

PUBLIC HOLDINGS (AUSTRALIA) LIMITED

A.C.N. 000 332 918

17 January 2017

ASX announcement

Termination of Share Swap Agreement with Mobilicom Limited

Further to its announcements on 6 June 2016 and 24 October 2016, Public Holdings (Australia) Limited (**PHA** or **the Company**) wishes to advise that the Company has terminated the formal Share Swap Agreement entered into with Mobilicom Limited (**Mobilicom**) and, as such, has abandoned the proposed acquisition of Mobilicom. The termination follows a period of extensive negotiations with Mobilicom during which the parties were unable to reach a consensus on their ability to satisfy the conditions precedent to the proposed acquisition. Mobilicom and the Company also considered an acquisition on varied terms but were unable to reach agreement on terms which were mutually acceptable.

The Company has reached an agreement with Mobilicom and all other parties to the Share Swap Agreement for the settlement of, and release from, any and all claims arising from the termination of the Share Swap Agreement.

The settlement arrangements provide for the payment by Mobilicom to PHA of the sum of \$450,000 which is comprised of the repayment of a \$100,000 fee paid to it by PHA under the terms of the Share Swap Agreement and a further payment of \$350,000 in recognition of expenses incurred by PHA in connection with its efforts to seek to implement the proposed transaction.

The settlement arrangements are expected to be concluded by the end of February 2017 and the Company will provide a further update once the settlement funds are received in full.

The Company will look for and assess potential future new business opportunities and will provide further market updates on material developments in this process.

For and on behalf of Public Holdings (Australia) Limited.



Bryan J. Frost
Chairman