CRE8TEK



Cre8tek Limited

ACN 000 031 292

Prospectus

For an offer of 75,000,000 Shares at a price of \$0.04 each to raise \$3,000,000 before costs (**Public Offer**). The minimum subscription under the Public Offer is \$3,000,000.

This Prospectus also contains the following Secondary Offers:

- 1. an offer of 272,727,273 Shares and 272,727,273 Performance Shares to the Vendors of Flamingo Customer Experience, Inc. (Flamingo) for the acquisition of all the shares in Flamingo by the Company (Consideration Offer);
- 2. an offer of 13,286,364 Shares and 7,150,000 Performance Shares to the Facilitators (Facilitation Offer); and
- 3. an offer of 6,567,382 Options to certain employees of Flamingo (Employee Offer),

(together, the Offers).

Re-compliance with Chapters 1 and 2

In addition to the purpose of raising funds under the Public Offer, this Prospectus is issued for the purpose of re-complying with the admission requirements under Chapters 1 and 2 of the ASX Listing Rules following a change to the scale of the Company's activities.

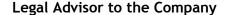
Conditional Offers

The Offers are conditional upon certain events occurring. Please refer to Section 2.3 for further information. The Offers are not underwritten.

IMPORTANT NOTICE

This is an important document and investors should read the document in its entirety and are advised to consult with their professional advisers before deciding whether to apply for securities pursuant to this Prospectus. Any investment in the Company under this Prospectus should be considered **highly speculative** in nature and prospective investors should be aware that they may lose some or all of their investment.







Lead Manager to the Public Offer

TABLE OF CONTENTS

Section	on	Page No.
IMPOF	RTANT INFORMATION	3
CORP	ORATE DIRECTORY	4
LETTE	ER FROM THE BOARD	5
KEY C	OFFER DETAILS	6
INDIC	ATIVE TIMETABLE	7
INVES	TMENT OVERVIEW	8
1.	Transaction overview	21
2.	Details of the Offers	24
3.	Overview of the Company, Flamingo and the Merged Group	33
4.	Independent Industry Expert's Report	52
5.	Risk Factors	53
6.	Investigating Accountant's Report	62
7.	Intellectual Property Experts' Reports	63
8.	Directors, Key Management and Corporate Governance	64
9.	Material Contracts	72
10.	Additional Information	82
11.	Directors' Authorisation	103
12.	Definitions	104

IMPORTANT INFORMATION

Prospectus

This Prospectus is dated 13 September 2016 and was lodged with ASIC on that date. ASIC, ASX and their respective officers do not take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

Within 7 days of the date of this Prospectus, the Company will make an application to ASX for the Shares offered pursuant to the Prospectus to be admitted for quotation on ASX.

Securities will not be issued pursuant to this Prospectus later than 13 months after the date of this Prospectus.

Persons wishing to apply for Securities pursuant to the Offers must do so using the applicable Application Form attached to or accompanying this Prospectus. Before applying for Securities potential investors should carefully read the Prospectus so that they can make an informed assessment of:

- the rights and liabilities attaching to the Securities;
- the assets and liabilities of the Company; and
- the Company's financial position and performance, profits and losses, and prospects.

Investors should carefully consider these factors in light of their own personal financial and taxation circumstances.

No person is authorised to give any information or to make any representation in relation to the Offers which is not contained in this Prospectus. Any information or representation not so contained may not be relied upon as having been authorised by the Company or the Directors in relation to the Offers.

Ricke

Any investment in the Company should be considered highly speculative. Before deciding to invest in the Company, potential investors should read the entire Prospectus and, in particular, in considering the prospects of the Company, potential investors should consider the risk factors that could affect the financial performance and assets of the Company. Investors should carefully consider these factors in light of their personal circumstances (including financial and taxation issues). The Securities offered by this Prospectus should be considered highly speculative. Please refer to Section 5 for details relating to risk factors. Persons considering applying for Securities pursuant to the Prospectus should obtain professional advice from an accountant, stockbroker, lawyer or other adviser before deciding whether to invest.

Offers outside Australia

The offer of Securities made pursuant to this Prospectus is not made to persons to whom, or places in which, it would not be lawful to make such an offer of Securities. No action has been taken to register the Offers under this Prospectus or otherwise permit the Offers to be made in any jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law in those jurisdictions and therefore persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws.

See Section 2.12 for further information on Hong Kong.

Forward-looking statements

This Prospectus contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These statements are based on an evaluation of current economic and operating conditions, as well as assumptions regarding future events. These events, as at the date of this Prospectus, are expected to take place, but there is no guarantee that such will occur as anticipated or at all given that many of the events are outside the Company's control.

Accordingly, the Company cannot and does not give any assurance that the results, performance or achievements

expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. Further, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to applying for Securities. This examination may result in the identification of deficiencies in this Prospectus and, in those circumstances; any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications for Securities under the Secondary Offers set out in this Prospectus will not be processed by the Company until after the expiry of the Exposure Period. No preference will be conferred on applications lodged prior to the expiry of the Exposure Period.

Re-compliance with Chapters 1 and 2 of the Listing Rules

The Acquisition will constitute a change to the scale of the Company's activities. Pursuant to Listing Rule 11.1.3, the Company must re-comply with the admission requirements of Chapters 1 and 2 of the Listing Rules, as if applying for admission to the official list of ASX. Accordingly, this Prospectus is issued for the purpose of satisfying Chapters 1 and 2 of the Listing Rules, as well as for the purpose of raising funds under the Public Offer.

Conditional Offer

The Offers contained in this Prospectus are conditional on certain events occurring. If these events do not occur, the Offers will not proceed and investors will be refunded their application monies without interest. Please refer to Section 2.3 for further details on the conditions attaching to the Offers.

Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please contact the Company at +61 8 9486 7244 and the Company will send you, at no cost, either a hard copy or a further electronic copy of the Prospectus or both. Alternatively, you may obtain a copy of the Prospectus from the Company's website at http://www.cre8tek.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Photographs and diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus may not be drawn to scale.

Miscellaneous

All references to "\$", "A\$", "AUD", "dollar" and "cents" are references to Australian currency unless otherwise stated.

All references to time relate to the time in Perth, Western Australia unless otherwise stated.

A number of terms and abbreviations used in this Prospectus have defined meanings which appear in Section 12.

CORPORATE DIRECTORY

Existing Board of Directors

Mr Bryn Hardcastle Mr Faldi Ismail Mr Tom Bahen

Proposed Board of Directors

Mr Bryn Hardcastle Mr Faldi Ismail Dr Catriona Wallace Ms Cathie Reid

Company Secretary

Mr Dave Filov

Registered Office 108 Outram Street

WEST PERTH WA 6005

Telephone: +61 8 9486 7244 Facsimile: +61 8 9463 6373 Email: admin@cre8tek.com.au

Flamingo Customer Experience, Inc.

525 W 28th Street Suite A1059, New York NY 10001 USA

Level 2, 50 Bridge Street SYDNEY NSW 2000

ASX Code CR8

Websites

www.cre8tek.com.au flamingo.io

Share Registry*

Automic Registry Services Level 1, 7 Ventnor Avenue WEST PERTH WA 6005

Telephone: +61 8 9324 2099 Facsimile: +61 8 9321 2337

Auditor to the Company*

Ernst & Young 11 Mounts Bay Road PERTH WA 6000

Legal Advisor

Bellanhouse Legal Ground Floor, 11 Ventnor Avenue WEST PERTH WA 6005

Investigating Accountant

BDO Corporate Finance (WA) Pty Ltd 38 Station Street SUBIACO WA 6008

Intellectual Property Experts

(USA)

Flynn, Thiel, Boutell & Tanis, P.C. 2026 Rambling Road, Kalamazoo MI 49008 USA

(Australia)

Williams + Hughes Pty Ltd Ground Floor, 25 Richardson Street WEST PERTH WA 6005

Independent Industry Expert

Frost & Sullivan Australia Pty Ltd Suite 1, Level 9, 189 Kent Street SYDNEY NSW 2000

Lead Manager and Corporate Advisor

Otsana Capital 108 Outram Street WEST PERTH WA 6005

^{*} This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

LETTER FROM THE BOARD

Dear Investor,

On behalf of the Board of Directors of Cre8tek Limited (Company), we are pleased to present you with this opportunity to become a shareholder in the Company.

On 2 June 2016, the Company announced it had agreed to acquire the entire issued share capital of Flamingo Customer Experience, Inc. (Flamingo) (Acquisition), an innovative software as a service (SaaS) company which has developed a customer experience automation platform (Flamingo Platform) designed for selling complex financial products online. The Flamingo Platform design aims to turn a website's visitors into customers by guiding them online from page view to purchase, on both mobile and desktop devices. Using artificial intelligence software developed by Flamingo, the Flamingo Platform learns how customers and employees of financial providers interact, then is able to automate a customer's 'journey' through sales, on-boarding and retention processes. It also delivers insights which facilitate ongoing product development.

Flamingo is the second proposed acquisition by the Company in line with the Company's new focus, being technology and software development. Subject to Shareholder approval and upon successful completion of the Acquisition, the Company will focus on advancing the commercialisation of Flamingo's business as well as ongoing development of the Company's existing Agenda Platform, whilst also seeking to further expand its portfolio in technology solutions.

Funds raised under this Prospectus will be used to pursue the development and commercialisation strategy for the Flamingo Platform.

Flamingo was founded in 2014 by Dr Catriona Wallace and has been funded to date by founder contributions and angel investors, including entities associated with Proposed Chair Cathie Reid who has chaired Flamingo since 2014. The Flamingo shareholders have approved the sale of the business to the Company on the terms outlined in this Prospectus, and will join the share registry post completion of the Acquisition.

An investment in the Company is considered speculative and it is recommended that you consider the terms of the Offers contained in this Prospectus carefully and in their entirety. If you are in any doubt as to the contents of this Prospectus, you should consult your stockbroker, lawyer, accountant or other professional adviser.

On behalf of the Board of the Company, we commend this opportunity to you and look forward to welcoming you as a security holder.

Yours faithfully

Bryn Hardcastle Current Chair Cre8tek Limited Cathie Reid Proposed Chair Cre8tek Limited

KEY OFFER DETAILS

Key offer details	
Offer Price per Share under the Public Offer	\$0.04 per Share
Shares to be offered under the Public Offer	75,000,000 Shares
Cash raised under the Public Offer (before expenses)	\$3,000,000
Securities offered pursuant to the Consideration Offer	272,727,273 Shares 272,727,273 Performance Shares
Securities offered pursuant to the Facilitation Offer	13,286,364 Shares 7,150,000 Performance Shares
Securities offered pursuant to the Employee Offer	6,567,382 Options
Existing Shares on issue	234,426,409 Shares
Total number of Shares on issue following the Offers	595,440,046 Shares
Ownership by Vendors at ASX relisting	45.80%
Ownership by investors under Public Offer at ASX relisting	12.60%

Note: The figures shown above assume no Options are exercised and that none of the existing Performance Rights or Performance Shares to be issued have converted into Shares. Please refer to Section 2.4 for further details relating to the proposed capital structure of the Company.

INDICATIVE TIMETABLE

Event	Date
Despatch of Notice of General Meeting	11 August 2016
Lodgement of this Prospectus with ASIC	13 September 2016
Opening Date for the Public Offer	13 September 2016
General Meeting	14 September 2016
Closing Date for the Offers	30 September 2016
Completion of the Acquisition	7 October 2016
Issue of Securities under the Offers	7 October 2016
Dispatch of holding statements	7 October 2016
Expected date for Shares to be reinstated to trading on ASX	14 October 2016

Note: The dates shown above are indicative only and may vary subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, the Company reserves the right to vary the Opening Date and the Closing Date without prior notice, which may have a consequential effect on the other dates. Applicants are therefore encouraged to lodge their Application Form as soon as possible after the Opening Date if they wish to invest in the Company. The Company also reserves the right not to proceed with any of the Offers at any time before the issue of Securities to Applicants.

INVESTMENT OVERVIEW

This Section is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety. The Securities offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

Topic	Summary	More information
Introduction		
Who is the Company and what	Cre8tek Limited (ACN 000 031 292) (Company) is an Australian incorporated company listed on ASX.	Section 3.1
does it do?	Following the acquisition of Global Agenda Technologies Pty Ltd (Agenda) in February 2016, the Company became a technology company operating in the technology solutions and software development sector, with plans to expand its portfolio.	
	Agenda was the first acquisition made by the Company in this new area of focus, and the Company planned to further expand its portfolio in technology solutions, with a particular focus on software marketing solutions, application software, communication software, software as a service, online social networking services, and security and encryption.	
	Consistent with this strategy, since successful completion of the acquisition of Agenda in February 2016, the Company has been developing the Agenda Platform, an online platform which proposes to facilitate sales conversions between businesses and consumers, whilst also seeking to expand its portfolio in technology solutions.	
What is the Acquisition and what is the Flamingo Platform?	The Company intends to acquire 100% of the issued capital of Flamingo Customer Experience, Inc. (Flamingo). The Company has agreed to issue 272,727,273 Shares and 272,727,273 Performance Shares to the vendors of Flamingo under the Consideration Offer as consideration for the acquisition of all the shares in Flamingo by the Company.	Sections 1, 2.2(a) and 3
	Flamingo is an innovative software as a service (SaaS) company which has developed a customer experience automation platform (Flamingo Platform) designed for selling complex financial products online. The Flamingo Platform design aims to turn a website's visitors looking for complex financial products into customers by guiding customers online from page view to purchase, on both mobile and desktop devices.	

Topic	Summary	More information
	Flamingo's existing product, known as 'Journey Assist', has been developed, tested and successfully trialled. This product comprises the current Flamingo Platform and is ready for sale to a broad market, initially focused in financial services.	
Who are the people behind Flamingo?	Flamingo is led by its founder, Dr Catriona Wallace, with Ms Cathie Reid as Chair of the board. As part of the Acquisition Agreement, each of Ms Reid and Dr Wallace will join the Board of the Company (subject to Shareholder approval).	Section 3.2(e)
	As at the date of this Prospectus, Flamingo employs 14 people across Australia and the US, including seven software engineers, the chief data scientist (Dr Jack Elliott) and the chief technology officer (Mr Joe Waller). Flamingo's development team is based in Australia.	
	The profiles of each of the key management personnel are detailed in Section 3.2(e).	
What is the Company's strategy?	Flamingo is the second proposed acquisition by the Company in line with the Company's new focus, being technology and software development. The Company plans to further expand its portfolio in technology solutions, with a particular focus on software marketing solutions, application software, communication software, SaaS, online social networking services, and security and encryption.	Section 3.7
	It is possible that future acquisitions that may be contemplated may exceed the current or projected financial resources of the Company and it is expected that these acquisitions would be funded by debt and/or equity issues (subject to any required regulatory approvals).	
	For the immediate future the Merged Group's focus will be on the continued development and commercialisation of the Flamingo Platform and Agenda Platform, together with assessing further complementary acquisition opportunities.	
Business model		
What are the Merged Group's potential revenue sources?	The basis for any revenue generated by consumer service offerings such as that of the Flamingo Platform and proposed to be offered through the Agenda Platform, is driven by the acquisition, retention and engagement of its consumers and service providers (Providers).	Sections 3.7 and 3.2(c)
	The Merged Group intends to derive revenue from the following possible sources: (a) sales revenues from Providers for:	
	(a) sales revenues from Froviders for.	

000000000000000000000000000000000000000
2.
3
D L
O LL WIND IN
O LL WIND IN

Topic	Summ	ary	More information
		(i) trials of the Flamingo Platform;	
		(ii) subscriptions by Providers using the Flamingo Platform; and	
		(iii) success fees per acquisition by Provider's customers; and	
	(b)	if successfully developed, via the Agenda Platform from transaction fees, advertising, in- application purchases and software sales.	
		amingo Platform has generated limited ues, largely from paid trials of the platform to	
What are the key dependencies of		ey factors that the Merged Group will depend meet its objectives are:	Section 3.8
the Merged Group's business model?	(a)	the successful completion of the Acquisition;	
business modet.	(b)	the successful completion of the Public Offer;	
	(c)	the successful execution of service agreements with and retention of new and existing Providers using the Flamingo Platform;	Section 3.8
	(d)	the successful development of the Agenda Platform;	
	(e)	retaining the key personnel and consultants of Flamingo and Agenda; and	
	(f)	the ability to protect the Merged Group's intellectual property.	

Summary of key risks

Prospective investors should be aware that subscribing for Securities in the Company involves a number of risks. The risk factors set out in Section 5, and other general risks applicable to all investments in quoted securities, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered **highly speculative**. This Section summarises the key risks which apply to an investment in the Company and investors should refer to Section 5 for a more detailed summary of the risks.

Limited operating history	Flamingo has limited operating history and there is uncertainty in relation to the business of Flamingo and investors should consider Flamingo's prospects in light of its limited financial history. In addition, there is no guarantee that Flamingo will be able to successfully further develop or commercialise its products and if it is unable to do so it will not be able to realise significant revenues in the future.	Section 5.2(a)
Failure to attract, retain and engage clients	The potential revenue streams for the Company depend on its ability to attract, retain and engage clients (Providers) to the Flamingo Platform. There is a risk that the Company may be unable to attract, retain and engage sufficient Providers for the	Section 5.2(b)

Topic	Summary	More information
	potential revenue streams to materialise or be sufficient for the continued operation of the Flamingo Platform.	
Sales and marketing success	Following completion of the Acquisition, the Company intends to continue with the commercialisation of the Flamingo Platform, including brand development and sales and marketing. By its nature, there is no guarantee that the Company's brand development and sales and marketing campaign will be successful. In the event that it is not, the Company may encounter difficulty in creating market awareness of the brand. This would likely have an adverse impact on the Company's ability to generate revenue.	Section 5.2(c)
	Even if the Company does successfully commercialise the Flamingo Platform, there is a risk the Company will not achieve a commercial return. The Company may not be able to sell products and services to clients at a rate which covers its operating and capital costs, or new technology may overtake the Company's technology.	
Competition and new technologies	The industry in which Flamingo is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of the Company's projects and business. For instance, new technologies could overtake the advancements made by the Flamingo Platform. In that case, the Company's revenues and profitability could be adversely affected.	Section 5.2(d)
	The Company's competition may include businesses with much higher capitalisation and substantially greater resources. These competitors may succeed in developing products and services which are either superior or additional to the Company's, resulting in the migration of existing clients and potential clients to a competitor's business. Competitors with increased access to capital could lead to the Company's business becoming uncompetitive.	
	Further, the cost and time for a new competitor (including new entrants) to develop competing technology or products may not be significant, and may be substantially less than the implied market capitalisation of the Company based on the issue price of \$0.04 per Share. This may result in a heightened risk of competition to the Company. If a person or entity successfully develops and	

Topic	Summary	More information
	commercialises a competing product, this may have a materially adverse effect on the value and prospects of the Company and consequently on the value of your investment.	
Increased investment in product development and support	There is a risk that maintaining and upgrading Flamingo's existing products as well as new product development may lead to a higher than anticipated investment spend on IT development.	Section 5.2(e)
Flamingo's intellectual property	If the Company fails to protect the intellectual property rights of Flamingo adequately, competitors may gain access which would in turn harm its business.	Section 5.2(f)
	Legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain. Effective patent, trade mark, copyright and trade secret protection may not be available to the Company in every country in which products may become available. Accordingly, despite its efforts, the Company may not be able to prevent third parties from infringing upon or misappropriating its intellectual property.	
	The Company may be required to incur significant expenses in monitoring and protecting its intellectual property rights. It may initiate or otherwise be involved in litigation against third parties for infringement, or to establish the validity, of its rights. Any litigation, whether or not it is successful, could result in significant expense to the Company and cause a distraction to management.	
Intellectual property infringement	Flamingo relies in part on confidentiality agreements with its employees, consultants, contractors and other third parties to protect its intellectual property. These agreements may not effectively prevent disclosure of confidential information and may not provide an adequate remedy in the event of unauthorised disclosure of confidential information.	Section 5.2(g)
	Flamingo uses a combination of open source and third party licensed software to develop its own software and platforms, and relies on its ability to protect its intellectual property rights adequately.	
	Failure to do so may result in competitors gaining access to its technology, which would harm the business. Flamingo may be unable to obtain patent protection in the future. If any patents are issued in the future, they may not provide Flamingo with any competitive advantages, or may be challenged by third parties.	

Topic	Summary	More information
	There is a risk that the validity, ownership or authorised use of intellectual property relevant to Flamingo's business will be successfully challenged by third parties. Any litigation, whether or not it is successful, could result in significant expense to the Company and divert the efforts of its personnel.	
Reliance on key personnel and specialist staff	The emergence and development of the Flamingo Platform has been in large part due to the talent, effort, and experience of Dr Catriona Wallace, the Founder of Flamingo. Dr Wallace has signed a contract to join the Company as Chief Executive Officer and Executive Director on completion of the Acquisition.	Sections 5.2(h) and 5.2(i)
	There is no assurance that Dr Wallace's contract will not be terminated. In addition, there is no assurance that Dr Wallace will remain healthy and able to continue in her role. If her contract were terminated or breached, or if Dr Wallace were no longer to continue in her role, the Company would need to employ alternative staff, and the Company's operations and business would be adversely affected.	
	Competition for qualified technical, sales and marketing staff can be intense and no assurance can be provided that the Company will be able to attract or retain key personnel in the future.	
	Flamingo is reliant upon employees with specialist IT skills in order to develop and maintain its projects. Any shortage of availability of these skills in the IT employment market could impair the development of Flamingo's products and business and the rate of such development. Such a shortage could also cause wage inflation, which may impact on the Company's profitability.	
Reliance on core information technology and other systems	The operation of Flamingo's business is dependent upon the performance, reliability and availability of its information technology and security systems. This includes its core technologies such as computer servers and back-end processing systems. These systems may be adversely affected by a number of factors including major events such as acts of terrorism or war or breakdown in utilities such as electricity and fibre optic cabling. Events of that nature may cause one or more of those core technologies to become unavailable. There are also internal and external factors that may adversely affect those systems and technologies such as natural disasters, misuse by employees or contractors or other technical issues. The Company and Flamingo's disaster recovery plans may not cover	Section 5.2(k)

Topic	Summary	More information
	loss or damage that the Company or Flamingo suffers as a result of such a system failure.	
	Any damage to, or failure of, Flamingo's key systems can result in disruption to Flamingo's ability to operate its business. Such disruptions have the potential to reduce Flamingo's ability to generate revenue, impact customer service levels and damage Flamingo's brand. This could adversely affect Flamingo and the Company's ability to generate new business and cause it to suffer financial loss.	
Dilution risk	The Company currently has 234,426,409 Shares on issue. On completion of the Acquisition, the Company proposes to issue Shares and Performance Shares as required pursuant to the Acquisition Agreement and issue Shares as part of the Offers.	Section 5.1(a)
	On issue of the consideration under the Acquisition and the subscription of Shares under the Offers (assuming no Securities are exercised or converted), the existing Shareholders will retain approximately 39.37% of the issued capital of the Company, with entities associated with proposed directors Dr Wallace and Ms Reid holding 19.45% and 10.56% respectively, the remaining Vendors holding 15.79%, the Facilitators holding 2.23% and the investors under the Public Offer holding 12.60%, of the issued capital of the Company.	
	In the event that all Performance Shares convert, and assuming no other Securities are issued or converted, then the existing Shareholders will retain approximately 26.78% of the issued capital of the Company, with entities associated with proposed directors Dr Wallace and Ms Reid holding 26.46% and 14.36% respectively, the remaining Vendors holding 21.49%, the Facilitators holding 2.33% and the investors under the Public Offer holding 8.57%, of the issued capital of the Company.	
	There is also a risk that the interests of Shareholders will be further diluted as a result of future capital raisings required in order to fund the future development of the Company.	
Liquidity risk	On completion of the Acquisition, the Company proposes to issue a total of 156,912,882 Initial Consideration Shares and 156,912,882 Performance Shares to the Non-Founder Vendors, and 115,814,391 Initial Consideration Shares and 115,814,391 Performance Shares to the Founder. A portion of these securities will be subject to escrow restrictions in accordance with Chapter 9 of the Listing Rules. This could be considered an increased liquidity risk	Section 5.1(b)

Topic	Summary	More information	
	as a portion of issued capital will not be able to be traded freely for a period of time.		
Directors and Key A	Directors and Key Management Personnel		
Directors	On completion of the Acquisition and subject to Shareholder approval, it is intended that Mr Tom Bahen will resign as Non-Executive Director and the Company will appoint new Directors. After the Acquisition, it is intended that the Board will comprise:	Sections 8.1 - 8.3, 8.5 and 8.6	
	(a) Ms Cathie Reid - Non-Executive Chair;		
	(b) Dr Catriona Wallace - Chief Executive Officer and Executive Director;		
	(c) Mr Bryn Hardcastle - Non-Executive Director; and		
	(d) Mr Faldi Ismail - Non-Executive Director.		
	The profiles of each of these individuals are detailed in Section 8.3. Details of the personal interests of each of the above individuals are in Section 8.5 and 8.6.		
	It is intended that Mr Dave Filov will remain as Company Secretary following completion of the Acquisition.		
Additional key management personnel	Apart from the Directors, upon successful completion of the Acquisition, the Flamingo team will join the Company. The management team will include:	Sections 8.4 and 9.2(d)	
	(a) Mr Joe Waller - Chief Technology Officer; and		
	(b) Dr Jack Elliott - Chief Data Scientist.		
	The profiles of Mr Waller and Dr Elliott are detailed in Section 3.2(e) and details of their employment agreements with Flamingo are summarised in Section 9.2(d).		
Related party transactions	Details of Director remuneration and interests in the Company's securities are provided in Section 8.6 and 8.7.	Sections 8.6 - 8.8	
	Details of related party transactions are set out in Sections 8.8.		
Financial information			
How have the Company and Flamingo performed over the past 12 months?	A reviewed statement of financial position of the Company as at 31 March 2016 and an audited statement of financial position of Flamingo as at 31 March 2016 are set out in the Investigating Accountant's Report in Section 6.	Sections 3.2(c) and 6	

Topic	Summary	More information
	The Company exited external administration by effectuating a deed of company arrangement on 28 October 2015 and acquired Agenda in February 2016.	
	Flamingo was initially incorporated in May 2013.	
	A table setting out the revenue and profit before tax figures of Flamingo since incorporation is set out in Section 3.2(c). Shareholders should note that Flamingo has a limited operating history and has spent (and still spends) much of its focus on ongoing platform development, while conducting paid trials when opportunities arise. Shareholders should note that due to Flamingo's infancy its operations are inherently uncertain and the figures in the table in Section 3.2(c) should not be used as a guide as to the future performance of Flamingo.	
What is the financial outlook for the Merged Group?	Please refer to the Investigating Accountant's Report in Section 6 for further information.	Section 6
Does the Merged Group have sufficient funds for its activities?	Funding for the Merged Group's short to medium term activities will be generated from the funds raised under the Public Offer, together with the Company's existing cash reserves post-Acquisition, and anticipated funds received from AusIndustry research and development grants in the next 12 months following the reinstatement of the Company's Securities to quotation on the Official List of ASX.	Section 3.9
	The Board is satisfied that upon completion of the Offers, the Company will have sufficient working capital to meet its stated objectives.	
What is the proposed use of funds raised under the Public Offer?	The Company intends to apply the funds raised under the Public Offer, together with the Company's existing cash reserves post-Acquisition and anticipated funds received from AusIndustry research and development grants in the next 12 months following the reinstatement of the Company's Securities to quotation on the Official List of ASX towards the following:	Section 3.9
	(a) expenses of the Acquisition;	
	(b) repayment of loans;	
	(c) Agenda Platform development;	
	(d) Flamingo Platform development;	
	(e) sales and marketing; and	

Topic	Summary	More information
	(f) general working capital, including corporate and administrative costs.	
What are the Offers		
What is the Public Offer?	The Public Offer is a conditional offer inviting the general public to apply for 75,000,000 Shares at an Offer Price of \$0.04 per Share to raise \$3,000,000 (before costs).	Section 2.1
	The Public Offer is subject to a minimum subscription requirement to raise \$3,000,000.	
What are the Secondary Offers?	The Company is undertaking the following conditional Secondary Offers in connection with the Acquisition:	Section 2.2
	(a) Consideration Offer: an offer of 272,727,273 Shares and 272,727,273 Performance Shares to the Vendors as consideration for the acquisition of all the shares in Flamingo by the Company;	
	(b) Facilitation Offer: an offer of 13,286,364 Shares and 7,150,000 Performance Shares to the Facilitators for facilitating the Acquisition; and	
	(c) Employee Offer: an offer of 6,567,382 Options to certain employees of Flamingo in consideration for the cancellation of existing employee incentive scheme options held in Flamingo.	
What are the conditions of the	The Offers remain conditional upon the following events occurring:	Section 2.3
Offers?	(a) the Acquisition Agreement becoming unconditional;	
	(b) Shareholders approving the Essential Resolutions;	
	(c) the Company raising the minimum subscription (\$3,000,000) under the Public Offer; and	
	(d) ASX providing the Company with a list of conditions which, when satisfied, will result in ASX reinstating the Shares to quotation on ASX upon the satisfaction of Chapters 1 and 2 of the Listing Rules.	
	If these conditions are not satisfied then the Offers will not proceed and the Company will repay all Application Monies received under the Public Offer in accordance with the Corporations Act.	

Topic	Summary	More information
Why are the Offers being conducted?	 The purposes of the Public Offer are to: (a) meet the requirement that the Company recomplies with the ASX's admission requirements in accordance with Chapters 1 and 2 of the Listing Rules; and (b) provide funding for the purposes outlined in Section 3.9. The purpose of the Secondary Offers is to remove the need for an additional disclosure document to be issued upon the sale of any Securities (or any Shares issued on conversion of any convertible Securities into Shares) that are issued under the Secondary Offers. 	Section 2.1(c) and 2.2
Why is the Company required to re-comply with Chapters 1 & 2 of the Listing Rules?	ASX has determined that the Acquisition, if successfully completed, will represent a significant change in the scale of the Company's operations and requires the Company to re-comply with Chapters 1 and 2 of the Listing Rules. The Company's Securities are currently suspended from trading on ASX and will not be reinstated unless each Essential Resolution is passed by Shareholders (see Section 1.4 for further details), and ASX is satisfied the Company has met the requirements of Chapters 1 and 2 of the Listing Rules. It is expected that the conduct of the Public Offer pursuant to this Prospectus will enable the Company to satisfy the above requirements. In the event that the Company does not receive conditional approval for re-admission to the Official List, the Company will not proceed with the Public Offer and will repay all Application monies received by it in connection with this Prospectus (without interest).	Section 1.3
Additional informat	ion	
Will the Company be adequately funded after completion of the Public Offer?	The Board is satisfied that upon completion of the Offers, the Company will have sufficient working capital to meet its stated objectives.	Section 3.9
What are the key dates of the Offers?	Lodgement of this Prospectus with ASIC and Opening Date for the Public Offer- 13 September 2016 Closing Date for the Offers - 30 September 2016 Completion of the Acquisition, issue of Securities under the Offers and dispatch of holding statements-7 October 2016	"Indicative Timetable"

Topic	Summary	More information
	Expected date for Shares to be reinstated to trading on ASX - 14 October 2016	
	The above dates are indicative only and may change without notice.	
What rights and liabilities attach to the Securities on issue post-Acquisition?	All Shares to be issued pursuant to the Offers will rank equally in all respects with the existing Shares on issue. The rights and liabilities attaching to the Shares are further described in Section 10.1 of the Prospectus.	Sections 10.1, 10.2 and 10.5
	The terms and conditions of the Performance Shares to be issued under the Secondary Offers are described in Section 10.2. The Shares issued upon conversion of the Performance Shares will rank equally in all respects with the existing Shares in the Company.	
	The terms and conditions of the Employee Options to be issued under the Employee Offer are described in Section 10.5.	
Is the Public Offer underwritten?	No, the Public Offer is not underwritten.	Section 2.5
Will the Securities issued under the Offers be quoted?	The Company will apply to ASX no later than 7 days from the date of this Prospectus for official quotation of the Shares on the ASX.	"Important Information"
What are the tax implications of investing in The tax consequences of any investment in Securities under the Offers will depend upon your particular circumstances.		Section 2.14
Securities under the Offers?	Prospective investors should obtain their own tax advice before deciding to invest.	
How do I apply for Securities under the Offers?	ecurities under made by completing the relevant Application Form	
Who is the lead manager to the Public Offer?	The Company has appointed Otsana Capital to act as lead manager to the Public Offer and corporate advisor to the Company. The Lead Manager will receive a capital raising fee in connection with the Public Offer.	Section 9.3(c)
	Otsana Capital is an entity associated with Director Mr Faldi Ismail.	

Topic	Summary	More information
What is the allocation policy?	The Directors will allocate Shares at their sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward. The Directors reserve the right to reject any Application or to allot a lesser number of Securities than that applied for.	Section 2.7
When will I receive confirmation that my application has been successful?	It is expected that holding statements will be sent to successful applicants by post on or about mid-October 2016.	"Indicative Timetable"
Will any Securities be subject to	The Shares offered under the Public Offer will not be subject to any escrow restrictions.	Section 2.9
escrow?	The Securities likely to be subject to escrow are the Securities issued under the Secondary Offers. The Company expects that Consideration Securities issued to parties classified by ASX as unrelated vendors will not attract escrow. For Consideration Securities issued to parties classified by ASX as related parties and/or promoters, these Securities will be escrowed for 24 months from the date of quotation.	
What is the Company's dividend policy?	As the Company will focus on the commercialisation of its platforms post-Acquisition, it does not expect to declare any dividends during this period or in the short to medium term.	No further information
How can I find out more about the Prospectus or the Offers?	Questions relating to the Offers and applications for Securities can be directed to the Company on +61 8 9486 7244.	Section 2.15

1. Transaction overview

1.1 The Acquisition

On 2 June 2016, the Company announced it had agreed to acquire the entire issued share capital of Flamingo Customer Experience, Inc. (Flamingo) (Acquisition), an innovative software as a service (SaaS) company which has developed a customer experience automation platform (Flamingo Platform) designed for selling complex financial products online.

