

Orpheus Energy Limited

ACN 121 257 412

(to be renamed SenSen Networks Limited)

Prospectus

For the offer of 15,000,000 New Shares to Eligible Shareholders at an issue price of \$0.10 per New Share to raise \$1,500,000 (**SPP Offer**)

and

For the offer of a maximum of 50,000,000 New Shares to Eligible Investors at an issue price of \$0.10 per New Share to raise up to \$5,000,000 (**General Offer**)

and

For the offer of 273,764,706 Consideration Shares to the Vendors in consideration for the acquisition of all of the shares in SenSen Networks Pty Ltd (**Vendor Offer**).

Important notice

In addition to the purpose of raising funds under the Offers, this is a re-compliance prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy ASX requirements for re-listing following a change to the nature and scale of the Company's activities.

Completion of each of the Offers is conditional upon satisfaction of certain conditions. Further details of the conditions to the Offers are set out in **Section 2**. At a General Meeting of the Company to be held on 29 August 2017, Shareholders were asked to approve the Acquisition Resolutions (refer to **Section 11.2**), including a 10:1 Consolidation of the Company's existing ordinary shares. These Acquisition Resolutions were all approved at the General Meeting.

All New Shares and Consideration Shares offered under this Prospectus are described and offered on a post-Consolidation basis.

This Prospectus is a replacement Prospectus and is an important document which you should read in its entirety. You may wish to consult your professional advisor about its contents.

The New Shares and the Consideration Shares offered by this replacement Prospectus should be considered speculative.

Sensen's Joint Lead Managers



BW EQUITIES



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Important notice

THIS PROSPECTUS IS AN IMPORTANT DOCUMENT WHICH SHOULD BE READ IN ITS ENTIRETY BEFORE ANY INVESTMENT DECISION. YOU SHOULD OBTAIN INDEPENDENT ADVICE IF YOU HAVE QUESTIONS ABOUT THE MATTERS CONTAINED IN THIS PROSPECTUS

Lodgement and listing

This is a replacement Prospectus dated 1 September 2017. It replaces the Original Prospectus dated 18 August 2017. A copy of this Prospectus was lodged with ASIC on 1 September 2017.

A copy of this Prospectus has been provided to the ASX.

The Company applied to the ASX for admission of the Company to the official list of the ASX and for quotation of the New Shares and Consideration on the ASX within seven days after the date of the Original Prospectus.

Neither ASIC nor the ASX or their officers take any responsibility for the contents of this Prospectus nor for the merits of investing in the Company.

Expiry date

No New Shares or Consideration Shares will be allotted or issued on the basis of this Prospectus later than 13 months after the date of the Original Prospectus.

Re-compliance prospectus

In addition to the purpose of raising funds under the Offers, this Prospectus is a re-compliance prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy the ASX requirements for re-admission to the Official List following a change in the nature and scale of the Company's activities.

Conditional Offers

The Offers are conditional on:

- the passing of all Acquisition Resolutions that are being put to Shareholders at the General Meeting. These Acquisition Resolutions were all approved at the General Meeting;
- the Company completing the Acquisition of all of the issued capital of SenSen from the Vendors; and
- the remaining conditions precedent to the Acquisition in the Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed being satisfied (or waived) including the Company receiving conditional approval from ASX that it will re-admit the Company to the Official List and terminate the suspension from Official Quotation of Shares, subject to such terms and conditions (if any) as are prescribed by ASX or the ASX Listing Rules.

In the event conditions detailed above are not satisfied, the Offers will not proceed and no New Shares or Consideration Shares will be issued pursuant to this Prospectus. If this occurs, Applicants will be reimbursed their Application Monies (without interest).

New Shares and Consideration Shares issued under this Prospectus will be issued on the date of completion of the Acquisition. In this regard, if such completion does not occur, no New Shares or Consideration Shares will be issued pursuant to this Prospectus. If this occurs, Applicants will be reimbursed their Application Monies (without interest).

Consolidation

Unless stated otherwise, all reference to Shares as set out in this Prospectus assumes that the Consolidation (for which approval was obtained at the General Meeting on 29 August 2017) has occurred.

Key differences between the Original Prospectus and this replacement Prospectus

The key differences between the Original Prospectus and this replacement Prospectus are as follows:

- A summary of the pro-forma balance sheet has been included in Section 1;
- Disclosure has been provided in regards to the current liabilities of SenSen and the Company and part payment of such liabilities;
- A key risk regarding the Receivable has been included in the key risks in Section 1;
- The list of anticipated substantial shareholders has been updated in Section 1 and Section 11.10 to include all those that may have a relevant interest of 5% or more in the Company post Acquisition;
- Reference to SenSen and the Company's intention regarding future patent registration have been updated in Section 1 and Section 4.2.7 for consistency;
- Commentary has been included in Section 4.2.10 to explain the fluctuation of the gaming revenue over the periods presented;
- Information regarding the General Meeting has been updated to note that all Acquisition Resolutions were approved at the General Meeting.

How to obtain a Prospectus and Application Forms

This Prospectus is available in a paper version and in electronic form. The electronic version will be made available at www.orpheusenergy.com.au. The information on www.orpheusenergy.com.au does not form part of this Prospectus.

If you are unsure about the completeness of this Prospectus received electronically or a printout of it, you should contact the Company. Any person may obtain a paper copy of this Prospectus free of charge by contacting the Company's Offer Information Line

on 1300 651 303 (from within Australia) and +61 3 9415 4281 (from outside Australia) between 8.30am and 5.00pm (Sydney time).

Applications for New Shares under this Prospectus for the SPP Offer may only be made on a printed copy of the SPP Offer Application Form attached to or accompanying this Prospectus.

Applications for New Shares under this Prospectus for the General Offer may be made on a printed copy of the General Offer Application Form attached to or accompanying this Prospectus or by applying online at www.senseninvestors.com.au. Any Applicants applying online under the General Offer must personally complete the online General Offer Application Form and pay the Application Moneys. General Offer Application Forms completed online must not be completed by third parties, including authorised third parties (e.g. the Applicant's Broker). Applications for Consideration Shares under this Prospectus may only be made on a printed copy of the tailored Vendor Offer Application Form or attached to or accompanying this Prospectus.

The Corporations Act prohibits any person from passing an Application Form on to another person unless it is attached to a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus. If this Prospectus is found to be deficient, any Applications may need to be dealt with in accordance with section 724 of the Corporations Act.

No financial advice

The information in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. This Prospectus should not be construed as financial, taxation, legal or other advice. The Company is not licensed to provide financial product advice in respect of its securities or any other financial product.

This Prospectus is important and should be read in its entirety prior to deciding whether to invest in the Company. There are risks associated with an investment in the Shares of the Company and the New Shares offered under this Prospectus must be regarded as a speculative investment. Some of the risks that should be considered are set out in **Section 5** of this Prospectus. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues). There may also be risks in addition to these that should be considered in light of your personal circumstances. If you do not understand this Prospectus or are in doubt as to how to deal with it, you should seek professional guidance from your stockbroker, lawyer, accountant or other professional adviser before deciding whether to invest in the New Shares.

No Offer where Offer would be illegal

The Offers do not constitute a public offer or invitation in any place in which, or to any person to whom, it would not be lawful to make an Offer. No action has been taken to register or qualify the New Shares or Consideration Shares, the Offers, or to otherwise permit a public offering of New Shares and

Consideration Shares, in any jurisdiction outside Australia and New Zealand.

The distribution of this Prospectus outside Australia may be restricted by law and therefore any person who resides outside Australia and who receives this Prospectus should seek advice on and observe any such restrictions. Any person who has a registered address in any other country who receives this Prospectus may only apply for Shares where that person can rely on a relevant exception from, or is not otherwise subject to, the lodgement, filing, registration or other requirements of any applicable securities laws in the jurisdiction in which they have a registered address.

The Company will not offer to sell, nor solicit an offer to purchase, any securities in any jurisdiction where such offer, sale or solicitation may not lawfully be made. Any failure to comply with these restrictions may constitute violation of applicable securities laws.

Important Information for New Zealand Investors

The Offers to New Zealand investors are regulated Offers made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and Corporations Regulations. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

The Offers and the content of this Prospectus are principally governed by Australian rather than New Zealand law. The Corporations Act and Corporations Regulations set out how the Offers must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial market regulators have enforcement responsibilities in relation to this Offer. If you need to make a complaint about the Offers, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offers may involve a currency exchange risk. The currency for the Shares is not New Zealand dollars. The value of the Shares will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the Shares to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to

a bank account in New Zealand in New Zealand dollars.

If the Shares are able to be traded on a financial product market and you wish to trade the Shares through that market, you will have to make arrangements for a participant in that market to sell the Shares on your behalf. If the financial products market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the Shares and trading may differ from securities markets that operate in New Zealand.

Any dispute resolution process described in this Prospectus is available only in Australia and is not available in New Zealand.

Applications

Applications according to this Prospectus may only be made during the applicable Offer Period, and on an Application Form attached to, or accompanying this Prospectus (including an electronic copy).

Financial information

Section 8 sets out in detail the financial information referred to in this Prospectus and the basis of preparation of that financial information.

The historical financial information is presented on both an actual and pro forma basis (as described in **Section 8**) and has been prepared and presented in accordance with the recognition and measurement principles of Australian Accounting Standards (including the Australian Accounting Interpretations) issued by the Australian Accounting Standards Board, which are consistent with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board.

Unless otherwise stated or implied, all pro forma data in this Prospectus gives effect to the pro forma adjustments referred to in **Section 8**. In the event of any inconsistencies, the inconsistency is identified and explained.

Readers should be aware that certain financial data included in this Prospectus is 'non-IFRS financial information' under *Regulatory Guide 230 'Disclosing non-IFRS financial information'*, published by ASIC. The Company believes this non-IFRS financial information provides useful information to readers in measuring the financial performance and conditions of the Company. The non-IFRS financial measures do not have standardised meanings prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Readers are cautioned, therefore, not to place undue reliance on any non-IFRS financial information or ratio included in this Prospectus.

All financial amounts contained in this Prospectus are expressed in Australian dollars, unless otherwise stated. Any discrepancies between totals and sums

of components in tables, figures and components contained in this Prospectus are due to rounding.

Financial periods

All references to FY2015 and FY2016 appearing in this Prospectus are to the financial years ended 30 June 2015 and 30 June 2016 respectively, unless otherwise indicated.

All references to HY2017 appearing in this Prospectus are to the half year ended 31 December 2016 unless otherwise indicated.

Defined words and expressions

Some words and expressions used in this Prospectus have defined meanings, which are set out in the Glossary in **Section 12**. A reference to time in this Prospectus is to Sydney time, unless otherwise stated. A reference to \$, A\$, AUD and cents is to Australian currency, unless otherwise stated.

Forward-looking statements

This Prospectus contains a number of forward-looking statements. These include statements containing words such as 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan', 'considers', 'foresee', 'aim', 'will' and similar words.

Forward-looking statements provided in this Prospectus are based on current expectations, estimates and projections about the Company's business and the industry in which it will operate. They may also be based on assumptions and contingencies which are subject to change without notice and/or involve known and unknown risks and uncertainties and other factors which are beyond the control of the Company. These forward looking statements should not be relied on as an indication or a guarantee of future performance. Actual results, performance or achievements may differ materially from the results, performance or achievements expressed or implied in this Prospectus. Events and actual circumstances frequently do not occur as forecast and these differences may be material. Accordingly, investors should not place undue reliance on any forward looking statement contained in this Prospectus.

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, unless required by law.

Photographs and diagrams

Photographs used in this Prospectus which do not have any descriptions are for illustration only and should not be interpreted to mean that any person shown endorses this Prospectus or its contents or that the assets shown in them are owned by the Company.

Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available as at the date of this Prospectus.

Privacy

By completing an Application Form, you consent to the collection, use and disclosure of your personal information as summarised below. For full details please refer to our privacy policy at www.orpheusenergy.com.au or contact the Privacy Officer on (02) 8387 5901 (within Australia) and +61 2 8387 5901 (from outside Australia) (between 8:30 am to 5:00 pm, AEST) for a copy of the privacy policy.

Collection of your personal information - We collect personal information about you so that we can administer our dealings with you, provide you with Company information, products and services, service your needs as a Shareholder (if you become one), and carry out appropriate administration of your Application for investment and deal with any requests you may have. If we do not collect your personal information, we may be unable to deal with your request or provide you with services and benefits, and we may not be able to process your Application under this Prospectus. Personal information we collect may include name, address, date of birth, credit card details and other details.

Disclosure of your personal information - We may disclose your personal information to third parties, such as our Share Registry, legal advisors, auditors, management and other professional advisors, service providers, suppliers, insurers, IT providers who run our IT services, payment processors who process payments, marketing providers who provide marketing and public relations services, and where we are required to by law.

Our Privacy Policy - Our privacy policy sets out our approach to the management of personal information. Subject to the *Privacy Act 1998* (Cth), you can have access to and seek correction of your personal and sensitive information. Our privacy

policy contains information about how you can do this. Our privacy policy also contains information about how you can make a complaint about a breach of privacy.

Direct Marketing – By submitting an Application Form, you consent to us using your personal information to let you know about products and services that we think may be of interest to you, via direct marketing through electronic and other means. However, you may opt out of receiving marketing information at any time by notifying us that you do not wish to receive marketing information using the contact details provided above. For more information, see our privacy policy.

Disclaimers

In making your decision of whether to invest, you should rely only on the information in this Prospectus. No person is authorised to provide any information or to make any representations in connection with the Offers which is not in this Prospectus. Any information or representations not in this Prospectus may not be relied upon as having been authorised by the Company in connection with the Offers. No person named in this Prospectus guarantees the Company's performance or any return on investment made pursuant to this Prospectus. Any references to information on the Company's website are provided for convenience only. No document or other information included on the Company's website is incorporated by reference into this Prospectus.

Enquiries

If you have any questions in relation to the Offers please call the Offer Information Line on 1300 651 303 (from within Australia) and +61 3 9415 4281 (from outside Australia) between 8.30am and 5.00pm (Sydney time).

Important dates and key Offer statistics

Important dates

SPP Record Date to identify Eligible Shareholders entitled to participate in the SPP Offer	31 July 2017
Dispatch of Notice of Meeting	1 August 2017
General Meeting held to approve the Acquisition Resolutions	29 August 2017
Lodgement of Prospectus with ASIC	1 September 2017
SPP Offer, General Offer and Vendor Offer opens	1 September 2017
Record Date for the Consolidation	1 September 2017
Notices of revised, post-Consolidation holdings sent to Shareholders	4 September 2017
Closing Date of SPP Offer	15 September 2017
Closing Date of General Offer	18 September 2017
Closing Date of Vendor Offer	18 September 2017
Issue of New Shares and Consideration Shares under the Offers and completion of the Acquisition*	25 September 2017
Expected date for despatch of holding statements	26 September 2017
Re-compliance with Chapters 1 and 2 of the ASX Listing Rules	29 September 2017
Re-quotation of Shares (including New Shares and Consideration Shares (those not subject to escrow)) on ASX Normal T+2 trading anticipated to commence on a post-Consolidation basis and commencement of trading of Shares on the ASX (subject to the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules and subject to the ASX agreeing to reinstate the Company's Shares to quotation)	3 October 2017

The above timetable is indicative only. All references to time are references to Sydney time. The Company reserves the right to vary the dates and times set out above subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, subject to the ASX Listing Rules, the Company reserves the right to close the Offers early, extend the Closing Date (for an Offer) or accept late Applications without notifying any recipients of this Prospectus or any Applicants.

*The above stated date for completion of the Acquisition is only a good faith estimate by the Directors and may have to be extended.

Key Offer statistics

Offer Price per New Share	10 cents
Existing Shares	
Number of Existing Shares currently on issue (pre-Consolidation)	183,476,469
Total number of Existing Shares on issue (post-Consolidation)	18,347,650 (subject to rounding)
Notes	
Number of Notes currently on issue (pre-Consolidation)	500,000 Notes
SPP Offer	
Number of New Shares offered under the SPP Offer (SPP Offer Subscription Amount)	15,000,000 Shares
Cash proceeds of the SPP Offer	\$1,500,000
General Offer	
Maximum number of New Shares offered under the General Offer (General Offer Maximum Subscription)	50,000,000

Maximum cash proceeds of the General Offer (General Offer Maximum Subscription)	\$5,000,000
Vendor Offer	
Total number of Consideration Shares to be issued under the Vendor Offer	273,764,706
Cash proceeds of the Vendor Offer	Nil

Other Share issues	
Number of Shares to be issued on conversion of 50% of the Orpheus Director Loans and Orpheus CFO Loan	9,822,420 Shares
Total number of Shares to be issued to the SenSen Corporate Advisor and Joint Lead Manager by way of the Introduction and Advisory Fee	3,209,201 Shares
Maximum number of Shares to be issued on conversion of Notes	6,689,850 Shares

Total Shares	
Total maximum number of Shares on issue at re-listing (post-Consolidation) (This is the sum of all Shares detailed above)	376,833,827 Shares

* unless otherwise indicated, all Shares detailed above are on a Post Consolidation basis.

How to invest

Applications for New Shares and Consideration Shares can only be made by completing and lodging the SPP Offer Application Form, General Offer Application Form or Vendor Offer Application Form included in, attached to or accompanying this Prospectus.

