID-19 on sports events and ongoing risks to the business and the broader sports betting industry

COVID-19 continues to present a risk for the Company. Efforts to date to contain the effect of COVID-19 have included travel restrictions, restrictions on public gatherings, closure or severe restriction of certain business activities and, in some locations, restrictions on individuals leaving their homes. These efforts are tied to instances of COVID-19 case numbers in each jurisdiction and, whilst outbreaks and restrictions are largely no longer material, they may intensify again where the COVID-19 outbreak in that jurisdiction continues to grow.

COVID-19 containment measures to date have, amongst other things, negatively affected economic conditions, caused a reduction in consumer spending and had a significant impact on the Company's operations.

Restrictions and Impact on Sporting Events - Since 12 March 2020, various sports seasons and sporting events in multiple countries, including in the United States and Australia, were cancelled, postponed or dramatically restructured and large public gatherings were banned. These changes have impacted customers' use of PointsBet's products and services, and, in some cases, in particular in the United States, the disruptions to sporting events impacted revenues compared to pre COVID-19 expectations. Whilst sporting leagues have

recommended and resumed activity, there is still a risk that a renewed outbreak of COVID-19 may lead to cancellations.

Other Impacts - In addition to the above, COVID-19 impacted the Company in a variety of other areas. In particular, while the Company continues to take prudent steps to protect its global staff, including moving to a work from home environment and prohibiting non-essential travel, if a large number of employees and/or a subset of key employees and executives are impacted by COVID-19, the Company's ability to continue to operate effectively may be negatively impacted.

The Company is awaiting certain changes to legislature in the United States, which may be delayed as a result of COVID-19. For more information see Section 4.1(e) below.

Finally, COVID-19 has been seen to, and is likely to continue to, have a significant impact on general market conditions in both the United States and Australia. For further discussions of the Company's exposure to market conditions see Section 4.2.

(d) The wagering industry is highly regulated

The provision of wagering services is subject to extensive laws, regulations and, where relevant, licence conditions (**Regulations**) in most jurisdictions. The Regulations vary from jurisdiction to jurisdiction but typically address the responsibility, financial standing and suitability of owners, directors and operators, marketing and promotional activity, the jurisdictions where an operator is permitted to undertake its business, the use of personal data and anti-money laundering laws. In most jurisdictions, compliance costs associated with Regulations are material.

Changes to Regulations - Many of the Regulations are subject to change at any time and regulatory authorities may change their interpretation of the Regulations at any time, which may prohibit, restrict or further regulate the Company's operations in the future. As a general rule, regulatory authorities have a duty of procedural fairness to notify and consult with entities prior to making any material changes to Regulations, in particular licence conditions. However, any changes to Regulations may result in additional costs or compliance burden. Some aspects of compliance may be outside the control of the Company.

Breach of Regulations - Failure by the Company to comply with relevant Regulations may lead to penalties, sanctions or ultimately the revocation of relevant operating licences and may have an impact on licences in other jurisdictions. Further, any regulatory investigations or settlements could cause the Company to incur substantial costs (either by way of fines and penalties or as a result of successful customer claims), or require it to change its business practices in a manner materially adverse to its business.

Regulations differ across jurisdictions - Regulations vary from jurisdiction to jurisdiction, from open regimes to licence-based regimes to complete illegality. In addition, the regulation of online wagering is subject to the determination of where online sports betting takes place and which jurisdiction has authority over the activities and participants.

The Company is currently operating in multiple jurisdictions and seeking to expand its operations into more jurisdictions. Accordingly, as the Company grows it will be subject to a wide range of different and at times conflicting Regulations in each jurisdiction, together with potential uncertainty around the application of laws. This is expected to place an increased burden on the Company and its compliance, administration and technology functions.

If the Company is not successful in managing this increased burden, or if the Company's assessment of an area of legal uncertainty is found to be incorrect, the Company may breach a licence condition or other applicable Regulation, which could result in penalties, sanctions or ultimately the revocation of relevant operating licences or regulatory approvals.

(e) United States specific regulatory risk

The Company's growth strategy includes expansion overseas, and in particular into the developing wagering industry in the United States. The striking down by the United States Supreme Court of the Professional and Amateur Sports Protection Act of 1992 on 14 May 2018

paved the way for individual States to introduce legislation permitting sports betting. Each State may now introduce their own regulatory and licencing frameworks, however:

- there is no guarantee that States will move to legalise wagering; and
- the timing of any enabling legislation or regulations, and the issuance of licences, cannot be assessed with any certainty in States that do move to legalise wagering.

There is also a risk that some States will delay legislation (particularly as economies recover from the impacts of COVID-19) or impose significant barriers to entry (such as restricting the number of permitted sports betting operators or limiting sports betting operations to retail premises) which may preclude the Company from gaining access to those States or place the Company at a disadvantage should competitors gain early access.

At this stage it is unknown whether the above regulatory changes will be delayed or otherwise impacted by the COVID-19 pandemic. In addition, should enabling legislation be enacted, there is a risk that the Company may be unable to secure a commercial licence to operate in a State because the Company is unable to find or agree commercial terms with a suitable licence holder, which would limit the Company's ability to grow its operations and be detrimental to its financial prospects and performance.

(f) The Company is exposed to adverse changes in product fees, levies and taxes

The Company has commercial and regulatory payment obligations in the jurisdictions in which it operates. These obligations may be owed to a particular sporting body as "product fees" (for example, horse racing conducted in an Australian jurisdiction), payable under a commercial or statutory licence, or otherwise imposed by law as a tax, levy or fee. Any adverse changes to the Company's commercial and regulatory payment obligations, or the imposition of new levies, taxes or other duties or charges in any of these jurisdictions could materially and adversely affect the operations, financial performance and prospects of the Company.

(g) System disruptions and outages

The integrity, reliability and operational performance of the Company's IT systems and third-party communication networks are critical to its operations. These IT systems and communication networks may be damaged or interrupted by increases in usage, human error, systems outages and failures, cyber-attacks, natural hazards or disasters, or similarly disruptive events. The Company's current systems may be unable to support a significant increase in online traffic or increased customer numbers, especially during peak times or events.

Like other wagering operators, the Company has experienced instances of service disruption. Any material or persistent failure or disruption of the Company's IT infrastructure or the telecommunications and/or other third-party infrastructure and services on which such infrastructure relies could lead to significant costs and disruptions that could reduce revenue, harm the Company's business reputation and have a material adverse effect on the operations, financial performance and prospects of the Company.

(h) Cyber security risks

The Company's IT systems and networks, and those of its third-party service providers, may be vulnerable to cyber-attacks, unauthorised access, computer viruses and other security issues. These events could damage the integrity of the Company's reputation and business.

Any failure by the Company to detect and prevent any intrusion or other security breaches, including sabotage, hackers, viruses and cyberattacks, could have a material adverse effect on the operations, financial performance and prospects of the Company.

