

APPLABS TECHNOLOGIES LTD

(ACN 139 977 772)

CLEANSING PROSPECTUS

For the offer of up to 100 Shares at an issue price of \$0.23 per Share to raise approximately \$23.00 (before expenses).

This Prospectus has been prepared primarily for the for the purpose of Section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date. It has also been issues to provide information on the Offer of the 100 Shares referred to above.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered under this Prospectus should be considered speculative.

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1. Summary of Important Dates and Important Notes

Timetable and important dates*

Action	Date
Lodgement of Prospectus with the ASIC and ASX	20 March 2014
Opening Date	10:00am (WST) on 20 March 2014
Closing Date	5:00pm (WST) on 20 March 2014

*The Company reserves the right to extend the Closing Date or close the Offer early without notice, in its absolute discretion.

Important Notes

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisers. The Shares the subject of this Prospectus should be considered highly speculative.

This Prospectus is dated 20 March 2014 (**Prospectus**) and a copy of this Prospectus was lodged with the ASIC on that date.

The ASIC and ASX take no responsibility for the content of this Prospectus.

The expiry date of the Prospectus is 13 months after the date the Prospectus was lodged with the ASIC. No Shares will be issued on the basis of this Prospectus after the expiry date.

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

Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with Section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

Risk Factors

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can effectively manage them is limited.

Set out below are specific risks that the Company is exposed to. Further risks associated with an investment in the Company are outlined in Section 6.

- **Technology, third party service provider reliance, competition:** The Company's success will depend, in part, on its ability to expand its products and grow its business in response to changing technologies, user and third party service providers' demands and competitive pressures. Failure to do so may impact the success of the Company.
- **The Company's business depends substantially on Applabs' management and other key personnel:** The Company has engaged and has entered into agreements with Directors and consultants (**Key Management Personnel**). The Company's operational success will depend substantially on the continuing efforts of its Key Management Personnel and senior executives (in particular Mr Stuart Kidd). The loss of services of one or more senior executives may have an adverse effect on the Company's operations.
- **Ability to create new products and to grow its products' user base:** The Company's ability to grow its products' user base and generate revenue will depend in part on the Company's ability to create successful new products.
- **Limited Operating History:** The Company has limited relevant operating history in the development of Apps and the unproven potential of its proposed new business model makes any evaluation of the businesses or its prospects difficult.
- **The Company may not be able to prevent others from unauthorised use of its intellectual property:** The Company has acquired trade secrets and other intellectual property rights that are important assets. However, various events outside of the Company's control could pose a threat to its intellectual property rights, as well as to its products and technologies.
- **General Risks:** There are a number of general risks including share market conditions and economic risk.

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company and you should refer to the additional risk factors in Section 6 of this Prospectus before deciding whether to apply for Shares pursuant to this Prospectus.

2. Corporate Directory

Directors

Mr Stuart Kidd
Managing Director

Mr Patrick Glovac
Non Executive Director

Mr Rocco Tassone
Non Executive Director

Mr Charles Thomas
Non Executive Director

Company Secretary

Mr Damon Sweeny

Registered Office

Suite 5, Level 1
12-20 Railway Road
SUBIACO WA 6008

Telephone: + 61 8 6193 6899
Facsimile: +61 8 9326 7676
Email: enquiry@applabs.com.au
Website: www.applabs.com.au

ASX Code

ALA

Solicitors

Nova Legal
Ground Floor
10 Ord Street
WEST PERTH WA 6005

Share Registry

Advanced Share Registry Services*
150 Stirling Hwy
Nedlands WA 6009
Telephone: +61 8 9389 8033
Facsimile: +61 8 9389 7871

* These parties have no involvement in the preparation or issue of this Prospectus and have not consented to being named in this Prospectus. Their names appear for information purposes only.

3. Details of the Offer

3.1 Offer

Under this Prospectus, the Company invites investors identified by the Directors to apply for up to 100 Shares at an issue price of \$0.23 per Share payable in full on application.

The Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus.

3.2 Placement

As announced by the Company on 10 March 2014, the Company entered into binding subscription agreements for the purpose of raising a total of \$3,864,000 from sophisticated and institutional investors (within the meaning of the Corporations Act) (**Placees**) (**Placement**).

The Placement will be undertaken in two tranches, whereby:

- (a) the Tranche 1 Placement will raise \$1,288,000 by the issue of 5,600,000 Shares at an issue price of \$0.23 per Share under the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A (**Tranche 1 Placement Shares**); and
- (b) the Tranche 2 Placement will, subject to obtaining prior Shareholder approval, raise \$2,576,000 by the issue of 11,200,000 Shares at an issue price of \$0.23 per Share (**Tranche 2 Placement Shares**).