With respect to the General Offer only Applications for New Shares can also be made by applying online at www.senseninvestors.com.au. Instructions on how to apply for Shares are set out in **Section 2.6** of this Prospectus and on the Application Forms.

Questions

To obtain further information speak to your accountant, stockbroker, financial adviser or professional adviser. If you require assistance or additional copies of this Prospectus you should contact the Offer Information Line on 1300 651 303 (from within Australia) and +61 3 9415 4281 (from outside Australia) between 8.30am and 5.00pm (Sydney time).

Chairman's letter

1 September 2017

Dear Investor,

It is with pleasure that we present this Prospectus to you, as an existing Orpheus Energy Limited (**Orpheus**) shareholder or as a potential new shareholder. Orpheus is transitioning from a company operating in the resources sector to a company operating in video analytics and artificial intelligence in the intelligent transportation systems (**ITS**) and gaming sectors through its proposed acquisition of SenSen Networks Pty Ltd (**SenSen**).

Orpheus is an Australian Securities Exchange (**ASX**) listed company. It has entered into a conditional Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed with SenSen and the shareholders of SenSen to acquire all of the issued share capital in SenSen (**Acquisition**).

Established in 2005, SenSen is an Australian registered unlisted technology company that develops and provides Video-IoT data analytic software solutions. SenSen's flagship product is the patented, analytic software platform, SenDISA, which combines enterprise video and sensor data acquisition technologies to extract data from cameras and sensors. SenSen reconfigures the SenDISA platform to deliver market specific solutions.

As at the date of this Prospectus, SenSen has a market presence in Australia, Europe, India, Singapore, UAE and Canada. SenSen's head office is located in Melbourne with another support office located in India.

The Acquisition will result in a material change in the nature and scale of Orpheus's activities, therefore the primary purpose of this Prospectus is to re-comply with Chapters 1 and 2 of the ASX Listing Rules and provide Orpheus with the required funding to implement the growth strategy of the SenSen Business post completion of the Acquisition. The Offers are subject to various conditions which are summarised in **Section 2.9**. Of particular note, the Company convened a General Meeting of Shareholders on 29 August 2017, at which the Company, amongst other things, sought the approval of Shareholders for the proposed Acquisition. All such approvals were obtained at the General Meeting.

The Notice of Meeting for the General Meeting was released on the ASX on 1 August 2017.

Under this Prospectus, Orpheus is seeking to:

- Raise \$1,500,000 by the issue of 15,000,000 New Shares (SPP Offer Subscription Amount) at an issue price of \$0.10 per New Share under the SPP Offer;
- Raise between \$3,000,000 and \$5,000,000 by the issue of between 30,000,000 New Shares (General Offer Minimum Subscription) and 50,000,000 New Shares (General Offer Maximum Subscription) at an issue price of \$0.10 per New Share under the General Offer; and
- Make the Vendor Offer consisting of the offer of Consideration Shares to the Vendors to remove any secondary sale restrictions applicable to the Consideration Shares issued under the Vendor Offer.

Investors should note that of the funds raised from the SPP Offer and the General Offer, a large proportion will be applied to the settlement of a proportion of the current liability of SenSen and the Company. A percentage breakdown is provided below:

Use of funds	% based on General Offer Minimum Subscription being achieved	% based on General Offer Maximum Subscription being achieved
Settlement of a proportion of the current liability of SenSen and the Company	34.81%	25.96%

ITS, gaming marketing and new product development	17.04%	28.60%
Platform development, patents and trademarks	8.52%	9.53%
Expenses associated with the Offers and the Acquisition (to be settled with cash)	13.76%	11.79%
Working capital	25.86%	24.12%
TOTAL	100%	100%

Following a successful capital raising, Orpheus will be renamed SenSen Networks Limited. SenSen Networks Limited will have the following key characteristics:

- a business model focused on:
 - developing and implementing technology designed to improve the business processes and efficiencies of customers in key market sectors of transportation and casino gaming;
 - extracting real time data with cameras and sensors through the application of Video-IoT analytics and artificial intelligence;
 - applying data analytics and presenting the data to assist customers to identify strategies for improving revenues and reducing costs; and
 - integrating strategies with business applications and improving customer business processes through automation;
- an experienced management team and board; and
- alignment between the interests of shareholders and directors, as:
 - SenSen's founder, Mr Subhash Challa (Proposed Director), will hold a relevant interest (himself or through entities he controls) in approximately 21.87% of the ordinary shares on issue in Orpheus; and
 - Mr David Smith and his associates will take up their entitlement of 900,000 New Shares under the SPP Offer and will convert 50% of his Orpheus Director Loan and all Notes he holds into Shares (to hold a relevant interest of approximately 2.5% of the ordinary shares on issue in Orpheus).

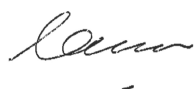
We believe that the acquisition of SenSen provides Orpheus's shareholders and incoming shareholders with an opportunity to participate in a technology company that has the potential to deliver shareholder returns.

This Prospectus contains information about the Company, proposed to be renamed "SenSen Networks Limited", SenSen and the Offers. It also contains information about the potential risks of investing in the Company. Such risks include risks associated with the change in nature and scale of the Company's existing activities, risks in respect of SenSen's current operations, residual risks from former operations of the Company and general risks relating to the Company and SenSen. For more information about such risks, please refer to **Section 5** of this Prospectus and the 'Key Risks' section of the Investment Overview in **Section 1** of this Prospectus.

I encourage you to read this Prospectus carefully and consult with your professional advisers.

We look forward to your support of the Prospectus issue. On behalf of the Board, I invite you to subscribe for New Shares in the Company and look forward to welcoming you as a Shareholder of the Company, for those new investors, and to your continued support, for those Existing Shareholders.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Wayne Mitchell', with a small horizontal line underneath.

Wayne Mitchell
Executive Chairman
Orpheus Energy Limited
1 September 2017

1. Investment overview

Set out below is a summary of the key information regarding the Offers and frequently asked questions. This information is intended to be a summary only and should be read in conjunction with the more detailed information contained in the Prospectus and as cross referenced in the third column of the table below.

If you are unclear in relation to any aspect of the Offers, or if you are uncertain whether the New Shares or Consideration Shares (as relevant) are a suitable investment for you, you should consult your financial or other professional adviser.

Topic	Summary	Further information
The Company and SenSen		
Who is the issuer of this Prospectus?	<p>Orpheus Energy Limited ACN 121 257 412 (ASX Code: OEG) to be renamed (subject to Shareholder approval) SenSen Networks Limited (ASX : SNS) (the Company).</p> <p>The Company is a public company that has been listed on the ASX since 28 May 2007.</p>	Section 4.1
What is the proposed Acquisition and what will its effect on the Company be?	<p>The Company intends to acquire 100% of the fully paid ordinary shares in SenSen Networks Pty Ltd (SenSen) in exchange for the issue to the Vendors of 273,764,706 Consideration Shares on a post-Consolidation basis (in proportion to the Vendors' holdings in SenSen) (Acquisition).</p> <p>The Acquisition of SenSen will result in a significant change in the nature and scale of the activities of the Company. This requires:</p> <ul style="list-style-type: none"> the approval of Shareholders under Chapter 11 of the ASX Listing Rules and a number of other approvals (which is being sought at a general meeting held on 29 August 2017 (General Meeting)); and the ASX approving the Company's re-compliance with the admission requirements of Chapters 1 and 2 of the ASX Listing Rules. <p>At the General Meeting, Shareholders considered resolutions relating to the change in the nature and scale of the Company's activities, as well as a number of other resolutions required in order to achieve completion of the Acquisition and undertake the Offers. All such resolutions were approved at the General Meeting.</p> <p>The Acquisition will result in a material change in the control of the Company. Please see the disclosure contained under the heading "What is the effect of the proposed Acquisition and the Offers on the Company?" of this Section 1 and Schedule A for further detail.</p>	Section 4.1, Section 11.1, Section 11.2 and Annexure A
What is the Company's strategy?	<p>To date, Orpheus has been focused on exploration for coal and coal mining operations in Indonesia with a strategy of partnering with a local joint venture partner to assist with achieving these objectives.</p> <p>Present market conditions have been less than favourable towards investment in exploration projects in emerging markets, and the Company has therefore made the decision to seek alternative opportunities.</p> <p>Following completion of the proposed Acquisition, the Company will focus on video-IoT analytics and artificial intelligence in the intelligent transportation systems and gaming sectors.</p> <p>Video-IoT is the effective combination in a system of analytical algorithms, methods and software that analyse video and sensor data streams from cameras and sensors on the internet (commonly referred to as Internet of Things (IoT)) in real time to extract business relevant information and deliver it in the form that enterprise software systems can assimilate for down stream business applications (Video-IoT).</p> <p>In terms of the current business of the Company, there is currently IDR73.605 billion (approximately \$7.36 million) receivable owing to the</p>	Section 4.3 Section 5.4

	Company from Mr Suksmanto, (the Receivable) . The Directors are confident that they will be able to recover a portion of the Receivable over time. However, the timing of collection remains uncertain. Refer to the key risks below along with Section 5.4 for details of the risks associated with the Receivable.	
Who is SenSen?	<p>SenSen is an unlisted private company registered in Australia and is the holding company of SenSen Video Business Intelligence Pvt Ltd, a private company incorporated in India (SenSen India).</p> <p>SenSen's business model is focused principally on the development, commercialization and supply of innovative, data driven business process enhancement solutions, designed to assist its customers and the customers of its Channel Partners in their business operations in order to improve business efficiency and productivity.</p> <p>SenSen India provides administrative support and services to SenSen only, this includes software testing software quality assurance, offshore software development, global customer support and global project delivery support.</p>	Section 4.2
What market and jurisdiction does SenSen operate in?	Under the current business model, SenSen focuses on providing video-IoT analytics and artificial intelligence data analytics software solutions, namely the SenSen Technology (as defined below), to customers in the Intelligent Transportation Systems (ITS) sector and gaming sector that are located in Australia, Canada, Europe, India, Singapore and the UAE.	Section 4.2.8
What are SenSen's products and services?	<p>SenSen specializes in Video-IoT data analytics software solutions that help increase revenue and reduce cost of operations of customers and businesses. With its potential for multiple industry usage, the SenSen business is currently focused on two market segments, being:</p> <p>Intelligent Transportation Systems (ITS):</p> <p>SenSen's solutions in ITS include the following core technology:</p> <ul style="list-style-type: none"> • SenDISA: an analytic software platform which combines enterprises video and sensor data acquisition, data fusion and big data analytics into a highly scalable and configurable platform, to help its customers improve speed and accuracy of decisions they take and to automate business process (SenDISA). SenSen has leveraged the SenDISA platform to develop other SenSen products, including SenFORCE, SenSPEED, SenPARK, SenSIGN, SenTAS, SenBOS, SenCOUNT, SenPOD and SenGAME. These are detailed below; • SenFORCE: a mobile parking enforcement solution (SenFORCE); • SenSPEED: an average speed enforcement solution (SenSPEED); • SenPARK: a ticketless and gateless parking management solution (SenPARK); • SenSIGN: a fully automated road sign auditing solution (SenSIGN); • SenTAS: a traffic monitoring system incorporating video analytics (SenTAS); • SenBOS: the back office platform used by SenSen's products (detailed above) and able to be integrated with other systems (SenBOS); • SenPOD: a parking occupancy detection solution (SenPOD); and • SenCOUNT: a people counting solution that runs from video files, analogue and IP stream (SenCOUNT). <p>Gaming solutions:</p> <p>SenGAME is SenSen's primary solution within the gaming market segment aimed at enhancing table game operations in casinos (SenGAME). By using 'time of flight' cameras and patent pending artificial intelligence (AI) algorithms, SenGAME is able to provide data relating to table occupancy, hands per hour, bet type and value for every bet placed on the gaming floor. This insight is valuable to casino</p>	Section 4.2.5

	<p>management as they are able to identify and develop strategies in improving the profitability of their business.</p> <p>The ITS and Gaming solutions described above together comprise the core 'SenSen Technology'.</p> <p>Details on the intellectual property of SenSen in the SenSen Technology are contained in Section 4.2.7.</p>	
What intellectual property does SenSen own?	<p>SenDISA is subject to a number of granted or pending patents (detailed in Schedule 2 of the Intellectual Property Report in Section 7).</p> <p>SenGAME is currently subject to a number of granted or pending claims of patents (detailed in Schedule 3 of the Intellectual Property Report in Section 7).</p> <p>As at the date of this Prospectus, SenSen has not specifically sought patents for the SenSPEED, SenTAS, SenFORCE, SenSIGN, SenPARK, SenPOD, SenCOUNT and SenBOS technologies as these technologies are extensions of the patented SenDISA technology. It is the intention of SenSen and the Company, post Acquisition to seek additional patent protection in the event a requirement for further patent protection is identified.</p>	Section 4.2.7 and Section 7.
Business model		
What industry will the Company operate in after the Acquisition?	Post-Acquisition, Orpheus will be renamed Sensen Networks Limited and will operate the business carried on by SenSen, which focuses principally on providing video-IoT analytics and artificial intelligence data analytics software solutions, namely the SenSen Technology, to customers in the ITS sector and gaming sector globally.	Section 4.1 and Section 4.2.1
How will the Company generate income after the Acquisition?	<p>After completion of the Acquisition, the Company's main revenue streams will be revenue generated by SenSen from the commercialisation of the SenSen Technology, and the provision of support services to its customers and the customers of the Channel Partners.</p> <p>SenSen's main revenue stream is principally based on software as a service (SaaS) recurrent revenue. This includes:</p> <ul style="list-style-type: none"> • SenGAME – licensing fees based on the number of tables utilising the SenGAME technology, subject to certain requirements being met. One of SenSen's key customers is Crown Casino. • SenFORCE – licensing fees based on the volume of infringements processed. • SenSIGN – recurring fees calculated by reference to the distance audited using the SenSIGN technology. • Maintenance fees for provision of ad hoc or ongoing maintenance and administrative services. <p>SenSen's fee structures vary with different City Councils, customers and Channel Partners. In some cases a proportion of SenSen's fees are paid in advance as a lump sum payment with the balance paid on an ongoing monthly basis.</p> <p>Revenue from other SenSen Technology (such as SenPARK, SenSPEED, SenTAS, SenCOUNT and SenPOD) is determined on a project-to-project basis within the Software as a Service (SaaS) framework.</p> <p>SenSen is also entitled to receive a percentage of revenues generated from the distribution of SenSen's platform, SenDISA and its configurations and the Integrated Products pursuant to the Integrated Product Development and Supply Agreement entered into between SenSen and Speedshield Technologies Pty Ltd.</p>	Section 4.2.10
Who are the key direct customers	SenSen's key customers include (as at the date of this Prospectus):	Section 4.2.6

<p>and distributors of SenSen?</p>	<ul style="list-style-type: none"> • Roads and Maritime Services (RMS), New South Wales, Australia; • Crown Casino, Melbourne, Australia; • City Councils (Smart Cities) located as follows: <ul style="list-style-type: none"> ○ Australia: Brisbane City Council, Logan City Council, Town of Victoria Park and Ipswich City Council; and ○ Canada: A city council in the Canadian province of Alberta. <p>SenSen has also appointed Speedshield Technologies Pty Ltd as the sole and exclusive distributor of SenSen's platform, SenDISA, and its configurations within the Materials Handling Market pursuant to the Integrated Product Development and Supply Agreement.</p>	
<p>Who are the key Channel Partners of SenSen?</p>	<p>As at the date of this Prospectus, SenSen has arrangements in place with 2 Australian Channel Partners (being Duncan Solutions, and Tenix Solutions) and 5 Offshore Channel Partners (being Cubic Transportation Systems Inc, PanStreet International GmbH, Schweers Technologies Inc, ATT Systems-(S'pore) Pte Ltd and Tyco Fire, Security and Services Pte Ltd), whereby SenSen provides the SenSen Technology and other related support services to customers through the Channel Partners.</p>	<p>Section 4.2.6</p>
<p>What are SenSen's key contracts?</p>	<p>SenSen's key contracts include:</p> <ul style="list-style-type: none"> • Detection and Enforcement Systems Agreement between SenSen and Roads and Maritime Services (RMS Agreement); • Software Licence and Hardware Maintenance Agreement between SenSen and the Town of Victoria Park (Town of Victoria Park Agreement); • SenGAME Supply and Development Agreement between SenSen and Crown Melbourne Limited (SenGAME Supply and Development Agreement); • Exclusivity Agreement between SenSen and Speedshield Technologies Pty Ltd (Integrated Product Development and Supply Agreement); • Hardware Procurement, Software Licensing and Maintenance Agreement between SenSen and the Brisbane City Council (Brisbane City Council Agreement); • Product and Services Contract between SenSen and the Ipswich City Council (Ipswich City Council Contract); • Contract letter executed by SenSen and a city council in the Canadian province of Alberta, together with associated terms and conditions (Canadian City Council Contract); • Master Subcontractor Agreement between SenSen and Tyco Fire, Security and Services Pte Ltd (Tyco Channel Partner Agreement); • Sales & Marketing Agents Agreements between SenSen and each of PanStreet International GmnH (formerly, Schweers Informationstechnologie GmbH) and Schweers Technologies, Inc separately (collectively, Schweers Channel Partner Agreements); • Strategic Alliance and License Agreement between SenSen and Cubic Transportation Systems, Inc, (Cubic Channel Partner Agreement); • "back to back" Goods and Services Standard Long Form Agreement between SenSen and Duncan Solutions for the supply of SenPARK and related services to the NSW Government Office of Environment and Heritage (Back to Back NSW Government Agreement); • Support Services Agreement between SenSen and SenSen India 	<p>Section 10.2</p>

