

11 January 2018

Company Announcements Platform  
Australian Securities Exchange  
Level 4, 20 Bridge Street

SYDNEY NSW 2000

Dear Sir/Madam,

**TIKFORCE LIMITED – PROPOSED PLACEMENT AND ANNOUNCEMENT OF A  
PRO-RATA NON-RENOUNCEABLE ENTITLEMENT OFFER**

Further to the Company's announcements of 27 October 2017 and 17 November 2017 regarding the capital raising mandate (**Mandate**) with Alignment Capital Pty Ltd (ACN 167 124 754) (**Alignment Capital**), TikForce Limited (ACN 106 240 475) (**Company**) is pleased to advise:

- (a) it has received firm commitments for a proposed placement of 10,000,000 Shares at an issue price of \$0.015 per Share to raise \$150,000 from sophisticated and professional investors (**Placement**), together with one free attaching option for each placement share, exercisable at \$0.03 on or before 31 October 2020 (the Placement Shares and Options are anticipated to be issued on 18 January 2018); and
- (b) pursuant to the Mandate (as varied), it will undertake an **Entitlement Offer** of approximately 56,736,485 New Shares on the basis of one (1) New Share for every three (3) Shares held at an issue price of \$0.015 to raise approximately \$851,047 (before expenses) with a Record Date of 17 January 2018, together with 28,368,242 free attaching Options exercisable at \$0.03 on or before 31 October 2020 on the basis of one (1) Option for every two (2) New Shares issued. The Company lodged a prospectus for the Entitlement Offer (**Prospectus**) with ASIC on 11 January 2018.

The record date for the Entitlement Offer is 5.00pm (WST) on 17 January 2018 (**Record Date**) in accordance with the timetable below.

New Shares issued under the Offer will rank equally with existing shares. The terms and conditions of the free attaching New Options are set out in the Prospectus. The Company will apply for official quotation of the New Shares.

Option holders are not entitled to participate in the Entitlement Issue without first exercising their options to be registered as a Shareholder prior to the Record Date, in accordance with the terms and conditions of their options.

An Appendix 3B in respect of the Entitlement Offer accompanies this announcement.

Pursuant to the Mandate, Alignment Capital will act as Lead Manager to the Entitlement Offer and will be paid fees in relation to the Entitlement Offer, Placement and Convertible Note raising as set out in the Prospectus and the Company's announcements of 27 October 2017, 17 November 2017 and 11 January 2018, being:

- (a) a management fee of 1% (excluding GST) on all funds raised under the Offer, any Shortfall and Placement;
- (b) a selling fee of 5% (excluding GST) on all funds raised under the Offer, any Shortfall and Placement; and

- (c) up to 32,510,472 options, on the same terms and conditions as the New Options (**Fee Options**) (the issue of the Fee Options is subject to all necessary shareholder and regulatory approvals) comprised as follows:
- (i) 15,000,000 Fee Options on the advance of the Convertible Note funds;
  - (ii) 7,500,000 Fee Options on completion of the Convertible Note issue;
  - (iii) 1,500,000 Fee Options on completion of the Placement; and
  - (iv) 8,510,472 Fee Options on completion of the Offer and any Shortfall placement (such figure based on full subscription of the Offer, and to be scaled back on a pro-rata basis if the Offer is only partially subscribed).

### Key dates for the Offer

Event	Date
<b>Announcement of Entitlement Issue, Appendix 3B and Prospectus</b> (lodgement of Prospectus with ASIC)	Thursday 11 January 2018
<b>Notice Sent to Security Holders</b>	Friday 12 January 2018
<b>Ex Date</b> (date from which securities commence trading without the entitlement to participate in the Offer)	Tuesday 16 January 2018
<b>Record Date</b> (date for determining Entitlements of eligible shareholders to participate in the Offer as at 5:00pm (WST))	Wednesday 17 January 2018 5.00 PM (WST)
<b>Prospectus Dispatched to Shareholders</b> (expected date of dispatch of Prospectus, entitlement and acceptance forms)	Thursday 18 January 2018
<b>Issue of Placement Shares and Options</b>	Thursday 18 January 2018
<b>Entitlement Issue Opens</b>	Thursday 18 January 2018
<b>Closing Date* 5.00pm (WST)</b>	Tuesday 6 February 2018
<b>New Shares quoted on a deferred settlement basis</b>	Wednesday 7 February 2018
<b>ASX notified of undersubscriptions</b>	Friday 9 February 2018
<b>Issue Date**</b> Deferred settlement trading ends	Friday 9 February 2018
<b>Dispatch Holding Statements**</b>	Friday 9 February 2018

*\*Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the Securities.*

*\*\* Dates are indicative only*

### Proposed Use of Funds

Funds raised from the Placement and the Entitlement Offer will be used for purposes including:

- (a) sales and marketing;
- (b) customer implementation;

### TikForce Limited

Suite A7 435 Roberts Road  
Subiaco 6008 Western Australia  
abn 74 106 204 475

1800 732 543  
info@tikforce.com  
www.TikForce.com

- (c) support and enhancement of the TikForce Platform;
- (d) expenses of the Offer;
- (e) general management and administration; and
- (f) working capital.