A summary of the Acquisition Agreement between the Company, Flamingo and its major shareholders, including the conditions precedent to settlement occurring on the Acquisition, is set out in Section 9.3(a). Separate offers have already been made by the Company to each Minority Flamingo Shareholder and have been accepted by 100% of the Minority Flamingo Shareholders.

Upon successful completion of the Acquisition, the Company will focus on advancing the development of Flamingo's business as well as its existing Agenda business, whilst also seeking to expand its portfolio in technology solutions. A more detailed summary of Flamingo and the proposed business of the Company following completion of the Acquisition is set out in Section 3.

Completion of the Acquisition is subject to a number of conditions, including the following:

- (a) Shareholdings passing each of the Essential Resolutions (see Section 1.4 below for further details);
- (b) the Company raising the minimum subscription under the Public Offer, being \$3,000,000; and
- (c) ASX approving the Company's re-compliance with the admission requirements under Chapters 1 and 2 of the Listing Rules.

1.2 About Flamingo

Flamingo is an innovative SaaS company which has developed a customer experience automation platform (Flamingo Platform) designed for selling Providers' complex financial products online. The Flamingo Platform design aims to turn a website's visitors looking for complex financial products into customers by guiding customers online from page view to purchase, on both mobile and desktop devices. Using artificial intelligence software developed by Flamingo, the Flamingo Platform learns how customers and employees of Providers interact, then is able to automate a customer's 'journey' through sales, on-boarding and retention processes. It also delivers insights which facilitate ongoing product development.

Further information about the Flamingo Platform is contained in Section 3.4 below.

1.3 Suspension and reinstatement on ASX

ASX has determined that the Acquisition, if successfully completed, will represent a significant change in the scale of the Company's operations and requires the Company to re-comply with Chapters 1 and 2 of the Listing Rules.

The change in the scale of the Company's activities requires:

(a) the approval of Shareholders; and

(b) the Company to re-comply with the admission requirements set out in Chapters 1 and 2 of the Listing Rules.

The Company's Securities are currently suspended from trading on ASX and will not be reinstated unless:

- (a) each Essential Resolution is passed by Shareholders (see Section 1.4 below for further details); and
- (b) ASX is satisfied the Company has met the requirements of Chapters 1 and 2 of the Listing Rules.

Some of the key requirements of Chapters 1 and 2 of the Listing Rules are:

- (a) the Company must satisfy the shareholder spread requirements relating to the minimum number of Shareholders and the minimum value of the shareholdings of those Shareholders; and
- (b) the Company must satisfy the "assets test" as set out in Listing Rule 1.3.

It is expected that the conduct of the Public Offer pursuant to this Prospectus will enable the Company to satisfy the above requirements.

Applicants should be aware that ASX will not re-admit or admit any Shares to Official Quotation until the Company re-complies with Chapters 1 and 2 of the Listing Rules and is re-admitted by ASX to the Official List.

In the event that the Company does not receive conditional approval for re-admission to the Official List, the Company will not proceed with the Public Offer and will repay all Application monies received by it in connection with this Prospectus (without interest).

If Shareholder approval to the change in scale of the Company's activities is not obtained, the Company will apply to ASX to have its securities re-instated to trading.

The Company will apply to ASX no later than 7 days from the date of this Prospectus for ASX to grant official quotation of the Shares issued pursuant to this Prospectus. If the Shares are not admitted to quotation within three months after the date of this Prospectus, no Shares will be issued and Application Monies received under the Public Offer will be refunded in full without interest in accordance with the Corporations Act.

Neither ASX nor ASIC take responsibility for the contents of this Prospectus. The fact that ASX may grant official quotation to the Shares issued pursuant to this Prospectus is not to be taken in any way as an indication by ASX as to the merits of the Company or the Shares.

1.4 General Meeting

The Company has called the General Meeting primarily for the purpose of seeking the approval of Shareholders to a number of resolutions required to implement the Acquisition.

It is a condition to completion of the Offers under this Prospectus, as well as the Acquisition, that each of the following resolutions is approved by Shareholders:

(a) Change in scale: the Company changing the scale of its activities as a result of the Acquisition;

- (b) **Performance Shares:** the creation of a class of Performance Shares. Please refer to Section 10.2 for the terms of the Performance Shares;
- (c) Issue of Consideration Securities to the Founder: the issue of 115,814,391 Shares and 115,814,391 Performance Shares to Flamingo's founder and incoming Company Director, Dr Catriona Wallace (or her associate) in consideration of acquiring her or her associate's securities in Flamingo;
- (d) Issue of Consideration Securities to the Non-Founder Vendors: the issue of 156,912,882 Shares and 156,912,882 Performance Shares to the Vendors (other than the Founder) in consideration of acquiring 100% of the securities in Flamingo;
- (e) **Issue of Facilitator Securities**: the issue of 7,150,000 Shares and 7,150,000 Performance Shares to the Facilitators (or their nominees) in consideration of their services in facilitating the Acquisition;
- (f) **Public Offer:** the issue of 75,000,000 Shares under the Public Offer;
- (g) Employee Options: the issue of 6,567,382 Employee Options to employees of Flamingo in consideration for the cancellation of existing employee incentive scheme options held in Flamingo. The Company intends to issue the Employee Options under the Company's Employee Share Option Plan (ESOP). Please refer to Section 10.5 for the terms of the Employee Options and Section 10.4 for a summary of the ESOP;
- (h) **Employee Incentive Scheme**: the adoption of the Company's Employee Incentive Scheme (**Scheme**). Please refer to Section 10.6 for a summary of the Scheme; and
- (i) Appointment of Proposed Directors: the appointment of Dr Catriona Wallace and Ms Cathie Reid (Proposed Directors) as directors of the Company.

(each an Essential Resolution).

If any of the Essential Resolutions are not approved by Shareholders the Acquisition (including the Offers under this Prospectus) will not be completed.

2. Details of the Offers

2.1 Public Offer

(a) General

By this Prospectus, pursuant to the Public Offer the Company offers 75,000,000 Shares at an Offer Price of \$0.04 per Share to raise funds of \$3,000,000 (before costs). The Public Offer is open to the general public.

The Shares to be issued pursuant to the Public Offer are of the same class and will rank equally in all respects with the existing Shares in the Company. The rights and liabilities attaching to the Shares are further described in Section 10.1 of the Prospectus.

Applications for Shares under the Public Offer must be made on the Public Offer Application Form accompanying this Prospectus and received by the Company on or before the Closing Date. Persons wishing to apply for Shares under the Public Offer should refer to Section 2.6 for further details and instructions.

(b) Minimum subscription

The minimum level of subscription for the Public Offer is 75,000,000 Shares to raise \$3,000,000 (before costs). If the minimum subscription has not been achieved within four months after the date of this Prospectus (or such period as varied by ASIC), the Company will not issue any Securities under this Prospectus and will repay all Application Monies in accordance with the Corporations Act.

(c) Purpose of the Public Offer

The purposes of the Public Offer are to:

- (i) meet the requirement that the Company re-complies with the ASX's admission requirements in accordance with Chapters 1 and 2 of the Listing Rules; and
- (ii) provide funding for the purposes outlined in Section 3.9.

2.2 Secondary Offers

The Company is also undertaking the Secondary Offers (described below) in connection with the Acquisition. The Secondary Offers are being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale of any Securities (or any Shares issued on conversion of any convertible Securities into Shares) that are issued under the Secondary Offers.

(a) Consideration Offer

The Prospectus also includes the Consideration Offer, under which the Company offers:

- (i) 272,727,273 Shares (Initial Consideration Shares); and
- (ii) 272,727,273 Performance Shares as follows:

- (A) 90,909,091 Class A Performance Shares;
- (B) 90,909,091 Class B Performance Shares; and
- (C) 90,909,091 Class C Performance Shares,

(together, the **Consideration Securities**) to the Vendors (or their nominees) for the acquisition of all the shares in Flamingo Customer Experience, Inc.

The Initial Consideration Shares to be issued pursuant to the Consideration Offer are of the same class and will rank equally in all respects with the existing Shares in the Company. A summary of the rights and liabilities attaching to the Shares is set out in Section 10.1 of the Prospectus.

The terms and conditions of the Performance Shares to be issued under the Consideration Offer are described in Section 10.2. If the Performance Shares convert into Shares upon the relevant performance hurdles being achieved, then the resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company.

Applications for Securities under the Consideration Offer may only be made by the Vendors (or their nominees) on the personalised Consideration Offer Application Form issued to the Vendors together with a copy of this Prospectus, and must be completed and received by the Company on or before the Closing Date. The Company will only provide Consideration Offer Application Forms to persons entitled to participate in the Consideration Offer.

Persons wishing to apply for Securities under the Consideration Offer should refer to Section 2.6 for further details and instructions. No Application Monies are payable under the Consideration Offer.

(b) Facilitation Offer

This Prospectus includes the Facilitation Offer. The Facilitation Offer is made in consideration of the Facilitators facilitating the Acquisition and is comprised of an offer of:

- (i) 7,150,000 Shares and 7,150,000 Performance Shares to Risely Resources Pty Ltd; and
- (ii) 6,136,364 Shares to Paul Hunyor (or his nominee) (former Flamingo director, resigned June 2016).

Pursuant to the Acquisition Agreement, Mr Hunyor was to receive a payment of \$135,000 for his facilitation services. This payment will now be made via the issue of 6,136,364 Shares to Mr Hunyor (or his nominee) following a determination by ASX that no cash may be paid to Mr Hunyor for his facilitation services.

The Shares to be issued pursuant to the Facilitation Offer are of the same class and will rank equally in all respects with the existing Shares in the Company. A summary of the rights and liabilities attaching to the Shares is set out in Section 10.1 of the Prospectus.

The terms and conditions of the Performance Shares to be issued under the Facilitation Offer are described in Section 10.2. If the Performance Shares convert into Shares upon the relevant Milestones being achieved, then the

resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company.

Applications for Securities under the Facilitation Offer may only be made by the Facilitators and/or their nominee(s) on the personalised Facilitation Offer Application Form issued to the Facilitators together with a copy of this Prospectus, and must be completed and received by the Company on or before the Closing Date. The Company will only provide Facilitation Offer Application Forms to persons entitled to participate in the Facilitation Offer.

Persons wishing to apply for Securities under the Facilitation Offer should refer to Section 2.6 for further details and instructions. No Application Monies are payable under the Facilitation Offer.

The Company expects all Facilitation Securities will be escrowed for 24 months in accordance with the Listing Rules.

(c) Employee Offer

This Prospectus contains an offer of 6,567,382 Options (Employee Options) to certain employees of Flamingo in consideration for the cancellation of existing employee incentive scheme options held in Flamingo. The unquoted Employee Options will be exercisable at \$0.029 each and will expire 5 years from the date of issue.

The Company intends to issue the Employee Options under the Company's Employee Share Option Plan (ESOP).

The terms and conditions of the Employee Options to be issued under the Employee Offer are described in Section 10.5. A summary of the ESOP is set out in Section 10.4. If the Options convert into Shares upon the relevant vesting conditions being achieved, then the resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company.

Applications for Employee Options under the Employee Offer may only be made by certain employees of Flamingo (or their nominees) on the personalised Employee Offer Application Form issued to each person eligible to participate in the Employee Offer together with a copy of this Prospectus, and must be completed and received by the Company on or before the Closing Date. The Company will only provide Employee Offer Application Forms to persons entitled to participate in the Employee Offer.

Persons wishing to apply for Employee Options under the Employee Offer should refer to Section 2.6 for further details and instructions. No Application Monies are payable under the Employee Offer.

2.3 Conditional

The Offers under this Prospectus are conditional upon the following events occurring:

- (a) the Acquisition Agreement becoming unconditional;
- (b) Shareholders approving the Essential Resolutions;
- the Company raising the Minimum Subscription, being \$3,000,000, under the Public Offer (refer to Section 2.1(b)); and

(d) ASX providing the Company with a list of conditions which, when satisfied, will result in ASX reinstating the Shares to quotation on ASX upon the satisfaction of Chapters 1 and 2 of the Listing Rules.

If these conditions are not satisfied then the Offers will not proceed and the Company will repay all Application Monies received under the Public Offer in accordance with the Corporations Act.

2.4 Capital structure

The proposed pro forma capital structure of the Company following completion of the Offers and the Acquisition is as follows:

Shares	Number	%
Shares on issue prior to the Offers ¹	234,426,409	39.37
Initial Consideration Shares to be issued under the Consideration Offer (total)	272,727,273	45.80
- to be issued to the Founder	115,814,391	19.45
- to be issued to the Non-Founder Vendors	156,912,882	26.35
Shares to be issued to the Facilitators under the Facilitation Offer	13,286,364	2.23
Shares to be issued under the Public Offer	75,000,000	12.60
Total Shares on issue following completion and re- compliance	595,440,046	100
Performance Shares ²	Number	%
Performance Shares on issue prior to the Offers	Nil	0
Performance Shares to be issued under the Consideration Offer (total)	272,727,273	97.45
- to be issued to the Founder ³	115,814,391	41.38
- to be issued to the Non-Founder Vendors	156,912,882	56.07
Performance Shares to be issued to the Facilitators under the Facilitation Offer ⁵	7,150,000	2.55
Total Performance Shares on issue following completion and re-compliance	279,877,273	100
Performance Rights	Number	%
Performance Rights on issue prior to the Offers ⁶	30,000,000	100
Total Performance Rights on issue following completion and re-compliance	30,000,000	100

	ď	
	3	
	9	
C		
	Ď	
đ	ŏ	
	Ū	

Options	Number	%
Options on issue prior to the Offers ⁷	75,475,453	92.00
Employee Options to be issued under the Employee Offer ⁸	6,567,382	8.00
Total Options on issue following completion and recompliance	82,042,835	100

Notes:

- 1. The above table assumes that no Options are exercised and any milestones with respect to the Performance Rights and Performance Shares are not achieved so that the Performance Rights and Performance Shares do not convert into Shares. Shares currently on issue include 40,000,000 Shares escrowed until 5 February 2018 and 2,500,000 Shares escrowed until 22 January 2017. In addition, pursuant to the Agenda acquisition in February 2016, if by 5 February 2018 the Agenda Platform achieves 500,000 active registered users and Agenda has a revenue of \$500,000, 25,000,000 Shares will be issued to the vendor of the Agenda Platform, Annabel Slade (or her nominee).
- 2. Full terms of the Performance Shares are contained in Section 10.2.
- 3. Comprised of 38,604,797 Class A Performance Shares, 38,604,797 Class B Performance Shares and 38,604,797 Class C Performance Shares.
- 4. Comprised of 52,304,294 Class A Performance Shares, 52,304,294 Class B Performance Shares and 52,304,294 Class C Performance Shares.
- 5. Comprised of 2,383,334 Class A Performance Shares, 2,383,333 Class B Performance Shares and 2,383,333 Class C Performance Shares.
- 6. Comprised of 3 tranches of Performance Rights which vest over 3 equal portions on achievement of a 10 day volume weighted average share price of \$0.03, \$0.04 and \$0.05 respectively. Held by existing Directors Messrs Hardcastle, Ismail and Bahen in equal portions. Escrowed until 5 February 2018.
- 7. Comprised of the following unquoted Options:
 - (a) 25,000,000 Options exercisable at \$0.02 each and expiring 4 November 2019 (escrowed until 5 February 2018);
 - (b) 50,000,000 Options exercisable at \$0.03 each and expiring 5 February 2019 (escrowed until 5 February 2018); and
 - (c) legacy Options on issue prior to the Company's release from voluntary administration on 28 October 2015, comprised of the following:
 - (i) 98,000 Options exercisable at \$6.00 each and expiring 18 September 2016;
 - (ii) 88,705 Options exercisable at \$5.00 each and expiring 22 December 2016;
 - (iii) 221,056 Options exercisable at \$3.00 each and expiring 5 February 2018; and
 - (iv) 67,692 Options exercisable at \$6.00 each and expiring 5 February 2018.
- 8. Unquoted Employee Options exercisable at \$0.029 each and expiring 5 years from the date of issue, to be issued to Flamingo employees under the ESOP on the terms and conditions set out in Section 10.5 to replace existing Flamingo options.

2.5 No underwriting

The Public Offer is not underwritten.

2.6 Applications

Applications for Securities under the Offers can only be made using the relevant Application Form accompanying this Prospectus. The Application Form must be completed in accordance with the instructions set out on the form.

Applications under the Public Offer must be for a minimum of 50,000 Shares (\$2,000) and then in increments of 12,500 Shares (\$500). No brokerage, stamp duty or other costs are payable by applicants. Cheques must be made payable to "Cre8tek Limited - Share Application Account" and should be crossed "Not Negotiable". All Application Monies will be paid into a trust account.

Completed Application Forms and accompanying cheques must be received by the Lead Manager before 5.00pm WST on the Closing Date by either being delivered to, or posted to, the following address:

By hand or by post

Cre8tek Limited c/o Otsana Capital 108 Outram Street WEST PERTH WA 6005

Applicants are urged to lodge their Application Forms as soon as possible as the Public Offer may close early without notice.

An original, completed and lodged Application Form together with a cheque for the Application Monies (for applications under the Public Offer), constitutes a binding and irrevocable offer to subscribe for the number of Securities specified in the Application Form. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an application as valid and how to construe amend or complete the Application Form is final; however an applicant will not be treated as having applied for more Shares than is indicated by the amount of the cheque for the Application Monies.

It is the responsibility of applicants outside Australia to obtain all necessary approvals for the allotment and issue of Securities pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the applicant that all relevant approvals have been obtained.

2.7 Allocation and allotment of Securities

The Directors will allocate Shares at their sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward. The Directors reserve the right to reject any Application or to allot a lesser number of Securities than that applied for. If the number of Securities allocated is less than that applied for, or no allotment is made, any surplus Application Monies will be promptly refunded without interest.

Subject to ASX granting approval for quotation of the Shares, the allotment of Shares will occur as soon as practicable after the Public Offer closes. Holding statements will be dispatched as required by ASX. It is the responsibility of applicants to determine their allocation prior to trading in the Shares.

Applicants who sell the Shares before they receive their holding statement will do so at their own risk.

2.8 Application Monies to be held in trust

The Application Monies for Shares to be issued pursuant to the Public Offer will be held in a separate bank account on behalf of applicants until the Shares are allotted. If the Shares to be issued under this Prospectus are not admitted to quotation within a period of three months from the date of this Prospectus, the Application Monies will be refunded in full without interest, and any Shares issued will be deemed to be void. All interest earned on Application Monies (including those which do not result in the issue of Shares) will be retained by the Company.

2.9 Escrow arrangements

Subject to the Company's Shares being reinstated to trading on the ASX, certain Securities in the Company will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of reinstatement. During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

The Securities likely to be subject to escrow are the Securities issued under the Secondary Offers. The Company expects that Consideration Securities issued to parties classified by ASX as unrelated vendors will not attract escrow. For Consideration Securities issued to parties classified by ASX as related parties and/or promoters, these Securities will be escrowed for 24 months from the date of quotation.

The Shares offered under the Public Offer will not be subject to any escrow restrictions.

ASX makes the final determination on escrowed securities and prior to the Company's Shares being reinstated to trading on the ASX, the Company will enter into escrow agreements with the recipients of the restricted securities in accordance with Chapter 9 of the Listing Rules and will announce to ASX full details (quantity and duration) of the Securities required to be held in escrow in accordance with standard practice.

2.10 CHESS and issuer sponsorship

The Company participates in CHESS. All trading on the ASX in existing Shares is, and in new Shares will be, settled through CHESS. ASX Settlement, a wholly-owned subsidiary of the ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules. On behalf of the Company, the Share Registry operates an electronic issuer sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of securities.

Under CHESS, the Company does not issue certificates to Shareholders. Rather, holding statements (similar to bank statements) will be sent to Shareholders as soon as practicable after allotment. Holding statements will be sent either by CHESS (for Shareholders who elect to hold Shares on the CHESS sub-register) or by the Company's Share Registry (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). The statements will set out the number of existing Shares (where

applicable) and the number of new Shares allotted under this Prospectus and provide details of a Shareholder's holder identification number (for Shareholders who elect to hold Shares on the CHESS sub-register) or Shareholder reference number (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). Updated holding statements will also be sent to each Shareholder at the end of each month in which there is a transaction on their holding, as required by the Listing Rules.

2.11 **Risks**

As with any share investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 5 of this Prospectus. The Securities on offer under this Prospectus should be considered highly speculative. Accordingly, before deciding to invest in the Company, applicants should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

2.12 Overseas investors

An offer made pursuant to this Prospectus is not made to persons or in places which would not be lawful to make the offer. No action has been taken to register the Offers under this Prospectus or otherwise permit the Offers to be made in any jurisdiction outside Australia.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law in those jurisdictions and therefore persons who come into possession of this Prospectus should observe any such restrictions. Failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus does not constitute an offer of Securities in any jurisdiction in which it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the Securities may not be offered or sold, in any country outside Australia except to the extent permitted below.

(a) Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (SFO). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Securities have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted Securities may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

Persons who apply for Securities pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for Securities, to provide facilities and services to Security holders, and to carry out various administrative functions.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your Securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

If the information requested is not supplied, the Company may not be able to process your application for Securities. By submitting an Application Form, you agree that the Company may use the information provided by you on the Application Form for the purposes set out herein and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

A Security holder has a right to gain access to, correct and update the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

2.14 Taxation

2.13

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them in relation to the Offers, by consulting their own professional tax advisers. Neither the Company nor any of its Directors or officers accepts any liability or responsibility in respect of the taxation consequences of the matters referred to above.

2.15 Enquiries

This is an important document and should be read in its entirety. Investors should consult with their professional advisers before deciding whether to apply for Securities under this Prospectus. Any investment in the Company under this Prospectus should be considered highly speculative.

Questions relating to the Offers and the completion of an Application Form can be directed to the Company on +61 8 9486 7244.

3. Overview of the Company, Flamingo and the Merged Group

3.1 Existing activities of the Company

The Company was incorporated on 14 November 1935 and admitted to the Official List of ASX on 3 July 1986.

Following the Company's exit from voluntary administration in late-October 2015, the Company announced the acquisition of 100% of the issued capital of Global Agenda Technologies Pty Ltd (Agenda) and associated capital raising of \$3,600,000. The acquisition of Agenda required the Company to re-comply with Chapters 1 and 2 of the Listing Rules.

In February 2016 the Company successfully re-complied with Chapters 1 and 2 of the Listing Rules and its securities were reinstated to official quotation on 5 February 2016. Following the acquisition of Agenda the Company became a technology company, operating in the technology solutions and software development sector.

The Company's strategy, as outlined in its previous notice of meeting and prospectus in late 2015, was that Agenda was the first acquisition made by the Company in this new area of focus, and the Company planned to further expand its portfolio in technology solutions, with a particular focus on software marketing solutions, application software, communication software, SaaS, online social networking services, and security and encryption.

Consistent with this strategy, since successful completion of the acquisition of Agenda, the Company has been developing the Agenda Platform, whilst also seeking to expand its portfolio in technology solutions.

As announced on 2 June 2016, the Company has entered into the conditional binding Acquisition Agreement with Flamingo and its major shareholders to acquire 100% of the issued share capital of Flamingo (Acquisition). The Acquisition will be undertaken by way of a merger in accordance with the Delaware General Corporation Law. Refer to Section 3.9 for detail regarding the merger process.

3.2 About Flamingo Customer Experience, Inc.

(a) **Background to Flamingo**

Flamingo was initially incorporated in Australia as Flamingo Ventures Pty Ltd (Flamingo Ventures) in May 2013. The founder of Flamingo Ventures, Dr Catriona Wallace, is an expert in the field of customer experience and human-technology interaction, which was the focus of her PhD.

Dr Wallace saw an opportunity in the technology sector to create a conversational commerce SaaS enterprise platform to enable businesses to guide customers through their online purchasing and service experiences. Given Dr Wallace's background in customer experience and technology there was the opportunity to create unique intellectual property that would be suited to software used in essential services sectors, including, for example, financial services, healthcare, and telecommunications.

The focus of Flamingo Ventures was to help enterprises convert more sales to customers online, to increase customer retention and to increase efficiencies

in call and contact centres. Dr Wallace's intention from day one was that Flamingo would be a global business with a global market.

Set out below is a timeline of events and achievements since Flamingo Ventures was incorporated in May 2013:

Date	Event	
June 2013	\$200,000 Founder funding	
January 2014	\$250,000 seed funding	
April 2014	Minimum Viable Product (MVP) launched	
August 2014	\$2.1m capital raised	
	Beta trials with 4 Providers	
November 2014	US Market entry	
	Patent applications filed	
December 2014	Received intention from major US insurance firm to do 3 x paid trials	
February 2015	2 x paid trials with Australian firms	
March - June 2015	US flip-up to Flamingo Customer Experience, Inc.	
August 2015	\$1.0m bridging capital raised	
November 2015	New York office established	
	2 x paid trials with Australian firm	
December 2015	Security audit, master services agreement and statement of work for major US insurance firm negotiation commences	
	4 x proposals for major US firms	
March 2016	1 x paid trial with US firm	
May 2016	Master services agreement executed with major US insurance firm	
	1 x paid trial with US firm	
June 2016	10 x proposals for major US firms	
	1 x implementation for Australian firm	
	Channel negotiations commenced with US CRM firm	

In mid-2014, Flamingo, in conjunction with the National Australia Bank (NAB), implemented a planned short term pilot of Flamingo's then MVP, primarily to test the MVP to assess product-market fit. The pilot involved Flamingo software being used to on-board small-to-medium business clients into NAB.

Following the success of this trial, Flamingo Ventures elected to proceed with full product development and, given the size of the financial services market in the US compared to Australia, determined it should pitch to US based financial services companies.

A number of meetings were lined up in December 2014, culminating in a large US based financial services entity agreeing to trial the Flamingo platform in order to:

- (i) on-board insurance customers;
- (ii) engage with customers following a claim; and
- (iii) renew customers.

With this initial traction with a large US financial services company, the board decided the business had significant potential to scale out of the US rather than Australia. It was decided to 'flip up' Flamingo Ventures to become a US Delaware company. This involved Flamingo Customer Experience, Inc. becoming the new holding company of Flamingo Ventures, with shareholders in Flamingo Ventures swapping their shares in Flamingo Ventures to shares in Flamingo Customer Experience, Inc. on a 1:1 basis in June 2015.

Since moving to the US Flamingo has achieved the following:

- (iv) an office was opened in New York;
- (v) a number of paid trials or trial inductions of the Flamingo Platform have been successfully undertaken with various customers, with further paid trials either planned or underway;
- (vi) a partnership with The Clarion Group (Clarion), based in Connecticut, has been established. Clarion act as a channel partner and have successfully introduced Flamingo to Fortune 500 companies;
- (vii) implementation of the Flamingo Platform for an Australian credit union, who have a paid subscription through to October 2016;
- (viii) implementation of the Flamingo Platform for an Australian wealth management company who used the platform in full automation mode to conduct needs and requirements of high net worth customers looking to purchase investment products;
- (ix) early stage trading revenue has been generated;
- a sales pipeline has been identified and is being actively pursued, including with significant enterprises in the US financial services sector, including a number of Fortune 250 organisations;
- (xi) Flamingo has been acknowledged as:
 - (A) one of the CIO Review's global most promising Top 20 Customer Experience Management Solution Providers for 2015;
 - (B) one of Gartner's 'Cool Vendors' for 2015 in the CRM and Customer Support category and appeared in Gartner's recent 2016 CRM Vendor Guide (Gartner is a leading information

technology research and advisory company). Flamingo was identified as one of five innovative vendors with applications to deliver a superior customer experience and/or reduce operational costs; and

- (C) one of 10 great Australian start ups to see at CeBIT 2014 by Business Insider Australia; and
- in addition, Flamingo's founder, Dr Catriona Wallace, recently delivered SugarCRM's keynote address at their global conference in San Francisco in June 2016 and has previously been the recipient of a 2015 NSW Pearcey Foundation Entrepreneur award and is a finalist in the prestigious Advance Global Australia Awards. SugarCRM, is one of the top global CRM software companies and produces the web application 'Sugar'.

(b) Corporate structure of Flamingo

The diagram below summarises the corporate structure of Flamingo as at the date of this Prospectus:

Flamingo Customer Experience, Inc. (incorporated Delaware, USA)		
	100%	
Flamingo Ventures Pty Ltd (incorporated NSW, Australia)		

(c) Financial history since incorporation

A table setting out the revenue and profit before tax figures of Flamingo since incorporation is set out below. Shareholders should note that Flamingo has a limited operating history and has spent (and still spends) much of its focus on ongoing platform development, while conducting paid trials when opportunities arise. Shareholders should note that due to Flamingo's infancy its operations are inherently uncertain and the figures below should not be used as a guide as to the future performance of Flamingo.

	Trading revenue	Total revenue*	Profit before tax
20 May 2013 to 30 June 2014	\$20,000	\$156,745	-\$368,126
12 months ending 30 June 2015	\$125,469	\$711,681	-\$1,209,197
9 months ending 31 March 2016	\$91,064	\$486,377	-\$1,357,622
Total	\$236,533	\$1,354,803	-\$2,934,945

^{*} Note: Total revenue includes trading revenue, research and development grant income and interest received.

(d) Sources of revenue and expenses

Flamingo generates, and is aiming to generate, revenue from the following sources:

- (i) client trials of the Flamingo Platform;
- (ii) future trading revenue is expected to include monthly recurring subscription revenue from the use of the Flamingo Platform as well as success fees for sales made in the platform;
- (iii) research and development grants received from the Australian Tax Office as part of the AusIndustry research and development program.

Flamingo's largest expenses are employee and contractor costs, and these are expected to continue post-Acquisition. Other significant costs include marketing and business development costs.

(e) Flamingo team

Flamingo is led by its founder, Dr Catriona Wallace, with Cathie Reid as Chair of the board. As at the date of this Prospectus, Flamingo employs 14 people across Australia and the US, including seven software engineers, a data scientist and the chief technology officer. Flamingo's development team is based in Australia.

As part of the Acquisition Agreement and subject to Shareholder approval at the General Meeting, each of Ms Reid and Dr Wallace will join the Board of the Company.

(i) Ms Cathie Reid (Chair)

Ms Reid is the Co-Founder of Australia's Epic Healthcare Group, which includes Epic Pharmacy, Epic Digital and the Epic Good Foundation. Epic also founded Icon Cancer Care, now part of the Icon Group which is Australia's fastest growing provider of integrated cancer care services.

Ms Reid was inducted into the Australian Businesswomen's Hall of Fame in 2015, named one of the Top 100 Women of Influence by the Australian Financial Review in 2013, won a National Telstra Business Women's Award in 2011, and recognised by Monash University with a Distinguished Alumni Award for Professional Achievement in 2012.

(ii) Dr Catriona Wallace (Founder and CEO)

Flamingo founder and CEO, Dr Wallace is a multi-award winning, recognised business leader, well published author with a PhD in Organisational Behaviour and is statistically trained. She is a member of the Springboard Alumni. She is founder and now major shareholder of three successful businesses (excluding Flamingo), including the multi-award winning customer experience design firm, Fifth Quadrant.

Ms Reid and Dr Wallace are ably supported by an experienced management team including:

(iii) Joe Waller (Chief Technology Officer)

Mr Waller is a former Technology Strategist and Chief-of-Staff of Betfair, the world's biggest sports trading platform. He played a key role in growing the company from a UK technology startup into the world's largest internet betting exchange.

Whilst at Betfair, Mr Waller ran the product and platform teams that built and scaled the exchange to annual revenues of over \$700 million, matching over 30,000 trades a minute.

(iv) Dr Jack Elliott (Chief Data Scientist)

Dr Elliott is a published expert in and internationally academically recognised for large-scale, natural language processing and linguistics with key contributions in a number of fields.

Dr Elliott's software engineering career has spanned over 15 years and three continents across the banking and financial sectors.

(v) Rachel White (Chief Financial Officer)

Well known as a leading CFO within the technology sector, Ms White has been instrumental in the success of innovative technology groups along with being a mentor to several early stage ventures.

Ms White has over 20 years' commercial finance and accounting experience with a strong focus on the technology sector.

Ms White is recognised as a mentor on topics of entrepreneurialism, start up finance, employee engagement and capital raising.

3.3 Assets of Flamingo

Flamingo has the following assets:

- (a) (Flamingo Platform) The Flamingo Platform is an intelligent guided selling SaaS solution that enterprises use to guide customers through purchase, onboarding and retention processes. It is built as a cloud based platform as a service currently hosted on Amazon Web Services, Microsoft Azure or Google Cloud, depending on the Provider's preference. Further information about the Flamingo Platform is in Section 3.4.
- (b) (Patent application) Flamingo has lodged a patent application for various features of the Flamingo Platform. Further information about the patent application is set out in Section 3.4(f) and the Intellectual Property Experts' Reports at Section 7.
- (c) (Other intellectual property) Various domain names and a trade mark for 'CustomerCreate'.
- (d) (Customer contracts) Flamingo is party to a master services agreement with a large US financial services company, Nationwide Insurance. The agreement provides the ability for the customer to acquire and license software from Flamingo under written orders and Flamingo shall provide the software and perform services in accordance with the orders. As at the date of this Prospectus, a number of statements of work for large scale implementation are in final stages of negotiation.