	<p>(Support Services Agreement); and</p> <ul style="list-style-type: none"> • CBA Facility Terms and Conditions. <p>For a summary of the key terms of these contracts, please refer to Section 10.2 of this Prospectus.</p>	
<p>How are the SenSen products marketed and distributed?</p>	<p>In Australia, approximately 90% of all the domestic customers of SenSen are contracted directly by SenSen and the remaining 10% are contracted through SenSen's Australian Channel Partners, namely, Duncan Solutions, and Tenix Solutions Pty Ltd, pursuant to terms agreed to between the parties on a case by case basis and specific to the projects. These terms are detailed in quotations submitted by SenSen and purchase orders issued by the relevant Australian Channel Partners.</p> <p>SenSen's offshore customers are predominantly contracted through its Offshore Channel Partners, being Cubic Transportation Systems Inc, PanStreet International GmbH, Schweers Technologies, Inc, ATT Systems-(S'pore) Pte Ltd and Tyco Fire, Security and Services Pte Ltd pursuant to the terms and conditions agreed between SenSen and the relevant channel partners.</p> <p>With the exception of PanStreet International GmbH (formerly Schweers Informationstechnologie GmbH), Schweers Technologies Inc, Cubic Transportation Systems, Inc and Tyco Fire, Security and Services Pte Ltd, which have entered into formal agreements with SenSen, there are no formal agreements between SenSen and the other Offshore Channel Partners. Instead, the terms and conditions are on a case by case basis and specific to the relevant projects. These terms are detailed in quotations submitted by SenSen and purchase orders issued by the relevant Offshore Channel Partners.</p>	Section 4.2.6
<p>Who are the key competitors of SenSen?</p>	<p>As at the date of this Prospectus, the key competitors of SenSen in the ITS sector include:</p> <ul style="list-style-type: none"> • Genetec; • Arvoo; • Redflex Holdings Limited; • Gatso; and • Sensor Dynamics. <p>The key competitors of SenSen in the Gaming sector include:</p> <ul style="list-style-type: none"> • ARB Labs; • Waler Digital; and • Dallmeier. 	
<p>What are the key dependencies of the Company's business model post Acquisition?</p>	<p>The key dependencies of the Company's business model post Acquisition include but are not limited to the following:</p> <ul style="list-style-type: none"> • the successful completion of the Offers and the Acquisition; • the continuing ability of the Company to attract and retain customers to the SenSen Business; • the continuing ability to provide superior functionality and service to its customers; • the continued limited competition in the industry in which SenSen operates; • the continued acceptance of the Internet as a communications and commerce platform for individuals, devices and enterprises; • the continuing growth of deployments of connected devices and sensors globally; • the continued retention of key personnel; 	Section 4.6

	<ul style="list-style-type: none"> the continued performance of third parties' obligations pursuant to SenSen's material contracts; the successful development and commercialisation of the SenSen Technology; the continued availability of information technology staff; the continued protection of SenSen's intellectual property rights in respect of the SenSen Technology; and the stability of the regulatory framework applicable to the SenSen Business. 																																								
Proceeds of the Offers																																									
How will the proceeds of the Offers be used?	<p>The Company intends to apply the proceeds raised from the General Offer and the SPP Offer as follows:</p> <table> <tr> <th>Item</th><th>Existing cash reserves plus General Offer Minimum Subscription</th><th>Existing cash reserves plus General Offer Maximum Subscription</th></tr> <tr> <td>Total cash in bank as at 31 Dec 2016 and capital raised through OEG Convertible note issue and SenSen's shares issue to 30 June 2017</td><td>\$1,367,727</td><td>\$1,367,727</td></tr> <tr> <td>Amounts raised under the SPP Offer and the General Offer</td><td>\$4,500,000</td><td>\$6,500,000</td></tr> <tr> <td>Total Funds available after capital raisings and total cash at bank (Before the Cost of the Offer)</td><td>\$5,867,727</td><td>\$7,867,727</td></tr> <tr> <td></td><td>General Offer Minimum Subscription</td><td>General Offer Maximum Subscription</td></tr> <tr> <td>ITS, gaming marketing and new product development</td><td>\$1,000,000</td><td>\$2,250,000</td></tr> <tr> <td>Platform development, patents and trademarks</td><td>\$500,000</td><td>\$750,000</td></tr> <tr> <td>Current liability payments:</td><td></td><td></td></tr> <tr> <td> <ul style="list-style-type: none"> SenSen Director Loans repayment </td><td>\$750,000</td><td>\$750,000</td></tr> <tr> <td> <ul style="list-style-type: none"> Other current liabilities payments </td><td>\$1,292,725</td><td>\$1,292,725</td></tr> <tr> <td>Expenses associated with the Offers and the Acquisition (to be settled with cash)</td><td>\$807,400</td><td>\$927,400</td></tr> <tr> <td>Working capital</td><td>\$1,517,602</td><td>\$1,897,602</td></tr> <tr> <td>Total</td><td>\$5,867,727</td><td>\$7,867,727</td></tr> </table> <p>As detailed above, a total of \$2,042,725 of the proceeds raised from the General Offer and the SPP Offer will be utilised towards reducing the existing liabilities of the Company and SenSen. This equals:</p> <ul style="list-style-type: none"> 34.81% of the total amount raised based on the General Offer Minimum Subscription being achieved; and 25.96% of the total amount raised based on the General Offer Maximum Subscription being achieved. <p>There are no funds being raised under the Vendor Offer.</p> <p>The costs of the Offers in the amount of \$807,400 (Based on a Minimum Subscription) or \$927,400 Based on a Maximum Subscription) (will be</p>	Item	Existing cash reserves plus General Offer Minimum Subscription	Existing cash reserves plus General Offer Maximum Subscription	Total cash in bank as at 31 Dec 2016 and capital raised through OEG Convertible note issue and SenSen's shares issue to 30 June 2017	\$1,367,727	\$1,367,727	Amounts raised under the SPP Offer and the General Offer	\$4,500,000	\$6,500,000	Total Funds available after capital raisings and total cash at bank (Before the Cost of the Offer)	\$5,867,727	\$7,867,727		General Offer Minimum Subscription	General Offer Maximum Subscription	ITS, gaming marketing and new product development	\$1,000,000	\$2,250,000	Platform development, patents and trademarks	\$500,000	\$750,000	Current liability payments:			<ul style="list-style-type: none"> SenSen Director Loans repayment 	\$750,000	\$750,000	<ul style="list-style-type: none"> Other current liabilities payments 	\$1,292,725	\$1,292,725	Expenses associated with the Offers and the Acquisition (to be settled with cash)	\$807,400	\$927,400	Working capital	\$1,517,602	\$1,897,602	Total	\$5,867,727	\$7,867,727	Section 4.8 and Section 11.18
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	paid from existing cash at bank of SenSen and the Company.																															
Key financial information																																
What is the financial position of the Company?	<p>The Company is currently listed on the ASX and its annual report is available from its website (www.orpheusenergy.com.au)</p> <p>Following the change in the nature and scale of its activities, the Company will be focused on its participation in and development of a Video-IoT analytics and artificial intelligence data analytics software development business via SenSen. Therefore, the Company's past operational and financial historical performance will not be of significant relevance to its future activities.</p> <p>As a result, the Company is not in a position to disclose any key financial ratios. The financial information set out in Section 8 summarises the selected financial data derived from the respective consolidated unaudited and audited financial statements of SenSen, in addition to a reviewed pro forma statement of financial position as at 30 June 2016.</p>	Section 8																														
How has SenSen historically performed?	<p>The pro forma historical consolidated financial performance of SenSen has been compiled from the audited and unaudited financial information of SenSen for the following periods FY2015 (audited) and FY2016 (audited) HY2017 (reviewed) (refer to Section 8 for the basis of preparation).</p> <p>The information presented is a summary only and should be read in conjunction with the more detailed discussion of the financial information set out in Section 8 as well as the risk factors set out in Section 5.</p> <table><tr><th>June year end</th><th>FY 2015 (\$m)</th><th>FY 2016 (\$m)</th><th>HY 2017 (\$m)</th></tr><tr><td>Revenue</td><td>0.42</td><td>1.11</td><td>0.68</td></tr><tr><td>EBITDA</td><td>-2.95</td><td>-0.49</td><td>-0.23</td></tr><tr><td>EBIT</td><td>-2.97</td><td>-0.52</td><td>-0.23</td></tr><tr><td>NPAT</td><td>-3.07</td><td>-0.60</td><td>-0.28</td></tr></table>	June year end	FY 2015 (\$m)	FY 2016 (\$m)	HY 2017 (\$m)	Revenue	0.42	1.11	0.68	EBITDA	-2.95	-0.49	-0.23	EBIT	-2.97	-0.52	-0.23	NPAT	-3.07	-0.60	-0.28	Section 8										
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NPAT	-3.07	-0.60	-0.28																													
What does the combined financial information of the Company and SenSen look like on a pro-forma basis?	<p>The unaudited Pro-Forma Statement of Financial Position has been derived from the reviewed consolidated Statement of Financial Position as at 31 December 2016 of the Company and the reviewed consolidated Statement of Financial Position of SenSen as at 31 December 2016 adjusted for the pro-forma transactions detailed in Section 8.3 as if they had occurred at 31 December 2016.</p> <table><tr><th>31-Dec-16</th><th>Combined Pro-Forma Statement of Financial Position based on General Offer Maximum Subscription</th><th>Combined Pro-Forma Statement of Financial Position based on General Offer Minimum Subscription</th></tr><tr><td></td><td>\$</td><td>\$</td></tr><tr><td colspan="3">CURRENT ASSETS</td></tr><tr><td>Cash and cash equivalents</td><td>6,940,327</td><td>5,060,327</td></tr><tr><td>Other current assets</td><td>439,060</td><td>439,060</td></tr><tr><td>TOTAL CURRENT ASSETS</td><td>7,379,387</td><td>5,499,387</td></tr><tr><td>TOTAL NON-CURRENT ASSETS</td><td>146,366</td><td>146,366</td></tr><tr><td>TOTAL ASSETS</td><td>7,525,753</td><td>5,645,753</td></tr><tr><td colspan="3">CURRENT LIABILITIES</td></tr><tr><td>Trade and other payables (including provisions)</td><td>3,081,635</td><td>3,081,635</td></tr></table>	31-Dec-16	Combined Pro-Forma Statement of Financial Position based on General Offer Maximum Subscription	Combined Pro-Forma Statement of Financial Position based on General Offer Minimum Subscription		\$	\$	CURRENT ASSETS			Cash and cash equivalents	6,940,327	5,060,327	Other current assets	439,060	439,060	TOTAL CURRENT ASSETS	7,379,387	5,499,387	TOTAL NON-CURRENT ASSETS	146,366	146,366	TOTAL ASSETS	7,525,753	5,645,753	CURRENT LIABILITIES			Trade and other payables (including provisions)	3,081,635	3,081,635	Section 4.8, Section 8.3 and Section 5.3
31-Dec-16	Combined Pro-Forma Statement of Financial Position based on General Offer Maximum Subscription	Combined Pro-Forma Statement of Financial Position based on General Offer Minimum Subscription																														
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Trade and other payables (including provisions)	3,081,635	3,081,635																														

Borrowings	1,630,075	1,630,075								
TOTAL CURRENT LIABILITIES (Note 1)	4,711,710	4,711,710								
NON-CURRENT LIABILITIES										
Borrowings	500,000	500,000								
TOTAL NON-CURRENT LIABILITIES	500,000	500,000								
TOTAL LIABILITIES	5,211,710	5,211,710								
NET ASSETS	2,314,043	434,043								
EQUITY										
Contributed equity	25,049,916	23,360,848								
Accumulated losses	(22,729,519)	(22,920,451)								
Non-Controlling interests	(6,354)	(6,354)								
TOTAL EQUITY (deficit)	2,314,043	434,043								
Note 1: Current Liabilities										
The current liability position of the Company and SenSen (Combined Entity) under both the General Offer Maximum Subscription and General Offer Minimum Subscription is as follows:										
<table><tr><th>Item</th><th>Amount (\$)</th></tr><tr><td><ul style="list-style-type: none">50% of the remaining loans and payables of the existing Company Directors and CFO (as detailed in Section 6.5).<p>Note, the Company Directors and CFO and the Company have agreed that in the event there is not sufficient cashflow to pay this amount in cash, this will be repaid by way of the issue of equity subject to Shareholder approval at the 2018 annual general meeting.</p></td><td>982,242</td></tr><tr><td><ul style="list-style-type: none">SenSen unearned revenue.<p>Note: Unearned revenue is recorded as a current liability in relation to contracts with milestones yet to be achieved, once these milestones are achieved, anticipated to be in the second half of FY2017 and in FY2018, this unearned revenue will be subsequently recorded as revenue.</p><p>These milestones relate in the main to SenGAME Supply and Development Agreement with Crown Casino. This was accounted for as a current liability for the following reasons:</p><ul style="list-style-type: none">SenSen is continually working with its customers on the delivery of the milestones, as at 31 December 2016 it was expected that these milestones would be achieved within 12 months from that date.</td><td>1,296,240</td></tr><tr><td><ul style="list-style-type: none">SenSen loans and leases<p>Note: \$641,500 of this amount is being repaid out of the funds raised from the Offers. Refer to Section 4.8 for detail of the SenSen Director Loans repayment. This amount is detailed in the use of funds table in Section 4.8 as \$750,000. The difference between \$750,000 and \$641,500 (namely \$108,500) is a result of \$5,500 in accrued interest and \$103,000 of additional loans provided by a related party of Subhash Challa (on the</p></td><td>1,222,616</td></tr></table>			Item	Amount (\$)	<ul style="list-style-type: none">50% of the remaining loans and payables of the existing Company Directors and CFO (as detailed in Section 6.5). <p>Note, the Company Directors and CFO and the Company have agreed that in the event there is not sufficient cashflow to pay this amount in cash, this will be repaid by way of the issue of equity subject to Shareholder approval at the 2018 annual general meeting.</p>	982,242	<ul style="list-style-type: none">SenSen unearned revenue. <p>Note: Unearned revenue is recorded as a current liability in relation to contracts with milestones yet to be achieved, once these milestones are achieved, anticipated to be in the second half of FY2017 and in FY2018, this unearned revenue will be subsequently recorded as revenue.</p> <p>These milestones relate in the main to SenGAME Supply and Development Agreement with Crown Casino. This was accounted for as a current liability for the following reasons:</p> <ul style="list-style-type: none">SenSen is continually working with its customers on the delivery of the milestones, as at 31 December 2016 it was expected that these milestones would be achieved within 12 months from that date.	1,296,240	<ul style="list-style-type: none">SenSen loans and leases <p>Note: \$641,500 of this amount is being repaid out of the funds raised from the Offers. Refer to Section 4.8 for detail of the SenSen Director Loans repayment. This amount is detailed in the use of funds table in Section 4.8 as \$750,000. The difference between \$750,000 and \$641,500 (namely \$108,500) is a result of \$5,500 in accrued interest and \$103,000 of additional loans provided by a related party of Subhash Challa (on the</p>	1,222,616
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<ul style="list-style-type: none">SenSen loans and leases <p>Note: \$641,500 of this amount is being repaid out of the funds raised from the Offers. Refer to Section 4.8 for detail of the SenSen Director Loans repayment. This amount is detailed in the use of funds table in Section 4.8 as \$750,000. The difference between \$750,000 and \$641,500 (namely \$108,500) is a result of \$5,500 in accrued interest and \$103,000 of additional loans provided by a related party of Subhash Challa (on the</p>	1,222,616									

