

ASX ANNOUNCEMENT

20 January 2016

Palace Resources Ltd (“Palace”) is changing its business activities from a mineral exploration company to a technology company, by way of a 100% acquisition of the issued capital of TikForce Holdings Pty Ltd, (“TFH”).

TFH has developed the TikForce Platform, which is a suite of software, applications and IT systems specifically designed to support the changing labour market and productivity motivated business environment.

The TikForce Platform enables potential workers to sign up and create a profile with validated credentials that they can share with, or link to, prospective employers. It also enables employers or organisations seeking to engage workers the ability to digitally review proof of identity, and confirm the qualifications, skills and work documents of workers, thereby ensuring a review of relevant credentials and compliance for both employees and employers.

The TikForce Platform also enables communication of job and task tracking to further provide facts on work productivity and worker suitability.

It is anticipated that completion of the changing of the business activity will be in the early part of the first quartile of 2016, and with the successful completion, it is proposed that Palace Resources Ltd will change its name to TikForce Ltd (“TikForce” or “TKF”) and be re admitted to the ASX quotation platform.

In anticipation of the change, TikForce is pleased to announce it has appointed a three person Advisory Board which will act in support of the marketing, business development and sales operations of TikForce Limited (TKF), while also providing specialist advice to the Board of TikForce.

Allan-Drake Brockman has been appointed to the Advisory Board as Chairman. Allan was formerly Managing Partner of DLA Piper’s Perth Office, specialising in workplace relations and employment law.

Allan combines his intimate knowledge of stakeholders in Australian industrial and workplace relations with his ability to find innovative human resources and labour relations solutions. He has particular expertise in the mining, energy and resources sectors,

Allan’s areas of specialist knowledge include enterprise bargaining; industrial disputes and resolution thereof; legislation advice; diversity, discrimination and equal opportunity; and negotiation and implementation of labour agreements, which are areas of focus for TikForce market penetration and lend themselves to the core developments of TikForce.

These capabilities, combined with his commercial and leadership acumen, make Allan ideally suited to leading the Advisory Board, and lending support to the Board of TikForce.

Grant Thomas, current General Manager (W.A.) for Labour Hire firm AWX, has been appointed a Member of the Advisory Board.

Grant has extensive senior management experience in private and listed recruitment agencies, including SKILLED Group, where he served as a regional manager.

Grant has experience in all facets of blue and white collar supplementary labour, with a particular understanding of workforce recruitment, mobilisation and demobilisation, and related systems and processes.

He is an experienced leader with a demonstrated ability to grow businesses across multiple industries and geographical regions. Grant's areas of specialist knowledge include manufacturing, fast moving consumer goods, transport, utilities, mining and marine.

Paul Syme, Managing Director of Portland Broome Organisational Consultants, has been appointed a Member of the Advisory Board. Paul has extensive senior experience in both management and HR consulting, including working in senior roles at Beilby and as General Manager W.A. for Talent 2.

In 2012, Paul established Portland Broome where he specialises in CEO performance reviews; leadership assessment and development; organisational capability; executive recruitment; and psychometric assessment.

Paul also has extensive board experience in the not-for-profit sector, as well as state and national Board experience with the APS College of Organisational Psychologists.

These appointments will greatly strengthen TikForce capability, particularly in informing targeted marketing, business development and sales strategies.

The operations of the Advisory Board will later be supported through the appointment of a number of highly experienced professionals as Brand Ambassadors for TikForce. These sector-specific Brand Ambassadors will work collaboratively with the Advisory Board in applying a wealth of industry experience in growing TikForce's reach across varied sectors of the national economy.

TKF's designated Chief Executive Officer Kevin Baum commented that the appointment of the initial members of the Advisory board, and the later expansion of the board, coupled with the appointment of Brand Ambassadors, will play an important part in commercialising the TikForce suite. In particular, Kevin considers that input from these groups will be important in ensuring TikForce provides the certainty that the market requires in key areas, including identity assurance and credentials validation.

For more information visit www.tikforce.com

Yours faithfully

Roland Berzins

Company Secretary