

Promesa Ltd

To be renamed "Thred Limited"

ACN 124 541 466



Replacement Prospectus

For the public offer of 100 million Shares at an issue price of \$0.05 per Share to raise the minimum subscription amount of \$5 million. Oversubscriptions of up to a further 100 million Shares at an issue price of \$0.05 per Share to raise up to a further \$5 million may be accepted (**Public Offer**). The Public Offer includes a priority offer of up to 20 million Shares at an issue price of \$0.05 per Share to existing Shareholders.

This Prospectus also contains separate offers to Key Idea, the Series A Lenders, the Series B Lenders and the Facilitator. No funds will be raised from these offers. Please refer to Section 5 for further details.

This Prospectus is a re-compliance prospectus for the purposes of satisfying chapters 1 and 2 of the Listing Rules and to satisfy ASX requirements for reinstatement of the Company's securities to trading following a change in the nature and scale of the Company's activities.

This is a Replacement Prospectus dated 16 May 2016 which replaces in its entirety the Prospectus dated 17 March 2016 in relation to the Offers.

The Offers are not underwritten.

The Offers made under this Prospectus and the issue of Securities pursuant to this Prospectus in relation to the Offers are subject to and conditional upon the minimum subscription being raised under the Public Offer and completion of the Acquisition. If those conditions are not satisfied, no Securities will be allotted pursuant to this Prospectus in relation to the Offers and the Company will repay all money received from Applicants without interest.

Lead Manager



Solicitors to the Offers



Important information: *This Prospectus provides important information to assist prospective investors to decide whether or not to invest in the Company. It should be read in its entirety. If you do not understand it, you should consult your professional advisers.*

THE SECURITIES OFFERED BY THIS PROSPECTUS SHOULD BE CONSIDERED HIGHLY SPECULATIVE.

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1. Corporate directory

Current Directors

Hersh Solomon Majteles

Non Executive Chairman, Director

Ananda Kathiravelu

Executive Director

(to become a Non-Executive Director following completion of the Acquisition)

Company Secretary

Damon Sweeny

Company's Registered Office

Suite 8, 55 Hampden Road
NEDLANDS WA 6009

ASX Code: PRA

(ASX Code to change to: THD)

Tel: +61 8 9389 5885

Fax: +61 8 9389 5885

Email: ananda@promesa.com.au

Website: www.promesa.com.au

Solicitors to the Offers

Lavan Legal
Level 20, The Quadrant
1 William Street
PERTH WA 6000

Auditor*

Bentleys Audit & Corporate (WA) Pty Ltd
Level 3, 216 St Georges Terrace
PERTH WA 6000

Proposed Directors

David Whitaker

Managing Director (elect)

Christopher Adams

Non-Executive Director (elect)

Christopher Jones

Non-Executive Director (elect)

Lead Manager

Armada Capital Pty Ltd
Suite 8, 55 Hampden Road
NEDLANDS WA 6009

(AFSL 289 898)

Investigating Accountant*

BDO Corporate Finance (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008

Share Registry*

Advanced Share Registry Services
110 Stirling Highway
NEDLANDS WA 6009

Tel: +61 8 9389 8033

Fax: +61 8 9262 3723

Web: www.advancedshare.com.au

**This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.*

2. Important notices

This Replacement Prospectus (which is referred to in this document as either “this **Replacement Prospectus**” or “this **Prospectus**”) replaces the Original Prospectus. This Replacement Prospectus has been issued to, amongst other matters:

- provide additional disclosure in relation to the current stage of development of Thred and the support offered to Thredit by Microsoft in Section 6.9;
- provide information on an additional risk of an investment in the Company in Sections 4 and 7.2; and
- provide additional disclosure in relation to the Company’s material contracts in Sections 8.5 to 8.7.

This Prospectus is dated 16 May 2016. A copy of the Prospectus was lodged with ASIC on that date. ASIC takes no responsibility for the content of this Prospectus.

No Securities will be issued on the basis of this Prospectus later than 13 months after the date of the Original Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

No document or information included on our website is incorporated by reference into this Prospectus.

2.1 Change in nature and scale and Offer conditions

The Company is currently an emerging precious and base metals explorer with a portfolio of advanced mineral prospects in Peru. As announced to the ASX on 13 April 2015, the Company has entered into an agreement to acquire 100% of the issued capital of Thredit by way of a Heads of Agreement (**Acquisition**). For further information on Thredit and the proposed Acquisition, refer to Sections 6 and 8.1.

The Acquisition will result in a significant change to the nature and scale of the Company’s activities, which requires Shareholder approval under chapter 11 of the Listing Rules.

The Company held a General Meeting on 16 October 2015 at which Shareholders approved, amongst other things, the issue of Securities in consideration for the Acquisition, the change in nature and scale of the Company’s activities and the change of the Company’s name to Thred Limited.

The Offers made under this Prospectus and the issue of Securities pursuant to this Prospectus are subject to and conditional upon:

- 2.1.1 the Company raising the minimum subscription under the Public Offer (being \$5,000,000);
- 2.1.2 the Company completing the Acquisition; and

2.1.3 ASX approving the Company's re-compliance with the admission requirements under chapters 1 and 2 of the Listing Rules.

If all of the above conditions are not satisfied, the Offers will not proceed, no Securities will be allotted pursuant to the Offers under this Prospectus and the Company will repay all money received from Applicants without interest.

The Company must comply with ASX requirements to be reinstated to Official Quotation on ASX, which includes re-complying with chapters 1 and 2 of the Listing Rules. This Prospectus is issued to assist the Company to re-comply with these requirements.

2.2 Exposure Period and ASIC interim stop order

The Original Prospectus was circulated during the Exposure Period. The purpose of the Exposure Period was to enable the Original Prospectus to be examined by market participants prior to the raising of funds. On 26 April 2016, ASIC issued an interim stop order under section 739(3) of the Corporations Act in relation to the Original Prospectus. The effect of the interim stop order was to prevent the Company offering, issuing, selling or transferring Securities under the Original Prospectus while the interim stop order was in force. This Replacement Prospectus is lodged in response to the issues raised by ASIC.

In accordance with section 724(2)(a) of the Corporations Act, the Company will not process any Application which has been submitted pursuant to the Original Prospectus rather than this Replacement Prospectus, and it will repay application funds received in respect of those Applications. However, this will not prevent such applicants from completing a new Application Form attached to this Replacement Prospectus and submitting it to the Company in accordance with the instructions on the Application Form and this Replacement Prospectus.

A copy of this Replacement Prospectus will be provided to all Applicants who wish to subscribe for Securities under the Public Offer.

If you wish to apply for Securities and have not yet completed an Application Form, please complete and return an Application Form which is attached to this Replacement Prospectus. The Application Form must be received by 5:00pm WST on the Closing Date and must be completed in accordance with the instructions in this Replacement Prospectus and the Application Form.

Applications after the date of this Replacement Prospectus must not be made on the Application Form attached to or accompanying the Original Prospectus.

2.3 Electronic Prospectus

This Prospectus will be issued in paper form and as an electronic Prospectus which may be accessed on the internet at www.promesa.com.au. The Offers pursuant to the electronic Prospectus are only available to persons receiving an electronic version of this Prospectus in Australia. The Corporations Act prohibits any person passing the Application Form onto another person unless it is attached to, or accompanied by, the complete and unaltered version of the Prospectus. During the Offer Period, any person may obtain a hard copy of this Prospectus by contacting the Company at the address set out in the corporate directory in Section 1.

2.4 Foreign jurisdictions

This Prospectus does not constitute an offer in any place in which, or to persons to whom, it would not be lawful to make an offer. Distribution of this Prospectus in jurisdictions outside Australia may be restricted by law, and persons who come into possession of this Prospectus should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

2.5 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Except where required by law, the Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7.

3. Key information and indicative Offer timetable

Key information ^{1,3}	Details
Shares on issue before completion of the Offers	312,733,663
Public Offer	
Price per Share offered under the Public Offer (including Priority Offer Shares)	\$0.05
Shares now offered for subscription (including Priority Offer Shares)	
<ul style="list-style-type: none"> • Assuming minimum subscription • Assuming maximum subscription 	100,000,000 200,000,000
Proceeds of the Public Offer (before costs and including Priority Offer Shares)	
<ul style="list-style-type: none"> • Assuming minimum subscription • Assuming maximum subscription 	\$5,000,000 \$10,000,000
Offers (other than the Public Offer)	
<ul style="list-style-type: none"> • Shares to be issued pursuant to the Vendor Offer • Performance Shares to be issued pursuant to the Vendor Offer • Shares to be issued pursuant to the Series A Lender Offer² • Shares to be issued pursuant to the Series B Lender Offer² • Shares to be issued pursuant to the Facilitator Offer 	250,000,000 140,000,000 20,000,000 12,500,000 6,250,000
Additional issues to the Lead Manager	
<ul style="list-style-type: none"> • Shares to be issued to Armada Capital • Performance Shares to be issued to Armada Capital • Options to be issued to Armada Capital 	12,500,000 7,000,000 100,000,000

Notes:

1. Please refer to Section 5.4 for further detail relating to the Company's proposed capital structure.
2. Disregarding Shares to be issued in satisfaction of accrued interest.
3. The rights attaching to the Securities are summarised in Section 11.3 of this Prospectus.

Indicative Offer timetable*	Date
Suspension from trading (pre-market open)	16 October 2015
General Meeting to approve the Acquisition and suspension from trading	16 October 2015
Record Date for the Consolidation	22 October 2015
Completion of Consolidation	27 October 2015
Priority Offer Record Date	16 March 2016
Lodge Original Prospectus with ASIC and ASX	17 March 2016
Application for quotation on ASX (Appendix 1A)	23 March 2016

Indicative Offer timetable*	Date
Opening of Priority Offer and Public Offer	29 March 2016
Lodge Replacement Prospectus with ASIC and ASX	16 May 2016
Close of Priority Offer	27 May 2016
Close of Public Offer	3 June 2016
Completion of Acquisition and issue of Securities under the Prospectus	8 June 2016
Dispatch of holding statements	10 June 2016
Expected date for re-quotations of the Company's Securities on ASX	17 June 2016

***Note:** The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or close the Priority Offer and/or Public Offer early without notice.

4. Investment overview

This Section is a summary only and not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

The Securities offered by this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

Topics	Summary
Who is issuing this Prospectus?	Promesa Ltd ACN 124 541 466 (to be renamed "Thred Limited") (Company).
Who is the Company and what does it do?	<p>Promesa is a public company that has been listed on the ASX since 12 November 2009.</p> <p>The Company is currently an emerging precious and base metals explorer with a portfolio of advanced mineral prospects in Peru.</p> <p>In light of difficult market conditions for junior exploration companies, the Company has been evaluating value added investment opportunities that exist outside the commodities industry.</p> <p>Refer to Section 6 for more information.</p>
What is the Company's strategy?	<p>As announced to the ASX on 13 April 2015, the Company has entered into an agreement to acquire 100% of the issued capital of Thredit Ltd by way of a Heads of Agreement.</p> <p>Further details of the Heads of Agreement are contained in Section 8.1.</p> <p>Thredit is the developer of "Thred", a messaging platform and web and mobile app specialising in cross platform communication systems. Once developed, Thred will be a system that unifies and centralises the user's contacts whilst simultaneously providing a centralised communication hub. Thred is not currently available for distribution (refer to Section 6.9 for further information on the stage of development of Thred).</p> <p>Thredit owns the Intellectual Property Rights for its platforms and apps that connect users and the content they share across the various common social platforms and the internet. In further development of its app platforms, Thredit also intends to apply artificial intelligence engines that learn a user's preferences, thus providing a more targeted and satisfying messaging experience.</p> <p>The Thred mobile and web apps form the core of a suite that is being developed for the mobile and desktop platforms and are expected to launch in 2016. Thredit has secured third party</p>

Topics	Summary
	<p>content partnerships with Zumata Technologies Private Limited and First Global Data Corp. which will support the platform after launch.</p> <p>Please see Section 6.11 and Annexure A for Thredit's audited accounts for the financial year ended 30 June 2015 and the half year ended 31 December 2015.</p> <p>Following reinstatement to Official Quotation, the Company's primary focus will be to develop and market Thred in line with Thredit's business model. The Company may also undertake further acquisitions or develop new technologies that complement Thredit's business.</p>
<p>What are the Company's key assets presently?</p>	<p>The Company's current exploration assets comprise:</p> <ul style="list-style-type: none"> • The Alumbre Project, covering an area of 798Ha in northern Peru in the La Libertad department and consisting of several adjoining concessions. • The Quinal Project, consisting of a concession covering an area of 1000Ha, located in northern Peru, in the La Libertad department. • The Huajoropampa Project, consisting of a concession covering an area of 1000Ha in the Huancavelica department of central Peru. • The Olleros Project, consisting of concessions and an application over 2,500Ha in total in the central Andes of Peru, near the Ancash Department. • The Yarpun Project, consisting of a concession in the Ancash department of central Peru, covering 100Ha.
<p>What are the Offers under this Prospectus?</p>	<p>The Company is offering the public a minimum of 100 million Shares at an issue price of \$0.05 each to raise \$5 million. The Public Offer includes a priority offer of up to 20 million Shares at an issue price of \$0.05 per Share to Shareholders registered as at the Priority Offer Record Date.</p> <p>The Company may accept oversubscriptions of up to a further 100 million Shares at \$0.05 each to raise up to an additional \$5 million.</p> <p>This Prospectus also contains separate offers to:</p> <ul style="list-style-type: none"> • Key Idea, in respect of the Consideration Securities to be issued in connection with the Acquisition; • the Series A Lenders; • the Series B Lenders; and • the Facilitator. <p>Refer to Section 5 for more information.</p>

Topics	Summary
<p>Are there any conditions to the Offers?</p>	<p>The Offers are conditional upon the following events occurring:</p> <ul style="list-style-type: none"> • the Company raising the minimum subscription under the Public Offer (being \$5 million); • completion of the Acquisition; and • ASX approving the Company's re-compliance with the admission requirements under chapters 1 and 2 of the Listing Rules. <p>If any of the conditions of the Offers are not satisfied, then the Company will not proceed with the Acquisition or the Offers and the Company will repay all application monies received, without interest.</p> <p>Refer to Sections 2.1 and 5 for more information.</p>
<p>Why are the Offers being conducted?</p> <p>What is the proposed use of funds raised under the Public Offer?</p>	<p>The Public Offer (which includes the Priority Offer) is being conducted to:</p> <ul style="list-style-type: none"> • meet the requirement that the Company re-complies with the ASX's admission requirements in accordance with chapters 1 and 2 of the Listing Rules; • provide funding for the continued development of Thredit and Thred; • meet the expenses of the Offers; and • provide administration funding and working capital. <p>The Offers other than the Public Offer are being conducted under this Prospectus:</p> <ul style="list-style-type: none"> • to facilitate secondary trading of the Securities the subject of those offers (for the purposes of sections 707(3) and 707(4) of the Corporations Act), subject to any escrow restrictions imposed by ASX. No funds will be raised from these offers; and • to comply with the disclosure requirements under section 706 of the Corporations Act to the extent none of the exemptions under sections 708 and 708A of the Corporations Act apply in respect of those offers. <p>Refer to Sections 5.1, 5.3, and 5.9 for more information.</p>
<p>Proposed Acquisition of Thredit</p>	
<p>What are the material terms of the Acquisition?</p>	<p>The proposed Acquisition involves the Company acquiring 100% of the issued capital of Thredit in return for the issue of 250 million Shares and 140 million Performance Shares to Key Idea (or its nominee(s)).</p> <p>The Acquisition is conditional upon a number of conditions, with the following key conditions outstanding at the date of this Prospectus:</p>

Topics	Summary
	<p>(a) the Company raising a minimum of \$5 million under the Public Offer at a minimum price of \$0.05 per Share;</p> <p>(b) for the purposes of Listing Rule 11.1.3:</p> <ul style="list-style-type: none"> • the Company meeting the requirements in chapters 1 and 2 of the Listing Rules as if it were applying for admission to the Official List of ASX; and • ASX granting conditional approval to reinstate the Company's securities to trading on ASX on conditions reasonably acceptable to the Company and Key Idea. <p>Under the Heads of Agreement, the conditions must be satisfied on or before 1 July 2016 (or such later date as the parties may agree).</p> <p>Upon completion of the Acquisition, each of the Proposed Directors will be appointed to the Board of Directors.</p> <p>Refer to Section 8.1 for more information.</p>
<p>What approvals were granted at the General Meeting?</p>	<p>At the General Meeting held on 16 October 2015, the Company obtained Shareholder approval (and ratification) for each of the following Acquisition Resolutions (in addition to other resolutions which do not relate to the Acquisition):</p> <ul style="list-style-type: none"> • a change to the nature and scale of the Company's activities for the purposes of Listing Rule 11.1.2; • the Consolidation (being a consolidation of the Company's issued capital on the basis of 1 Share for every 5 Shares on issue and 1 Option for every 5 Options on issue at the record date of the Consolidation). The Consolidation has been completed; • the creation of a new class of securities (being the Performance Shares); • the issue of the Consideration Securities to Key Idea (or its nominee(s)) in consideration for the Acquisition of Thredit and an increase in Key Idea's voting power in the Company; • the issue of Securities to Armada Capital (being a related party of the Company by virtue of being an entity controlled by Director, Ananda Kathiravelu) in connection with the Acquisition and the Public Offer; • the issue of Shares to the Facilitator in connection with the Acquisition; • the issue of Shares pursuant to the Public Offer; • the election of Proposed Director, David Whitaker; • the election of Proposed Director, Christopher Jones; • the election of Proposed Director, Christopher Adams;

Topics	Summary
	<ul style="list-style-type: none"> • the change of the Company’s name to “Thred Limited”; • the issue of Shares upon conversion of the Series A Loans (including the issue of Shares under a Series A Loan to Supaval, a related party of the Company); and • the issue of Shares upon conversion of the Series B Loans. <p>On 30 March 2016, the ASX granted the Company a waiver of Listing Rule 14.7 to permit the issues of the Securities which were approved by Shareholders at the General Meeting to occur by no later than 30 June 2016.</p> <p>Refer to the Company’s Notice of Meeting lodged with ASX on 15 September 2015 for more information.</p>
<p>Why is the Company required to re-comply with chapters 1 and 2 of the Listing Rules?</p>	<p>The Company is required to re-comply with chapters 1 and 2 of the Listing Rules to give effect to a change in the nature and scale of the Company’s activities as a result of the Acquisition.</p> <p>The Company has been suspended from trading since 16 October 2015 (being the date of the General Meeting) and will not be reinstated until the Company has satisfied the conditions of the Offers, including re-compliance with chapters 1 and 2 of the Listing Rules.</p>
<p>Who is Thredit?</p>	<p>Thredit is the developer of “Thred”, a messaging platform and web and mobile app with a focus on cross platform communication systems. Thredit has developed systems that unify and centralise the user’s contacts whilst simultaneously providing a centralised communication hub.</p> <p>Refer to Section 6 for more information on Thredit.</p>
<p>What is Thredit’s business model?</p>	<p>Thredit intends to adopt the strategies used by successful messaging services by focusing on user acquisition and engagement primarily at launch. Whilst the Company does not anticipate Thredit will generate any revenue for a period of at least 18 months after launch, if successful, Thred has the potential to generate revenue through several key avenues as follows:</p> <ul style="list-style-type: none"> • In-App commerce: Thredit will seek to negotiate referral or and/or affiliate commissions with third party apps to whom it grants access to provide integrated services within the Thred App. • Enterprise messaging version: Thredit intends to offer a web version of the Thred App that will provide additional features and functionality. It is proposed that this would incorporate a payment model whereby subscribers will be able to pay a “per seat” fee or yearly subscription fee for use of the enterprise version. • Brand integrations: Thredit intends to create opportunities for brand integrations enabling users to opt-in to one-to-one

Topics	Summary
	<p>and/or one-to-many communications with brands of their choosing. Brands will have the opportunity to purchase these integrations from Thredit on a per campaign basis.</p> <ul style="list-style-type: none"> • Upgrade options: Thredit intends to offer a number of paid 'upgrade' options within the Thred App that users will be able to opt into to access additional features and functionality. • Data mining: Thred inherently collects and collates data that allows predictive trending and other forms of analysis to be performed. This analysis may be made available after launch as a SaaS (software as a service) system that can be subscribed to by companies or individuals and charged for on a "user pays" basis. <p>Refer to Section 6 for more information.</p>
Key risks	
<p>The Company's business, assets and operations are subject to certain risk factors that have the potential to influence the Company's future operating and financial performance. These risks can impact on the value of an investment in Securities.</p> <p>The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can effectively manage them is limited.</p> <p>Set out below is a summary of specific risks that the Company and Thredit are exposed to and that may have a direct impact on the Company and its activities or assets. Further details of these and other risks associated with an investment in the Company are outlined in Section 7.</p>	
No operating track record	<p>Thredit is a recently established company and has no operational track record, with a number of its key personnel only relatively recently appointed to management or engaged on a contract basis only. The Acquisition must be considered in light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development.</p>
Commercialisation risk	<p>Since incorporating in 2015, Thredit's activities have involved deploying resources to develop its software application (including applying funds towards research and development, wages and procurement of services).</p> <p>Thredit has not reached commercial viability. Given Thredit's limited trading history and the fact that its business is unproven, it is difficult to make an evaluation of Thredit's business or its prospects. Accordingly, no assurance can be given that Thred will be successfully commercialised or that the Company will achieve commercial viability through the acquisition of Thredit and the implementation of its business plan.</p>

Topics	Summary
Intellectual property	Thredit's intellectual property rights are currently unregistered and therefore do not attract the benefit of formal patent protection. There is a risk that products which compete with Thred or provide functionality that is similar to Thred could be developed before Thredit is able to secure patent protection for Thred, which could materially affect Thredit's growth and revenue prospects. There is also the risk that a patent application in relation to Thred may not be successful, in which case Thredit will need to take greater measures to protect its business from competitors in the market offering similar or competing products and to ensure Thred does not infringe the registered intellectual property rights of any other person.
Country risk	Thredit's operations will primarily be conducted in Australia and it has plans to open a further office in the United States in 2016. Accordingly, the Company is exposed to a range of multi-jurisdictional risks such as risks relating to labour practices, environmental matters, difficulty in enforcing contracts, changes to or uncertainty in the relevant legal and regulatory regime (including in relation to taxation and foreign investment and practices of government and regulatory authorities) and other issues in foreign jurisdictions in which the Company operates.
Foreign currency and exchange rate	The Company is seeking to raise funds under the Public Offer in Australian dollars. In the medium to longer term it is likely that the majority of Thredit's revenue will be in US dollars or other local currencies. As such, the Company may be adversely affected by changes in exchange rates relative to the Australian dollar.
Privacy	Thred will be launched globally and as such will be subject to privacy laws that may differ in each specific jurisdiction in which Thredit operates. If a breach of privacy occurs, it may expose Thredit and/or the Company to litigation or regulatory enquiry.
Potential changes in APIs	If Thredit is unable to respond to a change in an API in an appropriate manner, Thred users may experience some reduced cross-platform functionality regarding interaction with that platform, app or system.
Competitor risks	Thredit faces competition from a wide range of app publishers. Actions by competitors may impact the adoption, revenue and/or profitability of Thredit and therefore the Company's financial condition. Thredit may not achieve the user adoption or adequate engagement from users over existing or future competitors.
Key employee risks	Thredit is reliant on the expertise and talent of its personnel. The loss of key personnel could have an adverse impact on the operations of the organisation. There is risk that development

Topics	Summary
	staff who have been involved in the development of the apps could be lost and in turn their knowledge of the product and business could also be lost.
Technology	The rapid growth of the social media and messaging markets creates an environment where unforeseen changes can quickly occur, making it difficult for Thredit to adapt its offering quickly enough to cope with these changes. There is a risk that Thredit will be unable to acquire new users or retain existing users should Thredit's apps become less desirable in comparison with the competition in the marketplace.
Security	Thredit could suffer unauthorised infiltration by hackers disrupting service to users, stealing user data or otherwise affecting the Company's operations. Such actions could compromise user data or otherwise damage goodwill, resulting in changes in user behaviour and overall dissatisfaction.
Third party reliance	Thredit relies on third parties for key aspects of its operations. This is a risk of third parties restricting access to their APIs or no longer being capable of providing the services that they currently offer.
Market	The mobile app industry and specifically the messaging apps and social networks apps industries are still relatively undeveloped. Revenue models vary greatly and the market size and potential is still uncertain. It will be Thredit's responsibility to develop effective solutions prompting users to engage with and/or execute transactions from or within its apps. There is a risk that competitors could launch substantially similar apps as Thredit.
Financial risks	The Company's capital requirements are influenced by numerous factors. Depending on the rate of user growth, the ability to generate revenue and other factors, the Company may require financing in addition to the amounts raised under the Public Offer. Any additional equity financing may dilute shareholdings and debt financing, if available, may place restrictions on operating and financing activities. If the Company cannot acquire additional financing then it may be forced to alter its plan of operations.
Volatility in the market price of Shares	Although the Company is listed on the Official List, there is no assurance that an active trading market for its Shares will be sustained. There is also no assurance that the market price for the Shares will not decline below the price at which they were subscribed for.
Risk of high volume of sales in Securities	If the Acquisition is successfully completed, the Company will have issued a significant number of Securities to various parties. Some of the parties who apply for Shares may not wish to hold

Topics	Summary
	those Shares and may wish to sell them (subject to applicable escrow periods). There is a risk that an increase in the amount of people wanting to sell Shares may adversely impact the prices of the Company's Securities. There can be no assurance that there will be, or continue to be, an active market for Shares or that the price of the Shares will increase.
Liquidity	<p>Certain Securities on issue prior to the close of the Offers may be classified by ASX as restricted securities and will be required to be escrowed for up to 24 months from the date of Official Quotation. During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on a Shareholder's ability to dispose of his or her Shares in a timely manner.</p> <p>An estimate of the Securities that will be subject to escrow is set out in Section 5.9.</p>
Reduced likelihood of a takeover offer	If the Acquisition proceeds, a large number of the Company's issued Shares will be held by a small number of Shareholders. This may discourage any other potential bidder from making a takeover bid in the future as those Shareholders will have significant control over the Company.
Compliance with chapters 1 and 2 of the Listing Rules	<p>The Company's Shares have been suspended from trading since 16 October 2015 (being the date of the General Meeting). It is anticipated that the Company's Shares will remain suspended until completion of the Acquisition and the Offers, re-compliance with chapters 1 and 2 of the Listing Rules and compliance with any further conditions ASX imposes on such reinstatement.</p> <p>There is a risk that the Company will not be able to satisfy one or more of those requirements and that its Shares will consequently remain suspended from quotation.</p>
Re-compliance	There is a risk that the Company may not be able to meet the requirements for re-instatement to trading on ASX. In the event the conditions of the Offers are not satisfied, the Company will not proceed with the Acquisition or the Offers and will need to consider an alternative strategy to respond to difficult market conditions in the commodities sector.
Information about the Offers	
What rights and liabilities attach to the Securities being offered?	<p>Pursuant to the Offers, the Company offers fully paid ordinary shares in the capital of the Company ranking equally with all existing shares on issue.</p> <p>Refer to Section 11.3 for more information.</p>

Topics	Summary
Are the Offers underwritten?	No, the Offers are not underwritten.
Who is the Lead Manager?	<p>The Company has appointed Armada Capital as Lead Manager to the Public Offer.</p> <p>Pursuant to the terms of Armada Capital's mandate with the Company which relates to provision of services in connection with the Acquisition and the Public Offer, Armada Capital is entitled to receive a management fee equal to 1% of all funds raised by the Company as a result of the Public Offer (Management Fee) and a placement fee equal to 5% of all funds raised by the Company from parties introduced by Armada Capital (Placement Fee).</p> <p>In addition, a number of unrelated third parties nominated by Armada Capital will receive a total of 100 million Options exercisable at \$0.0625 each on or before 30 May 2017 as part of Armada Capital's reward package for the Acquisition.</p> <p>Refer to Sections 10.3.10 and 11.3.2 for more information.</p>
When will the Shares be listed?	<p>An application was made to the ASX within seven days after the date of the Original Prospectus for Official Quotation of the Shares the subject of the Offers.</p> <p>Refer to Section 5.6 for more information.</p>
What are the tax implications of investing in Securities under the Offers?	<p>The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.</p>
How do I apply for Shares under the Public Offer?	<p>Applications for Shares under the Public Offer must be made by completing an Application Form and must be accompanied by payment in Australian dollars for the full amount of the application being \$0.05 per Share, in accordance with the instructions on the Application Form.</p> <p>Refer to Section 5.5 for more information.</p>