	<p>same terms) since 31 December 2016.</p> <p>\$499,003 is payable to Speedshield Technologies Pty Ltd (Speedshield). This amount is not expected to be settled within the next 12 months as post 31 December 2016 the Integrated Product Development and Supply Agreement was entered into between SenSen and Speedshield to enable these funds to be allocated to settle the expected future distribution fees payable to SenSen by Speedshield.</p> <p>Although this agreement was entered into in February 2017, this was not adjusted in the Pro-Forma Statement of Financial Position as this transaction has no impact of the net asset position of the Combined Entity.</p> <p>This leaves a balance of \$82,113, being a liability owed for a car lease. This amount is being repaid out of the funds raised from the Offers. Refer to Section 4.8 for detail of this payment.</p>		
	<ul style="list-style-type: none"> SenSen overdraft <p>Note: this amount is payable under the CBA Facility and is being repaid out of the funds raised from the Offers. Refer to Section 4.8 for detail of this payment.</p>	64,173	
	<ul style="list-style-type: none"> Trade and other payables of the Combined Entity (including short term provisions). <p>Note: This represents the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. This amount is being repaid out of the funds raised from the Offers. Refer to Section 4.8 for detail of this payment.</p>	1,146,439	
	Total current liabilities	4,711,710	
	<p>Based on the above, \$82,113 of the SenSen lease, \$64,173 of the SenSen overdraft and \$1,146,439, of the Trade and other payables of the Combined Entity (being a total of \$1,292,725) must be paid in cash before 31 December 2017.</p> <p>This \$1,292,725 will be paid out from the proceeds raised from the General Offer and the SPP Offer. In addition, \$750,000 of the SenSen Director loans is also being paid out from the proceeds raised from the General Offer and the SPP Offer.</p> <p>Refer to Section 4.8 for detail of these payments.</p>		
What is the key financial information of SenSen?	Refer to Section 8 and the Independent Limited Assurance Report in Section 9 for a discussion of the key financial information of SenSen in connection with the Acquisition.		Section 8 and Section 9
How will the Company fund its activities?	<p>Following completion of the Acquisition, the funding for the Company's short to medium term activities will be generated from a combination of money raised under the SPP Offer and the General Offer pursuant to this Prospectus and existing cash reserves of both the Company and SenSen post-Acquisition. The Company may also utilise the available funding under the CBA Facility to fund its short to medium term activities, where necessary and appropriate.</p> <p>The Company may need to raise further funding from equity raisings in the future to further develop its transportation systems and gaming solutions. The Company may also consider alternative forms of debt or quasi-debt funding if required.</p>		Section 4.7
What is the	The assets of both the Company and SenSen are yet to prove that they		Section 4.8

financial outlook for the Company following completion of the Acquisition?	<p>can generate sustainable positive operating cash flows. Consequently, the operations of the Company and SenSen are inherently uncertain. Following completion of the Acquisition, the Company's financial performance is dependent on the Company's ability to execute the strategy of the SenSen Business detailed in Section 4.</p> <p>As such, the Directors believe that they do not have a reasonable basis to forecast future earnings. The Directors have provided an indication of how they will utilise proceeds received under the Offers in Section 4.8.</p>	<p>and Section 8 and Section 8.6</p>
What is the Company's dividend policy?	<p>Following completion of the Acquisition, the Company does not expect to pay a dividend in the near term and funds raised from the Offer will be allocated to the growth and development of the business. The Board will review the dividend policy on a regular basis. Any future payment of dividends will be at the discretion of the Board.</p>	<p>Section 8.7</p>
Key risks		
What are the key risks of investing in the New Shares?	<p>An investment in the Company should be considered speculative. The income to be achieved by the Company, the value of its assets and the market price of its Shares on the ASX may be adversely affected by a number of factors, including risks outside the control of management.</p> <p>Before deciding whether to apply for New Shares pursuant to this Prospectus, you should give careful consideration to all the risks associated with investing in the Company.</p> <p>Based on the information available, a non-exhaustive list of the key risk factors affecting the Company or investment in the Company include:</p> <ul style="list-style-type: none"> • Historical losses: In terms of historical earnings or losses, <u>SenSen has generated historical losses. Further, the assets of both the Company and SenSen are yet to prove that they can generate sustainable positive operating cash flows.</u> The value of the Company and SenSen may increase or decrease materially over short time periods depending on their ability to meet certain milestones. • Uncertainty of future profitability: SenSen is in the commercialisation stage for the SenSen Technology. To date, it has funded its activities principally through issuing securities and other capital raising activities. SenSen's profitability will be impacted by its ability to successfully deliver a high level of service to any future potential customers, its ability to execute its development and growth strategies, economic conditions in the markets in which it operates, competitive factors and regulatory developments. Accordingly, the extent of future profits, if any, and the time required to achieve a sustained profitability are uncertain. Moreover, the level of such profitability cannot be predicted. • Reliance on key management personnel: The responsibility of overseeing the day-to-day operations and the strategic management of the Company and SenSen depends substantially on their senior management and directors. There can be no assurance that there will be no detrimental impact on the performance of the Company, SenSen or their growth potential if one or more of these employees cease their employment and suitable replacements are not identified and engaged in a timely manner. • Dilution risk: The capital structure of the Company will be impacted by the number of Shares issued pursuant to the Offers. Post-completion of the Acquisition, Existing Shareholders will hold: <ul style="list-style-type: none"> ○ 12.73% of the total Shares on issue on the basis that the SPP Offer is subscribed to the Subscription Amount by Eligible Shareholders and the maximum number of New Shares being issued under the General Offer (General Offer Maximum Subscription) subject to the Consideration Shares being issued, the Notes being converted into Shares and 50% of the Orpheus Director Loans and Orpheus CFO Loan being capitalised. 	<p>Section 5</p>

	<p>This 12.73% includes 2.61% taken up by David Smith, Wayne Mitchell, Wesley Harder, Michael Rhodes and Barry Neal on capitalisation of 50% of the Orpheus Director Loans and Orpheus CFO Loan and 1.27% taken up by Noteholders on conversion of their Notes on the basis that David Smith, Wayne Mitchell Wesley Harder, Michael Rhodes Barry and a number of the Noteholders are Existing Shareholders; and</p> <ul style="list-style-type: none"> 13.44% of the total Shares on issue on the basis that the SPP Offer is subscribed to the Subscription Amount by Eligible Shareholders and the minimum number of New Shares being issued under the General Offer (General Offer Minimum Subscription) subject to the Consideration Shares being issued, the Notes being converted into Shares and 50% of the Orpheus Director Loans and Orpheus CFO Loan being capitalised. <p>This 13.97% includes 2.75% taken up by David Smith, Wayne Mitchell, Wesley Harder, Michael Rhodes and Barry Neal on capitalisation of 50% of the Orpheus Director Loans and Orpheus CFO Loan on the basis and 1.27% taken up by Noteholders on conversion of their Notes on the basis that David Smith, Wayne Mitchell Wesley Harder, Michael Rhodes Barry and a number of the Noteholders are Existing Shareholders.</p> <p>Note that the in the event the SPP Offer is not fully subscribed to the Subscription Amount by Eligible Shareholders, the Directors may place the shortfall. This will reduce the percentage of Shares held by Existing Shareholders.</p> <ul style="list-style-type: none"> Refer to Schedule A for the complete table of dilutive impact of the Offers. Liquidity risk: Upon re-admission of the Shares to quotation on ASX, a significant portion of the Shares on issue will be subject to escrow restrictions imposed by the ASX Listing Rules and by voluntary escrow restrictions. This will impact the liquidity in the Shares as a large portion of the issued capital may not be able to be traded freely for a period of up to 24 months. The percentage of shares that will be subject to ASX imposed escrow are subject to confirmation by the ASX. The percentage of shares that will be subject to voluntary escrow is 0.78% based on the General Offer Minimum Subscription being achieved and 0.74% based on the General Offer Maximum Subscription being achieved. Competition risk and new technologies: The data and software development, AI and IoT industries that the Company will, following completion of Acquisition, through SenSen, operate in are subject to increasing domestic and global competition which is aggressive and dynamic. While the Company will take all reasonable due diligence in its business decisions and operations, the Company and the Directors can have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of the Business. Contractual risk: SenSen's business model is reliant on a number of key material contracts. The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under such contracts. Validity of patents: While SenSen has registered patents and submitted further patent applications in respect of certain of the SenSen Technology, the ultimate validity of the claims of a patent cannot be guaranteed. Various legal mechanisms exist to challenge the validity of patents and patent applications. It is also noted that some of the patent rights relating to certain SenSen Technology are still pending patent applications. There are no guarantees that these 	
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	<p>applications (or any applications stemming from them) will proceed to grant or, if grant is achieved, that the claims will remain in their present form.</p> <ul style="list-style-type: none"> • Risks relating to the Receivable: As at 31 December 2016 the total Receivable from Mr Suksmanto is IDR73.605 billion (approximately \$7.36 million) inclusive of IDR3.605 billion in interest (approximately \$0.36 million). The Company is pursuing the sale of shares in PT Abadi Guna Papan (AGP), (a property development company whose shares were pledged as security) to recover a portion of the Receivable. Any sale of the AGP shares will constitute settlement of the outstanding debt in full. To that end: <ul style="list-style-type: none"> • The Company has been in advanced negotiations with a potential acquirer of the AGP shares. A formal offer to acquire the AGP shares for IDR35 billion has been submitted to the Company and has been agreed to by the Board, subject to cash funds actually being received. Under AGP's articles of association any share sale must be approved by all shareholders. • As at the date of this Prospectus all documentation has been completed and approval has been granted by all shareholders with the exception of Mr Suksmanto himself. Until such time as Mr Suksmanto agrees to the share sale, the transaction cannot proceed. <p>There is a risk that Mr Suksmanto will not approve the sale of the AGP shares (pledged as security for the Receivable), meaning that the Receivable will remain outstanding. In the event Mr Suksmanto does not approve the sale of the AGP shares, Orpheus will continue negotiations and to pursue recovery of the Receivable in Indonesia. The continuation of the dispute, may impact adversely on the Company's operations, financial performance and financial position.</p> • Risk of high volume of Share sales: Following completion of the Acquisition and the Offers under this Prospectus, the Company will have issued a significant number of Shares to various parties. Some of the Vendors and others that receive Consideration Shares as a result of the Acquisition or the Vendor Offer may not intend to continue to hold those Consideration Shares and may wish to sell them on ASX (subject to any applicable escrow period). There is a risk that an increase in the amount of people wanting to sell Consideration Shares may adversely impact on the market price of the Shares. • Trading price of Shares: The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to general economic conditions. No assurances can be made that the Company's market performance, and hence the trading price of Shares, will not be adversely affected by any such market fluctuations or factors. • Additional requirements for capital: The capital requirements of the Company depend on numerous factors. Depending on the ability of the Company to generate income from its operations, the Company may require further financing in addition to amounts raised under the SPP Offer and the General Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. • Customer preferences may change: A significant proportion of SenSen's revenues are generated from the SenSen Technology which is subject to rapid and occasionally unpredictable changes in customer preferences. SenSen's success and performance therefore depends on its ability to anticipate and satisfy consumer preference in 	
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	<p>a timely manner. If SenSen misjudges customer preferences or fails to provide appealing product offerings when required, this may result in a decline in financial performance.</p> <ul style="list-style-type: none">• Regulatory risk: SenSen has operations in a number of overseas jurisdictions and is exposed to a range of different legal and regulatory regimes, including in new jurisdictions in which SenSen is expanding its operations. As SenSen expands its presence in new international jurisdictions, SenSen is subject to the risks associated with doing business in regions that may have political, legal and economic instability or less sophisticated legal and regulatory systems and frameworks.																													
Directors and key management personnel																														
Who are the Directors and Proposed Directors of the Company?	<p>The Directors of the Company at the date of this Prospectus are Mr Wayne Mitchell, Mr David Smith, Mr Wesley Harder and Mr Michael Rhodes. Upon successful completion of the Acquisition the Directors of the Company will be:</p> <ul style="list-style-type: none">• Proposed Director – Mr Subhash Challa (Executive Chairman)• Proposed Director – Mr Zenon Pasieczny (Non-Executive Director)• Proposed Director – Mr Jason Ko (Non-Executive Director)• Current Director – Mr David Smith (Executive Director and Company Secretary) <p>The profiles of each of the Proposed Directors are set out in Section 6.1.</p> <p>Summaries of the material terms of the appointment agreements with the Proposed Directors and David Smith are set out in Section 10.1.</p> <p>Each of Wayne Mitchell, Wesley Harder and Michael Rhodes has provided resignation letters effective on completion of the Backdoor Listing.</p>	Section 6.1																												
Who will be the executive management of the Company?	<p>The executive management of the Company, following completion of the Offers and the Acquisition will be:</p> <ul style="list-style-type: none">• Mr Subhash Challa (Executive Chairman)• Mr David Smith (Executive Director)• Mr Tony Lynch (Chief Financial Officer)• Mr Surendranath Sanka (Vice President of Operations and Finance)• Ms Amanda Green (General Manager of International Sales and Marketing – Gaming)• Mr Madan Kumar (General Manager of India Operations)	Section 6.2																												
What will the interests of Directors and other key executive management be in the Company following completion of the Acquisition?	<p>The direct and indirect equity interests of the existing Directors and the Proposed Directors (and their associates and related parties) of the Company following completion of the Offers and the Acquisition are set out in the table below:</p> <table><tr><th></th><th>Existing Shares¹</th><th>Shares on conversion of 50% of the Orpheus Director Loans²</th><th>New Shares (SPP Offer and General Offer)</th><th>Shares on exercise of Notes</th><th>Consideration Shares</th><th>total %³</th></tr><tr><td colspan="7">Existing Directors</td></tr><tr><td>Mr David Smith</td><td>3,650,000</td><td>3,016,515</td><td>900,000</td><td>1,341,100</td><td>Nil</td><td>2.50%</td></tr><tr><td>Mr</td><td>1,526,42</td><td>3,631,935</td><td>Nil</td><td>Nil</td><td>Nil</td><td>1.45%</td></tr></table>		Existing Shares ¹	Shares on conversion of 50% of the Orpheus Director Loans ²	New Shares (SPP Offer and General Offer)	Shares on exercise of Notes	Consideration Shares	total % ³	Existing Directors							Mr David Smith	3,650,000	3,016,515	900,000	1,341,100	Nil	2.50%	Mr	1,526,42	3,631,935	Nil	Nil	Nil	1.45%	Section 6.3 and Section 6.5
	Existing Shares ¹	Shares on conversion of 50% of the Orpheus Director Loans ²	New Shares (SPP Offer and General Offer)	Shares on exercise of Notes	Consideration Shares	total % ³																								
Existing Directors																														
Mr David Smith	3,650,000	3,016,515	900,000	1,341,100	Nil	2.50%																								
Mr	1,526,42	3,631,935	Nil	Nil	Nil	1.45%																								

	Wayne Mitchell	1					
	Mr Wesley Harder	645,282	1,309,710	Nil	Nil	Nil	0.55%
	Mr Michael Rhodes	427,783	998,780	Nil	Nil	Nil	0.40%
	Proposed Directors						
	Mr Subhash Challa	Nil	N/A	Nil	Nil	85,582,613 ⁴	23.98 % Relevant interest in 21.87 %
	Mr Zenon Pasieczny	Nil	N/A	Nil	Nil	46,376,259	13.00 %
	Mr Jason Ko	Nil	N/A	Nil	Nil	Nil	Nil
	Other proposed key executive management						
	Mr Surendranath Sanka	Nil	N/A	Nil	Nil	6,997,892	1.96%
	Mrs Amanda Green	Nil	N/A	Nil	Nil	Nil	Nil
	Mr Tony Lynch	Nil	N/A	Nil	Nil	Nil	Nil
	Madan Kumar	Nil	N/A	Nil	Nil	Nil	Nil
	<p>Notes:</p> <p>1. All Shares are on a post-Consolidation basis (refer to Section 11.4 for details of the Consolidation) and subject to rounding resulting from the Consolidation.</p> <p>2. It is proposed that 9,822,420 Shares will be issued to Directors in consideration for the conversion of \$982,242 of Orpheus Director Loans into Shares. The issue of such Shares was approved by Shareholders at the General Meeting.</p> <p>3. The percentage assumes that the General Offer is subscribed to the General Offer (Minimum Subscription), the SPP Offer is subscribed to the SPP Subscription Amount, the Notes are all converted to Shares, Shares issued to the SenSen Corporate Advisor and Joint Lead Manager as the Introduction and Advisory Fee and Shares issued on capitalisation of 50% of the Orpheus Director Loans and Orpheus CFO Loan.</p> <p>4. Of the 85,582,613 Shares that Mr Subhash Challa (Proposed Director) and his associates and related parties will hold, Mr Subhash Challa only has a relevant interest (pursuant to the Corporations Act) in 78,024,970 being 21.87% on the basis that he does not have a relevant interest in the Shares held by each of Mrs Laxmi Challa (Subhash Challa's mother) and or the Share Units in the SenSen Employee Equity Trust held by Ms Lalitha Vadlapalli (Subhash Challa's spouse),</p> <p>Details of the entities through which the Directors and the Proposed Directors hold their interests is provided in Section 6.5.</p> <p>David Smith and the Proposed Directors will also be paid directors' fees for operating the Company following the successful listing of the Company on the ASX. Information on Director fees is provided in Section 6.3.</p>						
	Are there any related party	The Company is a party to the following agreements with related parties of the Company:					

