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Option Agreement to acquire **thred**

Highlights

- Acquiring **thred** - Unified Social Messaging App
- A 'Unified Social Messaging' application specialising in cross platform communications
- Supporting, accessing and overlaying over 140 social media networks globally

Promesa Limited ("the Company" or "Promesa") is pleased to announce that it has entered into a Heads of Agreement detailing an Option Agreement to acquire 100% of the issued share capital of Thredit Ltd ("Thred") and its subsidiaries (including Thred Innovations Ltd ("TIL")) from Key Idea Holdings Ltd ("Key"). Thred are the developers of the meta-social platform and unified social messaging app named **thred**.

thred has been built by Key and TIL and began design and development in 2013. It is a first mover meta-social & media sharing application that overlays 140+ social media platforms globally allowing instant access to all social media friends, followers and contacts in a single unified way. With the potential to connect billions of social media users.

thred is a private access messaging and sharing platform allowing individual and group consolidation across all social media remaking the messaging experience and building bridges between social groups.

thred is a web based messaging platform and mobile app specialising in cross platform communication systems. **thred** has developed several proprietary engines and systems that unify and centralise user contacts and social groups whilst simultaneously providing a centralised communication hub.

thred has also developed machine learning engines and a neural network that learns user's preferences, providing a more targeted and satisfying messaging and sharing experience.

thred's platform is the core of a suite of products that are being developed for the mobile market. The core suite of products are expected to be officially launched in mid 2015 with additional features and modules released throughout the year.

The thred app is not just a new messaging app or a new form of social media, rather it is the solution to the challenges we all face in today's connected and information-rich world. These challenges include:

- How we manage the range of our diverse profiles and groups across multiple social platforms
- How to easily create and monitor a private group discussion with friends from networks such as Twitter, Facebook, Weibo and LinkedIn at the same time as using SMS and email addresses – uniquely allowing a two way communication stream between them all – allowing the creation of a private messaging group made up of people across multiple platforms and social media.

By developing and marketing the thred platform, the goal is not to compete with existing messaging apps or social networks but instead to reshape the way we all use the range of services available to create more meaningful and valuable connections between people.

“Building bridges not walls”.

thred will be launched as a platform and there are several 3rd party applications and content partnerships which are supporting the platform preparing to enter the market shortly after launch.

thred is unified social messaging.

Implementation of the transaction will, among other things, be subject to completing due diligence, shareholder and regulatory approvals and completion of a minimum capital raising of \$5 million. The parties are now working with their respective advisors to complete due diligence as well as the documentation required to convene a shareholder meeting to seek approval for the proposed transaction.

The transaction will require the company to re-comply with chapters 1 & 2 of the ASX listing rules. The likely effect on the Company and the estimated timetable to complete this proposed transaction is set out later in this announcement.

It has become clear that current market conditions make it very difficult to raise funds to explore the exploration projects which the Company holds. The Board of Promesa has therefore assessed a number of opportunities to enhance shareholder value. The Board believes the proposed transaction is an excellent opportunity for the Company.

Overview of Proposed Transaction

The key terms of the Heads of Agreement are:

- The **thred** shareholders grant Promesa an option to acquire the entire issued capital of Thredit for a period up to 20 June 2015;
- During the Option Term, Promesa will conduct a due diligence investigation into **thred**;
- **thred** on behalf of TIL is seeking to raise funds from third parties of \$500,000 in the form of unsecured convertible notes. Application of funds will ready **thred** for the roll out of its Go To Market strategy.

The following conditions to completion of the acquisition (generally) are to be completed by 30 September 2015, and failure to achieve or waive these by that time will terminate the agreement:

- Promesa obtaining all necessary shareholder and regulatory approvals required for the Acquisition, including in particular ASX approval for the readmission of Promesa to the official list of ASX in connection with its proposed change in the nature and scale of its activities;
- All tenements currently held or applied for by Promesa will be disposed of following successful completion of this transaction;

The total consideration payable by Promesa to the **thred** shareholders for the acquisition will be 250 million ordinary shares and 140 million performance shares in Promesa, in each case at a deemed issue price of \$0.02 each.

The Performance Shares are to be allotted and issued to the **thred** shareholders at completion and will convert into ordinary shares on a one for one basis upon the milestones referred to below for each tranche having been achieved:

Milestone 1:

30,000,000 Performance Shares shall convert upon the launch of the **thred** Mobile Phone App (with functionality consistent with the Scope Document to be presented to the Due Diligence Committee) within a period of 90 days from the date of completion of the Capital Raising.

Milestone 2:

40,000,000 Performance Shares shall convert upon 250,000 downloads of the **thred** Mobile Phone App being completed within a period of 90 days from completion Milestone 1.

Milestone 3

40,000,000 Performance Shares shall convert upon **thred** updating the **thred** Mobile Phone App to incorporate an artificial intelligence engine (as outlined in the Scope Document to be presented to the Due Diligence Committee) within a period 180 days from completion of the Capital Raising.

Milestone 4

30,000,000 Performance Shares shall convert upon 1,000,000 downloads of the **thred** Mobile Phone App being completed within a period of 360 days from the date of completion of the Capital Raising.

At completion the board of directors shall comprise four people, two of whom will be nominated by the **thred** shareholders and the others by Promesa.

When Promesa exercises the option, it shall as soon as reasonably practicable, issue a notice of general meeting convening a meeting of its shareholders to seek approval for:

- a change in the nature and scale of its activities and related matters;
- issue and allotment of the Consideration Shares;
- issue and allotment of the shares in connection with the proposed capital raising under the readmission prospectus;
- the appointment of two **thred** nominees to the board of directors;
- approval for past issues of securities to replenish Promesa's placement capacity under ASX listing rule 7.1and/or7.1A (if applicable); and
- a change of its company name to one that reflects the business and branding of **thred**.

In a timely fashion, Promesa shall issue a prospectus to raise at least \$5 million in connection with its readmission (the intention being to raise such amount as may be required to ensure compliance with and satisfaction of the relevant ASX readmission requirements and to provide working capital required by **thred**).

The parties acknowledge and agree that due to the requirements of the ASX Listing Rules, Promesa may be required to undertake a consolidation of its securities.

Proposed capital structure

On a pre-consolidated basis, the capital structure of the Company on completion of the transaction and the proposed \$5m capital raising will be:

Event	Ordinary Shares	Performance Shares	Options
Existing Securities on Issue	384,412,465		63,479,167
Acquisition (Consideration Shares)*	250,000,000	140,000,000	
Conversion of Convertible Notes	1,000,000,000		
Armada Capital Options			100,000,000
\$5M Capital Raising (assuming 2.00 cents/share)	250,000,000		
Securities Structure Assuming No Consolidation	1,784,940,161		163,479,167

** Post Consolidation*

Indicative timetable

The below timetable is indicative only and may change without notice.

Description	Estimated Date
Sign Option Agreement	8 April 2015
Complete Due Diligence & Exercise of Option	8 May 2015
Shareholder meeting to approve transaction	15 May 2015
Issue of Prospectus to raise min. \$5m	20 May 2015
Close of prospectus	31 May 2015
Apply for re-admission to ASX	10 June 2015
Re-admission to ASX	20 June 2015

For and on behalf of the board,

Damon Sweeny
Company Secretary