



# MARKET RELEASE

18 November 2016

## **Power Resources Limited (to be renamed K2fly Limited)**

### **PRE-REINSTATEMENT DISCLOSURE**

Power Resources Limited (to be renamed K2fly Limited) (the "Company") will be reinstated to official quotation as from the commencement of trading on Tuesday 22 November 2016, following the Company's compliance with listing rule 11.1.3 and Chapters 1 and 2 of the ASX Listing Rules.

The following information is released as pre-reinstatement disclosure.

1. Appendix 1A and Information Form and Checklist
2. Distribution Schedule.
3. Top 20 holders.
4. A securities trading policy that complies with the requirements of listing rule 12.9 in accordance with listing rule 1.1 condition 15.
5. The Company's constitution.
6. An updated capital structure of the Company.
7. A statement setting out the number of securities subject to escrow, the number of securities that will be subject escrow as a result of an undertaking in relation to future issues of securities.
8. An updated statement of commitments based on the actual amount of funds raised under the Prospectus.
9. An updated pro-forma statement of financial position based on the actual amount of funds raised under the Prospectus.
10. A statement confirming:
  - 10.1. The Acquisition Agreement becoming unconditional.
  - 10.2. The Company receiving all regulatory approvals required by the ASX Listing Rules and Corporations Act or any other law, including ASX approvals required for Settlement and conditional approval to reinstate the Company's quoted securities to trading on the ASX following Settlement.
  - 10.3. The completion of a consolidation of the capital of the Company on a 1 for 9.4 basis.
  - 10.4. Existing directors of the Company, Michael Scivolo, Robert Collins and Sol Majteles resigning and Brian Miller, Gino D'Anna, Russell Moran and Noel Bonnick ("Proposed Directors") being appointed to the Board of the Company.
  - 10.5. Norman Grafton resigning from his position as Company Secretary and Gino D'Anna being appointed the new Company Secretary
  - 10.6. The Company is changing its name to "K2fly Limited".



- 10.7. That the conditions to the Public Offer and Priority Offer have been satisfied.
- 10.8. Satisfaction of the conditions precedent and completion of the Acquisition Agreement between the Company and K2fly including the issue of:
  - (a) 16,000,000 Consideration Shares.
  - (b) 1,500,000 K2 Technology Shares.
  - (c) Up to 937,500 CN Shares.
  - (d) Up to 4,500,000 KKM Shares and payment of \$250,000 plus GST.
  - (e) Up to 1,250,000 Advisor Shares.
  - (f) Up to 2,000,000 Broker Options.
- 10.9. The Company has issued 2,500,000 Priority Offer Shares.
- 10.10. The Company has issued not issued the 3,500,000 Performance Rights to the Proposed Directors prior to settlement of the Acquisition Agreement.
- 11. The financial accounts of K2fly NL for the years ended 31 December 2013, 31 December 31 December 2015.
- 12. That there have been no material subsequent events to alter the Company's consolidated statement of financial position as detailed in section 14 of the Prospectus.
- 13. That there are no legal, regulatory or contractual impediments to the Company undertaking the activities the subject of the commitments disclosed in the Prospectus.
- 14. That the Company is in compliance with the listing rules and in particular listing rule 3.1
- 15. Lodgement of any outstanding financial reports, if any, since the Company's securities were suspended and any other outstanding documents required by listing rule 17.5.

Security Code: PWW

Mauro Piccini

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