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ASX Announcement

29 October 2015

The Company Announcements Office
ASX Limited
Via E Lodgement

Execution of a New Share Sale Agreement

The Directors of Reclaim Industries Limited ("**RCM**") are pleased to announce that they have executed a revised Share Sale Agreement ("**SSA**") with Risions' Shareholders ("**the Vendors**") to acquire 100% of all rights and title in all the issued capital of Rision Pty Ltd ("**Rision**"). This SSA replaces the existing Share Sale Agreement previously executed in September 2014.

Share Sale Agreement

Key terms of the SSA (as contemplated by the Heads of Agreement executed on 4 September 2015) include the following:

- RCM will issue to the Vendors 200,000,000 Consideration Shares (post-consolidation) pro rata to their respective shareholdings in Rision;
- RCM will issue 50,000,000 Performance Shares (post-consolidation), which convert to ordinary shares if the following milestones are met on or before 30 June 2019:
 - a) Rision achieves \$5 million in EBITDA during a consecutive 12 month period; or
 - b) Rision being sold by RCM for a minimum of \$150M; or
 - c) RCM being valued at not less than \$150M.
- RCM will issue 60,000,000 options to the incoming directors and key employees of Rision ;
- RCM will issue up to 30,000,000 Shares and 30,000,000 Options, exercisable at \$0.03 with an expiry date of 24 months after the date of issue, in repayment of convertible loans. The Convertible Loans will be the result of RCM conducting a small raising for working capital purposes;
- RCM will repay up to \$1,000,000 of Rision debt through the issue of up to 100,000,000 Shares and 100,000,000 Options, exercisable at \$0.03 with an expiry date of 24 months after the date of issue; and
- RCM will issue 20,000,000 Facilitation Shares (post-consolidation) upon completion of the acquisition.

The SSA is subject to and conditional upon the following conditions precedent:

- RCM consolidating its existing issued capital on the basis of 1 new share for every 2 existing shares;
- RCM successfully completing a capital raising of not less than \$3,000,000 as part of the re-compliance with Chapters 1 and 2 of the ASX Listing Rules; and
- RCM obtaining and complying with all shareholder and regulatory approvals required including re-compliance with Chapters 1 and 2 of the ASX Listing Rules.



The SSA contains additional provisions, including warranties and indemnities in respect of the status of RCM and Rision which are considered standard for agreements of this kind.

Change of Activities

The acquisition will result in RCM requiring shareholder approval under Chapter 11 of the ASX Listing Rules for a change in nature and scale of its operations and will re-comply with Chapters 1 and 2 of the ASX Listing Rules.

Change of Board

Rision will be entitled to nominate four persons to the Board of Directors on completion of the acquisition, and following those appointments, the existing directors will resign.

Change of Name

On completion of the acquisition, RCM will change its name to Rision Limited.

General Meeting, Indicative Capital Structure, Timetable and Pro-forma Balance Sheet

RCM shareholders will be given the opportunity to approve of the acquisition on the terms of the SSA, at a general meeting to be convened in December 2015. A Notice of General Meeting (“**Notice**”) with further details of the acquisition will be dispatched to shareholders once finalised. RCM is also currently finalising its convertible note raising.

An updated capital structure, timetable and pro-forma balance sheet will be released to the market with the Notice.

About Rision Pty Ltd

Rision is a company focused on IT solutions for the human resources industry.

Rision’s enterprise grade, patented technology enables job seekers, employers and human resources departments/recruitment firms to interact in a transparent, efficient and user-friendly way that drives improved work practices and productivity. Job seekers more easily find work in locations and at times that suit their availability. Employers manage the human resources needs of their employees, and gain valuable business intelligence on workforce productivity. HR departments/recruiters manage and grow their casual candidate databases, and better service their internal clients/customers.

Rision’s technology has applications across a broad range of industries including hospitality, fast food, retail, event management, nursing, security, gaming and governments.