(i) The Company may require additional capital to fund its growth plans

The Company may require additional capital in order to support and implement its growth plans. This is particularly so if the level of competitive intensity in the online wagering market in North America increases from conditions experienced in recent years which have contributed to cash losses for the Company and a number of its competitors, or if the impacts of COVID-19 continue to have an adverse impact on the growth of the wagering industry.

The Company's ability to obtain additional capital, if and when required, will depend on its business plans, investor demand, the capital markets and other factors. If the Company is unable to obtain additional capital when required, or is unable to obtain additional capital on satisfactory terms, its ability to continue to support its business growth or to respond to business opportunities, challenges or unforeseen circumstances could be adversely affected.

Any additional equity financing will dilute shareholdings, and any debt financing, if available, may involve restrictions on the Company's operating activities.

(j) Anti-money laundering

The wagering industry is exposed to schemes to launder money illegally and there is a risk that the Company's products may be used for those purposes by its clients or employees.

In addition, the Company's activities are subject to anti-money laundering regulations and anti-corruption laws, which may increase the costs of compliance, limit or restrict the Company's ability to do business or subject the Company to civil or criminal actions or proceedings.

(k) Risks relating to the misuse or loss of personal information

The Company processes personal customer data and therefore must comply with strict data protection and privacy laws in Australia and other jurisdictions. The Company is exposed to the risk that this data could be wrongfully accessed and/or used, whether by employees, customers or other third parties, or otherwise inadvertently lost or disclosed or processed in breach of applicable data protection regulations.

If the Company or any of the third-party service providers on which it relies fails to transmit customer information and payment details online in a secure matter or if a misuse or loss of personal customer data were to occur, the Company and its officers could face fines or penalties. This could also give rise to reputational damage to the Company and its brand.

(l) Inability to manage expected future growth

The Company has experienced and, while the wagering industry has contracted somewhat through the COVID-19 pandemic, expects to continue to experience rapid growth. This has, and may continue to place, significant demands on its management, operational and financial resources. As the Company grows, it may encounter capacity constraint issues and more resources may be required to manage growth initiatives. If the Company fails to successfully manage its anticipated growth and change, the quality of its products may suffer, which could negatively affect its brand and reputation and harm its ability to retain and attract customers.

(m) Systems upgrades

As the Company grows and continues to develop its products and services, it may undertake major IT projects or upgrades. These upgrades may include, for example, development of an online casino platform build-out, the automation of deployment infrastructure, an overhaul of existing marketing technology architecture and toolset, as well as standard upgrades such as new product features, upgrades to operational tools and platform enhancements.

During implementation of such upgrades, there is a risk that these upgrades will not integrate or operate successfully, resulting in errors or downtime of PointsBet's services. The upgrades may be incompatible with the Company's existing IT infrastructure, requiring a significant re-architecture or migration of older parts of its platform. Implementation of upgrades may also rely on the availability of key technical staff, who the Company may not be able to hire or retain in sufficient numbers to complete the desired upgrades.

(n) Reliance on key personnel

The Company depends on the services of the management team as well as its technical, operational, marketing and management personnel. Competition for suitably qualified personnel, including computer programmers and developers, is intense, and the Company cannot provide assurance that it will be able to attract or retain highly qualified personnel in the future.

If the Company is not able to retain its key employees and hire appropriate new employees, it may not be able to operate and grow its business as planned.

(o) **Exchange rate fluctuations may impact earnings**

PointsBet's financial reports are prepared in Australian dollars, however, a proportion of PointsBet's revenues, costs and cash flows are generated in United States dollars. The proportion of overseas revenues, costs and cash flows generated by the Company is expected to grow and the Company will be exposed to additional currencies as it enters new markets.

Any adverse exchange rate fluctuations or volatility in the currencies in which PointsBet generates its revenues and cash flows, and incurs its costs, would have an adverse effect on the Company's future performance and position.

4.2 General risks

(a) **Economic conditions**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business and production activities, as well as on its ability to fund those activities. The COVID-19 pandemic threw the global economy into uncertain and unpredictable times and the elevated levels of inflation in developed economies, and rising interest rates, exacerbate this.

(b) **Market conditions**

The Company's business is particularly sensitive to reductions from time to time in discretionary consumer spending and demand for entertainment and leisure activities. Accordingly, the Company's performance will depend to a certain extent on a number of macro-economic factors outside its control which may impact the spending power and habits of its clients. General market conditions may also affect the value of the Company's quoted Shares regardless of the Company's operating performance.

General market conditions are affected by many factors such as:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors or the market generally;
- the demand for, and supply of, capital;
- concerns regarding pandemics, epidemics and the spread of contagious diseases;
- domestic unrest, terrorism or other hostilities; and
- natural disasters such as floods, fires or drought.

Consumer spending and the market generally may be affected by unfavourable changes in general economic conditions, including recessions, economic slowdowns, sustained high levels of unemployment, and rising prices or the perception by consumers of weak or weakening economic conditions. Any significant or prolonged decrease in consumer spending on entertainment or leisure activities could adversely affect the demand for the Company's products.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and stocks in the wagering industry more specifically. The equity markets have been very volatile in 2022 (with sustained falls in major indices) and it is anticipated that market volatility will continue for some time.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Litigation**

There is a risk that the Company may in future be the subject of or required to commence litigation. Legal proceedings brought by third parties including but not limited to clients, business partners or employees could negatively impact the business. There is, however, no litigation, mediation, conciliation or administrative proceeding taking place, pending or threatened against the Company.

(d) **Tax risks**

Changes to the rate of taxes imposed on PointsBet (including in overseas jurisdictions in which PointsBet operates now or in the future) or tax legislation generally may affect PointsBet and its Shareholders. In addition, an interpretation of tax laws by the Australian Taxation Office and other regulators that differs to PointsBet's interpretation may lead to an increase in PointsBet's tax liabilities and a reduction in Shareholder returns.

Investor tax liabilities are the responsibility of each investor. PointsBet is not responsible either for tax or tax penalties incurred by investors.

(e) **Liquidity**

There can be no guarantee of an active market in PointsBet shares. There may be relatively few potential buyers or sellers of Shares on the ASX at any time. This may increase the volatility of the market price of Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares.

(f) **Inflation rates**

Higher than expected inflation rates could lead to increased development and/or operating costs. If such increased costs cannot be offset by increased revenue, this could impact PointsBet's future financial performance.

(g) **Australian Accounting Standards may change**

Australian Accounting Standards are set by the AASB and are outside the control of PointsBet. The AASB regularly introduces new or refined Australian Accounting Standards, which may affect future measurement and recognition of key statements of profit and loss and balance sheet items, including revenue and receivables.

There is also a risk that interpretations of existing Australian Accounting Standards, including those relating to the measurement and recognition of key statements of profit and loss and balance sheet items, may differ. Changes to Australian Accounting Standards issued by the AASB, or changes to commonly held views on the application of those standards, could materially adversely affect the financial performance and position reported in PointsBet's consolidated financial statements.

(h) **Interest rates**

PointsBet does not currently have any material debt. If PointsBet borrows money in the future, it will be exposed to increases in interest rates which would increase the cost of servicing PointsBet's debts.