Topics	Summary
When will I receive confirmation that my application for Shares under the Public Offer has been successful?	It is expected that holding statements will be sent to successful Applicants by post on or about 10 June 2016. Refer to Section 3 for more information.
How can I find out more about the Prospectus?	Questions relating to the Offers can be directed to the Company on +61 8 9389 5885. Refer Section 1 for more information.
Board and Management	
Who are the Directors of the Company?	The Company's current Directors are: <ul style="list-style-type: none"> • Hersh Solomon Majteles, Non-Executive Chairman • Ananda Kathiravelu, Executive Director <p>On completion of the Acquisition and the Offers, changes will be made to the Board with the appointment of the following Directors:</p> <ul style="list-style-type: none"> • David Whitaker, Managing Director (elect) • Christopher Adams, Non-Executive Director (elect) • Christopher Jones, Non-Executive Director (elect) <p>Mr Kathiravelu will also convert his role to that of a Non-Executive Director. See Section 10 for full details of the Directors' experience and expertise.</p>
Who are Thredit's key managers?	Thredit's key managers are: <ul style="list-style-type: none"> • Sean Davidson – Chief Technology Officer • Maria Shaikh – Project Manager <p>Refer to Sections 8.4, 8.3 and 10.1 for more information.</p>
What are the Directors' significant interests?	The interests of the existing and Proposed Directors are detailed in Section 10.2.
Are there any related party transactions?	Yes. The related party agreements include the following: <ul style="list-style-type: none"> • Heads of Agreement for the Acquisition between Promesa, Thredit and Key Idea • Executive Employment Agreement between Promesa and David Whitaker • Consulting Engagement between Thredit and The E201 Group (an entity controlled by Christopher Jones) • Non-Executive Director Appointment Letters between Promesa and each of Hersh Solomon Majteles, Ananda Kathiravelu, Christopher Adams and Christopher Jones

Topics	Summary
	<ul style="list-style-type: none"> • Consulting Agreement between Orbit Media Group (an entity controlled by Christopher Adams) and the Company • Consulting Agreement between Orbit Media Group and Thredit • Loan Agreement between Thredit and David Whitaker • Lead Manager and Corporate Adviser Mandate between Promesa and Armada Capital • Series A Convertible Loan Agreement between Thredit and Supaval • Corporate Services Agreement between Promesa and Ampere • Deeds of Indemnity, Insurance and Access between Promesa and each current Director <p>Refer to Sections 8.1 and 10.3 for more information.</p>
Other disclosures	
<p>What are the Company's and Thredit's material contracts?</p>	<p>In addition to those contracts with related parties outlined above, the Company's and Thredit's material contracts comprise:</p> <ul style="list-style-type: none"> • Heads of Agreement for the Acquisition • Facilitator Mandate between Promesa and Dean Bannister • Consulting Agreement between Thredit and Sean Davidson • Consulting Agreement between Thredit and Luke McIntyre • Employment contract between Thredit and Maria Shaikh • Services Agreement between Thredit and First Global Data Corp. • Services Agreement between Thredit and Symplicit Pty Ltd • Developers Program & API License Agreement between Thredit and Zumata Technologies Private Limited • Series A Convertible Loan Agreements • Series B Convertible Loan Agreements <p>Refer to Section 8 for more information.</p>
<p>What is the Company's financial position?</p>	<p>The Company is currently listed on ASX and its financial history, including its 2015 Annual Report, is available on its website, www.promesa.com.au.</p> <p>Further financial information regarding the Company and Thredit is considered in Section 6.11 of this Prospectus and the Investigating Accountant's Report in Section 10 of this Prospectus.</p>
<p>Will the Company make any financial forecasts?</p>	<p>No. Given the nature of the Thredit business and the fact it is in an early stage of development, there are significant uncertainties associated with forecasting future revenues and expenses of the</p>

Topics	Summary
	<p>Company. In light of uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company will operate, as well as uncertain broader market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On this basis and after considering Regulatory Guide 170, the Directors believe that reliable financial forecasts for the Company cannot be prepared and accordingly have not included financial forecasts in this Prospectus</p>
<p>Will the Shares be subject to escrow?</p>	<p>None of the Shares issued pursuant to the Public Offer or the Series B Lender Offer are expected to be restricted securities.</p> <p>It is estimated that:</p> <ul style="list-style-type: none"> • 100% of the Consideration Securities to be issued to Key Idea (or its nominees) under the Vendor Offer (being 250 million Shares and 140 million Performance Shares) will be escrowed for a period of 24 months from the date of Official Quotation; • 90% of the Shares issued to each unrelated convertible noteholder (or their respective nominees) upon conversion of convertible notes will be escrowed for a period of 12 months from the date of issue of those convertible notes; • 90% of the Shares issued to Simon Nominees (or its nominee(s)) upon conversion of those convertible notes will be escrowed for a period of 24 months from the date of Official Quotation; • 50% of the Shares to be issued to the Series A Lenders (or their respective nominees) upon conversion of the Series A Loans will be escrowed for a period of 12 months from the date of Official Quotation; • 100% of the Securities to be issued to Armada Capital (or its nominee(s)) will be escrowed for a period of 24 months from the date of reinstatement of the Company's Shares to Official Quotation; and • 100% of the Shares to be issued to the Facilitator under the Facilitator Offer will be escrowed for a period of 24 months from the date of reinstatement of the Company's Shares to Official Quotation. <p>Refer to Section 5.9 for more information.</p>

5. Details of the Offers

5.1 The Offers

5.1.1 **Public Offer (including a priority offer to Shareholders registered on the Priority Offer Record Date)**

Pursuant to this Prospectus, the Company invites applications for a minimum of 100 million Shares at an issue price of \$0.05 per Share to raise \$5 million.

The Public Offer includes a priority offer of up to 20 million Shares at an issue price of \$0.05 per Share to Shareholders registered as at the Priority Offer Record Date. The Company will accept Application Forms from those Shareholders in priority to the allocation of Shares to third parties under the Public Offer (and will scale back any oversubscriptions under the Priority Offer on a pro rata basis). To the extent that less than 20 million Shares are applied for by Shareholders under the Priority Offer, those shortfall Shares will be available for subscription to all investors under the Public Offer (including both existing Shareholders and external investors), who shall be treated equally in the allocation of those shortfall Shares.

Oversubscriptions of up to a further 100 million Shares at an issue price of \$0.05 per Share may be accepted to raise up to a further \$5 million.

The maximum amount which may be raised under the Public Offer (including the Priority Offer) is \$10 million.

5.1.2 **Vendor Offer**

Pursuant to this Prospectus, the Company offers Key Idea (or its nominees) 250 million Shares at a deemed issue price of \$0.05 per Share and 140 million Performance Shares (together, the Consideration Securities) in consideration for the Acquisition of Thredit (**Vendor Offer**).

No funds will be raised from the Vendor Offer.

5.1.3 **Series A Lender Offer**

Pursuant to this Prospectus, the Company offers the Series A Lenders (or their respective nominees) Shares at a deemed issue price of \$0.025 per Share in satisfaction of the outstanding balance of the Series A Loans at completion of the Acquisition (**Series A Lender Offer**).

No funds will be raised from the Series A Lender Offer.

5.1.4 **Series B Lender Offer**

Pursuant to this Prospectus, the Company offers the Series B Lenders (or their respective nominees) Shares at a deemed issue price of \$0.04 per Share in satisfaction of the outstanding balance of the Series B Loans at completion of the Acquisition (**Series B Lender Offer**).

No funds will be raised from the Series B Lender Offer.

5.1.5 Facilitator Offer

Pursuant to this Prospectus, the Company offers the Facilitator (or his nominee(s)) up to 6,250,000 Shares at a deemed issue price of \$0.05 per Share.

No funds will be raised from the Facilitator Offer.

The Shares offered under this Prospectus will rank equally with the existing Shares on issue.

The Performance Shares offered under the Vendor Offer will be issued on the terms and conditions set out in Section 11.3.

5.2 Minimum subscription

The minimum subscription to the Public Offer is \$5 million.

If the minimum subscription to the Public Offer has not been raised within 4 months after the date of the Original Prospectus, the Company will not issue any Shares pursuant to the Offers and will repay all application monies for those Shares within the time prescribed under the Corporations Act, without interest.

5.3 Use of funds

On successful completion of the Offers, the Directors believe the Company will have sufficient working capital to carry out its objectives as detailed in this Prospectus.

The Company intends to apply available funds after completion of the Offers (assuming minimum subscription in Table 2 and maximum subscription in Table 3), as follows:

Table 1		
Funds available	Minimum subscription (\$)	Maximum subscription (\$)
Existing cash reserves ¹	\$4,000	\$4,000
Funds raised from the Public Offer	\$5,000,000	\$10,000,000
Total	\$5,004,000	\$10,004,000

Table 2 – Assuming minimum subscription				
Allocation of funds	Year 1 (\$)	%	Year 2 (\$)	%
Expenses of the Offers ²	601,450	12.03%	-	-
Customer acquisition costs – sales and marketing	474,300	9.49%	695,750	13.91%
Development and engineering	588,000	11.76%	588,000	11.76%
Repayment of creditors	780,000	15.6%	-	-
Working capital ⁴	836,250	16.72%	436,250	8.72%
Subtotal:	3,280,000	65.6%	1,720,000	34.4%
Total (cumulative):	-	-	5,000,000	100%

Table 3 – Assuming maximum subscription				
Allocation of funds	Year 1 (\$)	%	Year 2 (\$)	%
Expenses of the Offers ²	906,610	9.06%	-	-
Customer acquisition costs – sales and marketing	2,093,390	20.93%	2,947,500	29.48%
Development and engineering	1,000,000	10%	1,000,000	10%
Repayment of creditors	780,000	7.8%	-	-
Working capital ⁴	836,250	8.36%	436,250	4.36%
Subtotal:	5,616,250	56.16%	4,383,750	43.84%
Total (cumulative):	-	-	10,000,000	100%

Notes:

¹ Refer to the Investigating Accountant's Report set out in Section 9 for further details. These funds represent cash held by the Company at or around the date of this Prospectus. The Company expects to incur costs within the ordinary course of its business which may diminish this amount prior to completion of the Offers.

² Refer to Section 11.8 for further details.

³ If the Company raises more than the minimum subscription but less than the maximum Public Offer amount of \$10 million, the Company intends to apply these funds first towards the additional expenses of the Offers and secondly towards working capital (see note 4 below).

⁴ Working capital will be applied: (a) to meet current trade and other payables as and when they fall due, (b) to meet commitments under current finance facilities as and when they fall due, (c) to meet future operational expenses of the business, and (d) to maintain a surplus operating contingency for the business.

The above table is a statement of current intentions as of the date of this Prospectus. The Board reserves the right to alter the way funds are applied on this basis.

5.4 Capital structure

The Company's capital structure following completion of the Offers is summarised below:

Shares¹	Number
Shares currently on issue	312,733,663
Consideration Shares to be issued to Key Idea (or its nominees)	250,000,000
Minimum number of Shares to be issued pursuant to the Public Offer	100,000,000
Oversubscriptions to the Public Offer	100,000,000
Shares to be issued pursuant to the Series A Lender Offer ³	20,000,000
Shares to be issued pursuant to the Series B Lender Offer ³	12,500,000
Shares to be issued to Armada Capital (or its nominee(s)) at a deemed issue price of \$0.05 each in satisfaction of a 5% success fee in connection with the Thred Acquisition ²	12,500,000
Shares to be issued to the Facilitator at a deemed issue price of \$0.05 each in satisfaction of a 2.5% success fee in connection with the Thred Acquisition ²	6,250,000
Total:	813,983,663

Performance Shares¹	Number
Performance Shares to be issued to Key Idea (or its nominees) in consideration for the Acquisition	140,000,000
Performance Shares to be issued to Armada Capital (or its nominee(s)) in satisfaction of a 5% success fee in connection with the Acquisition ²	7,000,000
Total:	147,000,000
Options¹	Number
Options to be issued to Armada Capital (or its nominee(s)) exercisable at \$0.0625 each on or before 30 May 2017	100,000,000
Total:	100,000,000

Notes:

1. The rights attaching to the Securities are summarised in Section 11.3 of this Prospectus.
2. Calculated by reference to the number of Consideration Securities issued as consideration for the Acquisition.
3. Disregarding Shares to be issued in satisfaction of accrued interest. The Series A Loans and the Series B Loans automatically convert into Shares at completion of the Acquisition.
4. As the last sale on the ASX trading day immediately preceding the date the Company's securities were suspended from trading was \$0.01, the Options are not "in the money" (taking account of the Consolidation) and it is therefore unlikely that they will be exercised before the Company's re-instatement to trading on ASX.

5.5 Applications

All Applications for Securities under the Offers must be made using the applicable Application Form.

By completing an Application Form, you will be taken to have declared that all details and statements made by you are complete and accurate and that you have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Application Forms in respect of the Public Offer must be accompanied by payment, made by electronic funds transfer or by a personal cheque or a bank draft, in accordance with the instructions set out in the Application Form. The payment must be in Australian dollars, for an amount equal to the number of Shares for which the Applicant wishes to apply multiplied by the issue price of \$0.05 per Share. Cheques or bank drafts should be made payable to "**Promesa Ltd**" and crossed "Not Negotiable".

No brokerage or stamp duty is payable by Applicants. The amount payable on application will not vary during the Offer Period.

Applications for Shares under the Public Offer must be for a minimum of 40,000 Shares and thereafter in multiples of 10,000 Shares and payment for those Shares must be made in full at the issue price of \$0.05 per Share.

The Company reserves the right to close the Public Offer early.

Applicants should ensure that cleared funds are available at the time the Application Form is lodged, as dishonoured cheques will result in the Application Form being rejected. Application monies will be held in trust in a subscription account established and controlled by the Company until the allotment of Shares has taken place.

Completed Application Forms should be returned to the Company to:

Post:	Email:
Promesa Ltd	admin@promesa.com.au
PO Box 994	
SUBIACO WA 6904	

Application Forms must be received by no later than 5:00pm WST on the Closing Date.

Detailed instructions on how to complete paper Application Forms are set out on the reverse of those forms. Applicants are not required to sign the Application Form.

5.6 ASX listing

The Company applied for Official Quotation by ASX of the Shares offered pursuant to the Original Prospectus on 23 March 2016, being a date within 7 days after the date of the Original Prospectus.

If the Shares are not admitted to Official Quotation by ASX before the expiration of 3 months after the date of issue of the Original Prospectus, or such period as varied by ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

5.7 Issue

Subject to the minimum subscription to the Public Offer being reached and ASX granting conditional approval for the Company's Shares to be reinstated to Official Quotation on ASX, the issue of Securities offered by this Prospectus in relation to the Offers will take place as soon as practicable after the Closing Date.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company on trust for the Public Offer Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Subject to the treatment of applications under the Priority Offer, the Directors will determine the allottees of all the Public Offer Shares in their sole and absolute discretion. The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for. Where the number of Shares issued under the Public Offer is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date.

Holding statements for Shares issued to the issuer sponsored subregister and confirmation of issue for Clearing House Electronic Subregister System (**CHES**) holders will be mailed to Applicants being issued Shares pursuant to the Offers as soon as practicable after their issue.

5.8 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

If you are outside Australia, it is your responsibility to obtain all necessary approvals for the issue of the Securities pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

5.9 Restricted Securities

Chapter 9 of the Listing Rules prohibits holders of restricted Securities from disposing of those Securities or an interest in those Securities for the relevant restriction periods. The holder is also prohibited from granting a security interest over those Securities.

Subject to the Company being reinstated to quotation on the Official List, certain Securities on issue may be classified by ASX as restricted securities and may be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

None of the Securities issued pursuant to the Public Offer or the Series B Lender Offer are expected to be restricted securities.

It is estimated that:

- (a) 100% of the Consideration Securities to be issued to Key Idea (or its nominee(s)) under the Vendor Offer will be escrowed for a period of 24 months from the date of Official Quotation;
- (b) 90% of the Shares issued to unrelated parties upon conversion of convertible notes will be escrowed for a period of 12 months from the date of issue of the those convertible notes;
- (c) 90% of the Shares issued to Simon Nominees (or its nominee(s)) upon conversion of convertible notes will be escrowed for a period of 24 months from the date of Official Quotation;
- (d) 50% of the Shares to be issued to the Series A Lenders (or their nominee(s)) upon conversion of the Series A Loans will be escrowed for a period of 12 months from the date of Official Quotation;

- (e) 100% of the Securities to be issued to Armada Capital (or its nominee(s)) will be escrowed for a period of 24 months from the date of reinstatement of the Company's Shares to Official Quotation; and
- (f) 100% of the Shares to be issued to the Facilitator under the Facilitator Offer will be escrowed for a period of 24 months from the date of reinstatement of the Company's Shares to Official Quotation.

ASX may determine further escrow restrictions once the Company lodges its application for quotation of the Shares offered under this Prospectus. The Company will announce to the ASX full details (quantity and duration) of the Securities required to be escrowed prior to the Shares commencing trading on ASX.

5.10 Financial information

For financial information relating to the Company and the combined group subsequent to the Acquisition, refer to Section 6.11 and to the Investigating Accountant's Report in Section 9.

5.11 Dividend policy

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and the Company's operating results and financial condition, future capital requirements and general business and other factors the Directors consider relevant. The Company can give no assurance in relation to the payment of dividends or franking credits attached to dividends.

5.12 Other information

Information	Further Detail
<p>How to apply for Shares under the Public Offer</p> <p>Complete and return the Application Form, together with payment in full for the number of Shares being applied for. Applications must be for a minimum of 40,000 Shares (\$2,000) and thereafter in multiples of 10,000 Shares (\$500).</p>	Section 5.5
<p>Will the Shares be listed?</p> <p>Application for Official Quotation of the Shares offered pursuant to this Prospectus was made on 23 March 2016 (being a date within 7 days after the date of the Original Prospectus).</p>	Section 5.6
<p>How will the Shares under the Public Offer be allocated?</p> <p>The Directors will determine the allottees in their sole discretion.</p>	Section 5.7

Information	Further Detail
<p>Where will the Offers be made?</p> <p>No action has been taken to register or qualify the Securities, or otherwise permit a public offering of the Securities the subject of this Prospectus, in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.</p>	Section 2.4
<p>Broker commissions</p> <p>The Company reserves the right to pay a commission on amounts subscribed through any licensed securities dealers or Australian financial services licensee and accepted by the Company.</p>	Section 11.8
<p>CHESS & Issuer Sponsorship</p> <p>The Company will apply to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.</p>	Section 11.10
<p>Who should I contact with queries?</p> <p>Any questions concerning the Offers should be directed to the Company by telephone on +61 8 9389 5885.</p>	Section 1

5.13 Corporate governance

To the extent applicable, in light of the Company's size and nature, the Company has adopted *The Corporate Governance Principles and Recommendations (Third Edition)* as published by ASX Corporate Governance Council (**Recommendations**)

The Company's corporate governance statement (including the Company's compliance and departures from the Recommendations) is set out in Section 10.5.

The Company's full Corporate Governance Plan is available in the Company's 2015 Annual Report, available at www.promesa.com.au.

6. Company overview

6.1 Promesa

The Company was incorporated on 22 March 2007.

The Company is an emerging precious and base metals explorer with a portfolio of advanced mineral prospects in Peru.

The Company's current exploration assets comprise:

- The Alumbre Project, covering an area of 798Ha in northern Peru in the La Libertad department and consisting of several adjoining concessions.
- The Quinal Project, consisting of a concession covering an area of 1000Ha, located in northern Peru, in the La Libertad department.
- The Huajoropampa Project, consisting of a concession covering an area of 1000Ha in the Huancavelica department of central Peru.
- The Olleros Project, consisting of concessions and an application over 2,500Ha in total in the central Andes of Peru, near the Ancash department.
- The Yarpun Project, consisting of a concession in the Ancash department of central Peru, covering 100Ha.

Further details on the Company's existing exploration projects can be found within the Company's Quarterly Activity Reports located on the Company's website and the ASX announcements web page.

As announced to the ASX on 13 April 2015, the Company has entered into an agreement to acquire 100% of the issued capital of Thredit. Further details of the Heads of Agreement are contained in Section 8.1.

6.2 Proposed future direction

Recently, the Directors have been mindful of the state of the Australian share market and the financing difficulties in the global junior resources sector. It has become evident that current market conditions make it very difficult to raise funds to continue to explore the exploration project which the Company holds in Peru. The Board has therefore assessed a number of opportunities to enhance Shareholder value, culminating in the announcement on 13 April 2015 in relation to the acquisition of the issued capital of Thredit. Further details of the Heads of Agreement which relates to that acquisition are contained in Section 8.1.

6.3 Background on Thredit

Thredit's business is the development of the Thred App.

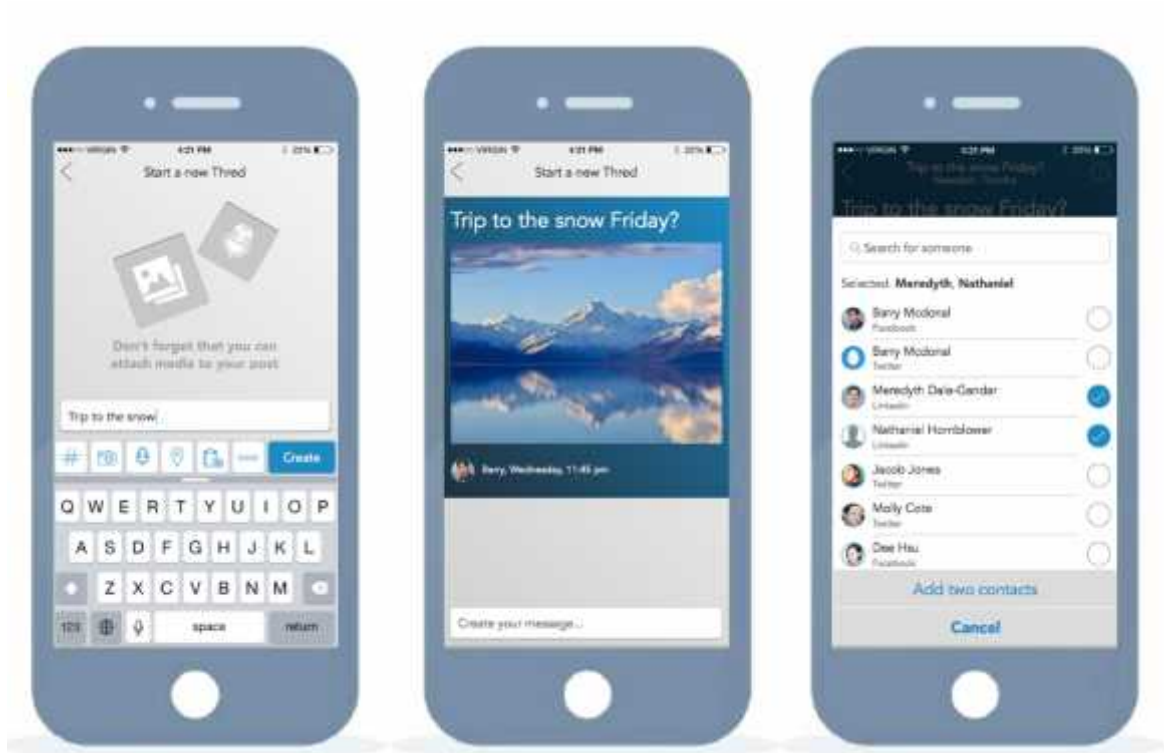
Thred is a social messaging platform that was conceived and is being developed in response to the challenges presented by the hundreds of apps, contacts and connections which people use to communicate with each other.



The above images show a proposed example use of the Thred App joining a user's social accounts, searching contacts from linked profiles and sharing a place for a meeting. All images included in this Prospectus reflect functionality that is currently developed, with the exception of the payment function which will be provided by First Global Data Corp. pursuant to the terms of the agreement described in Section 8.5.

Work began on the concept, design and development of Thred in late 2013 with the intention of developing a unified social messaging platform that seeks to address the problem of contextual communications by empowering users to easily connect with each other across social networks, contact databases and email to create, manage and archive communications (**Threds**) around relevant content. Thred aims to simplify and centralise communications.

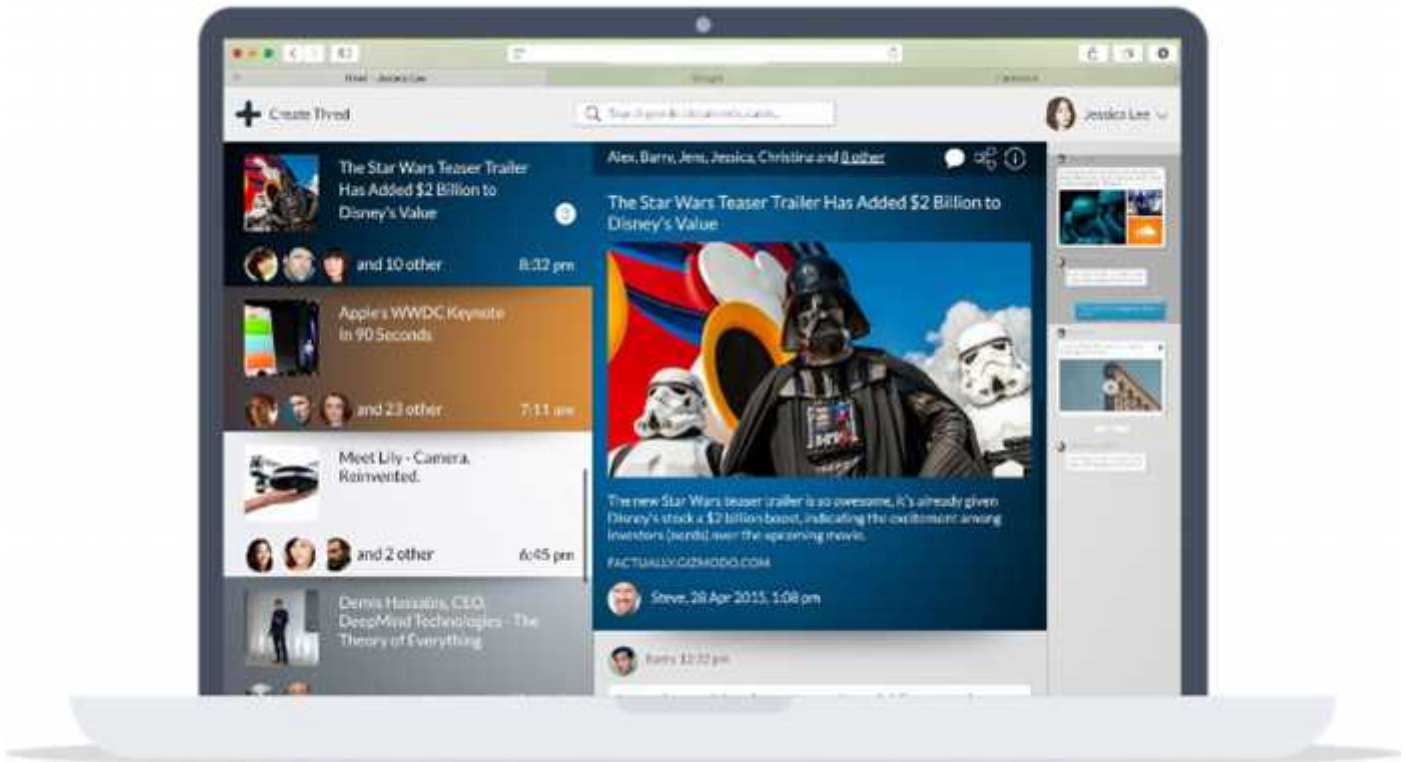
Thredit has an experienced management team and board that have worked with well-known companies, including Virgin Mobile, Boost Mobile, HSBC, Morgan Stanley, Facebook, Amazon and many others.



The above images show the intended process to create a Thred in 3 simple steps using the Thred App.

Thred's core system is a messaging and content sharing platform enabling individual and group messaging across social media, re-making the messaging experience and building bridges between social groups. In addition, Thred intends to combine certain aspects of email with instant messaging.

Most content types (for example, documents, links and video) will easily be able to be shared, commented on (both across a Thred group or privately within the group), archived, searched and retrieved for later review or furthering of the conversation.