The Placement Shares will only be issued to parties who can be issued Shares without the requirement for a disclosure document under section 708 of the Corporations Act. None of these Placees will be related parties of the Company.

It is the Company's intention that the Tranche 1 Placement Shares will be issued either:

- (a) before the lodgement of this Prospectus with ASIC; or
- (b) after the Opening Date but before the Closing Date of this Prospectus.

The Company intends to use the funds raised from both tranches of the Placement towards:

- (a) expediting the development and release of the Company's Home Open application by employing more in-house software developers and design technicians;
- (c) implementing an aggressive marketing campaign with an increased advertising budget and employing an in-house sales team to expand the exposure of the Home Open application in the real estate industry;
- (d) identifying potential acquisitions and other financing opportunities which complement the Company's business and existing operations; and
- (e) working capital of the Company.

3.3 Purpose of the Offer

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date (including the Tranche 1 Placement Shares as described in section 3.2 above).

The Company is seeking to raise only a nominal amount of \$23 under this Prospectus. Accordingly, the purpose of this Prospectus is not to raise capital. Under the Offer, an amount of approximately \$23 (before expenses) will be raised. All of the funds raised

from the Offer will be applied towards the expenses of the Offer. Refer to Section 4.2 of this Prospectus for further details relating to the estimated expenses of the Offer.

Generally, section 707(3) of the Corporations Act requires a prospectus to be issued if securities are offered for sale within 12 months after their issue and the issue of those securities was made without disclosure (for example, under a prospectus) to investors under Chapter 6D of the Corporations Act.

However, section 708A(11) of the Corporations Act provides an exemption from this general requirement, and accordingly, a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

The purpose of this Prospectus is therefore to comply with section 708A(11) and to relieve the Placees from the obligation to issue a prospectus if they wish to sell any Tranche 1 Placement Shares within 12 months of issue. This Prospectus has also been issued to provide information on the Offer being made under this Prospectus, of which disclosure is required by the Corporations Act.

3.4 Opening and Closing Dates of the Offer

The Opening Date of the Offer will be 20 March 2013 at 10:00am WST and the Closing Date will be 20 March 2013 at 5:00pm WST.

The Directors reserve the right to close the Offer early or extend the Closing Date (as the case may be), should it be considered by them necessary to do so.

3.5 Application for Shares

Applications for Shares must be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Payment for the Shares must be made in full at the issue price of \$0.23 per Share.

Completed Application Forms and accompanying cheques must be mailed or delivered to the Company's address as follows:

By Hand:

Applabs Technologies Ltd
Suite 7, 55 Hampden Road
NEDLANDS WA 6009

By Post:

Applabs Technologies Ltd
PO Box 171
SUBIACO WA 6904

Cheques should be made payable to "**Applabs Technologies Ltd – Share Offer Account**" and crossed "**Not Negotiable**". Completed Application Forms and cheques must reach the address set out above by no later than the Closing Date.

3.6 Minimum subscription

There is no minimum subscription in respect of the Offer.

3.7 Oversubscriptions

Oversubscriptions will not be accepted.

If the Company receives more than one Application Form for Shares under the Offer, the Directors will decide, in their absolute discretion, which Application Form to accept and which Applicant the Shares under the Offer will be issued to.

3.8 Issue of Shares

The issue of Shares will take place as soon as practicable after the Closing Date. Application monies will be held in a separate subscription account until issue. This account will be established and the application monies will be kept by the Company in trust for each Applicant. Any interest earned on the application monies will be for the benefit of the Company and will be retained by the Company irrespective of whether the issue takes place and each Applicant waives the right to claim any interest.

The Directors will determine the holders of all the Shares. The Directors reserve the right to reject any application or to allocate any Applicant fewer Shares than the number applied for.

Where the number of Shares issued is less than the number applied for, the surplus monies will be returned by cheque as soon as practicable after the Closing Date. Where no issue is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on monies refunded.

3.9 Underwriter

The Offer is not underwritten.

3.10 ASX Listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

3.11 Restrictions on the Distribution of the Prospectus

The distribution of this Prospectus outside the Commonwealth of Australia may be restricted by law.

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Shares on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

3.12 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company is a participant in CHES for those investors who have a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with separate statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

3.13 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

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.

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

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. You should note that if you do not provide the information required on the Application Form, the Company may not be able to accept or process your application.

3.14 Enquiries

Any questions concerning the Offer should be directed to the Company Secretary, Mr Damon Sweeny on +61 8 9388 9968 or damon@applabs.com.au .