(i) **Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of Shares.

There is no guarantee with respect to the payment of dividends, returns of capital or the market value of Shares. Potential investors should consider that an investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares.

4.3 Cautionary statement

Statements in this Prospectus may be forward looking statements.

Forward looking statements can be identified by the use of forward looking terminology such as, but not limited to, 'may', 'will', 'expect', 'anticipate', 'estimate', 'would be', 'believe', or 'continue' or the negative or other variations of comparable terminology. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. The Directors' expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis. They are based on, among other sources, the examination of historical operating trends, data in the Company's records and other data available from third parties. There can be no assurance, however, that the Directors' expectations, beliefs or projections will give the results projected in the forward looking statements. Investors should not place undue reliance on these forward looking statements.

5 RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

5.1 Deferred Bonus Equity Options

The DBEOs to be issued pursuant to the Bonus Issue will have an exercise price of \$10.00, expire two years from their date of issue (expected to be 8 July 2024) (**Expiry Date**) and entitle the holder to subscribe for \$10.00 worth of Shares upon exercise in accordance with their terms.

Refer to Section 2.3 for a summary of the key terms of the DBEOs. The terms of issue of the DBEOs is set out in Annexure A.

This Prospectus has been prepared, in part, to ensure that the relief provided under *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80* is available to DBEO holders. *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80* provides relief from the on-sale provisions of section 707 of the Corporations Act and will relieve the need for any further disclosure to be made prior to the on-sale of Shares issued following the exercise of DBEOs, within 12 months of their date of issue. As a consequence, DBEO holders will be able to immediately trade on ASX any Shares issued to them on exercise of their DBEOs.

5.2 Shares

A summary of the key rights attaching to the Shares issued upon exercise of the DBEOs is set out below. The provisions of the Constitution relating to the rights attaching to the Shares must be read subject to the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules. This summary is not intended to be exhaustive and does not constitute a definitive statement of the rights, liabilities and restrictions attaching to the Shares.

(a) Gaming approvals

The Company operates in a highly regulated environment and is required to hold licences in the jurisdictions in which it operates. Rule 15 of the Constitution allows the Company to sell a Shareholder's Shares, where that shareholding may result in a regulatory licence being revoked, suspended, refused or made subject to adverse conditions. Rule 15 sets out the circumstances in which the Company can invoke this right and the process the Company must follow when selling Shares, including the calculation of price. Rule 16 provides that the appointment of a Director (or relevant officer) shall immediately terminate if the Company receives notice from any gaming authority, that the person is required to resign from office, is not a fit and/or proper person to hold the relevant office, or the person would or may jeopardise any licence, registration or qualification granted or issued by that gaming authority.

(b) Voting at a general meeting

At a general meeting of the Company, every Shareholder present in person or by proxy, representative or attorney has one vote on a show of hands and, on a poll, one vote for each Share held (with adjusted voting rights for partly paid shares). If the votes are equal on a proposed resolution, the chairperson of the meeting has a casting vote, in addition to his or her deliberative vote.

(c) Meetings of members

Each Shareholder is entitled to receive notice of, attend and vote at general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, Corporations Act and ASX Listing Rules. The Company must give at least 28 days' written notice of a general meeting.

(d) Dividends

The Board may pay any interim and final dividends that, in its judgement, the financial position of the Company justifies. The Board may also pay any dividend required to be paid under the terms of issue of a Share, fix a record date for a dividend and decide the method of payment.

(e) **Transfer of Shares**

Subject to the Constitution and to any restrictions attached to a Shareholder's Shares, Shares may be transferred by proper ASTC transfer (effected in accordance with the ASX Settlement Operating Rules, Corporations Regulations 2001 (Cth) and ASX Listing Rules) or by a written transfer in any usual form or in any other form approved by the Board and permitted by the Corporations Act and ASX requirements.

The Board may decline to register, or prevent registration of, a transfer of Shares or apply a holding lock to prevent a transfer in accordance with the Corporations Act or the ASX Listing Rules.

(f) **Issues of further Shares**

The Board may, subject to the Constitution, Corporations Act and the ASX Listing Rules issue, allot or grant options for, or otherwise dispose of, Shares in the Company on such terms as the Board decides.

(g) **Winding up**

If the Company is wound up, then subject to the Constitution, the Corporations Act and any rights or restrictions attached to any Shares or classes of shares, Shareholders will be entitled to a share in any surplus property of the Company in proportion to the number of Shares held by them. If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders the whole or any part of the Company's property and decide how the division is to be carried out as between Shareholders or different classes of shareholders.

(h) **Less than marketable parcels**

In accordance with the ASX Listing Rules, the Board may sell Shares that constitute less than a marketable parcel by following the procedures set out in the Constitution. A marketable parcel of shares is defined in the ASX Listing Rules and is generally a holding of shares with a market value of not less than \$500.

(i) **Variation of class rights**

The procedure set out in the Constitution must be followed for any variation of rights attached to the Shares. Under the Constitution, and subject to the Corporations Act and the terms of issue of a class of shares, the rights attached to any class of shares may be varied:

- with the written consent of the holders of 75% of the shares of the class; or
- by a special resolution passed at a separate meeting of the holders of shares of the class.

(j) **Directors – Appointment and retirement**

Under the Constitution, the Board is comprised of a minimum of three Directors and a maximum of nine Directors, unless the Company resolves otherwise at a general meeting. Directors are elected or re-elected at general meetings of the Company.

No Director (excluding the Group CEO) may hold office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected. The Board may also appoint any eligible person to be a Director either as an addition to the existing Directors or to fill a casual vacancy, who will then hold office until the conclusion of the next annual general meeting of the Company following his or her appointment.

(k) **Directors – Voting**

Questions arising at a meeting of the Board must be decided by a majority of votes cast by the Directors present and entitled to vote on the matter. If the votes are equal on a proposed resolution, the chairperson of the meeting has a casting vote in addition to his or her deliberative vote, unless there are only two Directors present or entitled to vote in which case the chairperson of the meeting does not have a second or casting vote and the proposed

resolution is taken as lost. A Director may attend and vote by proxy at a meeting of the Board if the proxy is a Director, and has been appointed in writing by the appointer.

(l) Directors – Remuneration

Under the Constitution, the Board may decide the remuneration from the Company to which each Director is entitled for his or her services as a Director but the total aggregate amount provided to all Non-Executive Directors of the Company for their services as Directors must not exceed in any financial year the amount fixed by the Company in general meeting. The remuneration of a Director (who is not the CEO or an Executive Director) must not include a commission on, or a percentage of, profits or operating revenue.

Directors are entitled to be paid for all travelling and other expenses they incur in attending to the Company's affairs, including attending and returning from general meetings of the Company or meetings of the Board or of Board Committees. Any Director who performs extra services, makes any special exertions for the benefit of the Company or otherwise performs services which, in the opinion of the Board, are outside the scope of ordinary duties of a Non-Executive Director, may be remunerated for the services (as determined by the Board) out of the funds of the Company.