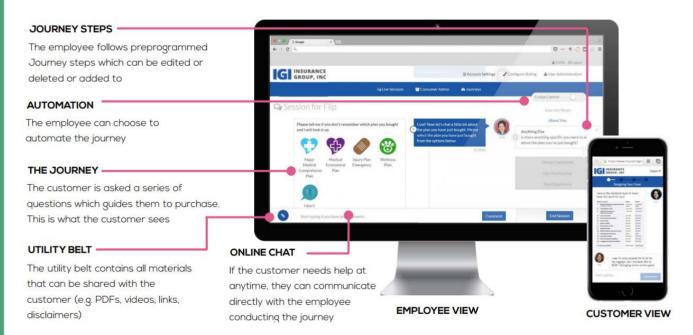
3.4 The Flamingo Platform

(a) Background

The Flamingo Platform is an 'intelligent guided selling' solution for organisations with complex products (Providers).

Customers often have difficulty with the complexity of financial services products. This makes it difficult for Providers to sell to these customers online, resulting in low conversion rates.

The Flamingo Platform aims to solve this problem through providing a cloud-based platform that delivers an intelligent guided selling, onboarding or retention experience between Providers and their customers. In the emerging category of 'Conversational Commerce' (where customers are guided to make purchase decisions online), the Flamingo Platform fuses web chat, guided workflow and machine learning to guide web customers from research to quotation to purchase (called a 'Journey'). Flamingo's finished product, which is ready for sale, is known as 'Journey Assist'.



The Flamingo Platform guides customers from page view to purchase on both mobile and desktop. This reduces the overwhelming nature of the purchasing process and is designed to make it easier to buy financial products online.

With each completed interaction, by keeping a record of all conversations, data and advice provided to customers and then using artificial intelligence, the Flamingo Platform learns more about how customers and employees of Providers interact. This allows the process to be automated, meaning employees are required less often, or not at all. Flamingo has lodged a patent application in respect of its customer journey intellectual property.

Development is ongoing for the Flamingo Platform to operate on a continuum from Human2Human mode (employee to customer) to Autobot (no employee interaction). Value created for a Provider as a Flamingo client includes increased online sales conversion, improved customer experience and increased efficiencies.

In summary, the Flamingo Platform is a light touch, low cost Artificial Intelligence solution for financial services companies where the option of having a virtual assistant plus human involvement with customers is important.

(b) How it works



1. Providers invite customers to a journey to buy their product

Customers are invited to participate in a 'journey' through a simple link.

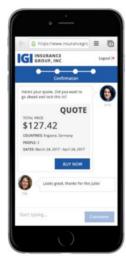
The journey is a guided experience which allows the customer to co-design, within parameters set by the Provider, the product and relationship to suit their individual needs. This experience can be assisted by Provider employees or fully automated (or anywhere in between).

2. Quote

The customer joins a journey with a Provider employee (or one of Flamingo's automated assistants).

Flamingo uses human-centred design principles to concierge the customer through their options in order to get a quotation.

Customers can live chat with Provider employees or the autobot as an integrated part of the experience.





3. Purchase

After completing the quotation together, the Provider employee (or the automated assistant) will guide the customer to make a payment.

After payment is made the Provider employee or autobot acknowledges and congratulates the customer.

Stek Prospectus

4. Automation

With each completed journey, Flamingo intelligently learns more about how customers and Provider employees or the autobot interact.

Every question asked and answered, every keystroke and chat message is analysed by Flamingo's advanced data-mining algorithms (other than personal identifiable information such as credit card details).

This allows Flamingo to automate the customer's journey, so Provider employees are required less or even not at all.

5. Analytics

Flamingo provides dashboards and real-time analytics related to individual and aggregated customer experiences. The platform analytics provide:

- Descriptive statistics
- Key metrics such as number of quotations, sales, renewals or customers retained
- Product and experience configurations
- Customer behaviour insights
- New market discovery
- Performance and effectiveness of interactions
- Customer insights & engagement scores



(c) Flamingo Platform features

Features of the Flamingo Platform include the following:

- (i) ('Build your own journeys') Providers are able to design, edit or update journeys.
- (ii) (Customise journeys with branding) Journeys can be customised with a Provider's own branding.
- (iii) (Ease of implementation) The Flamingo Platform can be used standalone with a URL, or integrated with a Provider's systems using Flamingo's application programming interface.
- (iv) (Assisted or automated journeys) Journeys can be fully assisted by a Provider's employee, fully automated, or a combination of both, as represented below:

EMPLOYEES

assist customers throughout the whole journey

CRUISE CONTROL

provides automation and an employee can assist if needed Interactions can be **AUTOMATED** without any involvement from an employee

FULLY ASSISTED

PARTIAL AUTOMATION

FULL AUTOMATION

- (v) (Saved journeys) Where a customer's journey is interrupted, it can easily be continued from where it has left off at a later time.
- (vi) (Mobile interface) Customers can use desktop, tablets and mobile devices to complete their journeys.
- (vii) (Analytics and algorithms) Algorithms are generated that inform the automation of the customer interactions, so that a Provider employee does not need to be involved. Flamingo's machine learning algorithms then learn what the best interactions are and automates. Algorithms can be generated across multiple organisations.

(d) Clients and case studies

Due to the relative newness of the Flamingo Platform, Flamingo's process for engaging new Provider clients includes (and will continue to include) conducting trials. Trials have been priced between US\$30,000 to US\$50,000 depending on application, with current proposals being negotiated up to US\$100,000.

A trial will have a set of hypotheses related to commercial metrics typically including sales conversion, customer retention or customer experience. Evidence is collected during the trial to determine the value of the Flamingo Platform to the business line.

Once the trial has been completed, and subject to the size of the Provider (as discussed above, the Flamingo Platform is primarily for the sale of complex financial products), Flamingo will then seek to enter into a more formal procurement process to establish a statement of work, undergo security approval and execute a master services agreement. By obtaining security approval from Providers and executing a master services agreement, Providers are then able to more readily engage Flamingo on a job-by-job basis, with separate statements of work provided for each new job.

This prudent approach has led to Flamingo securing Nationwide Insurance as a foundation client, with a master services agreement executed in May 2016. Following two separate trials for Nationwide, Flamingo is now engaged to be the customer interaction portal for a Nationwide direct-to-consumer new product launch.

Other Flamingo clients include Prime Financial, Quay Credit Union and the New York Daily Gazette, all of whom have had successful paid trials. Flamingo also has a strong sales pipeline in place evidenced by over 10 proposals with Fortune 500 US firms (though investors should note Flamingo may not be able to convert these proposals to sales).

Below are case studies of the use of Flamingo's Platform in the past 12 months.

(i) Pet insurance product

A pet insurance Provider identified a problem of a 30% customer attrition rate during the first year of its product.

Flamingo was engaged on a trial basis and implemented three applications for on-boarding new customers, post-claim experience and renewal.

The use of Flamingo's platform resulted in an 85% increase in the product's net promoter score (a management tool used to measure the loyalty that exists between a Provider and consumer), and a 5% increase in retention of customers.

Flamingo is now negotiating with the Provider to implement guided selling for this product to improve web acquisition metrics.

(ii) Employee benefits product

A Provider identified a problem of low online conversion rates for an employee benefits product being offered online.

Following the implementation of a trial of the Flamingo Platform's guided online selling, there was a 33% increase in conversion of visitors from the website to the quotation page for the product.

Flamingo is now negotiating conversion from paid trial to a monthly engagement with this Provider.

(iii) Wealth management product

A Provider of wealth management products was looking for a platform to enable it to directly target high net worth customers, rather than using a broker or advisor to promote their products.

Flamingo implemented a fully automated application to guide high net worth customers through their needs and requirements, with the final step being conversion of the process into a call with a member of the Provider's wealth management team. The Flamingo Platform resulted in 55% of journeys being converted to sales meetings.

Flamingo is now negotiating the next steps with the aim to convert to a regular monthly engagement with this Provider.

(iv) Data analytics

A banking institution wanted to better understand the needs and requirements of its customers, and sought Flamingo's assistance to identify that information.

Flamingo developed an application to extract the required information, then generated a report for the banking institution which has led to Flamingo working on an application to cross-sell relevant products to identified customers.

(e) Accolades

Flamingo was named in April 2015 by Gartner Inc (a leading information technology research and advisory company) as a 'Cool Vendor' in the CRM and Customer Support category, identified as one of five innovative vendors with applications to deliver a superior customer service experience and/or reduce operational costs.

Gartner's definition of a 'Cool Vendor' is a small company offering a technology or product that is:

- (i) Innovative it enables users to do things they couldn't do before the technology emerged.
- (ii) Impactful it has (or will have) a business impact; it's not just technology for the sake of technology.
- (iii) Intriguing it has caught Gartner analysts' and clients' interest or curiosity during the past six months.

Flamingo was selected to be a Springboard Enterprises company in 2014, was noted as one of 10 great Australian starts-up to see at CeBIT 2014 by Business Insider Australia and was named in CIO Review as a Top 20 Most Promising Customer Experience Management Solution Providers for 2015. Further, Flamingo's founder and CEO, Dr Catriona Wallace, is also the recipient of a Pearcey Foundation Entrepreneur Award and is a finalist in the Advance Global Australia Awards.

(f) Intellectual property

Flamingo has lodged a patent application for the following features of the Flamingo Platform: Journey Assist, Journey Avatar (aka Journey Automation), Personaliser, Analyzer, Personal Cloud and the Co-Creation model that enables employees and customers to design experiences customers want that businesses can deliver.

Flamingo has also registered the trade mark 'CustomerCreate'.

Whilst domain names of themselves provide no proprietary rights, they are generally recognised as extremely useful vehicles for marketing in the online space. As at the date of this Prospectus, Flamingo (via Dr Wallace) has registered various domain names such as www.flamingo.io, customercreate.com, consumercreate.com and customercreate.io.

Further information concerning Flamingo's intellectual property is contained in the Intellectual Property Experts' Reports in Section 7.

(g) Planned Flamingo Platform development

Flamingo's existing product, known as 'Journey Assist', has been developed, tested and successfully trialled. This product comprises the current Flamingo Platform and is ready for sale to a broad market, initially focused in financial services.

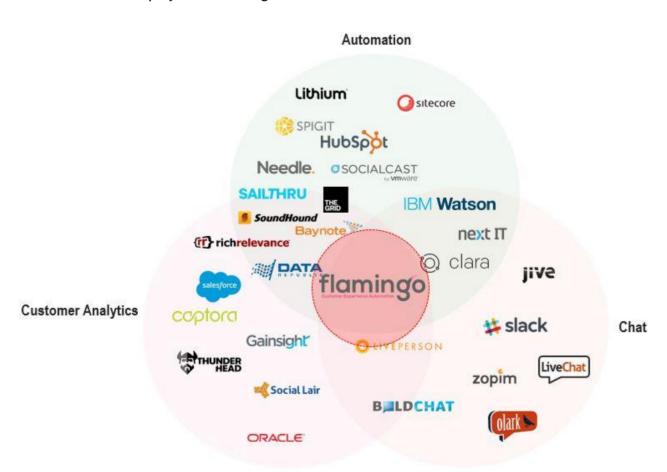
As well as a programme of continuous improvement to the existing products and features, Flamingo has the following major product changes prioritised for development over the next 12 to 24 month period.

- (i) Web Acquisition Framework: A framework for integration with Provider owned and managed platforms/engines for services such as quotation, assessment and transaction. This will enable automation of the web acquisition concierge journeys that have shown improved key performance indicators to vanilla web-forms or call-centre concierged applications.
- (ii) Chat Automation: An extension to automated journeys that can handle questions, answers, chat, escalation to a human manager and a human-led automation solution that can run without manual intervention from Providers.
- (iii) Sovereign Personal Cloud: Ability to give permission for Flamingo to use known information about end-customers to sign-up for other products and services, either to more lines-of-business in the same Provider or across other Flamingo clients. The product would allow the customer to save time by not needing to repeat data entry. It would also benefit the enterprise by facilitating cross-sell.
- (iv) SaaS Features: Features that will enable rapid growth of the Flamingo Platform by allowing small-to-medium Providers to self-sign-up, self-serve and access both self-help as well as Flamingo or partner helpdesk support.

3.5 Industry competition

(a) Competition

The players in Flamingo's field include:



Flamingo's competitors can be grouped into three main sets: chat providers, virtual assistants (automation) and analytics/insight companies. Flamingo's unique difference is that it fuses these three capabilities together. As at the date of this Prospectus, and after extensive research and analyst briefings, Flamingo is not aware of another product available that does this.

CRM companies are not regarded as a direct competitor for Flamingo but Flamingo is sometimes compared to them. CRM companies focus on pipeline and prospect management capabilities, sales team management, key performance indicator management and performance improvement, then usually hand over to other channels to work with a customer. CRM companies will be potential channel partners of Flamingo.

Flamingo's competitive advantage includes:

- (i) focus on conversion from quote to payment;
- (ii) provide Providers with light touch step into Artificial Intelligence;
- (iii) acquire customer in-platform;
- (iv) range of automation options, from fully manual through to human assisted through to fully automated;
- (v) customer experience algorithms; and
- (vi) machine learning capable of insight as well as automation of conversations.

(b) Barriers to entry

Barriers to entry for competitors to Flamingo include:

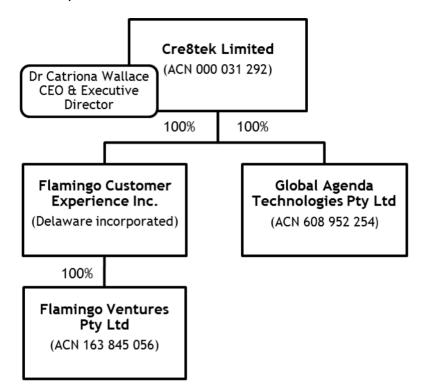
- (i) time, cost and expertise to develop intellectual property associated with conversational commerce, artificial intelligence and collaborative customer interface technology;
- (ii) high level of customer data security functionality required to be built into the Flamingo Platform and significant cost and time to pass relevant security audits of large financial institutions; and
- (iii) Flamingo has established relationships in the industry which make it difficult for competitors to secure trial sites for customer interfacing applications due to risks associated with handling customer data.

(c) Independent Industry Expert's Report

The Company has commissioned independent market research and consulting firm Frost & Sullivan Australia Pty Ltd to provide a report on the industry section in which Flamingo intends to operate. The Independent Industry Expert's Report is set out in Section 4 of this Prospectus.

3.6 Corporate structure of the Merged Group

The diagram below summarises the corporate structure of the Merged Group following completion of the Acquisition:



3.7 Business model and development and commercialisation objectives

Flamingo is the second proposed acquisition by the Company in line with the Company's new focus, being technology solutions and software development. The Company plans to further expand its portfolio in technology solutions, with a particular focus on software marketing solutions, application software, communication software, SaaS, online social networking services, and security and encryption. It is possible that future acquisitions that may be contemplated may exceed the current or projected financial resources of the Company and it is expected that these acquisitions would be funded by debt and/or equity issues (subject to any required regulatory approvals).

For the immediate future the Merged Group's focus will be on the continued development and commercialisation of the Flamingo Platform and Agenda Platform, together with assessing further complementary acquisition opportunities.

The basis for any revenue generated by consumer service offerings such as that of the Flamingo Platform and proposed to be offered through the Agenda Platform, is driven by the acquisition, retention and engagement of its consumers and service providers.

The Merged Group intends to derive revenue from the following possible sources:

- (a) sales revenues from Providers for:
 - (i) trials of the Flamingo Platform;
 - (ii) subscriptions by Providers using the Flamingo Platform; and
 - (iii) success fees per acquisition by Provider's customers; and

(b) if successfully developed, via the Agenda Platform from transaction fees, advertising, in-application purchases and software sales.

3.8 Key dependencies of the business model

The key factors that the Merged Group will depend on to meet its objectives are:

- (a) the successful completion of the Acquisition;
- (b) the successful completion of the Public Offer;
- (c) the successful execution of service agreements with and retention of new and existing Providers using the Flamingo Platform;
- (d) the successful development of the Agenda Platform;
- (e) retaining the key personnel and consultants of Flamingo and Agenda; and
- (f) the ability to protect the Merged Group's intellectual property.

3.9 Proposed budget

The Company intends to use the funds raised under the Public Offer, together with the Company's existing cash reserves post-Acquisition, and anticipated funds received from AusIndustry research and development grants in the next 12 months following the reinstatement of the Company's Securities to quotation on the Official List of ASX as follows:

Allocation of funds	Amount (\$000's)	%
Expenses of the Acquisition (including capital raising fees)	622	10.3
Repayment of loans ¹	286	4.7
Agenda Platform development	368	6.1
Flamingo Platform development ²	1,937	32.1
Sales and marketing	1,685	27.9
General working capital, including corporate and administrative costs ³	1,141	18.9
Total	6,038	100.0

Notes:

- 1. Meerkat, an entity associated with Ms Cathie Reid, has lent \$280,000 to Flamingo for working capital purposes, on commercial arms' length terms. The Company will repay the loan plus \$6,000 in interest, just prior to reinstatement of the Company's securities to ASX. See Section 9.2(b) for further details.
- 2. These funds represent the estimated investment over the 12 month period. In the next 12 months, Flamingo expects to receive a research and development grant of approximately \$1,000,000 under the AusIndustry program. Flamingo has a history of receiving AusIndustry research and development grants.

3. General working capital will be utilised by the Company to pay for the corporate and administration costs of the Company generally, cost overruns in forecast expenditures (if any), and in additional testing and trial expenditures.

The above table is a statement of current intentions as at the date of this Prospectus. Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments and market and general economic conditions. In light of this, the Board reserves the right to alter the way the funds are applied.

The Board is satisfied that upon completion of the Offers, the Company will have sufficient working capital to meet its stated objectives.

The use of further equity funding or Share placements will be considered by the Board where it is appropriate to accelerate a specific project.

Flamingo is the second proposed acquisition by the Company in line with the Company's new focus, being technology and software development. The Company plans to further expand its portfolio in technology solutions, with a particular focus on software marketing solutions, application software, communication software, SaaS, online social networking services, and security and encryption. It is possible that future acquisitions that may be contemplated may exceed the current or projected financial resources of the Company and it is expected that these acquisitions would be funded by debt and/or equity issues (subject to any required regulatory approvals).

For the immediate future the Merged Group's focus will be on the continued development and commercialisation of the Flamingo Platform and Agenda Platform, together with assessing further complementary acquisition opportunities.

3.10 Delaware law "merger"

The Acquisition is being implemented by way of a Delaware law "merger". For the purposes of this merger process, the Company has incorporated a Delaware based subsidiary named Flamingo Merger, Inc. (US Subsidiary).

In order for US-based Vendors to become entitled to the equivalent of "roll over relief" in the US and to effect the merger in accordance with Delaware law, the Company will issue the Consideration Securities to the US Subsidiary (as the nominee of the Vendors), and then immediately following such issue, Flamingo and the US Subsidiary will "merge". As a result of this, Flamingo will continue to exist (as a wholly owned subsidiary of the Company), the US Subsidiary will cease to exist, and the Consideration Securities will immediately be distributed to the Vendors.

Section 259C(1) of the Corporations Act provides that an issue of shares of a company to an entity it controls is void except in certain circumstances, none of which are presently applicable. Section 259C(2) specifically allows ASIC to exempt a company from the operation of section 259C. As the "merger" process will require the Company to issue the Consideration Securities to the US Subsidiary (being a wholly owned subsidiary), the Company has received ASIC relief pursuant to section 259C(2). The US Subsidiary will only hold the Consideration Securities for approximately one day as part of the merger process.

Section 606(1) of the Corporations Act prohibits a person from acquiring a relevant interest in issued voted shares in a listed company if the person acquiring the securities or someone else's voting power in the company increases to more than 20%. Section 655A allows ASIC to exempt a company from the operation of a provision of Chapter 6 (which includes section 606(1)). As the Consideration Shares in aggregate will comprise

over 20% of the Shares then on issue, the Company has applied for and received ASIC relief pursuant to section 655A. It is noted that one of the Vendors, an entity associated with Dr Wallace, will potentially hold more than 20% of the Company's Shares on issue, and accordingly Shareholder approval for the purposes of item 7 of section 611 of the Corporations Act is being sought at the General Meeting.

Section 671B of the Corporations Act requires a person to give certain information to a listed company and each relevant market operator if the person begins to have, or ceases to have, a substantial holding in the company. Section 673(1)(a) allows ASIC to exempt a person from the operation of a provision of Chapter 6C (which includes section 671B). As the US Subsidiary will hold over 5% of the Shares of the Company, the Company has applied for and received ASIC relief such that the US Subsidiary is not required to lodge substantial holder notices.

3.11 Voting power of Vendors

The Vendors currently do not have any voting power in the Company.

The Vendors will have the following voting power in the Company on completion of the Acquisition and the Offers, assuming all the Shares under the Public Offer are issued:

Vendor	Initial Consideration Shares	Voting power (%)
Entities associated with Dr Catriona Wallace (incoming Director)	115,814,391	19.45
Entities associated with Ms Cathie Reid (incoming Director)	62,848,740	10.56
Remaining Vendors	94,064,142	15.79
Total	272,727,273	45.80

Assuming no other Shares are issued (whether by new issue or to satisfy conversion of Securities), if all of the Performance Shares were to convert to Shares, then the maximum voting power of the Vendors will be as follows:

Vendor	Shares	Voting power (%)
Entities associated with Dr Catriona Wallace	231,628,782	26.46
Entities associated with Ms Cathie Reid	125,697,480	14.36
Remaining Vendors	188,128,284	21.50
Total	545,454,546	62.32

Following the completion of the Acquisition, assuming all the Shares under the Public Offer are issued and no other Shares are issued (whether by new issue or to satisfied conversion of Securities), the substantial shareholders of the Company will be:

Substantial Shareholder	Voting power (%)
Entities associated with Dr Catriona Wallace	19.45
Entities associated with Cathie Reid	10.56



4. Independent Industry Expert's Report

The Directors Cre8tek Limited, 108 Outram Street West Perth, WA 6005

Dear Directors.

INDEPENDENT MARKET REPORT

The Intelligent Digital Customer Engagement Market

Introduction

This Independent Market Report (IMR or Report) on the intelligent digital customer engagement market has been prepared by Frost & Sullivan Australia Pty Limited (Frost & Sullivan) at the request of the Directors of Cre8tek Limited (Cre8tek) for inclusion in a prospectus to be lodged with the Australian Securities and Investments Commission (ASIC) in connection with its acquisition of Flamingo Customer Experience Inc. (Flamingo), which is to be carried out in conjunction with a capital raising on the Australian Securities Exchange (ASX).

Overview of Flamingo

Flamingo provides a software-based product (the Flamingo Platform) that supports clients in undertaking guided selling with their customers, primarily through digital channels (such as over the internet or through smartphones). The Flamingo Platform is delivered as software-as-a-service (SaaS) i.e. it is hosted in the cloud and provided to customers on an as-needed basis. The Flamingo Platform is similar in concept to other web chat products that are used to support customers engaging digitally with vendors, however Frost & Sullivan understands that it is differentiated by virtue of incorporation of workflow principles in the product design and in its artificial intelligence (AI) capability. Through the use of this capability, the Platform learns more about how customers and client employees interact, allowing the customer interaction to become increasingly automated over time, reducing the need for involvement by client employees and therefore increasing the efficiency of the customer interaction process, as well as improving the customer experience.

Frost & Sullivan has therefore defined Flamingo's market as intelligent digital customer engagement. Other products, such as web chat platforms, currently occupy the digital customer engagement market, however the Flamingo Platform is differentiated through its deployment of workflow principles and AI.

The Flamingo Platform is ideally suited to supporting digital sales of relatively complex products, where customers may require interaction with the vendor during a transaction. In these cases, the online conversion rate (i.e. the percentage of customers that initiate a transaction that subsequently leads to a sale) can be low, and the Flamingo Platform can significantly enhance the conversion rate of digital transactions. The initial customer focus of

Flamingo has been on clients in the financial services industry, primarily in the USA. The relative complexity and low digital penetration of transactions for financial services companies provides a significant opportunity for the Flamingo Platform.

Frost & Sullivan considers that there are a number of factors that will stimulate the market opportunity for the Flamingo Platform. These include:

- Significant growth in the use of digital channels by consumers to transact with vendors. This includes growth in the financial services sector, where digital penetration of sales is still relatively low in comparison with other industry sectors;
- Increasing preference for customers to engage with vendors through digital channels, as opposed to the use of voice channels;
- The growing importance in most organisations of improving customer experience, with this becoming an increasingly important business differentiator;
- An increasing focus among organisations on improving the efficiency of customer engagement;
- Growing customer acceptance of and use of web chat platforms to interact with vendors; and
- Rapidly growing interest in the use of AI in many aspects of business operations, including in customer engagement.

Size and Growth of e-Commerce

Introduction

As a company that supports vendors to interact with customers through digital channels, Flamingo's business is significantly impacted by the growth in business-to-consumer (B2C) e-Commerce, that is the use of the internet or other digital channels (such as mobile apps) for consumers to interact and transact with vendors. e-Commerce can include both services (such as music downloads, travel or financial services), as well as tangible physical goods such as books or clothing. More and more vendors are now using e-Commerce to interact with consumers, often to complement other existing channels such as physical ("bricks and mortar") stores. Globally, e-Commerce sales are therefore growing strongly.

e-Commerce Sales

Based on estimates from research company eMarketer, the total value of global B2C e-Commerce sales reached \$1,671 billion in 2015, and is forecast to increase at a compound annual growth rate (CAGR) of 21.8% to reach \$3,579 billion in 2019. In 2015, e-Commerce sales represented 7.4% of total retail sales (across all channels), and are forecast to reach 12.8% of total global retail sales by 2019. In 2015, Asia-Pacific was the largest global e-Commerce market, with total sales of \$878 billion, followed by North America at US\$367 billion. The growth in global e-Commerce sales by region between 2014 and 2019 is illustrated in Figure 1. Despite being one of the more mature markets for e-Commerce, sales in North America are still forecast to increase by 12.6% over this period to reach \$580 billion by 2019.

¹ eMarketer, Worldwide Retail Commerce Sales: eMarketer's Updated Estimate and Forecast Through 2019. E-Commerce sales are defined as products or services ordered using the internet via any device, regardless of the method of payment or fulfilment; excludes travel and event tickets

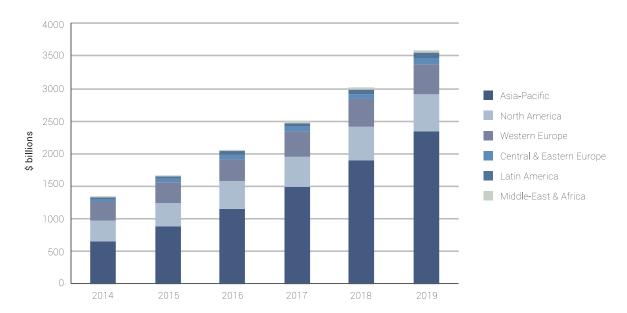


Figure 1: e-Commerce Sales by Region, 2014 to 2019

Source: eMarketer, Worldwide Retail Commerce Sales: eMarketer's Updated Estimate and Forecast Through 2019

Adoption of e-Commerce differs by industry sector, with penetration typically highest in categories such as music, books and fashion. The financial services industry has generally lagged these sectors in consumer adoption of e-Commerce, often due to the greater degree of product complexity involved as well as regulations in the sale process (for example, the requirement for customers to provide identification can inhibit the use of digital channels for some types of transaction). However, in common with other sectors, the use of e-Commerce is also growing in the financial services industry.

Use of the internet to research and purchase financial services is therefore increasingly common, especially for relatively simple financial products such as automotive, home & contents and travel insurance. These types of products are increasingly being sold online by providers, as opposed to through the use of intermediaries (such as insurance brokers or retail banks). Conversely, use of digital channels to sell more complex insurance products, such as life insurance or disability insurance, is much lower. Based on a survey by Bain & Co of 70 global insurance companies, over 70% are now selling automotive insurance over the internet, whilst use of online channels for other forms of insurance is much lower (see Figure 2). ²

² Bain & Co, Global Digital Insurance Benchmarking Report, 2015

71% 70% 64% 59% 60% 44% 40% 32% 29% 30% 22% 10% 0% Auto Travel Medical Whole Life Disability Home & Personal Insurance Contents Insurance Insurance Insurance Insurance Accident Insurance Insurance

Figure 2: Percentage of Insurance Companies that Sell through Digital Channels, by Product

Source: Bain & Co, Global Digital Insurance Benchmarking Report, 2015

The increased use of digital channels by consumers is reflected in the growth of e-Commerce sales in the US financial services industry. Between 2010 and 2014, e-Commerce revenue in the US financial services industry increased from \$68 billion to \$109 billion, a CAGR of 12.5%.³ However, by 2014 e-Commerce still only represented 2.8% of total industry revenue, well behind the levels of penetration in other industry sectors and suggesting continued opportunities for further growth.

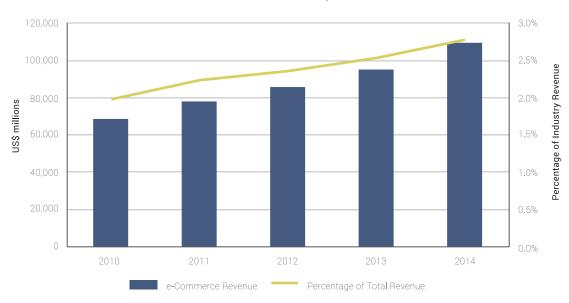


Figure 3: e-Commerce Revenue in the Financial Services Industry, US, 2010 to 2014

Source: US Census Bureau, Estimated e-Commerce Revenue for Employer Firms: 1998 Through 2014

³ US Census Bureau, Estimated E-Commerce Revenue for Employer Firms: 1998 Through 2014

Although penetration of digital sales in financial services is still relatively low, industry participants expect it to increase rapidly. For example, insurers expect the proportion of property and casualty (P&C) insurance policies sold online to increase from 10% in 2015 to 23% within 3-5 years, and in life insurance from 8% to 15%.4 This is being driven both by greater availability of digital channels by vendors, as well as increased demand for digital channels by consumers.

Market Drivers for e-Commerce

A number of factors are stimulating growth in the use of digital channels by consumers, both generally and in the financial services industry specifically.

Growing Internet Use

A principal driver for e-Commerce is the increased number of individuals that use the internet. For example, in the USA, the number of internet users has increased from 67% of the population in 2005 to 75% by 2015.5 This has been stimulated by enhanced internet availability, better internet user experience, lower costs of internet access and the growing adoption of mobile devices (such as smartphones and tablets) to access the internet.

Increased Convenience of Digital Channels

Digital channels offer greater convenience for customers to interact with providers for products such as insurance. This is often leading to greater fragmentation in customer contact, as customers increasingly use multiple channels for interaction (e.g. internet, telephone, click-to-chat, etc.). A survey by EY on the preferences of North American insurance customers for interaction with their insurer indicated that most customers are happy to use digital channels (such as web chat, e-mail and apps) for interaction in most scenarios. Telephone contact is most preferred only in the scenario of making a claim (see Table 1). Typically, up to one-third of customers are willing to use web chat for contact, most commonly for asking questions about current policies.6

opable 1: Percentage of Customers willing to use Contact Channels, by Contact Scenario, North America, 2014

	Web Chat	Email	Telephone	Арр	Interactive Support	None of These
Researching Types of Insurance	18%	35%	28%	18%	19%	32%
Inquiring about new Policy	26%	40%	33%	17%	18%	30%
Questions about Existing Policy	34%	51%	47%	20%	20%	18%
Assistance with Claim	27%	36%	57%	17%	19%	20%
Managing Current Policy	23%	49%	42%	20%	22%	23%
Renewing Current Policy	17%	41%	36%	15%	14%	30%
Cancelling Current Policy	14%	29%	37%	11%	11%	39%

Source: EY, Reimagining Customer Relationships, key findings from the EY Global Consumer Insurance Survey 2014

⁴ Bain & Co, Global Digital Insurance Benchmarking Report, 2015

⁵ International Telecommunications Union (ITU) statistics, accessed August 2016

⁶ EY, Reimagining Customer Relationships, key findings from the EY Global Consumer Insurance Survey 2014

Increased Confidence in Transacting through Digital Channels

The greater availability of digital channels and enhanced confidence in their use by consumers is driving increased usage. This increased confidence comes from a range of factors, including faster and more reliable internet connectivity, and greater confidence by consumers in online security. Hence, in the USA for example, the number of digital buyers (defined as individuals who have made at least one online purchase over the previous 12 months) is forecast to increase from 63% of the population in 2014 to 71% in 2019, equating to 195 million individual digital buyers.⁷

This increased confidence in use of digital channels is reflected in financial services such as insurance. Within the next 3-5 years, over three-quarters of insurance customers expect to be digitally active (defined as using digital channels for their last insurance-related information research and for their most important interaction with their insurance providers in the past 12 months).⁸ Digital usage is anticipated to be highest in the UK and Australia, followed by the US (see Figure 4.)

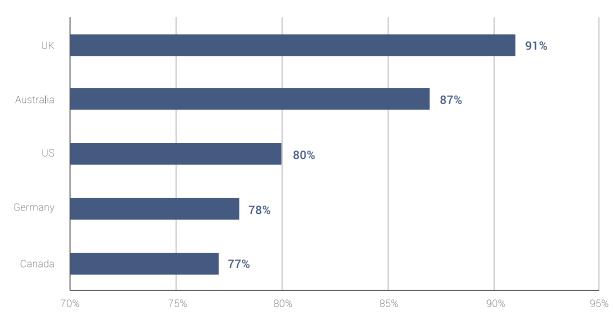


Figure 4: Expected Share of Digitally-active Insurance Customers, 3-5 years, by Country

Source: Bain & Co, Global Digital Insurance Benchmarking Report, 2015

As customers increasingly engage with vendors through digital channels, this is driving the adoption of new ways to interact with customers by vendors in the financial services and other industries.

