

8 March 2017

**KABUNI ENTERS INTO A LETTER OF INTENT
FOR POTENTIAL SALE OF ITS OPERATING SUBSIDIARIES
AND ALSO RESETS STRATEGIC PRIORITIES**

The Board of Directors of Kabuni Ltd. (the “Company” or “Kabuni”) is pleased to announce the receipt of a signed non-binding Letter of Intent (“the Letter”) from Print the Future, Inc. (“PTF”), regarding the potential acquisition by PTF of the shares of the Company’s operating subsidiaries.

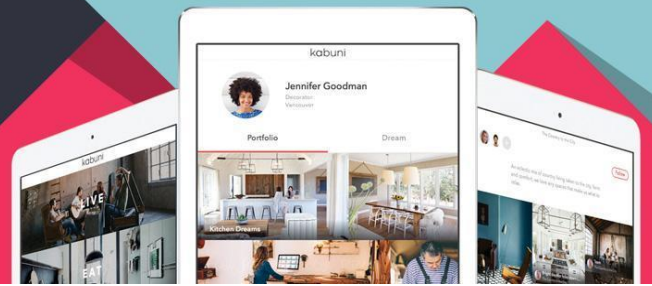
Highlights

Letter of Intent:

- PTF proposes to acquire all shares of Kabuni’s operating subsidiaries for total gross cash consideration of approximately AUD \$6.52 million.
- The parties are expected to enter into a definitive purchase agreement prior to 15 April 2017.
- The proposed acquisition is contingent upon PTF successfully completing an independent financing, a process that it expects to complete by 30 June 2017.
- In the interim, PTF and Kabuni will enter into a temporary services agreement that will result in PTF financing the operating costs of Kabuni’s subsidiaries and the Company’s strategy reset. This agreement will last until 30 June 2017 at the latest, unless the parties agree to extend it.
- Neil Patel, Kabuni’s CEO and Managing Director, is also a Director of PTF. Mr. Patel will immediately step down as Kabuni’s CEO and will also resign as a Director.

Reset of Kabuni’s Strategic Priorities:

- Notwithstanding the receipt of the Letter, Kabuni initiated a full review of the strategic direction of the Company focused on ensuring more immediate tangible indicators of proof of concept, and longer term growth opportunities. The intention of this review was to address shortcomings in the execution of Company’s current strategy, as well as its current cash burn.
- The new strategic reset will be the subject of a more comprehensive announcement, however it is focused on providing immediate value to the broader design community across:



- **Networks** – Providing a connective environment online and offline for those in the community to interact.
- **Education** – Providing both a forum for continuous education and *ad hoc* courses to be the provider of choice for the design community.
- **Resources** – Launching a comprehensive set of resources/tools that enable individuals, small businesses and suppliers to run design specific business tools to improve and grow their business.
- An interim management structure will work closely with the Directors and appointed advisors to prepare the refocused strategy by mid-March 2017.

About PTF

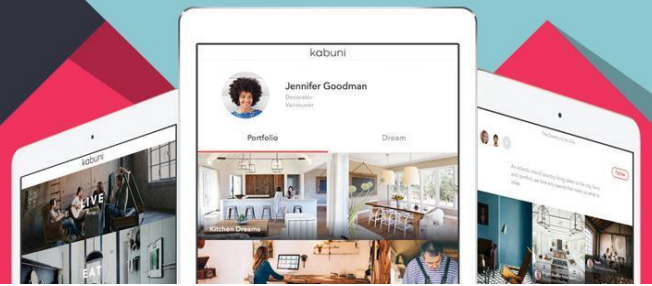
PTF is a company incorporated in Delaware, USA since February 2017. PTF is an entity associated with Neil Patel, Kabuni's founder. Kabuni has been advised that PTF is currently a privately owned company and plans to complete a Regulation A+ process to complete a capital raise and list on the Nasdaq in 2017. PTF describes its business as a platform which enables its community members to design, 3D print, recycle and make a positive impact across the globe. PTF has indicated that its plan is to execute an omni-channel business providing a world-class online/offline experience across 200 locations.

At this time, the Company has conducted very limited due diligence on PTF and is not in a position to assess PTF's ability to meet its obligations under the Temporary Services Agreement (defined below) or the contemplated purchase agreement. As indicated below, PTF will be required to complete an independent financing of at least US\$7,000,000 as a condition precedent to the acquisition and there can be no assurance that this condition will be met.

Letter of Intent Signed with PTF

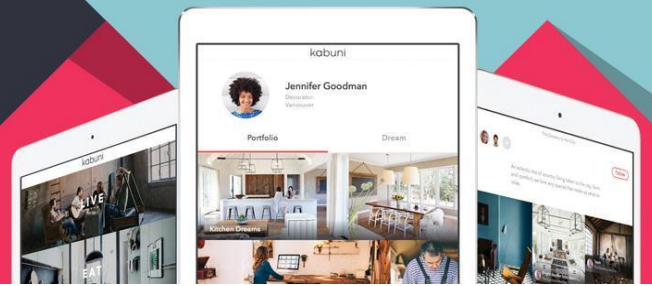
PTF's Letter includes the following key terms:

- PTF will acquire all issued and outstanding shares of Kabuni's operating subsidiaries, which include Kabuni Technologies Inc., a company incorporated under the laws of British Columbia, Canada, Kabuni USA, Inc., a corporation incorporated under the laws of Delaware, USA, and Kabuni Technologies (India) Private Limited, a corporation incorporated under the laws of India.
- Total cash consideration for the acquisition will be approximately AUD \$6.52 million, or the equivalent of \$0.027 per share, which represents an 80% premium over Kabuni's last traded share price of \$0.015. The purchase price will be reduced by the amount of the Service Fees



(as defined below) actually paid by PTF to Kabuni.