4. Effect of the Offer

4.1 Effect of the Offer on Capital Structure

The effect of the Offer on the Company's capital structure is set out below.

Shares	Number
Shares currently on issue	25,526,971
Shares offered under this Prospectus	100
Tranche 1 Placement Shares ¹	5,600,000
Tranche 2 Placement Shares ²	11,200,000
Total Shares on issue on completion of the Offer and Placement²	42,327,071

Notes:

¹ To be issued on or about 20 March 2014 (but in any event, before the Closing Date) under ASX Listing Rules 7.1 and 7.1A.

² To be issued on or about 20 April 2014, subject to the Company obtaining Shareholder approval for their issue.

4.2 Financial Effect of the Offer

After paying for the expenses of the Offer of approximately \$13,300, there will be no proceeds from the Offer. The expenses of the Offer (exceeding \$23) will be met from the Company's existing cash reserves. The Offer will have an effect on the Company's financial position, being receipt of funds of \$23 less expenses of the Offer of \$13,300.

4.3 Pro-forma balance sheet

The audited balance sheet as at 31 December 2013 and the unaudited pro-forma balance sheet as at 31 December 2013 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming the Placement has been completed (being the issue of both the Tranche 1 Placement Shares and the Tranche 2 Placement Shares), the Offer is fully subscribed, and including expenses of the Offer and the Placement.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

**Consolidated Condensed Statement of Financial Position (audited)
and Pro Forma Statement of Financial Position as at 31 Dec 2013
(unaudited)**

	31 Dec 2013 Actual \$	31 Dec 2013 Pro-forma \$ <i>(including the issue of the Tranche 1 Placement Shares only)^{1,3}</i>	31 Dec 2013 Pro-forma \$ <i>(including the issue of both the Tranche 1 and Tranche 2 Placement Shares)^{2,3}</i>
<u>ASSETS</u>			
Current assets			
Cash and cash equivalents	2,754,904	3,953,847	6,373,287
Trade and other receivables	55,602	55,602	55,602
Other Assets	50,387	50,387	50,387
Total current assets	2,860,893	4,059,836	6,479,276
Non-current assets			
Property, plant and equipment	71,305	71,305	71,305
Intangible Assets	1,226,043	1,226,043	1,226,043
Total non-current assets	1,297,348	1,297,348	1,297,348
Total assets	4,158,241	5,357,184	7,776,624
<u>LIABILITIES</u>			
Current liabilities			
Trade and other payables	96,455	96,455	96,455
Short-term provisions	-	-	-
Total current liabilities	96,455	96,455	96,455
Total liabilities	96,455	96,455	96,455
Net assets	4,061,786	5,260,729	7,680,169
<u>EQUITY</u>			
Issued capital	21,011,640	22,210,583	24,630,023
Accumulated losses	(16,949,854)	(16,949,854)	(16,949,854)
Total equity	4,061,786	5,260,729	7,680,169

NOTES:

- 1 *This column of the pro-forma balance sheet has been prepared on the basis that the Tranche 1 Placement Shares have been issued only (being the issue of 5,600,000 Shares at an issue price of \$0.23 each to raise \$1,288,000).*
- 2 *This column of the pro-forma balance sheet has been prepared on the basis that the whole of the Placement (being the issue of both the Tranche 1 and Tranche 2 Placement Shares) has been fully completed, however the Company notes that the issue of the Tranche 2 Placement Shares (being 11,200,000 Shares at an issue price of \$0.23 each to raise \$2,576,000) is subject to prior Shareholder Approval.*
- 3 *This pro-forma balance sheet assumes that the Offer is fully subscribed.*

5. Rights and Liabilities Attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to Shares to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

The rights, privileges and restrictions attaching to Shares can be summarised as follows:

(a) **Voting Rights**

Subject to the Constitution of the Company and any rights or restrictions at the time being attached to a class of shares, at a general meeting of the Company every shareholder present in person, or by proxy, attorney or representative has one vote on a show of hands, and upon a poll, one vote for each share held by the shareholder and for each partly paid share held, a fraction of one vote equal to the proportion which the amount paid up bears to the amounts paid or payable on that share. In the case of an equality of votes, the chairperson has a casting vote.

(b) **Dividends**

Subject to the Corporations Act, the Listing Rules and any rights or restrictions attached to a class of shares, the Company may pay dividends as the Directors resolve but only out of profits of the Company. The Directors may determine the method and time for payment of the dividend.

(c) **Winding up**

Subject to the Corporations Act, the Listing Rules and any rights or restrictions attached to a class of shares, on a winding up of the Company any surplus must be divided among the shareholders of the Company in proportion which the amount paid on the shares bears to the total amount paid and payable on the shares of all shareholders of the Company.