⁷ eMarketer, Worldwide Retail Commerce Sales: eMarketer's Updated Estimate and Forecast Through 2019 8 Bain & Co, Global Digital Insurance Benchmarking Report, 2015

Trends in Customer Engagement

Customer experience is an increasingly important differentiator for organisations, with one study estimating that US companies lose \$83 billion each year due to poor customer experiences.9 Traditionally, engagement with customers by vendors in industries such as financial services mainly occurred through physical channels such as mail or outlets, or via telephone. These channels were often both relatively inefficient for customers and expensive for vendors to provide. The development of the internet has provided a new way for vendors to interact with customers, allowing the use of channels such as websites, social media, email and apps. These channels can be categorised as digital customer engagement channels.

The development of new interaction channels has broadened the range of channels available to customers, and has often driven consumers to utilise multiple channels, even as part of a single transaction (for example, a customer may research a product online but then buy over the telephone, or a consumer making an online transaction may make a telephone call to answer specific questions). Customers using multiple channels desire a seamless experience (e.g. they do not have to re-enter data each time they interact), and this is driving vendors to offer an "omnichannel" customer experience. Delivering an omnichannel customer experience involves making sure that data and context from initial contact carries over to subsequent channels, ensuring consistency of data, context, and messaging across all channels.

Omnichannel can be defined as a multichannel approach to sales that seeks to provide the customer with a seamless shopping experience whether the customer is shopping online from a desktop or mobile device, by telephone or in a bricks and mortar store. 10 The Flamingo Platform can be regarded as an integral part of an omnichannel offering, because it allows customers to receive support and guidance whilst transacting through digital channels. Previously, this support was either not easily available or was provided by telephone, with customers needing to call a contact centre agent.

Many vendors maintain centres to interact with customers across a broad range of industries where some degree of customer support may be needed. The number of contact centres and the number of agents deployed in them is increasing. For example, 96% of centres expect to grow over the next two years to support business growth and customer experience demands.11

Traditionally these centres were known as call centres, since contact was undertaken over the telephone. However, the introduction of digital engagement channels has driven a change of focus towards broader contact centres, which use a range of digital tools to engage with customers. Based on Dimension Data's annual Contact Centre Benchmarking Report, over 50% of organisations will soon be managing a multichannel contact centre, featuring at least eight different forms of contact methods, with seven of these being digital.¹² Currently, 35% of customer interactions through contact centres are via digital channels, and these are forecast to overtake voice communication within two years.¹³ This places an increased importance on delivering an omnichannel

⁹ Stratecast (Frost & Sullivan), Customers Want Fast Answers Online, Not Waiting on a Phone Line: Virtual Assistants Are Essential, March 2015

¹⁰ http://searchcio.techtarget.com/definition/omnichannel

¹¹ Deloitte, 2015 Global Contact Center Survey

¹² Dimension Data, 2015 Global Contact Centre Benchmarking Report

¹³ Ibid

experience to consumers.

Among the fastest growing contact channels is web chat, with 70% of global contact centres likely to be deploying web chat functionality within 12 months. This places web chat ahead of other developing digital channels such as SMS, social media and video chat (see Figure 5).¹⁴

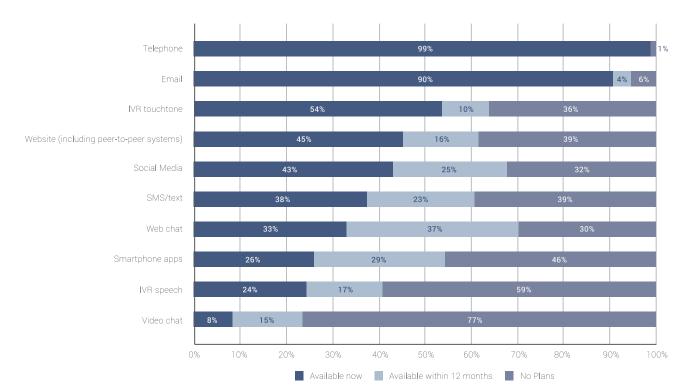


Figure 5: Channels used by Contact Centres

Source: Dimension Data, 2015 Global Contact Centre Benchmarking Report

The growth in use of digital channels such as web chat is driven by a number of factors. These channels are generally cheaper for vendors to offer than channels such as voice, and are also more immediate for customers who also do not need access to a telephone and may not need to wait till their call is answered. Web chat is the preferred channel of communication for Gen Y customers (i.e. those born between 1981 and 1999), and as this cohort of consumers ages and has increased purchasing power, this will further stimulate adoption of web chat technologies by vendors. The preference of consumers by age cohort for different engagement channels is indicated in Figure 6.

14 Ibid

Gen Y (born 1981-1999) 24% Gen X (born 1961-1980) 21% Baby Boomers (born 1945-1960) Silent Generation (born 1944 or earlier) 10% 30%

Figure 6: Percentage of Customers for whom Web Chat is Preferred Channel of Engagement, by Age Cohort

Source: Dimension Data, 2015 Global Contact Centre Benchmarking Report

Within the financial services industry, use of web chat as an engagement channel is also developing rapidly. In 2015, about 40% of insurance companies deployed web chat technology in their contact centre, however within 3-5 years this is forecast to increase to almost 90% (see Figure 7).15

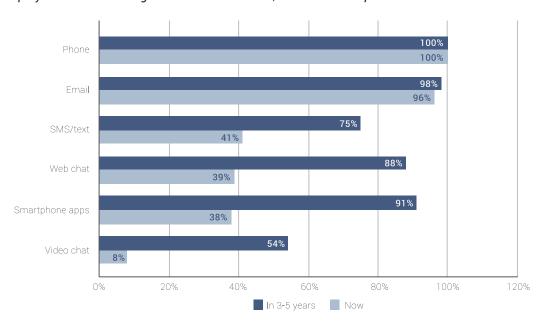


Figure 7: Deployment of Technologies in Contact Centres, Insurance Companies

Source: Bain & Co, Global Digital Insurance Benchmarking Report, 2015

¹⁵ Bain & Co, Global Digital Insurance Benchmarking Report, 2015

The growing adoption of web chat technology is driving rapid growth in the web chat market, as web chat vendors derive increased revenues from the strong growth in deployments.

The Web Chat Market

The web chat market is occupied by vendors who provide web chat platforms that are deployed by organisations typically in contact centres. These web chat vendors include suppliers of traditional web chat platforms (such as LivePerson¹⁶), as well as emerging suppliers of intelligent platforms such as Flamingo. These vendors typically derive revenues through license or usage fees for their platforms.

Based on industry research, Frost & Sullivan has estimated the total value of the global web chat market as \$719 million in 2015, and this is forecast to increase to \$1,168 million in 2019, a CAGR of 12.8%.¹⁷ North America is by far the largest market for web chat platforms, accounting for 61% of the global market in 2015. Although other regions will see faster growth than North America, by 2019 North America will still represent 57% of the global web chat market (see Figure 8).

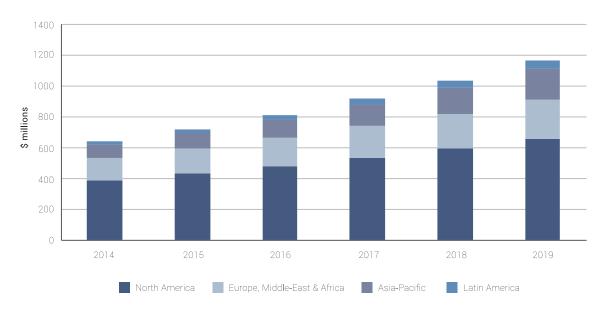


Figure 8: Global Web Chat Market, by Region, 2014 to 2019

Source: Frost & Sullivan estimates

The financial services industry is the second largest market for web chat platforms, after the retail & consumer goods industry (see Figure 9). In 2015, web chat revenue in the financial services industry globally was estimated at \$103 million, 14% of the global total.18

¹⁶ US-based LivePerson is a leading provider of mobile and online messaging, enabling a meaningful connection between brands and consumers

¹⁷ Frost & Sullivan has estimated the web chat market based on interviews with web chat platform vendors, and published sales data. Market size includes revenue from license fees and usage fees, and excludes maintenance and professional services fees

¹⁸ Frost & Sullivan estimates

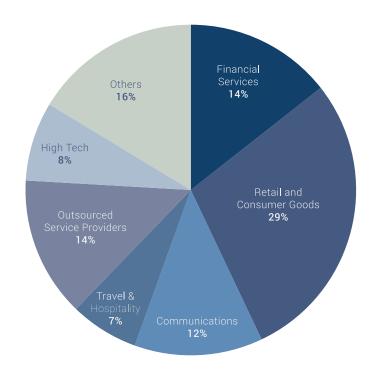


Figure 9: Global Web Chat Market, by Industry Vertical, 2015

Source: Frost & Sullivan estimates

Artificial Intelligence in Customer Engagement

The Flamingo Platform can be distinguished from other web chat products through its use of Al. This use of All both helps to improve the customer experience, as well as enabling the contact centre to be more efficient, for example by reducing the amount of human involvement needed in customer engagement. These are both strategic imperatives for many contact centre operators, with customer experience the top strategic performance measure for contact centres, and staff costs representing 76% of the average operating costs of a contact centre. 19

Al offers a way for organisations to enhance their competitive advantage by better understanding and acting on the massive increase in data collected largely as a result of digitisation of business processes. This includes improved analysis of the data collected through customer engagement, especially digital customer engagement. Globally, expenditure on AI-based tools and applications was €700 million (\$781 million) in 2013, but this is estimated to have reached €27 billion (\$30 billion) by 2015.20 The use of AI in customer experience is becoming increasingly important, with one study predicting that by 2016, 89% of companies expect to compete mostly on the basis of customer experience, versus 36% in 2012.21 Hence, technologies and applications that support businesses to enhance their customer experience are becoming increasingly critical. The total market for Big Data analytics

¹⁹ Dimension Data, 2015 Global Contact Centre Benchmarking Report

²⁰ European Commission, Business Innovation Observatory, Big Data, Artificial Intelligence, 2013

²¹ http://blogs.gartner.com/jake-sorofman/gartner-surveys-confirm-customer-experience-new-battlefield/

technology for customer experience, marketing and sales analytics applications is estimated at \$7.74 billion in 2014.22

The growing interest in Big Data and AI is reflected in the technology investment plans of insurance companies. Although most insurers recognise that they are currently lacking Big Data analytics capability, 75% of life insurers and 65% of P&C insurers intend to invest in this capability over the next 3-5 years.²³

Conclusion

The market opportunity for Flamingo is being stimulated by a number of factors, including the rapid growth in e-Commerce, particularly in the financial services industry on which Flamingo is initially focused; the growing importance of customer experience as a business differentiator; the growth in omnichannel commerce which requires customer engagement through multiple channels; growing acceptance of non-voice channels such as web chat by consumers and their consequent deployment by contact centres; and the growing interest in the use of AI to better deliver customer experience, as well as improving operational efficiencies of contact centres.

Global e-Commerce expenditure is forecast to increase at a CAGR of 21.8% between 2014 and 2019. Even relatively mature markets such as North America will see growth of 12.6% over this period.²⁴ e-Commerce is being increasingly adopted in industries such as insurance, with most insurance companies now offering e-Commerce capability for products such as automotive, travel and home and contents insurance. The proportion of insurance policies sold over digital channels is forecast to increase strongly over the next few years. This will drive a requirement for increased engagement with customers to provide support during digital interactions.

Mirroring the growth of e-Commerce is the development of omnichannel commerce, as consumers increasingly seek to use multiple digital and even offline channels, often as part of a single transaction. This is driving greater use of channels such as web chat, which can be used to support a customer during an online interaction. Web chat is an attractive interaction channel, particularly for younger customers, and 70% of contact centres plan to shortly deploy it. Consequently, the global web chat market is forecast to grow at 12.8% to reach \$1,168 million by 2019.²⁵ North America is by far the largest market for web chat applications, and the financial services industry is the second largest end-market.

Whilst benefitting from the strong growth in the need for digital engagement platforms in industries such as financial services, Flamingo will receive an additional benefit from the increased focus on both improving customer experience and improving contact centre efficiencies. These are key focus areas for contact centre operators, and will drive the adoption of applications that use AI to improve customer experience and operational efficiencies through analysis of the vast amounts of data generated through digital customer engagement. With a majority of customers intending to invest in such technologies, Flamingo will be well-placed to exploit this growth. Customer experience is growing in importance as a business differentiator, and by providing a solution

²² Stratecast (Frost & Sullivan), Customers Want Fast Answers Online, Not Waiting on a Phone Line: Virtual Assistants Are Essential, March 2015 23 Bain & Co, Global Digital Insurance Benchmarking Report, 2015

²⁴ eMarketer, Worldwide Retail Commerce Sales: eMarketer's Updated Estimate and Forecast Through 2019

²⁵ Frost & Sullivan estimates

that enables organisations to enhance and continually improve their customer experience, Flamingo will also benefit from this trend.

Definitions

The following definitions have been used in this report.

Artificial Intelligence (AI) is simulation of human intelligence processes by machines, especially computer systems. Al is particularly used where large amounts of data (Big Data) are generated.

Big Data describes any voluminous amount of structured, semi-structured and unstructured data that has the potential to be mined for information.

Digital engagement involves the use of digital channels (the internet and mobile phone networks) to communicate with customers. Most customer engagement channels are now digital, with the exception of voice, mail and faceto-face engagement in physical premises.

e-Commerce is defined by the Organisation of Economic Co-operation and Development (OECD) as the sale or purchase of goods or services, conducted over computer networks by methods specifically designed for the purpose of receiving or placing orders. The goods or services are ordered by those methods, but the payment and the ultimate delivery of the goods or services do not have to be conducted online.

Omnichannel refers to the provision of a seamless experience for customers who are interacting with vendors across multiple channels. Delivering an effective omnichannel experience for customers requires close integration of all interaction channels.

Software-as-a-Service (SaaS) is is an approach to providing software in which the application is hosted by the vendor, and made available to customers over a network, usually the internet (the cloud). SaaS differs from the approach of hosting the software on the customer's premises (on-premise software). Customers typically pay for the software based on usage. SaaS is becoming increasingly common as a delivery mechanism for customer engagement applications.

Web chat is a platform that allows users to communicate in real-time over the internet using easily available interfaces. Vendors of web chat platforms generally link their platforms to other channels in use, such as web sites and customer relationship management (CRM) systems.

Disclosure

This is an independent report prepared by Frost & Sullivan. Save for the preparation of this report and services rendered in connection with this report for which normal professional fees will be received, Frost & Sullivan has no interest in Cre8tek Limited or Flamingo Customer Experience Inc. and no interest in the outcome of the transaction. Payment of these fees to Frost & Sullivan is not contingent on the outcome of the transaction. Frost & Sullivan has not and will not receive any other benefits (including any commissions) and there are no factors which may reasonably be assumed to have influenced the contents of this report nor which may be assumed to have provided bias or influence. Frost & Sullivan consents to the inclusion of this report in the Prospectus in the form and context in which it is included. As at the date of this report, this consent has not been withdrawn. Frost & Sullivan does not hold a dealer's license or Financial Services License. This report does not constitute advice in respect of the transaction.

About Frost & Sullivan

Frost & Sullivan is an independent market research and consulting group operating in 40 countries globally, of which Frost & Sullivan Australia Pty Ltd (Frost & Sullivan) is a member. Founded in New York in 1961, the Frost & Sullivan group now employs over 1,500 staff globally.

Frost & Sullivan has undertaken a number of market studies in the digital media and e-Commerce sectors on behalf of market participants and financial institutions, as well as producing a number of multi-client reports on the digital media and e-Commerce industries.

In preparing this report, Frost & Sullivan has relied on information derived from reputable publicly available sources and industry publications. This research was undertaken in the month of August 2016.

All effort has been made by Frost & Sullivan to ensure that information in this report is accurate and appropriate at the time of writing. Conclusions, and assumptions attached to those conclusions, are based on Frost & Sullivan's investigations and analyses of the facts as they are known as at the date of this report and Frost & Sullivan is of the opinion that the conclusions and underlying assumptions are reasonable.

All references to dollars in this report are to US dollars (\$). When converting from other currencies, the exchange rate prevailing as at August 4th 2016 has been used.²⁶

Yours Sincerely

Works Mark Dougan

Managing Director, Australia & New Zealand

26 Source: Yahoo! Finance

5. Risk Factors

This Section identifies the major areas of risk associated with Flamingo, but should not be taken as an exhaustive list of the risk factors to which the Company and its Security holders are exposed.

5.1 Risks relating to the change in scale of activities

(a) Dilution risk

The Company currently has 234,426,409 Shares on issue. On completion of the Acquisition, the Company proposes to issue Shares and Performance Shares as required pursuant to the Acquisition Agreement and issue Shares as part of the Offers.

On issue of the consideration under the Acquisition and the subscription of Shares under the Offers (assuming no Securities are exercised or converted), the existing Shareholders will retain approximately 39.37% of the issued capital of the Company, with entities associated with proposed directors Dr Wallace and Ms Reid holding 19.45% and 10.56% respectively, the remaining Vendors holding 15.79%, the Facilitators holding 2.23% and the investors under the Public Offer holding 12.60%, of the issued capital of the Company.

In the event that all Performance Shares convert, and assuming no other Securities are issued or converted, then the existing Shareholders will retain approximately 26.78% of the issued capital of the Company, with entities associated with proposed directors Dr Wallace and Ms Reid holding 26.46% and 14.36% respectively, the remaining Vendors holding 21.49%, the Facilitators holding 2.33% and the investors under the Public Offer holding 8.57%, of the issued capital of the Company.

There is also a risk that the interests of Shareholders will be further diluted as a result of future capital raisings required in order to fund the future development of the Company.

(b) Liquidity risk

On completion of the Acquisition, the Company proposes to issue a total of 156,912,882 Initial Consideration Shares and 156,912,882 Performance Shares to the Non-Founder Vendors, and 115,814,391 Initial Consideration Shares and 115,814,391 Performance Shares to the Founder. A portion of these securities will be subject to escrow restrictions in accordance with Chapter 9 of the Listing Rules. This could be considered an increased liquidity risk as a portion of issued capital will not be able to be traded freely for a period of time.

(c) Sale of Consideration Securities

Some of the Vendors may elect to sell those Shares received from the sale of their interests in Flamingo to the Company which are not subject to escrow restrictions by ASX immediately following completion of the Acquisition. If one or more of the Vendors elect to sell a sufficiently large number of Shares, then this may negatively impact the price of Shares and decrease the realisable value of existing Shareholders' investment in the Company.

(d) Contractual risk

Pursuant to the Acquisition Agreement the Company has agreed to acquire the Flamingo shares subject to the fulfilment of certain conditions precedent.

The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under the Acquisition Agreement. If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

5.2 Specific risks to the Flamingo business

There are a number of specific risks involved for the Company, and consequently its security holders, in the acquisition of Flamingo, including risks specific to the business and assets of Flamingo, which include the following non-exhaustive list.

(a) Limited operating history

Flamingo has limited operating history and there is uncertainty in relation to the business of Flamingo and investors should consider Flamingo's prospects in light of its limited financial history. In addition, there is no guarantee that Flamingo will be able to successfully further develop or commercialise its products and if it is unable to do so it will not be able to realise significant revenues in the future.

(b) Failure to attract, retain and engage clients

The potential revenue streams for the Company depend on its ability to attract, retain and engage clients (Providers) to the Flamingo Platform. There is a risk that the Company may be unable to attract, retain and engage sufficient Providers for the potential revenue streams to materialise or be sufficient for the continued operation of the Flamingo Platform.

(c) Sales and marketing success

Following completion of the Acquisition, the Company intends to continue with the commercialisation of the Flamingo Platform, including brand development and sales and marketing. By its nature, there is no guarantee that the Company's brand development and sales and marketing campaign will be successful. In the event that it is not, the Company may encounter difficulty in creating market awareness of the brand. This would likely have an adverse impact on the Company's ability to generate revenue.

Even if the Company does successfully commercialise the Flamingo Platform, there is a risk the Company will not achieve a commercial return. The Company may not be able to sell products and services to clients at a rate which covers its operating and capital costs, or new technology may overtake the Company's technology.

(d) Competition and new technologies

The industry in which Flamingo is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of the

Company's projects and business. For instance, new technologies could overtake the advancements made by the Flamingo Platform. In that case, the Company's revenues and profitability could be adversely affected.

The Company's competition may include businesses with much higher capitalisation and substantially greater resources. These competitors may succeed in developing products and services which are either superior or additional to the Company's, resulting in the migration of existing clients and potential clients to a competitor's business. Competitors with increased access to capital could lead to the Company's business becoming uncompetitive.

Further, the cost and time for a new competitor (including new entrants) to develop competing technology or products may not be significant, and may be substantially less than the implied market capitalisation of the Company based on the issue price of \$0.04 per Share. This may result in a heightened risk of competition to the Company. If a person or entity successfully develops and commercialises a competing product, this may have a materially adverse effect on the value and prospects of the Company and consequently on the value of your investment.

(e) Increased investment in product development and support

There is a risk that maintaining and upgrading Flamingo's existing products as well as new product development may lead to a higher than anticipated investment spend on IT development.

(f) Flamingo's intellectual property

If the Company fails to protect the intellectual property rights of Flamingo adequately, competitors may gain access which would in turn harm its business.

Legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain. Effective patent, trade mark, copyright and trade secret protection may not be available to the Company in every country in which products may become available. Accordingly, despite its efforts, the Company may not be able to prevent third parties from infringing upon or misappropriating its intellectual property.

The Company may be required to incur significant expenses in monitoring and protecting its intellectual property rights. It may initiate or otherwise be involved in litigation against third parties for infringement, or to establish the validity, of its rights. Any litigation, whether or not it is successful, could result in significant expense to the Company and cause a distraction to management.

(g) Intellectual property infringement

Flamingo relies in part on confidentiality agreements with its employees, consultants, contractors and other third parties to protect its intellectual property. These agreements may not effectively prevent disclosure of confidential information and may not provide an adequate remedy in the event of unauthorised disclosure of confidential information.

Flamingo uses a combination of open source and third party licensed software to develop its own software and platforms, and relies on its ability to protect its intellectual property rights adequately.

Failure to do so may result in competitors gaining access to its technology, which would harm the business. Flamingo may be unable to obtain patent protection in the future. If any patents are issued in the future, they may not provide Flamingo with any competitive advantages, or may be challenged by third parties.

There is a risk that the validity, ownership or authorised use of intellectual property relevant to Flamingo's business will be successfully challenged by third parties. Any litigation, whether or not it is successful, could result in significant expense to the Company and divert the efforts of its personnel.

(h) Reliance on key personnel

The emergence and development of the Flamingo Platform has been in large part due to the talent, effort, and experience of Dr Catriona Wallace, the Founder of Flamingo. Dr Wallace has signed a contract to join the Company as Chief Executive Officer and Executive Director on completion of the Acquisition.

There is no assurance that Dr Wallace's contract will not be terminated. In addition, there is no assurance that Dr Wallace will remain healthy and able to continue in her role. If her contract were terminated or breached, or if Dr Wallace were no longer to continue in her role, the Company would need to employ alternative staff, and the Company's operations and business would be adversely affected.

(i) Reliance on specialist staff

Competition for qualified technical, sales and marketing staff can be intense and no assurance can be provided that the Company will be able to attract or retain key personnel in the future.

Flamingo is reliant upon employees with specialist IT skills in order to develop and maintain its projects. Any shortage of availability of these skills in the IT employment market could impair the development of Flamingo's products and business and the rate of such development. Such a shortage could also cause wage inflation, which may impact on the Company's profitability.

(j) Outsourcing

Flamingo outsources to consultants for expert advice and contracts organisations for some IT services and there is no guarantee that such experts or organisations will be available as required or will meet expectations.

(k) Reliance on core information technology and other systems

The operation of Flamingo's business is dependent upon the performance, reliability and availability of its information technology and security systems. This includes its core technologies such as computer servers and back-end processing systems. These systems may be adversely affected by a number of factors including major events such as acts of terrorism or war or breakdown in utilities such as electricity and fibre optic cabling. Events of that nature may cause one or more of those core technologies to become unavailable. There are also internal and external factors that may adversely affect those systems and technologies such as natural disasters, misuse by employees or contractors or other technical issues. The Company and Flamingo's disaster recovery plans may not cover loss or damage that the Company or Flamingo suffers as a result of such a system failure.

Any damage to, or failure of, Flamingo's key systems can result in disruption to Flamingo's ability to operate its business. Such disruptions have the potential to reduce Flamingo's ability to generate revenue, impact customer service levels and damage Flamingo's brand. This could adversely affect Flamingo and the Company's ability to generate new business and cause it to suffer financial loss.

(l) Dependence on the internet

Expanding subscriptions of the Flamingo Platform and other future developed products depends on the continued acceptance of the internet as a communications and commerce platform for individuals and enterprises. The internet could become less viable as a business tool due to delays in the development or adoption of new standards and protocols to handle increased demands of internet activity, security, reliability, cost, ease-of-use, accessibility and quality-of-service.

The performance of the internet and its acceptance as a business tool have been harmed by "viruses", "worms" and similar malicious programs, and the internet has experienced a variety of outages and other delays as a result of damage to portions of its infrastructure. If for any reason the internet does not remain a widespread communications medium and commercial platform, the demand for the Company's products would be significantly reduced, which would harm its business.

(m) Security breaches and hacker attacks

A malicious attack on Flamingo's products, systems, processes or people from external or internal sources could put the integrity and privacy of customers' data and business systems used by Flamingo at risk.

The impact of loss or leakage of customer or business data could include costs for rebates, potential service disruption, litigation and brand damage, resulting in reduced or failing revenues.

Flamingo follows best practice in relation to security policies, procedures, automated and manual protection, encryption systems and staff screening to minimise risks.

Flamingo relies upon the availability of its website to attract new customers. Hackers could render the website unavailable through a disrupted denial of service or other disruptive attacks. Unavailability of the website could lead to a loss of revenues for the Company. Further, it could hinder the Company's abilities to retain existing customers or attract new customers, which could have an adverse impact on the Company's growth.

(n) Domain name risk

Flamingo's business depends to some extent on customers being attracted to its website. Flamingo, via Dr Wallace, has registered several domain names. Should the Company not renew or otherwise lose control of the Flamingo domain names, it would lose all website traffic direct to that domain. This would likely adversely affect the Company's potential to earn revenue.

(o) Attracting end customers websites

The Company's revenues will be affected by the ability of Flamingo's clients to attract customers to their websites which utilise the Flamingo Platform.

Various factors can affect the level of web traffic arriving at those websites, including:

- (i) Marketing and promotions: If Flamingo clients' marketing and promotion efforts are not effective this may result in fewer 'conversions', meaning less revenue is generated for Flamingo.
- (ii) Brand damage: If the Company, Flamingo or Flamingo's clients suffer from reputational damage, web traffic could be affected.

(p) Liability claims

Flamingo may be exposed to liability claims if its products or services are provided in fault and/or cause harm to its customers (for example, if there was a data breach). As a result, Flamingo may have to expend significant financial and managerial resources to defend against such claims. If a successful claim is made against Flamingo, Flamingo may be fined or sanctioned and its reputation and brand may be negatively impacted, which could materially and adversely affect its reputation, business prospects, financial condition and results of operation.

(q) Customer service risk

Clients may need to engage with Flamingo's personnel in certain circumstances, such as if they have a question about the services or if there is a dispute between a client and Flamingo. Flamingo needs to recruit and retain staff with interpersonal skills sufficient to respond appropriately to customer services requests. Poor customer service experiences may result in the loss of customers. If Flamingo loses key customer service personnel, fails to provide adequate training and resources for customer service personnel, this could lead to adverse publicity, litigation, regulatory inquiries and/or a decrease in customers, all of which may negatively impact on Flamingo's revenue.

(r) Reputational risk

Flamingo operates in an online and fast-changing environment. Negative publicity can spread quickly, whether true or false. Disgruntled users posting negative comments about the businesses in public forums may have a disproportionate effect on Flamingo's reputation and its ability to earn revenues and profits. Additionally, complaints by such users can lead to additional regulatory scrutiny and a consequential increased compliance burden in responding to regulatory enquiries. This could negatively impact upon Flamingo's profitability.

(s) Acquisitions

As part of its business strategy, the Company may make acquisitions of, or significant investments in, companies, products, technologies and/or products that are complementary to Flamingo's business. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies, products and technologies, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving the sales and margins anticipated and retaining key staff and customer and supplier relationships.

Tre8tek Prospectus

5.3 Market Risks

(a) Additional requirements for capital

The funds raised under the Offers are considered sufficient to meet the immediate objectives of the Company. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operations plans in the future (including in relation to Flamingo) to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. Further additional financing will be required if the Board determines to accelerate the development of the Company's technology.

The Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of their activities and potential research and development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(b) Regulatory risks

The Company will incur ongoing costs and obligations associated with compliance with necessary regulations. Any failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions on the Company's proposed business operations. In addition, changes in regulations could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company.

The Company's ability to operate in the future will depend in part on whether it is able to effectively commercialise its potential interests in products. This will depend on successful completion of product development activities, obtaining regulatory approval and on there being commercial demand for such products which cannot be guaranteed.

(c) Reinstatement to ASX's Official List

The Company's Shares are currently suspended from trading on the ASX. In the event the Essential Resolutions are approved at the Meeting, it is anticipated that the Company's Securities will remain suspended until completion of the Acquisition and Offers, re-compliance by the Company with Chapters 1 and 2 of the Listing Rules and compliance with any further conditions ASX imposes on such reinstatement. There is a risk that the Company will not be able to satisfy one or more of those requirements, or that ASX policy with respect to reinstatement may be amended and that its quoted Securities may consequently remain suspended from quotation.

5.4 General risks

(a) Foreign exchange risks

The Company will have costs and expenses in the US. Accordingly, the depreciation and/or the appreciation of the US dollar relative to the

Cre8tek Prospectus

Australian dollar would result in a translation loss on consolidation which is taken directly to shareholder equity. Any depreciation of the US dollar relative to the Australian dollar may result in lower than anticipated revenue, profit and earning. The Company could be affected on an ongoing basis by foreign exchange risks between the Australian dollar and the US dollar, and will have to monitor this risk on an ongoing basis.

(b) Economic

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business activities and potential research and development programmes, as well as on their ability to fund those activities.

(c) Force majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(d) Insurance risks

The Company intends to insure its operations and those of Flamingo (as required) in accordance with industry practice. However, in certain circumstances, such insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company affected.

(e) Litigation risks

The Company is exposed to possible litigation risks including, but not limited to, intellectual property and patent claims. Further, the Company or Flamingo may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company and Flamingo are not currently engaged in any litigation.

(f) Dependence on outside parties

The Company may pursue a strategy that forms strategic business relationships with other organisations in relation to potential products and services. There can be no assurance that the Company will be able to attract such prospective organisations and to negotiate appropriate terms and conditions with these organisations or that any potential agreements with such organisations will be complied with.

(g) Market conditions

Share market conditions may affect the value of the Company's quoted Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;

- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and technology stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return to security holders arising from the transactions the subject of this Prospectus or otherwise.













38 Station Street Subiaco, WA 6008 PO Box 700 West Perth WA 6872

13 September 2016

The Directors Cre8tek Limited 108 Outram Street West Perth, WA 6005

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT

Introduction 1.

BDO Corporate Finance (WA) Pty Ltd ('BDO') has been engaged by Cre8tek Limited ('CR8' or 'the Company') to prepare this Investigating Accountant's Report ('Report') in relation to the historical financial information and pro forma historical financial information of CR8, for inclusion in the Prospectus. The Prospectus is required under Australian Securities Exchange ('ASX') listing requirements for CR8 to re-comply with Chapters 1 and 2 of the ASX Listing Rules, as a result of the Company executing an agreement to acquire 100% of the issued capital of Flamingo Customer Experience Inc. ('Flamingo') ('the Acquisition').

Broadly, the Prospectus will offer the following:

- a) an offer of 75,000,000 Shares at an issue price of \$0.04 each to raise \$3,000,000 before costs, with a minimum subscription of \$3,000,000 ('Public Offer');
- b) an offer of 272,727,273 Shares in the Company and 272,727,273 Performance Shares to the Vendors of Flamingo for the acquisition of all shares in Flamingo by the Company ('Consideration Offer');
- c) an offer of 13,286,364 Shares and 7,150,000 Performance Shares to the Facilitator ('Facilitation Offer'); and
- an offer of 6,567,382 Options to certain employees of Flamingo ('Employee Offer'), (together, ('the Offers').

Expressions defined in the Prospectus have the same meaning in this Report. BDO Corporate Finance (WA) Pty Ltd ('BDO') holds an Australian Financial Services Licence (AFS Licence Number 316158).

This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the financial information to which it relates for any purpose other than that for which it was prepared.

Scope

You have requested BDO to perform a review engagement in relation to the historical and proforma historical financial information described below and disclosed in the Prospectus.

The historical and pro forma historical financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

Historical Financial Information

You have requested BDO to review the following historical financial information (together the 'Historical Financial Information') included in the Prospectus:

- CR8's reviewed historical Consolidated Statement of Financial Position as at 31 March 2016 and audited historical Consolidated Statement of Financial Position as at 30 June 2015 and 30 June 2014;
- CR8's reviewed historical Consolidated Statement of Profit or Loss and Other Comprehensive Income for the three months ended 31 March 2016 and half year ended 31 December 2015, and audited historical Consolidated Statement of Profit or Loss and Other Comprehensive Income for the years ended 30 June 2015 and 30 June 2014;
- Flamingo's audited historical Consolidated Statement of Financial Position as at 31 March 2016, 30 June 2015 and 30 June 2014; and
- Flamingo's audited historical Consolidated Statement of Profit or Loss and Other Comprehensive Income for the nine months ended 31 March 2016, and years ended 30 June 2015 and 30 June 2014.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies.

