

ASX RELEASE – CRE8TEK

Binding Commitments for ~\$5.1M Capital Raising Received, New Paid Trial Signed and General Market Update

- The Company has received binding commitments for a ~\$5.1M capital raising to introduce new institutional, professional and sophisticated investors
- The Company has signed a new paid trial with Chubb Insurance Asia Pacific
- North American and Australian customer paid trials continue to progress into implementation and integration, with three in late stage User Acceptance Testing (UAT)

PERTH, 20 September 2017: Cre8tek Limited (“Cre8tek” or the “Company”) (ASX:CR8) owner of high-tech, Artificial Intelligence company, Flamingo Customer Experience Inc. (“Flamingo”) is pleased to provide an update on activities.

Capital Raising

Placement

The Company is pleased to announce it has received binding commitments to raise \$5,122,825.52 (before costs) via a placement of 128,070,638 ordinary shares at an issue price of 4 cents per share (“Placement”). The Placement was conducted to new and existing institutional, professional and sophisticated investors within the Company’s existing capacity under ASX Listing Rules 7.1 and 7.1A.

The number of shares to be issued under the Company’s Listing Rules 7.1 capacity is 59,342,383 and the number of shares to be issued under the Company’s Listing Rules 7.1A capacity is 68,728,255.

The issue price under the Placement represents a 7.2% discount to the volume weighted average price of Company shares on ASX over the 15 trading day period prior to the date of this announcement (which was 4.31 cents).

The Placement is due to settle on Monday, 25 September 2017, allotment to occur on Tuesday 26 September 2017.

Bell Potter Securities Limited acted as Lead Manager to the Placement.

Use of Funds

Funds raised under the Placement, in conjunction with the Company’s existing cash balance of approximately \$2.6 million, will be used for:

- product development (~\$3.15 million);
- account management (~\$2.4 million);
- sales and business development (~\$0.75 million); and
- general working capital and corporate expenses (~\$1.4 million).

These funds will support the continued implementation and integration of the Flamingo technology in the current paid trials and support of go-live customers. This includes investing in operational infrastructure and resource capabilities across Australia and the US to support live clients with 24x7 support. Additionally, the funds will allow the acceleration of new client opportunities and a more rapid expansion of activities within the existing client base.

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New Contract

The Company has signed a Software and Services Agreement with Chubb Asia Pacific Pte. Limited and an initial Statement of Work for a paid trial with Chubb Insurance Australia Limited.

Commercial Update

Each of the Company's current customer implementations across Australia and North America continues to progress well, with two customers entering the final stages of user acceptance testing.

Feedback from customers as well as customers' end-customers continues to be positive and the Company will continue to keep the market informed as to the progress of those implementations.

The Company is pleased with the market enquires it has received in the recently released Cognitive Virtual Inquiry Assistant product MAGGIE, and will keep the market informed of any customer engagements as those discussions progress.

The Company also continues to drive momentum by developing its customer relationships and pipeline across the target markets (Australia, North America and Asia). The Company is in commercial discussions with several parties in the Asian region.

Update of Corporate Advisor

It was mutually agreed that the mandate between the Company and Ironside Capital Pty Ltd ("Ironside") dated 26 June 2017 ("Ironside Mandate") would be terminated and both parties would release each other from any claims with respect to the Ironside Mandate.

Staff Update

Rohinee Mohindroo, the President of US Operations resigned and will be finishing on 6 October 2017. Ms. Mohindroo played a key role in US operations. However, the impact to the US operations is expected to be minimal and interviewing for a potential candidate to replace the role is underway.

Brenton Charnley, Chief Commercial Officer completed his contracted role on 1 September 2017 and the Company has reallocated his responsibilities across a number of other positions. Brenton made a valuable contribution which handed over to other senior personnel and will benefit the Company going forward.

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ABOUT CRE8TEK

Cre8tek (ASX: CR8) is a listed company that invests in pioneering technology solutions, with a particular focus on software marketing solutions, application software, communication software, SaaS, online social networking services, and security and encryption. Cre8tek acquired high profile Australian Fintech business Flamingo Customer Experience Inc. in November 2016.

ABOUT FLAMINGO:

Based in NYC and Sydney, in the emerging Conversational Commerce field, Flamingo is an Enterprise SaaS company, which provides a Cognitive Virtual Assistant (AI) platform designed for selling complex financial products online. Flamingo's Cognitive Virtual Assistant or Chatbot is called Rosie. Flamingo is one of Gartner's 'Cool Vendors' and clients include large financial services firms. www.flamingo.ai

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Flamingo - Social Media Policy

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