(d) **Transfer of Shares**

Generally, Shares are freely transferable, subject to satisfying the requirements of the Listing Rules, the Corporations Act and associated legislation. The Directors may decline to register any transfer of Shares but only where permitted to do so by the Corporations Act, the Listing Rules and associated legislation.

(e) **Further Increases in Capital**

Subject to the Corporations Act, the Listing Rules and associated legislation, the Company (under the control of the Directors) may allot and issue shares and grant options over shares, on any terms, at any time and for any consideration, as the Directors resolve.

(f) **Variation of Rights Attaching to Shares**

Subject to the Corporations Act, the Listing Rules and associated legislation and the terms of issue of shares in a particular class, the Company may vary or cancel rights attached to shares in that class by either special resolution passed at a general meeting of the holders of the shares in that class, or with the written consent of the holders of at least 75% of the votes in that class.

(g) **General Meeting**

Each shareholder will be entitled to receive notice of, and to attend and vote at, General Meetings of the Company and to receive notices, accounts and other documents required to be furnished to shareholders under the Company's Constitution, the Corporations Act and the Listing Rules.

6. Risk Factors

6.1 Introduction

Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entities have implemented appropriate strategies, actions, systems and safeguards for known risks, however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, along with the risks set out in section 1 of this Prospectus, represents some of the major risk factors which prospective investors need to be aware of in evaluating the Company's business and risks of commencing or increasing your investment in the Company. Prospective investors should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the risks set out below.

6.2 Company Specific Risks

Refer also to section 1 of this Prospectus.

- (a) **Product distribution and usability of the Company's products depend upon various factors outside the control of the Company including (but not limited to) device operating systems, mobile device design and operation and platform provider standards**

The Company intends to develop its products for use across a number of internet access platforms, mobile and desktop devices and software operating systems. The Company will be dependent on the ability of its products to operate on such platforms, devices and operating systems however it cannot control the maintenance, upkeep and continued supply of effective service from external suppliers in these areas. Any changes in such platforms, operating systems or devices that adversely affect the functionality of the Company's products or give preferential treatment to competitive products could adversely affect usage of the Company's products.

- (b) **Reliance on Access to Internet**

The Company will depend on the ability of its users to access the internet. Access is provided by various classes of entities in the broadband and internet access marketplace. Should any of these entities disrupt, restrict or affect the cost of access to the Company's products, usage of the Company's products may be negatively impacted.

- (c) **Limited Operating History**

The Company has limited relevant operating history in the development of Apps and the unproven potential of its proposed new business model makes any evaluation of the businesses or its prospects difficult. No assurances can be given that the Company will achieve commercial viability through the successful implementation of its business plans.

- (d) **Reliance on Key Personnel**

The Company's operational success will depend substantially on the continuing efforts of its senior executives (in particular Mr Stuart Kidd). The loss of services of one or more senior executives may have an adverse effect on the Company's operations. Furthermore, if the Company is unable to attract, train and retain key individuals and other highly skilled employees and consultants, its business may be adversely affected.

(e) **Maintenance of Key Business Partner Relationships**

The Company relies on relationships with key business partners to enable it to continue to provide App solutions. A failure to maintain relationships could result in a withdrawal of support, which in turn could impact the Company's financial position.

(f) **Reliance on New products**

The Company's ability to grow its products' user base and generate revenue will depend in part on its ability to create successful new products. The Company may introduce significant changes to existing products or develop and introduce new and unproven products, including technologies with which we have little or no prior development or operating experience. If the new or enhanced products fail to attract users, the Company may fail to generate sufficient revenue or operating profit to justify its investments, and accordingly operating results could be adversely affected.

(g) **Management of Growth**

There is a risk that the Company will not be able to manage rapid growth of the business. The capacity of the Company to properly implement and manage business growth may affect the Company's financial performance.

(h) **Brand Establishment and Maintenance**

The Company believes that establishing and maintaining its brand in the App development industry is critical to growing its proposed user base and product acceptance. This will depend largely on the Company's ability to provide useful and innovative products. The actions of external industry participants may affect the Company's brand if users do not have a positive experience using platforms, devices or operating systems that provide access to the Company's products. If the Company fails to successfully establish and maintain its brand its business and operating results could be adversely affected.

(i) **A number of the Company's products and possible future products contain or will contain open source software, and the Company licenses some of its software through open source projects, which may pose particular risks to its proprietary software and products in a manner that could have a negative effect on its business**

The Company will utilise open source software in a number of its products and will use open source software in the future. The terms of many open source licenses to which the Company will be subject have not been interpreted by Australian or foreign courts, and there is a risk that open source software licenses could be construed in a manner that imposes unanticipated conditions or restrictions on the Company's ability to provide or distribute its products.