The Historical Financial Information of CR8 has been extracted from Management accounts for the three months ended 31 March 2016, the financial report for the half year ended 31 December 2015 and the financial report for the year ended 30 June 2015. The Management accounts for the three months ended 31 March 2016 were reviewed by BDO in accordance with the Australian Auditing Standards. The financial reports for the half year ended 31 December 2015 and year ended 30 June 2015, were reviewed and audited by Ernst & Young in accordance with the Australian Auditing Standards, respectively.

Ernst & Young issued a qualified review conclusion on the financial report for the half year ended 31 December 2015, citing

- -That the Directors of CR8 identified that they did not have oversight or control over the consolidated entity's reporting system at any time prior to 28 October 2015 (the date the consolidated entity exited from administration).
- Ernst & Young audited the financial statements of the consolidated entity for the financial year ended 30 June 2015 and in their audit report dated 7 December 2015 expressed a disclaimer of opinion on that financial report. Since opening balances of assets and liabilities affect the

determination of the consolidated entity's financial performance for the half year-ended 31 December 2015, they were unable to determine whether adjustments to the results of operations for the half-year ended 31 December 2015 were necessary.

- The current Board of Cre8tek Limited has not been able to source and provide to Ernst & Young certain books and records of the company for the period 1 July 2015 to 28 October 2015. Without access to this documentation, they were unable to obtain sufficient appropriate review evidence for the measurement, occurrence, completeness and disclosures relating to revenues, expenses and cash flows of Cre8tek Limited as reflected in the financial statements for the period ended 31 December 2015.
- The current Board of Cre8tek Limited has not been able to source and provide to Ernst and Yong books and records of the company's subsidiaries for the period 1 July 2015 to 5 October 2015 (the date the subsidiaries were transferred to the creditors trust). Under Australian Accounting Standards, the financial information of the subsidiaries for the period 1 July 2015 to 5 October 2015 is required to be consolidated. Had the financial information of the subsidiaries been consolidated, the financial performance and cash flows of the consolidated entity for the half-year ended 31 December 2015 reflected in the financial report may have been materially affected. The effects on the financial report of the failure to consolidate the subsidiaries' performance for 1 July 2015 to 5 October 2015 as they impact the consolidated entity for the half-year ended 31 December 2015 have not been able to be determined.

For the year ended 30 June 2015 financial report, Ernst and Young were unable to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion and accordingly, did not express an audit opinion on the financial report.

Furthermore, Ernst and Young included an emphasis of matter in the audit report, which outlined the existence of a material uncertainty about the consolidated entity's ability to continue as a going concern and therefore, being unable to realise its assets and discharge its liabilities in the normal course of business.

Pro Forma Historical Financial Information

You have requested BDO to review the following pro forma historical financial information ('the Pro Forma Historical Financial Information') included in the Prospectus:

the pro forma historical Statement of Financial Position of CR8 as at 31 March 2016.

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information, after adjusting for the effects of the subsequent events described in Section 6 of this Report and the pro forma adjustments described in Section 7 of this Report. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in Section 7 of this Report, as if those events or transactions had occurred as at the date of the Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position or financial performance.

The Pro Forma Historical Financial Information has been compiled by the Company to illustrate the impact of the events or transactions described in Section 6 and Section 7 of the Report on CR8's financial position as at 31 March 2016. As part of this process, information about CR8's financial position has been extracted by the Company from CR8's financial statements for the nine months ended 31 March 2016.

3. Directors' responsibility

The Directors of CR8 are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the Directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

4. Our responsibility

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.

Our review procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

5. Conclusion

Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in the Appendices to this Report, and comprising:

- CR8's reviewed historical Consolidated Statement of Financial Position as at 31 March 2016;
- CR8's reviewed historical Consolidated Statement of Profit or Loss and Other Comprehensive Income for the three months ended 31 March 2016;
- Flamingo's audited historical Consolidated Statement of Financial Position as at 31 March 2016, 30 June 2015 and 30 June 2014; and
- Flamingo's audited historical Consolidated Statement of Profit or Loss and Other Comprehensive Income for the nine months ended 31 March 2016, and years ended 30 June 2015 and 30 June 2014,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

Pro Forma Historical Financial information

Based on our review engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information, as described in the Appendices to this Report, and comprising:

the pro forma historical Statement of Financial Position of CR8 as at 31 March 2016,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

6. Subsequent Events

The pro forma statement of financial position reflects the following event that occurred subsequent to 31 March 2016:

• Since 1 April 2016, Flamingo has received an additional \$146,000 in loans from Meerkat 31 Pty Ltd ('Meerkat'). As at the date of our Report, the total loan amount outstanding is \$286,000 ('Meerkat Loans').

Apart from the matters dealt with in this Report, and having regard to the scope of this Report and the information provided by the Directors, to the best of our knowledge and belief no other material transaction or event outside of the ordinary business of CR8 or Flamingo, not described above, has come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

7. Assumptions Adopted in Compiling the Pro forma Statement of Financial Position

The pro forma historical Statement of Financial Position is shown in Appendix 2. This has been prepared based on the financial statements as at 31 March 2016, the subsequent events set out in Section 6, and the following transactions and events relating to the issue of Shares under this Prospectus:

- The issue of 75,000,000 Shares at an issue price of \$0.04 each to raise \$3,000,000 before costs, with a minimum subscription of \$3,000,000, pursuant to the Public Offer under the Prospectus;
- Costs of the Public Offer are estimated to be \$429,532 based on the minimum subscription, which are to be offset against contributed equity;
- The issue of the 272,727,273 Shares and 272,727,273 Performance Shares to the Vendors of Flamingo for the acquisition of all shares in Flamingo under the Consideration Offer. Currently there are no reasonable grounds in which to assess the likelihood of the performance milestones being met, resulting in the conversion of the Performance Shares. Therefore, no adjustments have been made to the pro forma statement of financial position based on the issue of any Performance Shares;
- Prior to reinstatement of the Company's securities to the ASX, the Company will repay the Meerkat Loans of \$286,000;
- Transaction costs not associated with the Public Offer are estimated to be \$171,567,
 which are to be expensed through accumulated losses;
- The issue of 13,286,364 Shares and 7,150,000 Performance Shares to the Facilitators under the Facilitation Offer. The Shares issued under the Facilitation Offer have been valued at \$0.04 each. Currently there are no reasonable grounds in which to assess the likelihood of the performance milestones being met, resulting in the conversion of the Performance Shares. Therefore, no adjustments have been made to the pro forma statement of financial position based on the issue of any Performance Shares;

• The issue of 6,567,382 Options, each with an exercise price of \$0.029 and an expiry date of five years after the date of issue, pursuant to the Employee Offer. These Options have been valued using the Black-Scholes valuation model.

8. Independence

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the Offers other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received. BDO Audit (WA) Pty Ltd is the auditor of Flamingo and from time to time, BDO provides Flamingo with certain other professional services for which normal professional fees are received.

9. Disclosures

This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 2 of this Report, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully

BDO Corporate Finance (WA) Pty Ltd

All Algen

Adam Myers

Director

APPENDIX 1
CRE8TEK LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Cre8tek Limited Consolidated Statement of Profit or Loss and Other Comprehensive Income	Reviewed for the three months ended 31-Mar-16 S	Reviewed for the half year ended 31-Dec-15 S
Income	· ·	
Other Income	3,326,732 3,326,732	3,319,184 3,319,184
Expenditure	3,320,732	3,317,104
Directors' fees	(18,000)	-
Share register expense	(53,606)	(36,449)
Lease operating expenses	(7,500)	-
Technology expense	(61,755)	-
Legal and professional fees	(55,872)	(43,105)
Management fees	(45,000)	-
Secretarial and listing expenses	(51,366)	(31,268)
Share based payment expense	(1,654,376)	(1,654,376)
Other expenses	(19,294)	(5,575)
	(1,966,769)	(1,770,773)
Profit before income tax	1,359,963	1,548,411
Income tax expense	-	-
Profit for the period	1,359,963	1,548,411
Total comprehensive income for the period	1,359,963	1,548,411

	Audited for the nine months to
Flamingo Customer Experience Inc.	31-Mar-16
Consolidated Statement of Profit or Loss and Other Comprehensive Income	\$
Income	
Revenue	486,377
	486,377
Expenditure	
Research and development costs	(451,943)
Sales and marketing costs	(318,778)
General and administration cost	(932,335)
Depreciation and amortisation expense	(104,002)
Other expenses	(36,941)
	(1,843,999)
Loss before income tax	(1,357,622)
Income tax expense	-
Loss for the period	(1,357,622)
Total comprehensive income for the period	(1,357,622)

The above consolidated statements of profit or loss and other comprehensive income shows the historical financial performance of CR8 and Flamingo, and is to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 3 and the prior year financial information set out in Appendix 4. Past performance is not a guide to future performance.

APPENDIX 2

CRE8TEK LIMITED

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		CR8				
		Reviewed as	Flamingo			Pro forma
		at	Audited as at	Subsequent	Pro forma	after Public
		31-Mar-16	31-Mar-16	events	adjustments	Offer
	Notes	\$	\$	\$	\$	\$
CURRENT ASSETS						
Cash and cash equivalents#	2	2,833,736	135,738	146,000	2,112,901	5,228,375
Trade and other receivables		42,227	508,448	-	-	550,675
Prepayments		28,206	-	-	-	28,206
TOTAL CURRENT ASSETS		2,904,169	644,186	146,000	2,112,901	5,807,256
NON-CURRENT ASSETS						
Development assets		50,000	-	-	-	50,000
Property, plant and			33,336			33,336
equipment		-	33,330	-	-	33,330
Other assets		-	499,023	-	-	499,023
TOTAL NON-CURRENT ASSETS	_	50,000	532,359	-	-	582,359
TOTAL ASSETS	•	2,954,169	1,176,545	146,000	2,112,901	6,389,615
CURRENT LIABILITIES						
Trade and other payables		48,321	278,217	_	-	326,538
Borrowings	3	· -	140,000	146,000	(286,000)	· -
Provisions		-	34,366	· -	-	34,366
Other financial liabilities		19,600	· -	-	-	19,600
TOTAL CURRENT LIABILITES	•	67,921	452,583	146,000	(286,000)	380,504
TOTAL LIABILITIES	•	67,921	452,583	146,000	(286,000)	380,504
NET ASSETS/(LIABILITES)	:	2,886,248	723,962	-	2,398,901	6,009,111
EQUITY						
Share capital	4	220,279,667	3,594,442	_	(208,332,143)	15,541,966
Reserves	5	3,790,892	64,465	_	(3,790,892)	64,465
Accumulated losses	6	(221,184,311)	(2,934,945)	_	214,521,936	(9,597,320)
TOTAL EQUITY		2,886,248	723,962	-	2,398,901	6,009,111

[#]The cash and cash equivalents balance above does not account for working capital spent during the period from 1 April 2016 until completion of the Acquisition. From 1 April 2016 to completion, the Company and Flamingo have estimated combined working capital requirements of approximately \$1,050,731, which excludes transaction costs and costs of the Public Offer already included in the pro forma adjustments.

The above pro forma consolidated statement of financial position after the Offers is as per the consolidated statement of financial position before the Offers, adjusted for any subsequent events and the transactions relating to the issue of shares pursuant to this Prospectus. The consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 3 and the prior year financial information set out in Appendix 4.

APPENDIX 3

CRE8TEK LIMITED

NOTES TO AND FORMING PART OF THE HISTORICAL FINANCIAL INFORMATION

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the historical financial information included in this Report have been set out below.

Basis of preparation of historical financial information

The historical financial information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements of the Australian equivalents to International Financial Reporting Standards ('AIFRS'), other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

Statement of Compliance

The historical financial information has been prepared in accordance with Australian Accounting Standards ('AASBs') (including Australian interpretations) adopted by the Australian Accounting Standard Board ('AASB') and the Corporations Act 2001 where possible (refer to Incomplete records note (ii)). The financial statements have been prepared on an accruals basis and are based on historical costs.

Incomplete records

- i. The historical financial reports for the year ended 30 June 2015 and the interim report for the period ending 31 December 2015 were prepared by Directors who were appointed on or after 28 October 2015. As such, the Directors did not have control of the company until the effectuation of the deed of company arrangement on 28 October 2015.
- ii. Prior to 28 October 2015, the current Directors did not have oversight or control over the Company's financial reporting systems including but not limited to being able to obtain access to complete accounting records of the Company. To prepare the historical financial reports for the year ended 30 June 2015 and the interim report for the period ending 31 December 2015 the Directors have reconstructed the financial records of the company for the period 1 July 2014 to 28 October 2015 using data extracted from the Company's accounting system. However, there may have been information that the current Directors were not been able to obtain, the impact of which may or may not have been material on the financial performance for the period ended 31 March 2016.
- iii. The current Directors have not been able to source books and records of the Company's subsidiaries up to 5 October 2015 when the ownership of the subsidiaries was transferred to the creditors' trust. The financial information of the Company's subsidiaries had been deconsolidated in the year ended 30 June 2014.

Consequently, although the Directors have prepared the historical financial reports for the half year ended 31 December 2015 and 30 June 2015 to the best of their knowledge based on the information made available to them, they were of the opinion that it was not possible to state that these financial reports have been prepared in accordance with Australian Accounting Standards including Australian interpretations, other authoritative pronouncements of the Australian Accounting Standard Board and the Corporations Act 2001, nor was it possible to state

these historical financial reports gave a true and fair view of the Group's financial performance for the half-year ended 31 December 2015 or the year ended 30 June 2015.

Going Concern

The historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

Should the Acquisition proceed, the ability of the Company to continue as a going concern is dependent on the success of the fundraising under the Prospectus. If the fundraising is unsuccessful, the Acquisition will not proceed and the Directors believe that the Company will continue as a going concern. As a result the financial information has been prepared on a going concern basis. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

Reporting Basis and Conventions

The report is also prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the Parent Flamingo Customer Experience Inc. and all of the subsidiaries (including any structured entities). Subsidiaries are entities the Parent controls. The Parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Inter-company transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as 'Non-controlling Interests'. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

b) Income Tax

The income tax expense (income) for the period comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside the profit and loss when the tax relates to items that are recognised outside the profit and loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale. When an investment property that is depreciable is held by the entity in a business model whose objective is to consume substantially all of the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to

a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(j) for details of impairment).

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Assets Depreciation Rate

Plant and equipment Between 25% & 33.33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

d) Intangible Assets

Internally developed software

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development
- The ability to use the intangible asset generated

Costs that are directly attributable include employee costs incurred on software development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised

over the period of expected future benefit. As at 31 March 2016, no intangible assets were considered to be available for use.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in the profit or loss with other income or other expenses.

e) Employee Benefits

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

g) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue relating to government grants is recorded on an accrual basis. It is accrued in the period relating to which the relevant authority has a definite legal obligation to provide the grant. All grants presented have actually been received as cash as of the date of this report.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of goods and services tax.

h) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

i) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

j) Goods and Services Tax ('GST')

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office ('ATO').

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

k) Share based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in Note 16

The Company operates a share ownership plan. Share based-payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods.

That cost is recognised as a shared based payment expense on the face of the profit and loss, together with a corresponding increase in equity (other capital reserves), over the period in which the service conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

	Reviewed as at 31-Mar-16	Pro forma after Public Offer
NOTE 2. CASH AND CASH EQUIVALENTS	\$	Ş.,
Cash and cash equivalents	2,833,736	5,228,375
Reviewed balance of CR8 at 31 March 2016		2,833,736
Audited accounts of Flamingo at 31 March 2016		135,738
Subsequent events:		
Drawdown on Meerkat Loans	_	146,000
		146,000
Pro forma adjustments:		
Proceeds from shares issued under the Public Offer		3,000,000
Costs of the Public Offer		(429,532)
Transaction costs		(171,567)
Repayment of Meerkat Loans	_	(286,000)
		2,112,901
Pro forma Balance	•	5,228,375

[#]The cash and cash equivalents balance above does not account for working capital spent during the period from 1 April 2016 until completion of the Acquisition. From 1 April 2016 to completion, the Company and Flamingo have estimated combined working capital requirements of approximately \$1,050,731, which excludes transaction costs and costs of the Public Offer already included in the pro forma adjustments.

	Reviewed as at 31-Mar-16	Pro forma after Public Offer
NOTE 3. BORROWINGS	\$	\$
Cash and cash equivalents	-	-
Reviewed balance of CR8 at 31 March 2016		-
Audited accounts of Flamingo at 31 March 2016		140,000
Subsequent events:		
Drawdown on Meerkat Loans	_	146,000
		146,000
Pro forma adjustments:		
Repayment of Meerkat Loans	_	(286,000)
		(286,000)
Pro forma Balance	- -	-

NOTE 4. SHARE CAPITAL	Reviewed as at 31-Mar-16 \$	Pro forma after Public Offer \$
Share capital	220,279,667	15,541,966
	Number of shares	s
Fully paid ordinary share capital of CR8 at 31 March 2016	234,426,409	220,279,667
Fully paid ordinary share capital of Flamingo at 31 March 2016		3,594,442
	234,426,409	223,874,109
Pro forma adjustments:		
Proceeds from shares issued under this Prospectus	75,000,000	3,000,000
Costs of the Public Offer	-	(429,532)
Issue of Shares under the Consideration Offer	272,727,273	9,377,056
Issue of Shares under the Facilitation Offer	13,286,364	531,455
Issue of Shares under the Facilitation Offer deemed cost of the Offer	-	(531,455)
Elimination of CR8's share capital upon Acquisition		(220,279,667)
	361,013,637	(208, 332, 143)
Pro forma Balance	595,440,046	15,541,966

Following the Offers, the Company will also have the following contingent share rights on issue:

		Vesting
Contingent share rights on issue following the Offers	Number	conditions
Performance Shares		
Performance Shares on issue prior to the Offers	nil	
Performance Shares issued pursuant to the Offers		
Class A	93,292,425	Note a)
Class B	93,292,424	Note b)
Class C	93,292,424	Note c)
Total Performance Shares on issue following the Offers	279,877,273	
Performance Rights		
Performance Rights on issue prior to the Offers	30,000,000	Note d)
Total Performance Rights on issue following the Offers	30,000,000	
Options		
Options on issue prior to the Offers	75,475,453	Note e)
Employee Options to be issued under the Employee Offer	6,567,382	Note f)
Total Options on issue following the Offers	82,134,568	

Notes

- a) Class A Performance Shares will convert into Shares on a 1:1 basis if Flamingo executes a legally binding master services agreement ('MSA') and completes a security audit with a Substantial US Corporation and either:
 - i. The MSA remains valid, binding and enforceable for at least 12 months after its execution; or
 - ii. The Flamingo Platform technology is applied in another business vertical of the Substantial US Corporation outside any business unit where the technology is being trialled.
- b) Class B Performance Shares will convert into Shares on a 1:1 basis if Flamingo achieves \$13,000,000 in revenue in any 12 month period within 36 months of completion of the Acquisition.
- c) Class C Performance Shares will convert into Shares on a 1:1 basis if Flamingo achieves \$28,000,000 in revenue in any 12 month period within 36 months of completion of the Acquisition.
- d) Comprised three tranches of Performance Rights which vest over three equal portions on achievement of a 10 day volume weighted average price ('VWAP') share price of \$0.03, \$0.04 and \$0.05 respectively. Held by existing Directors Messrs Hardcastle, Ismail and Bahen in equal portions. Escrowed until 5 February 2018.

- e) Comprised the following unquoted Options:
 - i. 25,000,000 Options exercisable at \$0.02 each and expiring 4 November 2019 (escrowed until 5 February 2018);
 - ii. 50,000,000 Options exercisable at \$0.03 each and expiring 5 February 2019 (escrowed until 5 February 2018); and
 - iii. Legacy Options on issue prior to the Company's release from voluntary administration on 28 October 2015, comprising the following:
 - 98,000 Options exercisable at \$6.00 each and expiring 18 September 2016;
 - 88,705 Options exercisable at \$5.00 each and expiring 22 December 2016;
 - 221,056 Options exercisable at \$3.00 each and expiring 5 February 2018; and
 - 67,692 Options exercisable at \$6.00 each and expiring 5 February 2018.
- f) Unquoted Employee Options exercisable at \$0.029 each and expiring five years from the date of issue. The holder must remain an employee of the Company (or subsidiary of the Company), up to and including the one year anniversary of the date that the existing Flamingo options were granted ('Initial Vesting Date'), and then on relevant subsequent vesting dates as set out below:

Vesting dates	Number of Options that will vest
At the Initial Vesting Date	1/3 of the total Options held by the holder
Each full month after the Initial Vesting Date until all Options have been vested	1/36 of the total Options held by the holder

	Reviewed as at 31-Mar-16	Pro forma after Public Offer
NOTE 5. RESERVES	31-Mar-16 \$	\$
Reserves	3,790,892	64,465
Reviewed balance of CR8 at 31 March 2016		3,790,892
Audited accounts of Flamingo at 31 March 2016		64,465
Pro forma adjustments:		
Elimination of CR8's reserves upon Acquisition		(3,790,892)
	·	(3,790,892)
Pro forma Balance	-	64 465
Pro forma Balance	<u>-</u>	64,465

	Reviewed as at 31-Mar-16	Pro forma after Public Offer
NOTE 6. ACCUMULATED LOSSES	\$	\$
Accumulated losses	(221,184,311)	(9,597,320)
Reviewed balance of CR8 at 31 March 2016 Audited accounts of Flamingo at 31 March 2016		(221,184,311) (2,934,945)
Pro forma adjustments:		
Transaction costs		(171,567)
Amount recognised as ASX listing expense upon Acquisition		(6,490,808)
Elimination of CR8's accumulated losses upon Acquisition		221,184,311
		214,521,936
Pro forma Balance		(9,597,320)

NOTE 7. ACQUISITION ACCOUNTING

Provisional accounting for the Acquisition

A summary of the details pertaining to the proposed Acquisition as included in our Report is set out below. These details have been determined for the purposes of the pro forma adjustments as at 31 March 2016 and will require re-determination as at the successful acquisition date, which may result in changes to the values set out below.

Under the Acquisition, CR8 will acquire 100% of the issued capital in Flamingo by issuing a total of 272,727,273 ordinary shares to the Flamingo shareholders in proportion with their existing holdings in Flamingo.

Flamingo shareholders will obtain a controlling interest in CR8, equating to a controlling interest in the combined entity following the Acquisition. Flamingo has thus been deemed the acquirer for accounting purposes as its shareholders will own approximately 53.78% (272,727,273/507,153,682) of the consolidated entity (prior to the shares issued in relation to the Public Offer). The Acquisition of Flamingo by CR8 is not deemed to be a business combination as CR8 is not considered to be a business under AASB 3 *Business Combinations*.

As such the consolidation of these two companies is on the basis of the continuation of Flamingo, with no fair value adjustments, whereby Flamingo is deemed to be the accounting parent. Therefore the most appropriate treatment for the transaction is to account for it under AASB 2 Share Based Payments, whereby Flamingo is deemed to have issued shares to CR8 shareholders in exchange for the net assets held by CR8.

In this instance, the value of the CR8 Shares provided has been determined as the notional number of equity instruments that the shareholders of Flamingo would have to issue to CR8 in order to give the owners of CR8 the same percentage ownership in the combined entity. We have calculated this to be \$9,377,056.

The pre-Acquisition equity balance of CR8 are eliminated against this increase in share capital upon consolidation and the balance is deemed to be the amount paid for the ASX listing status of CR8, being \$6,490,808 and treated as a share based payment.

The net assets acquired and amount recognised as an ASX listing expense are as follows:

	Acquiree's carrying
	amount pre-Acquisition
NOTE 7. PROVISIONAL ACCOUNTING FOR THE ACQUISITION	\$
Net assets acquired:	
Cash and cash equivalents	2,833,736
Trade and other receivables	42,227
Prepayments	28,206
Development assets	50,000
Trade and other payables	(48,321)
Other financial liabilities	(19,600)
Net assets of CR8 at 31 March 2016	2,886,248
Fair value of CR8's consideration	9,377,056
Total net assets acquired on Acquisition	2,886,248
Amount recognised as ASX listing expense upon Acquisition	6,490,808

NOTE 8. RELATED PARTY DISCLOSURES

Transactions with Related Parties and Directors Interests are disclosed in the Prospectus.

NOTE 9. COMMITMENTS AND CONTINGENCIES

At the date of the report no material commitments or contingent liabilities exist that we are aware of, other than those disclosed in the Prospectus.

APPENDIX 4

CRE8TEK LIMITED

Cre8tek Limited	Audited for the year ended	Audited for the year ended
Consolidated Statement of Profit or Loss and Other Comprehensive	30-Jun-15 ¹	30-Jun-14 ²
Income	\$	\$
Income	· ·	
Revenue	457	101,275
-	457	101,275
Expenditure		
Administration expense	(45,985)	-
Salaries and employee benefits expense	(79, 167)	(1,248,938)
Lease operating expenses	-	(1,723,522)
Impairment expense	-	(2,546)
Loss on deconsolidation of subsidiaries	(138,959,347)	-
Legal and professional fees	(425,020)	(1,857,192)
Depreciation and amortisation expense	-	(30,894)
Increase in royalty payable resulting from measurement on a	-	(5,847,984)
realisation basis		
Secretarial and listing expenses	(103,800)	(397)
Finance costs	(146,356)	(7,424,229)
Share based payment expense	(1,658,942)	-
Other expenses	(51,757)	(579,225)
_	(141,470,374)	(18,714,927)
Loss before income tax	(141,469,917)	(18,613,652)
Income tax expense	-	
Loss for the period	(141,469,917)	(18,613,652)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	18,473,866	(3,106,627)
Other comprehensive loss for the year, net of tax	18,473,866	(3,106,627)
Total comprehensive loss for the year	(122,996,051)	(21,720,279)

¹ Refer to Note 1 Statement of Compliance in Appendix 3. For the year ended 30 June 2015 Ernst & Young issued a disclaimer of opinion.

 $^{^{\}rm 2}~$ For the year ended 30 June 2014 Grant Thornton issued a disclaimer of opinion.

APPENDIX 4 (CONTINUED)

CRE8TEK LIMITED

	Audited as at	Audited as at
Cre8tek Limited	30-Jun-15 ¹	30-Jun-14 ²
Consolidated Statement of Financial Position	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	53,208	232,404
Trade and other receivables	-	251,224
Plant and equipment	-	69,285
Oil and gas properties	-	167,728,769
Prepayments	-	-
Other current assets	<u>-</u>	1,126,584
TOTAL CURRENT ASSETS	53,208	169,408,266
NON-CURRENT ASSETS		
Development assets	<u> </u>	-
TOTAL NON-CURRENT ASSETS	<u>-</u>	-
TOTAL ASSETS	53,208	169,408,266
CURRENT LIABILITIES		
Trade and other payables	966,716	20,231,144
Borrowings	2,744,844	34,978,172
Provisions	-	662,933
Other financial liabilities	-	-
TOTAL CURRENT LIABILITES	3,711,560	55,872,249
TOTAL LIABILITIES	3,711,560	55,872,249
NET ASSETS	(3,658,352)	113,536,017
EQUITY		
Issued capital	216,497,117	213,084,239
Reserves	20,287,708	(574,961)
Accumulated losses	(240,443,177)	(98,973,260)
TOTAL EQUITY	(3,658,352)	113,536,018

¹ Refer to Note 1 Statement of Compliance in Appendix 3. For the year ended 30 June 2015 Ernst & Young issued a disclaimer of opinion.

² For the year ended 30 June 2014 Grant Thornton issued a disclaimer of opinion.

APPENDIX 4 (CONTINUED)

CRE8TEK LIMITED

Flamingo Customer Experience Inc. Consolidated Statement of Profit or Loss and Other Comprehensive Income	Audited for the year ended 30-Jun-15 \$	Audited for the year ended 30-Jun-14 \$
Income		
Revenue	711,681	156,745
	711,681	156,745
Expenditure		
Research and development costs	(1,116,437)	(378,162)
Sales and marketing costs	(167,695)	(69,700)
General and administration cost	(618,221)	(75,690)
Depreciation and amortisation expense	(1,646)	(1,029)
Other expenses	(16,879)	(290)
_	(1,920,878)	(524,871)
Loss before income tax	(1,209,197)	(368,126)
Income tax expense	-	<u>-</u>
Loss for the year	(1,209,197)	(368,126)
Total comprehensive income for the year	(1,209,197)	(368,126)

	Audited as at	Audited as at
Flamingo Customer Experience Inc.	30-Jun-15	30-Jun-14
Consolidated Statement of Financial Position	Ş	\$
CURRENT ASSETS		
Cash and cash equivalents	586,632	30,609
Trade and other receivables	698,508	143,400
TOTAL CURRENT ASSETS	1,285,140	174,009
NON-CURRENT ASSETS		
Property, plant and equipment	33,828	-
Other assets	-	-
TOTAL NON-CURRENT ASSETS	33,828	-
TOTAL ASSETS	1,318,968	174,009
CURRENT LIABILITIES		
Trade and other payables	200,794	47,693
Borrowings	-	-
Provisions	23,733	-
TOTAL CURRENT LIABILITES	224,527	47,693
TOTAL LIABILITIES	224,527	47,693
NET ASSETS	1,094,441	126,316
EQUITY		
Issued capital	2,669,442	494,442
Share options reserve	-	-
Foreign currency translation reserve	2,322	-
Retained earnings	(1,577,323)	(368,126)
TOTAL EQUITY	1,094,441	126,316

APPENDIX 4 (CONTINUED)

CRE8TEK LIMITED

	Reviewed for the 3 months ended 31-Mar-16	Audited for the year ended 30-Jun-15 ¹	Audited for the year ended 30-Jun-14 ²
Cre8tek Limited Consolidated Statement of Cash Flows	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	-	-	95,062
Payments to suppliers and employees	(294,996)	(622,870)	(4,455,288)
Interest Received	7,548	457	6,213
Interest and other costs of finance paid		-	(61,650)
Net cash used in operating activities	(287,448)	(622,413)	(4,415,663)
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditure on oil and gas projects	-	-	(3,903,582)
Expenditure on plant and equipment	-	-	(65,058)
Deposit guarantees (acquired)/realised	-	-	10,611
Net cash from investing activities	-	-	(3,958,029)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of equity instruments	271,000	-	438,434
Capital raising costs	(285,944)	-	-
Proceeds from borrowings	-	1,392,399	250,000
Repayment of borrowings	(203,400)	(949,182)	(438,434)
Net cash from financing activities	(218,344)	443,217	250,000
Net (decrease) in cash and cash equivalents	(505,792)	(179,196)	(8,123,692)
Exchange rate changes on the balance held in foreign currencies	-	<u>-</u>	(247,275)
Cash and cash equivalents at the beginning of the financial period	3,339,528	232,404	8,603,372
Cash and cash equivalents at the end of the financial period	2,833,736	53,208	232,404

¹ Refer to Note 1 Statement of Compliance in Appendix 3. For the year ended 30 June 2015 Ernst & Young issued a disclaimer of opinion.

 $^{^{2}\,}$ For the year ended 30 June 2014 Grant Thornton issued a disclaimer of opinion.

	Audited for	Audited for	Audited for
	the nine	the year	the year
	months to	ended	ended
Flamingo Customer Experience Inc.	31-Mar-16	30-Jun-15	30-Jun-14
Consolidated Statement of Cash Flows	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	673,811	184,613	22,000
Payments to suppliers and employees	(1,587,172)	(1,766,504)	(488,853)
Net cash provided by/(used in) operating activities	(913,361)	(1,581,891)	(466,853)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(19,642)	(35,474)	-
Investment in intangible property	(582,891)	-	-
Net cash Provided by/(used in) investing activities	(602,533)	(35,474)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	925,000	2,175,000	494,442
Proceeds from borrowings	140,000	-	3,020
Repayment of borrowings		(1,612)	-
Net cash provided by/(used in) financing activities	1,065,000	2,173,388	497,462
Net increase/(decrease) in cash held	(450,894)	556,023	30,609
Cash and cash equivalents at beginning of financial period	586,632	30,609	-
Cash and cash equivalents at the end of financial period	135,738	586,632	30,609



7. Intellectual Property Experts' Reports



13 September 2016

The Directors Cre8tek Limited 108 Outram Street WEST PERTH WA 6005

Dear Directors

Intellectual Property Due Diligence for Cre8tek Limited for acquisition of Flamingo Customer Experience Inc

Introduction

- We have been instructed by Bellanhouse Legal acting for and on behalf of Cre8tek Limited to provide an intellectual property due diligence report in the acquisition of the issued capital of Flamingo Customer Experience Inc (Flamingo). We are advised that Flamingo's wholly owned Australian subsidiary, Flamingo Ventures Pty Ltd (FVPL), holds the intellectual property for the consolidated entity.
- 2. This report identifies:
 - 2.1 material intellectual property rights; and
 - 2.2 various intellectual property rights under development.
- 3. Our usual disclaimers are set out at paragraph 27, below.

Trade Marks

- 4. Trade marks are, in essence, statutory monopoly rights in a brand bestowed by trade mark registrars in various jurisdictions. Trade marks are important for a number of legal reasons, primarily because trade marks serve to protect the goodwill and reputation in a brand within a specific legal marketplace.
- 5. We have reviewed the documents provided and have also conducted a search of the Australian trade mark registry. Our investigations confirm that there are four trade marks in the name of FVPL, as set out in the table below.

