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**TIKFORCE LIMITED**

**ACN 106 240 475**

**NOTICE OF GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 10.00am (WST)

**DATE:** 20 August 2018

**PLACE:** A7, 435 Roberts Rd, Subiaco, WA 6008

***The business of the Meeting affects your shareholding and your vote is important.***

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10.00 am on 18 August 2018.***

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## PURPOSE OF THE MEETING – RESOLUTIONS 1 - 6

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On 22 June 2018, the Company received a notice to call a general meeting to consider various resolutions relating to the removal of certain Directors of the Company and the election of new directors of the Company (**Requisition Notice**).

The Requisition Notice was issued under section 249D of the *Corporations Act 2001* (Cth) (**Corporations Act**) by Alignment Capital Pty Ltd, Cityside Investments Pty Ltd, EZR Systems Pty Ltd, Union Square Capital Pty Ltd <Endeavour A/C> and Valplan Pty Ltd <Troy R Valentine Fam S/F A/C> (**Requisitioning Shareholders**). The Requisition Notice was dated 22 June 2018.

Resolutions 1 and 2 are for the appointment of Glenn Fowles and Peter John Meacock as directors of the Company and Resolutions 3 and 4 are for the removal of Kevin Michael Baum and Mr Duncan Royce Anderson as Directors of the Company.

Subsequently, on 29 June 2018, Mr Kevin Michael Baum gave notice to the Company under section 203D of the Corporations Act of his intention for the consideration of additional Resolutions at the Meeting (**Subsequent Notice**). As a result, Resolution 5 has been included for the removal of Mr Andrew Houtas as a Director and Resolution 6 for the appointment of Stuart Usher (the Company's current Company Secretary).

### **Statement of Directors proposed to be removed**

Section 203D(4) of the Corporations Act provides that a director who is the subject of a proposed resolution for their removal from office is entitled to submit a statement for circulation to shareholders.

Set out below is a statement from Mr Duncan Anderson, a current Director of the Company):

Over the past two quarters, there has been significant external pressure on the Board to apply Company resources to the benefit of a minority of Shareholders. The majority of the Board dealt with these external distractions by adhering to the principal that the Board must exercise its responsibilities for the benefit of Shareholders as a whole.

While the impact of events such as the series of 249D, 249F, and litigation actions has caused temporary value reduction for all Shareholders, active Board members have remained focused on longer term Shareholder value and the continued support of our valued customers. The result is a healthy cash position, a 70% improvement in cost structure and a change in Board composition that delivers a well-balanced team of directors committed to value growth for the benefit of all Shareholders.

As Chairman, I recommend that Shareholders support growth and governance for all Shareholders by voting as follows:

- Against the motion to appoint Glenn Fowles
- Against the motion to appoint John Meacock
- Against the motion to remove Duncan Anderson
- Against the motion to remove Kevin Baum
- For the motion to remove Andrew Houtas

- For the motion to appoint Stuart Usher

Set out below is a statement from Mr Keith Baum, current Managing Director of the Company):

Technology innovation businesses are often slow to gain traction. That is particularly the case when clients are large and resistant to change. We are a business that will take substantial time and effort to develop.

Workforce Compliance is not sexy or driven by the latest buzzword but is a fundamental requirement that business need to adopt.

The Company has solid solutions and a mature platform to effectively deliver value and assist companies to walk the line between compliance and individual privacy.

It is a challenging and slow process to get major companies to trust your business with these issues. We need to demonstrate value and provide them with confidence to invest their time and resources to invest in these projects. This has taken significant time and effort by the whole team at the Company.

The Company has had several false starts but we have learnt a lot across a range of businesses and industries, lessons on technology, procedure, trust, privacy and enterprise evaluation processes.

We were in a strong position to break through late last year when we started to get pressure from a group of Shareholders to change directions and include more buzzwords and sex appeal into the business. When the Board did not accept these "recommendations", significant pressure and was brought to bear which has damaged the brand and effected clients, projects, partnerships and income.

The Board has fought these pressures for several months now, which has been a major distraction and effected all areas of the Company. This action is now coming to a head with this Shareholder Meeting.

