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Capital raising closes heavily over-subscribed

Leading security company set for strong growth in rapidly expanding industry after raising \$5.5m to fund acquisitions

East Africa Resources Ltd (ASX: EAF) is pleased to advise that it has raised \$5.5 million in a heavily over-subscribed share placement at 2 cents per share. Argonaut Securities Limited acted as Lead Manager to the Offer.

The raising is a key part of Threat Protect Australia's backdoor listing, which was approved by East Africa's shareholders last week. East Africa is currently in the process of changing the Company name to Threat Protect Australia Limited (ASX: TPS).

Threat Protect is a leading WA security company chaired by highly regarded businessman and lawyer Derek La Ferla. Mr La Ferla is also Chairman of successful WA copper miner Sandfire Resources.

The proceeds of the raising will be used to fund the growth of Threat Protect. Threat Protect has an option to acquire two additional security businesses, which will increase its number of clients from approximately 10,600 to approximately 20,000. The proceeds of the raising will be used primarily to fund the acquisition of these two businesses.

The acquisitions of the two businesses are forecast to increase Threat Protect's revenue from the current level of approximately \$5 million a year to \$6.9 million in FY16, an increase of 35 per cent. Importantly, the fixed-cost nature of Threat Protect's existing infrastructure means the acquisitions will result in only a 3 per cent increase in expenses.

Threat Protect Managing Director Demetrios Pynes said the overwhelming response to the capital raising, which was initially aimed at raising \$4.5 million but had scope for a further \$1 million, reflected the Company's strong growth prospects.

"We are a leading service provider in a rapidly growing industry," Mr Pynes said. "We have a strong Board and management team with an outstanding record in business and the security industry in particular."

"Now we are fully-funded to capitalise on our growth opportunities via the options we hold to acquire two more businesses and the ability to expand beyond those."



“By operating our own monitoring centre, we can leverage acquisitions significantly by growing the revenue base at a much greater rate than our cost base, meaning we are ideally placed to achieve value-accretive growth for shareholders.”

Media:

For further information, contact:

Paul Armstrong

Read Corporate

+61 8 9388 1474