

ASX: OMT
19 October 2016

OMT SIGNS AGREEMENT TO ACQUIRE RIGHTCROWD

- Agreed pre-acquisition value contribution of OMT at 8.18%; RightCrowd at 91.82%
- \$35 million capital raising under a prospectus (subject to shareholder approval) at a price which implies a pre-money valuation of at least \$85 million for the merged OMT and RightCrowd entity
- Mandate with Morgans for capital raising
- Consolidation of all OMT securities on a 10:1 basis (subject to shareholder approval)
- Appointment of Peter Hill to the board (subject to shareholder approval)
- Change in nature and scale of OMT's activities (subject to shareholder approval)
- Name change to RightCrowd Limited (subject to shareholder approval)
- Re-compliance with Chapters 1 and 2 of the ASX Listing Rules

1. Introduction

The Board of Omni Market Tide Limited (**Company** or **OMT**) is pleased to announce today that it has entered into a Share Sale and Purchase Agreement (**Agreement**) to acquire Sentrii Pty Ltd ACN 108 411 427 (**Sentrii**) and the RightCrowd business (**RightCrowd**) (**Acquisition**).

The Purchase Price for the Acquisition will be based on the pre-money value of at least \$85 million for the merged OMT and Sentrii entities, as implied by the price at which a \$35 million capital raising (**Capital Raising**) to issue fully paid ordinary shares in OMT under a prospectus (**Prospectus**), is to occur. The Purchase Price will be paid as a mix of cash and shares in OMT as specified in Annexure A to this announcement.

OMT has also entered into a mandate with Morgans Corporate Limited (**Morgans**), to act as sole lead manager and underwriter in the Capital Raising. The purpose of the Capital Raising is to raise funds to grow the merged group post transaction and for funding the cash component of the Purchase Price (**Cash Payment**) and the Acquisition transaction costs. The underwriting of the Capital Raising is subject to entry into a formal underwriting agreement.

OMT intends to call a meeting of its shareholders in December 2016 (**Meeting**) to seek their approval of various resolutions, including approval of the consolidation of OMT's issued capital on a 10 for 1 basis (**Consolidation**), the Capital Raising, the Acquisition and its significant change to the nature and scale of OMT's activities, the change of the Company's name to RightCrowd Limited, and the appointment of RightCrowd director Peter Hill, to the board of OMT (**Appointment**).

2. Nature of RightCrowd's business

RightCrowd is one of the world's leading physical security, compliance and safety software companies. Since 2004, RightCrowd has innovated with solutions that improve security, safety and compliance for an organisation's workforce (including employees and contractors) and visitors to work sites. RightCrowd provides world-class software products that add functional enhancements to existing physical access control systems and converge the physical security silo into the enterprise through integration into Enterprise Resource Planning (**ERP**) systems, such as SAP.

RightCrowd products enable corporations to automate many physical security and compliance-related business processes. Corporations set policies to meet regulatory and organisational mandates. RightCrowd ensures these policies are enforced via the physical security system, using real-time data, and by interfacing with the physical security and ERP systems. This ensures all people in the organisation are in compliance with the processes that support the overarching corporate and regulatory policies. RightCrowd continues to extend its solution capabilities beyond physical security convergence, and has provided solutions to address Continuous Workforce Assurance requirements of multinational organisations.

In essence, RightCrowd's products allow organisations to ensure that the right people are at the right place at the right time, by enforcing the rules of that organisation via the physical security system.

RightCrowd has two distinct software product lines:

1. **RightCrowd Enterprise** – is designed to meet the complex and demanding needs of large scale projects incorporating elements of HR, IT, physical security, safety, finance, risk and compliance by integrating with an organisation's enterprise systems. By utilising RightCrowd's highly configurable rules and business policy engine, it can be configured to meet very specific and unique customer needs. A powerful workflow engine with customisable forms help to automate the process of provisioning and de-provisioning access rights. This enables RightCrowd to manage and automate regulatory requirements and company policies to ensure they are enforced at the physical security layer.

2. **RightCrowd Essentials** – an easy to use, "out-of-the-box" version of the 'Rightcrowd Enterprise' product. It is a browser-based solution that supports and automates pre-defined business processes to deliver increased efficiency and productivity. It has been designed to provide customers with

immediate benefits after installation, requiring minimal configuration or modification. RightCrowd Essentials allows customers to take full advantage of RightCrowd's years of experience, simplifying the deployment of the software while delivering the key benefits many customers seek, without undertaking the scale of project normally involved when using RightCrowd's enterprise solution.