I believe that the Company and all its Shareholders will see the best results by leveraging its lessons, capitalising on the technology and it intellectual property. I believe I can still assist the company and the Board to maximise business value for all Shareholders.

I understand the technology, the vision and what is possible by supporting the business and its existing projects. The Company needs clear air, without some Shareholders trying to change the Company for some potential short-term Share price bump. We need to win back trust with our clients, partners and Shareholders.

I am not trying to imply that it will be quick or easy, but it is the best way to capitalise on what we have done, what we now have and what we can build.

The Company is a difficult business to build. It is difficult to gain clients and enter new markets but the business model is amazingly strong to keep clients and repeat revenue. It needs time to realise its potential.

If you are interested in learning more about our challenges and the eventual rewards I am always happy to share what we are doing and why it is so important.

As Managing Director, I recommend that shareholders support growth and governance for all Shareholders by voting as follows:

- Against the motion to appoint Glenn Fowles
- Against the motion to appoint John Meacock
- Against the motion to remove Duncan Anderson
- Against the motion to remove Kevin Baum
- For the motion to remove Andrew Houtas
- For the motion to appoint Stuart Usher

#### **Statement of Requisitioning Shareholders and Andrew Houtas**

Section 249P of the Corporations Act permits the shareholders who have requisitioned the meeting to submit a statement for circulation to members regarding the resolutions and any other matter that may be properly considered at the meeting. The Company has requested a statement from the Requisitioning Shareholders but no such statement has been provided to the Company for dispatch with the Notice.

However, Andrew Houtas (a current Director) has provided the statement set out in Schedule 3 for consideration by Shareholders.

#### **Undirected proxies**

**PLEASE NOTE, THE CHAIRMAN OF THE MEETING INTENDS TO VOTE ALL UNDIRECTED PROXIES AGAINST RESOLUTIONS 1-5 AND IN FAVOUR OF RESOLUTIONS 6-11.**

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## BUSINESS OF THE MEETING

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### AGENDA

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#### Part 1 – Resolutions pursuant to Requisition Notice

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##### 1. RESOLUTION 1 – APPOINTMENT OF DIRECTOR – MR GLENN FOWLES

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That pursuant to and in accordance with the Company's Constitution and for all other purposes, Glenn Fowles, having consented to act as a Director of the Company, be appointed as a Director of the Company with effect from conclusion of the Meeting."*

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##### 2. RESOLUTION 2 – APPOINTMENT OF DIRECTOR – MR PETER JOHN MEACOCK

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That pursuant to and in accordance with the Company's Constitution and for all other purposes, Peter John Meacock, having consented to act as a Director of the Company, be appointed as a Director of the Company with effect from conclusion of the Meeting."*

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##### 3. RESOLUTION 3 – REMOVAL OF DIRECTOR – MR KEVIN MICHAEL BAUM

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That pursuant to and in accordance with section 203D of the Corporations Act and the Company's Constitution, Kevin Michael Baum be removed as a Director of the Company with effect from conclusion of the Meeting."*

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##### 4. RESOLUTION 4 – REMOVAL OF DIRECTOR – MR DUNCAN ROYCE ANDERSON

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That pursuant to and in accordance with section 203D of the Corporations Act and the Company's Constitution, Duncan Royce Anderson be removed as a Director of the Company with effect from conclusion of the Meeting."*

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##### 5. RESOLUTION 5 – REMOVAL OF OTHER DIRECTORS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That pursuant to and in accordance with section 203D of the Corporations Act and the Company's Constitution and subject to the passing of any or all of Resolutions 1 and 2, any person appointed as a Director of the Company between 22 June 2018 and the time of commencement of this Meeting of members be removed as a Director of the Company with effect from conclusion of the Meeting."*

## **Part 2 – Resolutions Pursuant to Subsequent Notice**

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### **6. RESOLUTION 6 – REMOVAL OF DIRECTOR – MR ANDREW HOUTAS**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That pursuant to and in accordance with section 203D of the Corporations Act and the Company's Constitution, Andrew Houtas be removed as a Director of the Company with effect from conclusion of the Meeting."*

