

ASX ANNOUNCEMENT

February 24th 2016

ASX: PML

PARMELIA COMPLETES DUE DILIGENCE TO ACQUIRE VERILUMA AND CLOUD PLATFORM DESIGN COMPLETED

Highlights:

- **Key Milestone Achieved as Parmelia successfully completes due diligence on Veriluma Pty Ltd.**
- **Initial Design and Scoping of State of the Art Cloud Platform Complete.**
- **Preparation of Notice of Meeting and Prospectus has commenced.**

Parmelia Resources Ltd (ASX: PML) ("**Parmelia**" or the **Company**) is pleased to provide an update on the transaction (ASX Release: 8 Dec 2015), to acquire **Veriluma Pty Ltd (Veriluma)**, an Australian technology company being acquired by Parmelia. Parmelia has now satisfactorily completed its due diligence in relation to Veriluma. As announced previously, the acquisition of Veriluma by Parmelia will result in a significant change in the nature and scale of Parmelia's activities and will require shareholder approval under Chapter 11 of the ASX Listing Rules, as well as require the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules. For this purpose, Parmelia expects to despatch a notice of meeting to its shareholders in the coming weeks seeking the relevant approvals to undertake the acquisition. Parmelia will also issue a prospectus to raise a minimum of \$3,250,000 at an issue price yet to be determined.

Cloud Platform

The initial design and scoping for the Veriluma Cloud Platform and API has been completed, the development team has been expanded and work has begun on the implementation. The Cloud Platform allows clients to host their models in the cloud and to execute, store and retrieve assessments, using a simple set of RESTful web services APIs. The development of the Cloud Platform is a direct response to customer demand, and will enable customers and partners to more easily integrate Veriluma's technology into their own solutions.

The Cloud Platform is being implemented using the very latest in architecture, taking full advantage of the modern services that the major cloud providers have to offer, and the lessons learned from cloud pioneers such as Amazon and Netflix. As such, the Cloud Platform has been designed to provide consistent performance at any scale. This paves the way for Veriluma's technology to be used in solutions that require higher throughput.

[About Veriluma](#)

Veriluma's patented predictive intelligence software engine, was initially developed by a Commonwealth Government Research Centre for the Australian Department of Defence, specifically for application in the Defence Intelligence Organisation (DIO). Veriluma was established in 2010 to further develop the software which is now being commercialised across a broad range of industries and government departments.

Veriluma's Intelfuze software complements Big Data and business intelligence tools. Intelfuze provides solutions to a range of strategic, operational and critical problems and decision-making scenarios. Intelfuze's unique algorithms and applications provide objective outcomes, which lead to more efficient and effective decision-making helping government and non-government organisations mitigate risk. Opportunities to utilise the software exist globally across a wide range of industries including banking and financial services, insurance, legal, government agencies and others. Initial target areas and associated revenues streams have been scoped. In these, and many more, scenarios, Intelfuze is immediately beneficial in helping people make better, more informed decisions.

Business highlights include:

- Developed by a Commonwealth Government Research Centre for the Defence Intelligence Organisation
- Unique, sophisticated patented technology
- Software applied to a range of problems/decisions with consistently accurate results
- Potential for global applications across industry and government
- Versatile commercialisation pathways – tailored solutions, recurring revenue streams
- Immediate target markets identified
- Commercialisation strategy currently being implemented
- Experienced board and management, advisory board and operations team

For further information concerning this announcement, please contact Mr Nigel Gellard, Executive Chairman Parmelia Resources Ltd

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