The above image shows the proposed Thred web app, with main feed and expanded message window. Real-time chat begins below and micro-view on the right. (The final release version may differ from this image)

6.4 Intellectual property

Thredit owns all of the Intellectual Property Rights associated with Thred and the Thred App.

Whilst Thredit has not yet obtained patent protection for Thred, Thredit's board and management are working towards lodging a Hong Kong patent application in advance of the global launch of Thred, which is currently scheduled to occur in 2016.

In addition, Thredit has applied for registration of the following trade marks with Hong Kong trade mark application number 303569455:





Thredit is also the registered owner of the following domain names:

- www.thred.im
- www.thred.com.au
- www.thred.xyz

6.5 Business model

Following global launch (as described in Section 6.9 below under the subheading 'Phase 2 – Global launch'), Thredit will initially focus on the growth and expansion of its global user base, with the strategy of creating large pools of engaged and active users. Whilst the Company does not anticipate Thredit will generate any revenue for a period of at least 18 months after global launch, if successful, Thred has the potential to generate revenue through several key avenues as follows:

- **In-app commerce:** Thredit intends to integrate third party APIs to provide a richer user experience for its users. Thredit intends to permit third party providers to offer integrated services within the Thred App to users. These services may include booking services, content partnerships, event ticketing and product sales. By allowing this integration of services, Thredit hopes to negotiate referral or affiliate commissions with these app providers.
- **Enterprise messaging version:** Thredit intends to offer an enterprise version of the Thred App that will provide additional features and functionality. It is proposed that this would incorporate a payment model whereby subscribers will be able to pay a "per seat" fee or yearly subscription fee for use of the enterprise version.
- **Brand integrations:** Thredit intends to create opportunities for brand integrations enabling users to opt-in to one-to-one and/or one-to-many communications with brands of their choosing. Brands will have the opportunity to purchase these integrations from Thredit on a per campaign basis.
- **Upgrade options:** Thredit intends to offer a number of paid 'upgrade' options within the Thred App that users will be able to opt into to access additional features and functionality. These may include features such as improved security, message encryption, superior group management and office integration. The cost of these upgrade options will vary according to the function and feature type.

The above opportunities to generate revenue from Thred will be pursued subsequent to the launch of Thred.

6.6 Opportunities

In addition to developing the Thred platform and messaging app, Thredit intends to actively seek opportunities for integration with third party apps and content partnerships. These third party apps and content partners are divided into industry and lifestyle verticals which are planned to align with the growth of the Thred userbase as it develops post-launch. It is possible that these apps and content partners could become a key enabling factor in the growth of the Thred user community as well as possibly providing a additional sources of revenue.

6.7 Distribution

Thredit will deliver its services to consumers on internet-enabled devices, which may include mobile phones, tablets, and desktop and laptop computers. At the date of this Prospectus, Thred is still being developed and is not currently available for distribution (refer to Section 6.9 below for further information on the stage of development of Thred). However, once development is complete, distribution channels may include app stores such as iTunes and Google Play and direct download sites. Users will also be able to access Thred through internet browsers.

6.8 Thredit's products

Thred's core system is a private messaging and content sharing platform enabling individual and group messaging across social media, re-inventing the messaging experience and building bridges between social groups. Thred offers a system that combines certain aspects of email with instant messaging, thereby potentially offering an alternative to email.

The core Thred product suite will include:

- an iOS mobile app;
- an Android mobile app; and
- a web based interface.

6.9 Development of Thred and strategic growth plan

The software development life cycle

Thred as a software system and cloud-based platform is, and will continue to be, in a state of ongoing development and improvement throughout its life.

The software development life cycle (**SDLC**) framework detailed below, which is applicable to Thred, entails a sequence of activities for system designers and developers to follow. The SDLC consists of a series of stages, with each stage of the SDLC using and building on the results of the previous stage.

Thred has been developed using these common methods of software development and follows the SDLC.

The SDLC adheres to important stages that are essential for developers, such as planning, analysis, design and implementation (detailed below). These include evaluation of existing systems in the current marketplace, information gathering, feasibility study, user interface design (the 'look and feel') and the actual coding or software development. These stages

can be characterised and divided up based on different approaches. The following stages have been applied by Thred and details of Thred's progress within each such stage are set out below:

- **Preliminary analysis:** The objective of this stage is to conduct a preliminary analysis, propose alternative solutions, describe costs and benefits and submit a preliminary plan with recommendations. Thredit has completed this stage.
- **Systems analysis, requirements definition:** Defining project goals into specific functions and the operation of the intended application. This is a process of gathering and interpreting facts, diagnosing problems and recommending improvements to the system. The series of steps, under this stage, followed by Thred as a developer of a software system and cloud based platform (consistent with SDLC) are:
 1. **Collection of facts:** Obtaining end user requirements through documentation, client interviews, observation and questionnaires. This has been completed as a part of the work conducted by Symplicit pursuant to the agreement described in Section 8.6.
 2. **Scrutiny of the existing market:** Identifying the "pros and cons" of current systems in-place, so as to carry forward the pros and avoid the cons in the new system. This has been completed.
 3. **Analysing the proposed system:** Finding solutions to the shortcomings in step two and using any specific user proposals to prepare the specifications. This has been completed as a part of the design work by Symplicit. Refer to Section 8.6.
- **Systems design:** Analysis of desired features and operations in detail, including screen layouts, "business logic" (being rules as to how each part of the system works in relation to every other part and which apply to the integration of third party systems), process diagrams (diagrams showing the architecture of the underlying system) and other documentation. This also includes designing the system so it can be integrated with other systems. This is a preliminary step in preparation for later phases and is part of Thredit's monetisation strategy to integrate Thred with complementary partner systems such as Facebook, Twitter, LinkedIn, VKontakte and Google+. Thredit has completed this stage to the level of beta release.
- **Development:** The code writing stage whereby the code is written for the backend database, the business logic (see above) and the integration to Facebook, Twitter, LinkedIn, VKontakte and Google+. Thred has completed this stage in readiness for beta stage (see below).
- **Integration and testing:** Bringing all the pieces together into a special testing environment and checking for errors, bugs and interoperability. This work is currently underway on Thred and includes the integration of the user interface or "look and feel" of the Thred app in accordance with the designs provided by Symplicit.
- **Acceptance, installation, deployment:** This is the final stage of initial development, where the software is put into production and released publicly. This will occur with the scheduled 'beta-release' of Thred as described below under the heading "Phase 1 – beta launch".

- **Ongoing maintenance:** During this stage, the system is assessed to ensure it does not become obsolete. In this stage, the system is continuously evaluated based on its performance and further changes may be made to improve initial software. The beta release permits the testing of Thred in the "real world" and the necessary changes or improvements to Thred as and when required.

To date, Thredit has focussed on the backend development of Thred, including the creation of databases, business logic (described above under 'Systems design') and diagnostics functions necessary for Thred to operate, and the development of code libraries which allow Thred to integrate with selected social media platforms (including Facebook, Twitter, VKontakte, Google+ and LinkedIn). In addition and as part of the design and user interface work undertaken by Symplicit pursuant to the agreement described in Section 8.6, extensive work on the responsive web application has been undertaken on the beta version of Thred to ensure its compatibility and optimal viewing and interaction with smartphones, PCs and tablets. User security measures (which enable the creation of a secure log-in and profile)) have been refined, which will enable future users to create a Thred, view social contacts and post Threds to social platforms.

In tandem with this initial development work, Thredit has been involved in discussions with Microsoft, who has to date provided Thredit with financial and technical support under Microsoft's BizSpark+ program. Under this program, Microsoft has granted Thredit credits of US\$10,000¹ per month for up to twelve months towards access to Microsoft's Azure server. In addition to admitting Thredit to the BizSpark+ program, Microsoft and has also granted Thredit with enterprise access to Microsoft Office365 products for development and internal use, together with access to a full suite of development products including the full Visual Studio Suite. Thredit will participate in BizSpark+ until completion of the Acquisition, with the intention thereafter of continuing the work to integrate Thred with Office365. Whilst Microsoft's BizSpark program is available to many start-up companies in the technology sector and provides members with monthly Azure server credits of up to US\$750, the BizSpark+ program is a more exclusive program offered only by invitation which, in addition to the US\$120,000 server credits noted above, entitles members to a greater level of technical support than that which is available under the BizSpark program.

Current development status of Thred

Thredit has developed the consumer app as a responsive web application that will work across iPhone, Android and tablets. The functionality available in Thred as currently developed includes the ability to connect social accounts (Facebook, Twitter, LinkedIn, VKontakte and Google+) and the ability to create and manage both one-to-one and group chats with the user's contacts from these sources and the user's contacts on Thred.

The functions that are currently developed form the core functionality of the app and the basis of the messaging platform. These in turn form the foundation for the phase 1 work (up to beta release) and phase 2 work (global release) of Thred, which focus on refining the messaging and social aspects of Thred's platform.

Thredit is yet to develop and release functions that offer potential monetisation of Thred. Monetisation is a separate development stream which requires Thred to integrate with external systems. Once Thredit has completed phases one and two as outlined below, Thredit will commence potential monetisation of Thred.

¹ As at the date of this Prospectus, the prevailing exchange rate for US dollars is 1 USD = 1.37 AUD.

Strategic development and growth plan

Thredit's strategic growth plan, focussed on consumer based user acquisition and building links between social networks, is intended to be implemented in the following 3 distinct phases.

Phase 1 – Beta launch

Phase one involves preparing Thred for beta launch. During phase one, Thredit will focus on early user traction, user feedback and iteration to continually improve Thred. A range of analytics tools will be employed, including A/B (or "split") testing comparing two versions of Thred to see which one performs better, in order to refine Thred's messaging, user flows and features.

Phase one will involve two workstreams:

- The first workstream involves the integration of user interface designs onto the Thred platform to refine the 'look and feel' of **Thred** (as described above under 'integration and testing').
- The second workstream is to further develop additional functional modules for Thred such as regional content caching, automated testing, Microsoft Office 365 integration, additional social platforms and search engines and device-specific functions such as photos, videos and recordings.

Each of the two workstreams involved in phase one are largely complete, with beta launch currently anticipated to occur within 90 days of the Company's reinstatement to trading on the ASX. Following beta launch, Thred will be available to consumer-based users in selected countries. As phase one will concentrate on the launch and refinement of the core features of social messaging, the beta version of Thred will not incorporate any of the monetisation opportunities discussed in Section 6.5 above.

Phase 2 – Global launch

Following the beta launch of Thred in selected countries, phase two will involve the global launch of Thred, which is currently scheduled to take place in 2016 in response to feedback received following beta launch.

Phase two will focus on exploiting both traditional and non-traditional user acquisition channels to increase downloads and achieve critical mass in the Thred user base. Thredit is targeting 500,000 downloads by the end of phase two. During phase two, in addition to organic growth, Thredit may purchase downloads via third party advertising networks and application stores in order to enhance and accelerate viral uptake of Thred. There is a well established marketplace for the paid acquisition of users across over 400 different mobile ad networks and app stores across the world, all of which are readily accessible to Thredit. Provision has been made for this in Thredit's expected marketing costs over the two year period following the Company's reinstatement to trading on the ASX.

User engagement will remain a strong focus during phase two to drive growth supported by paid user acquisition initiatives through direct marketing, mobile marketing and social media channels.

Phase two is the global extension of phase one and will not incorporate any monetisation opportunities.

Phase 3 – Expansion, third party integration program and monetisation

The final phase will focus on expanding viral growth through key partnerships and scaling the Thred platform by optimising it for specific markets. New user adoption and retention of existing users will be a key focus during phase three. Thredit is targeting up to 5 million downloads by the end of phase three. The timing and success of phase three will depend largely on the availability of resources to market Thred. It is during phase three that Thredit intends to release additional features and functions in Thred that are intended to commence the monetisation opportunities discussed in Section 6.5 above.

Each subsequent monetisation opportunity that is released into Thred will require individual integration into the platform and additional development. In order to facilitate this, Thredit will be running a third party integration program designed to continue the integration of the Thred platform and other forms of social media. This program is intended to consist of a combination of formalised partnerships with other platforms (which have not yet been entered into) to include their services within Thred, as well as integrating some of the over 14,000 public APIs that are available for inclusion.

Thred's potential local and global client bases include mobile phone users who also use any globally recognised form of social media. Thred also provides a communication solution that addresses the general trend in Australia among mobile users of commonly using more than one form of social media platform or messaging service to communicate with their social groups.

It should be noted that the target numbers outlined above for downloads in phases two and three are merely targets. As discussed above, there are mechanisms available to Thredit to purchase downloads in addition to achieving them through organic growth, however this is something which will be considered by Thredit at the relevant time and there can be no guarantee that a level of downloads sufficient to support the commercialisation of Thred will be able to be achieved.

6.10 Thredit Industry Advisory Board

Thredit has established an industry advisory board (**Advisory Board**) to ensure Thredit's Board and management have access to industry leading advisers who can provide advice and recommendations on matters related to the operation, development and commercialisation of Thred.

To date, Mr Eric Wise and Mr Tom Armstrong have been appointed as members of the Advisory Board. Members serve in an advisory capacity only, with the sole responsibility for the operation and management of the Company's business and affairs resting with its Board and management.

The key functions and role of the Advisory Board are:

- providing non-binding advice and recommendations to Thredit to assist in the formation and implementation of strategies for the efficient and effective operation, development and commercialisation of the Thred cross platform communications platform and business;
- reviewing and advising on the development and marketing methods and strategies adopted by Thredit, and in particular providing recommendations in respect of the

industries and industry segments in which each Advisory Board member has particular experience and expertise; and

- providing such other advice and assistance as is reasonably requested of the Advisory Board members by Thredit having regard for each Advisory Board member's experience and expertise.

6.11 Financial information

Thredit is essentially a start-up company and has no trading history. Since incorporating on 24 March 2015, Thredit's activities have principally involved raising money (through entering into the Series A Loans and the Series B Loans) and spending money to develop Thred.

Given Thredit's lack of trading history, and given that its business is unproven, it is difficult to make an evaluation of Thredit's business or its prospects. Accordingly, no assurance can be given that the Company will achieve commercial viability through the acquisition of Thredit and the implementation of Thredit's business plan.

Thredit's audited accounts for the period 1 April 2015 to 30 June 2015 and for the half year ended 31 December 2015 are set out at Annexure A. In addition, Thredit's audited accounts for the period 24 March 2015 (Thredit's incorporation date) to 31 March 2015 have been lodged with ASIC and are available (free of charge) during the Public Offer period upon request to the Company. Thredit's audited financial statements have been audited by Mazars in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. Mazars has issued an unqualified audit opinion in respect of the accounts set out at Annexure A, with attention drawn to the adoption of the going concern basis upon which the consolidated financial statements have been prepared. Mazars has noted that, as at 31 December 2015, Thredit had net current liabilities and a capital deficiency of HK\$8,094,407 and HK\$8,953,505 respectively and that the validity of the going concern basis upon which the consolidated financial statements have been prepared depends on Thredit's future profitable operation and continuing financial support. Thredit's consolidated financial statements do not include any adjustments that would result from a failure to obtain the necessary finance.

Further pro-forma financial information on Thredit is contained in the Investigating Accountant's Report at Section 9.

7. Investment risks

7.1 Introduction

The Company's and Thredit's activities are subject to a number of risks, which may impact the future financial performance and market price at which Shares offered under this Prospectus trade. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, others are outside the Company's control and cannot be mitigated. Therefore, investors who acquire the Shares under this Prospectus may be exposed to a number of risks. Broadly, these risks can be classified as risks general to investing in the share market and risks specific to an investment in Shares and the Company's and Thredit's underlying business.

This Section sets out some of the major risks associated with investing in the Shares. This list is not exhaustive and investors should read this Prospectus in its entirety before making an investment decision. Investors should also have regard to their own investment objectives and financial circumstances, and should consider seeking appropriate independent investment advice before deciding whether to invest in the Securities offered by this Prospectus.

7.2 Specific risks

7.2.1 No operating track record

Thredit is a recently established company and has no operational track record, with a number of its key personnel only recently appointed (such as Project Manager, Maria Shaikh). Execution of Thredit's business plan may take longer to achieve than planned and the costs of doing so may be higher than budgeted. As Thredit is at an early stage of development, there are significant uncertainties associated with forecasting future revenues, timelines associated with future revenues and expenses. The Offers must therefore be considered in light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development.

7.2.2 Commercialisation risk

Since incorporating in 2015, Thredit's activities have involved deploying resources to develop its software application (including applying funds towards research and development, wages and procurement of services).

Thredit has not reached commercial viability. Given Thredit's limited trading history and the fact that its business is unproven, it is difficult to make an evaluation of Thredit's business or its prospects. Accordingly, no assurance can be given that Thred will be successfully commercialised or that the Company will achieve commercial viability through the acquisition of Thredit and the implementation of its business plan.

7.2.3 Intellectual property

Whilst Thredit will seek to protect innovative features and processes that it creates during the development of its apps, Thredit's intellectual property rights are currently unregistered and therefore do not attract the benefit of formal patent protection. There is a risk that products which compete with Thred or provide

functionality that is similar to Thred could be developed before Thredit is able to secure patent protection for Thred, which could materially affect Thredit's growth and revenue prospects. There is also the risk that a patent application in relation to Thred may not be successful, in which case Thredit will need to take greater measures to protect its business from competitors in the market offering similar or competing products and to ensure Thred does not infringe the registered intellectual property rights of any other person.

7.2.3 **Country risk**

Thredit's operations will primarily be conducted in Australia, but will extend to operations in the United States. In addition, Thredit's material contracts are governed by laws in a range of jurisdictions, including the Hong Kong Special Administrative Region, the Province of Ontario Canada, Singapore, New South Wales (Australia) and Western Australia.

Accordingly, the Company will be exposed to a range of multi-jurisdictional risks such as risks relating to labour practices, environmental matters, difficulty in enforcing contracts (including the requirement to resolve certain disputes by arbitration in foreign jurisdictions), changes to or uncertainty in the relevant legal and regulatory regime (including in relation to taxation and foreign investment and practices of government and regulatory authorities) and other issues in foreign jurisdictions in which the Company operates.

7.2.4 **Foreign currency and exchange rate**

The Company is seeking to raise funds under the Public Offer in Australian dollars. Whilst in the short term, it is anticipated that this will have a limited impact on the Company's costs of doing business, in the medium to longer term it is likely that the majority of Thredit's revenue will be in US dollars or other local currencies. As such, the Company may be adversely affected by changes in exchange rates relative to the Australian dollar.

The Company will appropriately monitor and assess such risks and may from time to time implement measures, such as foreign exchange currency hedging, to assist in managing these risks. However, the implementation of such measures may not eliminate all such risks and the measures themselves may expose the Company to related risks.

7.2.5 **Privacy**

Thred will be launched globally and as such will be subject to privacy laws that may differ in each specific jurisdiction in which Thredit operates. If a breach of privacy occurs, it may expose Thredit and/or the Company to litigation or regulatory enquiry.

7.2.6 **Potential changes in APIs**

Platforms, apps and systems change aspects of their APIs regularly and for many different reasons. If Thredit is unable to respond to a change in an API in an appropriate manner, Thred users (or segments thereof) may experience reduced cross-platform functionality relating to interaction with that platform, app or system.

7.2.7 **Competitor risks**

The mobile app market and specifically the messaging and social app markets are highly competitive. Thredit faces competition from a wide range of app publishers from established well known publishers to start-ups looking to break into the market. Thredit cannot control or influence its competitors' actions and activities. The actions by competitors may impact the adoption, revenue and/or profitability of Thredit and therefore the Company's financial condition. A key risk for Thredit in a competitive environment such as this is that it may not achieve the user adoption or adequate engagement from users over existing or future competitors. Although Thredit will look to overcome these challenges through consistent product iteration and testing, it is nonetheless vulnerable to unforeseen innovations, discoverability challenges and/or market saturation.

7.2.8 **Key employee risks**

Thredit is reliant on the expertise and talent of its personnel. The loss of key personnel could potentially have an adverse impact on the operations of the organisation. In addition, there is risk that development staff who have been involved in the development of Thred or any future products could be lost and in turn their knowledge of the product and business could be lost as well.

7.2.9 **Technology**

Thredit will seek to remain abreast of key technological innovations affecting the social media and messaging markets. However, the rapid growth of both of these markets creates an environment where unforeseen changes can happen quickly, making it difficult for Thredit to adapt its offering quickly enough to cope with these changes. There is a risk that Thredit will be unable to acquire new users or retain existing users should Thredit's apps become less desirable in comparison with the competition in the marketplace.

7.2.10 **Reduced likelihood of a takeover offer**

If the Acquisition proceeds, a large number of the Company's issued Shares will be held by a small number of Shareholders. This may discourage any other potential bidder from making a takeover bid in the future as those Shareholders will have significant control over the Company.

7.2.11 **Security**

Thredit could suffer unauthorised infiltration by hackers disrupting service to users, stealing user data or otherwise affecting the Company's operations. Such actions could compromise user data or otherwise damage goodwill, resulting in changes in user behaviour and overall dissatisfaction.

7.2.12 **Third party reliance**

To some extent, Thredit relies on third parties for key aspects of its operations. This is a risk of third parties restricting access to their APIs or no longer being capable of providing the services that they currently offer. Thredit's strategy is to spread reliance on third parties across a number of parties. In addition, the Board anticipates that as adoption of Thredit's apps grows, reliance on third parties will decrease.

7.2.13 **Market**

The mobile app industry and specifically the messaging apps and social networks apps industries are still relatively undeveloped in spite of the number of apps with large user bases. As such, the revenue models vary greatly and the market size and potential is still uncertain. In this market with diverse but relatively new revenue streams, it will be Thredit's responsibility to develop effective solutions prompting users to engage with and/or execute transactions from or within its apps. There is also a risk that competitors could launch substantially similar apps as Thredit and as such the speed to get to market is of high importance. Thredit will seek to mitigate this risk through its development processes and user testing processes.

7.2.14 **Financial risks**

The Company's capital requirements are influenced by numerous factors. Depending on the rate of user growth, the ability to generate revenue and other factors, the Company may require financing in addition to the amounts raised under the Public Offer. Any additional equity financing may dilute shareholdings and debt financing, if available, may place restrictions on operating and financing activities. If the Company cannot acquire additional financing then it may be forced to alter its plan of operations.

7.2.15 **Volatility in the market price of Shares**

Although the Company will be listed on the Official List if it is successful in its re-compliance with chapters 1 and 2 of the Listing Rules, there is no assurance that an active trading market for its Shares will be sustained. There is also no assurance that the market price for the Shares will not decline below the price at which they were subscribed for.

7.2.16 **Risk of high volume of sales in Securities**

If the Acquisition is successfully completed, the Company will have issued a significant number of Securities to various parties. Some of the parties who apply for Shares may not wish to hold those Shares and may wish to sell them on the ASX (subject to applicable escrow period). There is a risk that an increase in the amount of people wanting to sell Shares may adversely impact the prices of the Company's Securities. There can be no assurance that there will be, or continue to be, an active market for Shares or that the price of the Shares will increase.

7.2.17 **Liquidity**

Subject to the Company's Shares being reinstated to Official Quotation, certain Securities on issue prior to the close of the Offers (or issued in connection with the Offers) may be classified by ASX as restricted securities and will be required to be escrowed for up to 24 months from the date of Official Quotation. During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on a Shareholder's ability to dispose of his or her Shares in a timely manner.

An estimate of the Securities that will be subject to escrow is set out in Section 5.9. Once confirmed, the Company will announce to the ASX full details (quantity

and duration) of the Securities required to be held in escrow prior to the Shares commencing trading on ASX.

7.2.18 **Re-compliance**

There is a risk that the Company may not be able to meet the requirements for re-instatement to trading on ASX in the event the Company does not receive conditional approval for re-quotation on ASX. If this occurs, the Company will not proceed with the Offers and will need to consider an alternative strategy to respond to difficult market conditions in the commodities sector.

7.3 **General risks**

7.3.1 **General economic climate**

The Company's and Thredit's performance may be significantly affected by changes in economic conditions and particularly conditions which affect the mobile industry. The profitability of Thredit's business may be affected by some or all of the factors listed below:

- (a) future demand for social media networks;
- (b) the level of spending on mobile phone apps by users globally;
- (c) general financial issues which may affect policies, exchange rates, inflation and interest rates;
- (d) deterioration in economic conditions, possibly leading to reductions in consumer spending and other potential revenues which could be expected to have a corresponding adverse impact on the Company's operating and financial performance;
- (e) the strength of the equity and share markets in Australia and throughout the world;
- (f) financial failure or default by any entity with which Thredit may become involved in a contractual relationship;
- (g) industrial disputes in Australia and overseas;
- (h) changes in investor sentiment toward particular market sectors;
- (i) the demand for, and supply of, capital; and
- (j) terrorism or other hostilities.

7.3.2 **Government policies and legislation**

Social media may be affected by changes to government policies and legislation, including those relating to privacy, and taxation.

7.3.3 **Insurance**

The Company, wherever practicable and economically advisable, will utilise insurance to mitigate business risks. Such insurance may not always be available or particular risks may fall outside the scope of insurance cover. In addition, there remains the risk that an insurer defaults in the payment of a legitimate claim by the Company.

7.3.4 **Political factors**

The Company may be affected by the impact that political factors have on the various world economies or the Australian economy or on financial markets and investments generally or specifically.

7.3.5 **Litigation**

Litigation brought by third parties including but not limited to customers, partners, suppliers, business partners or employees could negatively impact the business in the case where the impact of such litigation is greater than or outside the scope of the Company's insurance.

7.3.6 **Stock market conditions**

The market price of the Shares when quoted on the ASX may be influenced by international and domestic factors affecting conditions in equity and financial markets. These factors may affect the prices for the securities of companies quoted on the ASX, including the Company.

7.3.7 **Investment speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the Company's financial performance and the value of the Securities offered under this Prospectus

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

8. Material contracts

8.1 Heads of Agreement for the Acquisition of Thredit

The Company has entered into a Heads of Agreement with Key Idea (as amended and restated by a Deed dated 25 November 2015 and as further varied by deeds dated 20 January 2016 and 25 February 2016 respectively) to purchase 100% of the shares in Thredit in consideration for the issue of:

- (a) 250 million Shares; and
- (b) 140 million Performance Shares,

(on a post-Consolidation basis) (together, the **Consideration Securities**) to Key Idea (or its nominees) (**Heads of Agreement**). Key Idea is a related party of the Company by virtue of being an entity controlled by Proposed Director, David Whitaker.

The Company and Thredit agree that Armada Capital will assist Thredit to raise up to \$1,000,000 by way of interim funding pursuant to the Series A Loans and the Series B Loans (refer to Sections 8.8 and 8.9 for further details of these loans).

The Company agrees to issue 100 million Options to Armada Capital at completion of the Acquisition (**Completion**) in consideration for Armada Capital introducing and assisting with the Acquisition and the Public Offer.

Completion of the sale and purchase of the Thredit shares is conditional on each of the following outstanding conditions being satisfied (or waived by Promesa) by no later than 1 July 2016 (or such later date as the parties may agree) (together, the **Conditions**):

- (a) the Company raising a minimum of \$5 million under the Public Offer; and
- (b) ASX granting conditional approval for the Company's securities to be reinstated to Official Quotation (after the Company re-complies with chapters 1 and 2 of the Listing Rules) on terms reasonably acceptable to the Company and Key Idea.

At Completion, the Company must procure the resignations of two of its existing Directors (unless otherwise agreed) and appoint the Proposed Directors (David Whitaker, Christopher Jones and Christopher Adams) as Directors of the Company. Subsequent to the date of the Heads of Agreement, it was agreed that only Mr Tim Wise would resign, which occurred on 11 December 2015.

Completion must occur on the date falling 5 business days after the satisfaction or waiver of the last of the Conditions (or such other date as is agreed by the parties).

The Heads of Agreement contains warranties and indemnities in favour of Promesa which are considered consistent with usual market practice.

The Heads of Agreement is governed by the law of Western Australia.

8.2 Facilitator Mandate between Promesa and Dean Bannister

The Company has entered into a letter of engagement with Dean Bannister (**Facilitator**) dated 19 January 2015, as varied by letter agreement between the Company and the Facilitator dated 10 June 2015 (**Mandate**).