RightCrowd has been a company heavily focussed on research and development, having spent in excess of \$20 million on pure research and development. It currently employs approximately 65 people across Australia, the USA and the Philippines. Over 90% of these are software engineers, IT professionals or individuals having deep domain knowledge of physical security technologies. RightCrowd has implemented its software in some of the world's largest companies including several Fortune 50 companies, across multiple industries, including technology, resources, oil and gas, health, utilities and education, principally in Australia and North America. Presently, RightCrowd's software manages physical site access across hundreds of locations globally, including individual deployments involving hundreds of thousands of people. The RightCrowd Essentials product was recently awarded an ASIS Accolades "Security's Best Award", at the September 2016 ASIS International Seminar and Exhibits, one of the world's largest security expos with over 20,000 attendees and participants.

The Acquisition will merge OMT's enterprise mobility capability with RightCrowd's leading enterprise security solutions, and position the merged business to substantially grow the RightCrowd business.

Further information about RightCrowd's financial situation will be made available to shareholders and investors in the Notice of Meeting and in the Prospectus, including a full three years of audited historical statements.

3. Key terms of the Acquisition

The Agreement provides for OMT to acquire all of the shares in Sentrui, the parent company of the RightCrowd business operating entity, RightCrowd Software Pty Ltd ACN 121 443 641 (**RightCrowd Software**), in consideration for the Purchase Price payable in cash and shares (**Consideration Shares**) as detailed in Annexure A). All of the Consideration Shares will be subject to ASX escrow requirements, which are expected to be mandatory escrow of all Consideration Shares for 24 months from completion.

Closing of the Agreement is conditional upon the following (among other things) occurring (or being waived) prior to 31 January 2017:

- (**Consolidation**) OMT shareholders approving, and OMT undertaking, the Consolidation;
- (**reinstatement to quotation**) OMT obtaining conditional approval for the reinstatement of the quotation of its securities to the official list of the ASX;
- (**all other approvals**) OMT obtaining all other required regulatory and shareholder approvals to complete the Acquisition;

- **(Capital Raising)** OMT raising \$35 million under the Prospectus at a price which implies a pre-money valuation of the combined entities of at least \$85 million, to provide funds to complete the Acquisition, for the Cash Payment and to provide working capital; and
- **(board changes)** Peter Hill being appointed to the OMT board as an executive director with effect from completion of the Acquisition.

The Agreement contains standard undertakings by Sentrri to not enter into material contracts or incur material liabilities, to not make any acquisition, disposal or borrowing other than in the ordinary course of its business; to not declare dividends or vary its capital structure; to maintain its assets and intellectual property to the best of its ability; and to comply with its contracts and meet business costs and expenses when due.

4. Consolidation

OMT plans to ask its shareholders at the Meeting to approve the Consolidation of its issued capital on a 10:1 basis. The Consolidation will have the following effect on OMT's issued capital:

Securities traded on the ASX	Pre-Consolidation	Post-Consolidation
Quoted and fully paid ordinary shares	76,568,898	7,656,889

Listed options	Pre-Consolidation	Post-Consolidation
Options exercisable at \$1.00, expiring 31 December 2018 ¹	25,000,000	2,500,000

Securities escrowed until July 2017	Pre-Consolidation	Post-Consolidation
Fully paid ordinary shares	150,000,000	15,000,000
Performance Shares Class A	30,000,000	3,000,000
Performance Shares Class B	10,000,000	1,000,000

¹The options currently have an exercise price of \$0.10, which will be adjusted to \$1.00 as a result of the Consolidation.

Impact of Consolidation on Convertible Notes

As announced on 5 October 2016, OMT raised \$250,000 by way of the issue of 250,000 unsecured convertible notes (each with a \$1.00 face value and Maturity Date of 20 September 2018) (**Notes**).

The Capital Raising will trigger one of the conversion events under the Notes, with the applicable conversion price being equal to 80% of the issue price of the capital raising securities. In the context of the transaction announced today, the Capital Raising will occur on a post-Consolidation basis and accordingly, the conversion and conversion pricing will not require adjustment as a result of the Consolidation.

