

Playlunch Games

PLAYLUNCH GAMES PTY LTD ACN 642 763 853

SHARE SUBSCRIPTION AGREEMENT SEED CAPITAL RAISING



PLAYLUNCH GAMES PTY LTD
SHARE SUBSCRIPTION AGREEMENT – SEED CAPITAL RAISING**PARTIES & EXECUTION****A. PARTIES****A.1 Company**

Party Name	Playlunch Games Pty Ltd ACN 642 763 853 (Company)
Address	W D Howell, Level 1, 255 Whitehorse Road, Balwyn VIC 3103
Contact	Wil Monte - wil.monte@playlunchgames.com


A.2 Subscriber

Party Name	Kierrian Michelle Ashbrook as trustee for the Ashbrook Happy Days Super Fund (Subscriber)
Address	1 Weeroona Street, Port Melbourne VIC 3207
Contact	kerry.ashbrook@lifecycleyouchoose.com.au

B. EXECUTION


By signing below, the parties agree to the Particulars and the General Conditions set out in this Agreement.

EXECUTED by PLAYLUNCH GAMES PTY LTD:



Sole Director
Date 15 December 2021 | 12:33:23 AEDT
Name wil Monte

EXECUTED by KIERRIAN ASHBROOK:



Signature
Date 18 December 2021 | 14:13:03 PST

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PARTICULARS

Agreement Date	The date this Agreement is signed by the last party.
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A. SUBSCRIPTION DETAILS

A.1 New Shares Available for Subscription	<p>(a) The Company has authorised the issue of 5,000,000 ordinary Shares in the Company (New Shares).</p> <p>(b) The Subscriber has agreed to subscribe for 50,000 New Shares.</p>
A.2 Subscription Price	\$20,000.00 (Subscription Price), calculated as follows: \$0.40 per New Share x 50,000 New Shares = \$20,000.00
A.3 Completion Date	On or before 3 Business Days from the Agreement Date.
A.4 Conditions	<p>(a) To be allocated New Shares, on or before the Completion Date the Subscriber must deliver to the Company:</p> <ul style="list-style-type: none"> (i) Executed Share Subscription Agreement; and (ii) Bank cheque or electronic funds transfer of the full Subscription Price. <p>(b) By accepting the New Shares issued pursuant to this Agreement, the Subscriber agrees to be bound by the Company's Constitution with respect to the New Shares.</p>

B. CAPITAL STRUCTURE

Stage	Class of Shares	Number
B.1 Pre-Subscription	Ordinary – Team Members	13,000,000
	Ordinary – Existing	5,000,000
		TOTAL 18,000,000
B.2 Post-Subscription (Fully Diluted)	Ordinary – Team Members	13,000,000
	Ordinary – Existing	5,000,000
	Ordinary – New Investors	5,000,000
	Options - ESS Allowance	2,000,000
		TOTAL 25,000,000

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C. INVESTMENT CONDITIONS

C.1 Waiver of Pre-Emptive Rights	To the extent that any of the New Shares are not taken up by the Subscriber, the Subscriber irrevocably authorises and waives any rights of pre-emption and/or anti-dilution with respect to, the issue of the balance of the New Shares by the Company.
C.2 Use of Funds	Funds received from the Subscriber shall be used for the development of the Company's business only.
C.3 Legal Fees	The Company and the Subscriber shall each pay their own legal fees in regard to any investment in the Company by the Subscriber and in connection with this Agreement (including any preceding due diligence, discussions or enquiries).

D. COMPANY WARRANTIES

D.1 Company	<p>(a) The Company is a corporation (as defined in the Corporations Act) with limited liability, validly existing under the Corporations Act;</p> <p>(b) The Company has the corporate power to own its property and assets and to carry on its business as it is now being conducted;</p> <p>(c) The Company does not act as the trustee of any trust and is the legal and beneficial owner of all of the assets of the Company;</p> <p>(d) The Company has full power and authority to enter into and perform its obligations under this Agreement;</p> <p>(e) The Company has taken all necessary action to authorise the execution, delivery and performance of this Agreement;</p> <p>(f) The Company does not, by entering into and performing this Agreement, breach any obligation agreement or undertaking, by which it is bound;</p> <p>(g) There is no restriction on the allotment and issue of the New Shares; and</p> <p>(h) No Insolvency Event has occurred with respect to the Company.</p>
D.2 Liabilities & Encumbrances	The Company has no undisclosed liabilities (including contingent liabilities) that exceed a fair and reasonable valuation of \$25,000.
D.3 New Shares	<p>(a) The pre-subscription capital structure of the Company is accurately represented in item B.1 of the Particulars; and</p> <p>(b) Upon payment by the Subscriber, the New Shares are free of any encumbrances and are issued fully paid; and</p>

