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Company Announcements Office
ASX Limited

By E-Lodgement

Update on Transaction with PTF & Successful Completion of A\$250,000 Capital Raising

The Board of Kabuni Limited ("Kabuni" or the "Company") provides an update on the proposed transaction with Print the Future, Inc. ("PTF") and its capital raising.

Transaction with PTF

As announced to the ASX on 3 July 2017, the Company entered into an amended and restated share purchase agreement with PTF ("Amended SPA"). Pursuant to the Amended SPA, PTF issued a first convertible promissory note to the Company in the principal amount of A\$843,900.22 (the "Note"). On completion of the Amended SPA, subject to shareholder approval, PTF will issue a further convertible promissory note in the amount of approximately A\$3.7 million, being the balance of the purchase price payable under the Amended SPA.

Pursuant to the Note, PTF was required to make a first payment of A\$150,000 to the Company on 15 July 2017. Under the Note, PTF has the right to elect to partially repay the Note through the cancellation of all or part of the ordinary shares in the Company ("Shares") held by Mr. Neil Patel, subject to Company shareholder approval, and forgiveness of all or part of a loan due to a company controlled by Mr. Patel, Property Beacon Technology Inc. ("PBT").

Accordingly, PTF and the Company have entered into the following agreements, effective as of 15 July 2017 (the "Effective Date"):

- A Deed of Cancellation pursuant to which each of the Company and PTF have agreed that, subject to shareholder approval, (a) the 19,950,000 Shares held by Mr. Patel are cancelled effective as of the Effective Date and, (b) an amount of A\$93,158.28 is deemed repaid in respect of the Note (calculated based on the volume weighted average price of the Shares for the 10 days prior to 15 July 2017 of A\$0.0047).
- An agreement pursuant to which (a) PBT forgives an amount of CAD\$55,966.36 in respect of the loan due to PBT, and (b) each of the Company and PTF agree that an amount of A\$56,841.72 is deemed repaid in respect of the Note, in each case, with effect as of the Effective Date.

PTF will continue to be subject to its mandatory repayment obligations under the Note. 100% of any capital raised by PTF must be applied to the fixed repayments (A\$175,000 on 15 August 2017 and the balance and all accrued and unpaid interest on 15 September 2017). In addition, 50% of any capital raised by PTF in excess of A\$750,000 must be applied to the repayment of the Note within 3 business days of being received.



The Company is currently preparing a notice of meeting for a shareholder meeting to seek approval for the transaction with PTF, as well as the cancellation of Mr Patel's shares as partial repayment of the Note, amongst other resolutions.

Capital Raising

Further to the Company's announcement to the ASX on the 3 July 2017, the Board of Kabuni is pleased to advise that it has successfully raised A\$250,000 via a placement of convertible notes to sophisticated investors to provide working capital and to cover costs associated with the transaction with PTF.

The notes are convertible at a 20% discount to the price of the next capital raising undertaken by the Company, or at a 20% discount to the 5-day VWAP of Kabuni shares as traded on the ASX, maturing on 31 December 2017.

For further information please contact:

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