Under the Mandate, the Facilitator agrees to assist the Company in identifying:

- (a) a technology related asset (**Target Asset**) for acquisition by the Company (or a subsidiary); and/or
- (b) equity in a technology related entity (**Target Company**) for acquisition by the Company (or its subsidiary) by whatever means,

(**Services**). In consideration for providing the Services, the Facilitator is entitled to receive 2.5% of the number of Shares (disregarding Shares issued upon conversion of convertible securities) issued by the Company for a Target Asset or a Target Company (as applicable) at completion of the relevant acquisition (**Corporate Fee**). The Company must also reimburse the Facilitator's out of pocket expenses incurred in performing the Services.

As the Thred Acquisition was introduced to the Company by the Facilitator, the Facilitator's Corporate Fee has been calculated as 6,250,000 Shares (being equal to 2.5% of the number of Consideration Shares to be issued to Key Idea (or its nominees) under the Heads of Agreement for the Thred Acquisition).

The Mandate is governed by Australian law.

8.3 Consulting Agreement between Thredit and each of Sean Davidson and Luke McIntyre

Thredit has entered into a Consulting Agreement dated 29 August 2015 with Sean Davidson and a further Consulting Agreement dated 29 September 2015 with Luke McIntyre (**Consultants**) for the provision of technology consulting services by the Consultants to Thredit.

Under the agreements, Thredit agrees to pay each Consultant NZ\$100 per hour for services provided.

The Consultants agree that any intellectual property rights arising out of the services provided under the agreement will become Thredit's property as absolute beneficial owner without any further payment and warrant and undertake not to attempt to register any intellectual property rights in any works or inventions arising during the term of the agreement.

Each agreement can be terminated upon one month's notice by either party.

The agreements are governed by the laws of the Hong Kong Special Administrative Region.

8.4 Employment contract between Thredit and Maria Shaikh

Thredit has appointed Ms Maria Shaikh as the Thredit project manager on a permanent basis pursuant to an agreement dated 1 October 2015 (**Employment Contract**).

Under the Employment Contract, Thredit agrees to pay Ms Shaikh AU\$93,700 per annum.

Ms Shaikh is entitled to 20 days' paid annual leave annually and normal statutory entitlements during the term of the Employment Contract.

Ms Shaikh agrees that any intellectual property rights arising out of the services provided under the Employment Contract will become Thredit's property as absolute beneficial owner without any further payment and warrants and undertakes not to attempt to register any intellectual property rights in any works or inventions arising during the term of the agreement.

The Employment Contract may be terminated:

- (a) during the initial 3-month probation period (**Probation Period**), by either party giving the other 1 weeks' written notice or by Thredit making a payment in lieu of notice; or
- (b) after the Probation Period, by either party giving the other 1 months' written notice or by Thredit making a payment in lieu of notice.

Thredit may terminate the Employment Contract without notice or compensation to Ms Shaikh if she:

- (a) is guilty of fraud, dishonesty or misconduct which is inconsistent with the due and faithful discharge of her duties;
- (b) disobeys Thredit's lawful and reasonable instructions/requirements;
- (c) habitually neglects her duties; or
- (d) otherwise commits a material breach of his employment terms.

8.5 Exclusive Services Agreement between Thredit and First Global Data Corp.

Thredit has entered into an exclusive services agreement with First Global Data Corp. (**FGD**) dated 20 August 2015 pursuant to which each party agrees to provide a mobile technology platform with the intention of allowing cross-platform integration with each other's platform for the purposes of facilitating a range of domestic and international remittances and payments such as bill pay, integration for mobile shopping from mobile phones, mobile app to pay at merchants, payments for taxis, mobile advertising and payments for travel, hotel and buses, in countries where these services are available. FGD's platform is already available and Thredit's platform (being Thred) is currently being developed (refer to Section 6 for further information on the development of Thred).

The initial term of the agreement is 3 years ending on 20 August 2018, unless terminated earlier by either party in connection with the default, insolvency proceedings or a winding up of the other party. Thredit has 2 options to renew the agreement for a further period of 12 months each time.

In consideration for the use of the Thred platforms by FGD, FGD will compensate Thred 40% of net revenue (calculated in Canadian dollars) generated from the use of the platforms. In addition, Thredit will be entitled to 60% of all net revenues earned from the launch of the FGD platform in countries where Thredit takes the lead. Both parties will provide their mobile platform technology and services at no cost to the other.

Each party provides representations, warranties and indemnities in favour of the other party which are considered to be on usual commercial terms.

The agreement is governed by the laws of the Province of Ontario and the federal laws of Canada and disputes must be resolved by arbitration.

8.6 Services Agreement between Thredit and Symplicit

Thredit entered into an agreement with Symplicit Pty Ltd (**Symplicit**) dated 10 May 2015 pursuant to which Symplicit was engaged to assist Thredit with two streams of work:

- (a) Stream 1: research and concept exploration focusing on understanding customers, the landscape and defining the long term vision for Thredit; and
- (b) Stream 2: user interface and design.

Streams 1 and 2 have been completed. The fees payable to Symplicit for the services are \$84,000 plus GST in respect of Stream 1 and \$154,000 plus GST in respect of Stream 2.

Thredit will own all intellectual property rights in the deliverables under the agreement immediately upon payment of all amounts owed to Symplicit in respect of the order to which the deliverables relate.

The agreement is governed by the laws of Australia.

8.7 Zumata Developers Program & API License Agreement between Thredit and Zumata Technologies

Thredit has entered into a Program & API License Agreement (**License Agreement**) with Zumata Technologies Private Limited (**Zumata**) dated 18 October 2015 pursuant to which Zumata agrees to grant Thredit:

- (a) access to a set of APIs and tools that will allow Thredit to create apps to access and/or interact with Zumata database content, Zumata sites and services (**Developer's Program Tools**); and
- (b) a non-exclusive and non-transferable licence to use Zumata's API for the main purpose of enabling Thred to interact with Zumata's databases to retrieve information necessary to facilitate Thredit's and Thred users' use of Zumata sites and services through Thred.

Thredit is entitled to receive all amounts paid by users in respect of Zumata travel products which exceed Zumata's net rates.

During the term of the License Agreement, Thredit must:

- (a) process 175 bookings per month via Zumata's API (with any shortfall in this monthly minimum resulting in a service fee payable by Thredit of US\$20 per booking below the minimum number of bookings); and
- (b) maintain a conversion rate of 1 booking for every 300 availability requests. If this ratio is not achieved, Thredit must pay a fee of US\$0.0045 per API request made.

These obligations will not commence until Zumata's API has been integrated into Thred, which will not occur until after the beta launch of Thred (refer to Section 6 for further information on the steps required to launch Thred). Zumata may modify the Developers Program Tools at any time without notice to Thredit, in which case modifications may be required to Thred and may require Thredit to make changes to Thred at its own cost to continue to be compatible with or interface with Zumata's API, Zumata sites or services.

The terms and conditions of the License Agreement may be varied unilaterally by Zumata at any time. If Zumata modifies the License Agreement, Thredit's only recourse is to terminate the License Agreement by notice in writing to Zumata. Zumata may also assign the benefit of the License Agreement to any third party without notice to Thredit.

The License Agreement may be terminated by Zumata at any time without notice and by Thred by giving notice in writing.

The License Agreement is governed by the laws of Singapore and disputes must be resolved by arbitration.

8.8 Thredit Series A Convertible Loan Agreements

Thredit has entered into convertible loan agreements with a number of lenders totalling AU\$500,000 in aggregate (**Series A Loans**). Under the Series A Loans, the lenders are entitled to secure their loans by way of a floating charge registered in respect of Thredit's assets and undertakings.

The outstanding balance of the loans (including accrued interest) will immediately convert into Shares upon completion of the Acquisition at a conversion price of \$0.025 per Share, subject to there being no event of default.

The Shares issued upon conversion of the loans will rank equally with all other fully paid ordinary shares in the capital of the Company. The issue of Shares to the lenders at completion of the Acquisition is deemed under the loans to be in full satisfaction of Thredit's obligations to repay the monies outstanding under the agreements.

Thredit is at liberty to pay the whole or any part of the outstanding monies under each loan before the earlier of:

- (a) the date which is 9 months after termination of the Heads of Agreement; or
- (b) the date on which a repayment notice is given to Thredit by the lender (being a date no earlier than 3 months after termination of the Heads of Agreement),

(Repayment Date).

Subject to any prior conversion or early repayment, the outstanding balance of all of the loans is repayable by Thredit to the lenders by no later than the Repayment Date.

On conversion or repayment in full of the outstanding monies, each lender must immediately procure the discharge the security created in favour of the lender.

Interest accrues on the loans daily at the rate of 8% per annum from the date of each advance and will be calculated monthly on the amounts outstanding. Interest is capitalised into the loans until such time as all outstanding monies are repaid or converted.

Interest on overdue amounts is payable by Thredit at the rate of 12% per annum.

Upon the occurrence of an event of default in respect of a particular loan, the lender may, for so long as the event of default continues, declare the outstanding monies to be immediately due and payable to the lender.

Thredit provides warranties in favour of each lender under the agreements on industry standard terms.

The Series A Loan Agreements are governed by the laws of Western Australia.

8.9 Thredit Series B Convertible Loan Agreements

Thredit has entered into convertible loan agreements with a number of lenders totalling AU\$500,000 in aggregate (**Series B Loans**). The terms of the Series B Loans (including as to the lenders' right to take security) are identical to the Series A Loans, save that the conversion price under the Series B Loans is \$0.04 per Share.

8.10 Agreements with Directors and related parties

In addition to the material contracts discussed above, the Company is also a party to the agreements further described in Section 10.3 (Agreements with Directors and related parties).

9. Investigating Accountant's Report

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PROMESA LIMITED
(to be renamed Thred Limited)

Investigating Accountant's Report

11 March 2016

11 March 2016

The Directors
Promesa Limited
Suite 8, 55 Hampton Road
Nedlands, WA, 6009

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT

1. Introduction

BDO Corporate Finance (WA) Pty Ltd ('BDO') has been engaged by Promesa Limited ('Promesa' or 'the Company') to prepare this Investigating Accountant's Report ('Report') in relation to certain financial information of Promesa for inclusion in the Prospectus. The Prospectus is required under Australian Securities Exchange ('ASX') requirements for the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules, as a result of Promesa entering into a Heads of Agreement (as amended and restated by a Deed dated 25 November 2015 and as further varied by a Deed dated 25 February 2016) ('HOA') with Key Holdings Ltd ('Key'). The HOA sets out the terms which grant the Company an option to purchase 100% of the issued capital of Thredit Limited ('Thredit') ('the Acquisition').

Broadly, the Prospectus will offer 100 million Shares at an issue price of \$0.05 each to raise \$5 million before costs ('the Offer'). This is the minimum subscription for the Offer. The Company will also accept oversubscriptions up to an additional \$5 million.

The Prospectus also contains an offer of up to 250 million shares and 140 million performance shares to Key in consideration for the Acquisition of all the issued capital in Thredit and offers to the Series A Lenders, the Series B Lenders and the Facilitator. No funds will be raised from these offers.

The Company held a General Meeting whereby, among other things, Shareholders voted on the consolidation of the Company's share capital on a 1 for 5 basis ('Capital Consolidation'). All references in our Report are on a post Capital Consolidation basis unless otherwise stated. Following completion of the Acquisition, it is proposed that Promesa will change its name to Thred Limited.

Expressions defined in the Prospectus have the same meaning in this Report. BDO Corporate Finance (WA) Pty Ltd ('BDO') holds an Australian Financial Services Licence (AFS Licence Number 316158).

This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

2. Scope

You have requested BDO to review the following historical financial information (together the 'Historical Financial Information') included in the Prospectus:

- the historical Statement of Profit or Loss and Other Comprehensive Income of Promesa for the half year ended 31 December 2015;
- the historical Statement of Financial Position for Promesa as at 31 December 2015.
- the historical Statements of Profit or Loss and Other Comprehensive Income of Thredit for the six month period ended 31 December 2015 and the period 24 March 2015 (date of incorporation) to 30 June 2015; and
- the historical Statements of Financial Position for Thredit as at 31 December 2015 and 30 June 2015.

The Historical Financial Information of Promesa has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies. The Historical Financial Information of Promesa has been extracted from the financial report for the half year ended 31 December 2015, which was reviewed by Bentleys Audit & Corporate (WA) Pty Ltd ('Bentleys') in accordance with the Australian Auditing Standards. Bentleys issued an unmodified review conclusion on the financial report however, did include an emphasis of matter as a result of the Company incurring a net loss of \$999,990 for the half year ended 31 December 2015. This condition indicates the existence of a material uncertainty which may cast significant doubt about the ability of the Company to continue as a going concern.

The Historical Financial Information of Thredit has been extracted from the financial report for the six month period ended 31 December 2015, which was audited by Mazars CPA Limited ('Mazars') in accordance with Hong Kong Financial Reporting Standards ('HKFRS'). We note that HKFRS is essentially the same as IFRS with respect to the accounts of Thredit. Mazars issued an unmodified audit opinion on the financial report however, did include an emphasis of matter indicating that Thredit had net current liabilities and capital deficiency of HK\$8,094,407 and HK\$8,953,505 respectively. Mazars note that the ultimate holding company and the director have confirmed in writing their intention to provide continuing financial support for the group.

Pro Forma Historical Financial Information

You have requested BDO to review the following pro forma historical financial information (the 'Pro Forma Historical Financial Information') included in the Prospectus:

- the pro forma historical Statement of Financial Position as at 31 December 2015;

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information of Promesa, after adjusting for the effects of the subsequent events described in Section 7 of this Report and the pro forma adjustments described in Section 8 of this Report. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in Section 8 of this Report, as if those events or transactions had occurred as at the date of the historical financial

information. Due to its nature, the Pro Forma Historical Financial Information does not represent the company's actual or prospective financial position or financial performance.

The Pro Forma Historical Financial Information has been compiled by Promesa to illustrate the impact of the events or transactions described in Section 7 and Section 8 of the Report on Promesa's financial position as at 31 December 2015. As part of this process, information about Promesa's financial position has been extracted by Promesa from the Company's financial statements for the half year ended 31 December 2015.

3. Background

On 13 April 2015, the Company announced it had entered into a HOA with Key which detailed an option to acquire the entire issued capital of Thredit. In consideration for the Acquisition, the Company will issue the following securities:

- 250 million ordinary shares in Promesa (**'Consideration Shares'**); and
- 140 million performance shares which vest on achievement of the following milestones (we note the following performance rights milestones include the 7 million performance rights issued to Armada Capital - refer to the Armada performance shares below):
 - 31.5 million performance shares which convert to ordinary shares on the launch of the Thred mobile phone app (with functionality including message centre, Thred creation, link and image sharing, social profile collaboration and micro-threds), within a period of 90 days from the date of completion of the Capital Raising (**'Milestone 1'**);
 - 42 million performance shares which convert to ordinary shares upon 250,000 downloads of the Thred mobile phone app being completed within a period of 90 days from the completion of Milestone 1 (**'Milestone 2'**);
 - 42 million performance shares which convert to ordinary shares upon the Company updating the Thred mobile phone app to incorporate an artificial intelligence (**'AI'**) engine within a period of 180 days from the completion of the Capital Raising with the AI engine having minimum functionality consistent with the following:
 - the AI engine learns the preferences of the users and their message partners;
 - the AI engine then predictively suggests matches when the users are creating new threds;
 - suggested matches will include potential recipients who, through their own choices, have been profiled as having similar interests as the thred creator; and
 - the AI engine will suggest recipients only from the users own connected social groups (**'Milestone 3'**).
 - 31.5 million performance shares which convert to ordinary shares upon one million downloads of the Thred mobile phone app being completed within a period of 360 days from the completion of the Capital Raising (**'Milestone 4'**).

The above performance shares have been collectively referred to as the '**Consideration Performance Shares**'. The Consideration Performance Shares will lapse if the milestones are not achieved within two years from issue.

As consideration for assisting with the Acquisition, the Company will issue to Armada Capital Limited ('**Armada**')

- 100 million unlisted options exercisable at \$0.0625 each and expiry date of 30 May 2017 ('**Armada Options**'); and
- up to 12.5 million ordinary shares ('**Armada Shares**') and up to 7 million performance shares ('**Armada Performance Shares**' - which have the same vesting conditions as above) in satisfaction of a success fee upon completion of the Acquisition.

Additionally, the Company will issue to Mr Dean Banister, up to 6.25 million ordinary shares in satisfaction of a success fee upon completion of the Acquisition.

Following completion of the Offer, Promesa will also settle the following two classes of convertible note facilities in Thredit by the issue of ordinary shares:

- Thredit's \$500,000 convertible loan with an interest rate of 8% per annum (12% on overdue amounts) which, subject to shareholder approval, will convert together with accrued interest into Promesa shares at a conversion price of \$0.025 per share ('**Series A Convertible Notes**'); and
- Thredit's \$500,000 convertible loan with an interest rate of 8% per annum (12% on overdue amounts) which, subject to shareholder approval, will convert together with accrued interest into Promesa shares at a conversion price of \$0.04 per share ('**Series B Convertible Notes**').

The lenders have a right to secure the Series A and Series B Convertible Notes above by registering a floating charge in respect of Thredit's assets and undertakings.

As part of the Transaction, Promesa has paid \$125,000 as an Option Facilitation Fee for the Acquisition.

4. Directors' responsibility

The directors of Promesa are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

5. Our responsibility

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

6. Conclusion

Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in the Appendices to this Report, and comprising:

- the historical Statement of Profit or Loss and Other Comprehensive Income of Promesa for the half year ended 31 December 2015;
- the historical Statement of Financial Position for Promesa as at 31 December 2015.
- the historical Statements of Profit or Loss and Other Comprehensive Income of Thredit for the six month period ended 31 December 2015 and the period 24 March 2015 (date of incorporation) to 30 June 2015; and
- the historical Statements of Financial Position for Thredit as at 31 December 2015 and 30 June 2015,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

Pro Forma Historical Financial information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information as described in the Appendices to this Report, and comprising:

- the pro forma historical Statement of Financial Position of Promesa as at 31 December 2015.

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

7. Subsequent Events

The pro-forma statement of financial position reflects the following significant events that have occurred subsequent to the period ended 31 December 2015:

- Subsequent to 31 December 2015, Mr. Hersh Solomon Majteles and Mr. Ananda Kathiravelu (Directors of the Company) have provided deeds of release writing off any outstanding director remuneration liabilities owed to them.

- Additionally Mr. Kathiravelu (a Director of the Company) has provided credit notes writing off all outstanding trade creditor liabilities to Ampere Pty Ltd or Armada Capital Pty Ltd (companies associated with Mr. Kathiravelu).
- As such, the effect is a reduction in liabilities of \$286,981.

Apart from the matters dealt within this Report, and having regard to the scope of this Report and the information provided by the Directors, to the best of our knowledge and belief no other material transactions or events outside of the ordinary business of either Promesa or Thredit have come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

8. Assumptions Adopted in Compiling the Pro-forma Statement of Financial Position

The pro-forma statement of financial position post Offer is shown in Appendix 2. All shares issued in this section are stated on a post Capital Consolidation basis. This has been prepared based on the financial statements as at 31 December 2015, the subsequent events set out in section 7, and the following transactions and events relating to the Acquisition and the issue of Shares under this Prospectus:

- The Company will change its name from Promesa Limited to Thred Limited;
- The issue of the 250 million Consideration Shares and 140 million Consideration Performance Shares in consideration for the Acquisition of a 100% interest in Thredit;
- The issue of 100 million Shares at an offer price of \$0.05 each to raise \$5 million based on the minimum subscription or the issue of 200 million Shares at an offer price of \$0.05 each to raise \$10 million based on the maximum subscription before costs, pursuant to the Prospectus;
- Costs of the Offer are estimated to be \$601,450 based on the minimum subscription or \$906,610 based on the maximum subscription, which are to be offset against contributed equity;
- The issue of the following securities to Armada as consideration for assisting with the Acquisition;
 - 100 million Armada Options exercisable at \$0.0625 each and expiry date of 30 May 2017. These have been valued using the Black Scholes model;
 - 12.5 million Armada Shares which have a deemed issue price of \$0.05 each; and
 - 7 million Armada Performance Shares;
- The issue of 6.25 million ordinary shares to Mr Dean Banister which have a deemed issue price of \$0.05 in satisfaction of a success fee upon completion of the Acquisition;
- The issue of 20 million ordinary shares upon conversion of the Series A Convertible Notes at a conversion price of \$0.025 per Share;
- The issue of 12.5 million ordinary shares upon conversion of the Series B Convertible Notes at a conversion price of \$0.04 per Share;

- The repayment outstanding financial liabilities in Thredit totaling \$0.22 million from funds raised under the Offer;
- The repayment of outstanding financial liabilities in Promesa totaling \$0.66 million from funds raised under the Offer.

Currently there are no reasonable grounds in which to assess the likelihood of the various Performance Milestones being met, resulting in the conversion of the 140 million Consideration Performance Shares and the 7 million Armada Performance Shares. Therefore, no adjustments have been made to the pro-forma statement of financial position based on the issue of any Consideration Performance Shares or Armada Performance Shares.

9. Independence

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the Offer other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received. BDO also provides Promesa with certain other professional services for which normal professional fees are received.

10. Disclosures

This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 2 of this Report, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully

BDO Corporate Finance (WA) Pty Ltd



Sherif Andrawes

Director

APPENDIX 1
PROMESA LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Promesa Reviewed for the half year ended 31-Dec-15 \$
Revenue	153
Administration expense	(21,982)
Unrealised loss on financial asset	(185,185)
Interest and finance charges	(59,847)
Provision for doubtful debt	10,000
Consultancy expense	(39,104)
Employee benefit expense	(217,917)
Financial administration and compliance expenses	(141,726)
Legal expenses	(146,381)
Travel and accommodation expense	(44,106)
Third transaction expenses	(48,243)
Other expenses	(15,263)
Realised foreign currency gain	19,032
Loss from continuing operations before income tax	(890,569)
Income tax expense	-
Loss for the year after income tax from continuing operations	(890,569)
<i>Discontinued operations</i>	
Loss from discontinued operations after tax	(109,421)
Loss for the year	(999,990)
<i>Other comprehensive income</i>	
Exchange differences on translating foreign controlled entities	(18,340)
Total comprehensive income for the year	(1,018,330)

This above consolidated statement of profit or loss and other comprehensive income shows the historical financial performance of Promesa and is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 3. Past performance is not a guide to future performance. Thredit's historical financial information and statement of profit or loss and other comprehensive income is located in Appendix 4.

APPENDIX 2
PROMESA LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	Promesa	Thredit	Subsequent events	Pro forma adjustments		Pro forma after offer	
		Reviewed as at 31-Dec-15	Audited as at 31-Dec-15		\$ 5 million	\$ 10 million	\$ 5 million	\$ 10 million
		\$	\$	\$	\$	\$	\$	\$
CURRENT ASSETS								
Cash and cash equivalents	2	8,213	-	-	3,520,887	8,215,727	3,529,100	8,223,940
Trade and other receivables		21,414	885	-	-	-	22,299	22,299
Other assets		9,997	-	-	-	-	9,997	9,997
Assets classified as held for sale		8,934	-	-	-	-	8,934	8,934
TOTAL CURRENT ASSETS		48,558	885	-	3,520,887	8,215,727	3,570,330	8,265,170
NON CURRENT ASSETS								
Other assets		1,364	-	-	-	-	1,364	1,364
Intangible assets		-	1	-	-	-	1	1
Property, plant and equipment		-	3,756	-	-	-	3,756	3,756
TOTAL NON CURRENT ASSETS		1,364	3,757	-	-	-	5,121	5,121
TOTAL ASSETS		49,922	4,642	-	3,520,887	8,215,727	3,575,451	8,270,291
CURRENT LIABILITIES								
Trade and other payables	3	948,702	215,942	(286,981)	(877,663)	(877,663)	-	-
Provisions		93,857	-	-	-	-	93,857	93,857
Financial liabilities	4	249,870	1,218,089	-	(1,000,000)	(1,000,000)	467,959	467,959
Liabilities directly associated with assets classified as held for sale		212,480	-	-	-	-	212,480	212,480
TOTAL CURRENT LIABILITIES		1,504,909	1,434,031	(286,981)	(1,877,663)	(1,877,663)	774,296	774,296
NON CURRENT LIABILITIES								
Financial liabilities		-	155,863	-	-	-	155,863	155,863
TOTAL NON CURRENT LIABILITIES		-	155,863	-	-	-	155,863	155,863
TOTAL LIABILITIES		1,504,909	1,589,894	(286,981)	(1,877,663)	(1,877,663)	930,159	930,159
NET ASSETS		(1,454,987)	(1,585,251)	286,981	5,398,550	10,093,390	2,645,293	7,340,133
EQUITY								
Issued capital	5	14,463,874	1	-	(5,939,156)	(1,244,316)	8,524,719	13,219,559
Option reserve	6	547,453	-	-	1,322,838	1,322,838	1,870,291	1,870,291
Foreign currency translation reserve	7	(386,339)	-	-	386,339	386,339	-	-
Accumulated losses	8	(16,079,975)	(1,585,256)	286,981	9,628,529	9,628,529	(7,749,721)	(7,749,721)
Non-controlling interest		-	4	-	-	-	4	4
TOTAL EQUITY		(1,454,987)	(1,585,251)	286,981	5,398,550	10,093,390	2,645,293	7,340,133

The pro-forma consolidated statement of financial position after the Offer is as per the consolidated statement of financial position before the Offer adjusted for any subsequent events and the transactions relating to the issue of shares pursuant to this Prospectus. The consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 3 and the prior year financial information set out in Appendix 4.

APPENDIX 3

PROMESA LIMITED (to be renamed THRED LIMITED)

NOTES TO AND FORMING PART OF THE HISTORICAL FINANCIAL INFORMATION

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the historical financial information included in this Report have been set out below.

Basis of preparation of historical financial information

The historical financial information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements of the Australian equivalents to International Financial Reporting Standards ('AIFRS'), other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

The financial information has also been prepared on a historical cost basis, except for derivatives and available-for-sale financial assets that have been measured at fair value. The carrying values of recognised assets and liabilities that are hedged are adjusted to record changes in the fair value attributable to the risks that are being hedged. Non-current assets and disposal group's held-for-sale are measured at the lower of carrying amounts and fair value less costs to sell.

Going Concern

The historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The ability of the Company to continue as a going concern is dependent on the success of the fundraising under the Prospectus. The Directors believe that the Company will continue as a going concern. As a result the financial information has been prepared on a going concern basis. However should the fundraising under the Prospectus be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

Reporting Basis and Conventions

The report is also prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) Principles of consolidation

The consolidated statement of financial position incorporates the assets, liabilities and results of entities controlled by Promesa at the end of the reporting period. A controlled entity is any entity over which Promesa has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the Equity section of the consolidated statement of financial position and statement of financial performance. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

b) Financial instruments

Recognition and de-recognition

Financial assets and financial liabilities are recognised when and only when the Company becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when:

- i. the Company's contractual rights to future cash flows from the financial asset expire; or
- ii. the Company transfers the financial asset and either:
 - a) it transfers substantially all the risks and rewards of ownership of the financial asset; or
 - b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement

Financial assets or financial liabilities are initially recognised at their fair value plus, in the case of financial assets or financial liabilities not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

Financial liabilities

All financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

c) Intangible assets

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and accumulated impairment losses, if any. Amortisation for intangible assets with finite useful lives is provided over their estimated useful lives when the intangible assets are ready for their intended use of production.

d) Impairment of intangible assets

At the end of the reporting period, the Company reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

e) Taxation

The charge for current income tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the inability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, any deferred tax arising from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

f) Cash and Cash Equivalents

Cash and cash equivalents includes cash at bank and in hand, deposits held at call with financial institutions, other short-term highly liquid deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

g) Trade and other receivables

Trade receivables are recognised as the amount receivable and are due for settlement no more than 90 days from the date of recognition. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off against the receivable directly unless a provision for impairment has previously been recognised.

A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Loans granted are recognised at the amount of consideration given or the cost of services provided to be reimbursed.

h) Revenue Recognition

Revenues are recognised at fair value of the consideration received net of the amount of GST.

