



8 August 2016

Suite 12, Level 1
11 Ventnor Avenue
West Perth WA 6005
Australia

PO Box 52
West Perth WA 6872
Australia

T: +61 8 6141 3500
F: +61 8 6141 3599
E: info@parmeliaresearch.com

PARMELIARESOURCES.COM

Dear Shareholder

PROSPECTUS PUBLIC OFFER TO RAISE \$3,500,000

At a general meeting convened on 13 July 2016, shareholders approved the conditional acquisition (**Acquisition**) of 100% of Veriluma Pty Ltd in consideration for securities in Parmelia Resources Limited (**PML** or **Company**). The general meeting also approved a change of name of the Company to Veriluma Limited to take effect upon completion of the Acquisition.

As a condition of the Acquisition, pursuant to a public offer under a prospectus dated 29 July 2016 (**Prospectus**), the Company now seeks to raise \$3,500,000 through the issue of 50,000,000 fully paid ordinary Shares in the capital of the Company at \$0.07 per Share (**Public Offer**). The Public Offer is scheduled to close on 30 August 2016.

Your directors consider that the Acquisition and the Public Offer represents an opportunity for all shareholders to increase their participation in the growth potential of the Company through Veriluma's patented prescriptive "decision making" process and software.

Post-completion of the Acquisition, your Company will have:

- advanced predictive technology developed and ready to commercialise in the big data market;
- developed initially by a Commonwealth Research Centre for Australian Department of Defence;
- potential for multiple industry and government applications globally;
- versatile commercialisation pathways – tailored solutions with potential recurring revenue streams from subscriptions and "SaaS" applications;
- immediate target groups identified and strategic partnerships have commenced;
- commercialisation strategy currently being implemented; and
- experienced Board of Directors and Advisory Committee

The Company encourages you to consider participating in this Public Offer under the Prospectus.

Please note:

- **the offer of Shares in relation to the Public Offer will be made in, or accompanied by, a copy of the Prospectus; and**
- **anyone wishing to acquire Shares under the Public Offer will need to complete the Application Form that will be in or will accompany the Prospectus.**

An electronic copy of the Prospectus is available which can be downloaded from www.parmeliaresearch.com.au

You should read and consider the Prospectus carefully before deciding whether to acquire Shares in the Public Offer under the Prospectus or alternatively consult your financial advisor.

As set out in the Prospectus, the Company, in consultation with K S Capital Pty Ltd as Lead Manager to the Public Offer, will determine the allottees of Shares in the Public Offer in their sole discretion. Under law no priority or special treatment can be given to existing shareholders of the Company in relation to the Public Offer. However if you have interest in participating in the Public Offer, we encourage you to complete and submit your application as soon as possible and I therefore recommend you contact the Lead Manager directly if you have any questions. The Lead Managers contact details are as follows:

Greg Wood
Managing Director
K S Capital Pty Limited
+61 416 076 377
g.wood@kscapital.com.au

Thank you for your continuing patience and support of the Company and for contemplating being involved in this Public Offer.

Yours sincerely



Nigel Gellard
Chairman