(m) Powers and duties of Directors

The business and affairs of the Company are to be managed by or under the direction of the Board, which (in addition to the powers and authorities conferred on it by the Constitution) may exercise all powers and do all things that are within the power of the Company and that are not by the Constitution or by law directed or required to be done by the Company in its general meeting.

(n) Preference Shares

The Company may issue preference shares including preference shares which are, or at the option of the Company or holder are, liable to be redeemed or converted into Shares. The rights attaching to preference shares are those set out in the Constitution or have been otherwise approved by special resolution of the Company.

(o) Indemnities

The Company must indemnify each Director and executive officer on a full indemnity basis and to the full extent permitted by law against all losses, liabilities, costs, charges and expenses incurred by the person as an officer of the Company.

The Company may, to the extent permitted by law, purchase and maintain insurance or pay, or agree to pay, a premium for insurance for each officer of the Company against any liability incurred by that person as an officer of the Company or of a related body corporate, including, but not limited to, a liability for negligence or for reasonable costs and expenses incurred in defending or responding to proceedings (whether civil or criminal and whatever the outcome).

(p) Access to records

The Company may enter into contracts with a Director or former Director agreeing to provide continuing access for a specified period after the Director ceases to be a Director to board papers, books, records and documents of the Company which relate to the period during which the Director or former Director was a Director on such terms and conditions as the Board thinks fit. The Company may procure that its subsidiaries provide similar access to board papers, books, records or documents.

(q) Amendment

The Constitution can only be amended by special resolution passed by at least three-quarters of Shareholders present (in person or by proxy, attorney or representative) and entitled to vote on the resolution at a general meeting of the Company.

6 AUSTRALIAN TAX IMPLICATIONS

6.1 General

This Section is a general summary of the Australian income tax, goods and services tax (**GST**) and stamp duty considerations relating to the Bonus Issue of DBEOs for certain Eligible Shareholders and is based on the Australian tax legislation and administrative practice in force as at the date of this Prospectus.

You should seek and rely upon your own professional advice before concluding on the particular taxation treatment that will apply to you. The Australian tax law is subject to change at any time and any such changes could affect the information provided herein. This summary does not take into account any financial objectives, tax positions, or investment needs of Eligible Shareholders. Neither the Company nor any of its officers or employees, nor its taxation and other advisers, accepts any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

The comments in this summary deal only with the Australian taxation implications of the DBEOs for Eligible Shareholders who:

- are a resident for Australian income tax purposes; and
- hold their Shares on capital account.

The comments in this summary do not consider the consequence for Eligible Shareholders who:

- are not a resident for Australian income tax purposes, or who are temporary residents;
- hold their Shares in a business of securities trading, dealing in securities or otherwise hold their Shares on revenue account or as trading stock; or
- are subject to the "Taxation of Financial Arrangements" rules (commonly referred to as the TOFA rules) in Division 230 of the Income Tax Assessment Act 1997 (Cth) in relation to their holding of Shares or DBEOs;
- who hold their Shares through investment vehicles including trusts, partnerships or tax-exempt entities;
- acquired the DBEOs under an employee share scheme; or
- acquired DBEOs otherwise than because they are an Eligible Shareholder (e.g. where the DBEOs are acquired through off-market transfers).

6.2 Issue of DBEOs

The issue of DBEOs to Australian Eligible Shareholders who hold their Shares on capital account should not, of itself, give rise to any amount of assessable income or capital gain for Eligible Shareholders.

6.3 Disposal of DBEOs

DBEOs will be considered capital gains tax (**CGT**) assets and a disposal of a DBEO will constitute a disposal of an asset for CGT purposes. This disposal may occur via an off-market transfer or through other means prior to being exercised.

On disposal of a DBEO, Eligible Shareholders will make a capital gain if the capital proceeds on disposal exceed the cost base of the DBEO. Eligible Shareholders will make a capital loss if the capital proceeds are less than the reduced cost base of the DBEO. The cost base of the DBEOs should only include certain non-deductible incidental costs incurred in disposing of the DBEOs. This capital gain will be included in assessable income in the income year of disposal, after the application of any current year or carry forward capital losses and the application of the CGT discount as applicable (see below).

DBEOs will be treated for CGT purposes as having been acquired at the same time as when the original Shares were acquired. Individuals, trustees or complying superannuation entities that have held DBEOs for 12 months or more at the time of disposal (as calculated under the CGT rules) should be entitled to apply the applicable CGT discount factor to reduce the capital

gain (after offsetting any current year or carry forward capital losses) resulting from the disposal of the DBEOs. The CGT discount factor is 50% for individuals and trustees and 33 1/3% for complying superannuation entities. The CGT discount is not available for companies that are not trustees.

6.4 Exercise of DBEOs

The following events should not, of themselves, result in any amount being included in an Eligible Shareholder's assessable income and should not give rise to any capital gain under the CGT provisions:

- notification of the Vesting Period by the Board;
- commencement of the Exercise Period; and
- the subsequent exercise of the DBEOs.

On exercise of the DBEOs, the resulting Shares will have an initial cost base equal to the exercise price paid for the Shares. Those Shares will be taken for CGT purposes to have been acquired on the day of exercise the DBEOs.

6.5 Dividends on Shares resulting from exercise of DBEOs

Any future dividends or other distributions made in respect of the Shares resulting from the exercise of the DBEOs will generally be subject to the same income taxation treatment as dividends or other distributions made on existing Shares held in the same circumstances.

Generally, payments of dividends may be franked (subject to the availability of franking credits) or unfranked. Where franking credits are received, these should be included as assessable income, subject to satisfying the 'qualified person' requirements. A Shareholder may be eligible for an income tax offset equal to the franking credit amount to reduce your income tax payable, or where there is an excess above tax payable, individual or complying superannuation fund investors may receive a tax refund of the excess. Shareholders should seek their own advice on the treatment of receipt of any franked dividends.

6.6 Disposal of Shares resulting from the exercise of the DBEOs

The disposal of a Share resulting from the exercise of a DBEO will constitute a disposal of an asset for CGT purposes.

On disposal of a Share, a Shareholder will make a capital gain if the capital proceeds on disposal exceed the cost base of the Share. A Shareholder will make a capital loss if the capital proceeds are less than the reduced cost base of the Share. The cost base of the new Shares acquired from the exercise of the DBEOs should generally be the \$10 per DBEO apportioned on a pro rata basis plus certain non-deductible incidental costs incurred in disposing of those Shares.

Individuals, trustees or complying superannuation entities that have held their new Shares for 12 months or more at the time of disposal should be entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting any current year or carry forward capital losses). The CGT discount factor is 50% for individuals and trustees and 33 1/3% for complying superannuation entities. The CGT discount is not available for companies that are not trustees.

Shares resulting from the exercise of the DBEOs will be taken for CGT purposes to have been acquired on the day you exercise the DBEOs.

A capital loss on disposal can be used to offset other capital gains, i.e. the capital loss cannot be used to offset other assessable income. However, if the capital loss cannot be used in a particular income year it can be carried forward to use in future income years, providing certain loss utilisation tests are satisfied where relevant.