Section 6.5

transactions?	<ul style="list-style-type: none"> the Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed relating to the Acquisition between the Company and the Vendors (including the Proposed Directors and their associates); appointment agreements with Existing Directors (noting that David Smith is the only Existing Director that will remain post completion of the Acquisition) and Proposed Directors; the agreements with each of David Smith, Michael Rhodes, Wayne Mitchell and Wesley Harder for the capitalisation of 50% of the Orpheus Director Loans into Shares. <p>As at the date of this Prospectus, SenSen or SenSen India is a party to the following agreements with related parties of SenSen which will remain in force following completion of the Acquisition:</p> <ul style="list-style-type: none"> the Support Services Agreement between SenSen and SenSen India; and an interest free, at call loan facility from Mr Subhash Challa (Proposed Director) to SenSen India, totalling INR480,000 (equivalent to approximately AUD9,500) as at the date of this Prospectus. The loan facility was provided by Mr Subhash Challa to SenSen India to fund the business operations of SenSen India. 	
Key information about the Offers		
What are the Offers?	<p>SPP Offer</p> <p>The SPP Offer is an offer of 15,000,000 New Shares at an issue price of \$0.10 per New Share to raise \$1,500,000 (SPP Offer Subscription Amount).</p> <p>The SPP Offer is being made to Eligible Shareholders, being a Shareholder who:</p> <ul style="list-style-type: none"> was a registered holder of Shares at 5:00pm (AEST) on the SPP Record Date; and has a registered address in Australia or New Zealand or is eligible under all securities laws applicable to the Shareholder to receive an offer under the SPP Offer; and is not in the United States and is not acting for the account or benefit of, any US Person. <p>In the event the SPP Offer is not subscribed to the Subscription Amount by Eligible Shareholders, the Company reserves the right to place the shortfall of the SPP Offer.</p> <p>General Offer</p> <p>The General Offer is an offer of a minimum of 30,000,000 New Shares and a maximum of 50,000,000 New Shares at an issue price of \$0.10 per New Share to raise between \$3,000,000 and \$5,000,000.</p> <p>The General Offer is open to Eligible Investors, being an investor who:</p> <ul style="list-style-type: none"> has a registered address in Australia or New Zealand or is eligible under all securities laws applicable to the Shareholder to receive an offer under the General Offer; and is not in the United States and is not acting for the account or benefit of, any US Person. <p>Vendor Offer</p> <p>The Vendor Offer consists of the 273,764,706 Consideration Shares that will be issued to the Vendors as consideration for the Company acquiring 100% of the issued capital of SenSen.</p> <p>The Vendor Offer is being made to remove the need for an additional disclosure document to be issued upon the on-sale of any Consideration</p>	Section 2.1, Section 2.2 and Section 2.3

	<p>Shares following completion of the Acquisition.</p> <p>All Offers</p> <p>The Consideration Shares and New Shares are being offered under this Prospectus on a post-Consolidation basis (refer to Section 11.4 for more details on the Consolidation).</p> <p>The Offers are conditional upon the satisfaction of the conditions referred to in Section 2.9.</p> <p>The distribution of this Prospectus (including in electronic form) outside Australia may be restricted by law. Any potential investor outside Australia that comes into possession of the Prospectus should observe such restrictions and should seek their own advice on such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.</p> <p>The New Shares and Consideration Shares being offered pursuant to this Prospectus have not been registered under the US Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the US Securities Act and applicable State securities laws.</p> <p>The New Shares are being offered under this Prospectus on a post-Consolidation basis (refer to Section 11.4 for more details on the Consolidation).</p> <p>Following completion of the Acquisition and the Offers, the free float (as that term is defined in the ASX Listing Rules) at the time of re-quotation will be not less than 20% (ASX Listing Rule 1.1 Condition 7).</p>	
What is the Offer price?	<p>General Offer</p> <p>The Offer Price under the General Offer is \$0.10 per New Share.</p> <p>SPP Offer</p> <p>The Offer Price under the SPP Offer is \$0.10 per New Share.</p> <p>Vendor Offer</p> <p>No cash consideration is payable to subscribe for Consideration Shares under the Vendor Offer.</p> <p>Waivers</p> <p>On 23 June 2017, the ASX granted the Company a waiver from:</p> <ul style="list-style-type: none"> • compliance with ASX Listing Rule 2.1 condition 2, to the extent necessary to permit the issue price for the New Shares under the SPP Offer and General Offer to be not less than \$0.02 per New Share subject to completion of the Consolidation, the terms and conditions of the waiver are clearly disclosed in the Notice and the Prospectus and Shareholder approval of the issue price of the New Shares at the General Meeting; and • ASX Listing Rule 7.3.8 to the extent necessary to permit the Acquisition Resolution in the Notice of Meeting approving the issue of securities under the SPP Offer (Resolution 6) not to include a voting exclusion statement that excludes the votes of any person who may participate in the SPP or any associate of such a person. 	Section 2.1, Section 2.2, Section 2.3 and 11.20
Are the Offers conditional?	<p>Yes. The Offers under this Prospectus are subject to a number of conditions, including:</p> <ul style="list-style-type: none"> • Shareholders approving the Acquisition Resolutions at the General Meeting required to implement the Acquisition. Note - All Acquisition Resolutions were approved at the General Meeting; • the Company completing the Acquisition of all of the issued capital of SenSen from the Vendors; and • the remaining conditions precedent to the Acquisition in the Acquisition Agreement and Warranty and Indemnity 	Section 2.9, Section 11.2, Section 10.1

	<p>Acknowledgement Deed being satisfied (or waived) including the Company receiving conditional approval from ASX that it will re-admit the Company to the Official List and terminate the suspension from Official Quotation of Shares, subject to such terms and conditions (if any) as are prescribed by ASX or the ASX Listing Rules.</p> <p>Further details of the conditions precedent to completion of the Acquisition are set out in Section 10.1.</p> <p>If these conditions are not met, the Acquisition will not proceed and the Company will not proceed with the Offers and will repay all Application Monies received, without interest and in accordance with the Corporations Act.</p> <p>New Shares and Consideration Shares issued under this Prospectus will be issued on the date of completion of the Acquisition of SenSen. In this regard, if completion does not occur, no New Shares or Consideration Shares will be issued pursuant to this Prospectus and the Company will repay all Application Monies received, without interest and in accordance with the Corporations Act.</p>																												
How can I apply?	<p>General Offer</p> <p>Applicants under the General Offer should complete the General Offer Application Form accompanying or included in this Prospectus or online at www.senseninvestors.com.au.</p> <p>Any Applicants applying online must personally complete the online General Offer Application Form. Application Forms completed online must not be completed by third parties, including authorised third parties (e.g. the Applicant's Broker).</p> <p>SPP Offer</p> <p>Applicants under the SPP Offer should complete the personalised SPP Offer Application Form accompanying or included in this Prospectus</p> <p>Vendor Offer</p> <p>Applicants under the Vendor Offer should complete the personalised Vendor Offer Application Form accompanying or included in this Prospectus</p> <p>All Application Forms must be completed in accordance with the instructions set out on the reverse of the Application Form.</p>	Section 2.6																											
What will the Company's capital structure look like post completion of the Offers and the Acquisition (assuming the General Offer is subscribed to the General Offer Minimum Subscription)?	<p>Following completion of the Offers and the Acquisition, the Company will have the following Shares on issue:</p> <table> <tr> <th></th><th>Shares</th><th>%</th></tr> <tr> <td>Existing Shares</td><td>18,347,650 Shares</td><td>5.14%</td></tr> <tr> <td>SPP Offer (SPP Offer Subscription Amount)</td><td>15,000,000 Shares</td><td>4.20%</td></tr> <tr> <td>General Offer (General Offer Minimum Subscription)</td><td>30,000,000 Shares</td><td>8.41%</td></tr> <tr> <td>Consideration Shares issued to the Vendors</td><td>273,764,706 Shares</td><td>76.7%</td></tr> <tr> <td>Shares issued on conversion of the Notes</td><td>6,689,850 Shares</td><td>1.87%</td></tr> <tr> <td>Shares issued to the SenSen Corporate Advisor and Joint Lead Manager as the Introduction and Advisory Fee</td><td>3,209,201 Shares</td><td>0.90%</td></tr> <tr> <td>Shares issued on capitalisation of 50% of the Orpheus Director Loans and Orpheus CFO Loan</td><td>9,822,420 Shares</td><td>2.75%</td></tr> <tr> <td>TOTAL</td><td>356,833,827 Shares</td><td>100%</td></tr> </table>		Shares	%	Existing Shares	18,347,650 Shares	5.14%	SPP Offer (SPP Offer Subscription Amount)	15,000,000 Shares	4.20%	General Offer (General Offer Minimum Subscription)	30,000,000 Shares	8.41%	Consideration Shares issued to the Vendors	273,764,706 Shares	76.7%	Shares issued on conversion of the Notes	6,689,850 Shares	1.87%	Shares issued to the SenSen Corporate Advisor and Joint Lead Manager as the Introduction and Advisory Fee	3,209,201 Shares	0.90%	Shares issued on capitalisation of 50% of the Orpheus Director Loans and Orpheus CFO Loan	9,822,420 Shares	2.75%	TOTAL	356,833,827 Shares	100%	Section 2.1 and Section 11.5
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	<p>All Share numbers are on a post-Consolidation basis (refer to Section 11.4 for details of the Consolidation), are subject to rounding resulting from the Consolidation and assume the Notes are converted into Shares. Refer to Section 11.8 for details of the terms of the Shares.</p> <p>Refer to Section 11.9 for details of the terms of the Notes.</p> <p>Refer to Section 6.5 for details on the Orpheus Director Loans and Orpheus CFO Loan</p>																												
<p>What will the Company's capital structure look like post completion of the Offers and the Acquisition (assuming the General Offer is subscribed to the General Offer Maximum Subscription)?</p>	<p>Following completion of the Offers and the Acquisition, the Company will have the following Shares on issue:</p> <table border="1"> <thead> <tr> <th></th><th>Shares</th><th>%</th></tr> </thead> <tbody> <tr> <td>Existing Shares</td><td>18,347,650 Shares</td><td>4.87%</td></tr> <tr> <td>SPP Offer (SPP Offer Subscription Amount)</td><td>15,000,000 Shares</td><td>3.98%</td></tr> <tr> <td>General Offer (General Offer Maximum Subscription)</td><td>50,000,000 Shares</td><td>13.27%</td></tr> <tr> <td>Consideration Shares issued to the Vendors</td><td>273,764,706 Shares</td><td>72.6%</td></tr> <tr> <td>Shares issued on conversion of the Notes³</td><td>6,689,850 Shares</td><td>1.78%</td></tr> <tr> <td>Shares issued to the SenSen Corporate Advisor and Joint Lead Manager as the Introduction and Advisory Fee</td><td>3,209,201 Shares</td><td>0.85%</td></tr> <tr> <td>Shares issued on capitalisation of 50% of the Orpheus Director Loans and Orpheus CFO Loan</td><td>9,822,420 Shares</td><td>2.61%</td></tr> <tr> <td>TOTAL</td><td>376,833,827 shares</td><td>100%</td></tr> </tbody> </table> <p>All Share numbers are on a post-Consolidation basis (refer to Section 11.4 for details of the Consolidation), are subject to rounding resulting from the Consolidation and assume the Notes are converted into Shares. Refer to Section 11.8 for details of the terms of the Shares.</p> <p>Refer to Section 11.9 for details of the terms of the Notes.</p> <p>Refer to Section 6.5 for details on the Orpheus Director Loans and Orpheus CFO Loan</p>		Shares	%	Existing Shares	18,347,650 Shares	4.87%	SPP Offer (SPP Offer Subscription Amount)	15,000,000 Shares	3.98%	General Offer (General Offer Maximum Subscription)	50,000,000 Shares	13.27%	Consideration Shares issued to the Vendors	273,764,706 Shares	72.6%	Shares issued on conversion of the Notes ³	6,689,850 Shares	1.78%	Shares issued to the SenSen Corporate Advisor and Joint Lead Manager as the Introduction and Advisory Fee	3,209,201 Shares	0.85%	Shares issued on capitalisation of 50% of the Orpheus Director Loans and Orpheus CFO Loan	9,822,420 Shares	2.61%	TOTAL	376,833,827 shares	100%	<p>Section 2.1 and Section 11.5</p>
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<p>What is the diluting impact of the balance 50% of the Orpheus Director Loans and Orpheus CFO Loan owing post completion of the Acquisition?</p>	<p>At completion of the Acquisition, 50% of the Orpheus Director Loans and Orpheus CFO Loan will be repaid by way of the issue of 9,822,420 Shares. This will leave a balance of \$982,242 outstanding to David Smith, Wayne Mitchell, Wesley Harder, Michael Rhodes and Barry Neal.</p> <p>The balance \$982,242, will be repaid within 12 months of completion of the Acquisition in cash, or in Shares, at the election of the Company's Board.</p> <p>Company Directors and CFO and the Company have agreed that in the event there is not sufficient cashflow to pay this amount in cash, this will be repaid by way of the issue of equity subject to Shareholder approval at the 2018 annual general meeting.</p> <p>The number of Shares to be issued will be calculated by dividing the relevant Orpheus Director Loans and the Orpheus CFO Loan amounts by the 30 day VWAP of the Shares trading on ASX.</p> <p>Consequently, Shareholders will be diluted in the event the \$982,242 is repaid by way of the issue of Shares. The extent of the dilution will depend on the 30 day VWAP of the Shares trading on ASX, for instance:</p> <ul style="list-style-type: none"> the higher the Shares trade, the lower the dilutive impact on the Shareholders; and 	<p>Section 6.5</p>																											

	<ul style="list-style-type: none"> the lower the Shares lower the Shares trade, the higher the dilutive impact on the Shareholders. 																									
<p>Which entities may hold a relevant interest in 5% or more in the Company's Shares on completion of the Offers</p>	<p>On completion of the SPP Offer, General Offer and the Vendor Offer the following entities are expected to hold a relevant interest in 5% or more of the total number of Shares on issue</p> <p>This assumes that the General Offer is widely taken up, Notes are all converted to Shares, Shares are issued to the SenSen Corporate Advisor and Joint Lead Manager as the Introduction and Advisory Fee and Shares are issued on capitalisation of 50% of the Orpheus Director Loans and Orpheus CFO Loan.</p> <table border="1"> <thead> <tr> <th>Holder</th><th>General Offer Minimum Subscription</th><th>General Offer Maximum Subscription</th></tr> </thead> <tbody> <tr> <td>SmartEquity EIS Pty Ltd ACN 606 521 233</td><td>39.64%</td><td>37.54%</td></tr> <tr> <td>Mr Subhash Challa (Proposed Director)</td><td>21.87%</td><td>20.71%</td></tr> <tr> <td>Mr Zenon Pasieczny</td><td>13%</td><td>12.31%</td></tr> <tr> <td>Speedshield Holdings Pty Ltd ACN 603 052 866</td><td>8.13%</td><td>7.70%</td></tr> <tr> <td>Mr. William Moran</td><td>7.23%</td><td>6.84%</td></tr> <tr> <td>Saphet Capital Management Pty Limited ACN 105 869 378</td><td>6.24%</td><td>5.91%</td></tr> <tr> <td>Mr Satish Gupta</td><td>6.02%</td><td>5.70%</td></tr> </tbody> </table> <p>Refer to Section 11.10 and Schedule A for further details.</p>	Holder	General Offer Minimum Subscription	General Offer Maximum Subscription	SmartEquity EIS Pty Ltd ACN 606 521 233	39.64%	37.54%	Mr Subhash Challa (Proposed Director)	21.87%	20.71%	Mr Zenon Pasieczny	13%	12.31%	Speedshield Holdings Pty Ltd ACN 603 052 866	8.13%	7.70%	Mr. William Moran	7.23%	6.84%	Saphet Capital Management Pty Limited ACN 105 869 378	6.24%	5.91%	Mr Satish Gupta	6.02%	5.70%	<p>Section 2.1, Section 11.10 and Schedule A</p>
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<p>What is the effect of the proposed Acquisition and the Offers on the Company?</p>	<p>The proposed Acquisition will provide the Company with cash and reserves with which to grow a data and software development business specialising in the development of Video-IoT analytics and artificial intelligence data analytics software.</p> <p>The capital structure of the Company will be impacted by the number of Shares issued pursuant to the Offers. Post-completion of the Acquisition, Existing Shareholders will hold:</p> <ul style="list-style-type: none"> 12.73% of the total Shares on issue on the basis that the SPP Offer is subscribed to the Subscription Amount by the Existing Shareholders and the maximum number of New Shares being issued under the General Offer (General Offer Maximum Subscription), the Consideration Shares being issued, the Notes being converted into Shares and 50% of the Orpheus Director Loans and Orpheus CFO Loan being capitalised into Shares. <p>This 12.73% includes 2.61% taken up by David Smith, Wayne Mitchell, Wesley Harder, Michael Rhodes and Barry Neal on capitalisation of 50% of the Orpheus Director Loans and Orpheus CFO Loan and 1.27% taken up by Noteholders on conversion of their Notes on the basis that David Smith, Wayne Mitchell Wesley Harder, Michael Rhodes Barry and a number of the Noteholders are Existing Shareholders; and</p> <ul style="list-style-type: none"> 13.44% of the total Shares on issue on the basis that the SPP Offer is subscribed to the Subscription Amount by the Existing Shareholders and the minimum number of New Shares being issued under the General Offer (General Offer Minimum Subscription), the Consideration Shares being issued, the Notes being converted into Shares and 50% of the Orpheus Director Loans and Orpheus CFO 	<p>Section 2.1, Section 11.5 and Schedule A</p>																								