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### **7. RESOLUTION 7 – APPOINTMENT OF DIRECTOR – MR STUART USHER**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That pursuant to and in accordance with the Company's Constitution and for all other purposes, Stuart Usher, having consented to act as a Director of the Company, be appointed as a Director of the Company with effect from conclusion of the Meeting."*

## **Part 3 – General Resolutions**

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### **8. RESOLUTION 8 – ISSUE OF SECURITIES UPON CONVERSION OF CONVERTIBLE NOTES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 706,335,386 Shares and 706,335,386 Options on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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### **9. RESOLUTION 9 – PLACEMENT – SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to that number of Shares, when multiplied by the issue price, will raise up to \$1,000,000 on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## 10. RESOLUTION 10 – PLACEMENT – OPTIONS TO ALIGNMENT CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 26,048,508 Options to Alignment Capital on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## 11. RESOLUTION 11 – RATIFICATION OF SECURITIES ISSUED PURSUANT TO PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Shares and 10,000,000 Options on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**Dated: 13 July 2018**

**By order of the Board pursuant to requisitions under section 249D of the Corporations Act 2001 (Cth).**

**Kevin Baum  
Non-Executive Chairman  
TIKFORCE LIMITED**

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## **EXPLANATORY STATEMENT**

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

This Explanatory Statement should be read in conjunction with the Notice. Capitalised terms in this Explanatory Statement are defined in the Glossary. If you have any questions regarding the Explanatory Statement or the Notice, please contact the Company Secretary, your stockbroker or other professional adviser.

### **Part 1 – Resolutions Pursuant to Requisition Notice**

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#### **1. RESOLUTIONS 1 AND 2 – ELECTION OF DIRECTORS – GLEN FOWLES AND PETER JOHN MEACOCK**

The Company's Constitution provides that the Company may elect a person as a director by resolution passed in general meeting. Subject to the passing of Resolutions 1 and 2, those appointments will take effect from the close of the meeting.

Section 249P of the Corporations Act permits the shareholders who have requisitioned the meeting to submit a statement for circulation to shareholders regarding the resolutions and any other matter that may be properly considered at the meeting. The Requisitioning Shareholders have not provided the Company with a statement for dispatch with this Notice.

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#### **2. RESOLUTIONS 3-5 – REMOVAL OF DIRECTORS - KEVIN MICHAEL BAUM AND DUNCAN ROYCE ANDERSON**

Under section 203D of the Corporations Act, a company may by resolution remove a director from office. The Company Constitution provides that the Company may remove any director from office by resolution passed in general meeting.

The Requisitioning Shareholders have given notice of their intentions to move Resolutions 3, 4 and 5 for the removal of existing directors Kevin Michael Baum and Duncan Royce Anderson as well as any Director appointed between 22 June 2018 and commencement of the Meeting.

If Resolutions 3, 4 or 5 is successful, Kevin Michael Baum, Duncan Royce Anderson and any other person appointed as a Director between 22 June 2018 and commencement of the Meeting (as applicable) will be removed from their office as Directors of the Company with effect following completion of the Meeting.

### **Part 2 – Resolutions pursuant to Subsequent Notice**

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#### **3. RESOLUTION 6 – REMOVAL OF DIRECTOR – ANDREW HOUTAS**

Under section 203D of the Corporations Act, a company may by resolution remove a director from office. The Company Constitution provides that the Company may remove any director from office by resolution passed in general meeting.

Kevin Michael Baum has given notice under section 203D of the Corporations Act to move Resolution 6 for the removal of existing Director Andrew Houtas. If Resolution 6 is successful, Andrew Houtas will be removed from his office as Director of the Company with effect following completion of the Meeting.



Andrew Houtas has provided the Company with a statement set out in Schedule 3 for consideration by Shareholders in relation to Resolution 6.

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#### **4. RESOLUTION 7 – ELECTION OF DIRECTOR – STUART USHER**

The Company's Constitution provides that the Company may elect a person as a director by resolution passed in general meeting. Subject to the passing of Resolution 7, the appointment of Mr Usher will take effect from the close of the Meeting.

