

**ASX Announcement****1 August 2016****Quarterly operational report and Appendix 4C****Highlights**

- ) **Thred social messaging platform advancing quickly and under budget**
- ) **Cash balance on 30 June 2016 of \$3.704 million after quarterly operational cash burn of \$1.500 million**

Thred Limited (ASX: THD, "the Company"), Australia's leading unified social messaging platform developer, is pleased to present its June 2016 quarterly report on business progress.

**Operational review**

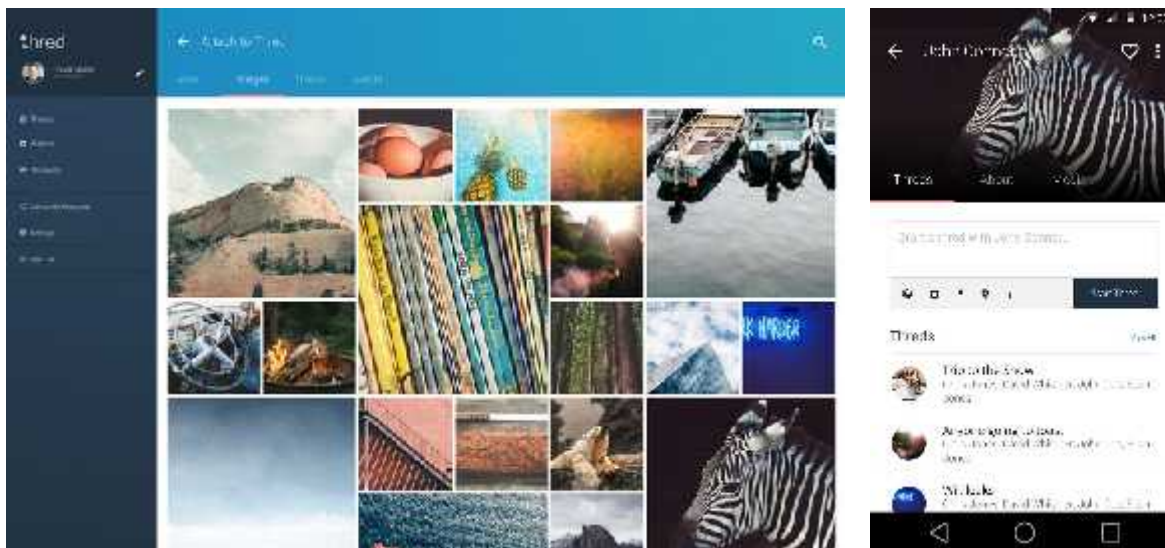
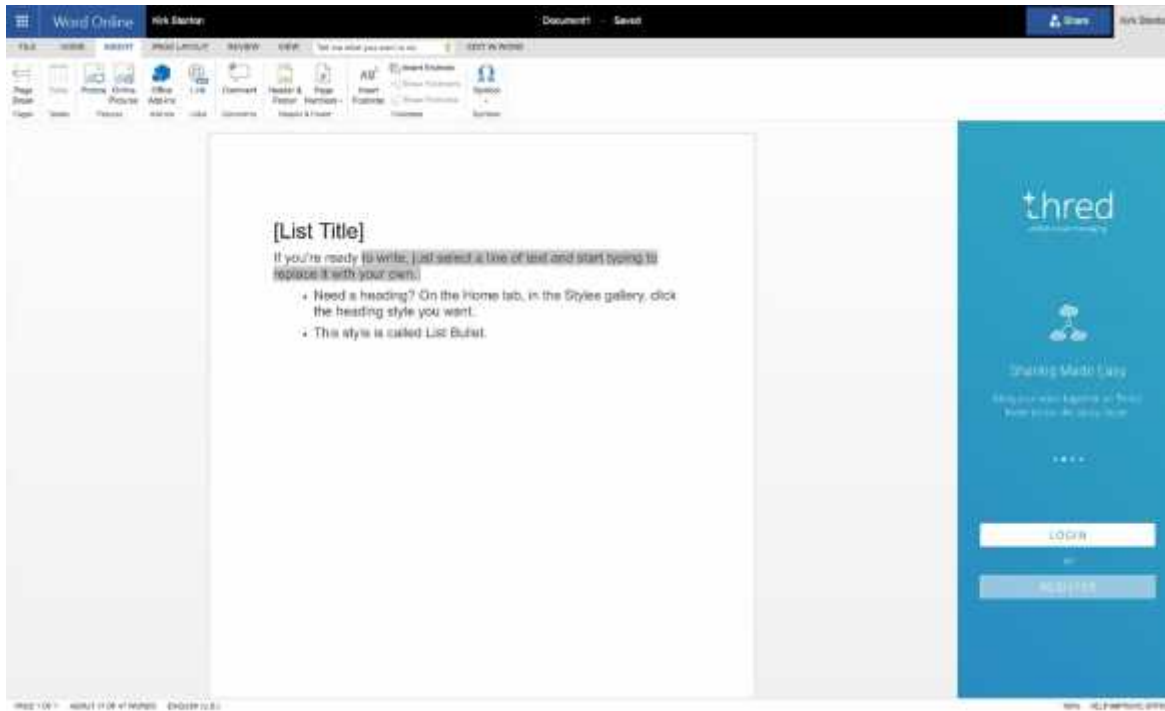
Thred's focus during the June quarter was development of its namesake software platform. Having proceeded through system design and backend development to integration and testing, the Company is pleased to report that the Thred social messaging platform is advancing at a fast pace and under budget relative to the original operating plan described in the Company's prospectus.