6.7 Lapse of DBEOs

The lapse of DBEOs will be a CGT event. Eligible Shareholders will make a capital loss equal to any non-deductible incidental costs incurred in acquiring the DBEOs, reasonably apportioned to each DBEO, as no amount is paid for the issuance of the DBEOs.

6.8 Other Australian taxes

GST and stamp duty should not generally be payable by you in respect of the issue, sale or exercise of the DBEOs or the acquisition of Shares resulting from the exercise of the DBEOs. However, Eligible Shareholders may be restricted in claiming input tax credits for expenses incurred in relation to these transactions. This will depend on each Eligible Shareholder's particular circumstances and as such this should be reviewed by the Eligible Shareholder prior to making any claim.

7 ADDITIONAL INFORMATION

7.1 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction-specific prospectus". In general terms, a transaction-specific prospectus is only required to contain information in relation to the effect of the issue of securities in a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been provided to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Prospectus Expiry Date:
 - (i) the annual financial report most recently lodged by the Company with ASIC, being the financial report for the year ended 30 June 2021;
 - (ii) the half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with ASIC, being the half-year financial report for the half-year ended 31 December 2021; and
 - (iii) any continuous disclosure documents given by the Company to ASX after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since 31 August 2021 (being the date the Company lodged its most recent annual financial report) and before the lodgement of this Prospectus with ASIC are set out in the table below.

Date	Description of ASX Announcement
01/06/22	Update on Global Leadership Team
31/05/22	Becoming a substantial holder
30/05/22	Notification regarding unquoted securities - PBH
27/05/22	Ceasing to be a substantial holder
27/05/22	Becoming a substantial holder
24/05/22	Ceasing to be a substantial holder
18/05/22	Becoming a substantial holder
17/05/22	Ceasing to be a substantial holder
12/05/22	Becoming a substantial holder
29/04/22	Q3 FY22 Conference Call Details
29/04/22	Q3 FY22 Appendix 4C and Investor Presentation
21/04/2022	Details of Q3 FY2022 Appendix 4C Investor Call
13/04/2022	PointsBet Launches iGaming in Pennsylvania
11/04/2022	PointsBet Partners with Maple Leaf Sports & Entertainment
04/04/2022	PointsBet Takes First Bet in Ontario, Canada
01/04/2022	Change of Director's Interest Notice(Peter McCluskey)
01/04/2022	Application for quotation of securities - PBH
17/03/2022	Notification regarding unquoted securities - PBH
01/03/2022	Application for quotation of securities - PBH
01/03/2022	Notification of cessation of securities - PBH
01/03/2022	Notification regarding unquoted securities - PBH
25/02/2022	H1 FY22 Results Presentation
25/02/2022	HY22 Appendix 4D and HY Report
25/02/2022	Conference Call Details - HY22 Results
22/02/2022	Ceasing to be a substantial holder
14/02/2022	Application for quotation of securities - PBH
14/02/2022	Application for quotation of securities - PBH
14/02/2022	Notification of cessation of securities - PBH
14/02/2022	Details of H1 FY22 Results and Conference Call
08/02/2022	PointsBet Takes First Bet in Pennsylvania
04/02/2022	PointsBet Approved as a Licensed Sportsbook in Ontario
04/02/2022	Becoming a substantial holder
28/01/2022	Details of Q2 FY22 Conference Call
28/01/2022	Appendix 4C and Investor Presentation - Q2 FY22
27/01/2022	PointsBet Launches iGaming in West Virginia
25/01/2022	PointsBet Takes First Bet in New York
20/01/2022	PointsBet Awarded Wagering and Gaming Licenses in PA
18/01/2022	Details of Q2 FY22 Conference Call

Date	Description of ASX Announcement
11/01/2022	PB Partners NHL Alumni Association, Update on NY Launch
05/01/2022	Section 708A(5) Notice - Penn Interactive
05/01/2022	Application for quotation of securities - PBH
05/01/2022	Application for quotation of securities - PBH
16/12/2021	PointsBet Launches Operations in Virginia
08/12/2021	Change in substantial holding
26/11/2021	Change in substantial holding
24/11/2021	PBH Awarded Sports Betting Supplier License in Virginia
16/11/2021	Change in substantial holding
09/11/2021	PBH Recommended for New York Licence
01/11/2021	Change in substantial holding
28/10/2021	Q1 FY22 Investor Presentation
28/10/2021	Q1 FY22 Appendix 4C and Trading Update
28/10/2021	Details of Q1 FY22 Conference Call
19/10/2021	Details of Q1 FY22 Appendix 4C and Investor Call
18/10/2021	Change in substantial holding
14/10/2021	Notification of cessation of securities - PBH
14/10/2021	Notification regarding unquoted securities - PBH
13/10/2021	PointsBet named Exclusive Partner of Curling Canada
07/10/2021	Application for quotation of securities - PBH
05/10/2021	Results of 2021 Annual General Meeting
05/10/2021	2021 AGM - Chairman and CEO Address
01/10/2021	Becoming a substantial holder
16/09/2021	PBH Partners with Austin FC to Pursue Texas Market Access
13/09/2021	Becoming a substantial holder
10/09/2021	Section 708A(5)(e) Notice
10/09/2021	Application for quotation of securities - PBH
10/09/2021	Application for quotation of securities - PBH
07/09/2021	Change of Director's Interest Notice - Kosha Gada
06/09/2021	Notice of 2021 Annual General Meeting
03/09/2021	Notification regarding unquoted securities - PBH
03/09/2021	Application for quotation of securities - PBH
02/09/2021	Application for quotation of securities - PBH
01/09/2021	Change of Director's Interest Notice (Brett Paton)
01/09/2021	Change of Director's Interest Notice (Tony Symons)
31/08/2021	Conference Call Details FY21
31/08/2021	Appendix 4G
31/08/2021	FY21 Results Presentation

Date	Description of ASX Announcement
31/08/2021	Appendix 4E and Annual Report 2021
31/08/2021	Cover Letter - Results for announcement to the market

The announcements are also available through the ASX website <https://www2.asx.com.au/>.

7.2 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director or proposed Director holds at the date of this Prospectus, or has held within the two years preceding lodgment of this Prospectus with ASIC, any interest in:

- the formation or promotion of the Company;
- any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Bonus Issue; or
- the Bonus Issue,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- as an inducement to become, or to qualify as, a Director; or
- for services provided in connection with the formation or promotion of the Company or the Bonus Issue.

(a) Security holdings of Directors

The relevant interest of each of the Directors in the Company's securities as at the date of this Prospectus, together with their respective entitlement to DBEOs (assuming no Options or Performance Share Rights are converted into Shares before the Record Date), is set out in the table below.

