



# CFT ENERGY LTD

13 November 2014

ASX Market Announcements  
Company Announcements Office  
ASX Limited  
SYDNEY NSW 2000

## ACQUISITION OF WOLFSTRIKE RENTAL SERVICES LIMITED AND ASSOCIATED COMPANIES

CFT ENERGY LIMITED (**CFY**) is pleased to announce that it has entered into a conditional Sale and Purchase agreement (**S&P**) with WolfStrike Rental Services Limited (**WolfStrike**) and its associated distribution companies WolfStrike Distributors Limited, based in (New Zealand) and WolfStrike Distributors Pty Limited (Based in Australia).

The WolfStrike Group is an information technology company with a core focus on renting technological products and services to the SME market. WolfStrike has an existing base of customers with its main focus being on the retail services market. This coupled with an established rental book of circa \$3,000,000, the WolfStrike Group is currently both profitable and cash flow positive. Further to its core technology rentals business, the group also owns and operates its own sales and marketing teams. There are also significant growth prospects and future opportunities for WolfStrike in Australia, New Zealand and Asia Pacific by way of targeted acquisitions and organic growth.

The S&P agreement provides for CFY to acquire 100% of the issued capital of the three (3) companies in the WolfStrike Group.

Pursuant to the terms of the S&P, which is subject to shareholder and regulatory approval, and which will also be the subject of an independent expert report on whether the issue of the consideration shares in the capital of CFY for the acquisition of 100% of the issued capital of the 3 companies in the WolfStrike Group is fair and reasonable to shareholders to be placed before shareholders, CFY will undertake the following transactions:

1. A raising of a minimum of \$2,500,000 and up to \$5,000,000 via a prospectus to repay high interest debt, costs associated with the relisting of CFY, hold sufficient funds to satisfy the assets test under the Listing Rules and to progress a targeted acquisition and growth strategy;
2. Undertake the purchase of the capital of all 3 of the WolfStrike companies which will be satisfied by way of an issue of shares in the capital of CFY.
3. The change of name from CFT Energy Limited to WolfStrike Rental Group Limited.

It is proposed that the board of directors of CFY would be expanded to reflect the purchase of WolfStrike.

The transaction will require due diligence and the board will provide a further updated announcement in due course.

**What does WolfStrike do?**

WolfStrike rents a wide range of technology products to retailers and merchants sourced from third parties and/or developed and supplied by WolfStrike. As well as providing rental facilities to third parties, WolfStrike also manages its own direct and agent based sales network giving a deal flow to the rental company and ensuring that margins and profits are maximized.

The products rented by WolfStrike include:

- POS systems, (touch screens, printers and bar code scanners)
- POS Software – targeted to the general retail and hospitality sectors
- EFTPOS and payment terminals – integrated and standalone as well as Wi-fi, GPRS and broadband and interfaced
- Security systems
- CCTV systems and monitoring

Customers sign an agreement for a fixed monthly amount for between a 3 to 4 year terms. This provides the company with a known ongoing cash flow.

Additionally the group also develops and rents specialist software products to meet specific market segments requirements including:

- PayCafé – allowing merchants to offer their customers the ability to place an order on their smartphone and that order to print at the EFTPOS terminal,
- Hand held mobile payment products and services for order
- Tablet based POS systems
- I beacons technology for targeted direct marketing to merchants customers

The company also holds the exclusive New Zealand and Australian distribution rights for a range of hardware and software, allowing them to not only maximize margins, but to also to enable the company to provides its customers with enhancements and upgrades to both the hardware and software further adding to the rental incomes.

Since formation the company has grown rapidly by way of acquisition, undertaking 3 over the last 12 months and with the growth strategy focused on both further acquisitions and also organic growth utilizing the recently acquired sales and management teams.

**Strategic Strengths**

- Profitable and cash flow positive
- Strong systems for managing rental contracts
- Established distribution channels in New Zealand
- Growth prospects in Australia
- Experienced management
- Experienced in acquisition amalgamation and value creation

Further information on the WolfStrike Group of Companies can be located at [www.WolfStrike.net](http://www.WolfStrike.net)

Harry Fung, Director of CFY said, “WolfStrike represents the ability to bring a solid business model to CFY and return the company to its roots in the diversified financial services arena coupling with an information technology edge. We are very excited about joining with WolfStrike to deliver value to all shareholders of the Company”.

Ian Bailey, founder and Managing Director of the WolfStrike Group, said, “We are excited to be part of CFY and to provide a mechanism to both relist CFY and generate increased value to both WolfStrike and CFY shareholders. Further working with CFY will enable WolfStrike to obtain capital thereby restructuring its funding facilities and further increasing value to all shareholders. We have developed an aggressive growth strategy and the move onto the ASX will enable that strategy to be implemented faster. We look forward to concluding the transaction as soon as possible”.

Further information on the WolfStrike Group of Companies can be located at [www.WolfStrike.net](http://www.WolfStrike.net)

Yours faithfully

**Robin Armstrong**  
**Chairman**

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