Interest

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

i) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

j) Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade accounts payable are normally settled within 30 days of recognition.

k) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption amount is recognised in the statement of financial performance over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flow on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authorities are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

m) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure, including costs of acquiring the licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Company has obtained the legal rights to explore the area are recognised in the statement of financial performance.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- i. The expenditures are expected to be recouped through successful development and exploitation or from sale of the area of interest; or
- ii. Activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purpose of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area

of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

When an area of interest is abandoned or the directors decide that it is not commercial, and accumulated costs in respect of that area are written off in the financial period the decision is made.

n) Contributed Equity

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

o) Employee Benefits

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the statement of financial position date are recognised in respect of employees' services rendered up to statement of financial position date and measured at amounts expected to be paid when the liabilities are settled.

Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries are included as part of Other Payables and liabilities for annual and sick leave are included as part of Employee Benefit Provisions.

Long Service Leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the statement of financial position date using the projected unit credit method. Consideration is given to expect future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at the statement of financial position date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments transactions

The Company provides benefits to employees (including directors) of the Company in the form of share options. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employee becomes unconditionally entitled to the options. The fair value of the options granted is measured using Black-Scholes valuation model, taking into account the terms and conditions upon which the options were granted.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, on a straight line basis over the period from grant date to the date on which the relevant employees become fully entitled to the award ("vesting date"). The amount recognised as an expense is adjusted to reflect the actual number that vest.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

p) Accounting estimates and judgements

In the process of applying the accounting policies, management has made certain judgements or estimations which have an effect on the amounts recognised in the financial information.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Valuation of share based payment transactions

The valuation of share-based payment transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black Scholes model taking into account the terms and conditions upon which the instruments were granted.

Convertible notes

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs. On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a liability on the amortised cost basis until extinguished on conversion or redemption.

	Reviewed 31-Dec-15	Pro forma after Offer	
		\$5 million	\$10 million
NOTE 2. CASH AND CASH EQUIVALENTS	\$	\$	\$
Cash and cash equivalents	8,213	3,529,100	8,223,940
Reviewed balance of Promesa at 31 December 2015		8,213	8,213
Audited balance of Thredit at 31December 2015		-	-
<i>Pro-forma adjustments:</i>			
Proceeds from shares issued under the Offer		5,000,000	10,000,000
Less: Capital raising costs		(601,450)	(906,610)
Less: Promesa trade creditors		(661,721)	(661,721)
Less: Thredit trade creditors		(215,942)	(215,942)
		3,520,887	8,215,727
Pro-forma Balance		3,529,100	8,223,940

	Reviewed 31-Dec-15 \$	Pro forma after Offer \$
NOTE 3. TRADE AND OTHER PAYABLES		
Trade and other payables	948,702	-
Reviewed balance of Promesa at 31 December 2015		948,702
Audited balance of Thredit at 31December 2015		215,942
<i>Subsequent events:</i>		
Forgiveness of related party liabilities		(286,981)
		(286,981)
<i>Pro-forma adjustments:</i>		
Payment to Promesa creditors		(661,721)
Payment to Thredit creditors		(215,942)
		(877,663)
Pro-forma Balance		-

	Reviewed 31-Dec-15 \$	Pro forma after Offer \$
NOTE 4. FINANCIAL LIABILITIES - CURRENT		
Financial liabilities - current	249,870	467,959
Reviewed balance of Promesa at 31 December 2015		249,870
Audited balance of Thredit at 31December 2015		1,218,089
<i>Pro-forma adjustments:</i>		
Conversion of the Series A Convertible Notes upon ASX listing		(500,000)
Conversion of the Series B Convertible Notes upon ASX listing		(500,000)
		(1,000,000)
Pro-forma Balance		467,959

	Reviewed 31-Dec-15 \$		Pro forma after Offer \$5 million \$	\$10 million \$
NOTE 5. ISSUED CAPITAL				
Issued capital	14,463,874		8,524,719	13,219,559
		Number of shares (min)	Number of shares (max)	\$
Fully paid ordinary share capital of Promesa at 31 December 2015		312,733,663	312,733,663	14,463,874
Fully paid ordinary share capital of Thredit as at 31 December 2015		1	1	1
<i>Pro-forma adjustments:</i>				
Proceeds from shares issued under the Offer	100,000,000	200,000,000	5,000,000	10,000,000
Capital raising costs	-	-	(601,450)	(906,610)
Issue of the Consideration Shares for the acquisition of Thredit	250,000,000	250,000,000	1,563,668	1,563,668
Elimination of Promesa's issued capital on Acquisition (refer note 9)	(1)	(1)	(14,463,874)	(14,463,874)
Issue of the Armada Shares	12,500,000	12,500,000	625,000	625,000
Issue of the shares to Mr Dean Banister	6,250,000	6,250,000	312,500	312,500
Conversion of the Series A Convertible Notes upon ASX listing	20,000,000	20,000,000	1,000,000	1,000,000
Conversion of the Series B Convertible Notes upon ASX listing	12,500,000	12,500,000	625,000	625,000
Pro-forma Balance	713,983,663	813,983,663	8,524,719	13,219,559

	Reviewed 31-Dec-15 \$	Pro forma after Offer \$
NOTE 6. OPTION RESERVE		
Option reserve	547,453	1,870,291
Reviewed balance of Promesa at 31 December 2015		547,453
Audited balance of Thredit at 31 December 2015		-
<i>Pro-forma adjustments:</i>		
Elimination of Promesa's reserves on Acquisition (refer note 9)		(547,453)
Issue of the Armada Options		1,870,291
		1,322,838
Pro-forma Balance		1,870,291

Using the Black-Scholes option valuation methodology the fair value of the Armada Options to be issued has been calculated. The following inputs were used:

Armada Options to be issued	Details
Number of options	100,000,000
Underlying share price	\$ 0.0500
Exercise price	\$ 0.0625
Expected volatility	90%
Expiry date (years)	1.58
Expected dividends	Nil
Risk free rate	1.85%

	Reviewed 31-Dec-15 \$	Pro forma after Offer \$
NOTE 7. FOREIGN CURRENCY TRANSLATION RESERVES		
Foreign currency translation reserve	(386,339)	-
Reviewed balance of Promesa at 31 December 2015		(386,339)
Audited balance of Thredit at 31 December 2015		-
<i>Pro-forma adjustments:</i>		
Elimination of Promesa's reserves on Acquisition (refer note 9)		386,339
		386,339
Pro-forma Balance		-

	Reviewed 31-Dec-15	Pro forma after Offer
NOTE 8. ACCUMULATED LOSSES	\$	\$
Accumulated losses	(16,079,975)	(7,749,721)
Reviewed balance of Promesa at 31 December 2015		(16,079,975)
Audited balance of Thredit at 31 December 2015		(1,585,256)
<i>Subsequent events:</i>		
Forgiveness of trade creditors		286,981
		286,981
<i>Pro-forma adjustments:</i>		
Issue of the Armada Shares		(625,000)
Issue of the shares to Mr Dean Banister		(312,500)
Issue of the Armada Options		(1,870,291)
Elimination of Promesa's accumulated losses on Acquisition (refer note 9)		16,079,975
Amount recognised as ASX listing expense on Acquisition		(3,018,655)
Conversion of the Series A Convertible Notes upon ASX listing		(500,000)
Conversion of the Series B Convertible Notes upon ASX listing		(125,000)
		9,628,529
Pro-forma Balance		(7,749,721)

NOTE 9: ACQUISITION ACCOUNTING

Provisional accounting for the Acquisition

A summary of the details with respect to the Acquisition as included in our Report is set out below. These details have been determined for the purpose of the pro-forma adjustments as at 31 December 2015, and will require re-determination based on the identifiable assets and liabilities as at the successful acquisition date, which may result in changes to the value as disclosed below.

Under the acquisition, Promesa acquires all the shares in Thredit by issuing a total of 250 million ordinary shares in Promesa to Thredit shareholders, giving Thredit shareholders a controlling interest in Promesa and equating to a controlling interest in the combined entity following the Acquisition. Thredit has thus been deemed the acquirer for accounting purposes as it will own approximately 44.43% (250,000,000 / 562,733,663) of the consolidated entity (prior to the shares issued in relation to the Offer and conversion of any convertible notes) and have control of the Board. The acquisition of Thredit by Promesa is not deemed to be a business combination, as Promesa is not considered to be a business under *AASB 3 Business Combinations*.

As such the consolidation of these two companies is on the basis of the continuation of Thredit with no fair value adjustments, whereby Thredit is deemed to be the accounting parent. Therefore the most appropriate treatment for the transaction is to account for it under *AASB 2*

Share Based Payments, whereby Thredit is deemed to have issued shares to Promesa shareholders in exchange for the net assets held by Promesa.

In this instance, the value of the Promesa shares provided has been determined as the notional number of equity instruments that the shareholders of Thredit would have had to issue to Promesa to give the owners of Promesa the same percentage ownership in the combined entity. We have deemed this to be \$1,563,668.

The pre-acquisition equity balances of Promesa are eliminated against this increase in Share Capital upon consolidation and the balance is deemed to be the amount paid for the ASX listing status of Promesa, being \$3,018,655.

The net assets/(liabilities) acquired, and the amount recognised as an ASX listing expense, are as follows:

NOTE 9. PROVISIONAL ACCOUNTING FOR THE ACQUISITION	Acquiree's carrying amount before Acquisition (\$)
Net assets acquired:	
Cash and cash equivalents	8,213
Trade and other receivables	21,414
Other current assets	9,997
Assets classified as held for sale	8,934
Other non current assets	1,364
Trade and other payables	(948,702)
Provisions	(93,857)
Financial liabilities	(249,870)
Liabilities directly associated with assets classified as held for sale	(212,480)
Net liabilities of Promesa as at 31 December 2015	(1,454,987)
Fair value of Promesa Consideration Shares*	1,563,668
Total Promesa net liabilities acquired	(1,454,987)
Amount recognised as ASX listing expense upon Acquisition	3,018,655

*All 4 tranches of the Consideration Performance Shares have been assigned a nil value as all milestones in which the Consideration Performance Shares convert into ordinary shares are based on the Company achieving targets in the future. The Directors currently have no reasonable grounds in which to assess the likelihood of these milestones being met and therefore have assigned nil value to these at this point in time.

NOTE 10: RELATED PARTY DISCLOSURES

Transactions with Related Parties and Directors Interests are disclosed in the Prospectus.

NOTE 11: COMMITMENTS AND CONTINGENCIES

At the date of the report no material commitments or contingent liabilities exist that we are aware of, other than those disclosed in the Prospectus.

APPENDIX 4

HISTORICAL FINANCIAL INFORMATION OF THREDIT LIMITED

Thredit Limited Historical Statement of Financial Position	Audited as at 31-Dec-15 HK\$	Audited as at 30-Jun-15 HK\$
CURRENT ASSETS		
Other receivables	5,000	5,000
TOTAL CURRENT ASSETS	5,000	5,000
NON CURRENT ASSETS		
Property, plant & equipment	21,215	23,711
Intangible assets	1	1
TOTAL NON CURRENT ASSETS	21,216	23,712
TOTAL ASSETS	26,216	28,712
CURRENT LIABILITIES		
Other payables	1,219,638	1,429,212
Advance from director	1,322,515	-
Loan from a third party	5,557,254	2,105,562
TOTAL CURRENT LIABILITIES	8,099,407	3,534,774
NON CURRENT LIABILITIES		
Loan from a director	880,314	786,489
TOTAL NON CURRENT LIABILITIES	880,314	786,489
TOTAL LIABILITIES	8,979,721	4,321,263
NET ASSETS	(8,953,505)	(4,292,551)
EQUITY		
Share capital	1	1
Accumulated losses	(8,953,526)	(4,292,572)
Non-controlling interest	20	20
TOTAL EQUITY	(8,953,505)	(4,292,551)

Note: Thredit's functional currency is Hong Kong dollars ('HK\$'). For the purposes of the pro forma balance sheet at Appendix 2, Thredit's balance sheet as at 31 December 2015 has been converted to Australian dollars ('AUD') at a rate of A\$1/HKD5.648.

Thredit Limited Historical Statement of Profit or Loss and Other Comprehensive Income	Audited for the six month period ended 31-Dec-15 HK\$	Audited for the period of incorporation on 24-Mar-15 to 30-Jun-15 HK\$
Revenue		
Administration expenses	(4,660,954)	(4,292,572)
Loss before income tax expense	(4,660,954)	(4,292,572)
Income tax benefit	-	-
Loss for the year	(4,660,954)	(4,292,572)
Other comprehensive income	-	-
Total comprehensive loss for the year	(4,660,954)	(4,292,572)

The above statement of profit or loss and other comprehensive income shows the historical financial performance of Thredit. Past performance is not a guide to future performance.

10. Directors, substantial Shareholders & corporate governance

Subject to completion of the Acquisition, it is intended that the Company's Board of Directors will be comprised of Mr Ananda Kathiravelu, Mr Hersh Solomon Majteles, Mr David Whitaker, Mr Christopher Adams and Mr Christopher Jones. Following completion of the Acquisition, the Board will seek to identify new candidates with the necessary skills and experience to complement the Board as the new business progresses and when a decision is made in relation to the Company's mineral tenements and exploration businesses.

Brief profiles of the Directors of the Company following completion of the Acquisition are set out below.

10.1 Directors and senior management

Ananda Kathiravelu – Non-Executive Director | BBus, GradDipAppFin, Associate of the Securities Institute of Australia

Mr Kathiravelu has been in the financial services funds management and stockbroking industries for over 20 years. He is the Managing Director of Armada Capital and is also the Non-Executive Chairman of Buddy Platform Ltd and a Non-Executive Director of Radar Iron Ltd. He was formerly a Non-Executive Director of Pryme Oil and Gas Limited from 1 December 2005 until 25 February 2009. Mr Kathiravelu's areas of expertise include corporate advice, capital raising, mergers and acquisitions.

Mr Kathiravelu was previously a director of Australian Gaming & Entertainment Ltd (**AG&E**), a company that entered into external administration because of insolvency during the term of his appointment. He was appointed as a director of AG&E on 31 January 2011. In April 2014, AG&E sought to fund the purchase of a portfolio of hotels in Sydney, New South Wales through an initial public offer of shares to raise \$80 million. The IPO failed however and the directors placed the company under external administration. Liquidators were appointed by the creditors in July 2014.

Hersh Solomon Majteles – Non-Executive Chairman, Director | LLB (University of Western Australia)

Mr Majteles is a commercial lawyer and has been in private legal practice since 1972. He has over 35 years' experience in business, corporate, property and commercial law. Since 1983, he has been a director of a number of public listed companies in the exploration and mining sector (gold, base metals, coal, uranium, oil and gas) and in the bio tech sector.

Mr Majteles was also previously a director of AG&E, a company that entered into external administration because of insolvency during the term of his appointment. He was appointed as a director of AG&E on 31 January 2011. Please refer to the circumstances of AG&E's insolvency outlined above.

David Whitaker – Managing Director (elect)

David Whitaker is a high-tech entrepreneur with extensive expertise in building high growth digital businesses. After 17 years in IT & digital recruitment, David has founded and built businesses spanning mobile apps to group buying to digital agencies. David has built successful businesses in both Australia and the Asia Pacific which have expanded into Singapore, Shanghai and the Philippines. He has been responsible for negotiating and

winning outsource contracts, such as for HSBC Investment Bank and has provided strategic counsel to brands such as SAB Miller, Yahoo and Macquarie Bank. Originally from Australia, David has lived in Hong Kong for 10 years.

Mr Whitaker was previously a director of Spyder Bite Pty. Ltd. (**Spyder Bite**), a company that entered into external administration because of insolvency during the term of his appointment. He was appointed as a director of Spyder Bite on 7 February 2001 and ceased as a director on 11 September 2003. A voluntary administrator was appointed in respect of Spyder Bite in April 2002 due to the insolvency of the company which followed the tech crash and poor market conditions at that time.

Christopher Jones – Non-Executive Director (elect) | BSBA Georgetown University, MBA Northwestern University

Chris Jones is one of Australia's leading experts in app marketing and user acquisition. Chris has consulted to hundreds of app marketers and developers, including Microsoft, Cheetah Mobile, Visual Supply Co and many others. Chris's background spans both large brands and startups. He has held management roles with Boost Mobile, Mattel & Virgin Mobile Australia as well as several Australian based startups.

Christopher Adams – Non-Executive Director (elect)

Chris Adams is an internationally recognised digital strategist, social media pioneer, adviser and technology executive with over twenty years' experience in accelerating businesses. In 2006, Chris was asked by Facebook, then a fledgling social media network, to integrate video onto its platform. This was a pivotal moment in Facebook's consolidation of its brand and user experience, and was followed by the acclaimed reality TV series "Facebook Diaries", which Chris produced and which was launched on Facebook.

Chris served as Senior Vice President of Business Development and Chief Vision Officer for Participant Media and was involved in its first series of movies. He assisted Comcast Cable & Interactive to secure sponsorship for its video on demand platform and led entertainment business development for both Amazon and Lycos and until recently, he served as CEO and Executive Director of video streaming and syndication company, Spondo.com.

Chris is on the board of directors of Manalto Ltd (ASX Code: MTL) and Spiral Toys (OTCBB: STOY) and the advisory boards of VoiceByte, Impact Academy, Followit and Clap. He is also an award-winning children's author, with his next book, narrated by Hugh Jackman, scheduled for publication in early 2016, with the proceeds benefiting The Global Poverty Project and World Vision Australia.

Sean Davidson – Chief Technology Officer

Sean is a business technology professional with international experience, primarily in the Asia Pacific region, including starting, turning around and managing technology businesses in emerging markets. His key strength is the ability to bridge the divide between business and technology and he is equally at home working with business plans or developing apps.

Sean has held positions as Regional Director, Chief Information Officer, Chief Technology Officer, General Manager and Managing Director for multinational software and information and communications technology (**ICT**) services companies in Australia, New Zealand, Singapore, Taiwan, Thailand, Hong Kong and China. Currently, Sean is the Managing

Director at Advancer Limited, which provides technology consulting services in the Asia Pacific region.

Sean's specialties include agile and cloud apps development, enterprise architecture, business consulting and technology project recovery. His achievements include turnaround and return to profitability of a 350 person multinational ICT company subsidiary in China which was awarded 'Microsoft Application of the Year 2001', 'Best Employer China 2007' and was a finalist for best startup Microsoft Asia Pacific 2012.

Maria Shaikh – Project Manager

Maria Shaikh is an accomplished IT Project Manager with a proven track record of success in the software industry. A graduate in Software Engineering, she started her career as a software developer and went on to become a Project Manager gaining experience of more than 6 years. She has managed marketing and web development teams, specialising in agile software development. Maria has led significant projects globally for clients such as Rakuten, Nonoo Exchange Company and Audax Group of Companies. With an extensive professional background from UAE, she is currently pursuing her career in Sydney, New South Wales.

10.2 Disclosure of interests

Remuneration of Directors

The Chairman and the Directors (with the exception of the Managing Director) are entitled to be remunerated for their services as follows:

- The amount of the Directors' remuneration is a yearly sum not exceeding the sum from time to time determined by the Company in general meeting. The maximum aggregate annual remuneration which may be paid to non-executive Directors is \$300,000. This amount cannot be increased without Shareholder approval.
- The Directors' remuneration accrues from day to day, except for any non-cash benefit which is taken to accrue at the time the benefit is provided, subject to the terms on which the benefit is provided.

The Company may also pay the Directors' travelling and other expenses that they properly incur:

- in attending Directors' meetings or any meetings of committees of Directors;
- in attending any general meeting of the Company; and
- in connection with the Company's business.

The annual remuneration paid to Directors for the financial years ended 30 June 2014 and 30 June 2015 is set out in the following tables.

Year ended 30 June 2014

Director	Salary, fees and leave	Post-employment benefits Superannuation	Total
Ananda Kathiravelu	\$150,000	\$13,875	\$163,875
Hersh Solomon Majteles	\$40,000	\$3,700	\$43,700
Total:	\$190,000	\$17,575	\$207,575

Year ended 30 June 2015

Director	Salary, fees and leave	Post-employment benefits superannuation	Total
Ananda Kathiravelu	\$31,877	\$3,028	\$34,905
Hersh Solomon Majteles	\$10,000	\$950	\$10,950
Total:	\$41,877	\$3,978	\$45,855

Proposed remuneration for year ending 30 June 2016

The proposed annual remuneration for each of the Directors and the Proposed Directors for the financial year ending 30 June 2016 is set out below:

Director	Salary, fees and leave	Post-employment benefits e.g. superannuation	Total
Ananda Kathiravelu ¹	\$120,000	\$11,400	\$131,400
Hersh Solomon Majteles ¹	\$40,000	\$3,800	\$43,800
David Whitaker ^{1,2}	\$162,500	\$35,437.50 ³	\$197,937.50
Christopher Adams ^{1,4}	\$20,000	-	\$20,000
Christopher Jones ^{1,5}	\$20,000	-	\$20,000
Total:	\$362,500	\$50,637.50	\$4413,137.50

Notes:

1. Ananda Kathiravelu and Mr Hersh Solomon Majteles have each agreed to forego accrual of their Director's fees until the date of the Company's reinstatement to trading on ASX (**Reinstatement Date**). Assuming a Reinstatement Date of 17 June 2016 (of which there is no guarantee), it is estimated that Mr Kathiravelu will only receive fees totalling approximately \$4,667 plus superannuation for the financial year ending 30 June 2016 and Mr Hersh Solomon Majteles will only receive fees totalling \$1,556 plus superannuation for the financial year ending 30 June 2016. Fees (of \$120,000) payable to Mr Kathiravelu as disclosed above are pursuant to an Executive Services Agreement on commercial terms between Mr Kathiravelu and the Company dated 16 October 2009 which will terminate with effect from completion of the Acquisition and be replaced by the Non-Executive Director Appointment Letter discussed in Section 10.3.1. In his role as a Non-Executive Director on and from completion of the Acquisition, Mr Kathiravelu is entitled to receive \$60,000 per annum (inclusive of superannuation) in director's fees. Mr Whitaker, Mr Adams and Mr Jones will each receive a pro rata portion of the fees disclosed above in respect of the year ending 30 June 2016, calculated on and from the date of completion of the Acquisition until 30 June 2016.

2. With effect from the date of completion of the Acquisition, David Whitaker will be entitled to receive in respect of the financial year ending 30 June 2016 (on a pro-rata basis):
 - Base salary of \$162,500, which amount will be increased by up to 30% within 6 months of completion of the Acquisition subject to the successful launch of Thred.
 - \$15,437.50 in superannuation (being equal to 9.5% of the base remuneration);
 - a discretionary bonus, subject to achievement of various key performance indicators;
 - relocation benefits comprising a lump sum of \$20,000 for general relocation expenses and removalist costs;
 - the costs of one-way relocation flights and travel insurance for Mr Whitaker and his dependent family members and one month's temporary accommodation in Australia;
 - private health insurance cover (including for Mr Whitaker's dependent family members); and
 - membership of relevant airline lounges.

Refer to Section 10.3.2 for further details of Mr Whitaker's Executive Employment Agreement.

3. Includes superannuation and \$20,000 lump sum relocation benefits but disregards costs associated with relocation flights and travel insurance, one month's temporary accommodation in Australia, private health insurance and membership of relevant airline lounges.
4. In addition to the remuneration payable to Christopher Adams in his capacity as a non-executive Director of the Company:
 - **Consulting Agreement with Promesa:** pursuant to a Consulting Agreement dated 12 May 2015 between OMG (an entity controlled by Mr Adams) and the Company (**Promesa OMG Consulting Agreement**) (as detailed further in Section 10.3.7), the Company agrees to pay Mr Adams \$20,000 plus GST per month for services provided to the Company, of which \$10,000 plus GST is payable monthly in advance and \$10,000 plus GST per month accrues and is payable upon the reinstatement of the Company's securities to Official Quotation. As at the date of this Prospectus, Mr Adams has been paid a total of \$47,273 plus GST and was issued Shares in May 2015 in satisfaction of \$10,000 in outstanding fees under the Promesa OMG Consulting Agreement and a total of \$180,805 plus GST (which amount includes reimbursement of expenses incurred) has accrued and is payable upon the Company's reinstatement to Official Quotation. Mr Adams will be entitled to receive a total of \$240,000 plus GST in fees under the Promesa OMG Consulting Agreement for the financial year ending 30 June 2016. The Promesa OMG Consulting Agreement will be terminated with effect from the date of the Company's reinstatement to trading on ASX and will be replaced by the consulting agreement with Thredit which is described below and in Section 10.3.8.
 - **Consulting Agreement with Thredit:** pursuant to a Consulting Agreement between OMG and Thredit dated 20 October 2015 (as detailed in Section 10.3.8), with effect from the date of the Company's reinstatement to trading on ASX, Thredit agrees to pay Orbit Media Group a consultancy fee of \$20,000 plus GST per month for the provision of strategic consultative services by Mr Adams on behalf of Orbit Media Group to Thredit. In addition, Thredit agrees to pay Orbit Media Group \$500 plus GST per day for services provided to Thredit which relate to business outside of the Gold Coast, Brisbane, Sydney and Melbourne.
5. In addition to the remuneration payable to Christopher Jones in his capacity as a non-executive Director of the Company:
 - pursuant to a Consulting Engagement dated 23 October 2015 between Mr Jones' trading entity, The E201 Group (**E201**) and Thredit (**E201 Consulting Agreement**) (as detailed in Section 10.3.4), with effect from 1 November 2015, Thredit agrees to pay E201 a consultancy fee of \$20,000 plus GST per month for the provision of strategic marketing services by Mr Jones on behalf of E201 to Thredit. In addition, Thredit agrees to pay E201

\$500 plus GST per day for services provided to Thredit which relate to business outside of the Gold Coast, Brisbane, Sydney and Melbourne (**Outside Business**). E201 will be entitled to receive a total of \$160,000 plus GST in fees under the E201 Consulting Agreement for the financial year ending 30 June 2016 (excluding fees for Outside Business); and

- E201 received fees totalling \$55,930 in respect of a Consulting Agreement with Thredit dated 1 May 2015 which was terminated with effect from 21 November 2015 and is superseded by the E201 Consulting Agreement between Thredit and E201 dated 23 October 2015, as further detailed above and in Section 10.3.5.

Directors' interests in Securities

Current Directors

The direct and indirect interests of the current Directors in the Company's Securities as at the date of this Prospectus and following completion of the Offers (assuming no Director subscribes for Shares under the Public Offer) are shown in the following table:

Security	Ananda Kathiravelu		Hersh Solomon Majteles	
	Current	Post Acquisition ^{1,2}	Current	Post Acquisition
Shares	319,329	12,819,329	5,919,250	5,919,250
Options ³	Nil	100,000,000	Nil	Nil
Performance Shares ⁴	Nil	7,000,000	Nil	Nil

Notes:

1. Includes Securities to be issued to Armada Capital in connection with the Acquisition and the Offers. Armada Capital intends to nominate a number of unrelated third parties to receive the 100 million Options referred to in the table above. As Mr Kathiravelu is a director of Armada Capital and Armada Capital is controlled by a relative, Mr Kathiravelu has an indirect interest in these Securities.
2. In addition, Supaval, a related party of Mr Kathiravelu, has advanced Thredit \$50,000 pursuant to a Series A Loan Agreement and will be entitled to be issued up to 20 million Shares, disregarding Shares which may be issued in satisfaction of accrued interest) upon conversion of the outstanding balance of the Series A Loan at completion of the Acquisition in accordance with its terms. Refer to Section 8.8 for further details of the Series A Loans.
3. Options exercisable at \$0.0625 each on or before 30 May 2017. Refer to Section 11.3.2 for further details of the terms and conditions of the Options.
4. Refer to Section 11.3.3 for further details of the terms and conditions of the Performance Shares.

Proposed Directors

The direct and indirect interests of the Proposed Directors in the Company's Securities as at the date of this Prospectus and following completion of the Offers (assuming no Proposed Director subscribes for Shares under the Priority Offer or the Public Offer) and assuming the Acquisition is completed are as follows:

Security	David Whitaker ¹		Christopher Jones ^{1,2}		Christopher Adams ^{1,3}	
	Current	Post Acquisition	Current	Post Acquisition	Current	Post Acquisition
Shares	Nil	182,500,000	Nil	52,500,000	500,000	15,500,000
Options	Nil	Nil	Nil	Nil	Nil	Nil
Performance Shares ⁴	Nil	117,600,000	Nil	11,200,000	Nil	11,200,000

Notes:

1. Includes Securities to be issued to Key Idea (or its nominee(s)) in connection with the Acquisition. As Mr Whitaker is a director of and controls the shares in Key Idea, Mr Whitaker has an interest in these Securities. Furthermore, as Key Idea has nominated entities associated with Chris Jones and Chris Adams (as detailed in Notes 2 and 3 below) to receive a portion of the Securities it is entitled to receive under the Heads of Agreement, they each have an interest in these Securities.
2. These Securities are held through Oramaya Holdings Limited, an entity owned and controlled by Mr Jones.
3. These Securities are held through Adams Family Investment Holdings Pty Ltd ACN 144 848 975 as trustee for Adams Investment Trust. Mr Adams is a shareholder and director of Adams Family Investment Holdings Pty Ltd and a beneficiary of the Adams Investment Trust.
4. Refer to Section 11.3.3 for further details of the terms and conditions of the Performance Shares.