### **Part 3 – General Resolutions**

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#### **5. RESOLUTION 8 – ISSUE OF SECURITIES UPON CONVERSION OF CONVERTIBLE NOTES**

##### **5.1 General**

Resolution 8 seeks Shareholder approval for the issue of up to 706,335,386 Shares and 706,335,386 Options upon conversion of convertible notes, the terms of which are set out in the Company's announcement dated 16 March 2018. **(Convertible Notes)**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 8 will be to allow the Company to issue the Shares and Options on conversion of the Convertible Notes during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

A copy of the Company's capital structure incorporating all securities proposed to be issued following the Meeting is set out in Schedule 2.

##### **5.2 Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of:
  - (i) Shares to be issued is 706,335,386; and
  - (ii) Options to be issued is 706,335,386;
- (b) the Shares and Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares and Options will occur on the same date;
- (c) the deemed issue price will be \$0.00283 per Share (being the volume weighted average price for the 5 trading days prior to the date of issue of a conversion notice by the holders of the Convertible Notes) with each Option being issued free attaching to the Shares issued;
- (d) the Shares and Options will be issued to the holders of the Convertible Notes. None of these subscribers are related parties of the Company;

- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (g) no funds will be raised through the issue of Shares, as they are being issued upon conversion of the Convertible Notes. The Company used the funds raised through the issue of the Convertibles Notes for working capital.

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## **6. RESOLUTION 9 – PLACEMENT – SHARES**

### **6.1 General**

Resolution 9 seeks Shareholder approval for the issue of up to that number of Shares, when multiplied by the issue price, will raise up to \$1,000,000 (**Placement**).

A summary of ASX Listing Rule 7.1 is set out in section 5.1 above.

The effect of Resolution 9 will be to allow the Company to issue the Shares pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

A copy of the Company's capital structure incorporating all securities proposed to be issued following the Meeting is set out in Schedule 2.

### **6.2 Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Shares to be issued is up to that number of Shares which, when multiplied by the issue price, equals \$1,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the issue price will be not less than 80% of the volume weighted average price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made or, if there is a prospectus, over the last 5 days on which sales in the securities were recorded before the date the prospectus is signed;
- (d) the Directors will determine to whom the Shares will be issued but these persons will not be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the Placement towards working capital.

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## **7. RESOLUTION 10 – PLACEMENT – OPTIONS TO ALIGNMENT CAPITAL**

### **7.1 General**

Resolution 10 seeks Shareholder approval for the issue of 26,048,508 Options (exercisable at \$0.03 on or before 31 October 2020) (**Alignment Options**) as part consideration for capital raising services provided by Alignment Capital Pty Ltd (**Alignment Capital**), details of which are set out in the Company's announcement dated 11 January 2018. The Company notes that the total amount raised under the entitlement offer referred to in that announcement was \$204,850.83 out of a maximum subscription of \$851,407, resulting in Alignment Capital being entitled to 2,048,508 Alignment Options for capital raising services in connection with the entitlement issue.

A summary of ASX Listing Rule 7.1 is set out in section 5.1 above.

The effect of Resolution 10 will be to allow the Company to issue the Alignment Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

A copy of the Company's capital structure incorporating all securities proposed to be issued following the Meeting is set out in Schedule 2.

### **7.2 Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Alignment Options to be issued is 26,048,508;
- (b) the Alignment Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Alignment Options will occur on the same date;
- (c) the issue price will be \$0.00001 per Alignment Option;
- (d) the Alignment Options will be issued to Alignment Capital, who is not a related party of the Company;
- (e) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no material funds will be raised from the issue of the Alignment Options as they are being issued at an issue price of \$0.00001 per Alignment Option, raising a total of approximately \$260.

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## **8. RESOLUTION 11 – RATIFICATION OF SHARE ISSUE PURSUANT TO PLACEMENT**

### **8.1 General**

On 19 January 2018, the Company issued 10,000,000 Shares at an issue price of \$0.015 per Share to raise \$150,000, together with one Option (exercisable at \$0.03 on or before 31 October 2020).

Resolution 11 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares and Options (**Ratification**).