Trade Mark	TM No.	Classes	Status.	Proprietor
FLAMINGO	1568851	9, 35 and 42	Registered	FVPL
CUSTOMERCREATE	1671531	9, 35 and 42	Registered	FVPL
JOURNEY ASSIST	1672131	9, 35 and 42	Under examination	FVPL
FLAMINGO CUSTOMER EXPERIENCE	1678705	9, 35 and 42	Under examination	FVPL

6. The trade mark applications for JOURNEY ASSIST and FLAMINGO CUSTOMER EXPERIENCE have both been provisionally refused. We have not been provided

Perth Office Ground Floor, 25 Richardson Street West Perth, Western Australia 6005 Geraldton Office 288 Foreshore Drive Geraldton, Western Australia 6530

t +61 8 9481 2040 f +61 8 9481 2041

e office@whlaw.com.au

t +61 8 9921 2344 f +61 8 9921 2243 e office@whlaw.com.au with copies of the official examination reports and are therefore not in a position to comment on the objections which could have been raised and which need to be overcome. However, in respect of trade mark applications encountering substantive objections from the Trade Marks Registrar, various options are available to overcome the objections or, in a worst case scenario, a reduced scope of protection can be achieved by refiling the trade mark applications but incorporating a distinctive logo.

7. A review of the website http://flamingo.io/ (Flamingo Website) shows use of a stylized version of the word FLAMINGO, as set out below, which is not registered but, in our view, would be protected be FVPL's trade mark number 1568851.



Domain Names

- 8. While the records provided to us list 'Flamingo' as the owner of the domain name www.flamingo.io, as this is not a legal entity (i.e., it is not registered to Flamingo Customer Experience Inc or Flamingo Ventures Pty Ltd) Catriona Wallace, founder and CEO of Flamingo, is the owner of the domain in trust for either Flamingo or FVPL.
- 9. We are instructed that the domain name will be legally assigned to Flamingo or to FVPL by Dr Wallace prior to any acquisition.

Patents

- 10. We have reviewed the documents provided which show that a patent appears to have been filed through the Patent Cooperation Treaty (**PCT**). We have also conducted patent searches in Australia.
- Our investigations show that a PCT application was filed under WO2016065417 entitled "CUSTOMER EXPERIENCE PERSONALISATION MANAGEMENT PLATFORM" (Platform) in the name of FVPL on 27 October 2015 claiming priority from a provisional US patent filed on 27 April 2014. The Australian office was the receiving office.
- 12. At this point in time, FVPL has no patent applications or registrations in Australia but it has until 27 April 2017 to choose the jurisdictions for national phase filings which, includes Australia. A national phase filing will protect the subject matter of the patent in Australia once processed by the Australian Patent Office. If the patent application is successful in the United States, then it is very likely to be successful in Australia and elsewhere.
- 13. A detailed report with respect to the US patent has been commissioned and will be included as a separate report from US firm Flynn, Thiel, Boutell & Tanis, P.C.

Copyright

14. Section 10 of the *Copyright Act 1968* (Cth) (**CA**) defines as "literary work" in the following way:

literary work includes:

- (a) a table, or compilation, expressed in words, figures or symbols; and
- (b) a computer program or compilation of computer programs.
- 15. Section 10 of the CA defines "computer program" as
 - a set of statements or instructions to be used directly or indirectly in a computer in order to bring about a certain result.
- 16. Having regard to these definitions, the Platform is protected by copyright.
- 17. In creating the Platform, Flamingo has used open source software.
- 18. Open source code used in the Platform, whether source or object code, will be subject to the terms of that particular code's licensing agreement.
- 19. Flamingo has used 14 different types of open source code in the creation of the Platform. As such, in providing the Platform to consumers, Flamingo will be required to adhere to the requirements of 14 licensing agreements.
- 20. The majority of the licensing requirements centre around providing consumers with a copy of the open source licence which attaches to the particular software, which includes:
 - 20.1 retaining the copyright notice of the software contributors;
 - retaining the disclaimer that the software is provided in an 'as is' state and is not subject to any warranties or liability;
 - 20.3 retaining any original legal notices within the software; and
 - 20.4 where the software has been modified, including notices setting out what has been modified.
- 21. This is, in our experience, typical of such licensing agreements.
- 22. We are instructed that the notice has been embedded in the relevant software code as required by the respective licences. We are instructed that, where required, others will be dealt with in the end user licence agreement (**EULA**) Flamingo intends to provide to end user consumers.
- 23. We are instructed that Flamingo's EULA follows industry practice and adheres to the open source licence requirements.
- 24. Copyright is not capable of registration in Australia. However, we are instructed that Flamingo or FVPL will apply to register copyright ownership in the United States, Taiwan and other target markets which permit copyright registration, at a future date.
- 25. We are instructed that all key personnel in Australia have signed an Intellectual Property agreement with FVPL.

Credentials

- 26. The author of this report is an Australian intellectual property lawyer who has:
 - 26.1 been in practice for 22 years, of which the last 15 years have been exclusively in the field of intellectual property law; and
 - 26.2 is experienced in the provision of intellectual property advice and has previously provided intellectual property due diligence reports in Australia and Hong Kong.

Disclaimer

- 27. This report is:
 - 27.1 not based on any strategic audit, which would propose a strategy for the intellectual property rights that is in line with the company's 5-year global strategy; to analyse the existing portfolio of intellectual property rights and identify discrepancies between the actual and the desired situation; to draw up a report with recommendation for actions (additional filings, withdrawals, changing of owner, central management, licensing systems, user guidelines for licensees, renewals, geographic expansions, and so forth);
 - 27.2 not an analysis of any part of the patent landscape relating to the technology forming part of the assets of Flamingo's, or FVPL's, business;
 - 27.3 to be considered solely in the context of the related prospectus.
- 28. This report has been prepared solely with reference to:
 - 28.1 books and records made available to us by Bellanhouse Legal and which we are instructed are accurate and complete;
 - 28.2 the Australian trade marks registry;
 - 28.3 domain name registry resources; and
 - 28.4 the Flamingo Website.

Yours sincerely

David Stewart

FLYNN, THIEL, BOUTELL & TANIS, P.C.

Terryence F. Chapman Liane L. Churney Eugene J. Rath III Marcus P. Dolce

Intellectual Property Law

David G. Boutell Sidney B. Williams, Jr. of Counsel

2026 Rambling Road Kalamazoo, MI 49008-1631 Telephone: 269-381-1156 Facsimile: 269-381-5465 E-Mail: mail@flynnthiel.com

August 29, 2016

VIA E-MAIL NO CONFIRMATION COPY

Mr. David Stewart
Williams + Hughes
Ground Floor
25 Richardson Street
WEST PERTH WA 6005
AUSTRALIA

RE: FREEDOM TO OPERATE OPINION ON CUSTOMER EXPERIENCE

PERSONALISATION MANAGEMENT PLATFORM

Your Ref: 29783

Our Ref: 5695.M0002US

Dear David:

Pursuant to your request of July 22, 2016, we have conducted a freedom to operate search on the invention described in the patent application entitled CUSTOMER EXPERIENCE PERSONALISATION MANAGEMENT PLATFORM in the name of Flamingo Ventures Pty Ltd.

In short, the unexpired U.S. patents uncovered during our search are not believed to present an infringement problem with respect to the proposed customer experience personalisation management platform. Our detailed discussion of the unexpired U.S. patents is provided below.

FLYNN, THIEL, BOUTELL & TANIS, P.C.

Mr. David Stewart August 29, 2016
Our Ref: 5695.M0002US Page 2

SUBJECT MATTER REVIEWED

The commercial embodiment of the proposed customer experience personalisation management platform is discussed in the patent application entitled CUSTOMER EXPERIENCE PERSONALISATION MANAGEMENT PLATFORM. Because a full description of the commercial embodiment of the proposed customer experience personalisation management platform is discussed in that patent application, we do not include a detailed discussion herein. However, we do note that we were informed that the proposed customer experience personalisation management platform will not include a feature wherein a customer can route their call past a speech recognition system to speak with a live attendant if the customer has co-created a desire to not use the speech recognition system (as outlined in paragraph [100] of the patent application.

THE LAW OF PATENT INFRINGEMENT AND VALIDITY

The scope of protection afforded a patent is determined by its claims. A claim comprises a list of steps or elements sometimes referred to as "limitations," which define the invention being claimed. A patent has at least one independent claim, and usually several dependent claims which refer back to one or more claims and incorporate every limitation of the claim(s) from which it depends. The general rule is that a dependent claim cannot be infringed when the independent claim from which it depends is not infringed.

A patent is infringed if at least one claim of the patent is infringed. A determination of whether or not a particular claim is infringed involves the following steps.

First, the claims must be construed, i.e., the meaning of the claim terms used must be determined. Claim terms are generally given their ordinary and customary meaning. In construing a claim, one should first look to the intrinsic evidence of record, i.e., the patent itself, including the claims, the

¹ Bell Atlantic Network Serv. Inc. v. Corad Commc's Group, 262 F.3d 1258, 1267 (Fed. Cir. 2001); Mas-Hamilton Group v. LaGard, Inc., 156 F.3d 1206, 1211 (Fed. Cir. 1998); Markman v. Westview Instr., Inc., 52 F.3d 967, 976 (Fed. Cir. 1995).

² Phillips v. AWH Corp., 415 F.3d 1303, 1312 (Fed. Cir. 2005).

Mr. David Stewart
Our Ref: 5695.M0002US

August 29, 2016 Page 3

specification, and the prosecution history. The general rule is that the words of a claim are given their ordinary meaning in the usage of the field of the invention unless the text of the patent makes it clear that a word has a special meaning. "In some cases, the ordinary meaning of claim language as understood by a person of skill in the art may be readily apparent even to lay judges, and claim construction in such cases involves little more than the application of the widely accepted meaning of commonly understood words.... In such circumstances, general purpose dictionaries may be helpful. In many cases that give rise to litigation, however, determining the ordinary and customary meaning of the claim requires examination of terms that have a particular meaning in a field of art. Because the meaning of a claim term as understood by persons of skill in the art is often not immediately apparent, and because patentees frequently use terms idiosyncratically, the court looks to 'those sources available to the public that show what a person of skill in the art would have understood disputed claim language to mean.' Those sources include 'the words of the claims themselves, the remainder of the specification, the prosecution history, and extrinsic evidence concerning relevant scientific principles, the meaning of technical terms, and the state of the art. $^{\prime\prime\prime}{}^{5}$ The specification is of special importance in claim construction.⁶

Although the importance of intrinsic evidence in claim construction has been emphasized, courts are also authorized to rely on extrinsic evidence, which "'consists of all evidence external to the patent and prosecution history, including expert and inventor testimony, dictionaries, and learned treatises.'... However, while extrinsic evidence 'can shed useful light on the relevant art,' ... 'it is less significant than the intrinsic record in determining "the legally operative meaning of claim language."

3

³ Bell Atlantic Network, 262 F.3d at 1267; Desper Prods., Inc. v. Qsound Labs, Inc., 157 F.3d 1325, 1338 (Fed. Cir. 1998); Phillips Petroleum Co. v. Huntsman Polymers Corp., 157 F.3d 866, 870 (Fed. Cir. 1998); Digital Biometrics, Inc. v. Identix, Inc., 149 F.3d 1335, 1343 (Fed. Cir. 1998); Vitronics Corp. v. Conceptronic, Inc., 90 F.3d 1576, 1582 (Fed. Cir. 1996).

4 See generally Phillips v. AWH Corp., 415 F.3d 1303, 1312 (Fed. Cir. 2005) (en banc); Toro Co. v. White Consol. Indus. Inc., 199 F.3d 1295, 1299 (Fed. Cir. 1999).

 $^{^{5}}$ Phillips v. AWH Corp., 415 F.3d 1303, 1314 (Fed. Cir. 2005) (en banc). 6 Id. at 1315-16.

⁷ Id. at 1317.

Mr. David Stewart August 29, 2016
Our Ref: 5695.M0002US Page 4

In construing a claim, a limitation should not be imported from the specification absent a clear disclaimer of claim scope. Such a disclaimer of claim scope must be a clear and unmistakable statement of disavowal.

Second, a determination is made as to whether or not there is literal infringement of the construed claim. If each limitation set forth in a claim is not literally found in the accused product or process, the claim is not literally infringed. 10 If one or more limitations of a claim are not literally found in the accused product or process, a patentee may still be able to carry the burden of proving infringement if it can be demonstrated that the accused device or process includes an element or step which is equivalent to the missing limitation. 11 Equivalence is a question of fact, reviewable under the clearly erroneous standard. ¹² An insubstantial change will lead to invocation of the doctrine of equivalents, while a substantial change will make the doctrine of equivalents inapplicable. 13 The test of whether differences are substantial or insubstantial rests on objective evidence demonstrating that the substitution represents a change that an ordinary artisan would have considered insubstantial at the time of infringement. 14 The application of the doctrine of equivalents is the exception, not

⁸ Gillette Co. v. Energizer Holdings, Inc., 405 F.3d 1367, 1375 (Fed. Cir. 2005).

Ocordis Corp. v. Medtronic AVE, Inc., 339 F.3d 1352, 1358 (Fed. Cir. 2003).
Signtech USA Ltd. v. Vutek Inc., 174 F.3d 1352, 1358 (Fed. Cir. 1999); Mas-Hamilton Group, 156 F.3d at 1211; Mannesmann Demag Corp. v. Engineered Metal Prods. Co., Inc., 793 F.2d 1279, 1282 (Fed. Cir. 1986); Stewart-Warner Corp. v. City of Pontiac, Michigan, 767 F.2d 1563, 1570 (Fed. Cir. 1985).
Warner-Jenkinson Co. v. Hilton Davis Chem. Co., 520 U.S. 17, 21 (1997); EMI Group North American, Inc. v. Intel Corp., 157 F.3d 887, 896 (Fed. Cir.

¹² Stryker Corp. v. Davol Inc. 234 F.3d 1252, 1258 (Fed. Cir. 2000); Hilton Davis Chemical Co. v. Warner-Jenkinson Co., 62 F.3d 1512, 1520-21 (Fed. Cir. 1995) (en banc), rev'd on other grounds, 520 U.S. 17 (1997).

¹³ Abbott Labs. v. Novopharm Ltd., 323 F.3d 1324, 1329 (Fed. Cir. 2003); Graver Tank & Mfg. Co., Inc. v. Linde Air Prod. Co., 339 U.S. 605, 607-08 (1950); Warner-Jenkinson, 520 U.S. at 17; EMI Group North American, 157 F.3d at 896; Ethicon Endo-Surgery, Inc. v. United States Surgical Corp., 149 F.3d 1309, 1315 (Fed. Cir. 1998).

¹⁴ BoehringerIngelheim Vetmedics Inc. v. Schering-Plough Corp., 320 F.3d 1339, 1351 (Fed. Cir. 2003); Graver Tank, 339 U.S. at 609; Warner-Jenkinson, 520 U.S. at 1052-53; Hilton Davis Chem., 62 F.3d at 1519.

Mr. David Stewart August 29, 2016 Our Ref: 5695.M0002US

the rule. 15 One way of establishing substantial similarity is to establish that the accused element performs substantially the same function, in substantially the same way, to achieve substantially the same result. However, mere conclusory, unsupported testimony that an accused device performs substantially the same function in substantially the same way to achieve substantially the same result will not suffice. 16 An equivalent of all of the claim elements which are not literally present in the accused device or method must be present in order for infringement to be found. Equivalence cannot be based on overall similarity between the claimed and accused structure if one or more claim elements are missing from the accused structure. 17

Page 5

The extent to which a claim limitation can be expanded by application of the doctrine of equivalents is strictly limited by any one or any combination of the following:

admissions, concessions and arguments made during the prosecution history to comply with requirements of the patent law, generally referred to as prosecution history estoppel; 18

¹⁵ Schoell v. Regal Marine Industries, Inc., 247 F.3d 1202, 1210 (Fed. Cir. 2001); Charles Greiner & Co., Inc. v. Mari-Med Mfg., Inc., 962 F.2d 1031, 1036 (Fed. Cir. 1992); London v. Carson Pirie Scott & Co., 946 F.2d 1534, 1538 (Fed. Cir. 1991); Semmler v. American Honda Motor Co., Inc., 990 F. Supp. 967, 975 (S.D. Ohio 1997).

¹⁶ Schoell, 247 F.3d at 1209-10; Comark Commc'n, Inc. v. Harris Group., 156 F.3d 1182, 1188 (Fed. Cir. 1998); Texas Instruments, Inc. v. Cypress Semiconductor Corp., 90 F.3d 1558, 1567 (Fed. Cir. 1996) ("Generalized testimony as to the overall similarity between the claims and the accused infringer's product or process will not suffice [to show infringement under the doctrine of equivalents]."); Malta v. Schulmerich Carillons, Inc., 952 F.2d 1320, 1326-27 (Fed. Cir. 1991).

¹⁷ Electro Scientific Indus. Inc. v. Dynamic Details Inc., 307 F.3d 1343, 1350 (Fed. Cir. 2002); Mas-Hamilton Group, 156 F.3d at 1212; London, 946 F.2d at 1538-39; Laitram Corp. v. Cambridge Wire Cloth Co., 863 F.2d 855, 856-57 (Fed. Cir. 1988); Pennwalt Corp. v. Durand-Wayland, Inc., 833 F.2d 931, 935 (Fed. Cir. 1987).

¹⁸ Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., 535 U.S. 722, 733-34 (2002); Warner-Jenkinson, 520 U.S. at 33-34; Townsend Eng'g Co. v. HiTec Co., Ltd, 829 F.2d 1086, 1090 (Fed. Cir. 1987); Mannesmann Demag, 793 F.2d at 1284; Loctite Corp. v. Ultraseal Ltd., 781 F.2d 861, 870 (Fed. Cir. 1985).

Mr. David Stewart August 29, 2016
Our Ref: 5695.M0002US Page 6

(2) statements in the patent itself as to the critical importance of a limitation;¹⁹

- (3) the scope and content of the prior art, in that the claims cannot be read so broadly as to cover devices in the prior art; 20 and
- (4) subject matter disclosed, but not claimed in a patent application is dedicated to the public, and cannot be found to be an equivalent.²¹

Prosecution history estoppel is an issue of law. 22 The legal standard for determining what subject matter was relinquished is an objective one, measured from the vantage point of what a competitor is reasonably entitled to conclude, from the prosecution history, that the applicant gave up to procure issuance of the patent. 23 Where no reason for a claim amendment is given, prosecution history estoppel will be presumed. 24 Prosecution history estoppel does not bar a finding of equivalence where an amendment cannot reasonably be viewed as surrendering a particular equivalent. In such cases, the burden is on the patentee to show that at the time of the amendment,

¹⁹ J&M Corp. v. Harley-Davidson, Inc., 269 F.3d 1360, 1366 (Fed. Cir. 2001) (statements in the patent that disclaim coverage of certain subject matters); Darwin & Milner, Inc. v. Kinite Corp., 72 F.2d 437, 439 (7th Cir. 1934); Pittsburgh Iron & Steel Foundries Co. v. Seaman-Sleeth Co., 248 F. 705, 717 (3d Cir. 1917).

Wilson Sporting Goods Co. v. David Geoffrey & Assoc., 904 F.2d 677, 683 (Fed. Cir. 1990); RYCO, Inc. v. AG-BAG Corp., 857 F.2d 1418, 1426 (Fed. Cir. 1988); Loctite Corp., 781 F.2d at 870; Aluminum Co. of America v. Thompson Prods., Inc., 122 F.2d 796, 799-800 (6th Cir. 1941); Darwin & Milner, 72 F.2d at 438; U.S. Philips Corp. v. National Micronetics Inc., 410 F. Supp. 449, 454 (S.D.N.Y. 1976), aff'd, 550 F.2d 716 (2d Cir. 1977).

²¹ Miller v. Bridgeport Brass, 104 U.S. 350, 352 (1881); Johnson & Johnson
Assoc. v. R.E. Service Co., Inc., 285 F.3d 1046, 1054 (Fed. Cir. 2002); Sage
Prods., Inc. v. Devon Indus., Inc., 126 F.3d 1420, 1425 (Fed. Cir. 1997);
Maxwell v. J. Baker, Inc., 86 F.3d 1098, 1106-07 (Fed. Cir. 1996); Unique
Concepts, Inc. v. Brown, 939 F.2d 1558, 1562-63 (Fed. Cir. 1991).
22 Loctite Corp., 781 F.2d at 870.

²³ Desper Prods., Inc., 157 F.3d at 1338; Mark I. Mkt'g Corp. v. R.R.
Donnelley & Sons, 66 F.3d 285, 291 (Fed. Cir. 1995); Southwall Techs., Inc.
v. Cardinal IG Co., 54 F.3d 1570, 1580 (Fed. Cir. 1995); Haynes Int'l, Inc.
v. Jessop Steel Co., 8 F.3d 1573, 1578 (Fed. Cir. 1993).

²⁴ Warner-Jenkinson, 520 U.S. at 40-41; Festo Corp., 535 U.S. at 739-40; British Telecomm. PLC v. Prodigy Commc'n Corp., 217 F. Supp. 2d 399, 404 (S.D.N.Y. 2002).

Mr. David Stewart August 29, 2016
Our Ref: 5695.M0002US Page 7

one skilled in the art could not reasonably be expected to have drafted a claim that would have literally encompassed the alleged equivalent. A patentee may overcome the presumption of surrender of all subject matter between an original claim limitation and the amended claim limitation by demonstrating that:

- (1) the alleged equivalent would have been unforeseeable at the time of the narrowing of the amendment;
- (2) the rationale underlying the narrowing amendment bore no more than a tangential relation to the equivalent in question; or
- (3) there was "some other reason" suggesting that the patentee could not reasonably have been expected to have described the alleged equivalent. 25

The "unforeseeability" criterion requires an analysis of whether the alleged equivalent would have been unforeseeable to one of ordinary skill in the art at the time of the amendment. Usually, if the alleged equivalent represents later-developed technology or technology that was not known in the relevant art, then it would not have been foreseeable. The objective inquiry of unforeseeability depends on underlying factual issues relating to, for example, the state of the art and the understanding of a hypothetical person of ordinary skill in the art at the time of the amendment. As such, expert testimony and other extensive evidence relating to the factual issues may be relevant to the court's determination of unforeseeability. 26

In order for a patentee to demonstrate that "the rationale underlying the narrowing amendment bore no more than a tangential relationship to the alleged equivalent", the patentee must show that the reason for the narrowing amendment was not directly relevant to the alleged equivalent. An amendment to avoid prior art that contains the equivalent in question is central to the allowance of the claim, and is not tangential. A patentee must base his arguments on the public record of the patent prosecution history record without the introduction of additional evidence, except, when necessary, expert testimony on

²⁵ Festo, 535 U.S. at 740-41.

²⁶ Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., 344 F.3d 1359, 1369 (Fed. Cir. 2003).

Mr. David Stewart August 29, 2016 Our Ref: 5695.M0002US Page 8

the interpretation of that record, of surrender of subject matter under the "tangential relation" criterion. 27

The third criterion of "some other reason suggesting that the patentee could not reasonably be expected to have described the insubstantial substitute in question" is available in order not to totally foreclose a patentee from relying on reasons other than unforeseeability and tangentialness, to show that it did not surrender the alleged equivalent. Shortcomings of language may be one reason why a patentee was prevented from describing the alleged equivalent when the claim was narrowed. When at all possible, the determination should be based only on the prosecution history record. 28

Patents are presumed to be valid. 29 Thus, the party challenging validity of the patent has the burden of persuasion. 30 This burden of persuasion is that invalidity of a patent must be shown by clear and convincing evidence. 31

To be valid, a patent must meet a number of requirements, including that its claimed subject matter be novel and nonobvious. In addition to novelty and non-obviousness, 35 U.S.C. \$101 of the United States Code requires that all inventions must be directed to one of the four patent-eligible subject matter categories: "process, machine, manufacture, or composition of matter, or any new and useful improvement thereof." Examples of claims that are not directed to one of the statutory categories include a computer program per se. 32 In addition to being directed to one of the patent-eligible subject matter categories, the claimed invention must not be wholly directed to subject matter encompassing a judicially recognized exception, which includes laws of nature, natural phenomena, and abstract ideas. 33 Examples of judicially recognized exceptions of subject

²⁷ Id.

 $^{^{28}}$ *Id.* at 1370.

²⁹ 35 U.S.C. §282.

³⁰ Smithkline Diagnostics, Inc. v. Helena Labs Corp., 859 F.2d 878 (Fed. Cir.

³¹ Carella v. Starlight Archery and ProLine Company, 804 F.2d 135 (Fed. Cir.

³² Gottschalk v. Benson, 409 U.S. 63, 72, 175 USPQ 673, 676-77 (1972). ³³ Alice Corp. Pty. Ltd. v. CLS Bank Int'l, 573 U.S. _, 134 S. Ct. 2347, 2354, 110 USPQ2d 1976, 1980 (2014) (citing Association for Molecular Pathology v. Myriad Genetics, Inc. 569 U.S. _, 133 S. Ct. 2107, 2116, 106 USPQ2d 1972, 1979 (2013)).

Mr. David Stewart August 29, 2016
Our Ref: 5695.M0002US Page 9

matter that is not patentable include a computer-aided limitation to a claim covering an abstract concept, without more, 34 and familiar mental steps performed by or with a computer. 35

PATENT FAMILIES REVIEWED

- U.S. Patent No. 6 377 944
- U.S. Patent Nos. 7 110 522, 7 412 046 and 7 646 861
- U.S. Patent No. 7 590 550, 7 835 928, 7 865 377 and 8 738 727 and Application Nos. 12/270 224, 12/348 642, 13/465 528, 13/644 566, 13/650 230, 13/792 492, 13/792 503, 13/792 551, 14/015 580, 14/269 977, and 14/515 189
- U.S. Patent No. 7 653 558
- U.S. Patent No. 7 765 165
- U.S. Patent Nos. 7 818 183 and 8 510 128
- U.S. Patent Nos. 7 848 937 and 8 249 898
- U.S. Patent Nos. 7 899 689 and 8 494 881
- U.S. Patent Nos. 7 933 783 and 8 515 776
- U.S. Patent No. 8 370 166
- U.S. Patent No. 8 731 952 and Application No. 14/281 096
- U.S. Patent No. 8 819 169 and Application No. 14/466 595

PATENTS WITH INVALID CLAIMS

It is our opinion that the claims of the patents listed below are clearly invalid as being drawn to a judicially recognized exception of statutory subject matter. Specifically, the claims of the patents listed below are drawn to mental steps performed with a computer. Taking the additional elements individually and in combination, the computer components at each step of the method perform purely generic computer functions. As such, there is no inventive concept sufficient to transform the claimed subject matter into a patent-eligible claim. The claims of the patents listed below do not amount to significantly more than the abstract idea itself and are therefore invalid. Note that all of the patents listed below, except for the '169 patent, issued before the decision in Alice Corp. Pty. Ltd. v. CLS Bank Int'l discussed above. If the applications that would

^

³⁴ Dealertrack Inc. v. Huber, 674 F.3d 1315 (Fed. Cir. 2012).

³⁵ SmartGene, Inc. v. Adv. Biological Labs., 852 F. Supp.2d 42, recons. denied, 915 F.Supp.2d 69 (D.D.C. 2013).

Mr. David Stewart August 29, 2016
Our Ref: 5695.M0002US Page 10

become these patents were examined after the decision in Alice, it is our opinion that the patents would not have issued.

Notably, although subject to appeal, a court in the United

States has recently found the '550 patent to be invalid as being drawn to a judicially recognized exception of statutory subject matter. Am. Well Corp. v. Teladoc, Inc., No. 15-CV-12274-IT, 2016 WL 3255011, at *1 (D. Mass. June 13, 2016). Moreover, the '169 patent issued on August 26, 2014, or a little over one month after the decision in Alice, such that the patent was already examined by the time of the decision in Alice.

Accordingly, it is our belief that the '169 patent would not have issued if examined after the decision in Alice. The claims believed to be invalid are as follows:

- Claims 1-36 and 38-65 of the '944 Patent
- Claims 1-30 of the '550 Patent
- Claims 1-42 of the '928 Patent
- Claims 1-15 of the '377 Patent
- Claims 1-15 of the '727 Patent
- Claims 1-30 of the '558 Patent
- Claims 1-15 of the '165 Patent
- Claims 1-27 of the '183 Patent
- Claims 1-28 of the '128 Patent
- Claims 1-25 of the '937 Patent
- Claims 1-17 of the '898 Patent
- Claims 1-12 of the '689 Patent
- Claims 1-15 of the '881 Patent
- Claims 1-23 of the '783 Patent
- Claims 1-20 of the '776 Patent
- Claims 1-20 of the '166 Patent
- Claims 1-32 of the '952 Patent
- Claims 1-18 of the '169 Patent

While we believe that there are arguments that the claims of the above-noted patents are not infringed, we do not address this issue in regard to these claims since it is clear that these claims are invalid (except for the claims of the '377 patent, the '558 patent and the '165 patent as outlined below).

Mr. David Stewart August 29, 2016
Our Ref: 5695.M0002US Page 11

APPLICATIONS THAT SHOULD NOT ISSUE AS PATENTS

The following applications have not issued as patents such that we cannot make any final determination as to infringement or validity. However, it is our opinion that the 'applications will not and should not issue as patents as the claims thereof are clearly unpatentable as being drawn to a judicially recognized exception of statutory subject matter. The applications that should not issue as patents are as follows:

- The '528 Application
- The '230 Application
- The '503 Application
- The '551 Application
- The '580 Application
- The '977 Application
- The '096 Application
- The '595 Application

While we believe that there are arguments that the claims pending in these applications would not be infringed if they issued in a patent, we do not address these issues in regard to these claims since it is clear that the applications should not issue as patents.

Mr. David Stewart August 29, 2016
Our Ref: 5695.M0002US Page 12

CLAIMS IN PATENTS THAT ARE NOT INFRINGED

It is our opinion that the following claims are not infringed as the proposed customer experience personalisation management platform does not include all of the features of these claims such there is believed to be no literal infringement of these claims, and no equivalent infringement since there are elements of the claims that are completely missing from the proposed customer experience personalisation management platform. In our opinion, the claims in the following patents are clearly not infringed:

- Claim 37 of the '944 Patent
- Claims 1-20 of the '522 Patent
- Claims 1-20 of the '046 Patent
- Claims 1-20 of the '861 Patent
- Claims 1-15 of the '377 Patent
- Claims 1-30 of the '558 Patent
- Claims 1-15 of the '165 Patent

CLAIMS IN APPLICATIONS THAT, IF ISSUED, WOULD NOT BE INFRINGED

The applications listed below have not issued as patents such that we cannot make any final determination as to infringement. However, based on the disclosures of these applications and the present content of the claims, these applications are not believed to present a significant infringement risk, since the proposed customer experience personalisation management platform does not include all of the features of the present claims. The claims that would not be infringed are as follows:

- ullet The claims of the '528 Application
- The claims of the '503 Application
- The claims of the '595 Application

Mr. David Stewart
Our Ref: 5695.M0002US

August 29, 2016 Page 13

CONCLUSIONS

In conclusion, the unexpired U.S. patents uncovered during our search are not believed to present an infringement problem with respect to the proposed customer experience personalisation management platform.

This concludes our report to you relative to this matter.

Yours very truly,

FLYNN, THIEL, BOUTELL & TANIS, P.C.

Maran Dole

Marcus P. Dolce

MPD/jla

Cre8tek Prospectus

8. Directors, Key Management and Corporate Governance

8.1 Board of Directors

As at the date of this Prospectus, the Board comprises:

- (a) Mr Bryn Hardcastle Non-Executive Chairman;
- (b) Mr Faldi Ismail Non-Executive Director; and
- (c) Mr Tom Bahen Non-Executive Director.

While Messrs Hardcastle and Ismail shall remain as Directors (notwithstanding Mr Hardcastle stepping down as Chairman), it is intended that Mr Bahen will resign at completion of the Offers and Acquisition Agreement.

In accordance with the terms of the Acquisition Agreement, with effect from completion of the Acquisition and subject to Shareholder approval, the Company will appoint the following Proposed Directors:

- (d) Ms Cathie Reid Non-Executive Chair; and
- (e) Dr Catriona Wallace Chief Executive Officer and Executive Director.

8.2 Director profiles of existing Board

Details of the Directors comprising the Board until completion of the Acquisition are set out below.

(a) Mr Bryn Hardcastle - Non-Executive Chairman

BA, LLB

Mr Hardcastle is an experienced corporate lawyer specialising in corporate, commercial and securities law. He is the principal of Bellanhouse Legal which predominantly advises on equity capital markets, re-compliance transactions and takeovers across a variety of industries. Mr Hardcastle has extensive international legal experience and has advised on numerous cross border transactions working in the United Kingdom, Middle East and North America. He also has experience acting as a non-executive director of ASX listed companies.

Mr Hardcastle is also a non-executive director of Attila Resources Limited (ASX: AYA).

(b) Mr Faldi Ismail - Non-Executive Director

BBus

Mr Ismail has significant experience working as a corporate advisor specialising in the restructure and recapitalisation of a wide range of ASX-listed companies having many years of investment banking experience covering a wide range of sectors. He has significant cross-border experience, having advised on numerous overseas transactions including capital raisings, structuring of acquisitions and joint ventures in numerous countries.

Mr Ismail is also a Director of dual listed Asiamet Limited (previously Kalimantan Gold Corporation Limited) (TSXV/AIM listed - Ticker Code "ARS") and in addition is also the founder and operator of Otsana Capital, a boutique advisory firm specialising in mergers and acquisitions, reverse takeovers, capital raisings and initial public offerings. Mr Ismail is currently on the board of the following ASX-listed companies: TV2U International Ltd (non-executive director), WHL Energy Limited (non-executive director) and Ookami Limited (non-executive chairman).

