
TIKFORCE LIMITED

ACN 106 240 475

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:00 AM AWST
DATE: 14 April 2020
PLACE: Suite 1, GF
437 Roberts Road
SUBIACO WA 6008

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00 AM AWST on 12 April 2020

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – PLACEMENT – SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to that number of Shares, when multiplied by the issue price, will raise up to \$350,000 by the issue of Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. RESOLUTION 2 – ISSUE OF SECURITIES TO GROUPNOTE HOLDINGS PTY LTD UPON CONVERSION OF CONVERTIBLE NOTES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 885,000,000 Shares and 885,000,000 Options to Groupnote Holdings Pty Ltd (or its nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Groupnote Holdings Pty Ltd (or the nominees set out in Schedule 2) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any associates of that person or those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written communication to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. RESOLUTION 3 – APPROVAL TO CONVERT CONVERTIBLE NOTE INTEREST OWING TO A RELATED PARTY - GROUPNOTE HOLDINGS PTY LTD

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 88,500,000 Shares to Groupnote Holdings Pty Ltd (or its nominee) on the terms and conditions set out in the Explanatory Statement."

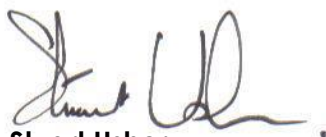
Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Groupnote Holdings Pty Ltd (or the nominees set out in Schedule 2) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any associates of that person or those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written communication to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated: 13 March 2020

By order of the Board



Stuart Usher
Director & Company Secretary
TIKFORCE LIMITED

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6380 2555.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – PLACEMENT – SHARES

1.1 General

Resolution 1 seeks Shareholder approval for the issue of up to that number of Shares, when multiplied by the issue price, will raise up to \$350,000 (**Placement Shares**).

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The proposed issue of the Placement Shares does not fall within any of the specified exceptions and may exceed the 15% limit in Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval under Listing Rule 7.1 for the issue of the Placement Shares.

A copy of the Company's capital structure incorporating all securities proposed to be issued following the Meeting is set out in Schedule 1.

Current funds held at bank total \$11,000.

The Company has advised that it intends to pursue other business opportunities, with the sale completed of its main business asset, being the Tikforce Platform, with its previous business operations accounted for, as discontinued operations in its financial reports. Since the sale of the business, the company has been dormant with the board searching for other business opportunities. Any proposed business acquisition will require consultation with ASX and will be subject to shareholder approval. The Company is searching for businesses across a wide range of industries, that will be suitably positioned as an operating asset within the company.

1.2 Technical information required by Listing Rule 14.1A

If Resolution 1 is not passed, the issue of the Placement Shares can still proceed, subject to the Company having sufficient placement capacity under Listing Rule 7.1. The issue of the Placement Shares will effectively use up part of the Company's 15% placement capacity under Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Placement Shares. In addition, the issue of the Placement Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

1.3 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement Shares:

- (a) the Company intends to appoint a lead manager for the issue of the Placement Shares. The Placement Shares will be issued to professional and sophisticated investors who will be identified by mutual agreement between the Directors and the lead manager who is yet to be appointed. The recipients will be identified through a process of review and recommendation by the lead manager, for investors best suited to participate based on the Company's current and proposed business plans. None of the recipients will be related parties of the Company;

- (b) the maximum number of Placement Shares to be issued is up to that number of Shares which, when multiplied by the issue price, equals \$350,000;
- (c) the Placement Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Placement Shares will occur on the same date;
- (d) the issue price will be not less than 80% of the volume weighted average price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made or, if there is a prospectus, over the last 5 days on which sales in the securities were recorded before the date the prospectus is signed;
- (e) the Placement Shares issued 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; and
- (f) the purpose of the issue of the Placement Shares is to raise \$350,000. The Company intends to apply the funds raised from the issue in accordance with the table below:

Item.	Proceeds	Full subscription \$	%
1.	Identification of new project – acquisition costs	150,000	43
2.	Repayment of creditors	105,000	30
3.	Costs of raise	25,000	7
4.	Working Capital	70,000	20
	Total	350,000	100

2. BACKGROUND TO RESOLUTIONS 2 AND 3

2.1 Background

On 16 March 2018, the Company announced that it was in the process of securing convertible note funding. On 11 April 2018, the Company announced that it had received \$1.2 million in cash via a convertible notes issue with a number of sophisticated and professional investors with an additional \$0.8 million to be drawn down as and when required, raising up to \$2 million (**Convertible Notes**).