Refer to the Prospectus for further details.

**Information required under ASX Listing Rule 3.10.5A**

The Company provides the information as required under ASX Listing Rule 3.10.5A as follows:

- (a) The dilutive effect (on an undiluted basis) of the Placement Shares and Placement Options (which are free attaching to the Placement Shares) on existing shareholders is approximately 5.55%, which is as a result of Placement Shares issued under the Company's ASX Listing Rule 7.1A capacity. The Placement Options were issued under the Company's ASX Listing Rule 7.1 capacity.
- (b) The dilutive effect (on a fully diluted basis) of the Placement Shares and Placement Options on existing shareholders is approximately 10.51%, of which 5.55% is as a result of the Placement Shares issued under the Company's ASX Listing Rule 7.1A capacity and 4.96% is as a result of the Placement Options issued under the Company's ASX Listing Rule 7.1 capacity.
- (c) Upon issue of the Placement Shares and Placement Options, the Placees will hold approximately 5.55% of fully paid ordinary shares on issue (on an undiluted basis) and 10.51% of fully paid ordinary shares on issue (on a fully diluted basis).
- (d) The Company issued the shares and options as a Placement under ASX Listing Rule 7.1A and 7.1 to sophisticated and professional investors as it was of the view that this was the most efficient and expedient mechanism to raise immediate funds required for the Company ahead of its Entitlement Issue which is due to open for acceptances on 18 January 2018.
- (e) The fees payable by the Company to Alignment Capital in connection with the Placement comprise a cash management fee of 1% (excluding GST), a cash selling fee of 5% (excluding GST) of gross funds raised pursuant to the Placement, and 1,500,000 options, exercisable at \$0.03, expiring 31 October 2020.
- (f) The Placement was not underwritten.

Securityholders with queries concerning the Entitlement Offer, should contact their financial adviser. For general information concerning the Entitlement Offer, Securityholders can contact the Company on 1800 732 543 from 8.30am to 5.00pm WST, Monday to Friday.

Yours sincerely

**Madhukar Bhalla**  
Company Secretary

## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Tikforce Limited

ABN

74 106 240 475

We (the entity) give ASX the following information.

#### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |   |
|---|---|---|
| 1 | +Class of +securities issued or to be issued  | (a) Fully Paid Ordinary Shares<br>(b) Options (Unlisted)  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | (a) 56,736,485 Shares<br>(b) 28,368,242 Options (Unlisted)  |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (a) Fully Paid Ordinary Shares<br>(b) Unlisted Options expiring on 31 October 2020 and exercisable at \$0.030 each. |

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

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4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>(a) Yes</p> <p>(b) On exercise into Fully Paid Ordinary Shares, yes.</p>
5	Issue price or consideration	<p>(a) \$0.015</p> <p>(b) Nil, free attaching to New Shares under Entitlement Offer Prospectus dated 11 January 2018.</p>
6	<p>Purpose of the issue</p> <p>(If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>As described in the Entitlement Offer Prospectus dated 11 January 2018, funds raised will be applied to executing the TikForce business plan:</p> <ul style="list-style-type: none"> <li>- Sales and marketing;</li> <li>- Customer implementation;</li> <li>- Support and enhancement of the TikForce Platform;</li> <li>- General management and administration; and</li> <li>- Working capital.</li> </ul>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	Yes.
6b	The date the security holder resolution under rule 7.1A was passed	28 November 2017
6c	Number of +securities issued without security holder approval under rule 7.1	Nil

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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

6d	Number of +securities issued with security holder approval under rule 7.1A	Nil						
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil						
6f	Number of +securities issued under an exception in rule 7.2	(a) 56,736,485 Shares (b) 28,368,242 Options (Unlisted)						
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A						
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A						
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	(a) LR 7.1 – 34,041,891 (b) LR 7.1A – 22,694,594						
7	+Issue dates  Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.  Cross reference: item 33 of Appendix 3B.	09 February 2018						
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>186,139,418</td><td>FPO</td></tr><tr><td>43,220,960</td><td>Listed Options, exercisable at \$0.11, expiry 31/05/2018</td></tr></table>	Number	+Class	186,139,418	FPO	43,220,960	Listed Options, exercisable at \$0.11, expiry 31/05/2018
Number	+Class							
186,139,418	FPO							
43,220,960	Listed Options, exercisable at \$0.11, expiry 31/05/2018							