Table 3: Directors' interest in securities

Director	Relevant interest in Shares	Options	DBEO entitlement
Brett Paton (Chairman, Non-Executive Director)	15,498,105 Shares	732,417 listed Options, exercisable at \$12.609 on or before 30/09/2022	767,232 DBEOs
Sam Swanell (Chief Executive Officer)	2,583,921 Shares	1,275,585 unlisted Options, vesting on 30/01/2022 and exercisable at \$0.234 on or before of 30/01/2023 (subject to achievement service and target share price) 628,792 unlisted Options, vesting on 30/01/2023 and exercisable at \$0.234 on or before of 30/01/2024 (subject to achievement service and target share price) 628,792 unlisted Options, vesting on 30/01/2024 and exercisable at \$0.234 on or before of 30/01/2025 (subject to achievement service and target share price) 35,493 Performance Share Rights each convertible into one Share (subject to achieving of service conditions during vesting periods)	127,916 DBEOs

Director	Relevant interest in Shares	Options	DBEO entitlement
Manjit Singh (Non-Executive Director)	205,000 Shares	156,250 unlisted Options, vesting on 31/03/2020 and exercisable at \$1.671 on or before 31/03/2023 312,500 unlisted Options, vesting on 31/12/2020 and exercisable at \$1.671 on or before of 30/01/2023 (subject to achievement service and target share price) 390,625 unlisted Options, vesting on 30/01/2022 and exercisable at \$1.671 on or before of 30/01/2024 (subject to achievement service and target share price) 354,077 unlisted Options, vesting on 30/01/2023 and exercisable at \$1.671 on or before of 30/01/2025 (subject to achievement service and target share price) 100,000 unlisted Options, vesting on 06/01/2023 and exercisable at \$3.714 on or before of 06/01/2025 (subject to achievement service and target share price) 100,000 unlisted Options, vesting on 06/01/2024 and exercisable at \$3.714 on or before of 06/01/2026 (subject to achievement service and target share price) 82,249 Performance Share Rights each convertible into one Share (subject to achieving of service conditions during vesting periods)	10,148 DBEOs
Peter McCluskey (Non-Executive Director)	501,515 Shares	31,440 unlisted Options, vesting on 30/01/2023 and exercisable at \$0.234 on or before of 30/01/2024 (subject to achievement service and target share price) 31,440 unlisted Options, vesting on 30/01/2024 and exercisable at \$0.234 on or before of 30/01/2025 (subject to achievement service and target share price) 18,534 listed Options, exercisable at \$12.609 on or before 30/09/2022	24,827 DBEOs
Tony Symons (Non-Executive Director)	740,102 Shares	62,879 unlisted Options, vesting on 30/01/2022 and exercisable at \$0.234 on or before of 30/01/2023 (subject to achievement service and target share price) 31,440 unlisted Options, vesting on 30/01/2023 and exercisable at \$0.234 on or before of 30/01/2024 (subject to achievement service and target share price) 31,440 unlisted Options, vesting on 30/01/2024 and exercisable at \$0.234 on or before of 30/01/2025 (subject to achievement service and target share price) 12,500 listed Options, exercisable at \$12.609 on or before 30/09/2022	36,638 DBEOs
Becky Harris (Non-Executive Director)	Nil	Nil	Nil
Kosha Gada (Non-Executive Director)	4,735 Shares	Nil	234 DBEOs

(b) Remuneration of Directors

The Directors were remunerated by the Company and received the following amounts for the year ended 30 June 2021:

Table 4: Director remuneration for financial year ended 30 June 2021

Director	Title	Total Remuneration
Brett Paton	Chairman, Non-Executive Director	\$100,000
Sam Swanell	Chief Executive Officer	\$1,493,865
Manjit Singh	Non-Executive Director	\$849,003
Peter McCluskey	Non-Executive Director	\$125,345
Tony Symons	Non-Executive Director	\$125,345
Becky Harris	Non-Executive Director	\$135,263
Kosha Gada	Non-Executive Director	\$12,903 (commenced as a director on 3 May 2021)

Following on from a review of Non-Executive Director fees, from 1 September 2021, the annual base Non-Executive Director fees agreed to be paid by the Company to (i) the Chairman is \$150,000 (incl. superannuation), (ii) each Australian Non-Executive Director is \$105,000 (incl. superannuation) and (iii) each US Non-Executive Director is US\$125,000. Details of the revised Non-Executive Director fees will be set out in the Remuneration Report for the financial year ended 30 June 2022.

Please refer to the Remuneration Report, which is contained in the Company's Audited Financial Report for the financial year 1 July 2020 to 30 June 2021, for full details of the remuneration of the Company's Executive and Non-Executive Directors.

The Audited Financial Report was lodged with ASX on 31 August 2021 and is available on the Company's ASX announcements page <https://www2.asx.com.au/>. A hard copy of the Audited Financial Report is also available free of charge by contacting the PointsBet Bonus Issue Information Line.

7.3 Interests of advisers

Except as set out in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or interest of this Prospectus holds at the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

- the formation or promotion of the Company;
- the Bonus Issue; or
- any property acquired or proposed to be acquired by the Company in connection with the formation or promotion of the Company or the Bonus Issue,

nor has anyone paid or agreed to pay or given or agreed to give any benefit to such persons in connection with the formation or promotion of the Company or the Bonus Issue.

Baker & McKenzie acted as Australian legal adviser to the Company in relation to the Bonus Issue. The Company has paid or agreed to pay an amount of approximately \$125,000 (plus disbursements and GST) up to the date of this Prospectus in respect of those services. Further amounts may be paid to Baker & McKenzie in accordance with its normal time-based charges.

Computershare Investor Services Pty Limited is the Company's appointed share registry and provides share registry functions including administrative services in respect of facilitating the despatch of this Prospectus and issuing the DBEOs and will be paid for these services on standard industry terms and conditions.

7.4 Market price of Shares

Official quotation of the Company's shares on ASX commenced on 12 June 2019.

The highest and lowest closing market sale price of Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

- Lowest: \$2.02 on 15 June 2022.
- Highest: \$4.06 on 23 March 2022.

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$2.15 on 17 June 2022.

7.5 Costs of the Bonus Issue

The estimated expenses of the Bonus Issue are as follows:

Table 5: Costs of the Bonus Issue

Item of Expenditure	Cost (exclusive of taxes)
ASIC lodgement fee	\$3,206
Legal and other professional advisory fees	\$307,000
Share registry fees	\$25,000
Total	\$335,206

7.6 Litigation

As at the date of this Prospectus the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company which are likely to have a material adverse effect on the business or financial position of the Company.

7.7 Consents to be named

Each of the parties referred to below, to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility for any statements in or omissions from this Prospectus, other than the reference to its name in the form and context in which it is named and a statement or report included in this Prospectus with its consent as specified below.

Written consents to the issue of this Prospectus have been given and, at the time of lodgement of this Prospectus with ASIC, had not been withdrawn by the following parties:

- Baker & McKenzie has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus as Australian legal adviser to the Company in relation to the Bonus Issue in the form and context in which it is named; and
- Computershare Investor Services Pty Limited has given and, as at the date hereof, has not withdrawn, its written consent to be named as the Share Registry in the form and context in which it is named. Computershare Investor Services Pty Limited has had no involvement in the preparation of any part of this Prospectus other than being named as Share Registry to the Company.