Under the terms of the Convertible Notes, conversion of the Convertible Notes into Shares is subject to Shareholder approval and all holders of convertible notes (**Convertible Noteholders**) are entitled to one (1) free attaching Option for every one (1) Share issued, exercisable at \$0.03 on or before 31 October 2020. The Convertible Noteholders and the number of Shares which they would receive on conversion of the Convertible Notes are set out in Table 1 of Schedule 2.

As announced on 29 March 2019, the Convertible Notes were varied as follows:

- (a) the maturity date of each Convertible Note was extended to 30 March 2020;
- (b) interest accrued up to 30 March 2019 shall be payable in cash on or before 30 June 2019; and
- (c) from 31 March 2019, the Company shall pay interest at a rate of 10% per annum payable by the issue of Shares at a conversion price of \$0.001 per Share, subject to Shareholder approval.

The full terms of the Convertible Notes are set out in the Company's announcements dated 16 March 2018, 5 February 2019 and 29 March 2019 and are also set out in Schedule 4.

2.2 Groupnote Holdings Pty Ltd

Groupnote Holdings Pty Ltd (**Groupnote**) entered into a convertible note with the Company on 5 April 2018, as announced to ASX on 16 March and 11 April 2018, on the same terms as the convertible notes described above (**Groupnote Convertible Note**). Pursuant to the terms of the Groupnote Convertible Note, upon conversion, Groupnote can hold the convertible note on trust for and can direct the Company to issue the Shares to those parties listed in the second table of Schedule 2. Each of these parties is unrelated. The Company understands that Groupnote has structured the Groupnote Convertible Note in this way for administrative purposes.

In or around November 2018, Mr Gianmarco Orgnoni, a Director of Tikforce, was appointed to the board of Groupnote.

Accordingly, Groupnote Holdings Pty Ltd is a related party of the Company as it is controlled by Mr Gianmarco Orgnoni who is a related party of the Company under section 228(1) of the Corporations Act by virtue of being a Director.

2.3 Previous Shareholder Approval

On 19 November 2019, Shareholder approval was previously obtained for the conversion of all Convertible Notes, including the conversion of the Groupnote Convertible Note and the issue of Shares in repayment of accrued interest on the Groupnote Convertible Note. On 19 February 2020, the Company announced that it had received conversion notices and issued 1,226,500,000 Shares and 1,115,000,000 unquoted Options to unrelated Convertible Noteholders.

In accordance with ASX Listing Rule 10.11, the Company was required to issue the Shares and Options on conversion of the Groupnote Convertible Note and the issue of Shares in repayment of accrued interest no later than 1 month after the date of the meeting. However, the Shares and Options were not issued within the required time period.

Accordingly, the purpose of Resolutions 2 and 3 is to:

- (a) seek fresh shareholder approval for the conversion of the Groupnote Convertible Note into Shares and Options; and
- (b) seek fresh shareholder approval to issue Shares in repayment of interest accrued from 31 March 2019 to 30 March 2020 on the Groupnote Convertible Note.

3. RESOLUTION 2 – ISSUE OF SECURITIES TO GROUPNOTE HOLDINGS PTY LTD UPON CONVERSION OF CONVERTIBLE NOTES

3.1 General

As set out above in Section 2, Resolution 2 seeks fresh Shareholder approval for the issue of up to 885,000,000 Shares and 885,000,000 Options to Groupnote (or its nominees) upon conversion of the Groupnote Convertible Note.

Groupnote holds the Groupnote Convertible Note for the benefit of those parties listed in the second table of Schedule 2 and when conversion occurs the securities will be issued to those parties and not to Groupnote. However, for the avoidance of any doubt, and for the purpose of transparency and best practice corporate governance, the Company seeks Shareholder approval for the purposes of ASX Listing Rule 10.11.

3.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Groupnote Holdings Pty Ltd is a related party of the Company as it is controlled by Mr Gianmarco Orgnoni who is a related party of the Company under section 228(1) of the Corporations Act by virtue of being a Director.

The issue of Shares upon conversion of the Groupnote Convertible Note constitutes giving a financial benefit.

The Directors (other than Mr Orgnoni who has a material personal interest in Resolution 2) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the conversion of the Groupnote Convertible Note to Shares is on the same terms as those issued to unrelated Convertible Noteholders and as such the giving of the financial benefit is on arm's length terms.

3.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the issue of Shares and Options to the Groupnote (or its nominees) involves the issue of Shares and Options to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

If Resolution 2 is passed, the Company will be able to issue the Shares and Options to Groupnote (or its nominees) and the debt owed to Groupnote (or its nominees) will be discharged.

If Resolution 2 is not passed, the Company will not be able to issue the Shares and Options to Groupnote (or its nominees) and will be required to repay the debt owed to Groupnote (or its nominees) in cash on 15 April 2020.

3.4 Technical Information required by ASX Listing Rule 10.11

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolution 2:

- (a) the Shares will be issued to Groupnote Holdings Pty Ltd (or its nominees);
- (b) Groupnote Holdings Pty Ltd is a related party for the purposes of ASX Listing Rule 10.11.1 by virtue of being an entity controlled by Director Gianmarco Orgnoni;
- (c) up to 885,000,000 Shares and 885,000,000 Options will be issued to Groupnote Holdings Pty Ltd (or its nominees);
- (d) the Shares and Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or

modification of the ASX Listing Rules) and it is intended that issue of the Shares and Options will occur on the same date;

- (e) the deemed issue price will be \$0.001 per Share (being the volume weighted average price for the 5 trading days prior to the date of issue of a conversion notice by the holder of the Convertible Notes) with each Option being issued free attaching to the Shares issued;
- (f) the Shares issued 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;
- (g) the Options will be issued on the terms and conditions set out in Schedule 3;
- (h) no funds will be raised through the issue of Shares as they are being issued upon conversion of the Convertible Notes. The Company used the funds raised through the issue of the Convertibles Notes for working capital and for debt restructuring purposes. \$950,000 (including interest) was applied to payout all existing convertible notes including interest of \$150,000 paid on redemption, the remainder was applied to operational activities – including salaries and wages, rent, platform development costs and costs of sales, corporate costs, payment of overdue creditors and legal fees. The initial announcement was made to the ASX on 16 March 2018, titled 'TKF secures funding facility of up to \$2M', and then later on 11 April 2018 titled, 'Funds raised of \$1.2M raised, \$0.8M additional funds to be drawn'; and
- (i) a summary of the material terms of the Convertible Note agreements are set out in Schedule 4.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of Shares and Options to Groupnote (or its nominees) as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of Shares and Options to Groupnote (or its nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

4. RESOLUTION 3 – APPROVAL TO CONVERT CONVERTIBLE NOTE INTEREST OWING TO A RELATED PARTY - GROUPNOTE PTY LTD

4.1 General

As set out above in section 2, Resolution 3 seeks fresh Shareholder approval for the issue of up to 88,500,000 Shares to Groupnote Holdings Pty Ltd (or its nominees) (**Related Party Interest Shares**) in repayment of interest accrued from 31 March 2019 to 30 March 2020 and owing under the Groupnote Convertible Note.

As stated above, Groupnote holds the Groupnote Convertible Note for the benefit of those parties listed in the second table of Schedule 2 and upon conversion the securities will be issued to those parties and not to Groupnote. However, for the avoidance of any doubt, and for the purpose of transparency and best practice corporate governance, the Company seeks Shareholder approval for the purposes of ASX Listing Rule 10.11.

4.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E is set out in Section 3.2 above.

Groupnote is a related party of the Company as it is controlled by Mr Gianmarco Orgnoni who is a related party of the Company under section 228(1) of the Corporations Act by virtue of being a Director.

The issue of the Related Party Interest Shares constitutes giving a financial benefit.

The Directors (other than Mr Orgnoni who has a material personal interest in Resolution 3) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the conversion of the Groupnote Convertible Note interest to Shares is on the same terms as those issued to unrelated convertible noteholders and as such the giving of the financial benefit is on arm's length terms.

4.3 ASX Listing Rule 10.11

A summary of ASX Listing Rule 10.11 is set out in Section 3.3 above.

As the issue of the Related Party Interest Shares involves the issue of Shares to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

If Resolution 3 is passed, the Company will be able to issue the Related Party Interest Shares to Groupnote (or its nominees) and the accrued interest owing under the Groupnote Convertible Note will be satisfied.

If Resolution 3 is not passed, the Company will not be able to issue the Related Party Interest Shares to Groupnote (or its nominees) and the accrued interest owing under the Groupnote Convertible Note must be repaid in cash on 15 April 2020.

4.4 Technical Information required by ASX Listing Rule 10.11

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolution 3:

- (a) the Related Party Interest Shares will be issued to Groupnote Holdings Pty Ltd (or its nominees);
- (b) Groupnote Holdings Pty Ltd is a related party for the purposes of ASX Listing Rule 10.11.1 by virtue of being an entity controlled by Director Gianmarco Orgnoni;
- (c) up to 88,500,000 Shares will be issued to Groupnote Holdings Pty Ltd (or its nominees);
- (d) the Related Party Interest Shares will be granted no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Related Party Interest Shares will occur on the same date;
- (e) the Related Party Interest Shares will be issued for nil cash consideration, in repayment of the interest accrued and owing to Groupnote Holdings Pty Ltd (or its nominees) at a deemed issue price of \$0.001 per Share;
- (f) the Related Party Interest Shares 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;
- (g) no funds will be raised from the issue of the Related Party Interest Shares as they are being issued in lieu of repayment of interest under the Groupnote Convertible Note; and
- (h) a summary of the material terms of the Convertible Note agreements are set out in Schedule 4.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Related Party Interest Shares as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Related Party Interest Shares will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

GLOSSARY

\$ means Australian dollars.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company or **Tikforce** means Tikforce Limited (ACN 106 240 475).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Groupnote means Groupnote Holdings Pty Ltd (ACN 625 229 227).

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share with the terms and conditions set out in Schedule 3.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – INDICATIVE CAPITAL STRUCTURE

	Shares	Options
Current Shares on Issue	1,824,196,630	1,131,828,341
Placement Shares (Resolution 1)	350,000,000 ¹	-
Conversion of Groupnote Convertible Note (Resolution 2)	885,000,000	885,000,000
Related Party Interest Shares (Resolution 3)	88,500,000	-
TOTAL	3,147,696,630	2,016,828,341

Note:

1. Assumes Shares are issued under the placement at an issue price of \$0.001 (being the closing price of Shares on 20 February 2020).
2. Assuming all resolutions are passed the dilutionary effect on existing shareholders will be 42%. For example, a shareholder holding 10,000,000 Shares would presently hold a 0.55% shareholding in the Company. If all resolutions are passed, the shareholder's shareholding would decrease to 0.317%.

SCHEDULE 2 – CONVERTIBLE NOTE HOLDERS

Convertible Noteholders

Convertible Note Holders	Convertible Note Conversion Shares	Options	Convertible Note Interest Shares	Relevant Interest in Shares ¹	Voting Power ^{1,2}
Groupnote Holdings Pty Ltd*	885,000,000	885,000,000	88,500,000	973,500,000	N/A

The above table relates to Resolutions 2 to 3 in the explanatory statement.

*Groupnote Holdings Pty Ltd holds its securities beneficially for the following parties and has directed that Tikforce issue securities on conversion to the parties set out in the below table.

Beneficial Holders of Groupnote Convertible Note

Name	Convertible Note Conversion Shares	Options	Convertible Note Interest Shares	Relevant Interest in Shares	Voting Power ^{1,2}
Koto Buki Holdings Pty Ltd	10,000,000	10,000,000	1,000,000	11,000,000	0.3%
Sacco Developments Australia Pty Limited	100,000,000	100,000,000	10,000,000	110,100,000	2.9%
Big Leap Super Pty Ltd	10,000,000	10,000,000	1,000,000	11,000,000	0.3%
Giuseppe Mondello Super Fund Pty Ltd	15,000,000	15,000,000	1,500,000	16,500,000	0.4%
Jomanian Limited	25,000,000	25,000,000	2,500,000	27,500,000	0.7%
Risbec Corporation Pty Ltd	10,000,000	10,000,000	1,000,000	11,000,000	0.3%
Shelf Pty Ltd	20,000,000	20,000,000	2,000,000	22,000,000	0.6%
Fede Corporation Pty Ltd	30,000,000	30,000,000	3,000,000	33,000,000	0.9%
Surf Coast Capital Pty Ltd	100,000,000	100,000,000	10,000,000	110,000,000	2.9%
Kioraku Pty Ltd	26,000,000	26,000,000	2,600,000	28,600,000	0.7%
Muscara Superannuation Fund Pty Ltd	10,000,000	10,000,000	1,000,000	11,000,000	0.3%
Mr John Ceccon & Mrs Maria Lynn Mclean	10,000,000	10,000,000	1,000,000	11,000,000	0.3%

Name	Convertible Note Conversion Shares	Options	Convertible Note Interest Shares	Relevant Interest in Shares	Voting Power ^{1,2}
Springbok Capital Pty Ltd	20,000,000	20,000,000	2,000,000	22,000,000	0.6%
Jimmy Fausto Caffieri & Lucia Caffieri	50,000,000	50,000,000	5,000,000	55,750,000	1.5%
Gavin Koktis	2,000,000	2,000,000	200,000	2,200,000	0.1%
Bryan and Sharon Carr	50,000,000	50,000,000	5,000,000	55,000,000	1.4%
Crossbay Pty Ltd	50,000,000	50,000,000	5,000,000	55,000,000	1.4%
Celtic Capital Pty Ltd	200,000,000	200,000,000	20,000,000	220,106,760	5.8%
Crownway Pty Ltd	10,000,000	10,000,000	1,000,000	11,000,000	0.3%
Lucas (AUST) Pty Ltd	20,000,000	20,000,000	2,000,000	22,000,000	0.6%
Jomanian Limited	20,000,000	20,000,000	2,000,000	22,000,000	0.6%
Prosciutto Super Pty Ltd	25,000,000	25,000,000	2,500,000	27,500,000	0.7%
Torg Advisors Pty Ltd	5,000,000	5,000,000	500,000	5,500,000	0.1%
Rockefella Pty Ltd	10,500,000	10,500,000	1,050,000	11,550,000	0.3%
Tyrrhenian Holdings Pty Ltd	56,500,000	56,500,000	5,650,000	62,150,000	1.6%
	885,000,000	885,000,000	88,500,000	1,073,456,760	25.6%

Notes:

1. The information set out above with respect to the relevant interests and voting powers of the various parties assumes conversion of the Convertible Notes and is based on substantial shareholder notices provided to the Company together with a review of the Company's share register to ascertain existing holdings of the holders of Convertible Notes.
2. Assumes that all Shares set out in Schedule 1 are issued at the time the Convertible Notes are converted.

SCHEDULE 3 – OPTION TERMS AND CONDITIONS

- (a) The exercise price of each Option is \$0.03 (**Exercise Price**).
- (b) The expiry date of each Option is 31 October 2020 (**Expiry Date**).
- (c) Each Option gives the Option holder the right to subscribe for one Share.
- (d) Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (e) The amount payable upon exercise of each Option is the Exercise Price.
- (f) The Options held by each Option holder may be exercised in whole or in part, and if exercised in part, multiples of 10,000 must be exercised on each occasion.
- (g) An Option holder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number and class of options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised (**Exercise Notice**).
- (h) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (i) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price (and subject to the Company obtaining any necessary prior approvals from Shareholders or regulatory bodies for the issue of the Shares), the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (j) Within 15 Business Days after the Exercise Date, the Company will, if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- (k) All Shares issued upon the exercise of Options will upon issue rank pari passu in all respects with other Shares.
- (l) The Company will apply for Quotation of all Shares issued pursuant to the exercise of Options on ASX within 10 Business Days after the date of issue of those Shares.
- (m) If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (n) There are no participating rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 4 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (o) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

SCHEDULE 4 – TERMS OF CONVERTIBLE NOTES

- (a) The Convertible Notes shall convert into Shares at the discretion of the Convertible Noteholder, subject to Shareholder approval.
- (b) Conversion price is the lower of:
 - (i) \$0.02;
 - (ii) 80% of the volume weighted average price for Shares in the 5 (five) days on which sales are recorded prior to the Conversion Notice being received by the Company; or
 - (iii) in the event of a capital raising, at a 20% discount to the issue price of the capital raising (and if any additional incentives are offered to the participants of such capital raising, equivalent incentives shall be offered to the Subscriber).
- (c) the deemed issue price will be \$0.001 per Share (being the volume weighted average price for the 5 trading days prior to the date of issue of a conversion notice by the Convertible Noteholders) with each Option being issued free attaching to the Shares.
- (d) The Company will issue one (1) free attaching option, exercisable at \$0.03 and expiring 31 October 2020, for each Share issued upon conversion.
- (e) The Company will apply to ASX for quotation, when the minimum requirements for quotation are satisfied.
- (f) Maturity date of each Convertible Note is 30 March 2020.
- (g) From 31 March 2019 the Company shall pay interest at a rate of 10% per annum, accruing on a monthly basis, payable at the maturity date by the issue of shares (subject to shareholder approval) at a conversion price of \$0.001 per Share. Where shareholder approval is not received a penalty interest rate will be applied of an additional 10% per annum and will be payable within 7 days of the maturity date.
- (h) Funds used for general working capital purposes.
- (i) Secured by a fixed registered charge over the Company's assets.

PROXY FORM

TIKFORCE LIMITED
ACN 106 240 475

GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: ☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10:00 AM AWST, on 14 April 2020 at Suite 1, GF, 437 Roberts Road, Subiaco WA 6008, and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 2 and 3 (except where I/we have indicated a different voting intention below) even though Resolutions 2 and 3 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Placement – Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Issue of Securities to Groupnote Holdings Pty Ltd upon conversion of Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval to convert Convertible Note interest owing to a Related Party – Group Note Holdings Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

Consent for contact by e-mail
in relation to this Proxy Form:

YES ☐ NO ☐

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Lodgement of Proxy Form):** Proxy forms can be lodged by completing and signing the enclosed Proxy Form and returning by:
 - (a) post to Tikforce Limited, Suite 1, GF, 437 Roberts Road, Subiaco WA 6008;
 - (b) facsimile to the Company on facsimile number +61 8 9381 1122; or
 - (c) hand delivering to Advance Share Registry Ltd at 150 Stirling Highway, Nedlands WA 6009.

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.