(j) **The Company's intellectual property rights are valuable, and any inability to protect them could reduce the value of its products and brand**

The Company will acquire trade secrets and other intellectual property rights that are important assets. The Company may therefore rely on a combination of confidentiality and license agreements with its consultants and third parties with whom it has relationships, as well as domain name, trade secret, copyright and patent laws, to protect its brand and other intellectual property rights. However, various events outside of the Company's control could pose a threat to its intellectual property rights, as well as to its products and technologies.

- (k) **The Company's products may contain programming errors, which could harm its brand and operating results**
- The Company's products will contain complicated programming and its objectives are to quickly develop and launch new and innovative products and features. The Company's products may therefore contain now or in the future, errors, bugs or vulnerabilities. Any errors, bugs or vulnerabilities discovered could result in (among other consequences) damage to the Company's brand, loss of users, loss of platform partners, fall in revenues or liability for damages, any of which could adversely affect the Company's business and operating results.
- (l) **The Company relies on Apps platform providers and Internet search engines (amongst other facilities) to direct customers to its products**
- Should the Company's brand or products fail to attract a high level of Internet search ranking, direction of users or potential new customers to its products could be limited and its business and operating results could be adversely affected. The Company will rely on Apps marketplaces, such as Apple's App Store and Google's Play, to facilitate downloads of its Apps. Should any operators of Apps platforms utilised by the Company make changes to limit or make more difficult user access to its products, the Company's business and operating results may be affected. The Company's search result rankings is outside of its control and competitors' search engine procedures may result in their websites or Apps receiving a higher search result ranking. Reduced numbers of potential users directed to the Company's Apps could adversely affect its business and operating results.
- (m) **Competition**
- The Company will compete with other businesses and companies. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Company can compete effectively with these companies.
- (n) **Specific Competition – Home Open App**
- The on-line real estate market is dominated by a small number of major corporations that have access to greater resources and experience than the Company. There can be no assurance that the Company can compete effectively with these companies.
- (o) **Specific Risk – Roster Elf App**
- The online rostering market currently has several competitors which are already established in the sector and have proved history. Roster Elf is a new unproven application which has yet to be tested on a large scale.
- (p) **Changes in Technology**
- The Company's success will depend, in part, on its ability to expand its products and grow its business in response to changing technologies, user and third party service providers' demands and competitive pressures. Failure to do so may impact the success of the Company.
- (q) **Security Breaches**
- If the Company's security measures are breached, or if its products are subject to cyber-attacks that restrict user access to its products, its products may be perceived as less secure than competitors and users may stop using the Company's products.

(r) **Insurance**

The Company will maintain insurance where it is considered appropriate for its needs however it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

Accordingly, the Company may not be fully insured against all losses and liabilities that could unintentionally arise from its operations. If the Company incurs uninsured losses or liabilities, the value of the Company's assets may be at risk.

(s) **Additional Requirements for Capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in the future. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back App developments as the case may be.

(t) **Specific Additional Working Capital for Home Open App**

The Company's goal is to expand its operation via the successful marketing of the Home Open App. The Company is committed to expending a minimum of \$150,000 to market and promote the Home Open App, however, depending on the success of Home Open, the Company may need to expend more than \$150,000 and therefore may require access to additional capital in order to do so.

(u) **Limited knowledge of the Real Estate Industry**

The Board and management have limited experience in the real estate industry which may impact on the Company's ability to successfully market the Home Open App.

(v) **Dependence on Third Party Information**

The Company intends to source 100% of its information for the Home Open App from external parties. There is a risk that the information could be out dated or incorrect or that access to this information is denied, impacting the ability of Home Open to operate effectively.

(w) **Potential Acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

(x) **If securities or industry analysts do not publish or cease publishing research or reports about the Company, its business or its market, or if they change their recommendations regarding the Company's Shares adversely, the price of its Shares and trading volumes could be adversely affected**

The market for the Company's Shares trading on ASX may be influenced by any research or reports compiled by securities or industry analysts. If any of the analysts who may cover the Company and its products change previously disclosed recommendations on the Company or for that matter its competitors, the price of its Shares may be adversely affected.

(y) **The Company does not expect to declare any dividends in the foreseeable future**

The Company does not anticipate declaring or paying any dividends to Shareholders in the foreseeable future. Consequently, investors may need to rely on sales of their Shares to realise any future gains on their investment.

