

24 December 2013

Significant Acquisition of Cloud-based Application Company

Highlights

- **MSC to acquire 100% of PRM Cloud Solutions**
- **Share-based consideration with performance milestones**
- **Global launch of MiCloud workforce mobilisation application**
- **Significant growth pipeline through mobile business application roll-out**
- **Placement of ~250,000,000 shares at \$0.0025 to raise \$625,000**

Minerals Corporation Limited (the **Company** or **MSC**) is pleased to announce that it has entered into a binding term sheet to acquire 100% of PRM Cloud Solutions (**PRM**), a cloud-based application company with significant growth opportunities. The upfront consideration for PRM will be 650,000,000 MSC shares, with an additional 350,000,000 shares subject to revenue based performance hurdles (Schedule 1).

The PRM transaction is subject to MSC shareholder approval, compliance with Chapter's 1 & 2 of the ASX Listing Rules and re-admission to the ASX, mutual due diligence and signing a formal share sale agreement with PRM Cloud's shareholders.

PRM Cloud Solutions is a pioneer in Australia's rapidly emerging, cloud computing sector. With over six years of experience and key personnel in Melbourne, Brisbane, Perth and Austin, Texas, the company provides both professional services and custom application development based on the Force.com platform. Created by global technology leader Salesforce.com, the Force.com platform is used by over 100,000 companies worldwide and is considered one of the most trusted and secure development platforms available today. PRM has strong Salesforce.com credentials, holding every certification that the company offers including one of only three prestigious Technical Architect Certifications held in Australia.

With its winning combination of technology and people, PRM has created mobile and social applications tailored toward the Mining, Oil & Gas, and Construction sector and is in a unique position to leverage off this experience and drive growth through management consulting, technical services and product sales.

PRM is also the creator of MiCloud.com, a unique cloud-based application targeting the resources sector's challenges and inefficiencies in workforce mobilisation and management. The application enables companies in the sector to manage the complex logistics of worksite deployment while controlling costs and maximising efficiency. Additional applications have been developed by PRM and are ready for commercialisation and packaging as applications.

PRM's clients include: Rio Tinto, McMahon, Downer EDI, Inpex, Seven West Media, The West Newspaper Group, Synergy, BGC, Exxon Mobil, Western Power and Serco.

To view an example of MiCloud and how it has helped **Downer Mining**, click on the link or paste <http://lnkd.in/dXkPK3P> into your browser.

The transaction includes the appointment of PRM CEO, Mr Leigh Kelson, to the board of MSC as Chief Executive Officer. Leigh is the architect behind the company's success and was an early pioneer of cloud computing in Australia. He founded PRM as the first Salesforce.com professional services practice in Melbourne, and evolved the company into its present position as a premier provider of custom application development services. Leigh draws on over 25 years' of experience in the technology sector, and has held multiple upper executive and entrepreneurial positions in technology sales and marketing.

As part of the proposed acquisition, Managing Director Murray Ward and Executive Director Dan Smith will each step down to the position of non-executive director following the Company's re-admission. Minerals Corporation will also seek a name change to PRM Cloud Solutions.

Managing Director Murray Ward commenting on the transaction said, "The Board of MSC believes that the acquisition of PRM is a great outcome for shareholders in what is an extremely difficult marketplace for exploration companies. Leigh and his team have a strong reputation in the Cloud application space and have a clear vision for driving the Company forward. We are especially excited about PRM's first mover advantage in launching the MiCloud product globally before the end of the year, by introducing it to multibillion dollar markets ripe for innovation. MiCloud offers a totally integrated, cost saving and innovative solution to the resources industry, as the management and mobilisation of workforce is a significant cost to mining companies."

Transaction implementation

MSC is preparing a formal sale agreement on the terms set out in the binding term sheet, and which will be signed following due diligence. PRM's directors have agreed to sign the agreement with respect to their shares.

Placement

MSC is undertaking a placement through a leading Perth broker to raise approximately \$625,000 (before costs) by placing 250,000,000 shares at \$0.0025 per share in two tranches (**Placement**). The first tranche, totalling 164,000,000 shares, will be completed pursuant to the Company's placement capacities under ASX Listing Rules 7.1 and 7.1A. The remaining 86,000,000 shares will be issued subsequent to shareholder approval. Following completion of the initial capital raising MSC will have cash reserves of approximately \$790,000.