5. \$35 million Capital Raising

OMT has entered into a mandate agreement with Morgans for Morgans to act as sole lead manager and underwriter in raising \$35 million capital pursuant to the Prospectus (with the underwriting being subject to entry into a formal underwriting agreement). In addition to funding the Cash Payment and transaction costs of the Acquisition, these funds will be used to grow the business, including investment in:

- building global sales capabilities and sales channel support infrastructure;
- ongoing evolution and development of the RightCrowd and OMT products; and
- longer term research and development of future product offerings, including cloud-based technology solutions.

6. Status of transaction and indicative timeline

The Company has consulted with ASX in relation to OMT's obligations under Chapter 11 of the ASX Listing Rules. The ASX has indicated that it considers the Acquisition a significant change in both the scale and nature of OMT's activities, pursuant to Listing Rules 11.1.2 and 11.1.3.

OMT expects to be in a position to lodge the Prospectus with ASIC and ASX in November 2016.

An extraordinary general Meeting of OMT shareholders is planned to be held in December 2016. A notice of Meeting (**Notice**) will be received by shareholders in due course. Resolutions to be put to shareholders at the Meeting will include:

- approval of the Consolidation;
- approval of the Acquisition;
- approval of the issue of the Consideration Shares;
- approval of the change in scale of OMT's activities for the purpose of Listing Rule 11.1;
- approval of the change in nature of OMT's activities for the purpose of Listing Rule 11.1;
- approval of the change in name of the Company to RightCrowd Limited;
- approval of the acquisition of relevant interests exceeding 20% in OMT's voting shares by Sentrii shareholders pursuant to Section 611 (Item 7) of the Corporations Act;
- approval of the issue of the shares under the Prospectus; and
- approval of the appointment of Peter Hill, director of RightCrowd, as an executive director of OMT.

The Notice and the Prospectus will include, as applicable:

- three years of audited, historical financial accounts for Sentrii;
- a pro forma balance sheet, prepared on an aggregated basis;
- an independent expert's report opining whether the transaction is fair and reasonable to OMT shareholders, for the purpose of section 611 Item 7 of the Corporations Act;
- details of how shareholders and OMT's capital structure will be affected by the Acquisition;

- details of the material terms of the Acquisition;
- details of OMT's proposed business model, following the Acquisition;
- details about Peter Hill and his experience, given his proposed appointment as a director of OMT; and
- the proposed timetable for the Acquisition.

Neither Sentrii, RightCrowd Software, nor Peter Hill are currently related in any way to OMT or any of OMT's directors and the terms of the Acquisition were negotiated on an arms' length basis. Accordingly, Chapter 2E of the Corporations Act is not relevant to the Acquisition.

7. Board Appointment

The Agreement provides for Peter Hill, the current sole director of Sentrii, to be appointed to the board of OMT on completion of the Acquisition. Peter Hill will be an executive director, focussed on product innovation and strategy. The Board considers that this appointment is appropriate, given his knowledge and understanding of, and contributions to, the business of RightCrowd, and welcomes the additional value his experience can bring to OMT.

8. Projected capital structure for OMT, post-Acquisition

The post-Acquisition capital structure will depend upon the price at which shares are issued under the Capital Raising. Further details will be included in the Notice.

Annexure A

Purchase Price Calculation

OMT and the RightCrowd shareholders have structured the deal based upon an agreed merger ratio, or contribution of relative values pre the proposed capital raising. The agreed value contributions (pre capital raising) are:

- OMT – 8.18%
- RightCrowd – 91.82%

The consideration for the acquisition of RightCrowd is a mix of cash and fully paid ordinary shares in OMT, comprising \$15 million cash (subject to adjustments for certain Sentrrii liabilities) and the balance in OMT Shares (**Consideration Shares**). The number and value of the Consideration Shares will be determined based on the pre-money value of the merged OMT and Sentrrii entities, as implied by the price at which the Capital Raising is conducted.

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About Omni Market Tide

OMT are leaders in digital stakeholder engagement.

OMT produces applications for digital stakeholder engagement. We develop products for enterprise organisations that require professional level, deep engagement applications to help solve complex business problems, and meet regulatory, governance or compliance requirements in their business.

OMT works with both cyber security and physical access providers to extend security and access applications out to mobile devices. Identity and security management are key to our applications.

Forward Looking Statements

This release includes certain statements that may be deemed “forward-looking statements”. All statements in this discussion, other than statements of historical facts, that address future activities and events or developments that OMT expects, are forward-looking statements. Although OMT believes the expectations expressed in such forward- looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, and general economic, market, or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in forward-looking statements.