(z) **If the Company's goodwill or intangible assets become impaired, it may be required to record a significant charge to earnings**

Under Generally Accepted Accounting Principles, the Company reviews its intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is required to be tested for impairment at least annually. The Company has on record a total of \$1.2 million of intangible assets related to its acquisitions. Any change to the estimation of fair value could result in an impairment charge to the Company's intangible assets. Any such material charges may have a material negative impact on the Company's operating results.

6.3 General Risks

In addition to the specific risks outlined above, there are general risks associated with the Company's existing and proposed business operations.

The value of the Company's Shares is affected by a number of general factors which are beyond the Company's or the Board's control.

Factors such as inflation, currency fluctuation, interest rates, supply and demand and industrial disruption have an impact on operating costs, local and international economic conditions and general investor sentiment.

(a) **Economic Risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

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

(b) **Share Investments**

Prospective investors should be aware that there are risks associated with any investment in securities. The prices at which the Securities trade may be above or below the issue price for the Offer and may fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for small technology companies, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such

companies. There can be no guarantee that these trading prices and volumes will be sustained. These factors may materially affect the market price of the Securities, regardless of the Company's operational performance.

(c) **Global Credit and Investment Markets**

Global credit, commodity and investment markets have recently experienced a high degree of uncertainty and volatility. The factors which have led to this situation have been outside the control of the Company and may continue for some time resulting in continued volatility and uncertainty in world stock markets (including the ASX). This may impact the price at which the Company's Securities trade regardless of operating performance, and affect the Company's ability to raise additional equity and/or debt to achieve its objectives, if required.

(d) **Regulatory**

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies may adversely affect the financial performance of the Company.

(e) **Unforeseen Risks**

There may be other risks which the Directors are unaware of at the time of issuing this Prospectus which may impact on the Company, its operations, and / or the valuation and performance of the Company's Shares.

(f) **Combination of Risks**

The Company may not be subject to a single risk. A combination of risks, including any of the risks outlined in this Section could affect the performance valuation, financial position and prospects of the Company.

(g) **Unforeseen Expenditure Risk**

Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(h) **Market Conditions**

The market price of the Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(i) **Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

7. Additional Information

7.1 Additional Funding Requirements and Update

Prior to the Closing Date, the Company proposes to have issued the Tranche 1 Placement Shares, being 5,600,000 Shares at an issue price of \$0.23 per Share prior to the Closing Date pursuant to the Placement, to raise \$1,288,000 before expenses.

The Company intends to use the funds raised from both tranches of the Placement towards:

- (a) expediting the development and release of the Company's Home Open application by employing more in-house software developers and design technicians;
- (b) implementing an aggressive marketing campaign with an increased advertising budget and employing an in-house sales team to expand the exposure of the Home Open application in the real estate industry;
- (c) identifying potential acquisitions and other financing opportunities which complement the Company's business and existing operations; and
- (d) working capital of the Company..

Shares will be issued under the Placement to investors who do not require a disclosure document under Section 708 of the Corporations Act, none of whom will be related parties of the Company.

All Shares issued under the Placement will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. Shares issued under the Placement will fall within the Company's annual issuing capacity under ASX Listing Rule 7.1.

7.2 Continuous Disclosure Obligations

The Company is a "disclosing entity" (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus" under section 713 of the Corporations Act. In general terms, a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in Section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company or an ASIC office during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of the 2013 Annual Report:

7.3 Announcements

Date	Description of Announcement
	ANNOUNCEMENTS RELEASED AS ALA
19/03/2014	Notice of Meeting
13/03/2014	Appendix 3B
10/03/2014	Oversubscribed \$3.8m Capital Raising to Fund Growth
06/03/2014	Investor Presentation
06/03/2014	Trading Halt
04/03/2014	Applabs to offer Loyalty Options
04/03/2014	Home Open well received by Focus Group
03/03/2014	Reinstatement to Official Quotation - 4 March 2014
03/03/2014	Appendix 4D
03/03/2014	Suspension from Official Quotation
03/03/2014	Home Open well received by Focus Group
03/03/2014	Half Yearly Accounts
28/02/2014	Roster Elf Presentation
28/02/2014	Acquisition of Roster Elf