A summary of ASX Listing Rule 7.1 is set out in section 5.1 above.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

## **8.2 Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 10,000,000 Shares and 10,000,000 Options were issued;
- (b) the issue price was \$0.015 per Share and the Options were issued free attaching to the Shares on a one for one basis;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Options were issued on the terms and conditions set out in Schedule 1;
- (e) the Shares were issued to clients of Alignment Capital. None of these subscribers are related parties of the Company; and
- (f) the funds raised from this issue were used for working capital.

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## GLOSSARY

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**\$** means Australian dollars.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**Board** means the current board of directors of the Company.

**Chair** means the chair of the Meeting.

**Company** means Tikforce Limited (ACN 106 240 475).

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**General Meeting** or **Meeting** means the meeting convened by the Notice.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Proxy Form** means the proxy form accompanying the Notice.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Section** means a section of the Explanatory Statement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**WST** means Western Standard Time as observed in Perth, Western Australia.

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## SCHEDULE 1 – OPTION TERMS AND CONDITIONS

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- (a) The exercise price of each Option is \$0.03 (**Exercise Price**).
- (b) The expiry date of each Option is 31 October 2020 (**Expiry Date**).
- (c) Each Option gives the Option holder the right to subscribe for one Share.
- (d) Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (e) The amount payable upon exercise of each Option is the Exercise Price.
- (f) The Options held by each Option holder may be exercised in whole or in part, and if exercised in part, multiples of 10,000 must be exercised on each occasion.
- (g) An Option holder may exercise their Options by lodging with the Company, before the Expiry Date:
  - (i) a written notice of exercise of Options specifying the number and class of options being exercised; and
  - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;

### **(Exercise Notice).**

- (h) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (i) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price (and subject to the Company obtaining any necessary prior approvals from Shareholders or regulatory bodies for the issue of the Shares), the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (j) Within 15 Business Days after the Exercise Date, the Company will, if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- (k) All Shares issued upon the exercise of Options will upon issue rank pari passu in all respects with other Shares.
- (l) The Company will apply for Quotation of all Shares issued pursuant to the exercise of Options on ASX within 10 Business Days after the date of issue of those Shares.
- (m) If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (n) There are no participating rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 4 Business Days after the issue is announced. This will give Option

holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

- (o) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

## SCHEDULE 2 – CAPITAL STRUCTURE

	Shares	Options
Current	193,866,177	63,670,960
Conversion of Convertible Notes (Resolution 8)	706,335,386	706,335,386
Placement <sup>1</sup> (Resolution 9)	250,000,000	-
Issue to Alignment Capital (Resolution 10)	-	26,048,508
<b>TOTAL</b>	<b>1,150,201,563</b>	<b>796,054,854</b>

**Note:**

1. Assumes Shares are issued under the placement at an issue price of \$0.004 (being the closing date of Shares on 12 July 2018).



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## **SCHEDULE 3 - STATEMENT FROM ANDREW HOUTAS**

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ANDREW HOUTAS

Director Statement for TKF General Meeting to be held in August 2018

My tenure as Non-Executive Director of Tikforce Limited ("TKF") began 28 November 2017. It has been an interesting 7 months since.

Not limited to, I've witnessed the following events:

- Legal proceedings against TKF by Alignment Capital
- Issuance of 249D Notices
- Issuance of 249F Notices
- Responses to ASX Query letters
- Statutory Demands
- Director (Kevin Baum) trading in blackout periods
- Suspension from official quotation
- Re-instatement to official quotation
- Retraction of Statements (of which all these statements were made prior to my coming on the Board)

Having barely the opportunity to breathe since I joined the Board, I understand the frustration that permeates through the shareholder group, especially those that took stock at \$0.10 in the Public Offer in February 2016. They have seen their "investment" capitulate to \$0.003 at the time of writing, a catastrophic 97% freefall. And the man who has been at the helm since day one, Mr Kevin Baum, is the individual who has exercised his Director mandate to requisition for my removal from the Board, a Board I've only been on for 7 months.

Why is this relevant?

It is relevant on two fronts. Firstly, I believe the stock has hit rock bottom, clearly. I want the opportunity to address the falling share price and introduce a growth strategy for this barely pulsating entity. My previous tenure as a Non-Executive Director at WMN (now EUC) shows that I have the intellectual de rigueur to resuscitate a listed entity as well as the ability to raise capital.