	<p>Loan being capitalised into Shares.</p> <p>This 13.44% includes 2.75% taken up by David Smith, Wayne Mitchell, Wesley Harder, Michael Rhodes and Barry Neal on capitalisation of 50% of the Orpheus Director Loans and Orpheus CFO Loan and 1.34% taken up by Noteholders on conversion of their Notes on the basis that David Smith, Wayne Mitchell Wesley Harder, Michael Rhodes Barry and a number of the Noteholders on the basis that they are Existing Shareholders.</p> <p>In the event the SPP Offer is not subscribed to the Subscription Amount by the Existing Shareholders and the Company places any shortfall under the SPP Offer, the total holding of Existing Shareholders could be reduced as follows.</p> <p>Note: This assumes the completion of the SPP Offer up to the Subscription Amount, (all or partly by Eligible Shareholders) the General Offer being subscribed to either the Minimum Subscription or the Maximum Subscription (as detailed below), the Notes being converted into Shares and 50% of the Orpheus Director Loans and Orpheus CFO Loan being capitalised into Shares.</p> <table border="1"> <thead> <tr> <th>Existing Shareholders %</th><th>General Offer Minimum Subscription</th><th>General Offer Maximum Subscription</th></tr> </thead> <tbody> <tr> <td>100% take-up of SPP Offer by Existing Shareholders</td><td>13.44%</td><td>12.73%</td></tr> <tr> <td>75% take-up of SPP Offer by Existing Shareholders and 25% placement of shortfall</td><td>12.39%</td><td>11.73%</td></tr> <tr> <td>50% take-up of SPP Offer by Existing Shareholders and 50% placement of shortfall</td><td>11.34%</td><td>10.74%</td></tr> <tr> <td>25% take-up of SPP Offer by Existing Shareholders and 75% placement of shortfall</td><td>10.29%</td><td>9.74%</td></tr> </tbody> </table> <p>Accordingly the issue of the New Shares and Consideration Shares will have a significant dilutionary effect on the Company's Existing Shareholders.</p>	Existing Shareholders %	General Offer Minimum Subscription	General Offer Maximum Subscription	100% take-up of SPP Offer by Existing Shareholders	13.44%	12.73%	75% take-up of SPP Offer by Existing Shareholders and 25% placement of shortfall	12.39%	11.73%	50% take-up of SPP Offer by Existing Shareholders and 50% placement of shortfall	11.34%	10.74%	25% take-up of SPP Offer by Existing Shareholders and 75% placement of shortfall	10.29%	9.74%	
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What are the terms of the Shares offered under the Offers?	<p>The New Shares and Consideration Shares will be on the same terms as the Existing Shares in the Company.</p> <p>A summary of the material rights and liabilities attached to the Existing Shares, New Shares and Consideration Shares offered under this Prospectus is set out in Section 11.8.</p>	Section 11.8															
Will any Shares be subject to escrow?	<p>Subject to the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offers, certain Consideration Shares may be classified by the ASX as restricted securities and will be required to be escrowed for up to 24 months from the date of Official Quotation.</p> <p>It is also proposed that certain Existing Shares will be subject to voluntary restriction. The percentage of shares that will be subject to voluntary escrow is 0.78% based on the General Offer Minimum Subscription being achieved and 0.74% based on the General Offer Maximum Subscription being achieved.</p> <p>During this period in which the Consideration Shares 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</p>	Section 11.16															
Are the Offers underwritten?	Neither the SPP Offer nor the General Offer is underwritten.	Section 2.1 and Section 2.2															

Will the New Shares and Consideration Shares be listed?	<p>Yes. The Company will apply to ASX for quotation of the New Shares and Consideration Shares under the Offers on ASX (other than those subject to escrow) (as well as the Existing Shares in the Company) no later than 7 days after the date of this Prospectus.</p> <p>However, Applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be re-admitted to the Official List. As such, the New Shares may not be able to be traded for some time after the close of the Offers.</p> <p>There is no guarantee that the Company will receive the approval of ASX to be re-admitted to the Official List. If the Company does not receive approval from the ASX and the Offers do not proceed, then Application Monies will be refunded. No interest will be paid on any refunded Application Monies.</p>	Section 2.10
Can the Offers be withdrawn?	<p>The Company reserves the right not to proceed with the Offers at any time before the Share Allotment Date. If the Offers do not proceed, Application Monies will be refunded.</p> <p>No interest will be paid on any refunded Application Monies.</p>	Section 2.5
Is there a cooling-off period?	No	
Additional information		
What are the tax implications of investing in New Shares?	Shareholders may be subject to Australian tax on dividends and possibly income tax and/or capital gains tax on a future disposal of New Shares and Consideration Shares subscribed for under this Prospectus. All potential investors in the Company should consider obtaining independent financial and taxation advice about the consequences of acquiring New Shares or Consideration Shares from a taxation perspective and generally.	Section 2.14
Is there any brokerage, commission or duty payable?	No brokerage, commission or duty is payable by an Applicant for acquisition of New Shares or Consideration Shares under the Offers.	Section 2.12
Will I receive confirmation that my Application has been successful?	Confirmations of successful Application in the form of holding statements are expected to be despatched by post on or around 26 September 2017.	Important Dates on page 7
How can I obtain further information?	To obtain further information speak to your accountant, stockbroker, financial adviser or professional adviser. If you require assistance or additional copies of this Prospectus you should contact the Offer Information Line on 1300 651 303 (from within Australia) and +61 3 9415 4281 (from outside Australia) between 8.30am and 5.00pm (Sydney time).	Nil

2. Details of the Offers

2.1 The SPP Offer

Overview

The SPP Offer is an offer for subscription of 15,000,000 New Shares at an issue price of \$0.10 per New Share to raise up to \$1,500,000.

All New Shares issued under the Prospectus will be fully paid and will rank equally with all other Shares then currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in **Section 11.8**.

Eligible Shareholders

The Offer is being offered to Shareholders who meet the following criteria (**Eligible Shareholders**):

- are registered as a holder of Shares at 5.00pm (AEST) on 31 July 2017 (**SPP Record Date**); and
- have a registered address in Australia or New Zealand or are eligible under all securities laws applicable to the Shareholder to receive an offer under the SPP Offer; and
- are not in the United States and are not acting for the account or benefit of, any US Person.

Applications

Eligible Shareholders may participate by selecting one of the following offers to purchase New Shares under the SPP Offer:

	Total amount payable	Number of New Shares which may be purchased
Offer A	\$15,000	150,000
Offer B	\$10,000	100,000
Offer C	\$7,500	75,000
Offer D	\$5,000	50,000
Offer E	\$2,500	25,000
Offer F	\$2,000	20,000
Offer G	The minimum amount required to allow a shareholder to increase their position to a minimum parcel size ie \$2,000 in total or 20,000 New Shares in total.	Sufficient New Shares to reach 20,000 Shares in total.

A tailored SPP Offer Application Form will be provided to each Shareholder.

The dilutive impact of the Acquisition and the Offers on the holdings of Existing Shareholders is contained in a table in Schedule A. This table provides a snapshot of the dilutive impact to Existing Shareholders in the event:

- The SPP is fully subscribed to the Subscription Amount and the General Offer is subscribed to the General Offer Maximum Subscription (raising \$6,500,000), the Notes are all converted into Shares and 50% of the Orpheus Director Loans and Orpheus CFO Loan are capitalised into Shares; and

- The SPP is fully subscribed to the Subscription Amount and the General Offer is subscribed to the General Offer Minimum Subscription (raising \$4,500,000), the Notes are all converted into Shares and 50% of the Orpheus Director Loans and Orpheus CFO Loan are capitalised into Shares.

A footnote to the table in Schedule A also provides detail of the of the dilutive impact to Existing Shareholders (based on their holding as at the date of this Prospectus) in the event Eligible Shareholders do not take up 100% of the SPP Offer and the Directors place the shortfall as follows:

- 75% to Eligible Shareholders and 25% is placed under the shortfall;
- 50% to Eligible Shareholders and 50% is placed under the shortfall; and
- 25% to Eligible Shareholders and 75% is placed under the shortfall.

By way of summary, the table below sets out the percentage holdings based on the General Offer Minimum Subscription and the General Offer Maximum Subscription being achieved under the General Offer and the SPP Offer being subscribed to the Subscription Amount:

Holder	General Minimum Subscription	General Offer Maximum Subscription
Vendors	76.70%	72.60%
Existing Shareholders (not taking into account take-up under the SPP by Existing Shareholders)	5.14%	4.87%
Additional % held by Existing Shareholders (based on the SPP being subscribed to the Subscription Amount) ¹	4.20%	3.98%
Investors under the General Offer (Maximum Subscription)	8.41%	13.27%
Directors (on conversion of the 50% of Orpheus Director Loans and Orpheus CFO Loan)	2.75%	2.61%
Noteholders on conversion of the Notes	1.87%	1.78%
SenSen Corporate Advisor and Joint Lead Manager (Introduction and Advisory Fee)	0.90%	0.85%
Total	100%	100%

Note:

1. Refer to detail under the heading '*shortfall*' below in regards to how the percentage held by Existing Shareholders may reduce in the event Eligible Shareholders do not take up 100% of the SPP Offer,

Multiple holdings of Shares

The maximum investment any Eligible Shareholder may apply for under the SPP Offer will remain \$15,000 even if a Shareholder receives more than one offer in respect of the SPP Offer (whether in respect of a joint holding or because the Shareholder has more than one holding under a separate account). It is the responsibility of the applicant to ensure that the aggregate of the application price paid for the New Shares the subject of the application and any other shares and interests in the class applied for under the SPP Offer or any similar arrangement in the 12 months prior to the date of submission does not exceed \$15,000.

Please note that in the event the SPP is oversubscribed, the Company may, in its absolute discretion, apply any oversubscription funds to the General Offer. See **Section 2.6** for further details.

How much is the Company seeking to raise under the SPP Offer?

The Company seeks to raise \$1,500,000 under the SPP Offer, being the SPP Offer Subscription Amount. The minimum and maximum number of New Shares that can be issued under the SPP Offer is 15,000,000.

If the Subscription Amount is not obtained within four months after the date of this Prospectus, the Company will repay all Application Monies in full without interest as soon as practicable or subject to certain conditions, issue a supplementary or replacement prospectus and rely on the relief provided in ASIC Corporations Instrument (Minimum Subscription and Quotation Conditions) 2016/70 to refresh the relevant time period before it expires.

Allocation policy

In the event of an oversubscription by the Closing Date for the SPP Offer (i.e. in excess of the Subscription Amount is received) the Board may, in their absolute discretion, scale-back all and any applications. If the Company rejects or scales-back an application or purported application, the Company will promptly return to the Shareholder the relevant application monies, without interest.

Notwithstanding that any scale-back of SPP Offer applications will be on an equitable basis, the Company will not scale back a holding such that the Shareholder is allocated less than \$2,000 of New Shares.

In the event the SPP is oversubscribed, the Company may, in its absolute discretion, apply any oversubscription funds to the General Offer. See **Section 2.6** for further details.

Shortfall

In the event Eligible Shareholders subscribe for less than the Subscription Amount, the Company reserves the right to place any shortfall of the Share Purchase Plan in its discretion.

In the event the SPP Offer is not subscribed to the Subscription Amount by the Eligible Shareholders and the Company places any shortfall under the SPP Offer, the additional holding of Existing Shareholders SPP Offer (4.20% based on the General Offer Minimum Subscription being achieved and 3.98% based on the General Offer Maximum Subscription being achieved) could be reduced as follows:

Existing Shareholders %	General Offer Minimum Subscription	General Offer Maximum Subscription
100% take-up by Existing Shareholders	4.20%	3.98%
75% take-up by Existing Shareholders and 25% placement of shortfall	3.15%	2.99%
50% take-up by Existing Shareholders and 50% placement of shortfall	2.10%	1.99%
25% take-up by Existing Shareholders and 75% placement of shortfall	1.05%	1.00%

Underwriting

The SPP Offer is not underwritten.

Custodian, Trustees and Nominees

If you are an Eligible Shareholder and hold Shares as a custodian (as defined in ASIC Class Order [CO 09/425]) (**Custodian**), you may apply for up to the maximum number of Shares for each beneficiary for whom you act as Custodian provided you annex to your SPP Offer Application Form a certificate to the Company (Custodian Certificate) with the following information:

- that you hold Shares on behalf of one or more persons who are resident in Australia, New Zealand or are eligible under all securities laws applicable to that person to receive an offer

under the SPP Offer (each a **Participating Beneficiary**) at the SPP Record Date who have subsequently instructed you to apply for Shares under the SPP Offer on their behalf;

- the number of Participating Beneficiaries and their names and addresses;
- the number of Shares that you hold on behalf of each Participating Beneficiary;
- the dollar amount of Shares that each Participating Beneficiary has instructed you, either directly or indirectly through another Custodian to apply for on their behalf;
- that the application price for New Shares applied under the SPP Offer for each Participating Beneficiary for whom you act plus the application price for any other Shares issued to you as Custodian for that Participating Beneficiary under any arrangement similar to the SPP Offer in the prior 12 months does not exceed \$15,000;
- that a copy of the Prospectus was given to each Participating Beneficiary; and
- where you hold Shares on behalf of a Participating Beneficiary indirectly, through one or more interposed Custodians, the name and address of each interposed Custodian.

If you hold Shares as a trustee or nominee for another person or persons but are not a Custodian, you cannot participate for beneficiaries in the manner described above. In this case, the rules of multiple single holdings (above) apply.

Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply, you should contact the Offer Information Line on 1300 651 303 (from within Australia) and +61 3 9415 4281 (from outside Australia) between 8.30am and 5.00pm (Sydney time).

The Company reserves the right to reject any application for New Shares under the SPP Offer to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

Quotation and trading

Application for quotation of all New Shares issued under the SPP Offer will be made to the ASX no later than 7 days after the date of this Prospectus. See **Section 11.1** for further details.

2.2 General Offer

Overview

The General Offer is an offer for subscription of a maximum of 50,000,000 New Shares at an issue price of \$0.10 per New Share to raise up to \$5,000,000.

All New Shares issued under the Prospectus will be fully paid and will rank equally with all other Shares then currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in **Section 11.8**.

Eligible Investors

The General Offer is being offered to Investors that meet the following criteria (**Eligible Investors**):

- have a registered address in Australia or New Zealand or are eligible under all securities laws applicable to the Investor to receive an offer under the General Offer; and
- are not in the United States and are not acting for the account or benefit of, any US Person.

How much is the Company seeking to raise under the General Offer?

The General Offer Maximum Subscription under the General Offer is \$5,000,000 representing 50,000,000 New Shares at \$0.10 per New Share.

The General Offer Minimum Subscription under the General Offer is \$3,000,000 representing 30,000,000 New Shares at \$0.10 per New Share.

If the General Offer Minimum Subscription is not obtained within four months after the date of this Prospectus, the Company will repay all Application Monies in full without interest as soon as practicable or subject to certain conditions, issue a supplementary or replacement prospectus and rely on the relief provided in ASIC Corporations Instrument (Minimum Subscription and Quotation Conditions) 2016/70 to refresh the relevant time period before it expires.

Allocation policy

The acceptance of Applications and the allocation of New Shares are at the discretion of the Company, in consultation with the Lead Manager. In consideration for the Directors agreeing to consider an Applicant's Application, the Applicant agrees its Application is an irrevocable offer which cannot be withdrawn.

The Company reserves the right to reject any Application and to allot to an Applicant a lesser number of New Shares than the number for which the Applicant applies. No Applicant under the General Offer has any assurance of being allocated all or any New Shares applied for.

Underwriting

The General Offer is not underwritten.

Quotation and trading

Application for quotation of all New Shares issued under the General Offer will be made to the ASX no later than 7 days after the date of this Prospectus. See **Section 11.1** for further details.

2.3 Vendor Offer

This Prospectus also includes an offer of the Consideration Shares to be issued to the Vendors pursuant to the Acquisition Agreement and Warranty & Indemnity Acknowledgement Deed in consideration for the acquisition by the Company of the entire issued share capital of SenSen. The material terms and conditions of the Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed are summarised in **Section 10.1**.

The terms of the Consideration Shares offered under the Vendor Offer are summarised in **Section 11.8**.

The Consideration Shares will be issued pro-rata to each of the Vendors in accordance with their shareholding in SenSen. Details of the SenSen shareholders and the allocation of Consideration Shares are contained in **Schedule A**.

Application for quotation of the Consideration Shares issued under the Vendor Offer (not subject to escrow) will be made to the ASX no later than 7 days after the date of this Prospectus.

Only the Vendors may accept the Vendor Offer. A personalised Vendor Offer Application Form in relation to the Vendor Offer will be issued to the Vendors together with a copy of this Prospectus.

The Consideration Shares may be subject to escrow under the ASX Listing Rules. Please refer to **Section 11.16** for a summary of the likely escrow position.

All Consideration Shares issued under the Prospectus will be fully paid and will rank equally with all other Shares then currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in **Section 11.8**.

2.4 Purpose of the General Offer, the SPP Offer and Vendor Offer

The primary purposes of the General Offer, the SPP Offer and Vendor Offer are to:

- assist the Company to meet the re-admission requirements of the ASX under Chapters 1 and 2 of the ASX Listing Rules (see **Section 11.1** for further details);
- provide the Company with additional funding for:
 - further development of the SenSen Technology in relation to both the ITS and gaming industries and associated product development;
 - the pursuit of protection of any intellectual property discovered following such development;
 - the repayment of the SenSen Director Loans; and
 - to provide the Company with further working capital;

(this is detailed in **Section 4.8**)

- remove the need for additional disclosure documentation to be issued upon the sale of the New Shares to be issued under the SPP Offer or General Offer by retail investors or the on-sale of any Consideration Shares issued to the Vendors under the Vendor Offer (following expiry of the ASX imposed escrow period (if any)).

The Company intends on applying the funds raised under the General Offer and the SPP Offer along with its current cash reserves post-Acquisition in the manner detailed in **Section 4.8**.