10.3 Agreements with Directors and related parties

The Company's policy in respect of related party agreements is as follows:

- a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- for the Board to consider such a matter, the Director who has a material personal interest is not to be present while the matter is being considered at the meeting and does not vote on the matter.

10.3.1 Non-Executive Appointment Letter – Promesa and Ananda Kathiravelu

By a letter agreement dated 11 March 2016, Promesa has appointed Mr Kathiravelu as a non-executive Director of the Company with effect from completion of the Acquisition. At that time, his Executive Services Agreement with the Company will terminate. Mr Kathiravelu's appointment as a Non-Executive Director will terminate on the date he retires by rotation under the Company's Constitution but will continue for further terms if he is re-elected at future annual general meetings.

In consideration for his services as a non-executive Director, Mr Kathiravelu will be paid an annual fee of \$60,000 inclusive of superannuation. In addition, Mr Kathiravelu will be entitled to participate in any employee share option scheme which the Company may adopt in the future, subject to any requisite Shareholder approvals.

If Mr Kathiravelu is required to perform services for the Company that are outside the scope of his ordinary duties as a Director, the Company may pay him for those services in addition to the remuneration outlined above.

10.3.2 **Non-Executive Appointment Letter – Promesa and Hersh Solomon Majteles**

The Company has entered into a letter agreement dated 14 March 2016 with Mr Hersh Solomon Majteles governing the terms of his appointment as a non-executive Director and Chairman of the Company with effect from completion of the Acquisition. Mr Majteles's appointment as a Non-Executive Director will terminate on the date he retires by rotation under the Company's Constitution but will continue for further terms if he is re-elected at future annual general meetings.

In consideration for his services as a non-executive Director, Mr Majteles will be paid an annual fee of \$60,000 inclusive of superannuation. In addition, Mr Majteles will be entitled to participate in any employee share option scheme which the Company may adopt in the future, subject to any requisite Shareholder approvals.

If Mr Majteles is required to perform services for the Company that are outside the scope of his ordinary duties as a Director, the Company may pay him for those services in addition to the remuneration outlined above.

10.3.3 **Executive Employment Agreement – Promesa and David Whitaker**

The Company has entered into an Executive Employment Agreement (**EEA**) with David Whitaker dated 24 February 2016 pursuant to which Mr Whitaker is appointed as Chief Executive Officer of the Company with effect from completion of the Acquisition (**Commencement Date**).

Under the EEA, Mr Whitaker is entitled to receive:

- (a) base annual salary of \$162,500, which amount will be increased by up to 30% within 6 months of completion of the Acquisition subject to the successful launch of Thred;
- (b) minimum statutory superannuation in accordance with the *Superannuation Guarantee (Charge) Act 1992* (Cth);
- (c) a discretionary bonus, subject to achievement of various key performance indicators as determined by the Board for each financial quarter;
- (d) relocation benefits comprising a lump sum of \$20,000 for general relocation expenses and removalist costs;
- (e) the costs of one-way relocation flights and travel insurance for Mr Whitaker and his dependent family members and one month's temporary accommodation in Australia;
- (f) private health insurance cover (including for Mr Whitaker's dependent family members);

- (g) membership of the Delta Sky Club and the Qantas Club; and
- (h) a laptop, tablet and mobile phone.

In addition, Mr Whitaker will be eligible to participate in any long term incentive arrangements operated or introduced by the Company from time to time and will be reimbursed for all reasonable business-related expenses properly incurred in the discharge of his duties.

Mr Whitaker is entitled to 4 weeks' paid annual leave for each year of service with the Company, 10 days' paid personal/carer's leave, 2 days' paid compassionate leave and long service leave in accordance with statutory entitlements.

Under the EEA, Mr Whitaker is entitled to retain the benefit of any works or inventions that he creates, generates or develops outside his usual work hours. Intellectual property rights created within the scope of Mr Whitaker's employment and during his usual work hours will be the Company's property.

The EEA may be terminated:

- (a) by either party:
 - (i) upon 3 months' prior written notice, where that notice is provided prior to the first anniversary of the Commencement Date; or
 - (ii) upon 6 months' prior written notice, where that notice is provided on or after the first anniversary of the Commencement Date; or
- (b) by the Company at any time, by making a payment in lieu of the applicable notice period.

In addition, the EEA may be terminated by the Company without notice in various circumstances which are considered standard for an agreement of this nature.

Mr Whitaker is restrained from competing with the Company's business during the term of the EEA and for a period of 12 months after termination of his employment under the EEA.

The EEA is governed by the laws of New South Wales, Australia.

10.3.4 **Non-Executive Appointment Letter – Promesa and Christopher Jones**

By a letter agreement dated 11 November 2015, Promesa has appointed Christopher Jones as a non-executive Director of the Company with effect from completion of the Acquisition. The appointment terminates on the date Mr Jones retires by rotation under the Company's Constitution but will continue for further terms if he is re-elected at future annual general meetings.

In consideration for his services as a non-executive Director, Mr Jones will be paid an annual fee of \$20,000 inclusive of superannuation. In addition, Mr Jones will be entitled to participate in any employee share option scheme which the Company may adopt in the future, subject to any requisite Shareholder approvals.

If Mr Jones is required to perform services for the Company that are outside the scope of his ordinary duties as a Director, the Company may pay him for those services in addition to the remuneration outlined above.

10.3.5 **Consulting Engagement – Thredit and The E201 Group**

Thredit and The E201 Group (a business operated and owned by Proposed Director, Christopher Jones) have entered into a consulting engagement dated 23 October 2015 pursuant to which Mr Jones (as the nominated representative of The E201 Group) is engaged to provide strategic marketing services to Thredit. The agreement commences on 1 November 2015 and continues until terminated.

In consideration for the provision of the services to Thredit, Thredit agrees to pay The E201 Group a consultancy fee of \$20,000 plus GST per month. In addition, Thredit agrees to pay The E201 Group \$500 plus GST per day for the provision of services associated with business and/or meetings and off-site appointments in areas outside the Gold Coast, Brisbane, Sydney and Melbourne.

The agreement may be terminated at any time by either party giving 6 months' written notice, or in the case of Thredit, by making a payment of 6 months' fees to The E201 Group in lieu of notice. Thredit may also terminate the agreement with immediate effect in a number of circumstances which are considered standard for an agreement of this nature.

The agreement is governed by the laws of New South Wales, Australia.

10.3.6 **Non-Executive Appointment Letter – Promesa and Christopher Adams**

By a letter agreement dated on or about 21 October 2015, Promesa has appointed Christopher Adams as a non-executive Director of the Company with effect from completion of the Acquisition. The appointment terminates on the date Mr Adams retires by rotation under the Company's Constitution but will continue for further terms if he is re-elected at future annual general meetings.

In consideration for his services as a non-executive Director, Mr Adams will be paid an annual fee of \$20,000 inclusive of superannuation. In addition, Mr Adams will be entitled to participate in any employee share option scheme which the Company may adopt in the future, subject to any requisite Shareholder approvals.

If Mr Adams is required to perform services for the Company that are outside the scope of his ordinary duties as a Director, the Company may pay him for those services in addition to the remuneration outlined above.

10.3.7 **Consulting Agreement – Company and Orbit Media Group Pty Ltd**

The Company and OMG (an entity controlled by Proposed Director, Christopher Adams) have entered into a consulting agreement dated 12 May 2015 (as varied by deed dated 14 March 2016), pursuant to which OMG is engaged to provide a range of strategic, marketing and commercial advice to the Company with effect from 1 May 2015.

In consideration for the provision of the services to the Company, the Company agrees to pay OMG a fee of \$20,000 plus GST per month.

Of the fees payable to OMG under the agreement, \$10,000 plus GST is payable monthly in advance and \$10,000 plus GST per month will accrue and be payable upon the reinstatement of the Company's securities to Official Quotation.

The agreement automatically terminates upon the date of the Company's reinstatement to trading on ASX.

10.3.8 **Consulting Agreement – Thredit and Orbit Media Group Pty Ltd**

Thredit and OMG (an entity controlled by Proposed Director, Christopher Adams) have entered into a consulting engagement dated 20 October 2015 (as varied by deed dated 12 March 2016) pursuant to which Mr Adams (as the nominated representative of OMG) is engaged to provide strategic consultative services to Thredit with effect from the date of the Company's reinstatement to trading on ASX. This agreement will replace the Consulting Agreement between the Company and OMG, which is described above in Section 10.3.7.

In consideration for the provision of the services to Thredit, Thredit agrees to pay OMG a consultancy fee of \$20,000 plus GST per month. In addition, Thredit agrees to pay OMG \$500 plus GST per day for the provision of services associated with business and/or meetings and off-site appointments in areas outside the Gold Coast, Brisbane, Sydney and Melbourne.

The agreement may be terminated at any time by either party giving 6 months' written notice, or in the case of Thredit, by making a payment of 6 months' fees to OMG in lieu of notice. Thredit may also terminate the agreement with immediate effect in a number of circumstances which are considered standard for an agreement of this nature.

The agreement is governed by the laws of New South Wales, Australia.

10.3.9 **Loan Agreement – Thredit and David Whitaker**

Thredit and David Whitaker have entered into a loan agreement dated 1 April 2015 (**Loan Agreement**) pursuant to which Mr Whitaker agrees to advance funding to Thredit by way of intermittent advances (the sum of which is unspecified), which amounts shall not be repayable by Thredit before 1 January 2017. The outstanding balance of the loan will bear no interest until 1 January 2017 and thereafter, Mr Whitaker reserves the right to charge 10% interest per annum on any outstanding amounts.

The Loan Agreement contains a number of events of default by Thredit which are considered to be on standard commercial terms. Upon the occurrence of an event of default, Mr Whitaker may declare the entire principle amount and interest outstanding under the loan to be immediately due and payable.

The Loan Agreement is governed by the laws of the Hong Kong Special Administrative Region.

10.3.10 **Lead Manager and Corporate Adviser Mandate – Promesa and Armada Capital**

Pursuant to an agreement between the Company and Armada Capital dated on or about 1 October 2015 (**Mandate**), the Company appoints Armada Capital as exclusive Lead Manager in connection with the Public Offer under this Prospectus.

In consideration for coordinating and managing the capital raising under the Public Offer, the Company agrees to pay Armada Capital a placing fee of 5% of funds raised under the Public Offer and a management fee equal to 1% of funds raised by the Company.

In addition, in consideration for the introduction and facilitation of the Acquisition, the Company agrees to issue 100 million Options to Armada Capital (or its nominee(s)) exercisable at \$0.0625 each on or before 30 May 2017, subject to Shareholder approval at the General Meeting (which approval was granted on 16 October 2015).

Armada Capital's appointment under Mandate terminates on the earlier of the date the Company's Shares are reinstated to trading on ASX or termination of the Heads of Agreement, unless otherwise agreed by the parties. The Company may terminate the Mandate without cause by giving 90 days' prior notice to Armada Capital.

The Mandate is governed by the laws of Western Australia.

10.3.11 **Series A Convertible Loan Agreement – Promesa and Supaval**

Supaval, a related party of Mr Kathiravelu, has advanced Thredit \$50,000 pursuant to a Series A Loan and will be entitled to be issued up to 20 million Shares (disregarding Shares which may be issued in satisfaction of accrued interest) upon conversion of the outstanding balance of the Series A Loan at completion of the Acquisition. Refer to Section 8.8 for further details of the Series A Loans.

10.3.12 **Corporate Services Agreement between Promesa and Ampere**

Ampere, a related party of Mr Kathiravelu, provides company secretarial and bookkeeping services to the Company on a month to month retainer of \$7,500 plus GST.

10.3.13 Deeds of indemnity, insurance and access

The Company has entered into a Deed of Indemnity, Insurance and Access with each current Director and will enter into one with each Proposed Director upon completion of the Acquisition (each an **Indemnified Party**). The deeds are effective from the date of commencement of each Indemnified Party as a director of the Company.

Under these deeds, the Company indemnifies each Indemnified Party to the extent permitted by the Corporations Act against any liability arising as a result of acting as a Director. The Company is required under the deeds to maintain insurance policies for the benefit of each Indemnified Party and must allow each Indemnified Party to inspect board papers in certain circumstances.

Incentive arrangements

The executive Directors will be eligible to participate in any short term and long term incentive arrangements operated or introduced by the Company (or any subsidiary) from time to time:

- in accordance with the terms and conditions governing those arrangements; and
- as determined or varied (including in respect of the form of any benefit provided to an executive) at the discretion of the Board from time to time.

10.4 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Offers (assuming full subscription and assuming no existing Options on issue are exercised or converted) are set out in the respective tables below.

As at the date of this Prospectus (based on the Company's current issued Share capital of 312,733,663 Shares):

Shareholder	Shares	%
Celtic Capital Pty Ltd (an entity controlled by Jason Peterson)	24,079,355	7.69%

On completion of the Offers and the Acquisition (based on a pro forma issued Share capital of 713,983,663 Shares, assuming the minimum subscription to the Public Offer is achieved and no existing Options on issue are exercised or converted):

Shareholder	Shares	%
Key Idea (an entity controlled by David Whitaker, a Director)	182,500,000	25.56%
Oramaya Holdings Limited (an entity controlled by Chris Jones, a Director)	52,500,000	7.35%

Note: Figures disregard the effect of participation in the Priority Offer by any existing Shareholder.

The Company will announce to the ASX details of its top 20 Shareholders (following completion of the Offers) prior to the Shares being reinstated to Official Quotation on ASX.

10.5 Corporate governance

The Board is responsible for establishing the Company's corporate governance framework. In establishing its corporate governance framework, the Board has referred to the 3rd edition of the ASX Corporate Governance Councils' *Corporate Governance Principles and Recommendations (Recommendations)* to the extent applicable, in light of the Company's size and nature. However, the Board also recognises that full adoption of the Recommendations may not be practical or provide the optimal result given the particular circumstances of the Company.

The corporate governance statement below discloses the extent to which the Company follows the Recommendations. The Company will follow each Recommendation where the Board has considered it to be an appropriate benchmark for the Board's corporate governance practices. Where the Company's corporate governance practices will follow a Recommendation, appropriate statements reporting on the adoption of the Recommendation are set out below. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices will not follow a particular Recommendation, the reasons for not following the Recommendation and what, if any, alternative practices the Company will adopt instead of those in the Recommendation are also disclosed.

The Company's governance-related documents can be found on its website at www.promesa.com.au under the link "Corporate and Management".

Recommendation	Comment
<p>Principle 1: Lay solid foundations for management and oversight</p> <p><i>A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated.</i></p>	
<p>1.1 A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p>Recommendation followed</p> <p>The Company has established the respective roles and responsibilities of its Board and management and those matters expressly reserved to the Board and those delegated to management and has documented this in its Board Charter.</p> <p>The responsibilities of the Board include but are not limited to:</p> <ul style="list-style-type: none"> • setting and reviewing strategic direction and planning; • reviewing financial and operational performance; • identifying principal risks and reviewing risk management strategies; and • considering and reviewing significant capital investments and material transactions. <p>In exercising its responsibilities, the Board recognises that there are many stakeholders in the</p>

Recommendation	Comment
	Company's operations, including employees, shareholders, co-venturers, the government and the community.
<p>1.2 A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	<p>Recommendations followed</p> <p>The Board carefully considers the character, experience, education and skillset, as well as interests and associations of potential candidates for appointment to the Board and conducts appropriate checks to verify the suitability of the candidate, prior to their election. The Company has appropriate procedures in place to ensure that material information relevant to a decision to elect or re-elect a director, is disclosed in the notice of meeting provided to shareholders.</p>
<p>1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>Recommendations followed</p> <p>The Company has a written agreement with each of the Directors. The material terms of any employment, service or consultancy agreement the Company, or any of its child entities, has entered into with its Chief Executive Officer, any of its directors, and any other person or entity who is a related party of the Chief Executive Officer or any of its directors will be disclosed in accordance with Listing Rule 3.16.4 (taking into consideration the exclusions from disclosure outlined in that rule).</p>
<p>1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	<p>Recommendations followed</p> <p>The Company Secretary is accountable to the Board for facilitating the Company's corporate governance processes and the proper functioning of the Board. Each Director is entitled to access the Company Secretary's advice and services.</p> <p>In accordance with the Company's Constitution, the appointment or removal of the Company Secretary is a matter for the Board as a whole. Details of the Company Secretary's experience and qualifications are set out in the Annual Report.</p>
<p>1.5 A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary</p>	<p>Recommendation not followed in full</p> <p>The Company is committed to creating a diverse working environment and promoting a culture which embraces diversity and has adopted a written diversity policy. Given the size of the Company and the scale of its operations, however, the Board is of the view that setting measurable objectives for achieving gender diversity is not required at this time. Further, as the Company has not established measurable objectives for achieving gender diversity, the Company has not reported on progress</p>

Recommendation	Comment
<p>of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>towards achieving it.</p>
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>Recommendations not followed</p> <p>Whilst the Company has a written performance evaluation policy, the Board recognises that as a result of the Company's size and the stage of its business, the assessment of the directors' and executives' overall performance and the Company's own succession plan is conducted on an informal basis. Whilst this is at variance with the Recommendations, the Directors currently consider it to be an appropriate and adequate process for the evaluation of Directors.</p>
<p>1.7 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>Recommendations not followed</p> <p>As per Recommendation 1.6.</p>

Recommendation	Comment
<p>Principle 2: Structure the Board to add value</p> <p><i>A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.</i></p>	
<p>2.1 The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>(3) and disclose:</p> <ul style="list-style-type: none"> • the charter of the committee; • the members of the committee; and • as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>Recommendation not followed in full</p> <p>As a result of the Company's size and nature and given the size of the Board at present, a nomination committee has not been established. The Board meets as a whole to consider remuneration matters. The Board from time to time reviews the skills mix required for the Board and, where gaps are identified, embarks on a process to fill those gaps. This is undertaken on an informal basis.</p>
<p>2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>Recommendation not followed</p> <p>The details of the skill set of the current Board members are set out in the description of each Director in Section 10.1. The Board believes that the current skills mix is appropriate given the Company's size and nature.</p>
<p>2.3 A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest,</p>	<p>Recommendation not followed</p> <p>Mr Majteles, the Chairman, has been an independent non-executive Director of the Company since 18 January 2008. Having regard to the relationships listed in box 2.3 of the Recommendations, since April</p>

Recommendation	Comment
<p>position, association or relationship of the type described in box 2.3 of the Recommendations but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>2015 when the Company engaged Lavan Legal to provide material professional services to the Company, Mr Majteles is no longer considered to be an independent Director as a result of his being a partner of that firm.</p>
<p>2.4 A majority of the board of a listed entity should be independent directors.</p>	<p>Recommendation not followed</p> <p>As noted under Recommendation 2.3, the Board currently comprises two Directors none of whom are independent. The Board is of the opinion that the structure of the Board at reinstatement of the Company's Shares to trading on ASX will be appropriate given the size and nature of the Company. Whilst this is at variance to the Recommendations that the majority composition of the Board comprise independent directors, the Board considers that all Directors bring an independent judgement to bear on Board decisions and that the Board's expertise and experience adds considerable value to the Company.</p>
<p>2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p>Recommendation not followed</p> <p>As noted above, Mr Majteles is no longer an independent Chairman. Mr Majteles is currently considered to be the most appropriate person to Chair the Board because of his public company and legal experience. His role as Chairman of the Board is separate from that of the Managing Director, who is responsible for the day to day management of the Company. This is in compliance with the Recommendation that these roles not be exercised by the same individual.</p>
<p>2.6 A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</p>	<p>Recommendation not followed</p> <p>As a result of the Company's size and nature, the Board has not put in place a formal program for inducting new directors. However, it does provide a package of background information on commencement and provides ready interaction with the Company's personnel to gain a stronger understanding of the business. Similarly the Company does not at this stage provide professional development opportunities for Directors. More formal processes for both of these areas will be considered</p>

Recommendation	Comment
	in the future as the Company develops.
<p>Principle 3: Act ethically and responsibly <i>A listed entity should act ethically and responsibly.</i></p>	
<p>3.1 A listed entity should:</p> <ul style="list-style-type: none"> (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it. 	<p>Recommendations followed</p> <p>The Company is committed to promoting good corporate conduct grounded by strong ethics and responsibility. The Company has established a Code of Conduct (Code), which addresses matters relevant to the Company's legal and ethical obligations to its stakeholders. It may be amended from time to time by the Board, and is disclosed on the Company's website. The Code applies to all Directors, employees, contractors and officers of the Company.</p>
<p>Principle 4: Safeguard integrity in corporate reporting <i>A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.</i></p>	
<p>4.1 The board of a listed entity should:</p> <ul style="list-style-type: none"> (a) have an audit committee which: <ul style="list-style-type: none"> (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: <ul style="list-style-type: none"> (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that 	<p>Recommendations followed</p> <p>The Company is not an entity required by Listing Rule 12.7 to have an audit committee, although it is included in the Recommendations. The Board has not established an audit committee at this point in the Company's development. It is considered that the size of the Board along with the level of activity of the Company renders this impractical and the full Board considers in detail all of the matters for which the Directors are responsible. The Board has adopted an audit committee charter which describes the role, composition, functions and responsibilities of the audit committee (if established in the future) which is disclosed on the Company's website.</p>

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<p>independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	
<p>4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>Recommendation followed</p> <p>In accordance with ASX Recommendation 4.2 the Chief Executive Officer (or their equivalent) and Chief Financial Officer (or their equivalent) are required to provide assurances that the written declarations under section 295A of the Corporations Act (and for the purposes of Recommendation 4.2) are founded on a sound framework of risk management and internal control and that the framework is operating effectively in all material respects in relation to financial reporting risks. Both the Chief Executive Officer and Chief Financial Officer provide such assurances at the time the section 295A declarations are provided to the Board.</p>
<p>4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	<p>Recommendation followed</p> <p>The Company's external audit function is currently performed by Bentleys Audit and Corporate (Bentleys). Representatives of Bentleys will attend the Company's Annual General Meeting and be available to answer Shareholder questions regarding the audit.</p>
<p>Principle 5: Make timely and balanced disclosure</p>	
<p><i>A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.</i></p>	
<p>5.1 A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>Recommendations followed</p> <p>The Company operates under the continuous disclosure requirements of the Listing Rules and has adopted a continuous disclosure policy, which is disclosed on the Company's website. The policy sets out policies and procedures for the Company's compliance with its continuous disclosure obligations under the Listing Rules and addresses financial markets communication, media contact and continuous disclosure issues. It forms part of the Company's corporate policies and procedures and is available to all staff.</p> <p>The Company Secretary manages the policy. The policy will develop over time as best practice and regulations change and the Company Secretary will</p>

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	be responsible for communicating any amendments.
<p>Principle 6: Respect the rights of securityholders</p> <p><i>A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.</i></p>	
6.1	<p>A listed entity should provide information about itself and its governance to investors via its website.</p> <p>Recommendation followed</p> <p>The Company keeps investors informed of its corporate governance, financial performance and prospects via its website – www.promesa.com.au. Investors can access copies of all announcements to the ASX, notices of meetings, annual reports and financial statement, and investor presentations via the ‘Investors Centre’ tab and can access general information regarding the Company and the structure of its business under the ‘Corporate and Management’ and ‘Projects’ tabs.</p>
6.2	<p>A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p> <p>Recommendation followed</p> <p>The Board aims to ensure that Shareholders are informed of all major developments affecting the Company’s state of affairs. In accordance with the Recommendations, information is communicated to Shareholders as follows:</p> <ul style="list-style-type: none"> • via the annual financial report, which includes relevant information about the operations of the Company during the year, changes in the state of affairs of the Company and details of future developments, in addition to the other disclosures required by the Corporations Act; • through the half yearly financial report lodged with the ASX and ASIC and sent to all Shareholders who request it; • through notifications relating to any proposed major changes in the Company which may impact on Share ownership rights that are submitted to a vote of Shareholders; • in notices of all meetings of Shareholders; • through publicly released documents including full text of notices of meetings and explanatory material made available on the Company’s website at www.promesa.com.au; and • by disclosure of the Company’s Corporate Governance practices and communications strategy on the Company’s website. <p>While the Company aims to provide sufficient information to Shareholders about the Company and its activities, it understands that Shareholders may have specific questions and require additional</p>

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		information. To ensure that Shareholders can obtain all relevant information to assist them in exercising their rights as Shareholders, the Company has made available a telephone number and relevant contact for Shareholders to make their enquiries.
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	<p>Recommendation followed</p> <p>The Board encourages full participation of Shareholders at Annual General Meetings to ensure a high level of accountability and identification with the Company's strategy and goals. Important issues are presented to the Shareholders as single resolutions. The external auditor of the Company is also invited to the Annual General Meetings of Shareholders and is available to answer any questions concerning the conduct, preparation and content of the auditor's report. Pursuant to section 249K of the Corporations Act, the external auditor is provided with a copy of the notice of meeting and related communications received by Shareholders.</p>
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<p>Recommendation followed</p> <p>The Company provides its investors the option to receive communications from and send communications to, the Company and the Share Registry electronically.</p>
<p>Principle 7: Recognise and manage risk</p> <p><i>A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.</i></p>		
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and</p>	<p>Recommendations followed</p> <p>Due to the size of the Board, the Company does not have a separate risk committee. The Board is responsible for the oversight of the Company's risk management and control framework. The Board has adopted a risk management policy, which is disclosed on the Company's website.</p>

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<p>the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	
<p>7.2 The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>Recommendations not followed</p> <p>The Board recognises that there are inherent risks associated with the Company's operations. The Board endeavours to mitigate such risks by continually reviewing the Company's activities in order to identify key business and operational risks and ensuring that they are appropriately assessed and managed. No formal report in relation to the Company's management of its material business risks is presented to the Board. The Board reviews the risk profile of the Company and monitors risk informally throughout the year.</p>
<p>7.3 A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>Recommendations not followed</p> <p>The Company does not have an internal audit function. This is due to the size of the Company and its stage of life. To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks as outlined in the Company's risk management policy.</p>
<p>7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>Recommendation followed</p> <p>As already outlined above in relation to various Recommendations, the Company constantly monitors and reviews the key risks that affect the Company and the management of those risks. They include economic, environment and sustainability risks. The risks which the Company has identified that it currently has a material exposure to are</p> <ul style="list-style-type: none"> • its ability to raise funds within an acceptable time frame and on terms acceptable to it (Capital Risk); • whether its existing projects, or any other projects or tenements that it may acquire in the future, will result in the discovery of significant

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	<p>resources or be able to be economically exploited (Exploration Risk);</p> <ul style="list-style-type: none"> • the inability to obtain land access on satisfactory terms or within acceptable timeframes (Access Risk); and • the risk that resource activities can be environmentally sensitive and can give rise to substantial costs for environmental rehabilitation, damage control and losses (Environment Risk). <p>The Company manages those risks:</p> <ul style="list-style-type: none"> • in the case of Capital Risk, by monitoring the market and investment appetite and raising further required capital in a timely manner such that the Company's operations are adequately funded; • in the case of Exploration Risk, by adopting a diversified portfolio approach and a focused approach using modern exploration techniques and seeking to lay off risk where possible; • in the case of Access Risk, by conducting exploration activities at best practices standards so as to lessen the impact on the party from whom access is required, coupled with taking an active communication and interaction approach; and • in the case of Environment Risk, by conducting its activities in an environmentally responsible manner and in accordance with all applicable laws. <p>If the Acquisition completes, the risks to which the Company will be exposed are likely to change. A summary of the risks which are more likely to affect the Company going forward is set out in Section 7.</p>

Principle 8: Remunerate fairly and responsibly

A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders.