Date	Description of Announcement
26/02/2014	Trading Halt
24/02/2014	New Social Media Photo Application - Snaptic
03/02/2014	Appendix 4C - quarterly
17/01/2014	Response to ASX aware letter
15/01/2014	New Acquisition
14/01/2014	Trading Halt
09/01/2014	Home Open App & Website Update
08/01/2014	Response to ASX price and volume query
06/01/2014	Response to ASX late directors' interest notice queries
30/12/2013	Initial Director's Interest Notice
27/12/2013	Initial Director's Interest Notice
19/12/2013	Change of Director's Interest Notice
18/12/2013	Initial Director's Interest Notice
18/12/2013	Final Director's Interest Notice
18/12/2013	Final Director's Interest Notice
17/12/2013	Home Open Acquisition
16/12/2013	Applabs Debuts on ASX
13/12/2013	Appendix 3B
13/12/2013	Securities Trading Policy
13/12/2013	Corporate Governance Statement
13/12/2013	Capital Structure
13/12/2013	Completion of Agreements and Board Changes
13/12/2013	Restricted Securities
13/12/2013	Appendix 1A and Information Form and Checklist
13/12/2013	Top 20 Holders
13/12/2013	Distribution Schedule
13/12/2013	Pre-Reinstatement Disclosure
13/12/2013	ASX Circular - Reinstatement
13/12/2013	Reinstatement to Official Quotation (16/12/2013)
	ANNOUNCEMENTS RELEASED AS AAY
21/11/2013	Results of Meeting
21/11/2013	Request for Suspension
21/11/2013	Suspension from Official Quotation
19/11/2013	Completion of Capital Raising and Reconstruction Timetable
30/10/2013	Appendix 4C - quarterly
28/10/2013	Prospectus
22/10/2013	Notice of Annual General Meeting

Date	Description of Announcement
22/10/2013	Proxy Form for Notice of Annual General Meeting
18/10/2013	Initial Director's Interest Notice
18/10/2013	Initial Director's Interest Notice
18/10/2013	Final Director's Interest Notice
18/10/2013	Final Director's Interest Notice
15/10/2013	Applabs - Binding Share Purchase Agreement
11/10/2013	Trading Halt
27/09/2013	Full Year Statutory Accounts

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

7.4 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, 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 Offer pursuant to this Prospectus; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or Director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offer.

The Directors' relevant interests in the Company's securities as at the date of this Prospectus and remuneration payable for the current and the last two financial years (including share based payments) is set out below:

Name	Shares	Options	Remuneration FY 12 ⁵	Remuneration FY 13 ⁵	Remuneration Current FY ⁶
Stuart Kidd	1,750,000	N/A	N/A	N/A	\$27,500 ¹
Patrick Glovac	60,000	N/A	N/A	N/A	\$12,000 ²
Rocco Tassone	105,000	N/A	N/A	N/A	\$12,000 ³
Charles Thomas	15,000	N/A	N/A	N/A	\$12,000 ⁴

Notes :

- ¹ Stuart Kidd – cash Director's remuneration as per Executive Services Agreement. Stuart Kidd's current remuneration is \$158,000 per annum.
- ² Patrick Glovac – cash Director's fees as per Non-Executive Letter of Appointment. Patrick Glovac's current remuneration is \$66,000 per annum.
- ³ Rocco Tassone – cash Director's fees as per Non-Executive Letter of Appointment. Rocco Tassone's current remuneration is \$66,000 per annum.
- ⁴ Charles Thomas – cash Director's fees as per Non-Executive Letter of Appointment. Charles Thomas' current remuneration is \$66,000 per annum.

⁵ Rocco Tassone was appointed as a director on 15 October 2013, Stuart Kidd, Patrick Glovac and Charles Thomas were appointed as directors on 6 December 2013. No directors' fees were received during 2012 and 2013 financial years.

⁶ Remuneration paid for the current financial year up to the date of this Prospectus.

The Constitution of the Company provides that the Non-Executive Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting. The current amount has been set at an amount not to exceed \$200,000 per annum.

Directors, companies associated with the Directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

7.5 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, underwriter, promoter or any other person 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, or to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Offer.

Nova Legal has acted as the solicitors to the Company in relation to the Offer and associated due diligence process. The Company estimates it will pay Nova Legal \$8,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Nova Legal has been paid approximately \$14,850 (excluding GST) for legal services provided to the Company.

7.6 Consents

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) 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 included in this Prospectus with the consent of that party as specified in this Section.

Nova Legal has given and has not withdrawn its consent to be named as the solicitors to the Company in this Prospectus, in the form and context in which it is named. Nova Legal has not caused or authorised the issue of this Prospectus, and expressly disclaims and takes no responsibility for, any part of this Prospectus.

7.7 Estimated Expenses of Offer

The total expenses of the Offer are estimated to be approximately \$13,300 as follows:

Expense	(\$)
ASIC fees	2,225
ASX fees	1,575
Legal expenses	8,000
Miscellaneous, printing and other expenses	1,500
Total	13,300

7.8 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: \$0.34 on 9 January 2014.