2.5 Discretion regarding the Offers

The Company reserves the right to close the General Offer or SPP Offer or any part of them early, extend the General Offer or SPP Offer or any part of them, accept late Applications or bids either generally or in particular cases, reject any Application or bid, or allocate to any Applicant or bidder fewer New Shares than the amount applied or bid for. Applications received under the SPP Offer or General Offer are irrevocable and may not be varied or withdrawn except as required by law.

The Company will only allocate such number of Consideration Shares as detailed in the Vendor Offer Application Forms.

2.6 How to subscribe for New Shares and Consideration Shares under the Offers?

SPP Offer

Applications for New Shares under the SPP Offer must only be made using the personalised SPP Offer Application Form provided to you.

By completing the SPP Offer Application Form, each Applicant under the SPP Offer will be taken to have represented, warranted, agreed and acknowledged as follows:

- that all details and statements made by them are complete and accurate;
- that they have personally received the SPP Offer Application Form together with a complete and unaltered copy of the Prospectus;

- that they agree to be bound by the terms of the Constitution and the terms and conditions of the SPP Offer;
- that they are eligible to receive New Shares under the SPP Offer;
- that they understand that the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any State of the United States and may not be offered, sold or resold in the United States except in transactions exempt from, or not subject to, registration requirements of the US Securities Act and applicable US State securities laws;
- that they are not in the US;
- that they have not sent and will not send the Prospectus or any other material relating to the Offers to any person in the US; and
- in the event the SPP is oversubscribed, the Company can, in its absolute discretion, apply any oversubscription funds to the General Offer and you are taken to have applied under the General Offer for or instructed the Board to complete a General Offer Application Form based on the information provided in the SPP Application Form in respect of the oversubscription funds (or part thereof).

If an SPP Offer Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the SPP Offer Application Form to be valid. The Company's decision to treat an Application as valid, or on how to construe, amend or complete it, will be final.

Once a SPP Offer Application has been made it cannot be revoked. All valid SPP Offer Applications shall be deemed accepted if received before the Closing Date.

Completed SPP Offer Application Forms must be mailed or delivered to the address set out in the SPP Offer Application Form with sufficient time to be received by or on behalf of the Company by no later than 5:00pm (AEST) on the Closing Date, which is currently scheduled to occur on 15 September 2017.

The SPP Offer is conditional on certain matters as discussed in **Section 2.9**.

Application Monies – SPP Offer

Applications under the SPP Offer must be accompanied by payment in full in Australian currency by:

- cheque; or
- BPAY,

in accordance with the instructions set out in the SPP Offer Application Form.

Please ensure that only Eligible Shareholders under the SPP Offer use the BPAY details for the SPP Offer contained in the SPP Offer Application Form.

If the exact amount of money is not tendered with your SPP Offer Application Form, the Company reserves the right to:

- return your SPP Offer Application Form and/or payment and not issue any New Shares;
- issue you the number of New Shares that would have been issued had you applied for the highest designated amount that is less than the amount of your payment and refund the excess application money to you by cheque as soon as possible without interest;

- in the event the SPP is oversubscribed, the Company can, in its absolute discretion, apply any oversubscription funds to the General Offer.

Application Monies received under the SPP Offer will be held in special purpose trust accounts until New Shares are issued to successful Applicants. Any interest earned on Application Monies will be retained by the Company and each Applicant waives the rights to claim interest.

Application Monies in excess of \$2.00 will be refunded (in full or in part, as applicable) in Australian dollars where an Application is rejected, or where an Application subject to a scale-back of the SPP Offer or the General Offer is withdrawn or cancelled. No interest will be paid on any refunded amounts.

Refund cheques will be sent as soon as practicable following the close of the SPP Offer.

General Offer

Applications for New Shares under the General Offer must only be made by:

- completing the General Offer Application Form that is included in or accompanies this Prospectus (or a printed copy of the General Offer Application Form attached to the electronic version of the Prospectus); or
- apply online at www.senseninvestors.com.au.

Applicants applying online must personally complete the online Application Form and pay the Application Moneys only. General Offer Application Forms completed online must not be completed by third parties, including authorised third parties (e.g. the Applicant's Broker).

By completing a General Offer Application Form, each Applicant under the General Offer will be taken to have represented, warranted, agreed and acknowledged as follows:

- that all details and statements made by them are complete and accurate;
- that they have personally received the General Offer Application Form together with a complete and unaltered copy of the Prospectus;
- that they agree to become a member of the Company (if not already) and to be bound by the terms of the Constitution and the terms and conditions of the , General Offer;
- that they are eligible to receive New Shares under the General Offer (as relevant);
- that they understand that the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any State of the United States and may not be offered, sold or resold in the United States except in transactions exempt from, or not subject to, registration requirements of the US Securities Act and applicable US State securities laws;
- that they are not in the US; and
- that they have not sent and will not send the Prospectus or any other material relating to the Offers to any person in the US.

If a General Offer Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the General Offer Application Form to be valid. The Company's decision to treat a General Offer Application as valid, or on how to construe, amend or complete it, will be final.

Once an Application has been made it cannot be revoked. All valid Applications shall be deemed accepted if received before the Closing Date.

Completed General Offer Application Forms must be mailed or delivered to the address set out in the General Offer Application Form with sufficient time to be received by or on behalf of the Company by no later than 5:00pm (AEST) on the Closing Date, which is currently scheduled to occur on 18 September 2017.

The General Offer is conditional on certain matters as discussed in **Section 2.9**.

Application Monies – General Offer

Applications under the General Offer must be accompanied by payment in full in Australian currency by:

- cheque in accordance with the instructions set out in the General Offer Application Form attached to or accompanying this Prospectus; or
- BPAY as detailed online at www.senseninvestors.com.au.

Please ensure that only Eligible Investors under the General Offer use the BPAY details for the General Offer contained in the General Offer Application Form.

If the exact amount of money is not tendered with your General Offer Application Form, the Company reserves the right to either:

- return your General Offer Application Form and/or payment and not issue any New Shares;
- issue you the number of New Shares that would have been issued had you applied for the highest designated amount that is less than the amount of your payment and refund the excess application money to you by cheque as soon as possible without interest;

Application Monies received under the General Offer will be held in special purpose trust accounts until New Shares are issued to successful Applicants. Any interest earned on Application Monies will be retained by the Company and each Applicant waives the rights to claim interest.

Application Monies in excess of \$2.00 will be refunded (in full or in part, as applicable) in Australian dollars where an Application is rejected, or where an Application subject to a scale-back of the General Offer is withdrawn or cancelled. No interest will be paid on any refunded amounts.

Refund cheques will be sent as soon as practicable following the close of the General Offer.

Vendor Offer

Applications for Consideration Shares must only be made using the Vendor Offer Application Form.

By completing a Vendor Offer Application Form, each Applicant under the Vendor Offer will be taken to have represented, warranted, agreed and acknowledged as follows:

- that all details and statements made by them are complete and accurate;
- that they have personally received the Vendor Offer Application Form together with a complete and unaltered copy of the Prospectus;
- that they agree to become a member of the Company and to be bound by the terms of the Constitution and the terms and conditions of the Vendor Offer;
- that they are eligible to receive Consideration Shares under the Vendor Offer;
- that they understand that the Consideration Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any State of the United States and may not be offered, sold or resold in the United States except in transactions

exempt from, or not subject to, registration requirements of the US Securities Act and applicable US State securities laws;

- that they are not in the US; and
- that they have not sent and will not send the Prospectus or any other material relating to the Offers to any person in the US.

If a Vendor Offer Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Vendor Offer Application Form to be valid. The Company's decision to treat a Vendor Offer Application as valid, or on how to construe, amend or complete it, will be final.

Once an Application has been made it cannot be revoked. All valid Vendor Offer Applications shall be deemed accepted if received before the Closing Date.

Completed Vendor Offer Application Forms must be mailed or delivered to the address set out in the Application Form with sufficient time to be received by or on behalf of the Company by no later than 5:00pm (AEST) on the Closing Date, which is currently scheduled to occur on 18 September 2017.

The Vendor Offer is conditional on certain matters as discussed in **Section 2.9**.

2.7 Assistance

If you require assistance in completing an Application Form, please contact the Offer Information Line on 1300 651 303 (from within Australia) and +61 3 9415 4281 (from outside Australia) between 8.30am and 5.00pm (Sydney time).

2.8 Issue of New Shares and Consideration Shares

Subject to the satisfaction of each of the Conditions (see **Section 2.9**), the issue of New Shares and Consideration Shares offered by this Prospectus will take place as soon as practicable after the Closing Date for each of the SPP Offer, Vendor Offer and General Offer and in accordance with the timetable set out on **page 7**.

2.9 Conditions of the Offers

Completion of the Offers is conditional upon:

- the Acquisition Resolutions receiving Shareholder approval at the General Meeting. Refer to **Section 11.2** for further details. Note - all Acquisition Resolution were approved at the General Meeting;
- the Consolidation completing;
- the Company completing the Acquisition of all of the issued capital of SenSen from the Vendors;
- ASX confirming that it will re-admit the Company to the Official List and terminate the suspension from Official Quotation of Shares, subject to such terms and conditions (if any) as are prescribed by ASX or the ASX Listing Rules; and
- the remaining conditions being satisfied as detailed in the Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed.

In the event that the conditions above are not satisfied, the Offers will not proceed and no New Shares will be issued pursuant to this Prospectus. If this occurs, Applicants will be refunded their Application Monies (without interest).

2.10 ASX Listing

Application for Official Quotation by ASX of the New Shares and Consideration Shares (those not subject to escrow) offered pursuant to the SPP Offer, General Offer and Vendor Offer under this Prospectus will be made within seven days after the date of this Prospectus.

Applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be re-admitted to the Official List. As such, the New Shares and Consideration Shares (those not subject to escrow) may not be able to be traded for some time after the close of the SPP Offer, General Offer and Vendor Offer.

If approval for Official Quotation is not obtained from ASX before the expiration of three months after the date of issue of this Prospectus, the Company will repay all Application Monies in full without interest as soon as practicable or subject to certain conditions, issue a supplementary or replacement prospectus and rely on the relief provided in ASIC Corporations Instrument (Minimum Subscription and Quotation Conditions) 2016/70 to refresh the relevant time period before it expires.

The fact that ASX may grant Official Quotation to the Shares, New Shares and Consideration Shares (those not subject to escrow) is not to be taken in any way as an indication of the merits of the Company or the New Shares or Consideration Shares now offered for subscription.

2.11 CHESS

Orpheus will apply to the ASX Settlement Corporation Pty Ltd (**ASC**) for the New Shares and Consideration Shares to participate in the Clearing House Electronic Subregister System (**CHESS**). After allotment of the New Shares, those who are issuer sponsored holders will receive an issuer sponsored statement and those who are CHESS holders will receive an allotment advice.

The CHESS statements, which are similar in style to bank account statements, will set out the number of New Shares and Consideration Shares allotted to each successful applicant pursuant to this Prospectus. The statement will also advise holders of their Holder Identification Number. Further statements will be provided to holders which reflect any changes in their holding in Orpheus during a particular month.

2.12 Fees and costs

No duty is payable by Applicants on the acquisition of New Shares under the SPP Offer, General Offer or Consideration Shares under the Vendor Offer. Costs payable by the Company and SenSen in connection with the Offers are summarised in **Section 11.18**.

2.13 Overseas investors

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would be unlawful to make such an offer or extend such an invitation. No action has been taken to register this Prospectus or otherwise to permit a public offering of Shares in any jurisdiction outside Australia or New Zealand. It is the responsibility of non-Australian and non-New Zealand resident investors to obtain all necessary approvals for the issue to them of the New Shares or Consideration Shares offered pursuant to this Prospectus.

2.14 Taxation

The acquisition and disposal of New Shares and Consideration Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential Applicants. As such, potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring New Shares or Consideration Shares (as relevant) from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for New Shares or Consideration Shares (as relevant) under this Prospectus.

2.15 Risk factors

You should read the whole of this Prospectus and consider all of the risk factors that could affect the performance of the New Shares and Consideration Shares and other information concerning the New Shares and Consideration Shares in light of your own particular investment objectives, financial circumstances and particular needs (including financial and taxation issues) before deciding whether to invest in the Company. Some of the risk factors that should be considered by potential investors are set out in **Section 5**.

If you have any questions or are uncertain as to whether the New Shares and Consideration Shares are a suitable investment for you, you should seek professional advice from your stockbroker, accountant, financial planner or other professional adviser before deciding whether to invest in the Company.

2.16 Enquiries

If you have any questions in relation to the Offers, please contact the Offer Information Line on 1300 651 303 (from within Australia) and +61 3 9415 4281 (from outside Australia) between 8.30am and 5.00pm (Sydney time).

3. Industry overview

3.1 Market overview

Global consulting leader McKinsey has predicted that the 'video meeting the internet of things' will be an important junction of two great forces. While advanced surveillance apps offering improved detection capabilities and higher accuracy have struggled with transmission, storage and analytical limitations, the SenSen Technology is able to offer innovative solutions.

The Internet of Things (**IoT**) is the network of physical objects or “things” embedded with electronics, software, sensors, and network connectivity, which enables these objects to collect and exchange data. The IoT allows objects to be sensed and controlled remotely across existing network infrastructure, creating opportunities for more direct integration between the physical world and computer-based systems, and resulting in improved efficiency, accuracy and economic benefit. Each thing is uniquely identifiable through its embedded computing system but is able to interoperate within the existing internet infrastructure.

Typically, the IoT is expected to offer advanced connectivity of devices, systems and services that goes beyond machine to machine communications and covers a variety of domains, protocols and applications. These embedded devices (including smart objects), is expected to usher in automation in nearly all fields.

“Things”, in IoT sense, can refer to a wide variety of devices such as the SenSen Technology, These devices collect useful data with the help of various existing technologies and then autonomously flow the data between other devices.

Besides the plethora of new application areas for Internet connected automation to expand into, IoT is also expected to generate large amounts of data from diverse locations that is aggregated very quickly, thereby increasing the need to between index, store and process such data. IoT is one of the platforms of today's Smart City, and Smart Energy Management Systems.

Therefore, the IoT has broad application, with a vast number of current and potential participants globally. The development and growth of the IoT sector is expected to provide substantial economic benefits over time.¹

In its research, McKinsey² highlighted several trends in the AI, data and analytics industry– all of which are relevant to areas that SenSen specialises in. Specifically, the following findings are relevant:

- that disruptive, data-driven models have the capacity to increase the productivity of analysis by:
 - relying on behavioural data rather than demographic data;
 - relying on verifiable evidence to reduce human biases and errors;
 - their ability to efficiently match supply and demand, and
 - that data and analytics fuelled by video are disrupting business models and bringing performance benefits;
 - that while data and analytics are transformational, many companies are capturing only a fraction of their value. Many incumbents struggle to switch from legacy data systems to a more nimble and flexible architecture although such evolution will enable businesses to

¹ https://en.wikipedia.org/wiki/Internet_of_things

² Manyika, J., Chui, M., Madgavkar, A. and Lund, S. (2017). What's now and next in analytics, AI, and automation. [online] McKinsey & Company. Available at: <http://www.mckinsey.com/global-themes/digital-disruption/whats-now-and-next-in-analytics-ai-and-automation?cid=other-eml-nsi-mgi-mck-oth-1706&hlid=8e0bb3c39c3f4bd48025303d0ecfc211&hctky=9986639&hdpid=d13c3f6a-8d9d-43f4-ad2f-7f7ff4e24e58> [Accessed 5 Jun. 2017].

more fully automate operations, which will in turn allow businesses to capture more data from customer interactions, supply chains, equipment, and internal processes; and

- that changing business processes to incorporate data insights into the actual workflow involves supplying the relevant data insights to decision makers and making sure that these executives and mid-level managers are able to interpret such data-driven insights.

These proficiencies are continuing to be developed within the industry.

3.2 Economic impact

McKinsey Global Institute predicts that IoT applications will have a potential economic impact of between US\$3.9 trillion to US\$11.1 trillion a year by 2025³, and Machina Research believes the global IoT market will grow from 6 billion devices in 2016 to 27 billion in 2025⁴.

By 2025, video analytics and IoT application will be implemented in a greater number of cities and retailers, generating between US\$14 billion and US\$31 billion in economic value through improved crime detection and monitoring and US\$410 billion and US\$1.2 trillion in annual economic value for the retailer market⁵ globally.

According to research conducted by the United Nations⁶, there will be 37 global megacities with a population of over 10 million by 2025, 22 of which will be located in Asia. The Navigant Research Leaderboard 2014 Report of Smart City Suppliers also reports that by 2050, the population of the cities is expected to increase from 3.6 billion to 6.3 billion.

The impact of such urbanisation is already having a profound impact on the global economy, as evidenced by the consequent rise in demand for infrastructure and other resources for city planning and management. While cities represent approximately only 2% of global land use, they account for around 80% of global GDP and 70% of the world's energy use. Many governments around the world including that of the UK, Japan, Taiwan and India are already recognising the imperative role of smart cities in national development and have channelled funding and related support for urban innovation⁷.

3.3 The question of integration

In conjunction with IoT, video analytics (**VA**) and AI allow for process integration across silos of operations. This tripartite merger is recognised as offering extremely high value-added benefits⁸.