No entity or person referred to above in Section 7.7 has made any statement that is included in this Prospectus or any statement on which a statement made in this Prospectus is based, except as stated above. Each of the persons and entities referred to above in this Section 7.7 has not authorised or caused the issue of this Prospectus, does not make any offer of DBEOs and, to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this Prospectus except as stated above in this Section 7.7.

Each of the Directors has given their written consent to being named in this Prospectus in the context in which they are named and have not withdrawn their consent prior to lodgement of this Prospectus with ASIC.

7.8 Governing law

This Prospectus, the Bonus Issue and the contracts formed on exercise of the DBEOs are governed by the laws applicable in Victoria, Australia. Each Eligible Shareholder and their transferees submit to the non-exclusive jurisdiction of the courts of Victoria, Australia.

7.9 Enquiries

Eligible Shareholders can obtain a copy of this Prospectus from the ASX website at <https://www2.asx.com.au/> or by calling the PointsBet Bonus Issue Information Line on 1300 620 643 (from within Australia) and +61 3 9415 4320 (from outside Australia) at any time from 8.30am to 5.00pm (Melbourne time) Monday to Friday (excluding public holidays).

Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus.

7.10 Directors authorisation

This Prospectus is authorised by each Director.

This Prospectus is signed by a Director of PointsBet Holdings Limited in accordance with section 351 of the Corporations Act.

8 GLOSSARY

Term	Definition
\$	Australian dollars.
Aggregate Entitlement	Has the meaning given in Section 2.3.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited ACN 008 624 691 or the financial market operated by it.
ASX Listing Rules	The official listing rules of the ASX, as amended from time to time.
ASX Settlement	ASX Settlement Pty Limited ACN 008 504 532.
ASX Settlement Operating Rules	The operating rules of ASX Settlement, as amended from time to time.
Board	The Board of Directors of the Company unless the context indicates otherwise.
Bonus Issue	The pro rata non-renounceable issue of up to 15,030,604 DBEOs to Eligible Shareholders and Eligible US Shareholders under this Prospectus or the US Private Placement Memorandum, as applicable.
Business Day	Has the meaning given in the ASX Listing Rules.
CHESS	The clearing house electronic sub register system, an automated transfer and electronic settlement system for transactions in securities quoted on the ASX under which transfers are effected in paperless form.
Company or PointsBet	PointsBet Holdings Limited ACN 621 179 351.
Constitution	The constitution of the Company, as amended from time to time.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
DBEO or Deferred Bonus Equity Option	An Option to acquire Shares granted pursuant to this Prospectus on the terms and conditions set out in Annexure A.
Director	A director of the Company.
Eligible Shareholder	A Shareholder at the Record Date with a registered address in Australia or New Zealand or any other Permitted Jurisdiction to whom it is lawful to make the offer of DBEOs in accordance with this Prospectus.
Eligible US Shareholder	A limited number of Shareholders at the Record Date, who are also Shareholders at the date of this Prospectus, that are located in the United States and that the Company, in its sole discretion, has decided to invite to participate in the Bonus Issue pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable US securities laws.
Exercise Notice	Has the meaning given in Section 2.3.
Exercise Period	Has the meaning given in Section 2.3.
Exercise Price	Has the meaning given in Section 2.3.
Expiry Date	Has the meaning given in Section 5.1.
GST	Goods and Services Tax (imposed under the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth)).
Mutual Recognition Regime	The mutual recognition regime established under subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 of New Zealand and Part 9 of the Financial Market Conduct Regulations 2014 of New Zealand.
Option	An option entitling its holder to subscribe for Share(s).
Permitted Jurisdictions	Australia, Hong Kong, New Zealand, Norway, Singapore, Switzerland, United Arab Emirates, United Kingdom.
Pricing Period	Has the meaning given in Section 2.3.

Term	Definition
Prospectus	This prospectus, and any supplementary or replacement prospectus.
Prospectus Date	20 June 2022.
Prospectus Expiry Date	The date that is 13 months after the date of this Prospectus.
Record Date	7.00pm (Melbourne time) on 5 July 2022.
Section	A section of this Prospectus.
Share	A fully paid ordinary share in the capital of the Company.
Share Registry	Computershare Investor Services Pty Limited ACN 078 279 277, or the share register of the Company maintained by it (as applicable).
Shareholder	A holder of a Share.
SIG Sports	SIG Sports Investment Corp.
Subscription Price	Has the meaning given in Section 2.3.
US Private Placement	The pro rata non-renounceable issue of approximately DBEOs to Eligible US Shareholders under the US Private Placement Memorandum.
US Private Placement Memorandum	This Prospectus and any wrap used to conduct the US Private Placement.
US Securities Act	United States Securities Act of 1933 (as amended).
Vesting Notice	Has the meaning given in Section 2.3.
VWAP	Has the meaning given in Section 2.3.

ANNEXURE A – DEFERRED BONUS EQUITY OPTIONS - TERMS AND CONDITIONS

1. Entitlement

Each Deferred Bonus Equity Option (**DBEO**) entitles the holder (**Holder**) to subscribe for \$10.00 worth of fully paid ordinary shares (**Shares**) in PointsBet Holdings Limited (**Company**) upon exercise in accordance with these terms and conditions.

2. Vesting

Each DBEO will vest on the date which the Company determines to call for the exercise of the DBEOs and gives a notice to the Holder, such notice to be given no later than three months prior to the Expiry Date (**Vesting Date**).

3. Exercise Price and Expiry Date

Each DBEO has an exercise price of \$10.00 (**Exercise Price**) and, subject to term 10, will expire on the date which is two years from the date of issue (**Expiry Date**).

4. Exercise Period

Each DBEO is exercisable within the 15 Business Day period immediately following, and including, the Vesting Date (**Exercise Period**).

5. Notice of Exercise

The DBEOs may be exercised by DBEO holders by the applicable form of notice in writing to the Company (**Exercise Notice**) and payment of the Exercise Price for each DBEO being exercised during the Exercise Period. Any Exercise Notice in respect of a DBEO received by the Company will be deemed to be a notice of the exercise of that DBEO as at the date of receipt.

6. Shares issued on exercise

The number of Shares issued to a holder of DBEOs on exercise of DBEOs held by that DBEO holder will be calculated in accordance with the following formula (rounded down to the nearest whole Share):

$$\text{Number of Shares} = \frac{\text{Aggregate Entitlement}}{\text{Subscription Price}}$$

where:

- **Aggregate Entitlement** means the Exercise Price multiplied by the number of DBEOs exercised by the DBEO holder;
- **Subscription Price** means the VWAP multiplied by 80%; and
- **VWAP** means the arithmetic average of the daily volume weighted average price of trading in Shares on the ASX during the 10 consecutive trading days commencing two Business Days after the Exercise Period concludes.

Shares issued on exercise of the DBEOs rank equally with the existing Shares.

