

ASX ANNOUNCEMENT

9 October 2018

Company Update

- **Placement completed and prospectus closed**
- **Notice provided to Gambier to trigger \$100,000 extension payment**

Tikforce Limited (ASX: TKF), (“**TikForce**” or the “**Company**”) is pleased to advise it has completed the private placement of fully paid ordinary shares to raise \$88,286.25 (“**Placement**”).

The Placement has been made to investors qualifying under Section 708 of the Corporations Act and the Company has used its existing issue capacity under Listing Rules 7.1 and 7.1A to complete the issue of shares. The board has now agreed to close the cleansing prospectus dated 2 October 2018 and lodged with ASIC and ASX.

An Appendix 3B follows this announcement that shows 7,579,927 Shares issued under Listing Rule 7.1 for a consideration of \$25,771.75 and 18,386,618 Shares issued under Listing Rule 7.1A for a consideration of \$62,514.50

The Company also confirms that it has given a Notice of Termination to Gambier Holdings Limited (“Gambier”) in accordance with the terms of the licence agreement entered into with Gambier, and Tikforce Operations Pty Ltd (“TOPL”) (the Company’s wholly owned subsidiary). Following this notice, Gambier is entitled to extend the licence in perpetuity through a payment of \$100,000 within 14 days of the notice and a further \$250,000 within 3 months of the notice (together, the Extension Fee). These terms are also set out in the Company’s notice of meeting released on 28 September 2018.

As set out in the Company’s announcement of 16 August 2018, Gambier has the exclusive right to negotiate a sale of TOPL’s business and thereafter will have a first right of refusal with respect to a sale of TOPL’s business. Gambier has exercised its right to negotiate an acquisition of the Tikforce business.

Gambier’s current offer is to pay a cash consideration of \$350,000, less any amounts paid by Gambier as an Extension Fee (Proposed Sale). The Board has determined that it will not proceed with further discussions in relation to the Proposed Sale on the above terms until such time as Resolution 1, included in a General Meeting to be held on 2 November 2018 has been considered by Shareholders. If Shareholders approve the Proposed Sale, the Company will engage in negotiations with Gambier with respect to the Proposed Sale, provided that the total consideration payable by Gambier shall not be less than \$350,000 inclusive of any Extension Fee.

For and on behalf of Tikforce Limited



Kevin Baum
Managing Director