Secondly, why is Kevin Baum, who has been at the helm since day one, seeking my removal from the Board? Again, without harping on it, the 97% share price capitulation has been on Mr Baum's watch, not mine. Have I asked too many questions? Remember, I've only been on the Board since 28th of November 2017, a mere 7 months.

I cannot answer this, but as shareholders you are free to ask Kevin Baum directly, either prior to the General meeting or at the General meeting itself, in person. As shareholders, you have every right to ask, so don't be shy.

In my other role as a CPA, I have internationally recognised skills that augur well in my endeavours to curtail spending and ensure that shareholder funds are treated with respect. I intend, without delay, to introduce a Remuneration Committee, which would sit independently and be chaired by parties without vested interest.

I see it as an honour to once again have been invited to join the Board of a listed company, a clear vote of confidence from my previous role at WMN (EUC). I intend to turn this entity around, and in a short space of time. It can be done, and I can be a driving force to make that happen.

I look forward to receiving your approval to retain my Director role, and with that, the opportunity to drive the business, uplift the share price, and re-engage all shareholders.

Yours sincerely

Andrew Houtas

Non-Executive Director

July 2018

**LODGE YOUR VOTE ONLINE**

**ONLINE VOTE**
[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)

**MOBILE DEVICE VOTE**

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.


**2018 GENERAL MEETING - VOTING/PROXY FORM**

I/We being shareholder(s) of Tikforce Limited and entitled to attend and vote hereby:

**APPOINT A PROXY**

 The Chairman of  
the meeting

**OR**

**PLEASE NOTE:** If you leave the section blank, the Chairman of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) are named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the General Meeting of the Company to be held at A7, 435 Roberts Rd, Subiaco WA 6008 on 20 August 2018 at 10.00am (WST) and at any adjournment or postponement of that Meeting.

**CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES:**
**THE CHAIRMAN OF THE MEETING INTENDS TO VOTE ALL UNDIRECTED PROXIES AGAINST RESOLUTIONS 1-5 AND IN FAVOUR OF RESOLUTIONS 6-11.**
**VOTING DIRECTIONS**
**Agenda Items**

- |  | For                      | Against                  | Abstain*                 |
|--|--------------------------|--------------------------|--------------------------|
| 1 Appointment of Director – Mr Glenn Fowles                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Appointment of Director – Mr Peter John Meacock          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Removal of Director – Mr Kevin Michael Baum              | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 Removal of Director – Mr Duncan Royce Anderson           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 Removal of Other Directors                               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 Removal of Director – Mr Andrew Houtas                   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7 Appointment of Director – Mr Stuart Usher                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8 Issue of Securities Upon Conversion of Convertible Notes | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9 Placement – Shares                                       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10 Placement – Options to Alignment Capital                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11 Ratification of Securities Issued Pursuant to Placement | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

For Against Abstain\*



\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholder should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address

☐

Please tick here to agree to receive communications sent by the company via email. This may include meeting notifications, dividend remittance, and selected announcements.

## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

### CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

### APPOINTMENT OF A PROXY

If you wish to appoint the Chairman as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

### DEFAULT TO THE CHAIRMAN OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chairman of the Meeting.

### VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on an item, your vote on that item will be invalid.

**PLEASE NOTE:** If you appoint the Chairman as your proxy (or if he is appointed by default) but do not direct him how to vote on an item (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that item), the Chairman may vote as he sees fit on that item.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- On each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- Return both forms together.

### CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

### SIGNING INSTRUCTIONS ON THE PROXY FORM

#### Individual:

Where the holding is in one name, the security holder must sign.

#### Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

#### Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

#### Companies:

Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

### LODGE YOUR VOTE

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 10.00 am (WST) on 18 August 2018, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled meeting.



#### ONLINE VOTE

[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)



#### BY MAIL

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009; or  
PO Box 1156, Nedlands WA 6909



#### BY FAX

+61 8 9262 3723



#### BY EMAIL

[admin@advancedshare.com.au](mailto:admin@advancedshare.com.au)



#### IN PERSON

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009; or



#### ALL ENQUIRIES TO

Telephone: +61 8 9389 8033