



15 October 2013

Company Announcements Office
ASX Limited
10th Floor
20 Bond Street
SYDNEY NSW 2000

Via ASX Online
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ASX Code: AAY

Dear Sir

BINDING SHARE PURCHASE AGREEMENT EXECUTED WITH APPLABS AUSTRALIA PTY LTD (APPLABS)

- **AACL Holdings Limited (AACL) is pleased to announce that it has executed a binding Share Purchase Agreement with mobile App developer Applabs Australia Pty Ltd (Applabs). Pursuant to the Share Purchase Agreement, AACL will acquire all of the issued shares in Applabs in consideration for the issue of AACL ordinary shares to Applabs shareholders (Transaction).**
- **The Share Purchase Agreement is binding, subject to the satisfaction or waiver of conditions precedent including re-compliance with Chapters 1 and 2 of the ASX Listing Rules.**
- **The Transaction will include an equity raising of \$3,000,000 to fund Applabs and for general working capital requirements of the entity.**
- **On completion of the Transaction, AACL will change its name to "Applabs Technologies Limited".**

Acquisition of Applabs and Ingenius

Applabs is a technology company that offers a unique model of both an App developer and an App financier enabling the company to generate cash flow via its development division as well as the ability to fund, develop and market exciting and leading edge Apps.

A Share Purchase Agreement has been executed between AACL and Applabs for the purchase of all of the shares in Applabs in return for Applabs shareholders being issued 6,000,000 shares in AACL (post consolidation) at an issue price on \$0.20 per share. AACL will undertake a consolidation on a 30:1 basis.

Applabs has entered into an Asset Sale Agreement with Ingenious Labs Pty Ltd to purchase the existing business of Ingenious. Ingenious has operated an App development business since 2010, building Apps for clients as well as building Apps in its own right as new business opportunities. The purchase of Applabs includes the operating App development business and Applabs intends to expand the App development business and its revenue model as well as expanding the financing, developing and marketing of new App ideas that are either originated or presented to Applabs.



Applabs initial App that it will be launching is a new real estate App known as “Home Open” which is expected to be launched in quarter 4 2013. Home Open is designed to compete in the real estate sales and rental market industry that is currently dominated by realestate.com.

Share Purchase Agreement

The Share Purchase Agreement between AACL and Applabs is legally binding and subject to the following conditions precedents which include;

- AACL obtaining all necessary regulatory and shareholder approvals required to complete the acquisition and the capital raising including, without limitation, shareholder approval to:
 - change the nature and/or scale of AACL's activities in accordance with ASX Listing Rule 11.1.2, as required by ASX;
 - proceed with the capital raising (in accordance with ASX Listing Rule 7.1);
 - undertake the consolidation;
 - allot and issue 6 million shares to the vendors (or their nominees) including Ingenious.
- AACL receiving in principle approval from ASX for the re-admission of its securities to the official list of ASX on conditions reasonably acceptable to AACL;
- Completion of the Ingenious transaction to purchase the existing business of Ingenious including the “Home Open” App;
- Completion of the capital raising to raise \$3,000,000 at \$0.20 per share.

The Share Purchase Agreement also includes a number of standard representations and warranties from each party.

Transaction Change of Activities

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

Capital Raising

The Transaction will include undertaking a capital raising of \$3,000,000 at \$0.20 per Share to fund Applabs and meet the entity's working capital requirements.

Share Consolidation

As part of the Transaction, AACL will undertake a share consolidation at a ratio of 30:1 to meet ASX Listing Rule requirements that AACL have a minimum share price on issue of at least 20 cents upon re-listing.

Name Change

Subject to approval by AACL shareholders, upon implementation of the Transaction the name of AACL will be changed to "Applabs Technologies Limited".



Change of Board

Mr Chris Brooks will resign as non-executive chairman and Mr Nathan Omodei will resign as non-executive director and company secretary, effective immediately. The Company would like to thank Mr Brooks and Mr Omodei for their efforts and support during their time with AACL. Mr Rocco Tassone will join the board as non-executive director and company secretary and Mr Kent Hunter as non-executive director, effective immediately.

Subject to approval of the Transaction, Mr Hunter and non-executive director Mr Trevor Stoney will resign from the board and Applabs will appoint three new directors, including Mr Stuart Kidd who will take on the role of Executive Director. Mr Kidd is the founder of Ingenious and has been instrumental in the development of the App development business.

General Meeting of AACL Shareholders

AACL shareholders will be given the opportunity to approve the Transaction, as it will be subject to shareholder approval. AACL will convene a general meeting of its shareholders to approve the resolutions required to implement the Transaction and will dispatch a Notice of Meeting shortly with further details of the Transaction.

Indicative Capital Structure of AACL

The indicative capital structure of the enlarged entity, on the basis that the Transaction completes is set out below.

Event	Pre-consolidation shares	Post-consolidation shares	Percentage ¹
Existing AACL shareholders	122,854,354	4,095,151	16.3%
Applabs shareholders	180,000,000	6,000,000	23.9%
Shares issued under equity raising ²	450,000,000	15,000,000	59.8%
TOTAL	752,854,354	25,095,151	100.00%

¹ Assumes a consolidation of AACL's shares on a 1 for 30 basis.

² Assumes 15,000,000 post-consolidation shares issued under capital raising.

Event	Pre-consolidation options	Post-consolidation options	Percentage
Existing AACL option holders	3,350,000*	111,666	100%

* Unlisted options with an exercise price of \$0.14 that expire on the 1st of March 2014



Effect of Transaction

The effect of the capital raising of \$3,000,000 and re-admission is expected to be as follows;

	Audited 30 June 2013 \$	Pro Forma 30 November 2013 \$
Current Assets	923,340	3,253,340
Non-Current Assets	61,418	1,261,418
Total Assets	984,758	4,514,758
Current Liabilities	330,530	55,530
Total Liabilities	330,530	55,530
Net Assets	654,228	4,459,228
Equity	654,228	4,459,228

Indicative Timetable

An indicative timetable (that is subject to change) for the Transaction is set out below:

Event	Indicative date
AACL dispatches notice of meeting to shareholders for approval of Transaction and associated matters	18 October 2013
AACL lodges prospectus for capital raising and listing with ASIC and ASX	25 October 2013
General meeting of AACL shareholders to approve Transaction and associated matters	18 November 2013
Close of capital raising	21 November 2013
Complete acquisition of Applabs, complete capital consolidation, satisfy ASX re-listing requirements and recommence trading on ASX	Late November 2013

Yours sincerely

Trevor Stoney
Director