During the quarter, the development team focused on building and stabilising the Thred platform with a view toward integration with its channel partner Microsoft. The Company is pleased to confirm that Thred remains ahead of schedule for initial deployment in September 2016.

The Company's relationship with Microsoft continued to deepen and evolve through the quarter, manifesting itself most recently through Microsoft reselecting Thred as a member of its BizSpark Plus technology acceleration program. This sought-after position grants Thred access to Microsoft personnel, US\$120,000 in annual hosting and serving benefits and crucial independent validation of its unified social messaging platform.

As the Company announced on 27 July 2016, Thred is set for seamless integration across the spectrum of Microsoft Office 365 products. The Company anticipates that the integrated service will empower users to enjoy Thred functionality and engage in real-time chat sessions from within Microsoft Outlook and all Word, Excel and PowerPoint documents.

The following screenshots exhibit the Thred user experience which is continuing to develop within the Microsoft Office environment.



Source: Thred Ltd

Subsequent to the end of the quarter, Thred strengthened its Board of Directors, attracting internationally experienced start-up executive Geoff Marshall as Chairman. A qualified accountant based in Australia, Mr Marshall brings deep expertise in the digital realm as an investor and director across several large and small-cap ASX-listed companies. To maintain a five-person board, Ananda Kathiravelu stepped down as Non-Executive Director and Hersh Solomon Majteles has continued as Non-Executive Director.

During the quarter, the Company also successfully disposed of its Peruvian mining exploration assets at a sale price (before costs) of US\$350,000. This leaves Thred with one subsidiary with minimal liabilities, Pegoco, remaining in Peru.

## Corporate review

During the quarter, Thred successfully raised \$6.35 million (before costs) in an oversubscribed capital raising associated with its reverse takeover of Promesa Ltd (ASX: PRA).

This capital raising enabled the Company to complete the RTO and has provided the funding for Thred to accelerate its journey to commercialisation. The Company and its directors appreciate the support new and existing shareholders have shown through the capital raising process.

The Company's Appendix 4C report covers the period from 1 April to 30 June 2016. This includes a period prior to the Company acquiring the Thred business. As such, the consolidated quarterly report includes the activities and cash flows of the Company during its time as an ASX-listed entity prior to the RTO, under the name of Promesa Ltd.

