

16 November 2016

Dear Optionholder

TikForce Limited - Pro-rata Non-Renounceable Entitlement Issue

As announced on 16 November 2016 TikForce Limited (ACN 106 240 475) (**Company**) is the Company is undertaking a 1 for 4 pro rata non-renounceable entitlement issue (**Entitlement Issue** or **Offer**) of approximately 33,941,891 fully paid ordinary shares (**New Share**) to raise approximately \$1,697,094, plus 16,970,945 free attaching Options exercisable at \$0.11 on or before 31 May 2018 on the basis of 1 Option for every 2 New Shares issued. The price of New Shares under the Offer is \$0.05 each. The Company today lodged a prospectus for the Offer (**Prospectus**) with ASIC.

The Offer is fully underwritten by CPS Capital Group Pty Ltd (**Underwriter**). The Company must pay the Underwriter an underwriting fee of 6% of the funds underwritten, plus 16,000,000 Options exercisable at \$0.11 on or before 31 May 2018 (subject to relevant shareholder and regulatory approvals). The Company must also reimburse the Underwriter for costs incidental to the Offer.

Full details of the underwriting arrangements and the potential impact on the Company are outlined in the attached Prospectus. Refer to Section 5.4.2 of the Prospectus for details regarding the terms of the Underwriting Agreement.

Funds raised from the Placement and the Rights Issue will be used for purposes including:

- working capital for projects with long and intensive development requirements;
- supporting enterprise level integration of the continuous rollout of the TikForce platform;
- developing the TikForce platform;
- marketing and sales expenses related to the TikForce platform; and
- strengthening TikForce' balance sheet.

Refer to the Prospectus for further details.

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at **5pm WST on Monday 21 November 2016 (Record Date)**, whose registered address is in Australia or New Zealand.

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue. The details of the free attaching Options are set out in the Prospectus.

Following completion of the Offer, the Company will have issued approximately 33,941,891 New Shares and 16,970,945 free attaching Options.

TikForce Limited

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Optionholders

The terms and conditions of the options you currently hold do not entitle you to participate in the Entitlement Issue unless you exercise your options in time for new shares to be allotted and to be entered on the Company's register of members on or before the Record Date.

To exercise your options and thereby participate in the Entitlement Issue, you will need to deliver the following to the Company at Suite 2, 16 Ord Street, West Perth WA:

- (a) a notice of exercise of options (attached to this letter);
- (b) an option certificate (where the options are certificated) or a copy of a holding statement (where the options are uncertificated) in respect of those options to be exercised; and
- (c) Payment for the exercise price in respect of those options to be exercised by way of a cheque made payable to "TikForce Limited – Share Application Account".

To ensure that your new shares are allotted prior to the Record Date, the above must be received by the Company no later than 5pm WST on 18 November 2016. If received after this date, allotment of new shares prior to the Record Date cannot be assured.

Before deciding whether to exercise any or all of your options, you should read the Prospectus in its entirety.

This notice is important and requires immediate attention. If you have any queries concerning the Entitlement Issue, please contact your financial adviser. For general information concerning the Entitlement Issue, please contact the Company on 1800 732 543 from 8.30am to 5.00pm WST, Monday to Friday.

Yours sincerely

Roland Berzins
Company Secretary