8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an</p>	<p>Recommendation followed</p> <p>Due to the size of the Board, the Company does not have a separate remuneration committee. The roles and responsibilities of a remuneration committee are currently undertaken by the Board. The duties of the full board in its capacity as a remuneration committee are set out in the Company's Remuneration Committee Charter which is available on the Company's website. Items that are usually</p>
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Recommendation	Comment
<p>independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>required to be discussed by a remuneration committee are marked as separate agenda items at Board meetings when required. The Board has adopted a Remuneration Committee Charter which describes the role, composition, functions and responsibilities of the Remuneration Committee (if established in the future) and is disclosed on the Company's website.</p>
<p>8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>Recommendations followed</p> <p>Details of the Company's policies on remuneration are set out in the Company's "Remuneration Report" in each Annual Report published by the Company. This disclosure will include a summary of the Company's policies regarding the deferral of performance-based remuneration and the reduction, cancellation or clawback of the performance-based remuneration in the event of serious misconduct or a material misstatement in the Company's financial statements.</p>
<p>8.3 A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>Recommendation not applicable</p> <p>The Company's Securities Trading Policy (discussed below) includes a statement prohibiting Directors, officers and employees from dealing at any time in financial products such as warrants, futures or other financial products issued over the Company's markets, but does not specifically prohibit entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of their security holding in the Company or of participating in unvested entitlements under any equity based remuneration schemes.</p>

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	<p>Securities Trading Policy</p> <p>In accordance with Listing Rule 12.9, the Company has adopted a trading policy which sets out the following information:</p> <ul style="list-style-type: none"> • closed periods in which Directors, employees and contractors of the Company must not deal in the Company's securities; • trading in the Company's securities which is not subject to the Company's trading policy; and • the procedures for obtaining written clearance for trading in exceptional circumstances. <p>The full Securities Trading Policy is available on the Company's website.</p>

11. Additional information

11.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company or Thredit.

11.2 Tax status

The Company is taxed in Australia as a public company. The Company's financial year ends on 30 June, annually.

11.3 Rights attaching to Securities

11.3.1 Rights attaching to Shares

The following is a summary of the more significant rights attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

- (i) Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.
- (ii) Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

(b) Voting rights: Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same

proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

- (i) Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.
- (ii) The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.
- (iii) Subject to the Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

- (i) If the Company is wound up, any property that remains after satisfaction of all debts and liabilities of the Company and the payment of costs, charges and expenses of winding up will be distributed among the Shareholders in accordance with their respective rights.
- (ii) Any amount that would otherwise be distributable to the holder of a partly paid Share must be reduced by the amount unpaid on that Share as at the date of distribution.
- (iii) The liquidator may, with the authority of a special resolution of the Company, divide amongst the Shareholders the whole or any part of the Company's property and decide how the division is to be carried out between the

Shareholders or classes of Shareholders. No Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

- (e) **Shareholder liability:** As the Shares offered under this Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.
- (f) **Transfer of Shares:** Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.
- (g) **Variation of rights**
 - (i) Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.
 - (ii) If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.
- (h) **Alteration of Constitution:** The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

11.3.2 **Terms of Options to be issued to Armada Capital (or its nominee(s)) in connection with the Acquisition**

- (a) **Entitlement:** Subject to paragraph (m) below, each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) **Exercise Price and Expiry Date:** Subject to paragraphs (j) and (l) below, the amount payable upon exercise of each Option will be \$0.0625 (**Exercise Price**).
- (c) **Expiry Date:** Each Option will expire at 5:00pm (WST) on 30 May 2017 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **Exercise Period:** The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

- (e) **Notice of Exercise:** The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) **Exercise Date:** A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (g) **Timing of issue of Shares on exercise:** Within 15 Business Days after the later of the following:
 - (i) the Exercise Date; and
 - (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case no later than 20 Business Days after the Exercise Date, the Company will:

- (iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (v) if admitted to the Official List at the time, apply for Official Quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under paragraph (g)(iv) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- (h) **Shares issued on exercise:** Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

- (i) **Quotation of Shares issued on exercise:** If admitted to the Official List of ASX at the time, the Company will apply for quotation of the Shares issued upon the exercise of the Options.
- (j) **Reconstruction of capital:** If at any time the Company's issued capital is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (k) **Participation in new issues:** There are no participation rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (l) **Adjustment for rights issue:** If the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders, the Exercise Price will be reduced in accordance with the formula set out in Listing Rule 6.22.2.
- (m) **Adjustment for bonus issues of Shares:** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price.
- (n) **Unquoted:** The Company will not apply for quotation of the Options on ASX.
- (o) **Transferability:** The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

11.3.3 Performance Shares

- (a) **Performance Shares:** Each Performance Share is a share in the capital of the Company.
- (b) **General meetings:** The Performance Shares shall confer on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders. Holders have the right to attend general meetings of the Company.
- (c) **No voting rights:** The Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights under the Corporations Act or

the Listing Rules where such rights cannot be excluded by these terms.

- (d) **No dividend rights:** The Performance Shares do not entitle the Holder to any dividends.
- (e) **No rights on winding up:** Upon winding up of the Company, the Performance Shares may not participate in the surplus profits or assets of the Company.
- (f) **Transfer of Performance Shares:** A Performance Share is not transferable.
- (g) **Reorganisation of capital:** If the Company's issued capital is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the economic and other rights of the Holder are not diminished or terminated.
- (h) **Application to ASX:** The Performance Shares will not be quoted on ASX. Upon conversion of the Performance Shares into Shares in accordance with these terms, the Company must within seven (7) days after the conversion, apply for and use its best endeavours to obtain the official quotation on ASX of the Shares arising from the conversion.
- (i) **Participation in entitlements and bonus issues:** Subject always to the rights under item (g) above, Holders will not be entitled to participate in new issues of capital offered to Shareholders such as bonus issues and entitlement issues.
- (j) **Amendments required by ASX:** The terms of the Performance Shares may be amended as necessary by the Board in order to comply with the Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminate.
- (k) **No other rights:** The Performance Shares give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (l) **Milestones:** The Performance Shares will convert upon satisfaction of the following milestones:
 - (i) 31.5 million Performance Shares shall convert upon the launch of the Thred App (with defined functionality including message centre, Thred creation, link and image sharing, social profile collaboration and micro-Threds) within a period of 90 days from the date of completion of the Capital Raising (**Milestone 1**);

- (ii) 42 million Performance Shares shall convert upon 250,000 downloads of the Thred App being completed within a period of 90 days from satisfaction of Milestone 1;
- (iii) 42 million Performance Shares shall convert upon the Company updating the Thred App to incorporate an artificial intelligence (**AI**) engine within a period 180 days from completion of the Capital Raising (with the AI engine having minimum functionality consistent with the following):
 - (A) the AI engine learns the preferences of users and their message partners;
 - (B) the AI engine then predictively suggests matches when users are creating new Threds;
 - (C) suggested matches will include potential recipients who, through their own choices, have been profiled as having similar interests as the Thred creator; and
 - (D) the AI engine will suggest recipients only from the users' own connected social groups; and
- (iv) 31.5 million Performance Shares shall convert upon 1 million downloads of the Thred App being completed within a period of 360 days from the date of completion of the Capital Raising,

(each referred to as a **Milestone**).

- (m) **Conversion of Performance Shares:** In the event a Milestone is satisfied, the Performance Shares held by the Holder will convert into an equal number of Shares.
- (n) **No conversion if Milestone not achieved:** Any Performance Share not converted into a Share within the earlier of:
 - (i) the period referred to in respect of the relevant Milestone; or
 - (ii) 2 years from the issue of the Performance Share,
 will lapse.
- (o) **After conversion:** The Shares issued on conversion of the Performance Shares will, as and from 5:00pm WST on the date of issue, rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for official quotation of the Shares issued upon conversion.
- (p) **Conversion procedure:** The Company will issue the Holder with a new holding statement for the Shares as soon as practicable following the conversion of the Performance Shares into Shares.

- (q) **Ranking of Shares:** The Shares into which the Performance Shares will convert will rank pari passu in all respects with the Shares on issue at the date of conversion.

11.4 Details of Company and Thredit group entities

As at the date of this Prospectus, the Company's consolidated entities are as follows:

Controlled entities	Country of incorporation	Interest held
Promesa Ltd	Australia	Parent
Peru Mineral SAC	Peru	100%
Pegoco SAC	Peru	100%

Upon completion of the Acquisition, the Company will also control Thredit and its subsidiaries, which as at the date of this Prospectus are as follows:

Controlled entities	Country of incorporation	Interest held
Thredit Limited	Hong Kong	Parent
Thred Innovations Limited	Hong Kong	80%

11.5 Interests of Directors

Other than as set out in this Prospectus, no Director or Proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with ASIC, any interest in:

- 11.5.1 the formation or promotion of the Company;
- 11.5.2 any property acquired or proposed to be acquired by the Company in connection with:
- (a) its formation or promotion; or
 - (b) the Offers; or
- 11.5.3 the Offers,
- and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or Proposed Director:
- 11.5.4 as an inducement to become, or to qualify as, a Director; or
- 11.5.5 for services provided in connection with:
- (a) the formation or promotion of the Company; or
 - (b) the Offers.

11.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- 11.6.1 person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- 11.6.2 promoter of the Company; or
- 11.6.3 underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with ASIC, any interest in:

- 11.6.4 the formation or promotion of the Company;
- 11.6.5 any property acquired or proposed to be acquired by the Company in connection with:
 - (a) its formation or promotion; or
 - (b) the Offers; or
- 11.6.6 the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- 11.6.7 the formation or promotion of the Company; or
- 11.6.8 the Offers.

BDO has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Section 9. The Company estimates it will pay BDO a total of \$15,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, BDO has received approximately \$34,000 (exclusive of GST) in fees from the Company in connection with the preparation of the independent expert's report and valuation contained in the Notice of Meeting.

Armada Capital has acted as lead manager to the Company in relation to the Public Offer. The Company will pay Armada Capital fees in accordance with the Armada Capital Mandate summarised in Section 10.3.10 for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Armada Capital has received \$45,316 in fees from the Company for services relating to placement of Shares.

Lavan Legal (a firm in which Director, Hersh Solomon Majteles is a partner) have acted as the solicitors in relation to the Offers. The Company estimates Lavan Legal will be paid \$155,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, the Company has incurred fees with Lavan Legal in an amount of \$63,703 (excluding GST and disbursements) for legal services.

11.7 Consents

Each of the parties referred to in this Section:

- 11.7.1 does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- 11.7.2 to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

BDO has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Investigating Accountant's Report in Section 9 in the form and context in which the information and report is included. BDO has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

Lavan Legal have given their written consent to being named as the solicitors to the Company in this Prospectus. Lavan Legal have not withdrawn their consent prior to the lodgement of this Prospectus with ASIC.

Armada Capital has given its written consent to being named as the lead manager to the Company in this Prospectus. Armada Capital has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Bentleys have given their written consent to being named as the auditor to the Company in this Prospectus. Bentleys have not withdrawn their consent prior to the lodgement of this Prospectus with ASIC.

Mazars have given their written consent to being named as the auditor to Thredit in this Prospectus. Mazars have not withdrawn their consent prior to the lodgement of this Prospectus with ASIC.

Advanced Share Registry has given its written consent to being named as the share registry to the Company in this Prospectus. Advanced Share Registry has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

There are a number of other persons referred to in this Prospectus who are not experts and who have not made statements included in this Prospectus. There are no statements made in this Prospectus on the basis of any statements made by these persons. These persons did not consent to being named in this Prospectus and did not authorise or cause the issue of this Prospectus.

11.8 Expenses of the Offers

The total expenses of the Offers (excluding GST) are estimated to be approximately \$601,450 for full subscription or \$906,610 including full over subscriptions and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Minimum Subscription (\$)	Maximum Subscription (\$)
ASIC fees	2,320	2,320
ASX fees	94,935	100,095
Broker commissions ¹	300,000	600,000
Legal fees	164,195	164,195
Investigating Accountant's fees	15,000	15,000
Printing, distribution and registry	5,000	5,000
Miscellaneous	20,000	20,000
Total:	\$601,450	\$906,610

Note: Armada Capital will receive a fee of 1% of all funds raised under the Public Offer, in addition to a fee of 5% of the value of the Shares placed to its clients. For further details, refer to the summary of the Armada Capital mandate in Section 10.3.10.

11.9 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) and, as such, is subject to regular reporting and disclosure obligations. The Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX.

11.10 Clearing House Electronic Subregister System (CHES) and Issuer Sponsored holdings

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be sent a statement that sets out the number of Shares issued to them under this Prospectus. The notice will also advise Shareholders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. A monthly statement will be sent to Shareholders if there has been any change to the number of Shares held during the preceding month. That statement is dispatched in the week following the relevant month end.

11.11 Forecast financial information

Given the nature of the Thredit business and the fact it is in an early stage of development, there are significant uncertainties associated with forecasting future revenues and expenses of the Company. In light of uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company will operate, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On this basis and after considering Regulatory Guide 170, the Directors believe that reliable financial forecasts for the Company cannot be prepared and accordingly have not included financial forecasts in this Prospectus.

11.12 Privacy statement

The Company collects information about each Applicant from the Application Form for the purposes of processing and, if the Application is successful, to administer the Applicant's shareholding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information in the Application Form for the purposes set out in this Prospectus and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers (including mailing houses), ASX, ASIC and other regulatory authorities.

If an Applicant becomes a Shareholder, the Corporations Act requires the Company to include information about the Shareholder (name, address and details of the Shares held) in its public registers. This information must remain in the registers even if that person ceases to be a Shareholder. Information contained in the Company's registers is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its Shareholders) and compliance by the Company with legal and regulatory requirements. Successful Applicants may request access to their personal information held by (or on behalf of) the Company by telephoning or writing to the Company Secretary.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

12. Directors' authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director and each Proposed Director has consented to the lodgement of this Prospectus with ASIC.



Ananda Kathiravelu

Executive Director

For and on behalf of
Promesa Ltd

13. Glossary

Where the following terms are used in this Prospectus they have the following meanings:

\$	means the official currency of the Commonwealth of Australia.
Acquisition	means the Company's proposed acquisition of Thredit, as described in further detail in Section 8.1.
AG&E	Australian Gaming & Entertainment Ltd ACN 149 057 741 (under external administration).
Ampere	means Ampere Pty Ltd ACN 150 134 777 (an entity controlled by Director, Ananda Kathiravelu).
API	means 'application programming interface', a set of routines, protocols, and tools for building software applications.
app	is an abbreviation for 'application' and refers to a small, specialist software programme that can be downloaded over the internet onto a mobile device that is connected to the internet.
Applicant	means a person who applies for Shares pursuant to the Public Offer using an Application Form.
Application Form	means the application form attached to or accompanying this Replacement Prospectus relating to the Priority Offer and/or the Public Offer and/or the Series A Lender Offer and/or the Series B Lender Offer, as the context requires or permits.
Armada Capital	means Armada Capital Pty Ltd ACN 112 297 953 (an entity controlled by Director, Ananda Kathiravelu).
ASIC	means Australian Securities & Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.
BDO	means BDO Corporate Finance (WA) Pty Ltd ACN 124 031 045.
Bentleys	means Bentleys Audit & Corporate (WA) Pty Ltd ACN 121 222 802.
Board	means the board of Directors as constituted from time to time.
Business Day	means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.
Closing Date	means the closing date of the Offers as set out in the indicative timetable in the Investment Overview in Section 3 (subject to the Company reserving the right to extend the Closing Date or close the Offers early).
Company	means Promesa Ltd ACN 124 541 466.

Consideration Securities	means the Securities to be issued to Key Idea (or its nominee(s)), being 250 million Shares and 140 million Performance Shares.
Consolidation	means the consolidation of the Company's capital on a 1 for 5 basis as approved by Shareholders at the General Meeting.
Constitution	means the constitution of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Directors	means the directors of the Company.
Exposure Period	means the period of 7 days after the date of lodgement of the Original Prospectus with ASIC.
Facilitator	means Mr Dean Bannister.
Facilitator Offer	has the meaning given to that term in Section 5.1.5.
General Meeting	means the general meeting of Shareholders held on 16 October 2015.
Ha	means hectares.
Heads of Agreement	means the agreement relating to the Company's proposed acquisition of Thredit, details of which are set out in Section 8.1.
Intellectual Property Rights	means all copyright (including rights in computer software), domain names and social media accounts, moral rights, rights in confidential information, know how or other proprietary rights (whether or not any of these are registered and including any application for registration) and all rights or forms of protection of a similar nature or having equivalent or similar effect to any of these which may subsist anywhere in the world.
Investigating Accountant	means BDO Corporate Finance (WA) Pty Ltd ACN 124 031 045.
Key Idea	means Key Idea Holdings Ltd (a company incorporated in the British Virgin Islands and controlled by Proposed Director, David Whitaker).
Listing Rules	means the official listing rules of ASX.
Mazars	means Mazars CPA Limited (an entity incorporated in Hong Kong) with registered number 1110275.
Notice of Meeting	means the notice convening the General Meeting, as dispatched to Shareholders on 15 September 2015.
Offer Period	means the period commencing on the Opening Date and ending on the Closing Date.
Offers	means the offers of Securities under this Replacement Prospectus, as described in Section 5.

Official List	means the official list of ASX.
Official Quotation	means official quotation by ASX in accordance with the Listing Rules.
OMG	means Orbit Media Group Pty Ltd ACN 144 902 634, an entity controlled by Proposed Director, Christopher Adams.
Opening Date	means the opening date of the Offers as set out in the indicative timetable in the Investment Overview in Section 3.
Option	means an option to acquire a Share.
Original Prospectus	means the prospectus in relation to the Offers dated 17 March 2016.
Performance Share	means a performance share issued on the terms and conditions set out in Section 11.3.3.
Priority Offer	has the meaning given to that term in Section 5.1.1.
Priority Offer Record Date	means the date by which a person must be registered as a Shareholder on the Company's register of members in order to be eligible to participate in the Priority Offer, being the date set out in the indicative Offer timetable in Section 3.
Priority Offer Shares	means Shares issued pursuant to the Priority Offer.
Proposed Directors	means each of Mr David Whitaker, Mr Christopher Jones and Mr Christopher Adams.
Prospectus or Replacement Prospectus	means this prospectus.
Public Offer	has the meaning given to that term in Section 5.1.1.
Section	means a section of this Prospectus.
Security	means a Share and/or an Option and/or a Performance Share, as the context requires.
Series A Lender Offer	has the meaning given to that term in Section 5.1.2.
Series A Lenders	means each of those parties who has advanced a Series A Loan to Thredit.
Series A Loan	means a convertible loan between Thredit and a Series A Lender, the terms of which are described in Section 8.8.
Series B Lender Offer	has the meaning given to that term in Section 5.1.4.
Series B	means each of those parties who has advanced a Series B Loan to Thredit.

Lenders	
Series B Loan	means a convertible loan between Thredit and a Series B Lender, the terms of which are described in Section 8.9.
Share	means a fully paid ordinary share in the capital of the Company.
Share Registry	means Advanced Share Registry Ltd ACN 127 175 946.
Shareholder	means a holder of Shares.
Simon Nominees	means Simon Nominees Pty Ltd ACN 008 813 483 (a related party of the Company, being an entity controlled by Director, Hersh Solomon Majteles).
Supaval	means Supaval Pty Ltd ACN 154 194 091 as trustee for the Supaval Superannuation Fund (a related party of the Company, being an entity controlled by a relative of Director, Ananda Kathiravelu).
Symplicit	means Symplicit Pty Ltd ACN 103 134 087.
Thred App or Thred	means a messaging platform and mobile app.
Thredit	means Thredit Limited (a company incorporated in Hong Kong) with registered number 2215042..
Vendor Offer	has the meaning given to that term in Section 5.1.2.
WST	means Western Standard Time as observed in Perth, Western Australia.

Annexure A: Thredit Audited Accounts

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Consolidated Financial Statements

Thredit Limited

Period from 1 July 2015 to 31 December 2015

Independent Auditor's Report

To the member of

Thredit Limited

(incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements

of Thredit Limited (the "Company") set out on pages 3 to 18, which comprise the consolidated statements of financial position as at 31 December 2015, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period from 1 July 2015 to 31 December 2015, and a summary of significant accounting policies and other explanatory information.

Director's responsibility for the consolidated financial statements

The sole director of the Company is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), and for such internal control as the sole director determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditor's Report

To the member of

Thredit Limited

(incorporated in Hong Kong with limited liability)

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Company and its subsidiary (together the "Group") as at 31 December 2015, and of their financial performance and cash flows for the period then ended in accordance with Hong Kong Financial Reporting Standards.

Emphasis of matter

Without modifying our opinion, we draw attention to note 1 to the consolidated financial statements concerning the adoption of the going concern basis on which the consolidated financial statements have been prepared. At the end of the reporting period, the Group had net current liabilities and capital deficiency of HK\$8,094,407 and HK\$8,953,505 respectively. The validity of the basis depends on the Group's future profitable operation and the continuing financial support from the ultimate holding company and the sole director. The ultimate holding company and the sole director have confirmed in writing their intention to provide continuing financial support to the Group. The consolidated financial statements do not include any adjustments that would result from a failure to obtain the necessary finance. We consider that appropriate disclosures have been made in this respect.



Certified Public Accountants
Hong Kong, 29 February 2016

Chan Hiu Fun

Practising Certificate number: P05709

Thredit Limited

Consolidated Statement of Comprehensive Income

Period from 1 July 2015 to 31 December 2015

		From 1 July 2015 to 31 December 2015 HK\$	From 1 April 2015 to 31 December 2015 HK\$
	<i>Note</i>		
Revenue	2	-	-
Administrative expenses		<u>(4,660,954)</u>	<u>(8,903,526)</u>
Loss before tax	3	(4,660,954)	(8,903,526)
Income tax expense	4	<u>-</u>	<u>-</u>
Loss for the period		(4,660,954)	(8,903,526)
Other comprehensive income for the period		<u>-</u>	<u>-</u>
Total comprehensive loss for the period		<u>(4,660,954)</u>	<u>(8,903,526)</u>
Loss and total comprehensive loss attributable to:			
Owners of the Company		(4,660,954)	(8,903,526)
Non-controlling interests		<u>-</u>	<u>-</u>
		<u>(4,660,954)</u>	<u>(8,903,526)</u>

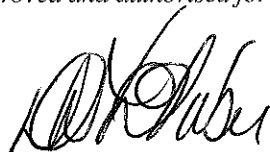
Thredit Limited

Consolidated Statement of Financial Position

At 31 December 2015

		At 31 December 2015 HK\$	At 31 March 2015 HK\$
Non-current assets			
Property, plant and equipment	5	21,215	-
Intangible assets	6	1	1
		<u>21,216</u>	<u>1</u>
Current Assets			
Other receivables		<u>5,000</u>	<u>-</u>
Current liabilities			
Other payables		1,219,638	50,000
Advance from a director	8	1,322,515	-
Loan from third parties	9	5,557,254	-
		<u>8,099,407</u>	<u>50,000</u>
Net current liabilities		<u>(8,094,407)</u>	<u>(50,000)</u>
Total assets less current liabilities		<u>(8,073,191)</u>	<u>(49,999)</u>
Non-current liability			
Loan from a director	10	<u>880,314</u>	<u>-</u>
NET LIABILITIES		<u>(8,953,505)</u>	<u>(49,999)</u>
CAPITAL AND RESERVE			
Share capital	11	1	1
Accumulated losses		<u>(8,953,526)</u>	<u>(50,000)</u>
Equity attributable to owners of the Company		<u>(8,953,525)</u>	<u>(49,999)</u>
Non-controlling interests		<u>20</u>	<u>-</u>
TOTAL DEFICIT		<u>(8,953,505)</u>	<u>(49,999)</u>

Approved and authorised for issue by the Sole Director on 29 FEB 2016



Sole Director
Whitaker David

Thredit Limited

Consolidated Statement of Changes in Equity

Period from 1 July 2015 to 31 December 2015

	Attributable to owners of the Company		Non- controlling interests HK\$	Total HK\$
	Share capital HK\$	Accumulated losses HK\$		
Share issued upon incorporation	1	-	-	1
Loss for the period and total comprehensive loss for the period	-	(50,000)	-	(50,000)
At 31 March 2015	1	(50,000)	-	(49,999)
At 1 April 2015	1	(50,000)	-	(49,999)
Loss for the period and total comprehensive loss for the period	-	(4,242,572)	-	(4,242,572)
Transaction with equity holders: Investment in a subsidiary	-	-	20	20
At 30 June 2015	1	(4,292,572)	20	(4,292,551)
At 1 July 2015	1	(4,292,572)	20	(4,292,551)
Loss for the period and total comprehensive loss for the period	-	(4,660,954)	-	(4,660,954)
At 31 December 2015	1	(8,953,526)	20	(8,953,505)

Thredit Limited

Consolidated Statement of Cash Flows

Period from 1 July 2015 to 31 December 2015

	From 1 July 2015 to 31 December 2015 HK\$	From 1 April 2015 to 31 December 2015 HK\$
OPERATING ACTIVITIES		
Loss before tax	(4,660,954)	(8,903,526)
Depreciation	2,496	3,744
Changes in working capital:		
Other receivables	-	(5,000)
Other payables	(209,574)	1,169,638
Net cash used in operating activities	(4,868,032)	(7,735,144)
INVESTMENT ACTIVITIES		
Purchase of property, plant and equipment	-	(24,959)
Net cash used in investing activities	-	(24,959)
FINANCING ACTIVITIES		
Issue of share capital of a subsidiary	-	20
Advance from a director	1,322,515	1,322,515
(Repayment to) loan from a director	(54,300)	880,314
Loan from third parties	3,599,817	5,557,254
Net cash from financing activities	4,868,032	7,760,103
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of period	-	-
Cash and cash equivalents at end of period	-	-

Thredit Limited

Notes to the Consolidated Financial Statements

Period from 1 July 2015 to 31 December 2015

CORPORATE INFORMATION

Thredit Limited (the “Company”) is a limited liability company incorporated in Hong Kong. The Company’s registered office is located at Room 83, Zung Fu Building, 1067 King's Road, Quarry Bay, Hong Kong. In the opinion of the sole director, the ultimate and immediate holding company of the Company is Key Idea Holdings Limited, which is established in British Virgin Islands. The principal activity of the Company is software development. The principle activity of its subsidiary is detailed in note 7 to the consolidated financial statements.

1. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong.

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2015 financial statements. The adoption of the new / revised HKFRSs that are relevant to the Company and its subsidiary (together the “Group”) and effective from the current year had no significant effects on the results and financial position of the Group for the current year and prior years. A summary of the principal accounting policies adopted by the Group is set out below.

Going concern

The consolidated financial statements have been prepared in conformity with the principles applicable to a going concern basis. The applicability of these principles is dependent upon continued availability of adequate finance or attaining profitable operations in the future in view of the excess of current liabilities over current assets and capital deficiency. The ultimate holding company and the director have confirmed its intention to make available adequate funds to the Group as and when required to maintain the Group as a going concern.

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary. The financial statements of the subsidiary are prepared for the same reporting period as that of the Company using consistent accounting policies.

All intra-group balance, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of the subsidiary is consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Notes to the Consolidated Financial Statements

Period from 1 July 2015 to 31 December 2015

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (Continued)

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by HKFRSs.

Allocation of total comprehensive income

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method. Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis and depreciated separately:

Furniture and fixtures	20%
------------------------	-----

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

Notes to the Consolidated Financial Statements

Period from 1 July 2015 to 31 December 2015

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Recognition and derecognition (continued)

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement

Financial assets or financial liabilities are initially recognised at their fair value plus, in the case of financial assets or financial liabilities not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

1) Loans and receivables

Loans and receivables including other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition over the period to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in profit or loss.

2) Financial liabilities

The Group's financial liabilities include other payables and loan from third parties. All financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Impairment of financial assets

At the end of each reporting period, the Group assesses whether there is objective evidence that financial assets, other than those at fair value through profit or loss, are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. Such impairment loss is reversed in subsequent periods through profit or loss when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Intangible assets

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and accumulated impairment losses, if any. Amortisation for intangible assets with finite useful lives is provided over their estimated useful lives when the intangible assets are ready for their intended use of production.

Notes to the Consolidated Financial Statements

Period from 1 July 2015 to 31 December 2015

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in the currency of Hong Kong dollars ("HK\$"), which is also the Company's functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Impairment of intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

Employee benefits

Short term employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees.

Notes to the Consolidated Financial Statements

Period from 1 July 2015 to 31 December 2015

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Taxation

The charge for current income tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, any deferred tax arising from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Related parties

A related party is a person or entity that is related to the Group.