7. Quotation of Shares on exercise

Application will be made by the Company to ASX (or, if the Company is no longer listed on ASX, to the securities exchange on which its Shares are admitted for quotation) for official quotation of the Shares issued upon the exercise of the DBEOs.

8. No voting or dividend rights

A DBEO does not entitle the Holder to (i) vote on any resolutions proposed by the Company, except as otherwise required by law or (ii) participate in any dividends.

9. Timing of the issue of Shares on exercise

Within:

- (a) ten Business Days after the Pricing Period, the Company will allot and issue the Shares pursuant to the exercise of the DBEOs; and
- (b) five Business Days after issuing the Shares, the Company will apply for, and use best endeavours to obtain, official quotation on ASX (or, if the Company is no longer listed on ASX, to the securities exchange on which the Company's shares are admitted for quotation) of Shares issued pursuant to the exercise of the DBEOs,

provided the Holder has, during the Exercise Period, given an Exercise Notice and payment of the Exercise Price for each DBEO being exercised.

10. Change of control

In the event that at any time before the commencement of the Exercise Period:

- (a) a takeover bid under Chapter 6 of the *Corporations Act 2001* (Cth) that has been made in respect of the Company having received acceptances for more than 50% of the Shares on issue and being declared unconditional by the bidder; or
- (b) a scheme of arrangement of the Company under Part 5.1 of the *Corporations Act 2001* (Cth) pursuant to which a person or entity will acquire all of the Shares is (i) approved by shareholders of the Company at a Court convened meeting of its shareholders, by the necessary majorities and (ii) is approved by the Court,

the DBEOs will automatically lapse.

11. Participation in new issues

There are no participation rights or entitlements inherent in the DBEOs and the Holder will not be entitled to participate in new issues of capital offered to shareholders of the Company unless the Holder has exercised the DBEOs before the record date for determining entitlements to the new issue of securities and participates as a result of holding Shares.

12. No adjustment for bonus issue

If the Company makes a bonus issue of Shares or other securities to existing shareholders of the Company, there will be no adjustment to the Exercise Price or the number of Shares which must be issued on exercise of the DBEOs.

13. No adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing shareholders of the Company, there will be no adjustment to the Exercise Price or the number of Shares over which the DBEOs are exercisable.

14. Adjustment for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Holders of DBEOs may be varied to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction

15. DBEOs transferable

The DBEOs are transferable.

None of the DBEOs or the Shares to be issued pursuant to the exercise of the DBEOs have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and, accordingly, the DBEOs and the Shares to be issued pursuant to the exercise of the DBEOs may not be offered, sold, resold, allotted, taken up, exercised, , pledged, delivered or otherwise transferred (as applicable), directly or indirectly, in the United States or to any person acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of such person in the United States) except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or any other jurisdiction in the United States.

16. Amendments

These terms and conditions of the DBEOs may only be amended subject to compliance with the ASX Listing Rules (or the rules of the relevant securities exchange on which the Shares are admitted for quotation).

ANNEXURE B – FOREIGN SELLING RESTRICTIONS

This Prospectus does not constitute an offer of DBEOs in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the DBEOs may not be offered or sold, in any country outside Australia and New Zealand except to the extent permitted below.

The offer is being extended to New Zealand investors under the Mutual Recognition Regime. Important information specific to New Zealand investors is provided in the Important Notice section of this Prospectus under the heading 'Warning statement for New Zealand investors'.

Hong Kong

WARNING: The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any of the contents of this document, you should obtain independent professional advice.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The DBEOs may not be offered or sold, directly or indirectly, in Norway except:

- to "qualified investors" (as defined in Prospectus Regulation Article 2 (e), cf. Securities Trading Act Section 7-1 and including non-qualified investors having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation)
- to fewer than 150 natural or legal persons (other than "qualified investors"); or
- in any other circumstances provided that no such offer of DBEOs shall result in a requirement for the registration, or the publication by the Company, of a prospectus pursuant to the Securities Trading Act.

Singapore

This document and any other materials relating to the DBEOs have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of DBEOs, may not be issued, circulated or distributed, nor may the DBEOs be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) of Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's shares. In the event that you are not an existing holder of the Company's shares, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the DBEOs being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire DBEOs. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The DBEOs may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("FinSA") and no application has or will be made to admit the DBEOs to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the DBEOs constitutes a prospectus or a similar communication pursuant to the FinSA, and neither this Prospectus nor any other offering or marketing material relating to the DBEOs may be publicly distributed or otherwise made publicly available in Switzerland.

United Arab Emirates

Neither this document nor the DBEOs have been approved or passed on in any way by the Emirates Securities and Commodities Authority ("ESCA") or any other governmental authority in the United Arab Emirates. The Company has not received authorisation or licensing from the ESCA or any other governmental authority to market or sell the DBEOs within the United Arab Emirates. This document does not constitute, and may not be used for the purpose of, an offer of securities in the United Arab Emirates (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre). No services relating to the DBEOs, including the receipt of applications, may be rendered within the United Arab Emirates (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre).

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the DBEOs.

This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of Article 2(e) of the UK Prospectus Regulation)) in the United Kingdom, and the DBEOs may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the DBEOs has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members or creditors of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, or (ii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

None of the DBEOs or the Shares to be issued pursuant to the exercise of the DBEOs have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and, accordingly, the DBEOs and the Shares to be issued pursuant to the exercise of the DBEOs may not be offered, sold, resold, allotted, taken up, exercised, pledged, delivered or otherwise transferred (as applicable), directly or indirectly, in the United States or to any person acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of such person in the United States) except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or any other jurisdiction in the United States.

This Prospectus may not be distributed to, or relied upon by, persons in the United States unless it is attached to, or forms part of, the US Private Placement Memorandum and is delivered by the Company to Eligible US Shareholders as part of the US Private Placement. Neither receipt of this Prospectus nor any of its accompanying documents constitutes an offer of the DBEOs and the Shares to be issued pursuant to the exercise of the DBEOs to any Shareholder other than the Shareholder which has received this Prospectus and its accompanying documents directly from the Company.

The DBEOs may only be accepted by persons in the United States or any person acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of such person in the United States) who are Eligible US Shareholders and have received the US Private Placement Memorandum from the Company as part of the US Private Placement.

CORPORATE DIRECTORY

PointsBet's registered office

PointsBet Holdings Limited
Level 2, 165 Cremorne Street
Cremorne VIC 3121

Australian Legal Adviser

Baker & McKenzie
Tower One - International Towers Sydney
Level 46, 100 Barangaroo Avenue
Barangaroo NSW 2000

PointsBet Bonus Issue Information Line

Within Australia: 1300 620 643
Outside Australia: +61 3 9415 4320
8.30am to 5.00pm (Melbourne time)
Monday to Friday (excluding public holidays)

Share Registry

Computershare Investor Services Pty Limited
452 Johnston Street
Abbotsford VIC 3067
<https://www.computershare.com/au>

Securities Exchange Listing

Australian Securities Exchange (ASX)
ASX Code: PBH

Website

<https://pointsbet.com.au/>