- The acquisition is conditional upon PTF successfully completing an independent financing of at least US\$7,000,000. This financing is currently underway, and is expected to reach completion by 30 June 2017.
- Kabuni and PTF expect to enter into a definitive purchase agreement relating to the acquisition, before 15 April 2017. The letter of intent is indicative only and non-binding.
- As soon as reasonably practicable, Kabuni and PTF will enter into a temporary services agreement (the “Temporary Services Agreement”), pursuant to which Kabuni will, on PTF's reasonable request, make certain employees and equipment of Kabuni available to provide software development, marketing and other services (“Temporary Services”) to PTF, provided in each case, that (i) Kabuni’s resources shall continue to be applied in order to carry out the Kabuni’s own business strategies, and (ii) in no event shall the Temporary Services be rendered to the extent that they result in any adverse impact on the Company’s business.
- In consideration for the Temporary Services, and for each month of the term of the Temporary Services Agreement, PTF will pay to Kabuni a fee in an amount that is equal to the operating expenses of Kabuni for such month (including but not limited to salaries, benefits, third party contractors' fees, professional and consulting, legal, finance and accounting services, software expenses, travel, marketing, rent, office, and the Design Campus costs, but excluding any expenses of Kabuni, such as directors' fees or public company expenses) (the “Service Fees”). The intent of Kabuni and PTF is that the Service Fees will not exceed CAD\$300,000 per month (though any excess will remain payable by the PTF).
- Neil Patel, Kabuni’s Chief Executive Officer, is also a Director of PTF. As a result, Mr. Patel will immediately resign as Managing Director and Chief Executive Officer of Kabuni and its subsidiaries. As soon as reasonably practicable and concurrently with the execution of the Temporary Services Agreement, Kabuni and Neil Patel will execute a mutual release in regard to any liability arising from Mr. Patel's employment agreement with Kabuni. The mutual release will also provide that Kabuni will continue to pay to Mr. Patel an amount equivalent to his current salary for a period of up to 4 months (equivalent to a sum of up to CAD\$61,666), or earlier if the letter of intent or definitive purchase agreement are terminated.
- The definitive purchase agreement will provide for a break fee of AUD\$250,000 in the event of failure of either party to complete the terms of said agreement.
- The letter of intent also provides that, until the date on which the shareholders of Kabuni approve the acquisition, Kabuni may solicit or consider and pursue more favorable acquisition proposals.



Kabuni's Directors are encouraged by the terms of PTF's Letter, which they believe represent an appropriate return of shareholder value given the Company's current share price. However, the Board will also be pleased to consider any alternate proposal that may result from PTF's expression of intent. The Board has also implemented appropriate internal procedures to manage potential conflicts of interest arising from the dual-interests of Mr. Patel in Kabuni and PTF.

Completion of this transaction will be subject to the approval of Kabuni's shareholders. An Independent Expert's Report will need to be prepared for presentation to Kabuni's shareholders at a meeting that will be scheduled in the coming months.

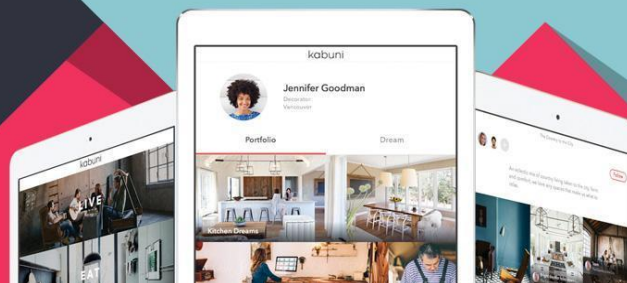
There can be no assurance that any Definitive Agreement will be made. The Company does not undertake any obligation to provide any updates with respect to this or any other transaction, except as required under applicable law.

Executive Changes and Reset of Kabuni's Strategic Priorities

Frans Tjallingii, the Company's Chief Operating Officer, will depart the Company, effective immediately, on mutually agreed terms. Lisa Dea, the Company's Chief Financial Officer, will temporarily assume the responsibilities of Chief Operating Officer. Ms. Dea will report directly to Kabuni's Board of Directors.

Ms. Lori Dennis, the founder of Design Campus (recently acquired by Kabuni) and strategic consultant to the Company, will assist with the strategy reset for the business. This plan will include a set of detailed initiatives surrounding the three key channels: An education platform for interior designers, a network to connect these designers to both each other and potential clients, and a set of resources intended to help these designers grow and manage their business. The Company has been advised that Ms. Dennis is also a director of PTF. The Board will ensure that appropriate internal procedures are implemented to manage potential conflicts arising from the dual-role of Ms. Dennis in Kabuni and PTF.

The plan will be accompanied by a strategy that governs its introduction to its relevant market, the incorporation of Kabuni's existing technology platforms, metrics for measuring its success on a three and six-months basis, and supporting financial models. It is anticipated that this plan will be available for announcement to the Company's shareholders by 30 March 2017.



Given this strategic reset and the consideration of both the proposal mentioned above and any potential competing proposal, as well as the Company's current financial resources, Kabuni's Directors have taken steps to immediately reduce the Company's ongoing operational costs. As a result of the strategy review and reset the Company has reduced its headcount of employees and contractors by eight people. Total monthly burn is anticipated to reduce by approximately CAD \$140,000 per month, to approximately CAD\$250,000.

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