

20 April 2017

ASX Announcement

## Veriluma Boosts Balance Sheet with Sale of Mining Assets

### HIGHLIGHTS

- Terms agreed for the sale of the Jaurdi Hills Project with \$500,000 to be paid up front and a further \$500,000 payment to be back ended upon the delineation of a JORC resource by the buyer; and
- This significant balance sheet boost enables Veriluma to focus on developing key potential revenue partnerships currently in the pipeline.

Leading Australian prescriptive analytics company Veriluma Limited (ASX: VRI) (**Veriluma or Company**) is pleased to announce that it has executed a binding Term Sheet Agreement (**Agreement**) for the sale of its Jaurdi Hills Project (**Project**) near Coolgardie in Western Australia.

The sale of the Project is to an unlisted gold exploration and development company, Ausgold Resources Pty Ltd (**Ausgold**), with a portfolio of highly prospective assets including high grade Californian gold projects. Key terms of the Agreement with Ausgold are:

- Payment of \$50,000 cash upon the signing of the Agreement (now concluded);
- Payment of an additional \$450,000 cash upon the signing of a definitive longer form agreement, pursuant to the terms of the Agreement; and
- Payment of an additional \$500,000 cash upon the delineation of a JORC-compliant mineral resource estimate of not less than 300,000 ounces of contained gold.

Commenting on the sale of the Project, Veriluma Managing Director, Elizabeth Whitelock, said:

*“The sale of Jaurdi Hills on favourable terms has the twin bonus of a cash injection to the Company whilst at the same time improving the balance sheet bottom line by negating budgeted holding costs associated with the non-core mining assets. Veriluma consequently is in a stronger position to focus on its business development strategy.”*

Director of Ausgold, Gary Lewis, commented on the acquisition saying:

*“This is a positive outcome for both companies. Our due diligence revealed the high prospectivity of the Jaurdi Hills Project and our confidence in the potential target of plus 300,000 ounces of a JORC 2012 resource of contained gold.”*

A further update on the transaction will be provided upon signing of the longer form agreement contemplated in stage 2 of the transaction.

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### **About Veriluma and Prescriptive Analytics:**

Veriluma has developed and patented an advanced algorithm dealing in Prescriptive Analytics. Prescriptive Analytics is a form of advanced, forward-looking analytics, which provides assessments about future outcomes. Although most types of analytics aim to assist and improve in the decision making process, only Prescriptive Analytics delivers a preferred course of action. Developed by a Commonwealth Research Centre for the Australian Defence Intelligence Organisation, which has been utilising Veriluma's technology since 2013, Veriluma's software assists decision makers with rapid and accurate assessments of terrorism and national security threats using its proprietary technology based on Prescriptive Analytics.

In complex decision making situations, the ability to comprehensively manage incomplete or uncertain inputs is highly valuable for businesses, governments and individuals. <sup>1</sup>The Prescriptive Analytics software market is expected to reach US\$1.1 billion in the next 3 years, with a 22% Compound Annual Growth Rate (CAGR) from 2016. Currently, 10% of organisations have some form of prescriptive analytics and this is expected to grow to 35% by 2020. <sup>1</sup>Source: Gartner Forecast Snapshot: Prescriptive Analytics, Worldwide, 2016; 5 February 2016

Veriluma's software has wide applications across multiple industries including banking and financial services, government, defence and national security, insurance, legal, health, pharmaceutical and resources.