- (a) A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of the holding of the Group.

- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each holding, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a holding of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Thredit Limited

Notes to the Consolidated Financial Statements

Period from 1 July 2015 to 31 December 2015

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Related parties (Continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

Future changes in HKFRSs

At the date of authorisation of these financial statements, the HKICPA has issued a number of new / revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted. The sole director is in the process of assessing the possible impact on the future adoption of these new / revised HKFRSs, but is not yet in a position to reasonably estimate their impact on the consolidated financial statements.

2. REVENUE

No revenue was generated by the Group.

3. LOSS BEFORE TAX

	From 1 July 2015 to 31 December 2015 HK\$	From 1 April 2015 to 31 December 2015 HK\$
This is stated after charging:		
Other items		
Staff costs (including directors' remuneration)		
Employee benefits expenses	592,108	1,042,108
Contributions to defined contribution plans	13,691	15,191
Depreciation	2,496	3,744
Exchange loss	816,392	823,513
	<u>816,392</u>	<u>823,513</u>

Thredit Limited

Notes to the Consolidated Financial Statements

Period from 1 July 2015 to 31 December 2015

4. TAXATION

Hong Kong Profits Tax has not been provided as the Group has no assessable profit.

	From 1 July 2015 to 31 December 2015 HK\$	From 1 April 2015 to 31 December 2015 HK\$
<i>Reconciliation of income tax expenses</i>		
Loss before tax	<u>(4,660,954)</u>	<u>(8,903,526)</u>
Income tax at applicable tax rate of 16.5%	<u>(769,057)</u>	<u>(1,469,082)</u>
Non-deductible expenses	<u>769,057</u>	<u>1,469,082</u>
Income tax expense for the year	<u>-</u>	<u>-</u>

5. PROPERTY, PLANT AND EQUIPMENT

	Furniture and fixtures HK\$
Reconciliation of carrying amount - period ended 31 March 2015	
At 24 March 2015 (date of incorporation) and at 31 March 2015	<u>-</u>
Reconciliation of carrying amount - period ended 31 December 2015	
At 1 April 2015	-
Additions	24,959
Depreciation	<u>(3,744)</u>
At 31 December 2015	<u>21,215</u>
At 31 March 2015	
Cost	-
Accumulated depreciation	<u>-</u>
At 31 December 2015	
Cost	24,959
Accumulated depreciation	<u>(3,744)</u>
	<u>21,215</u>

Thredit Limited

Notes to the Consolidated Financial Statements

Period from 1 July 2015 to 31 December 2015

6. INTANGIBLE ASSET

	Software HK\$
Reconciliation of carrying amount - period ended 31 March 2015	
At 24 March 2015 (date of incorporation)	-
Additions	1
	<hr/>
At 31 March 2015	1
	<hr/>
Reconciliation of carrying amount - period ended 31 December 2015	
At 1 April 2015 and at 31 December 2015	1
	<hr/>
At 31 March 2015	
Cost	1
Accumulated amortization and impairment losses	-
	<hr/>
	1
	<hr/>
At 31 December 2015	
Cost	1
Accumulated amortization and impairment losses	-
	<hr/>
	1
	<hr/>

As at 31 March 2015 and at 31 December 2015, the intangible asset represents a software to enhance communication between people (the "Software") acquired from a related company. No amortization has been recognised during the period since the intangible asset is not in the condition necessary for it to be capable of operating in the manner intended by the management.

7. INVESTMENT IN A SUBSIDIARY

On 14 April 2015, the Company set up an 80% owned subsidiary with an initial investment of HK\$80. Details of the subsidiary at the end of the reporting period are as follows:

Name of subsidiary	Country of incorporation / registration	Class of share held	Proportion of equity interest directly attributable to the Company	Principal activity
Thred Innovations Limited	Hong Kong	HK\$100 capital (100 ordinary shares)	80%	Dormant

Thredit Limited

Notes to the Consolidated Financial Statements

Period from 1 July 2015 to 31 December 2015

8. ADVANCE FROM A DIRECTOR

The amounts due are unsecured, interest-free and have no fixed repayment term.

9. LOAN FROM THIRD PARTIES

The amount relates to a number of convertible loans which have been advanced by third party lenders to the Company. As at the end of the reporting period, the Company has obtained Series A Loans of HK\$2,948,992 ("Series A Loans") and Series B Loans of HK\$2,608,262 ("Series B Loans"). Both Series A Loans and Series B Loans are unsecured and interest-bearing at 8% per annum.

Subject to the entering into a deed of charge between the lenders and the Company, the lenders have the right to secure the loans by registering a floating charge in respect of the Company's assets and undertakings.

Pursuant to an agreement ("Heads of Agreement") entered into between the immediate holding company, Promesa Limited ("Promesa") and the Company on 7 April 2015, the immediate holding company granted an option to Promesa to acquire 100% of the issued capital of the Company. Promesa exercised that option on 7 May 2015. The transfer of the shares of the Company and the Heads of Agreement are conditional upon a number of conditions being satisfied. If those conditions are not satisfied or waived by Promesa by 29 April 2016, the Heads of Agreement will terminate.

The Series A Loans and Serious B Loans will automatically convert into fully paid ordinary shares in Promesa at Australian dollars ("AUD") 0.025 per share and AUD 0.04 per share respectively upon completion of sale of the shares in the Company to Promesa under the Heads of Agreement.

Unless repaid early by the Company or converted into shares in Promesa, both Series A Loans and Series B Loans are repayable by the Company on the earlier of (a) the date which is 9 months after the termination of the Heads of Agreement; and (b) the date that the relevant lender gives a repayment notice to the Company with no earlier than 3 months after termination of the Heads of Agreement.

10. LOAN FROM A DIRECTOR

The amounts due are unsecured, interest-free and repayable on 1 January 2017.

Thredit Limited

Notes to the Consolidated Financial Statements

Period from 1 July 2015 to 31 December 2015

11. SHARE CAPITAL

	At 31 December 2015		At 31 March 2015	
	<i>No. of shares</i>	<i>HK\$</i>	<i>No. of shares</i>	<i>HK\$</i>
Issued and fully paid:				
At the beginning of the reporting period	1	1	-	-
New issued shares	-	-	1	1
At the end of the reporting period	1	1	1	1

12. RELATED PARTY TRANSACTIONS

In addition to the transactions / information disclosed elsewhere in these financial statements, during the period, the Group had the following transactions with related party:

Related party relationship	Nature of transaction	From 1 July 2015 to 31 December 2015 <i>HK\$</i>	From 1 April 2015 to 31 December 2015 <i>HK\$</i>
Key management personnel - Director	Director's remuneration	462,737	862,737
Companies under common control	Development expenses	<u>203,770</u>	<u>203,770</u>

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise other receivable, other payables, loan from a director and loan from third parties. The main purpose of these financial instruments is to raise and maintain finance for the Group's operations.

The main risk arising from the Group's financial instruments are foreign currency risk and liquidity risk. The Group does not have any written risk management policies and guidelines. However, the sole director generally adopts conservative strategies on its risk management and limits the Group's exposure to these risks to a minimum. The sole director review and agree policies for managing each of the risk and it is summarised below.

Thredit Limited

Notes to the Consolidated Financial Statements

Period from 1 July 2015 to 31 December 2015

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Foreign currency risk

The Company is exposed to foreign currency risk primarily through the settlement of other payables, loan from third parties and loan from a director. The currencies giving rise to this risk are primarily Australian dollars.

Details of the financial assets and financial liabilities denominated in Australian dollars as at the end of the reporting period in HK\$ equivalents were as follows:

	<i>HK\$</i>
At 31 December 2015	
Other payables	678,609
Loan from third parties	5,557,254
Loan from a director	880,314
	<u>7,116,177</u>

At the end of the reporting period, if Hong Kong dollars had weakened / strengthened by 5% (31 March 2015: 5%) against Australian dollars with all other variables held constant, the Group's loss for the year would have been HK\$356,000 (31 March 2015: Nil) higher / lower, mainly as a result of foreign exchange losses / gains on translation of these foreign currencies denominated transactions, assets and liabilities.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the loan from a director and loan from third parties. The undiscounted contractual maturity profile of the company's financial liabilities at the end of the reporting period, based on the earliest date on which the Company's required to settle is summarised below:

	Less than 3 months / On demand <i>HK\$</i>	3-12 months <i>HK\$</i>	1-5 years <i>HK\$</i>	Total Contractual undiscounted cash flow <i>HK\$</i>	Total Carrying value <i>HK\$</i>
At 31 December 2015					
Other payables	1,219,638	-	-	1,219,638	1,219,638
Advance from a director	1,322,515	-	-	1,322,515	1,322,515
Loan from third parties	-	6,001,834	-	6,001,834	5,557,254
Loan from a director	-	-	880,314	880,314	880,314
	<u>2,542,153</u>	<u>6,001,834</u>	<u>880,314</u>	<u>9,424,301</u>	<u>8,979,721</u>
At 31 March 2015					
Other payables	50,000	-	-	50,000	50,000
	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>

Notes to the Consolidated Financial Statements

Period from 1 July 2015 to 31 December 2015

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair values of financial instruments

In the opinion of the sole director, the carrying values of the financial liabilities at the end of the reporting period approximate their fair values due to the short-term maturity of the balances.

14. CAPITAL MANAGEMENT

The objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to provide returns for the holding company. The Group manages its capital structure and makes adjustments, including payment of dividend to its shareholder, return of capital to its shareholder or issue of new shares or sale of assets to reduce debts. No changes were made in the objectives, policies or processes during the Period from 1 July 2015 to 31 December 2015.

15. COMPARATIVE FIGURES

The consolidated financial statements for the current period cover a period of 6 months ended 31 December 2015.

The corresponding amounts shown for the statement of changes in equity and related explanatory information cover a period of 8 days from 24 March 2015 (date of incorporation) to 31 March 2015 and therefore may not be entirely comparable with amounts shown for the current period.

16. DISCLOSURE PURSUANT TO SECTION 436 OF THE HONG KONG COMPANIES ORDINANCE (THE "HKCO")

The financial information relating to the period ended from 24 March 2015 (date of incorporation) to 31 March 2015 does not constitute the Company's specified financial statements for the period as defined in section 436 of the HKCO but is derived therefrom.

The Company is not required to deliver its specified financial statements to the Registrar of Companies and has not done so.

Auditor's reports have been prepared on the specified financial statements for period ended from 24 March 2015 (date of incorporation) to 31 March 2015. The auditor's reports:

- were not qualified or otherwise modified;
- referred to matter to which the auditor drew attention by way of emphasis without qualifying the reports; and
- did not contain a statement under section 406(2) or 407(2) or (3) of the HKCO.

Consolidated Financial Statements
Thredit Limited
Period from 1 April 2015 to 30 June 2015

Independent Auditor's Report

To the member of

Thredit Limited

(incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Thredit Limited (the "Company") set out on pages 3 to 18, which comprise the consolidated statements of financial position as at 30 June 2015, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period from 1 April 2015 to 30 June 2015, and a summary of significant accounting policies and other explanatory information.

Director's responsibility for the consolidated financial statements

The sole director of the Company is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), and for such internal control as the sole director determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditor's Report

To the member of

Thredit Limited

(incorporated in Hong Kong with limited liability)

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Company and its subsidiary (together the "Group") as at 30 June 2015, and of their financial performance and cash flows for the period then ended in accordance with HKFRSs.

Emphasis of matter

Without modifying our opinion, we draw attention to note 1 to the consolidated financial statements concerning the adoption of the going concern basis on which the consolidated financial statements have been prepared. At the end of the reporting period, the Group had net current liabilities and capital deficiency of HK\$3,357,937 and HK\$4,292,551 respectively. The validity of the basis depends on the Group's future profitable operation and the continuing financial support from the ultimate holding company and the director. The ultimate holding company and the director have confirmed in writing their intention to provide continuing financial support to the Group. The consolidated financial statements do not include any adjustments that would result from a failure to obtain the necessary finance. We consider that appropriate disclosures have been made in this respect.



Certified Public Accountants

Hong Kong, **17 NOV 2015**

Chan Hiu Fun

Practising Certificate number: P05709

Thredit Limited

Consolidated Statement of Comprehensive Income

Period from 1 April 2015 to 30 June 2015

	<i>Note</i>	<i>HK\$</i>
Turnover	2	-
Administrative expenses		<u>(4,242,572)</u>
Loss before tax	3	(4,242,572)
Income tax expense	4	<u>-</u>
Loss for the period		(4,242,572)
Other comprehensive income for the period		<u>-</u>
Total comprehensive loss for the period		<u>(4,242,572)</u>
Loss and total comprehensive loss attributable to:		
Owners of the Company		(4,242,572)
Non-controlling interests		<u>-</u>
		<u>(4,242,572)</u>

Thredit Limited

Consolidated Statement of Financial Position

At 30 June 2015

	<i>Note</i>	At 30 June 2015 HK\$	At 31 March 2015 HK\$
Non-current asset			
Property, plant and equipment	5	23,711	-
Intangible assets	6	1	1
		<u>23,712</u>	<u>1</u>
Current Assets			
Other receivables		<u>5,000</u>	<u>-</u>
Current liabilities			
Other payables		1,429,212	50,000
Loan from third parties	8	<u>1,957,437</u>	<u>-</u>
		<u>3,386,649</u>	<u>50,000</u>
Net current liabilities		<u>(3,381,649)</u>	<u>(50,000)</u>
Total assets less current liabilities		<u>(3,357,937)</u>	<u>(49,999)</u>
Non-current liabilities			
Loan from a director	9	<u>934,614</u>	<u>-</u>
NET LIABILITIES		<u>(4,292,551)</u>	<u>(49,999)</u>
CAPITAL AND RESERVE			
Share capital	10	1	1
Accumulated losses		<u>(4,292,572)</u>	<u>(50,000)</u>
Equity attributable to owners of the Company		<u>(4,292,571)</u>	<u>(49,999)</u>
Non-controlling interests		<u>20</u>	<u>-</u>
TOTAL DEFICIT		<u>(4,292,551)</u>	<u>(49,999)</u>

Approved and authorised for issue by the Sole Director on



Sole Director
Whitaker David

Thredit Limited

Consolidated Statement of Changes in Equity

Period from 1 April 2015 to 30 June 2015

	<u>Attributable to owners of the Company</u>		Non- controlling interests	Total
	Share capital	Accumulated losses	interests	Total
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Share issued upon incorporation	1	-	-	1
Loss for the period and total comprehensive loss for the period	-	(50,000)	-	(50,000)
At 31 March 2015	<u>1</u>	<u>(50,000)</u>	<u>-</u>	<u>(49,999)</u>
At 1 April 2015	1	(50,000)	-	(49,999)
Loss for the period and total comprehensive loss for the period	-	(4,242,572)	-	(4,242,572)
Transaction with equity holders:				
Investment in a subsidiary	-	-	20	20
At 30 June 2015	<u>1</u>	<u>(4,292,572)</u>	<u>20</u>	<u>(4,292,551)</u>

Thredit Limited

Consolidated Statement of Cash Flows

Period from 1 April 2015 to 30 June 2015

HK\$

OPERATING ACTIVITIES

Loss before tax	(4,242,572)
Depreciation	1,248
Changes in working capital:	
Other receivables	(5,000)
Other payables	1,379,212

Net cash used in operating activities (2,867,112)

INVESTING ACTIVITIES

Purchase of property, plant and equipment	<u>(24,959)</u>
---	-----------------

Net cash used in investing activities (24,959)

FINANCING ACTIVITIES

Issue of share capital of a subsidiary	20
Loan from a director	934,614
Loan from third parties	1,957,437

Net cash from financing activities 2,892,071

Net increase in cash and cash equivalents -

Cash and cash equivalents at beginning of period -

**Cash and cash equivalents at end of period,
represented by bank balances and cash** -

Notes to the Consolidated Financial Statements

Period from 1 April 2015 to 30 June 2015

CORPORATE INFORMATION

Thredit Limited (the “Company”) is a limited liability company incorporated in Hong Kong. The Company’s registered office is located at Smartspace 3C, Cyberport 3, 100 Cyberport Road, Pok Fu Lam, Hong Kong. In the opinion of the sole director, the ultimate and immediate holding company of the Company is Key Idea Holdings Limited, which is established in British Virgin Islands. The principal activity of the Company is software development. The principle activity of its subsidiary is detailed in note 7 to the consolidated financial statements.

1. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong.

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2015 financial statements. The adoption of the new / revised HKFRSs that are relevant to the Company and its subsidiary (together the “Group”) and effective from the current year had no significant effects on the results and financial position of the Group for the current year and prior years. A summary of the principal accounting policies adopted by the Group is set out below.

Going concern

The consolidated financial statements have been prepared in conformity with the principles applicable to a going concern basis. The applicability of these principles is dependent upon continued availability of adequate finance or attaining profitable operations in the future in view of the excess of current liabilities over current assets and capital deficiency. The ultimate holding company and the director have confirmed its intention to make available adequate funds to the Group as and when required to maintain the Group as a going concern.

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary. The financial statements of the subsidiary are prepared for the same reporting period as that of the Company using consistent accounting policies.

All intra-group balance, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of the subsidiary is consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Notes to the Consolidated Financial Statements

Period from 1 April 2015 to 30 June 2015

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (Continued)

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by HKFRSs.

Allocation of total comprehensive income

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method. Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis and depreciated separately:

Furniture and fixtures	5 years
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Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

Notes to the Consolidated Financial Statements

Period from 1 April 2015 to 30 June 2015

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement

Financial assets or financial liabilities are initially recognised at their fair value plus, in the case of financial assets or financial liabilities not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

1) Loans and receivables

Loans and receivables including other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition over the period to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in profit or loss.

2) Financial liabilities

The Group's financial liabilities include other payables and loan from third parties. All financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Impairment of financial assets

At the end of each reporting period, the Group assesses whether there is objective evidence that financial assets, other than those at fair value through profit or loss, are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. Such impairment loss is reversed in subsequent periods through profit or loss when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Intangible assets

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and accumulated impairment losses, if any. Amortisation for intangible assets with finite useful lives is provided over their estimated useful lives when the intangible assets are ready for their intended use of production.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in the currency of Hong Kong dollars ("HK\$"), which is also the Company's functional currency.

Notes to the Consolidated Financial Statements

Period from 1 April 2015 to 30 June 2015

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation (Continued)

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Impairment of intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

Employee benefits

Short term employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees.

Taxation

The charge for current income tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Notes to the Consolidated Financial Statements

Period from 1 April 2015 to 30 June 2015

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Taxation (Continued)

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, any deferred tax arising from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Related parties

A related party is a person or entity that is related to the Group.

- (a) A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of the holding of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each holding, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a holding of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

Notes to the Consolidated Financial Statements

Period from 1 April 2015 to 30 June 2015

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Future changes in HKFRSs

At the date of authorisation of these financial statements, the HKICPA has issued a number of new / revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted. The sole director is in the process of assessing the possible impact on the future adoption of these new / revised HKFRSs, but is not yet in a position to reasonably estimate their impact on the consolidated financial statements.

2. TURNOVER

No turnover was generated by the Group.

3. LOSS BEFORE TAX

This is stated after charging:

Other items

Staff costs (including directors' remuneration)

Employee benefits expenses

Contributions to defined contribution plans

HK\$

450,000

1,500

451,500

Depreciation

1,248

Exchange (gain) loss

7,121

4. TAXATION

Hong Kong Profits Tax has not been provided as the Group has no assessable profit.

HK\$

Reconciliation of income tax expenses

Loss before tax

(4,242,572)

Income tax at applicable tax rate of 16.5%

(700,024)

Non-deductible expenses

700,024

Income tax expense for the year

-

Thredit Limited

Notes to the Consolidated Financial Statements

Period from 1 April 2015 to 30 June 2015

5. PROPERTY, PLANT AND EQUIPMENT

	Furniture and fixtures HK\$
Reconciliation of carrying amount - period ended 31 March 2015 At 24 March 2015 (date of incorporation) and at 31 March 2015	-
Reconciliation of carrying amount - period ended 30 June 2015	
At 1 April 2015	-
Additions	24,959
Depreciation	(1,248)
At 30 June 2015	23,711
At 31 March 2015	
Cost	-
Accumulated depreciation	-
	-
At 30 June 2015	
Cost	24,959
Accumulated depreciation	(1,248)
	23,711

Thredit Limited

Notes to the Consolidated Financial Statements

Period from 1 April 2015 to 30 June 2015

6. INTANGIBLE ASSET

	Software HK\$
Reconciliation of carrying amount - period ended 31 March 2015	
At 24 March 2015 (date of incorporation)	-
Additions	<u>1</u>
At 31 March 2015	<u><u>1</u></u>
Reconciliation of carrying amount - period ended 30 June 2015	
At 1 April 2015 and at 30 June 2015	<u><u>1</u></u>
At 31 March 2015	
Cost	1
Accumulated amortization and impairment losses	<u>-</u>
	<u><u>1</u></u>
At 30 June 2015	
Cost	1
Accumulated amortization and impairment losses	<u>-</u>
	<u><u>1</u></u>

As at 31 March 2015 and at 30 June 2015, the intangible asset represents a software to enhance communication between people (the “Software”) acquired from a related company. No amortization has been recognised during the period since the intangible asset is not in the condition necessary for it to be capable of operating in the manner intended by the management.

Notes to the Consolidated Financial Statements

Period from 1 April 2015 to 30 June 2015

7. INVESTMENT IN A SUBSIDIARY

On 14 April 2015, the Company set up an 80% owned subsidiary with an initial investment of HK\$80. Details of the subsidiary at the end of the reporting period are as follows:

Name of subsidiary	Country of incorporation / registration	Class of share held	Proportion of equity interest directly attributable to the Company	Principal activity
Thred Innovations Limited	Hong Kong	HK\$100 capital (100 ordinary shares)	80%	Dormant

8. LOAN FROM THIRD PARTIES

The amount relates to a number of convertible loans which have been advanced by third party lenders to the Company (“Series A Loans”). Series A Loans are interest-bearing at 8% per annum and unsecured as at the end of the reporting period.

Subject to the entering into a deed of charge between the lenders and the Company, the lenders have the right to secure the loans by registering a floating charge in respect of the Company’s assets and undertakings.

Pursuant to an agreement (“Heads of Agreement”) entered into between the immediate holding company, Promesa Limited (“Promesa”) and the Company on 7 April 2015, the immediate holding company granted an option to Promesa to acquire 100% of the issued capital of the Company. Promesa exercised that option on 7 May 2015. The transfer of the shares of the Company and the Heads of Agreement are conditional upon a number of conditions being satisfied. If those conditions are not satisfied or waived by Promesa by 11 January 2016, the Heads of Agreement will terminate.

The Series A Loans will automatically convert into fully paid ordinary shares in Promesa at Australian dollars (“AUD”) 0.025 per share upon completion of the sale of the shares in the Company to Promesa under the Heads of Agreement.

Unless repaid early by the Company or converted into shares in Promesa, the Series A Loans are repayable by the Company on the earlier of (a) the date which is 9 months after the termination of the Heads of Agreement; and (b) the date that the relevant lender gives a repayment notice to the Company with no earlier than 3 months after termination of the Heads of Agreement.

Subsequent to the end of the reporting period, the Company has entered into further Series A Loans and another set of convertible loans by third party lenders (“Series B Loans”) of HK\$838,000 and HK\$2,627,000 respectively. The Series B Loans will automatically convert into fully paid ordinary shares in Promesa at AUD0.04 per share upon completion of sale of shares in the Company to Promesa under the Heads of Agreement. All other terms of Series B Loans are the same as Series A Loans.

Notes to the Consolidated Financial Statements

Period from 1 April 2015 to 30 June 2015

9. LOAN FROM A DIRECTOR

The amounts due are unsecured, interest-free and repayable on 1 January 2017.

10. SHARE CAPITAL

	At 30 June 2015		At 31 March 2015	
	<i>No. of shares</i>	<i>HK\$</i>	<i>No. of shares</i>	<i>HK\$</i>
Issued and fully paid:				
At beginning of reporting period	1	1	-	-
New issued shares	-	-	1	1
At end of the reporting period	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

11. RELATED PARTY TRANSACTIONS

In addition to the transactions / information disclosed elsewhere in these financial statements, during the period, the Group had the following transactions with related party:

Related party relationship	Nature of transaction	Amount HK\$
Key management personnel - Director	Director's remuneration	<u>400,000</u>

12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise other receivable, other payables, loan from a director and loan from third parties. The main purpose of these financial instruments is to raise and maintain finance for the Group's operations.

The main risk arising from the Group's financial instruments are foreign currency risk and liquidity risk. The Group does not have any written risk management policies and guidelines. However, the sole director generally adopts conservative strategies on its risk management and limits the Group's exposure to these risks to a minimum. The sole director review and agree policies for managing each of the risk and it is summarised below.

Foreign currency risk

The Company is exposed to foreign currency risk primarily through the settlement of other payables, loan from third parties and loan from a director. The currencies giving rise to this risk are primarily Australian dollars.

Notes to the Consolidated Financial Statements

Period from 1 April 2015 to 30 June 2015

12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Foreign currency risk (Continued)

Details of the financial assets and financial liabilities denominated in Australian dollars as at the end of the reporting period in HK\$ equivalents were as follows:

	<i>HK\$</i>
At 30 June 2015	
Other payables	894,685
Loan from third parties	1,957,437
Loan from a director	<u>934,614</u>
	<u><u>3,786,736</u></u>

At the end of the reporting period, if Hong Kong dollars had weakened / strengthened by 5% (31 March 2015: 5%) against Australian dollars with all other variables held constant, the Group's loss for the year would have been HK\$189,000 (31 March 2015: Nil) higher / lower, mainly as a result of foreign exchange losses / gains on translation of these foreign currencies denominated transactions, assets and liabilities.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the loan from a director and loan from third parties. The undiscounted contractual maturity profile of the company's financial liabilities at the end of the reporting period, based on the earliest date on which the Company's required to settle is summarised below:

	Less than 3 months / On demand <i>HK\$</i>	3-12 months <i>HK\$</i>	1-5 years <i>HK\$</i>	Total Contractual undiscounted cash flow <i>HK\$</i>	Total Carrying value <i>HK\$</i>
At 30 June 2015					
Other payables	1,429,212	-	-	1,429,212	1,429,212
Loan from third parties	-	2,114,032	-	2,114,032	1,957,437
Loan from a director	-	-	934,614	934,614	934,614
	<u>1,429,212</u>	<u>2,114,032</u>	<u>934,614</u>	<u>4,477,858</u>	<u>4,321,263</u>
At 31 March 2015					
Other payables	50,000	-	-	50,000	50,000
	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>

Fair values of financial instruments

In the opinion of the sole director, the carrying values of the financial liabilities at the end of the reporting period approximate their fair values due to the short-term maturity of the balances.

Notes to the Consolidated Financial Statements

Period from 1 April 2015 to 30 June 2015

13. CAPITAL MANAGEMENT

The objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to provide returns for the holding company. The Group manages its capital structure and makes adjustments, including payment of dividend to its shareholder, return of capital to its shareholder or issue of new shares or sale of assets to reduce debts. No changes were made in the objectives, policies or processes during the Period from 1 April 2015 to 30 June 2015.

14. COMPARATIVE FIGURES

The consolidated financial statements for the current period cover a period of 3 months ended 30 June 2015.

The corresponding amounts shown for the statement of changes in equity and related explanatory information cover a period of 8 days from 24 March 2015 (date of incorporation) to 31 March 2015 and therefore may not be entirely comparable with amounts shown for the current period.

15. DISCLOSURE PURSUANT TO SECTION 436 OF THE HONG KONG COMPANIES ORDINANCE (THE "HKCO")

The financial information relating to the period ended from 24 March 2015 (date of incorporation) to 31 March 2015 does not constitute the Company's specified financial statements for the period as defined in section 436 of the HKCO but is derived therefrom.

The Company is not required to deliver its specified financial statements to the Registrar of Companies and has not done so.

Auditor's reports have been prepared on the specified financial statements for period ended from 24 March 2015 (date of incorporation) to 31 March 2015. The auditor's reports:

- were not qualified or otherwise modified;
- referred to any matter to which the auditor drew attention by way of emphasis without qualifying the reports; and
- did not contain a statement under section 406(2) or 407(2) or (3) of the HKCO.

Application Forms

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