

ASX Announcement
31 October 2016

TikForce Announces Placement and Rights Issue

TikForce Limited ("TikForce" or "Company") wish to announce that it will undertake a contemporaneous placement to sophisticated investor, followed by a rights issue to shareholders.

The placement will consist of 10 million shares with 10 million free attached options, to sophisticated investors, to raise \$0.5 million at \$0.05 per share.

Settlement of the Placement is expected to occur during the first week of November 2016.

The placement will be made within the Company's existing 15% under Listing Rule 7.1 and the additional 10% from Listing Rule 7.1A placement capacity.

TikForce will also invite existing shareholders to invest in the Company through a Rights Issue at the placement price of \$0.05 per share to raise up to a further additional \$1.6 million.

The rights issue will be based on a 1:4 basis, with each successful allottee being entitled to a free 1:2 option, based on their take up of the rights issue.

Shareholders on TikForce' register at 5:00 pm (AWST) on the Record Date to be announced and whose registered address on the share register is in Australia or New Zealand will be entitled to subscribe for the Tikforce Securities.

The Board reserves the right to scale and close the offer early. The timetable is indicative only and TikForce may, at its discretion, vary any of the above dates by lodging a revised timetable with ASX.

The commencement of trading of new shares is subject to confirmation from ASX and will be subject to ratification at a meeting to be called at a future date.

Funds raised from the placement and the Rights Issue will be used for purposes including:

- working capital for projects with long and intensive working capital requirements;

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- supporting development for technology, including enterprise level integration of the continuous rollout of the TikForce platform; and
- strengthening TikForce' balance sheet.

TikForce continues to operate on a debt-free basis.

TikForce continues to experience an increasing pipeline of active projects and proposals and expects this capital raise to bring the Company to a sustainable position.

For further information please contact the undersigned

Roland Berzins
Company Secretary

-ENDS-

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