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	
	(a) 40,806,522	(a) FPO- Escrowed for 24 months from date of re – instatement to official quotation of the securities
	(b) 20,450,000	(b) Options expiring on 31 May 2018 and exercisable at \$0.11 each and escrowed for 24 months from date of re – instatement to official quotation of the securities
	(c) 8,000,000	(c) <b>A Performance Share Milestone</b> will be taken to have been satisfied upon the TikForce Platform achieving 10,000 paid users
	(d) 12,000,000	(d) <b>B Performance Share Milestone</b> will be taken to have been satisfied upon the TikForce Platform achieving 20,000 paid users
	(e) 16,000,000	(e) <b>C Performance Share Milestone</b> will be taken to have been satisfied upon the TikForce Platform achieving 30,000 paid users.
	(f) 2,000,000	(f) <b>D Performance Share Milestone</b> will be taken to have been satisfied upon Min-Trak's annualised gross revenue exceeding \$75,000 per quarter for 2 consecutive quarters.
	(g) 2,000,000	(g) <b>E Performance Share Milestone</b> will be taken to have been satisfied upon Min-Trak's annualised gross revenue exceeding \$375,000 per quarter for 2 consecutive quarters.
	(h) 1,000,000	(h) <b>F Performance Share Milestone</b> will be taken to have been satisfied upon Min-Trak's annualised gross revenue exceeding \$750,000 per quarter for 2 consecutive quarters.
	(i) 4,000,000	(i) <b>G Performance Rights Milestone</b> will be taken as satisfied upon the Company achieving a market capitalisation of \$17 million
	(j) 4,000,000	(j) <b>H Performance Rights Milestone</b> will be taken as satisfied upon the Company achieving a market capitalisation of \$25 million
	(k) 4,000,000	(k) <b>I Performance Rights Milestone</b> will be taken as satisfied upon the Company achieving a market capitalisation of \$33 million
	(l) 28,368,242	(l) Options expiring on 31 October 2020 and exercisable at \$0.03 each
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	In accordance with all other fully paid ordinary shares

## Part 2 - Pro rata issue

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the <sup>+</sup> securities will be offered	(a) One (1) new share for every three (3) existing shares held; (b) One (1) free attaching Option for every two (2) new shares.
14	<sup>+</sup> Class of <sup>+</sup> securities to which the offer relates	(a) Fully Paid Ordinary Shares (b) Unlisted Options
15	<sup>+</sup> Record date to determine entitlements	17 January 2018
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Fractions of Entitlements will be rounded down to the nearest whole number
18	Names of countries in which the entity has security holders who will not be sent new offer documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All countries except Australia and New Zealand.
19	Closing date for receipt of acceptances or renunciations	06 February 2018

<sup>+</sup> See chapter 19 for defined terms.



**Appendix 3B**  
**New issue announcement**

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	Alignment Capital Pty Ltd Lead Manager to the Entitlement Offer
23	Fee or commission payable to the broker to the issue	1% Management Fee  5% Selling Fee  Up to 8,510,472 Unlisted Options expiring on 31 October 2020 and exercisable at \$0.03 each
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	18 January 2018
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	11 January 2018
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

+ See chapter 19 for defined terms.

- |    |  |                 |
|----|--|-----------------|
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | N/A             |
| 33 | +Issue date  | 9 February 2018 |

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of +securities  
(tick one)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

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+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

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#### Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought					
39	+Class of +securities for which quotation is sought					
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"><li>• the date from which they do</li><li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li><li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li></ul>					
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>					
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1"><thead><tr><th>Number</th><th>+Class</th></tr></thead><tbody><tr><td></td><td></td></tr></tbody></table>	Number	+Class		
Number	+Class					

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+ See chapter 19 for defined terms.

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## Appendix 3B – Annexure 1

### Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

#### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	170, 209,455
<b>Add</b> the following: <ul style="list-style-type: none"> <li>Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <b>Note:</b> <ul style="list-style-type: none"> <li>Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	56,736,485 (2018 Entitlement Issue)
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	226,945,940

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+ See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	34,041,891
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	Nil
<b>“C”</b>	Nil
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<p><b>“A” x 0.15</b></p> <p><i>Note: number must be same as shown in Step 2</i></p>	34,041,891
<p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	Nil
<b>Total [“A” x 0.15] – “C”</b>	<p>34,041,891</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	226,945,940
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	22,694,594
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of <sup>+</sup> equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <i>Notes:</i> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	Nil
<b>“E”</b>	Nil

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<sup>+</sup> See chapter 19 for defined terms.

<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
“A” x 0.10  <i>Note: number must be same as shown in Step 2</i>	22,694,594
<b>Subtract “E”</b>  <i>Note: number must be same as shown in Step 3</i>	Nil
<b>Total</b> [“A” x 0.10] – “E”	22,694,594  <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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+ See chapter 19 for defined terms.