

## ASX ANNOUNCEMENT 30 January 2015

### **Palace completes Share Sale Agreement with SiliciumRok re acquisition of Min-Trak Pty Ltd**

On 30 September 2014, Palace Resources Limited (ASX: PXR) (**Palace or the Company**) informed the market that it had entered into a Memorandum of Understanding for the share acquisition of Min-Trak Ltd (Zambia) ("Min-Trak")

Min-Trak provides affordable remote/satellite tracking services for regions with limited or non-existent mobile/cellular coverage.

The current service offering of Min-Trak includes:

- conflict minerals;
- vehicle tracking;
- people tracking; and
- a more comprehensive VIP tracking service.

The Company has now completed its Due Diligence with respect to the acquisition of Min-Trak and has entered into and completed a Share Sale Agreement with the vendors of Min-Trak.

Under the terms of the Share Sale Agreement, the vendor will receive:

- the issue of 9,000,000 Palace Resources Shares to be issued in consideration for the acquisition by the Purchaser of all the Min-Trak Shares and to be distributed to the Vendors ;
  - the issue of the following Palace Resources Performance Shares, to be issued as consideration for the acquisition by the Purchaser of all the Min-Trak Performance Shares and to be distributed to the Vendor
    - 2,000,000 Class D Palace Resources Performance Shares;
    - 2,000,000 Class E Palace Resources Performance Shares; and
    - 1,000,000 Class F Palace Resources Performance Shares;
- (together the Consideration Securities)

The Consideration shares are to be issued post the anticipated consolidation of the Company's shares, this consolidation being at a consolidation rate where 50 fully paid ordinary shares are consolidated into 1 single share.

Palace intends to incorporate the Min-Trak technology to enhance its intended purchase of TikForce.

The Board of Palace believes the integrated technology will add unprecedented value to its clients by integrating asset tracking and satellite connectivity to a comprehensive human resource tracking and management platform.

Palace is confident that the combined technologies will provide the Company with turnkey solutions in remote areas with no mobile coverage; as well as extending tracking beyond people to hundreds of thousands of assets and items. The seamless integration of TikForce and Min-Trak technology is expected to deliver affordable, valuable, actionable and real time information to increase business efficiency and profitability.

The completion of the acquisition of both Min-Trak and TikForce is subject to shareholders approval, the documents to which are being currently completed.

For further information, please contact:

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