Thred's cash balance on 30 June 2016 was \$3.594 million after June quarter operational cash burn of \$1.301 million. The Company incurred several cash outflows which were associated with the ASX listing and will not recur, including payments to staff and creditors accrued before the quarter and the cost of selling the Company's Peruvian assets.

Netting out these cash flows yields an underlying cash burn rate closer to \$150,000 per month. *All figures quoted in AUD unless otherwise stated*

For more information, please contact:

David Whitaker  
Chief Executive Officer  
+61 8 9389 5885  
[ir@thred.im](mailto:ir@thred.im)

Tim Dohrmann  
Investor and Media Enquiries  
+61 468 420 846  
[tim@nwrcommunications.com.au](mailto:tim@nwrcommunications.com.au)

About Thred: Thred Limited (ASX: THD) is a software developer working toward commercialisation of a unified social messaging platform and web and mobile app to enable cross platform communication. Based in Perth, the Company has developed systems that unify and centralise users' contacts while providing a centralised communication hub. Thred aims to empower anyone, anywhere to easily connect with anyone else or any group across social networks, contact databases, email and more to create, manage and archive communications around relevant content.

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

Thred Limited

ABN

36124541466

Quarter ended ("current quarter")

30 June 2016

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date \$A'000
1.1 Receipts from customers		
1.2 Payments for		
(a) staff costs	(75)	(75)
(b) advertising and marketing	(161)	(161)
(c) research and development	(319)	(319)
(d) leased assets		
(e) other working capital	(535)	(535)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	16	16
1.5 Interest and other costs of finance paid		
1.6 Income taxes (paid)/received	5	5
1.7 Other (former activities (exploration))	(431)	(870)
<b>Net operating cash flows</b>	<b>(1,500)</b>	<b>(1,939)</b>

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date \$A'000
1.8 Net operating cash flows (carried forward)	<b>(1,500)</b>	<b>(1,939)</b>
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	460	460
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
<b>Net investing cash flows</b>	<b>460</b>	<b>460</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(1,040)</b>	<b>(1,479)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	6,371	6,444
1.16 Proceeds from sale of forfeited shares		353
1.17 Proceeds from borrowings		(821)
1.18 Repayment of borrowings	(821)	(821)
1.19 Dividends paid		(819)
1.20 Other (capital raising fees)	(819)	(819)
<b>Net financing cash flows</b>	<b>4,731</b>	<b>5,157</b>
<b>Net increase (decrease) in cash held</b>	<b>3,691</b>	<b>3,678</b>
1.21 Cash at beginning of quarter/year to date	14	4
1.22 Exchange rate adjustments to item 1.20		
<b>1.23 Cash at end of quarter</b>	<b>3,705</b>	<b>14</b>

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	636
1.25	Aggregate amount of loans to the parties included in item 1.11	
1.26	Explanation necessary for an understanding of the transactions	
	Salaries and consulting fees paid to the directors of Thred Limited.	

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

The subsidiary, Thredit Limited had issued convertible loans of AUD 1 million which were converted to shares in Thred Limited at settlement of the purchase of the subsidiary on 14 June 2016.

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities		
3.2	Credit standby arrangements		

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

---

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	3,245	14
4.2 Deposits at call		
4.3 Bank overdraft		
4.4 Other (provide details)	460	
<b>Total: cash at end of quarter (item 1.23)</b>	<b>3,705</b>	<b>14</b>

**Acquisitions and disposals of business entities**

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity		Peru Minerals SAC
5.2 Place of incorporation or registration		Peru
5.3 Consideration for acquisition or disposal		USD 350,000
5.4 Total net assets		nil
5.5 Nature of business		Mineral exploration

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:                     **Damon Sweeny**                     Date: 01.08.2016  
 (Company secretary)

Print name: Damon Sweeny

---

+ See chapter 19 for defined terms.

## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
  
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
  
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

---

+ See chapter 19 for defined terms.