(c) Mr Tom Bahen - Non-Executive Director

BComm

Mr Bahen is currently a director of Private Clients and Institutional Sales at national stock broking firm Patersons Securities Limited. He has significant experience in capital raisings and corporate advisory for ASX listed companies. He has previously worked in assurance for global accounting firm Deloitte.

8.3 Director profiles of proposed Board

Details of the Directors who will comprise the Board upon completion of the Acquisition are set out below.

(a) Mr Bryn Hardcastle - Non-Executive Director

Please refer to Section 8.2(a) above for Mr Hardcastle's profile.

(b) Mr Faldi Ismail - Non-Executive Director

Please refer to Section 8.2(b) above for Mr Ismail's profile.

(c) Ms Cathie Reid - Non-Executive Chair

Please refer to Section 3.2(e)(i) above for Ms Reid's profile.

(d) Dr Catriona Wallace - Chief Executive Officer and Executive Director

Please refer to Section 3.2(e)(ii) above for Dr Wallace's profile.

8.4 Key personnel

(a) Joe Waller - Chief Technology Officer

Please refer to Section 3.2(e)(iii) above for Mr Waller's profile.

(b) Dr Jack Elliott - Chief Data Scientist

Please refer to Section 3.2(e)(iv) above for Dr Elliott's profile.

(c) Rachel White - Chief Financial Officer

Please refer to Section 3.2(e)(v) above for Ms White's profile.

8.5 Directors' interests

Other than as disclosed in this Prospectus, no Director holds at the date of this Prospectus or held at any time during the last 2 years, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; and
- (c) the Offers.

Further, other than as disclosed in this Prospectus, the Company has not paid any amount or provided any benefit, or agreed to do so, to any Director, either to induce that Director to become, or to qualify them as a Director, or otherwise, for services rendered by them in connection with the formation or promotion of the Company or the Offers.

8.6 Directors' security holdings

Directors are not required to hold any Shares under the Constitution of the Company.

Set out in the table below are details of the anticipated relevant interests of the Existing Directors and Proposed Directors in the Shares of the Company upon completion of the Offers and the Acquisition:

Director	Existing Shares ¹	% interest - existing	Shares at completion	% interest at completion ²
Mr Bryn Hardcastle	Nil	Nil	Nil	Nil
Mr Faldi Ismail	4,750,000	2.03	4,750,000	0.80
Mr Tom Bahen	2,500,000	1.07	2,500,000	0.42
Ms Cathie Reid ³	Nil	Nil	62,848,740	10.56
Dr Catriona Wallace ⁴	Nil	Nil	115,814,391	19.45

Notes:

- 1. Assumes that no existing Options are exercised prior to completion of the Offers and the Acquisition and that no Performance Rights or Performance Shares have converted into Shares.
- 2. Assumes that the Public Offer is fully subscribed and that there are 595,440,046 Shares on issue at completion of the Offers and the Acquisition.
- 3. Ms Reid, through her associates Badger 31 Pty Ltd and Flamingo 31 Pty Ltd, is a shareholder of Flamingo and she or her associates will receive a total of 62,848,740 Initial Consideration Shares as part of the Consideration Securities to be issued upon completion of the Acquisition under the Consideration Offer.
- 4. Dr Wallace, as founder of Flamingo and through her associate Phoenixavier Pty Ltd, is a shareholder of Flamingo and she or her associates will receive a total of 115,814,391 Initial Consideration Shares as part of the Consideration Securities to be issued upon completion of the Acquisition under the Consideration Offer.

Set out in the table below are details of the anticipated relevant interests of the Existing Directors and Proposed Directors in other Securities of the Company upon completion of the Offers and the Acquisition:

Director	Performance Rights	Performance Shares	Options
Mr Bryn Hardcastle ¹	10,000,000	Nil	Nil
Mr Faldi Ismail²	10,000,000	Nil	10,000,000
Mr Tom Bahen ³	10,000,000	Nil	Nil
Ms Cathie Reid ⁴	Nil	62,848,740	Nil
Dr Catriona Wallace ⁵	Nil	115,814,391	Nil

Notes:

- 1. Mr Hardcastle indirectly holds 3,333,333 Class A Performance Rights, 3,333,333 Class B Performance Rights and 3,333,334 Class C Performance Rights.
- 2. Mr Ismail indirectly holds 3,333,333 Class A Performance Rights, 3,333,333 Class B Performance Rights, 3,333,334 Class C Performance Rights and 10,000,000 unquoted Options exercisable at \$0.03 each and expiring 5 February 2019 (escrowed until 5 February 2018).
- 3. Mr Bahen indirectly holds 3,333,333 Class A Performance Rights, 3,333,333 Class B Performance Rights and 3,333,334 Class C Performance Rights.
- 4. Ms Reid, through her associates Badger 31 Pty Ltd and Flamingo 31 Pty Ltd, is a shareholder of Flamingo and she or her associates will receive a total of 20,949,580 Class A Performance Shares, 20,949,580 Class B Performance Shares and 20,949,580 Class C Performance Shares as part of the Consideration Securities to be issued upon completion of the Acquisition under the Consideration Offer.
- 5. Dr Wallace, as founder of Flamingo and through her associate Phoenixavier Pty Ltd, is a shareholder of Flamingo and she or her associates will receive a total of 38,604,797 Class A Performance Shares, 38,604,797 Class B Performance Shares and 38,604,797 Class C Performance Shares as part of the Consideration Securities to be issued upon completion of the Acquisition under the Consideration Offer.

8.7 Directors' remuneration

The Constitution provides that each Director is entitled to such remuneration from the Company as the Directors decide, but the total amount provided to all non-executive Directors must not exceed in aggregate the amount fixed by the Company in a general meeting. The current maximum amount of remuneration that may be paid to all non-executive Directors (set by the previous board pre-deed of company arrangement) has been set at \$500,000 per annum.

The remuneration of the executive Directors will be determined by the Board. A summary of Dr Catriona Wallace's employment agreement is set out in Section 9.3(d). Dr Wallace is currently the only proposed executive Director.

The Directors received the following remuneration for the financial years ended 30 June 2015 and 30 June 2016:

Director	FY2015 Remuneration	FY2016 Remuneration
Mr Bryn Hardcastle ¹	Nil	\$15,000
Mr Faldi Ismail²	Nil	\$15,000
Mr Tom Bahen ³	Nil	\$15,000

Notes:

- 1. Mr Hardcastle was appointed as a director on 5 November 2015.
- 2. Mr Ismail was appointed as a director on 28 October 2015. Shareholder approval is being sought at the General Meeting for the re-election of Mr Ismail as a Director.
- 3. Mr Bahen was appointed as a director on 5 November 2015.

8.8 Related party transactions

The Company has entered into the following related party transactions on arms' length terms:

- (a) a lead manager/corporate advisor mandate with Otsana Capital. Mr Faldi Ismail, a Director, is a director and controlling shareholder of Otsana Capital (refer Section 9.3(c) for details);
- (b) letters of appointment and/or services agreements with each of the existing and proposed Directors on standard terms (refer Sections 9.3(d) and 9.3(e) for details); and
- (c) deeds of indemnity, insurance and access with each of its Directors on standard terms (refer Section 9.3(f) for details).

In addition, the Company notes that there is an existing loan with an entity associated with Proposed Director, Ms Cathie Reid, which will be re-paid just prior to reinstatement of the Company's securities to ASX (refer Section 9.2(b)).

8.9 Corporate Governance

The Board is responsible for establishing the Company's corporate governance framework, the key features of which are set out in this Section 8.9. In establishing its corporate governance framework, the Board has referred to the 3rd edition of the ASX Corporate Governance Councils' Corporate Governance Principles and Recommendations (Recommendations). To the extent applicable, commensurate with the Company's size and nature, the Company has adopted the Recommendations.

The Board seeks, where appropriate, to provide accountability levels that meet or exceed the Recommendations.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and further details on the Company's corporate governance procedures, policies and practices can be obtained from the Company website at http://www.cre8tek.com.au.

Cre8tek Prospectus

(a) **Board of Directors**

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- (i) maintain and increase Shareholder value;
- (ii) ensure a prudential and ethical basis for the Company's conduct and activities; and
- (iii) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- (i) developing initiatives for profit and asset growth;
- (ii) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
- (iii) acting on behalf of, and being accountable to, the Shareholders; and
- (iv) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

In light of the Company's size and nature, the Board considers that the proposed board is a cost effective and practical method of directing and managing the Company. If the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

(b) Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. However, subject thereto, the Company is committed to the following principles:

- (i) the Board is to comprise Directors with a blend of skills, experience and attributes appropriate for the Company and its business; and
- (ii) the principal criterion for the appointment of new Directors is their ability to add value to the Company and its business.

The Board currently consists of 3 members. Following completion of the Offers and the Acquisition, the Board will consist of 4 members. The Company has adopted a Nominations Committee Charter, but has not formally adopted a Nominations and Remuneration Committee. The Directors consider that the Company is currently not of a size, nor are its affairs of such complexity, to justify the formation of a Nomination and Remuneration Committee. The responsibilities of a Nomination and Remuneration Committee are currently carried out by the Board.

Where a casual vacancy arises during the year, the Board has procedures to select the most suitable candidate with the appropriate experience and expertise to ensure a balanced and effective Board. Any Director appointed during the year to fill a casual vacancy or as an addition to the current Board, holds office until the next general meeting and is then eligible for re-election by the Shareholders.

(c) Identification and management of risk

The Board has not established a risk management committee and the full Board is responsible for overseeing the risk management function. The Board is responsible for ensuring the risks and opportunities are identified on a timely basis.

(d) Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

(e) Independent professional advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(f) Remuneration arrangements

The total maximum remuneration of Non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the Listing Rules, as applicable. The determination of Non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Non-executive Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility.

(g) Trading policy

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the managing director). The policy generally provides that written notification to the Chairman (or in the case of the Chairman, the managing director) must be satisfied prior to trading.

(h) External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

(i) Audit committee

The Company does not have an audit committee. The full Board fulfils the Company's corporate governance and monitoring responsibilities in relation to the Company's risks associated with the integrity of the financial reporting, internal control systems and the independence of the external audit function.

(j) Diversity Policy

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

(k) Departures from Recommendations

Following re-admission to the Official List of ASX, the Company will be required to report any departures from the Recommendations in its annual financial report.

Cre8tek Prospectus

9. Material Contracts

9.1 Introduction

The Directors consider that certain contracts entered into by the Company are material to the Company or are of such a nature that an investor may wish to have particulars of them when making an assessment of whether to apply for Securities under the Offers. The provisions of such material contracts are summarised in this Section.

9.2 Flamingo Agreements

(a) Nationwide Master Services Agreement

In May 2016, Flamingo entered into a non-exclusive master SaaS agreement (Master Services Agreement) with Nationwide Mutual Insurance Company (Nationwide), an Ohio corporation, pursuant to which Flamingo will license software and provide system and consulting services to Nationwide and its related affiliates in accordance with written orders (Orders).

Nationwide agrees to pay Flamingo for the services and deliverables provided by Flamingo as specified in each applicable Order and any reimbursement of expenses shall be subject to Nationwide's consent and policies.

An Order may be terminated:

- (i) by either party upon written notice, following a material breach of the Master Services Agreement by the other party which remains unremedied for 30 days after notification; or
- (ii) by Nationwide upon 30 days' written notice or immediately upon Flamingo's breach of its compliance obligations under the Master Services Agreement.

Upon termination of any Order, Flamingo shall not undertake any new work unless authorised by Nationwide and each party shall assist in the orderly termination of the Master Services Agreement.

Except with respect to Flamingo's pre-existing intellectual property, systems and methods, all rights in "deliverables", including inventions, software, documentation and work products developed, prepared or designed in connection with the services as expressly identified in an Order, will be assigned to Nationwide. Subject to payment, Nationwide owns all rights to improvements made to the services at Nationwide's request.

The Master Services Agreement contains additional provisions, including warranties and indemnities, which are considered standard for agreements of this kind.

(b) Meerkat Loan Agreement

In March 2016, Flamingo Ventures (as borrower) entered into a loan agreement with Meerkat 31 Pty Ltd ACN 600 209 550 as trustee for Meerkat Investment Trust, an entity associated with Proposed Director Ms Cathie Reid (Lender).

Pursuant to the terms of the loan agreement the Lender lent the Company \$280,000 for working capital purposes, on commercial arms' length terms. The

Company will repay the loan plus \$6,000 in interest just prior to reinstatement of the Company's securities to ASX.

Upon the occurrence of an event of default, the Lender may, for so long as the event of default is continuing, declare outstanding monies to be immediately due and payable to the Lender without the need for any further demand or notice to be given. Events of default include Flamingo Ventures failing to repay an amount by the due date, Flamingo Ventures becoming insolvent, or any part of the agreement becoming void or unenforceable.

(c) Clarion Customer Referral Agreement

Flamingo has entered into a non-exclusive customer referral agreement with The Clarion Group, Ltd. (Clarion), a Connecticut S corporation, pursuant to which Clarion agreed to facilitate sales of Flamingo's products by referring prospective Providers directly to Flamingo (Clarion Referral Agreement).

Under the agreement, Flamingo agrees to pay Clarion referral fees based on transactions with referred clients that are accepted by Flamingo (Qualified Referral). The fees payable are based on the following percentages of the licensee revenue received by Flamingo for the duration of each transaction, whether or not the Clarion Referral Agreement is terminated:

- (i) for the first 5 transactions with Qualified Referrals, Flamingo will pay Clarion 10% of revenues generated from the referral up to a maximum of US\$75,000 per Qualified Referral; and
- (ii) for the subsequent transactions with Qualified Referrals, Flamingo will pay Clarion 7.5% of revenues generated from the referral up to a maximum of US\$60,000 per Qualified Referral.

Clarion, Flamingo and the Company have also agreed that following completion of the Acquisition, the parties will enter into formal documentation to replace the Clarion Referral Agreement to:

- (i) include the Company as a party; and
- (ii) include a provision which provides that the Company issue Clarion 470,270 Shares for each Qualified Referral up to a maximum of 10 Qualified Referrals (i.e. maximum of 4,702,700 Shares). These Qualified Referral Shares will only be issued upon either:
 - (A) a Qualified Referral generating at least US\$50,000 in recurring revenue billings; or
 - (B) entry into an agreement with a Qualified Referral that guarantees at least US\$50,000 in revenue.

The parties have agreed that if at the time of executing formal documentation for a new customer referral agreement there are any Qualified Referrals that have already met the above criteria, then Clarion will be entitled to the Qualified Referral Shares.

Either party may terminate the Clarion Referral Agreement by 30 days' written notice.

Flamingo makes no warranties to Clarion under the Clarion Referral Agreement and Flamingo's liability is limited to the total amount paid by

restek Prospectus

Flamingo under the agreement in the 12 month period prior to the event first giving rise to the claim. Neither party is liable for any indirect or consequential damages.

(d) Key personnel agreements

(i) Mr Joe Waller - Chief Technology Officer

Flamingo Ventures has entered into an employment agreement with Mr Joe Waller (Waller Agreement), pursuant to which Mr Waller is engaged by Flamingo Ventures as Chief Technology Officer on a full time basis.

The total annual remuneration payable to Mr Waller under the Waller Agreement is a salary of \$180,000 per annum before tax plus superannuation. Mr Waller may be entitled to other incentives such as bonus schemes and employee share option plans and may be reimbursed for actual and reasonable business expenses.

Mr Waller has been issued with options in Flamingo under an employee share option plan which will be cancelled in consideration for Mr Waller subscribing for 2,727,312 Options under the Employee Offer.

The Waller Agreement has no fixed term and contains standard termination provisions.

In accordance with Flamingo Ventures' standard Employee IP Agreement (summarised at Section 9.2(e) below), Intellectual Property created by Mr Waller during his employment with Flamingo Ventures as part of his duties will be the property of Flamingo Ventures.

Mr Waller is also subject to restrictions in relation to the use of confidential information during and after his employment with Flamingo Ventures ceases and being directly or indirectly involved in a competing business during the continuance of his employment with Flamingo Ventures and for a period of 3 months after his employment with Flamingo Ventures ceases, on terms which are otherwise considered standard for agreements of this nature.

The Waller Agreement contains additional provisions considered standard for agreements of this nature.

(ii) Dr Jack Elliott - Chief Data Scientist

Flamingo Ventures has entered into an employment agreement with Dr Jack Elliott (Elliott Agreement), pursuant to which Dr Elliott is engaged by Flamingo Ventures as Chief Data Scientist on a part time basis for 3 days per week.

The total annual remuneration payable to Dr Elliott under the Elliott Agreement is a salary of \$118,000 per annum before tax plus superannuation. Dr Elliott may be entitled to other incentives such as bonus schemes and employee share option plans and may be reimbursed for actual and reasonable business expenses.

In addition, the Company intends to issue Dr Elliott 681,818 Options in the Company on the same terms as the Options to be issued under the Employee Offer following completion of the Acquisition.

The Elliott Agreement has no fixed term and contains standard termination provisions.

In accordance with Flamingo Ventures' standard Employee IP Agreement (summarised at Section 9.2(e) below), Intellectual Property created by Dr Elliott during his employment with Flamingo Ventures as part of his duties will be the property of Flamingo Ventures.

Dr Elliott is also subject to restrictions in relation to the use of confidential information during and after his employment with Flamingo Ventures ceases and being directly or indirectly involved in a competing business during the continuance of his employment with Flamingo Ventures and for a period of 3 months after his employment with Flamingo Ventures ceases, on terms which are otherwise considered standard for agreements of this nature.

The Elliott Agreement contains additional provisions considered standard for agreements of this nature.

(e) Employee IP Agreements

Each of Flamingo Ventures' staff, contractors and consultants (**Employees**) are required to enter into a standard employee intellectual property agreement with Flamingo Ventures which forms part of the contract of employment or engagement (**Employee IP Agreement**).

Pursuant to the Employee IP Agreement:

- (i) any and all Intellectual Property created by Employees during employment with Flamingo Ventures as part of their duties vests in Flamingo Ventures immediately upon creation;
- (ii) any and all inventions, innovations and Intellectual Property developed by Employees within 3 months from the date of termination of their employment must be disclosed to Flamingo Ventures (Future Innovation), which will then determine whether or not to treat those Future Innovations as the property of Flamingo Ventures;
- (iii) Employees must take appropriate measures to secure and protect Flamingo Ventures' intellectual property rights;
- (iv) Employees will not enforce any 'moral rights' (as defined under Part IX of the *Copyright Act 1968* (Cth));
- (v) Employees will not challenge any application made by Flamingo Ventures to obtain registered rights in an innovation or Intellectual Property or remove any registered right in an innovation or Intellectual Property created during Employees' employment with Flamingo Ventures or forming part of a Future Innovation which Flamingo Ventures deems to be the property of Flamingo Ventures; and

(vi) Employees warrant that any and all Intellectual Property created by Employees in the course of performing their duties to Flaming Ventures are original creations and don't infringe on the rights of any third parties.

The obligations in the Employee IP Agreement survive Employees' termination of employment with Flamingo Ventures.

9.3 Company Agreements

(a) Acquisition Agreement

On 2 June 2016, the Company announced to ASX that it had entered into a conditional binding share sale agreement with Flamingo and the Signing Sellers, Flamingo's majority shareholders, to acquire 100% of the issued capital of Flamingo (Acquisition Agreement). The key terms of the Acquisition Agreement are as follows:

(i) Acquisition

The Company has agreed to acquire the Flamingo Shares held by the Vendor for the consideration set out in Section 9.3(a)(iii) below.

(ii) Conditions Precedent

Completion of the Acquisition is subject to the satisfaction or waiver by the parties of the following conditions:

- (A) each of the minority shareholders of Flamingo signing a Short Form Acquisition Agreement (see Section 9.3(b) below) (this condition has been satisfied);
- (B) the Company incorporating the Merger Subsidiary for the purposes of undertaking the Merger (this condition has been satisfied);
- (C) Flamingo preparing and delivering to the Company audited accounts under relevant Australian Accounting Standards for the:
 - (1) 2013/14 and 2014/15 financial years, with respect to Flamingo Ventures; and
 - (2) period from 1 July 2015 to 31 March 2016, with respect to Flamingo,

(this condition has been satisfied);

- (D) the Company obtaining all necessary regulatory approvals or waivers pursuant to the Listing Rules, Corporations Act or any other law required to allow the parties to lawfully complete the matters set out in the Acquisition Agreement, including but not limited to:
 - (1) obtaining a waiver to permit the Company to issue the Capital Raising Shares at not less than \$0.04 each (this condition has been satisfied); and

- (2) conditional approval to reinstate the Company to the Official List;
- (E) the Company completing a capital raising of not less than \$2,000,000 via the issue of Shares at not less than \$0.04 each (noting that the parties have determined to raise \$3,000,000 under the Public Offer);
- (F) to the extent required by the ASX or the Listing Rules, the Vendors entering into restriction agreements with the Company in relation to the Consideration Securities;
- (G) the Company obtaining all necessary shareholder approvals, including:
 - (1) approval for the issue of the Consideration Securities, Capital Raising Shares, Facilitator Securities and Employee Options;
 - (2) obtaining an independent expert's report;
 - (3) approval to appoint the Proposed Directors as Directors; and
 - (4) approval to establish an employee incentive scheme;
- (H) the Company entering into employment and/or service agreements (in a form satisfactory to the Company, acting reasonably) with:
 - (1) Ms Cathie Reid, in relation to her appointment as Chair of the Company; and
 - (2) Dr Catriona Wallace, in relation to her appointment as Chief Executive Officer and Executive Director of the Company,

(this condition has been satisfied); and

(I) Flamingo confirming that any options and warrants issued or outstanding have been cancelled (this condition has been satisfied).

If the conditions are not satisfied (or waived) on or before 5:00pm (WST) on 31 October 2016 or such other date as the Company and the Vendors' representative approve in writing, then the Company, Flamingo or the Signing Sellers may terminate the Acquisition Agreement by the provision of written notice to the other parties.

(iii) Consideration

The consideration payable by the Company to the Vendors under the Acquisition Agreement is comprised of the Consideration Securities to be issued under the Consideration Offer, pro-rata according to each Vendor's Flamingo shareholding.

Of the Consideration Securities, 115,814,391 Initial Consideration Shares and 115,814,391 Performance Shares will be issued to Flamingo's founder and incoming Company director, Dr Catriona Wallace.

Approval for the issue of the Consideration Securities to the Founder and the Non-Founder Vendors is the subject of Resolutions 5 and 6 of the General Meeting.

(iv) Completion

At completion of the Acquisition Agreement, the Company has agreed to issue:

- (A) the Consideration Securities to the Vendors under the Consideration Offer;
- (B) the Facilitator Securities to the Facilitators under the Facilitation Offer; and
- (C) the Employee Options to Flamingo employees under the Employee Offer to replace existing Flamingo options.

Following the appointment of the Proposed Directors to the Board, it is proposed that Mr Tom Bahen will resign as Director. Approval for the appointment of the Proposed Directors is the subject of Resolutions 11 and 12 of the General Meeting.

(v) Loan facility

The Company has also agreed to provide an unsecured loan facility of up to \$300,000 to Flamingo for transaction costs and business costs for the period up to completion (**Loan**). As at the date of this Prospectus, the Company has extended the facility by a further \$200,000 and the Loan has been fully drawn down.

In the event that completion of the Acquisition does not occur for any reason, the Loan will convert into common stock in the capital of Flamingo at the same price per each common stock at which the Company undertook its last capital raising of at least \$500,000.

(vi) Warranties and indemnities

The Acquisition Agreement contains additional provisions, including warranties and indemnities in respect of the status of Flamingo and the Company, which are considered standard for agreements of this kind.

(b) Short Form Acquisition Agreements

The Company and each of the Flamingo shareholders that are not Signing Sellers (Minority Flamingo Shareholders) have executed Short Form Acquisition Agreements.

The Short Form Acquisition Agreements provide that subject to completion occurring under the Acquisition Agreement, the Company will purchase 100% of the ordinary shares in Flamingo held by the Minority Flamingo Shareholders.

The consideration payable by the Company under the Acquisition Agreement and the Short Form Acquisition Agreements is comprised of the Consideration Securities to be issued under the Consideration Offer.

(c) Lead Manager / Corporate Advisor Mandate

On 13 July 2016, the Company entered into a lead manager and corporate advisory mandate with Otsana Capital. A summary of the key terms set out below.

(i) Term and termination

The Company will engage Otsana as Lead Manager for a period of 12 months (effective from mandate being executed), with access to its corporate team as required. The appointment is an exclusive appointment during the term, but either party may terminate the appointment on 30 days' written notice or immediately upon an unremedied breach of the mandate.

(ii) Capital raising fee

With respect to the Offer, Otsana, acting in its capacity as Lead Manager, will be entitled to a 2% advisory fee on total monies raised. Monies raised in this context will exclude any monies raised or contributed directly by anyone that Flamingo have solicited themselves during the course of the transaction.

In addition, the Company will pay up to an additional 4% on any capital raised by Otsana or any Australian Financial Services Licence holders that Otsana introduces.

(iii) Monthly retainer and reimbursable expenses

The Company will pay Otsana a corporate advisory fee of \$5,000 (plus GST) per month for advisory services.

Otsana will also be reimbursed for all reasonable out of pocket expenses incurred, provided that the Company's prior consent is obtained prior to the incurrence of any single expense greater than \$500 and if total aggregate expenses are expected to exceed \$5,000.

(d) Executive Services Agreement - Dr Catriona Wallace

The Company has entered into an executive services agreement with Dr Catriona Wallace (Wallace Agreement).

Under the Wallace Agreement, Dr Wallace is engaged by the Company to provide executive services to the Company as Chief Executive Officer and Executive Director on a full time basis, commencing from completion of the Acquisition. The Company will remunerate Dr Wallace for her services with an executive remuneration package comprising the following:

- (i) a base salary (inclusive of superannuation) comprised of:
 - (A) a regular salary component of \$275,000 per annum; and
 - (B) a living away from home component of \$24,000 per annum; and

(ii) a director's fee of \$36,000 per annum (exclusive of statutory superannuation).

The Company will also reimburse Dr Wallace for reasonable expenses necessarily incurred by her in the performance of her services as Chief Executive Officer and Executive Director.

The Board may, in its absolute discretion, invite Dr Wallace to participate in bonus and/or other incentive schemes that the Company may implement from time to time, subject to Shareholder approval.

Dr Wallace as founder of Flamingo and through her associate Phoenixavier Pty Ltd, is a shareholder of Flamingo and she or her associates will receive a total of 115,814,391 Initial Consideration Shares and 115,814,391 Performance Shares (Founder Consideration Securities) as part of the Consideration Securities to be issued upon completion of the Acquisition. Approval for the issue of the Founder Consideration Securities is the subject of Resolution 5 of the General Meeting.

In the event of a change of control, Dr Wallace will receive a bonus payment equal to 3 months' base salary.

The Wallace Agreement is for an indefinite term, and will continue until terminated by either the Company by the giving of 3 months' written notice or Dr Wallace by the giving of 3 months' written notice of termination (or shorter period in limited circumstances).

As Executive Director, Dr Wallace shall (amongst other things):

- (iii) be engaged as a full-time employee of the Company and during usual business hours and such other hours as the exigencies of business may from time to time require, shall devote the whole of her time, attention and skill to the duties of her position and to the business of the Company, and such related corporations of the Company as the Company may from time to time direct; and
- (iv) obey all directions given to her by or under the authority of the Board, and use her best endeavours to promote the interests of the Company and of such related corporations of the Company as the Company may from time to time direct.

Any inventions or Intellectual Property made, discovered or suggested by Dr Wallace in connection with her employment by the Company will be the property of the Company.

Dr Wallace is also subject to restrictions in relation to the use of confidential information during and after her employment with the Company ceases and being directly or indirectly involved in a competing business during the continuance of her employment with the Company and for a period of 6 months after her employment with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

The Wallace Agreement contains additional provisions considered standard for agreements of this nature.

re8tek Prospectus

(e) Non-executive letters of appointment

The Company has entered into letters of appointment with each of its non-executive directors, with each entitled to a fee of \$3,000 per month and otherwise on standard terms for agreements of this nature.

The Company has also entered into a letter of appointment with proposed non-executive Director, Ms Cathie Reid, commencing from the completion of the Acquisition. Ms Reid will be paid a fee of \$3,000 per month, plus statutory superannuation for her services as Non-Executive Chair, including but not limited to attending and participating in Board meetings and discussions, the Company's annual general meeting, and otherwise performing services and duties expected of a non-executive director as requested by the Board and in accordance with the Company's Constitution, the Corporations Act and the Listing Rules.

The appointment of Ms Reid as non-executive Director is otherwise on terms that are standard for an appointment of this nature.

Ms Reid, through her associates Badger 31 Pty Ltd and Flamingo 31 Pty Ltd, is a shareholder of Flamingo and she or her associates will receive a total of 62,848,740 Initial Consideration Shares and 62,848,740 Performance Shares as part of the Consideration Securities to be issued upon completion of the Acquisition.

(f) Deeds of indemnity, insurance and access

The Company has entered into deeds of indemnity, insurance and access with each of its Directors and the company secretary. The Company has also entered into deeds of indemnity, insurance and access with the Proposed Directors.

Under these deeds, the Company agrees to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company or a related body corporate (subject to customary exceptions). The Company is also required to maintain insurance policies for the benefit of the relevant officer and must also allow the officers to inspect board papers and other documents provided to the Board in certain circumstances.

Cre8tek Prospectus

10. Additional Information

10.1 Rights and liabilities attaching to Shares

The following is a general description of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive. Full details of provisions relating to rights attaching to the Shares are contained in the Corporations Act, Listing Rules and the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

The summary below is based on the proposed new Constitution being considered by Shareholders at the General Meeting.

- (a) (Ranking of Shares): At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares.
- (b) (Voting rights): Subject to any rights or restrictions, at general meetings:
 - (i) every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative;
 - (ii) has one vote on a show of hands; and
 - (iii) has one vote for every Share held, upon a poll.
- (c) (**Dividend rights**): Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment. No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive.

Shareholders may be paid interim dividends or bonuses at the discretion of the Directors. The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend.

- (d) (Variation of rights): The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.
- (e) (Transfer of Shares): Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien.

(f) (General meetings): Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

The Directors may convene a general meeting at their discretion. General meetings shall also be convened on requisition as provided for by the Corporations Act.

- (g) (Unmarketable parcels): The Company's Constitution provides for the sale of unmarketable parcels subject to any applicable laws and provided a notice is given to the minority Shareholders stating that the Company intends to sell their relevant Shares unless an exemption notice is received by a specified date.
- (h) (Rights on winding up): If the Company is wound up, the liquidator may with the sanction of special resolution, divide the assets of the Company amongst members as the liquidator sees fit. If the assets are insufficient to repay the whole of the paid up capital of members, they will be distributed in such a way that the losses borne by members are in proportion to the capital paid up.

10.2 Terms and conditions of Performance Shares

(a) (**Definitions**): Words with a capitalised letter in this Section 10.2 have the meaning given below, or otherwise as set out in this Prospectus:

Conversion Event means

- (i) the achievement of a Performance Hurdle and completion of the Vesting Period set out in paragraph 10.2(d); or
- (ii) the happening of any of the event/s set out in paragraph 10.2(d)(v).

Deal means to sell, transfer, assign, novate, vary, mortgage, encumber, create any equitable interest, share any rights, or otherwise deal with any right, title or interest, or agreement to do any of these actions.

Expiry Date means the date that is 3.5 years from the date of issue of the Performance Shares.

Holder means a holder of Performance Shares.

Performance Hurdle means a performance hurdle set out in paragraph 10.2(d) and each of **Class A Performance Hurdle**, **Class B Performance Hurdle** and **Class C Performance Hurdle** have a corresponding meaning in relation to the relevant Performance Shares.

Performance Share means a performance share convertible into a Share upon achievement of the relevant Performance Hurdle, issued on the terms and conditions set out in this Section 10.2, and each of Class A Performance Share, Class B Performance Share and Class C Performance Share have a corresponding meaning in relation to the relevant Performance Hurdle applicable to each class.

Revenue means revenue as reported by Flamingo in accordance with IFRS, excluding interest income and grant income.

Substantial US Corporation means a key strategic US client of Flamingo, from a confidential list of clients to be agreed with the Company (acting reasonably).

Vesting Period means the period of 2 years from the date of issue of the Performance Shares.

- (b) (Interpretation): Grammatical variations of any words or phrases defined in Section 10.2(a) have a corresponding meaning.
- (c) (Performance Shares): The Performance Shares are issued with the rights and on the terms set out in this Section 10.2.
 - (i) The terms of this Section 10.2 prevail to the extent of any inconsistency with the constitution of the Company.
 - (ii) Prior to issue of the Performance Shares, and subject to prior ASX approval, the terms of this Section 10.2 may be amended by agreement between the Purchaser and the Company having regard to any professional advice received or if required by ASX. The Company has received ASX confirmation that the terms of the Performance Shares are appropriate and equitable.

