

ASX ANNOUNCEMENT

2 October 2018

Company Market Update

Tikforce Limited (ASX: TKF), ("**TikForce**" or the "**Company**") is pleased to advise it has received firm commitments for a private placement of fully paid ordinary shares to raise \$88,286.25 ("**Placement**").

The Placement will be made to investors qualifying under Section 708 of the Corporations Act and the Company will use its existing issue capacity under Listing Rules 7.1 and 7.1A to complete the issue of shares. The company will shortly lodge with ASX an Appendix 3B for the placement shares, and a cleansing prospectus with ASX and ASIC to ensure that the shares can be on-sold post-issue.

There will be 7,579,927 Shares issued under Listing Rule 7.1 for a consideration of \$25,771.75 and 18,386,618 Shares issued under Listing Rule 7.1A for a consideration of \$62,514.50

Funds raised will be used for operational delivery of the platform and working capital.

Since execution of the Licence Agreement, Tikforce has performed its business operations from its Western Australian based Subiaco office, where its team of software developers and administrators have continued their day-to-day tasks and operations. As reported in the company's Annual Report to shareholders, over 750 individuals across dozens of supplier companies have now been verified by the Tikforce Platform from Iluka and this continues to grow. These are reported statistics for the month of August.

Another existing client, Anglo Gold will start to deliver growing transaction volumes after concluding an extended period of testing and user driven customisation to meet Anglo's specific needs. These enhancements have improved the platform substantially to allow the system to service the demanding requirements for shut down and maintenance workforce onboarding.

As set out in the Company's notice of meeting released on 28 September 2018, under the terms of the licence agreement entered into with Gambier Holdings Limited ("**Gambier**"), Tikforce Operations Pty Ltd ("**TOPL**") (the Company's wholly owned subsidiary) is entitled to give Gambier notice of termination ("**Termination Notice**") of the licence at any time following the end date for the licence of 30 September 2018. Following issue of a Termination Notice, Gambier is entitled to extend the licence is perpetuity through a payment of \$100,000 within 14 days of the Termination Notice and a further \$250,000 within 3 months of the Termination Notice. The Company's intention is to issue a Termination Notice in the coming days.

For and on behalf of Tikforce Limited



Kevin Baum
Managing Director