



SmartTrans Holdings Limited
ASX: SMA

An Australian based
Technology Solutions Company

Directors:

Mr Mark Vaile AO
Non-Executive Chairman

Mr Brendan Mason
CEO and Managing Director

Mr Bryan Carr
Non-Executive Director

Mr Yui (Ian) Tang
Non-Executive Director

Ms Tracy Colgan
Non-Executive Director

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Non-Executive Director

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SmartTrans to acquire Resource Connect for scrip

Resource Connect is a personnel supply chain solutions business that is highly complementary to SmartTrans' transport supply chain solutions division.

Delivers immediate strength, with added downstream horizontal integration expanding depth of customer offers.

All-scrip acquisition on attractive terms.

Immediately revenue and earnings accretive for SmartTrans shareholders. Resource Connect's FY2017 revenues were \$7.5M. Resource Connect has been consistently profitable since 2013 and has been paying fully franked dividends for the past three financial years.

Combined entity will have a complementary customer base.

16 October 2017: SmartTrans Holdings Limited (ASX: SMA) (SmartTrans or the Company) is pleased to announce that it has entered into a binding Heads of Agreement for the proposed acquisition of Resource Connect Pty Ltd (**Resource Connect**) and iCuro Pty Ltd (**iCuro**) for (resourceconnect.com.au). Resource Connect is a profitable, privately-held personnel supply chain management solutions business that strongly complements SmartTrans' transport supply chain management division.

The proposed transaction is subject to a number of conditions, including receipt of necessary ASX and ASIC approvals, completion of due diligence enquiries, SmartTrans' shareholder approval and SmartTrans entering into a share purchase agreement with shareholders of Resource Connect and iCuro. In particular, the transaction is conditional on the Company receiving ASX approval for the deal.

Resource Connect: a highly complementary acquisition

Resource Connect's patented system platform (icuro.com.au) is a cloud-based solution that allows its blue chip customers to coordinate the movement of personnel at multiple widely-distributed locations in real time. The business operates from its headquarters in Hendra, Queensland.

The iCuro platform has strong synergies with SmartTrans' supply chain solutions for transport and field services operations. The combined entity will offer clients an outstanding suite of planning, management and tracking solutions.

Transaction terms and financial impact

The acquisition transaction proposes the issue of a total of approximately 2,778 million new SmartTrans shares in exchange for 100% of the shares in each of Resource Connect and iCuro. Following the acquisition, it is proposed that three nominees from Resource Connect will join the SmartTrans Board of Directors.

The proposed acquisition is revenue and cash flow accretive (on a per-share basis) to SmartTrans shareholders. Resource Connect is a cash-flow positive business that has been consistently profitable since 2013. The business' revenue in the financial year ended June 2017 of \$7.5M and It has no debt. Resource Connect has existing contracts in place for the current financial year and an advanced sales pipeline.

Management commentary

SmartTrans Chairman Mark Vaile AO said: “Resource Connect is a highly complementary and strategic business that has rapidly established a strong market position across the resource, energy and construction industries. Its cloud based technology platform and our Software as a Service (SaaS) capability has considerable potential across other industry sectors.

Resource Connect Managing Director Geoff Jamieson added: “We have carefully assessed a number of avenues to grow Resource Connect and this merger with SmartTrans gives us the base to more fully capitalise on the large number of opportunities we have open to us.

“We are firmly of the view that Resource Connect is still in the early stages of its growth and have identified a number of new markets that have compelling growth prospects. The opportunity to tap into the Chinese market is also appealing.”

SmartTrans Managing Director Brendan Mason said: “This acquisition gives both companies the ability to help new customers. Geoff Jamieson will continue to lead the growth and development of Resource Connect and will take an active role in SmartTrans’ wider operations. Minimal business integration is required to realise acquisition benefits.”

SmartTrans confirms that it continues to invest in the growth and development of its China e-commerce operations with the division performing well and achieving pleasing uptake with Chinese consumers. Avenues to scale this business are also being pursued.

Further details on the Resource Connect transaction including an Independent Expert Report, will be included in the Notice of Meeting to be sent to Shareholders.

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Further information, please contact: Brendan Mason Managing Director CN Cell: +86 139 11320378 Released through: Ben Jarvis, Six Degrees Investor Relations: +61 413 150 448	About SmartTrans SmartTrans Holdings Limited (ASX:SMA) is a leading Australian software and technology provider that offers cutting-edge solutions for the online retail and logistics markets. The company operates a payment gateway for the Chinese and Australian markets. China - In partnership with leading Chinese e-commerce firms, SmartTrans has built online marketplaces from which quality-conscious consumers in China’s rapidly growing middle class are able to purchase Australian premium consumer products. Supply Chain Australia - In addition, SmartTrans has long-term contracts with some of Australia’s leading blue-chip organisations for its proprietary, cloud-based supply chain solutions telematics software as a service (SaaS).
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