

## ASX ANNOUNCEMENT

24 DECEMBER 2015

ASX: PML

### VERILUMA ACQUISITION - TRANSACTION UPDATE

#### HIGHLIGHTS:

- **PARMELIA AND VERILUMA EXECUTE FORMAL SHARE SALE AGREEMENT**
- **VERILUMA SUCCESSFULLY SATISFIES A MILESTONE CONDITION PRECEDENT**
- **PARMELIA COMPLETES OVER SUBSCRIBED PLACEMENT**
- **NON-RENOUNCEABLE RIGHTS ISSUE TO CLOSE ON 29 DECEMBER 2015**

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Parmelia Resources Ltd (**ASX:PML**) ("**Parmelia**" or "**the Company**") is pleased to provide the following update with regard to the acquisition of Veriluma Pty Ltd (ACN 117 490 785) (**Veriluma**), the "Placement" and the "Right Issue" as announced to the ASX on the 8 December 2015.

#### Acquisition of Veriluma:

Parmelia is pleased to announce that the parties have executed a formal Share Sale Agreement ("SSA" or "The Agreement"). The "SSA" contains standard terms and conditions, including several "conditions precedent" that are consistent with the terms already agreed to in the binding Heads of Agreement as announced to the ASX on the 8 December 2015. In addition and as contemplated in the Heads of Agreement, PML is also pleased to advise that the first condition precedent milestone concerning the repayment of the convertible note owed by Veriluma has now been satisfied. PML has agreed to allow Veriluma to issue an additional 21,429 shares to raise \$450,000 to provide Veriluma with funds to repay \$300,000 of the convertible notes, with the balance of \$200,000 owing to be repaid by PML via the issue of \$200,000 worth of PML shares for no consideration as part of the re-compliance capital raising.

As a consequence, PML will now be issuing a total of 162,857,400 PML shares to the vendors of Veriluma (including new shareholders of Veriluma) as consideration for 100% of the shares in Veriluma. There is no change to the number of performance shares to be issued by PML as previously announced on 8 December 2015.

## Placement:

The proposed placement of up to 14,285,714 PML Shares at 3.5 cents per share to raise up to approximately \$500,000 (**Placement**) has been completed via an oversubscribed offer to new and existing investors. Placement shares will not be quoted and will be subject to holding locks pending a determination by the ASX in relation to escrow under Chapter 9 of the ASX Listing Rules, refer ASX release of 9/12/2015.

## Right Issue:

The Non-Renounceable Rights Issue (**Rights Issue**) announced on the 8 December 2015 on a 1 for 4 basis to raise up to \$741,087 via the issue of up to 21,173,927 PML Shares at 3.5 cents per PML Share, opened on 16 December 2015 and will close at 5pm on the 29 December 2015. Shareholders wishing to accept the offer and participate in the Rights Issue should ensure that their acceptance forms are received by the Closing Date (5pm on 29/12/2015). Shares subsequently issued to eligible shareholders under the Rights Issue will be quoted and will not be escrowed. Rights Issue shares are expected to be tradable on or about the 6 January 2016, please refer to the Offer Document announced to the ASX on the 8 December 2015. Any Shortfall Shares (as defined in the Offer Document dated 8 December 2015) issued to non-shareholders of the Company resulting from the non-renounceable rights issue will not be quoted and will be subject to holding locks pending a determination by the ASX in relation to escrow under Chapter 9 of the ASX Listing Rules, refer ASX release of 9/12/2015.

For further information concerning this announcement, please contact Mr Jay Stephenson, Company Secretary at:

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