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	(c) The Company has procured a waiver from each Shareholder with respect to any rights of pre-emption or analogous rights that are inconsistent with the issue and allotment of the New Shares pursuant to this Agreement.
D.4 Information	<p>(a) Documents made available by the Company to the Subscriber as part of the due diligence material are accurate and complete in all material respects;</p> <p>(b) Documents to which the Company is a party are in full force and effect and the Company is not aware of any breach by it or by any other party to a document, of any material term of any such document;</p> <p>(c) To the best of the Company's knowledge and belief, all information about the subject matter of this Agreement which is material for the Subscriber has been disclosed to the Subscriber; and</p> <p>(d) All information that has been disclosed by the Company was true, accurate and complete in all material respects when disclosed and not, by omission or otherwise, misleading in any material respect.</p>
D.5 Legal Compliance	<p>(a) The Company and its officers, agents and employees have acted in compliance with all the relevant laws and statute;</p> <p>(b) The Company is not involved in any litigation or dispute resolution proceedings; and</p> <p>(c) The Company and its officers are not aware of any matter or situation that presents a material risk of litigation or dispute resolution proceedings by or against the Company;</p>
D.6 Intellectual Property	The Company owns or possesses sufficient legal rights to all the Intellectual Property rights necessary to continue the conduct of its business as presently conducted and as presently proposed to be conducted without any material change.

E. LEGAL LOCATION

E.1 Jurisdiction	<p>(a) Governing Law: Victoria, Australia.</p> <p>(b) Reference City: Melbourne.</p>
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GENERAL CONDITIONS

1 INTERPRETATION

1.1 The following definitions apply in this Agreement:

- (a) **ACN** means Australian Company Number.
- (b) **Agreement** means this Share Subscription Agreement.
- (c) **Business Day** means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in the reference city set out in the Particulars.
- (d) **Completion Date** means each date set out in item A.3 of the Particulars.
- (e) **Corporations Act** means the *Corporations Act 2001* (Cth).
- (f) **General Conditions** means the terms and conditions set out in the section of this Agreement entitled “General Conditions”.
- (g) **Insolvency Event** means an event that occurs when a party:
 - i is in liquidation or provisional liquidation or under administration;
 - ii has a controller as defined in the Corporations Act, or an analogous person appointed to it or to any of its property;
 - iii is taken under section 459F(1) of the Corporations Act to have failed to comply with a statutory demand;
 - iv is unable to pay its debts or is insolvent;
 - v dies, ceases to be of full legal capacity or becomes incapable of managing its own affairs for any reason;
 - vi takes any step that could result in the party becoming an insolvent under administration as defined in section 9 of the Corporations Act;
 - vii enters into a compromise or arrangement with, or assignment for the benefit of, any of its members or creditors; or
 - viii is affected by any event analogous to the events set out in paragraphs (i) to (vii) above.
- (h) **Intellectual Property** means all rights (present and future) conferred by common law, equity or statute (and all moral rights) connected with business names, computer software, confidential information, copyright, designs, domain names, formulas, inventions, knowhow, patents, trade marks, and other results of intellectual activity in the industrial, commercial, scientific, literary or artistic field, the benefit of any application to register such a right and the benefit of any renewal or extension of such a right.
- (i) **New Shares** means the shares described in item A of the Particulars.
- (j) **Particulars** means this Agreement’s details and variables set out in the section of this Agreement entitled “Particulars”.

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- (k) **Share** means a share in the share capital of the Company.
- (l) **Shareholder** means any person who holds a single Share or more in the Company.
- (m) **Warranty Claim** means a claim in respect of a warranty.

2 SUBSCRIPTION

- 2.1 On each Completion Date, the Company will issue and allot New Shares to the Subscriber in accordance with item A.3 of the Particulars, in consideration for payment by the Subscriber of the Subscription Price.

3 COMPLETION DATE

- 3.1 Subject to the Subscriber having fulfilled the conditions precedent in item A.4 of the Particulars, the following events will occur on each Completion Date:

- (a) The Company will resolve to:
 - i issue and allot the New Shares to the Subscriber; and
 - ii enter the Subscriber into the register of members.
- (b) The Company will:
 - i allot and issue the New Shares to the Subscriber in accordance with item A of the Particulars; and
 - ii produce and deliver share certificates to the Subscriber, which show that the Subscriber holds the New Shares in accordance with item A of the Particulars.

4 COMPANY WARRANTIES

- 4.1 The Company acknowledges and agrees that the Subscriber enters into this Agreement on the basis of the warranties in this Agreement.
- 4.2 The Company gives the warranties set out in item D of the Particulars in favour of the Subscriber on the date of this Agreement and repeats these warranties on each Completion Date.
- 4.3 Each warranty in item D of the Particulars is to be construed independently of the others and is not limited by reference to any other warranty.
- 4.4 The Company represents and warrants to the Subscriber that this Agreement creates valid and binding obligations on the Company, enforceable in accordance with the terms of this Agreement.