Lowest: \$0.17 on 3 January 2014, 2 January 2014, 31 December 2013, 30 December 2013, 27 December 2013, 24 December 2013 and 23 December 2013.

The latest available closing sale price of the Company's Shares on ASX prior to the lodgement of this Prospectus with the ASIC was \$0.235 on 19 March 2014.

7.9 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on +61 8 9388 9968 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

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 Prospectus or any of those documents were incomplete or altered.

7.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement)

that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

8. Directors' Authorisation

This 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 has consented to the lodgement of this Prospectus with the ASIC.

Signed for and on behalf of:



Charles Thomas
Non-Executive Director
For and on behalf of Applabs Technologies Ltd

9. Definitions

\$ means Australian dollars.

Apps means software applications for use on smartphones, tablets and personal computers.

Applabs or **Company** means Applabs Technologies Ltd (ACN 139 977 772).

Applicant means an investor who applies for Shares pursuant to the Offer.

Application Form means an application form either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

ASX Listing Rules means the listing rules of the ASX.

Board means the board of Directors unless the context indicates otherwise.

Business Day means a day on which trading takes place on the stock market of ASX.

Closing Date means the date specified in the timetable in section 1 of this Prospectus (unless extended).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Offer means the offer of Shares referred to in the “Details of the Offer” section of this Prospectus.

Official Quotation means official quotation on ASX.

Opening Date means the opening date of the Offer as specified in the timetable set out in section 1 of this Prospectus (unless extended).

Option means an option to acquire a Share.

Placees means the holders of Placement Shares.

Placement means the Company’s placement of Shares as described in section 3.2

Prospectus means this prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Tranche 1 Placement Shares means 5,600,000 Shares issued under the Placement at an issue price of \$0.23 per Share under the Company’s existing placement capacity under ASX Listing Rules 7.1 and 7.1A.

Tranche 2 Placement Shares means 11,200,000 Shares issued under the Placement at an issue price of \$0.23 per Share, subject to Shareholder approval.

WST means western standard time as observed in Perth, Western Australia.

GUIDE TO THE APPLICATION FORM

A. Application for Shares

The Application Form must only be completed in accordance with instructions included in Prospectus.

B. Name of Applicant

Write the Applicant's FULL NAME. This must be either an individual's name or the name of a company. Please refer to the bottom of this page for the correct form of registrable title. Applications using the incorrect form of registrable title may be rejected.

C. Name of Joint Applicants or Account Designation

If JOINT APPLICANTS are applying, up to three joint Applicants may register. If applicable, please provide details of the Account Designation in brackets. Please refer to the bottom of this page for instructions on the correct form of registrable title.

D. Address

Enter the Applicant's postal address for all correspondence. If the postal address is not within Australia, please specify Country after City/Town.

E. Contact Details

Please provide a contact name and daytime telephone number so that the Company can contact the Applicant if there is an irregularity regarding the Application Form.

F. CHESS HIN or existing SRN Details

The Company participates in CHESS. If the Applicant is already a participant in this system, the Applicant may complete this section with their existing CHESS HIN. If the applicant is an existing shareholder with an Issuer Sponsored account, the SRN for this existing account may be used. Otherwise leave the section blank and the Applicant will receive a new Issuer Sponsored account and statement.

G. Cheque Details

Make cheques payable to "Applabs Technologies Ltd – Share Offer Account" in Australian currency and cross them "Not Negotiable". Cheques must be drawn on an Australian Bank. The amount of the cheque should agree with the amount shown on the Application Form.

H. Declaration

This Application Form does not need to be signed. By lodging this Application Form and a cheque for the application money this Applicant hereby:

- (1) applies for the number of Shares specified in the Application Form or such lesser number as may be allocated by the Directors;
- (2) agrees to be bound by the constitution of the Company;
- (3) authorises the Directors of the Company to complete or amend this Application Form where necessary to correct any errors or omissions;
- (4) acknowledges that he/she has received a copy of the Prospectus attached to this Application Form or a copy of the Application Form before applying for the Shares; and
- (5) acknowledges that he/she will not provide another person with this Application Form unless it is attached to or accompanied by the Prospectus.

CORRECT FORMS OF REGISTRABLE TITLE

Note that ONLY legal entities are allowed to hold securities. Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname are required for each natural person. Application Forms cannot be completed by persons under 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mr John Alfred Smith	J A Smith
Company Use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings Use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts Use the trustee(s) personal name(s).	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use the executor(s) personal name(s).	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18) Use the name of a responsible adult with an appropriate designation.	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships Use the partners personal names.	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names.	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s).	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds Use the name of the trustee of the fund.	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund