



30 October 2015

Companies Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

LEOPARD EXECUTES SHARE SALE AGREEMENT TO ACQUIRE CONNECTED GROUP

The Directors of Leopard Resources NL (“LRR”, “Leopard” or the “Company”) are pleased to announce that they have executed a formal Share Sale Agreement (“Share Sale Agreement”) to acquire 100% of Connected IO, Inc. and ICU Wireless Systems Limited (together, “Connected Group”) via its wholly-owned subsidiary G8 International Connect, Inc. (the “Proposed Transaction”).

Connected Group is a next generation wireless technology business based in Silicon Valley, California. Further details regarding the Connected Group can be found in the Company’s previous announcement on 16 July 2015.

The Share Sale Agreement is binding, subject to satisfaction or waiver of conditions precedent including re-compliance with Chapters 1 and 2 of the ASX Listing Rules, and replaces the Heads of Agreement previously announced on 16 July 2015.

The Proposed Transaction will include a public capital raising of \$4,000,000, with a minimum subscription of \$3,000,000, to provide funding for Connected Group and working capital for the Company.

Share Sale Agreement

The Share Sale Agreement is subject to and conditional upon the following conditions precedent:

- Leopard not receiving a superior proposal to be recommended to its shareholders;
- Leopard obtaining and complying with all shareholder and regulatory approvals required;
- Leopard completing a capital consolidation, on a ratio of 1:60 or as otherwise determined and as approved by shareholders, and re-compliance with Chapters 1 and 2 of the Listing Rules;
- Connected Group obtaining all required shareholder approvals as may be required to legally and validly implement the Proposed Transaction; and
- Completion of a capital raising of not less than \$4,000,000 comprising the following tranches:

For personal use only

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- A public capital raising of \$3,000,000 or such other amount as determined by Leopard (acting reasonably) and in consultation with the vendors of Connected Group, so long as the amount raised is sufficient to satisfy Chapters 1 and 2 of the Listing Rules;
 - \$500,000 to be raised by Leopard by way of a convertible note raising to pay outstanding creditors, re-compliance costs and for general working capital; and
 - \$500,000 to be raised by Connected Group (rather than Leopard, as originally contemplated) by way of a convertible note raising for Connected Group's working capital.

Subject to satisfaction of the conditions precedent, the Company has agreed to acquire all the issued capital of the Connected Group in consideration for the Company agreeing to issue the following shares to the vendors of Connected Group:

- 200 million fully paid ordinary shares in Leopard (on a post-capital consolidation basis);
- 100 million Class A Performance Shares, which will convert into 100,000,000 fully paid ordinary shares in Leopard (on a post-capital consolidation basis) upon LRR and its subsidiaries achieving aggregated gross revenue of \$15,000,000 in any of the financial years ending on 31 December 2016, 2017 or 2018, following recompliance with Chapters 1 and 2 of the Listing Rules; and
- 50 million Class B Performance Shares, which will convert into 50,000,000 fully paid ordinary shares in Leopard (on a post-capital consolidation basis) upon LRR and its subsidiaries achieving aggregated gross revenue of \$25,000,000 in any of the financial years ending on 31 December 2016, 2017 or 2018, following recompliance with Chapters 1 and 2 of the Listing Rules.

Subject to satisfaction of the conditions precedent, Leopard will also issue the following shares upon completion of the Proposed Transaction:

- 90,000,000 fully paid ordinary shares (on a post-capital consolidation basis) to King George V Nominees Ltd in consideration for the novation of an existing loan to the Connected Group;
- 15,000,000 fully paid ordinary shares (on a post-capital consolidation basis) to Bonarc Pty Ltd, together with \$300,000 in fully and final satisfaction of existing obligations under an existing loan agreement with the Company;
- 15,000,000 fully paid ordinary shares (on a post-capital consolidation basis) to Trident Capital Pty Ltd and 5,000,000 fully paid ordinary share (on a post-capital consolidation basis) to Bonarc Pty Ltd for facilitating the Proposed Transaction;
- 50,000,000 fully paid ordinary shares (on a post-capital consolidation basis) to the sophisticated investors who subscribe for \$500,000 convertible notes issued by Leopard; and
- 50,000,000 fully paid ordinary shares (on a post-capital consolidation basis) to sophisticated investors who subscribe for \$500,000 convertible notes issued by Connected Group.

The Share Sale Agreement contains additional provisions, including warranties and indemnities in respect of the status of Leopard and the Connected Group which are considered standard for agreements of this kind.

Change of Activities

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

Change of Board

The vendors of Connected Group will be entitled to nominate up to three persons to the Board of Directors on completion of the Proposed Transaction, and following that appointment existing directors Graham Chapman and Craig Willis will resign.

General Meeting

Leopard shareholders will be given the opportunity to approve the Proposed Transaction at a general meeting to be convened. A Notice of Meeting with further details of the Proposed Transaction will be dispatched to shareholders once finalised.

An updated capital structure, timetable and pro-forma balance sheet will be released to the market with the Notice of Meeting.

Yours faithfully

Damon Sweeny
Company Secretary
Leopard Resources NL