5 SUBSCRIBERS WARRANTIES

- 5.1 Each Subscriber represents and warrants to the Company that:

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- (a) if it is a corporation, the Subscriber is a corporation incorporated pursuant to the laws of Australia;
- (b) the Subscriber has all the requisite power and authority to perform its obligations pursuant to this Agreement;
- (c) the execution and delivery of this Agreement by the Subscriber does not violate or conflict with any of the provisions of its constitution or if acting in its capacity as trustee, its trust deed; and
- (d) this Agreement creates valid and binding obligations on the Subscriber, enforceable in accordance with the terms of this Agreement.

6 LIMITATION OF LIABILITY

- 6.1** The Company is not liable to the Subscriber in respect of a Warranty Claim or any claim under this Agreement (**Other Claim**) unless the Subscriber gives notice to the Company describing in reasonable detail the fact, matter or circumstance giving rise to that Warranty Claim or Other Claim and the basis upon which that fact, matter or circumstance may give rise to the Warranty Claim or Other Claim by no later than the first anniversary of the Completion Date.
- 6.2** The Subscriber may not make a Warranty Claim or Other Claim against the Company until:
- (a) the amount of any single Warranty Claim or Other Claim exceeds \$5,000; and
 - (b) the total amount of all Warranty Claims and Other Claims exceeds \$25,000 in which case the Subscriber may claim the whole amount and not just the excess over \$5,000.
- 6.3** The maximum aggregate liability of the Company to the Subscriber for any Warranty Claim or other Claim is the Subscription Price, except in the case of fraud committed by the Company.
- 6.4** The Subscriber acknowledges that that it shall not be entitled to make a Warranty Claim in respect of any matter fairly disclosed to the Subscriber prior to the Agreement Date.

7 CONFIDENTIALITY

- 7.1** The parties agree that the terms of this Agreement, and the negotiations connected with its preparation, are confidential.
- 7.2** None of the information described in 7.1 will be disclosed without the written approval of each party to this Agreement unless such disclosure is:
- (a) required by law; or
 - (b) to an adviser of a party whose services are required in connection with the Agreement.

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8 ELECTRONIC COMMUNICATION AND AMENDMENT

- 8.1** The parties acknowledge and agree that signed copies of this Agreement may be exchanged by way of electronic communication and such copies once exchanged are binding on the parties.
- 8.2** Notices and communications in this Agreement must be sent to the parties' contact details as specified in Parties & Execution.
- 8.3** This Agreement can only be amended, supplemented, replaced or novated by another agreement executed by the parties.
- 8.4** A party to this Agreement may only assign, novate or transfer its rights and interests in this document with the written consent of each other party to this Agreement.

9 GENERAL

- 9.1 Stamp Duty.** The Subscriber is liable for any stamp duty arising in connection with the New Shares.
- 9.2 Disclaimer.** Each party acknowledges that it has not relied on any representation, warranty or statement made by any other party, other than as set out or referred to in this Agreement.
- 9.3 Relationship.** The relationship of the parties to this Agreement does not form a joint venture or partnership.
- 9.4 Waiver.** No clause of this Agreement will be deemed waived and no breach excused unless such waiver or consent is provided in writing.
- 9.5 Further Assurances.** Each party must do anything necessary (including executing agreements and documents) to give full effect to this Agreement and the transaction facilitated by it.
- 9.6 Governing Law.** This Agreement is governed by the laws of the State set out in the Particulars. Each of the parties hereby submits to the non-exclusive jurisdiction of courts in that State.
- 9.7 Liability for Expenses.** Each party must pay its own expenses incurred in negotiating, executing and stamping this Agreement.
- 9.8 Inconsistency.** If this Agreement is inconsistent with any other document or agreement between the parties, this document prevails to the extent of the inconsistency.
- 9.9 Counterparts.** This Agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.
- 9.10 Time.** Time is of the essence in this Agreement.
- 9.11 Severability.** Any clause of this Agreement, which is invalid or unenforceable, is ineffective to the extent of the invalidity or unenforceability without affecting the remaining clauses of this Agreement.
- 9.12 Interpretation.** Headings are only for convenience and do not affect interpretation. The following rules apply unless the context requires otherwise:

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- (a) The singular includes the plural and the opposite also applies.
- (b) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
- (c) A reference to a clause refers to clauses in this Agreement.
- (d) A reference to legislation is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it.
- (e) Mentioning anything after *includes*, *including*, or similar expressions, does not limit anything else that might be included.
- (f) A reference to a *party* to this Agreement or another agreement or document includes that party's successors and permitted substitutes and assigns (and, where applicable, the party's legal personal representatives).
- (g) A reference to a *person, corporation, trust, partnership, unincorporated body* or other entity includes any of them.
- (h) A reference to *information* is to information of any kind in any form or medium, whether formal or informal, written or unwritten, for example, computer software or programs, concepts, data, drawings, ideas, knowledge, procedures, source codes or object codes, technology or trade secrets.
- (i) A reference to *dollars* or \$ is to an amount in Australian currency.

END GENERAL CONDITIONS