

17 November 2016

### **COMPLETION OF ACQUISITION OF THE ASSETS OF K2FLY NL AND RELATED CONFIRMATIONS**

Power Resources Limited (ACN 125 345 502) (to be renamed "K2fly Limited") (**Company**) is pleased to advise that all conditions precedent to the acquisition of the assets of K2fly NL (**K2fly**) (**Acquisition**) pursuant to the amended and restated sale of asset agreement between the Company and K2fly dated 3 June 2016 (**Acquisition Agreement**) have been satisfied and the Company has completed the Acquisition.

The Company confirms the following:

- (a) The Acquisition Agreement is unconditional.
- (b) The Company has received all regulatory approvals required by the ASX Listing Rules and *Corporations Act 2001* (Cth) (**Corporations Act**) or any other law, including ASX approvals required for settlement of the Acquisition Agreement (**Settlement**) and conditional approval to reinstate the Company's quoted securities to trading on the ASX following Settlement.
- (c) The Company has completed a consolidation of its capital on a 1 for 9.4 basis.
- (d) Michael Scivolo, Robert Collins and Sol Majteles have resigned as directors of the Company and Brian Miller, Gino D'Anna, Russell Moran and Noel Bonnick have been appointed to the Board of the Company.
- (e) Norman Grafton has resigned as Company Secretary and Gino D'Anna has been appointed as Company Secretary.
- (f) The Company is changing its name to "K2fly Limited".
- (g) The conditions to the Public Offer and Priority Offer (as those terms are defined in the Company's prospectus dated 22 August 2016) have been satisfied.
- (h) The conditions precedent of the Acquisition Agreement have been satisfied, the Acquisition Agreement has been completed and the Company has issued:
  - (i) 16,000,000 fully paid ordinary shares (**Shares**) to the shareholders of K2fly (following K2fly completing an in specie distribution of these Shares)
  - (ii) 1,500,000 Shares to K2 Technology Pty Ltd;
  - (iii) 937,500 Shares to convertible note holders whose notes converted into Shares at settlement of the Acquisition;
  - (iv) 4,500,000 Shares to Kalgoorlie Mine Management Pty Ltd;
  - (v) 1,250,000 Shares to K S Capital Pty Ltd (or its nominees) and Linq Corporate Pty Ltd (or its nominees); and

- (vi) 1,920,000 options to acquire Shares to K S Capital Pty Ltd (or its nominees) and Linq Corporate Pty Ltd (or its nominees).
- (i) The Company did not issue any Shares pursuant to the Priority Offer.
- (j) The Company has not issued the 3,500,000 performance rights proposed to be issued between Brian Miller, Gino D'Anna and Russell Moran prior to settlement of the Acquisition Agreement.

**For further information, please contact:**

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Brian Miller  
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Greg Wood  
Lead Manager  
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### **CONFIRMATIONS**

Power Resources Limited (ACN 125 345 502) (to be renamed "K2fly Limited") (**Company**) provides the following confirmations to satisfy conditions for reinstatement of the Company's securities to quotation on ASX.

#### **No material subsequent events**

The Company confirms 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 dated 22 August 2016 (**Prospectus**).

#### **No impediments**

The Company confirms there are no legal, regulatory or contractual impediments to the Company undertaking the activities the subject of the commitments disclosed in the Prospectus.

#### **Compliance with Listing Rules**

The Company is in compliance with the Listing Rules and in particular Listing Rule 3.1.

#### **For further information, please contact:**

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