Funds raised under the Placement will be used to fund MSC's existing projects, working capital purposes, and to implement the PRM transaction (including preparing a notice of meeting and prospectus).

Consolidation

MSC will also undergo a capital consolidation after the acquisition of PRM and will then seek to raise additional capital of at least \$2,500,000 through a re-compliance prospectus. This will provide cash reserves in excess of \$3 million.

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PRM Cloud Solutions

Cloud based computing services has enjoyed significant growth over the past ten years. As reported by Frost & Sullivan Asia Pacific, the Australian cloud computing market was worth US\$882.4 million in 2012 and is expected to reach US\$3.33 billion in 2016. They expect this market to grow at a compound annual growth rate (CAGR) of 40.3% from 2011- 2016. According to Parallels Global, the business applications market is expected to be the fastest growing sector of the cloud computing market. The business application market is PRM's primary focus with MiCloud.com being the first application targeted at the resources sector.

MiCloud

MiCloud.com enables project and HR managers in the mining, construction and Oil & Gas industries manage the complex logistics of moving personnel to and from remote worksites while controlling costs, minimising risks and maximising efficiency. The application solves a vexing issue for organisations with large workforces that need to be mobilised across single or multiple projects. Currently the process to mobilise a large workforce is primarily managed by multiple databases, spreadsheets and manual processes, which is time consuming, laborious, inefficient and costly.

With MiCloud.com, users can:

- Verify skills and credentials of staff against job, worksite, and owner requirements;
- Ensure contractor compliance with corporate safety requirements;
- Schedule personnel into required induction and training courses or medical exams;
- Book travel and accommodation for personnel to and from the worksite;
- Approve and authorise visitors to access work site;
- Manage personnel changes against project budgets; and
- Track mobilisation progress as an individual, contractor or owner.

MiCloud's features include:

- Configurable Approval Workflows;
- Real-Time Dashboards and Mashups;
- AdHoc Report Builder;
- Mobile and Tablet Access;
- Cloud Architecture; and
- Real-Time Integration with Third-Party Systems.

Built on the Force.com platform, the world's leading cloud platform for social and mobile business apps, MiCloud.com is currently available on the AppExchange at www.appexchange.com.

Shareholder approval and re-compliance

The proposed acquisition of PRM will constitute a significant change in the nature and scale of the Company's activities as contemplated within Chapter 11 of the ASX Listing Rules. Changing the nature of the Company's activities to focus on the development of cloud-based application software therefore requires the Company to seek approval from its shareholders for certain aspects of the transaction. The Company will also need to re-comply with the requirements of Chapter 1 and 2 of the ASX Listing Rules.

The Company will shortly convene a general meeting of shareholders to approve the transaction and will send a notice of meeting to all shareholders in the coming weeks. It is anticipated that the ASX will suspend trading of the Company's securities on the date of the general meeting and will remain suspended pending re-compliance with the ASX Listing Rules.

Indicative timetable

Event	Date
Despatch of Notice of Meeting Documents	31 January 2014
Prospectus Open	3 February 2014
Shareholder Meeting Date	28 February 2014
Suspension of Securities	28 February 2014
Prospectus Close	7 March 2014
Re-compliance with Chapters 1 & 2 of ASX Listing Rules	14 March 2014
Reinstatement to Official Quotation	19 March 2014

The above dates are indicative only and may change, subject to the Corporations Act and ASX Listing Rules.

Schedule 1 - Post Acquisition Capital Structure*

Current shares on issue	659,332,991
Initial Capital Raising	250,000,000
Acquisition Initial Consideration	650,000,000
Acquisition Deferred Securities ⁽¹⁾	350,000,000
Total	1,909,332,991
Options Currently On Issue	
Exercisable at \$0.01 on or before 31 December 2015	287,178,782
Exercisable at \$0.015 on or before 31 December 2015	50,000,000
Exercisable at \$0.0034 on or before 31 December 2015	15,000,000
Total	352,178,782

*This table does not include any securities issued under the re-compliance prospectus

**This table represents the pre-consolidation capital of the company

¹ Deferred Securities

If the following hurdles are met an additional 350,000,000 (pre-consolidation) MSC shares will be issued to PRM.

- a. (Tranche 1) 175,000,000 MSC shares if PRM achieves \$1,400,000 in gross revenue in either FY14 or FY15; and
- b. (Tranche 2) 175,000,000 MSC shares if PRM achieves \$2,000,000 in gross revenue in FY15.