



18 August 2017

Company Announcements Office
ASX Limited

By E-Lodgement

Update on Transaction with PTF

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

Transaction with PTF

As announced to the ASX on 3 July 2017, the Company has entered into an Amended and Restated Purchase Agreement with PTF (the "Amended SPA") and a first convertible promissory note in the principal amount of A\$843,900.2 (the "Note").

Pursuant to the Note, PTF was required to make a payment of A\$175,000 to the Company on 15 August 2017. Under the Note, PTF has the right to elect to partially repay the Note through the forgiveness of all or part of a loan due to a company controlled by Mr. Patel, Property Beacon Technology Inc. ("PBT").

Accordingly, PTF, PBT and the Company have entered into an agreement dated effective 15 August 2017, pursuant to which PBT has forgiven an amount of CAD\$26,211.99, being the outstanding balance of the loan due to PBT, and the loan has been terminated and fully released. As a result, each of the Company and PTF have agreed that an amount of AUD\$26,196.27 is deemed repaid in respect of the Note, with effect as of August 15, 2017.

A balance of AUD\$148,803.73 remained due and payable on the Note on 15 August 2017. PTF has failed to pay such amount when due. Accordingly, the Company has provided PTF with formal notice that an event of default has occurred under the Note, confirming that the Company has not waived the default and expressly reserving all of the Company's rights, powers, privileges and remedies under the Note, applicable law or otherwise.

As a result of the default, the Company now has the right (not the obligation) to terminate the Amended SPA with PTF. However, the Board considers that it is in the best interests of the Company to continue to proceed with the proposed transaction with PTF and to present the transaction for consideration by the shareholders at an upcoming shareholder meeting. Further details on the transaction, including an independent expert's report thereon, will be set out in a notice of meeting and explanatory memorandum to be dispatched in the coming weeks. In parallel, the Company will consider all available rights and recourses in order to recover amounts due under the TSA Note.

Further, the Company and PTF have agreed to extend the deadline date for completion of the Amended SPA to 31 October 2017.

For further information please contact:

Brett Tucker
Company Secretary
p: + 61 8 9482 0555