(d) (Conversion):

- (i) Subject to Sections 10.2(d)(iv) and 10.2(d)(v) and the end of the Vesting Period:
 - (A) Class A Performance Shares will convert into Shares on a 1:1 basis if Flamingo executes a legally binding master services agreement (MSA) and completes a security audit with a Substantial US Corporation and either:
 - (1) the MSA remains valid, binding and enforceable for at least 12 months after its execution; or
 - (2) the Flamingo Platform technology is applied in another business vertical of the Substantial US Corporation outside any business unit where the technology is being trialled;
 - (B) Class B Performance Shares will convert into Shares on a 1:1 basis if Flamingo achieves \$13,000,000 in Revenue in any 12 month period within 36 months of completion of the Acquisition; and
 - (C) Class C Performance Shares will convert into Shares on a 1:1 basis if Flamingo achieves \$28,000,000 in Revenue in any 12 month period within 36 months of completion of the Acquisition.
- (ii) On the occurrence of a Conversion Event, the allocation of Shares issued will be on a pro rata basis to all Holders.
- (iii) The Performance Hurdles must be met on or before the relevant Expiry Date.
- (iv) If a Performance Hurdle is not met by the relevant Expiry Date, the relevant Performance Shares held by each Holder will automatically consolidate into one Performance Share and will then convert into one Share for each Holder.

- (v) All Performance Shares on issue shall automatically convert into Shares on a one-for-one basis up to a maximum number that is equal to 10% of the Company's issued capital (as at the date of any of the following events) upon the happening of any of the following events:
 - (A) the occurrence of the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of more than 50.1% of Shares and that takeover bid has become unconditional; or
 - (B) the announcement by the Company that the Shareholders have at a Court-convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Securities are to be either:
 - (1) cancelled; or
 - (2) transferred to a third party; and
 - the Court, by order, approves the proposed scheme of arrangement.
- (vi) The Company will ensure the allocation of Shares issued under Section 10.2(d)(v) is on a pro rata basis to all Holders in respect of their respective holdings of Performance Shares and all remaining Performance Shares held by each Holder will automatically consolidate into one Performance Share and will then convert into one Share.
- (e) (Voting rights): Each Holder shall have the right to receive notice of and attend but not to vote at any meeting of Shareholders.
- (f) (**Dividends**): The Performance Shares shall not have any right to receive dividends (whether cash or non-cash) from the profits of the Company at any time.
- (g) (Dealings): A Holder must not Deal with the Performance Shares.
- (h) (Access to documents and information): A Holder has the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders, and a right to attend a meeting of Shareholders.
- (i) (Other terms and conditions):
 - (i) A Holder will not be entitled to a return on capital, whether in a winding up, upon reduction of capital or otherwise.
 - (ii) A Holder will not be entitled to participate in the surplus profit or assets of the Company upon a winding up.
 - (iii) There are no participating rights or entitlements inherent in the Performance Shares and Holders will not be entitled to participate in new issues (such as bonus issues) or pro-rata issues of capital to Shareholders.

restek Prospectus

- (iv) The Company will issue each Holder with a new holding statement for Shares issued upon conversion of Performance Shares as soon as practicable following the conversion of Performance Shares.
- (v) The Performance Shares will be unquoted.
- (vi) All Shares issued upon conversion will rank equally in all respects with then-issued Shares. The Company must, within the time period required by the Listing Rules, apply to ASX for quotation of the Shares on ASX.
- (vii) A Performance Share does not give the Holder any other rights other than those expressly provided by this Section 10.2 and those provided at law where such rights cannot be excluded.
- (viii) The terms of the Performance Shares may be amended as necessary by the directors of the Company in order to comply with the Listing Rules or any directions of ASX regarding the terms in this Section 10.2.

10.3 Summary of the Company's Performance Rights Plan

The Cre8tek Limited Performance Rights Plan (Plan) was approved by Shareholders at the Company's general meeting held on 23 December 2015. An overview of the terms and conditions of the Plan is below:

- (a) (Eligible Participants): A Director, full time, part time or casual employee of the Company and certain contractors (current or prospective) who is declared by the Board to be eligible to receive grants of Performance Rights under the Performance Rights Plan (Eligible Participant).
- (b) (Offers): The Board may, from time to time, at its absolute discretion, make an offer to an Eligible Participant under the Performance Rights Plan to apply for up to a specified number of Performance Rights, upon the terms of the Performance Rights Plan and on such additional terms and conditions as the Board determines (Offer).
- (c) (Performance Rights): Each Performance Right, once vested, entitles the holder, on exercise, to the issue of one Share.
- (d) (Limit on Offers): The Company must have reasonable grounds to believe, when making an Offer, that the number of Shares to be received on exercise of Performance Rights offered under an Offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on Class Order 14/1000 (Class Order) at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Offer.
- (e) (Not transferrable): Performance Rights are only transferrable in special circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death to the participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.

- (f) (Vesting Conditions): A Performance Right may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Performance Right (Vesting Conditions).
- (g) (Vesting): A Performance Right will vest where Vesting Conditions are satisfied or where, despite Vesting Conditions not being satisfied, the Board (in its absolute discretion) resolves that unvested Performance Rights have vested as a result of:
 - (i) a relevant person ceasing to be an Eligible Participant due to special circumstances;
 - (ii) a relevant person suffering severe financial hardship;
 - (iii) a change of control occurring or the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (h) (Exercise of vested Performance Right): A Participant may, subject to the terms of any offer, exercise any vested Performance Right at any time after the Board notifies that the Performance Right has vested and before it lapses.
- (i) (Issue of Shares): Subject to the Corporations Act, the Listing Rules, the Plan and the terms of any offer under the Plan, within 10 days of receipt of a valid notice of exercise for Performance Rights, the Board must issue or transfer one (1) Share, free of encumbrances, to the Participant or his or her personal representative for each Performance Right exercised.
- (j) (Lapse of a Performance Right): A Performance Right will lapse upon the earlier to occur of:
 - (i) an unauthorised dealing in, or hedging of, the Performance Right;
 - (ii) a Vesting Condition in relation to the Performance Right is not satisfied by its due date, or becomes incapable of satisfaction, unless the Board exercises its discretion to vest the Performance Right under a good leaver exception (e.g. due to death, total and permanent disability, retirement or redundancy or financial hardship) or change of control event;
 - (iii) in respect of unvested Performance Rights only, where a relevant person ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right under a good leaver exception or change of control event or resolves to allow the unvested Performance Right to remain unvested after the relevant person ceases to be an Eligible Participant;
 - (iv) in respect of a vested Performance Right only, where a relevant person ceases to be an Eligible Participant and the Performance Right granted is not exercised within one (1) month of the date the relevant person ceases to be an Eligible Participant;
 - (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant;

Cre8tek Prospectus

- (vi) the Company undergoes a change in control or winding up, and the Board does not exercise its discretion to vest the Performance Right; and
- (vii) the expiry date of the Performance Right.
- (k) (Shares): All shares issued under the Performance Rights Plan will rank equally in all respects with the Shares of the same class for the time being on issue except as regards any rights attaching to such Shares by reference to a record date prior to the date of their issue.
- (l) (Quotation of Shares): If Shares of the same class as those allotted under the Plan are quoted on the ASX, the Company will, subject to the Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any restriction period applying to the disposal of Shares ends.
- (m) (Share sale restrictions): The Board may, in its discretion, determine at any time up until exercise of Performance Rights, that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Performance Rights (Restricted Shares), up to a maximum of seven (7) years from the date the Performance Rights are granted (Restriction Period). Other than any Restriction Period, there will be no transfer restrictions on Shares issued or transferred under the Plan unless the sale, transfer or disposal would require the preparation of a disclosure document.

The Company will issue, where required to enable Shares issued or transferred on exercise of Performance Rights to be freely tradeable on the ASX, a cleansing statement at the time the shares are issued.

- (n) (No participation rights): There are no participating rights or entitlements inherent in the Performance Rights and participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.
- (o) (No change): A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.
- (p) (Reorganisation): If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a participant are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.
- (q) (Deferred taxation): Subdivision 83A-C of the Income Tax Assessment Act 1997 applies to Performance Rights granted under the Plan except to the extent an offer provides otherwise.
- (r) (Amendments): Subject to express restrictions set out in the Plan and complying with the Corporations Act, Listing Rules and any other applicable law, the Board may at any time by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Performance Right granted under the Plan including giving any amendment retrospective effect.
- (s) (Restrictions on amendments): Without the consent of the Participant, no amendment may be made to the terms of any granted Performance Right which reduced the rights of the Participant in respect of that Performance Right, other than an amendment introduced primarily:

- (i) for the purpose of complying with or conforming to present or future State or Commonwealth legislation governing or regulating the maintenance or operation of the Plan or like plans;
- (ii) to correct any manifest error or mistake;
- (iii) to enable a member of the Company to comply with the Corporations Act, the Listing Rules, applicable foreign law, or a requirement, policy or practice of the ASIC or other foreign or Australian regulatory body; or
- (iv) to take into consideration possible adverse tax implications in respect of the Plan arising from, amongst others, adverse rulings from the Commissioner of Taxation, changes to tax legislation (including an official announcement by the Commonwealth of Australia) and/or changes in the interpretation of tax legislation by a court of competent jurisdiction.

10.4 Summary of the Company's Employee Share Option Plan (Transitioning Flamingo Employees)

The Cre8tek Limited Employee Share Option Plan (Transitioning Flamingo Employees) (ESOP) was adopted by the Board in August 2016. The full terms of the ESOP may be inspected at the registered office of the Company during normal business hours. A summary of the terms of the ESOP is set out below:

- (a) (Eligible participants): Directors, employees and contractors of the Company or an entity controlled by or which controls the Company are "Eligible Persons" under the ESOP. The Board may from time to time make offers in writing to Eligible Persons inviting them to take up Options under the ESOP. Options may not be offered to a Director or his or her associates except where approval is given by the Shareholders in general meeting in accordance with the requirements of the Listing Rules.
- (b) (Limit to number of Options offered under the ESOP): Offers without disclosure may only be made under the ESOP if the Board has reasonable grounds to believe that the total number of Shares that may be acquired on exercise of the Options offered under that Offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under:
 - (i) the ESOP or any other employee incentive scheme; or
 - (ii) an ASIC exempt arrangement of a similar kind to an employee incentive scheme,

but disregarding any offer made, Option acquired or Shares issued by way of or as a result of:

- (iii) an offer to a person situated at the time of receipt of the offer outside Australia;
- (iv) an offer that did not need disclosure to investors because of section 708 of the Corporations Act. Section 708 exempts the requirement of a disclosure document for the issue of securities in certain circumstances to investors who are deemed to have sufficient investment knowledge to make informed decisions, including

(v) an offer made under a disclosure document,

would exceed 5% (or such other maximum permitted under any ASIC class order providing relief from the disclosure regime of the Corporations Act) of the total number of issued Shares in the Company as at the time of making the offer.

- (c) (Award of Options): The Directors will administer the ESOP awarding Options to acquire Shares in the Company to Eligible Persons. The selection of persons to whom the Shares will be offered under the ESOP, the number of Shares which may be offered to those persons, and any performance criteria that may apply before the Options may be exercised will be determined wholly by the Directors in their absolute discretion and in compliance with the Listing Rules.
- (d) (Expiration of Options): A vested Option will lapse on its expiry date. An unvested Option will lapse upon the earlier of its expiry date, voluntary resignation of the employee or voluntary termination of the consultancy contract, or the holder acting fraudulently or dishonestly in relation to the Company (unless the Board resolves otherwise within 30 days of any such event occurring).
- (e) (Death or permanent disability of participant): An Option will lapse after one year of a participant's death, permanent disability, redundancy or other reason which the Board considers fair and reasonable to warrant the participant maintaining his or her right to the Options.
- (f) (Transfer of Options): Subject to the Listing Rules and except on death of a participant, Options may not be transferred, assigned or novated without the prior approval of the Board.
- (g) (Administration of the ESOP): The ESOP will be administered by the Board which has the power to:
 - (i) determine appropriate procedures for the administration of the ESOP consistent with the Rules;
 - (ii) delegate such functions and powers as it may determine consider appropriate for the exercise of the ESOP to a person or persons;
 - (iii) resolve conclusively all questions of fact, interpretation or application in connection with the ESOP and the Offer; and
 - (iv) act or refrain from acting under or in connection with the ESOP or any Options and in the exercise of any power or discretion granted to it by the ESOP, except as otherwise expressly provided in the ESOP.
- (h) (Amendment of the ESOP): The Board may amend the ESOP if the amendment is of a formal, minor or technical nature or is made to correct a manifest error. Other amendments require shareholder approval.
- (i) (Termination or suspension of the ESOP): The ESOP may be terminated or suspended at any time by resolution of the Board and notification thereof to the ASX, if required.

10.5 Terms and conditions of Employee Options

The following terms and conditions apply to the Employee Options:

- (a) (Entitlement): Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) (Scheme): The Options are to be issued under the ESOP. In the event of any inconsistency between the ESOP and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.
- (c) (Exercise Price and Expiry Date): Subject to the receipt of any necessary waivers or approvals from ASX, the Options have an exercise price of \$0.029 per Option (Exercise Price) and an expiry date of 5:00pm (WST) on the date that is 5 years after the date of issue (Expiry Date). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) (Vesting and Vesting Dates):
 - (i) The Options will vest upon the holder meeting the Vesting Condition (as described below).
 - (ii) The Vesting Condition is that the holder of the Options must remain an employee of the Company (or a subsidiary of the Company), up to an including the Initial Vesting Date and then on the relevant subsequent vesting dates as set out below:

Vesting dates	Number of Options that will vest
At the Initial Vesting Date	1/3 of the total Options held by the holder
Each full month after the Initial Vesting Date until all Options have been vested	1/36 of the total Options held by the holder

(where 'Initial Vesting Date' means the one year anniversary of the date the existing Flamingo options were granted).

- (iii) Where the holder of the Options ceases to be an employee of the Company (or a subsidiary of the Company) before the Initial Vesting Date or the subsequent vesting dates (as applicable), see Section 10.5(r) below.
- (e) (Exercise Period): The Options are exercisable at any time after the Vesting Date and before the Expiry Date.
- (f) (Quotation of the Options): The Options will be unquoted.
- (g) (**Transferability**): The Options are not transferable, except with the prior written approval of the Board.
- (h) (Notice of Exercise): The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (Notice of Exercise) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment

acceptable to the Company, including cashless exercise as described in paragraph 10.5(j).

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

- (i) (Lodgement instructions): Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's share registry.
- (j) (Cashless exercise of Options): A holder of Options may elect not to be required to provide payment of the Exercise Price for the number of Options specified in a Notice of Exercise but that on exercise of those Options the Company will transfer or allot to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share).

Where **Market Value** means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date.

- (k) (Shares issued on exercise): Shares issued on exercise of the Options rank equally with the then Shares of the Company.
- (l) (Quotation of Shares on exercise): Application will be made by the Company to ASX, on the business day the Shares are issued, for quotation of the Shares issued upon the exercise of the Options.
- (m) (**Timing of issue of Shares**): Within 15 business days after the later of the following:
 - (i) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and
 - (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (iii) issue the Shares pursuant to the exercise of the Options;
- (iv) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (v) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- (n) (Participation in new issues): There are no participation rights or entitlements inherent in the Options and 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 the

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

- (o) (Adjustment for bonus issues of Shares): If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price.
- (p) (Adjustment for entitlements issue): If the Company makes an issue of Shares pro rata to existing shareholders (other than as a bonus issue, to which paragraph 10.5(o) will apply) there will be no adjustment of the Exercise Price of an Option or the number of Shares over which the Options are exercisable.
- (q) (Adjustments for reorganisation): If there is any reorganisation of the issued share capital of the Company, the rights of the Option holders will be varied in accordance with the Listing Rules.
- (r) (Leavers): A holder of Options will become a "Leaver" when they cease employment or office with the Company or any of its subsidiaries. Where a holder of Options becomes a Leaver, all unvested Options will automatically be forfeited by the holder, unless the Board otherwise determines in its discretion to permit some or all of the Options to vest.

10.6 Summary of the Company's Employee Incentive Scheme

The Cre8tek Limited Employee Incentive Scheme (Scheme) is being considered for approval by Shareholders at the General Meeting. The full terms of the Scheme may be inspected at the registered office of the Company during normal business hours. A summary of the terms of the Scheme is set out below:

- (a) (Eligible Participant): Eligible Participant means a person that:
 - (i) is an "eligible participant" (as that term is defined in ASIC Class Order 14/1000) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order 14/1000); and
 - (ii) has been determined by the Board to be eligible to participate in the Scheme from time to time.
- (b) (**Purpose**): The purpose of the Scheme is to:
 - (i) assist in the reward, retention and motivation of Eligible Participants;
 - (ii) link the reward of Eligible Participants to Shareholder value creation; and
 - (iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

- (c) (Scheme administration): The Scheme will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Scheme rules in its sole and absolute discretion. The Board may delegate its powers and discretion.
- (d) (Eligibility, invitation and application): The Board may from time to time determine that an Eligible Participant may participate in the Scheme and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.

On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.

If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

- (e) (Grant of Securities): The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Scheme rules and any ancillary documentation required.
- (f) (Terms of Convertible Securities): Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Scheme.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

- (g) (Vesting of Convertible Securities): Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
- (h) (Exercise of Convertible Securities and cashless exercise): To exercise an Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the

Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Scheme rules, or such earlier date as set out in the Scheme rules.

- (i) (Delivery of Shares on exercise of Convertible Securities): As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Scheme rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
- (j) (Forfeiture of Convertible Securities): Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Scheme rules:

- (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
- (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- (k) (Change of control): If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
- (l) (Rights attaching to Scheme Shares): All Shares issued under the Scheme, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (Scheme Shares) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Scheme Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Scheme Shares. A Participant may exercise any voting rights attaching to Scheme Shares.

(m)

(Disposal restrictions on Scheme Shares): If the invitation provides that any Scheme Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Scheme Share is subject to any disposal restrictions under the Scheme, the Participant will not:

- (i) transfer, encumber or otherwise dispose of, or have a security interest granted over that Scheme Share; or
- (ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
- (n) (Adjustment of Convertible Securities): If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

- (o) (Participation in new issues): There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
- (p) (Amendment of Scheme): Subject to the following paragraph, the Board may at any time amend any provisions of the Scheme rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Scheme and determine that any amendments to the Scheme rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Scheme rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

(q) (Scheme duration): The Scheme continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Scheme for a fixed period or indefinitely, and may end any suspension. If the Scheme is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

10.7 Substantial Shareholders

As at the date of this Prospectus, the following Shareholders (and their associates) hold 5% or more of the total number of Shares on issue in the Company (assuming that no convertible Securities (e.g. Options and Performance Rights) are converted into Shares):

Shareholder/Associates	Existing Shares	Existing %
Suburban Holdings Pty Limited <suburban a="" c="" fund="" super=""></suburban>	14,653,569	6.25

On completion of the Offers and the Acquisition, the following Shareholders (and their associates) are expected to hold 5% or more of the total number of Shares on issue:

Shareholder/Associates	Shares Post- Acquisition	% Post- Acquisition
Entities associated with Dr Catriona Wallace ¹	115,814,391	19.45
Entities associated with Ms Cathie Reid ²	62,848,740	10.56

Notes:

- 1. Dr Wallace, as founder of Flamingo and through her associate Phoenixavier Pty Ltd, is a shareholder of Flamingo and she or her associates will receive a total of 115,814,391 Initial Consideration Shares as part of the Consideration Securities to be issued upon completion of the Acquisition under the Consideration Offer.
- 2. Ms Reid, through her associates Badger 31 Pty Ltd and Flamingo 31 Pty Ltd, is a shareholder of Flamingo and she or her associates will receive a total of 62,848,740 Initial Consideration Shares as part of the Consideration Securities to be issued upon completion of the Acquisition under the Consideration Offer.

10.8 Interests of experts and advisers

(a) No interest except as disclosed

Other than as set out below or elsewhere in this Prospectus, no persons or entity named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus holds at the date of this Prospectus, or held at any time during the last 2 years, any interest in:

- (i) the formation or promotion of the Company;
- (ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or
- (iii) the Offers,

Prospectus

and the Company has not paid any amount or provided any benefit, or agreed to do so, to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the Offers.

(b) Share Registry

Automic Registry Services has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

(c) Auditor to the Company

Ernst & Young has been appointed as auditor of the Company. The Company estimates it will pay Ernst & Young a total of \$17,500 (excluding GST) for these services. The Company has paid Ernst & Young fees of \$22,205 (excluding GST) during the 24 months preceding lodgement of this Prospectus with ASIC.

(d) Legal Advisers

Bellanhouse Legal has acted as the solicitors to the Company in relation to the Offers, the Acquisition, the General Meeting and various other matters. The Company estimates it will pay Bellanhouse Legal \$120,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. In addition, Bellanhouse Legal has performed other legal work for the Company. The Company has paid Bellanhouse Legal fees of \$126,720 (excluding GST) during the 24 months preceding lodgement of this Prospectus with ASIC (including fees paid to date in connection with the Offers, the Acquisition and the General Meeting).

(e) Investigating Accountants

BDO Corporate Finance (WA) Pty Ltd has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Section 6 of this Prospectus. The Company estimates it will pay BDO Corporate Finance (WA) Pty Ltd a total of \$14,000 (excluding GST) for these services. The Company has paid BDO Corporate Finance (WA) Pty Ltd fees of \$9,400 (excluding GST) during the 24 months preceding lodgement of this Prospectus with ASIC.

(f) Intellectual Property Expert (USA)

Flynn, Thiel, Boutell & Tanis, P.C. has prepared the Intellectual Property Experts' Report (USA) which is included at Section 7. The Company estimates it will pay Flynn, Thiel, Boutell & Tanis, P.C. a total of approximately \$14,332 (excluding GST) for work done in relation to this Prospectus. During the 24 months preceding lodgement of this Prospectus with ASIC, Flynn, Thiel, Boutell & Tanis, P.C. has not received any other fees from the Company.

(g) Intellectual Property Expert (Australia)

Williams + Hughes Pty Ltd has prepared the Intellectual Property Experts' Report (Australia) which is included at Section 7. The Company estimates it will pay Williams + Hughes Pty Ltd a total of approximately \$16,000 (excluding GST) for work done in relation to this Prospectus. The Company has paid Williams + Hughes Pty Ltd fees of \$9,049 (excluding GST) during the 24 months preceding lodgement of this Prospectus with ASIC.

(h) Independent Industry Expert

Frost & Sullivan Australia Pty Ltd has prepared the Independent Industry Expert's Report which is included at Section 4. The Company estimates it will pay Frost & Sullivan Australia Pty Ltd a total of approximately \$13,500 (excluding GST) for work done in relation to this Prospectus. During the 24 months preceding lodgement of this Prospectus with ASIC, Frost & Sullivan Australia Pty Ltd has not received any other fees from the Company.

(i) Lead Manager and Corporate Advisor

Otsana Capital is acting as the lead manager to the Public Offer and as corporate advisor to the Company and for this is entitled to be paid fees in accordance with the Lead Manager and Corporate Advisor Mandate summarised at Section 9.3(c). The Company has paid Otsana Capital fees of \$266,023 (excluding GST) during the 24 months preceding lodgement of this Prospectus with ASIC.

10.9 Consents

(a) General

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares under this Prospectus), the Directors, any persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

In light of the above, each of the parties referred to below:

- (i) does not make the Offer;
- (ii) does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below or elsewhere in this Prospectus;
- (iii) only to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified below; and
- (iv) has given and has not, prior to the lodgement of this Prospectus with ASIC, withdrawn its consent to the inclusion of the statements in this Prospectus that are specified below in the form and context in which the statements appear.

(b) Share Registry

Automic Registry Services has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as share registry to the Company in the form and context in which it is named. Automic Registry Services has had no involvement in the preparation of any part of this Prospectus other than being named as Share Registry.

(c) Auditor to the Company

Ernst & Young has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as auditor of the Company in the form and context in which it is named.

(d) Flamingo audited financial statements

BDO Audit (WA) Pty Ltd was engaged by Flamingo to audit Flamingo's financial statements and has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to the inclusion of references to those audited financial statements in this Prospectus.

(e) Legal Advisers

Bellanhouse Legal has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as legal adviser to the Company in the form and context in which it is named.

(f) Investigating Accountant

BDO Corporate Finance (WA) Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Investigating Accountant to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Investigating Accountant's Report in the form and context in which it is included.

(g) Intellectual Property Expert (USA)

Flynn, Thiel, Boutell & Tanis, P.C. has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Intellectual Property Expert (USA) to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Intellectual Property Experts' Report (USA) in the form and context in which it is included.

(h) Intellectual Property Expert (Australia)

Williams + Hughes Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Intellectual Property Expert (Australia) to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Intellectual Property Experts' Report (Australia) in the form and context in which it is included.

(i) Independent Industry Expert

Frost & Sullivan Australia Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Independent Industry Expert to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Independent Industry Expert's Report in the form and context in which it is included.

(j) Lead Manager and Corporate Advisor

Otsana Capital has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as the Lead Manager to the Public Offer and the Corporate Advisor to the Company in the form and context in which it is named, together with all references to it in this Prospectus.

(k) Proposed Directors

The Proposed Directors have each given their written consent to being named as the proposed directors of the Company in the form and context in which they are named, and to all other information relevant to them in this Prospectus.

10.10 Expenses of the Offers

The expenses of the Offers (excluding GST) are estimated to be approximately \$429,532 and are expected to be applied towards the items set out in the table below.

Items of expenditure	Amount (\$)
Capital raising fees	150,000
Legal fees	150,332
Accounting and Investigating Accountant's Report	14,000
Independent Industry Expert fees	13,500
ASIC and ASX fees	80,350
Other expenses	21,350
Total estimated expenses	429,532

10.11 ASX waivers

The Company has obtained the following ASX waivers in relation to the Offers and the Acquisition:

- (a) a waiver of Listing Rules 1.1 Condition 11 to allow existing options, and the Options offered under this Prospectus, to have an exercise price of less than \$0.20 each; and
- (b) a waiver from Listing Rule 2.1 Condition 2 to allow the Company's existing Shares and the Shares to be issued under the Offers to have an issue price of less than \$0.20 each.

The Company has also obtained confirmation from ASX for the purposes of Listing Rule 6.1 that the terms of the Performance Shares as set out in Section 10.2 are, in ASX's opinion, appropriate and equitable.

10.12 Continuous disclosure obligations

As the Company is admitted to the official list of ASX, the Company is a "disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular

reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company's Securities.

Price sensitive information is publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

10.13 Litigation

As at the date of this Prospectus, neither the Company nor Flamingo is involved in any material legal proceedings nor are the Directors aware of any legal proceedings pending or threatened against the Company or Flamingo or any of their respective subsidiaries.

11. Directors' Authorisation

The Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director and Proposed Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Signed for and on behalf of the Company.

Bryn Hardcastle

Chairman

13 September 2016

12. Definitions

\$ means Australian dollars.

Acquisition means the acquisition of Flamingo in accordance with the Acquisition Agreement.

Acquisition Agreement means the share sale agreement between the Company, Flamingo and the Signing Sellers for the acquisition of Flamingo by the Company, dated 1 June 2016.

Agenda means Global Agenda Technologies Pty Ltd (ACN 608 952 254).

Agenda Platform means the online platform developed and operated by Agenda for sales conversions between businesses and consumers.

Application Form means the Public Offer Application Form, the Consideration Offer Application Form, the Facilitation Offer Application Form or the Employee Offer Application Form, as the context requires.

Application Monies means the amount of money in dollars and cents payable for Shares at the Offer Price per Share pursuant to the Public Offer. No application monies will be payable pursuant to the Secondary Offers.

Article means an article of the Constitution.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

ASX Settlement Operating Rules means the settlement and operating rules of ASX Settlement.

Board means the board of Directors.

Business Day means Monday to Friday except for any day that ASX declares is not a business day.

CHESS means the Clearing House Electronic Sub-register System operated by ASX Settlement.

Class A Performance Shares has the meaning given in Section 10.2.

Class B Performance Shares has the meaning given in Section 10.2.

Class C Performance Shares has the meaning given in Section 10.2.

Closing Date means the date that the Offers close which is 5.00pm (WST) on 30 September 2016 or such other time and date as the Board determines.

Company means Cre8tek Limited (ACN 000 031 292).

Consideration Offer means the offer of the Consideration Securities to the Vendors (or their nominees) under this Prospectus in the respective proportions set out in the Acquisition Agreement.

Consideration Offer Application Form means the Application Form in respect of the Consideration Offer.

Consideration Securities means the Initial Consideration Shares and 272,727,273 Performance Shares.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

CRM means customer relationship management.

Director means a director of the Company.

Employee Offer means the offer of the Employee Options under this Prospectus to certain Flamingo employees in consideration for the cancellation of existing Flamingo options.

Employee Offer Application Form means the Application Form in respect of the Employee Offer.

Employee Options means 6,567,382 Options offered to Flamingo employees under this Prospectus pursuant to the Employee Offer on the terms set out in Section 10.5.

ESOP means the Company's Employee Share Option Plan (Transitioning Flamingo Employees), a summary of which is set out in Section 10.4.

Essential Resolutions has the meaning set out in Section 1.4.

Exposure Period means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act.

Facilitators means Risely Resources Pty Ltd (ACN 147 700 052) and Mr Paul Hunyor.

Facilitator Securities means the Shares and Performance Shares offered to the Facilitators (or their nominee/s) under this Prospectus pursuant to the Facilitation Offer in the amounts set out in Section 2.2(b).

Facilitation Offer means the offer of the Facilitator Securities under this Prospectus to the Facilitators (or their nominee/s) for facilitating the Acquisition.

Facilitation Offer Application Form means the Application Form in respect of the Facilitation Offer.

Flamingo means Flamingo Customer Experience, Inc. (a company incorporated pursuant to the laws of Delaware, USA).

Flamingo Platform means the online platform developed and operated by Flamingo for an 'intelligent guided selling', onboarding or retention experience between Providers and their customers, a description of which is contained in Section 3.4.

Flamingo Shares means 100% of the issued share capital in Flamingo, being 4,939,843 fully paid ordinary shares.

Flamingo Ventures means Flamingo Ventures Pty Ltd (ACN 163 845 056).

Founder means Dr Catriona Wallace.

General Meeting means the annual general meeting of Shareholders to be held on Wednesday, 14 September 2016.

Independent Industry Expert means Frost & Sullivan Australia Pty Ltd (ACN 096 869 108).

Independent Industry Expert's Report means the report contained in Section 4.

Initial Consideration Shares means 272,727,273 Shares to be issued to the Vendors (or their nominees) pursuant to the Acquisition Agreement.

Intellectual Property means:

- (a) inventions, discoveries and novel designs, whether or not registered or registrable as patents or designs, including developments or improvements of equipment, products, technology, processes, methods or techniques;
- (b) copyright (including future copyright) throughout the world in all literary works, artistic works, computer software, and any other works or subject matter in which copyright subsists and may in the future subsist;
- (c) trade and service marks (whether registered or unregistered), domain names, branding and marketing materials; and
- (d) proprietary rights under the Circuit Layouts Act 1989 (Cth).

Intellectual Property Experts means Flynn, Thiel, Boutell & Tanis, P.C. and Williams & Hughes Pty Ltd (ACN 109 119 253) trading as Williams + Hughes.

Intellectual Property Experts' Reports means the reports contained in Section 7.

Investigating Accountant means BDO Corporate Finance (WA) Pty Ltd (ACN 124 031 045).

Lead Manager means Otsana Capital.

Listing Rules means the listing rules of ASX.

Merged Group means the Company, and its wholly owned subsidiaries, including Flamingo, after completion of the Acquisition.

Minimum Subscription means the raising of \$3,000,000 by the acceptance of applications for 75,000,000 Shares at \$0.04 each pursuant to the Public Offer.

Minority Flamingo Shareholders means the shareholders of Flamingo other than the Signing Sellers.

MVP means minimum viable product.

Non-Founder Vendors means the Vendors other than Phoenixavier Pty Ltd, an entity associated with the Founder.

Offer Price means \$0.04 per Share under the Public Offer.

Offers means the Public Offer and the Secondary Offers.

Opening Date means the first date for receipt of completed Application Forms under the Public Offer, being 13 September 2016.

Option means an option to acquire a Share.

Otsana Capital means Otsana Pty Ltd (ACN 145 168 216), trading as Otsana Capital.

Performance Right means the right, subject to certain conditions to be allocated one Share in the Company, or such other number of Shares as determined by the relevant adjustment mechanism, for nil consideration or such other amount as determined by the Board.

Performance Share means any one of a Class A Performance Share, Class B Performance Share or Class C Performance Share issued on the terms and conditions contained in Section 10.2.

Plan means the Company's Performance Rights Plan, a summary of which is set out in Section 10.3.

Proposed Directors means Dr Catriona Wallace and Ms Cathie Reid.

Prospectus means this prospectus dated 13 September 2016.

Provider means a service provider client of Flamingo, for example, financial services institutions.

Public Offer means the public offer of 75,000,000 Shares at the Offer Price pursuant to this Prospectus to raise \$3,000,000 before costs.

Public Offer Application Form means the Application Form in respect of the Public Offer.

SaaS means software as a service.

Scheme means the Company's Employee Incentive Scheme, a summary of which is set out in Section 10.6.

Secondary Offers means the Consideration Offer, the Facilitation Offer and the Employee Offer.

Section means a section of this Prospectus.

Securities means Shares, Options, Performance Shares and/or Performance Rights.

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

Share Registry means Automic Pty Ltd (ACN 152 260 814), trading as Automic Registry Services.

Shareholder means a holder of one or more Shares.

Short Form Acquisition Agreements means the acquisition agreements between the Company and each of the Minority Flamingo Shareholders for the acquisition of 100% of the ordinary shares in Flamingo held by the Minority Flamingo Shareholders.

Signing Sellers means Phoenixavier Pty Ltd (ACN 161 304 114), Flamingo 31 Pty Ltd (ACN 600 216 797) and Badger 31 Pty Ltd (ACN 108 155 148).

US Subsidiary means Flamingo Merger, Inc.

US\$ means US dollars.

Vendors means the shareholders of Flamingo, comprising the Signing Sellers and the Minority Flamingo Shareholders.

WST means Western Standard Time, being the time in Perth, Western Australia.