Recent advances in VA technology such as in real-time data, greater accuracy, detailed insights, better business nuances and innovative test cases have put VA at the top of the value chain. Similarly, the result of recent advances in AI technology is that AI functionality no longer immediately categorises arbitrary disruptions in systems as being security threats, but is able to recognise and disregard motions that previously triggered false alarms⁹.

³ Page 2, video meets the internet of things, McKinsey December 2016

⁴ The Roadmap of Options: Monetizing and Managing IoT Services, TMForum November 2016

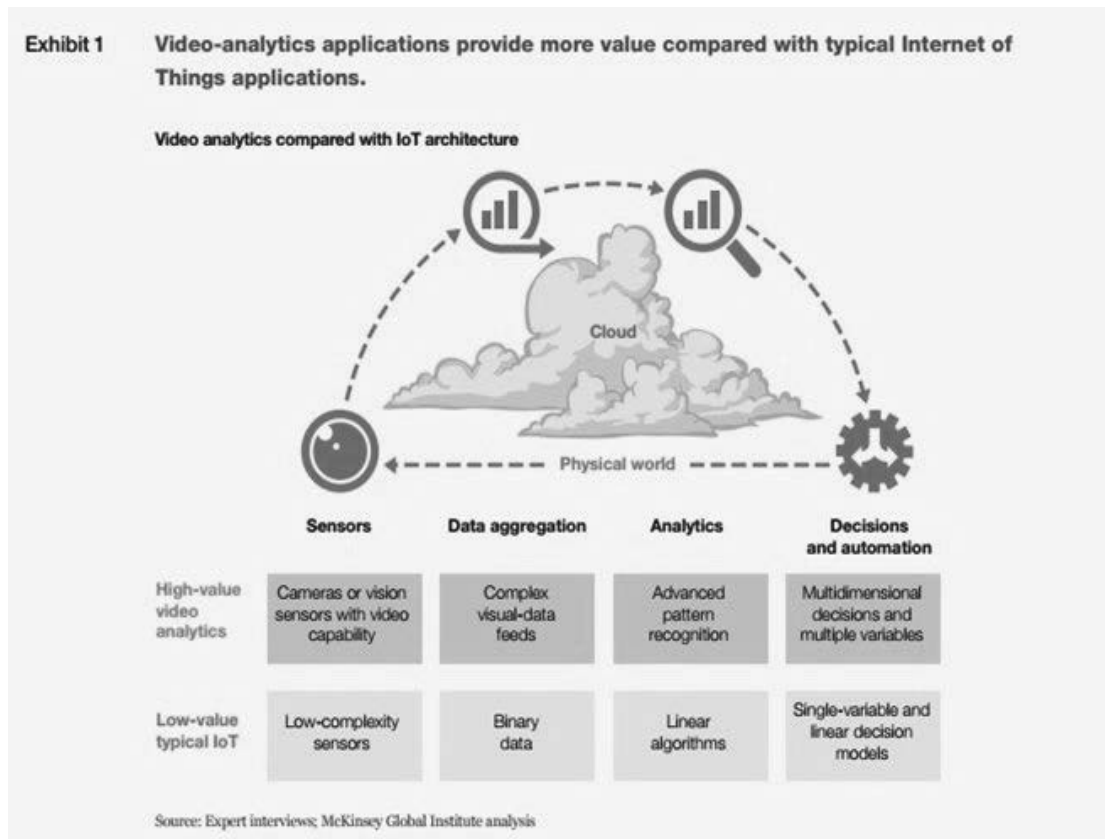
⁵ Page 5 & 6, video meets the internet of things, McKinsey December 2016

⁶ Page 4, Navigant Research Leaderboard Report: Smart City Suppliers, Q4 2014

⁷ Page 4, 5 & 6, Navigant Research Leaderboard Report: Smart City Suppliers, Q4 2014 / <http://smartcities.gov.in/content/innerpage/financing-of-smart-cities.php>

⁸ Page 3, video meets the internet of things, McKinsey December 2016

⁹ Page 3-5, video meets the internet of things, McKinsey December 2016



(Source: Page 3-5, video meets the internet of things, Mckinsey December 2016)

McKinsey has identified the revenue-generation capabilities of this confluence of applications being:

- better revenue models for software and application development; and
- lower revenue for solutions integration and hardware as a result of the solution integration and hardware being commoditised.

McKinsey's research¹⁰ also validates the view that companies which employ advanced digital capabilities in business operations, asset management and their employee base outperform their peers and enjoy increased market share, rising revenue and profitability. Not surprisingly, such companies tend to lead their industry as the fastest moving innovators and disruptors.

3.4 Rising popularity

Apart from commercial results, there are significant bottom line benefits as well. When discussing the relevance of VA for a better social network experience, Joaquin Candela, Facebook's Director of Applied Machine Learning, said: "We think video understanding is going to be ridiculously impactful¹¹... We're at a point now where we're pretty good at understanding photos but now there's video. You even have live video and the question becomes, well, how fast can you figure out what's going on in this video?" At IBM, researchers have found that intelligent VA leads to more comprehensive security, intelligence and investigative capabilities for security and public safety organizations¹².

¹⁰ Manyika, J., Ramaswamy, S., Khanna, S., Sarrazin, H., Pinkus, G., Sethupathy, G. and Yaffe, A. (2015). Digital America: A tale of the haves and have-mores. [online] McKinsey & Company. Available at: <http://www.mckinsey.com/industries/high-tech/our-insights/digital-america-a-tale-of-the-haves-and-have-mores> [Accessed 2 Jun. 2017].

¹¹ Mangalindan, J. (2017). How 'video understanding' could transform Facebook. Yahoo Finance, [online] p.Single. Available at: <https://finance.yahoo.com/news/how-video-understanding-could-transform-facebook-210834011.html> [Accessed 2 Jun. 2017].

¹² 4 ways intelligent video analytics enhance body-worn cameras. (2016). [Blog] IBM Big Data & Analytics hub. Available at: <http://www.ibmbigdatahub.com/blog/4-ways-intelligent-video-analytics-enhance-body-worn-cameras> [Accessed 1 Jun. 2017].

For law enforcement professionals, the use case scenario involves the management of body-worn cameras¹³ through a quick, advanced search and easy retrieval of incident videos across multiple video files, be it live-streaming or pre-recorded, and multiple camera types that can be fixed or in motion.

The auto-search capability handles a search for user-defined characteristics and facial recognition: based on hair length and colour; clothing type, colour and pattern; skin tone; height and weight across multiple video streams at a quicker pace.

Overview and Emerging trends: “The goal is to turn data into information, and information into insight.” – Carly Fiorina, former executive, president, and chair of Hewlett-Packard Co¹⁴.

On a generic level, AI simplifies everyday experiences, predicts choices and preferences based on historic patterns, and provides a deeply personal experience to the end user. Through the intelligent merger of VA and AI, human intelligence can monitor an environment and improve functionality while simultaneously eliminating manual error¹⁵.

With studies determining the average attention span at 20 minutes for mundane tasks, video analytics steps in to deliver increased operational efficiency. The fusion of AI and VA can result in more precise detection, the possibility of multiple triggers at one time, fewer false triggers and faster response times, which collectively has the potential to significantly improve current security models¹⁶.

Intelligent VA can process large sets of unstructured data from surveillance cameras to analyse images, detect threats and identify abnormalities, at an instantaneous filtering rate that will ultimately direct alerts to the right personnel depending on the level of the threat¹⁷.

3.5 Hot spots for maximum uptake of video analytics

McKinsey anticipates that the greatest demand for video analytics applications will be in the city, retail, vehicle, and office markets by 2020 with much of the technology deployed in business operations, public safety, employee productivity and improving maintenance¹⁸.

VA will also play a key role in enabling various functions of autonomous vehicles, such as blind-spot monitoring¹⁹.

In the retail sector, VA is expected to involve heat mapping, people counting, shopper-demographics analysis, loitering detection and dwell-time analysis. This monitoring will allow easier profiling of customers to assess their age range, demographic profile, and behaviour; facilitating better product placement insights. These inferences in turn offer considerable economies of scale as it helps businesses make crucial decisions in real time²⁰.

According to McKinsey, VA delivers better business insights than traditional surveillance cameras and is considered the most innovative of IoT applications because it offers real-time processing and greater accuracy across multiple sources²¹.

For land-based casinos, the benefits of VA and ToF cameras is well established. Faced with rigid regulatory constraints and competition from online gaming markets, achieving increased revenues in a capped casino table game market while optimising traditional models is expensive. ToF helps

¹³ 4 ways intelligent video analytics enhance body-worn cameras. (2016). [Blog] IBM Big Data & Analytics hub. Available at: <http://www.ibmbigdatahub.com/blog/4-ways-intelligent-video-analytics-enhance-body-worn-cameras> [Accessed 1 Jun. 2017].

¹⁴ the currency of the digital age, <http://www.hp.com/hpinfo/execteam/speeches/fiorina/04openworld.html>, 2004

¹⁵ the currency of the digital age, <http://www.hp.com/hpinfo/execteam/speeches/fiorina/04openworld.html>, 2004

¹⁶ <https://www.tripwire.com/state-of-security/security-data-protection/ai-is-tapping-into-intelligent-video-analytics-and-is-transforming-security>

¹⁷ <https://www.tripwire.com/state-of-security/security-data-protection/ai-is-tapping-into-intelligent-video-analytics-and-is-transforming-security/>

¹⁸ Page 2, video meets the internet of things, Mckinsey December 2016

¹⁹ Page 2, video meets the internet of things, Mckinsey December 2016

²⁰ Page 3 & 5, video meets the internet of things, Mckinsey December 2016

²¹ Page 2, video meets the internet of things, Mckinsey December 2016

asset owners achieve newer and better revenue streams by offering critical, time-sensitive information at a granular level through big data automation in a cost-efficient way²².

3.6 Past, present and the future of AI and IoT

While the current market size of IoT-VA application is relatively small the capabilities and potential benefits of this sector is expected to propel the market forward in the immediate 5-10 years. The IoT-VA market is expected to cater to a wider range of use cases and settings, offering increased growth potential which will in turn drive the revenue potential of the global VA sector²³.

The VA industry is still in its infancy; therefore first mover advantage is key as VA applications are expected to grow at greater than 50% over the next five years, according to McKinsey²⁴.

Machine learning is also expected to thrive during this period as evidenced by the establishment of the 'Machine Learning Project'²⁵ by the London Royal Society which investigated the UK's role in orchestrating the global advancement of Machine Learning in its report published during April 2017.²⁶

An intelligent transportation system (**ITS**) calls for the highest standards in safety, security and performance efficiency. Therefore autonomous vehicles need to have an inbuilt identification system to help navigate different environmental factors such as obstacles, road signs, pedestrians, and other vehicles. As each of these factors could vary diversely across different places and scenarios, it is not possible to prescribe predetermined rules and instructions for autonomous vehicles. However machine learning has the capacity to enhance autonomous vehicles' ability to adapt to a range of features and respond accordingly²⁷.

Autonomous vehicles represent another growth sector as they are not restricted to the transportation industry and can be used across a range of settings and industries such as assisting in efficient storage or fuel determination²⁸. Even drones are impacted by intelligent transport systems as demonstrated by the world's first drone delivery service operated at UK's Gateshead shopping centre by Amazon in December 2016 which relied in part on several road network sensors to ascertain vehicular flow and predict congestions to be avoided²⁹.

²² Page 3, SenGAME Marketing Plan, December 2016

²³ Page 8, video meets the internet of things, Mckinsey December 2016

²⁴ Page 2, video meets the internet of things, Mckinsey December 2016

²⁵ Royal Society. (2017). Machine learning. [online] Available at: <https://royalsociety.org/topics-policy/projects/machine-learning/> [Accessed 2 Jun. 2017].

²⁶ Royal Society. (2017). Machine learning. [online] Available at: <https://royalsociety.org/topics-policy/projects/machine-learning/> [Accessed 2 Jun. 2017].

²⁷ Page 2, video meets the internet of things, Mckinsey December 2016

²⁸ Page 36, Machine learning: the power and promise of computers that learn by example, The Royal Society, April 2017

²⁹ Page 36, Machine learning: the power and promise of computers that learn by example, The Royal Society, April 2017

4. Company overview

4.1 Business overview

The Company was incorporated on 8 September 2006 and was admitted to the Official List of the ASX on 28 May 2007. The Company's primary activities have been focused on acquiring, exploring and developing coal infrastructure projects in Indonesia.

For the past 12 months, the Company has been evaluating alternative corporate opportunities, both in Australia and overseas.

On 12 April 2017, the Company announced that it had entered into a binding conditional Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed under which the Company has agreed to acquire 100% of the issued capital of SenSen from all shareholders of SenSen.

In consideration for the Vendors agreeing to the Acquisition, the Company will issue the Consideration Shares to the Vendors.

A summary of the material terms of the Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed is set out in **Section 10.1**. Upon successful completion of the Acquisition, the Company will focus on the operation and development of the SenSen Business.

The SenSen Business is focused on providing Video-IoT analytics and artificial intelligence data analytics software solutions, which include the SenSen Technology (as described below), to customers and businesses in the Intelligent Transportation Systems and Gaming sector. The Board is of the opinion that the opportunity presented under the Acquisition represents an opportunity that is in the best interests of current Shareholders of the Company.

Detail on SenSen and its business is provided below.

4.2 SenSen

4.2.1 SenSen corporate's structure

SenSen is an Australian proprietary company incorporated on 18 August 2005. SenSen was initially founded by Subhash Challa (Proposed Director) as a spin-off from the University of Technology, Sydney where he was the Professor of Computer Systems.

As at the date of this Prospectus, the issued share capital of SenSen consists of 100,000 C class shares and 6,159,363 ordinary shares. In terms of the shareholding:

- The 100,000 C class shares, which constitute 1.598% of the issued share capital of SenSen, are currently held by University of Technology, Sydney. The C Class shares carry no right to participate in any dividends of SenSen and no right to participate in surplus assets or profits of SenSen upon winding up.
- SmartEquity EIS Pty Ltd holds, acting as trustee for the SenSen Employee Equity Trust for the benefit of the SenSen Key Personnel, a total of 3,234,126 ordinary shares in SenSen, which constitutes 51.669% of the issued share capital of SenSen.
- The remaining 2,925,237 issued ordinary shares in SenSen, which constitutes 46.733% of the issued share capital of SenSen are held by the SenSen Key Personnel (including Subhash Challa (Proposed Director)), seed investors, Speedshield Holdings Pty Ltd (which is the holding company of a distributor of SenSen, Speedshield Technologies Pty Ltd) and other unrelated investors.

4.2.2 SenSen Employee Equity Trust

Pursuant to a trust deed dated 2 July 2012, the SenSen Employee Equity Trust was established to assist in attracting, retaining and motivating SenSen Key Personnel, through the issuance of units in the SenSen Employee Equity Trust to SenSen Key Personnel nominated by SenSen from time to time. The holders of such units are allocated shares in SenSen, which are held by the trustee of the SenSen Employee Equity Trust. As at the date of this Prospectus, SmartEquity EIS Pty Ltd, an independent employee trustee provider, pursuant to the EST Administration Agreement, acts as trustee of the SenSen Employee Equity Trust.

Following completion of Acquisition, no further SenSen shares will be issued to the SenSen Key Personnel or the SenSen Employee Equity Trust.

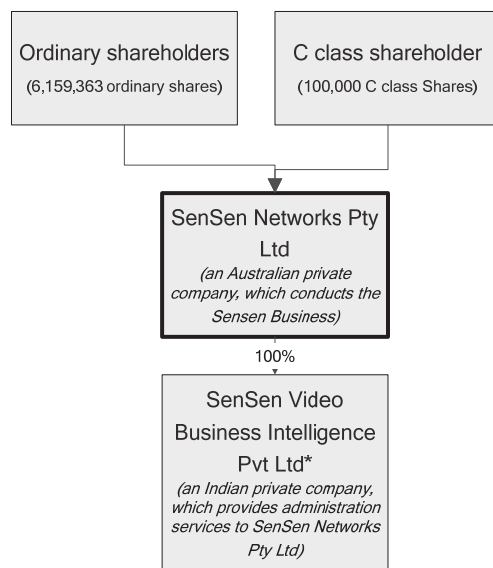
Following re-quotation of the Shares on ASX, the Company intends to wind up the SenSen Employee Equity Trust by distributing SmartEquity EIS Pty Ltd's Consideration Shares to the unitholders of the SenSen Employee Equity Trust in proportion to their respective entitlements. Please refer to **Section 6.7** for further detail.

4.2.3 SenSen India

As at the date of this Prospectus, SenSen has one subsidiary, namely SenSen Video Business Intelligence Pvt Ltd (SenSen India). SenSen India is a private limited company incorporated in India. As at the date of this Prospectus, SenSen India has 10,000 equity shares issued in its share capital. In India, SenSen India is required to have a minimum of 2 shareholders. Accordingly, in order to comply with this requirement, SenSen is the registered holder of 9,999 equity shares in SenSen India, which constitutes 99.99% of SenSen India's issued share capital. The remaining 0.01% of SenSen India's issued share capital (i.e. 1 equity share) is registered in the name of Subhash Challa (a director of SenSen), who holds the 1 equity share as nominee for SenSen.

It is noted that under Indian exchange control regulations, the transfer of shares by way of sale, from an Indian resident to a non-Indian resident must be filed with the Reserve Bank of India (**RBI**). SenSen has completed the necessary filings with an authorised dealer bank in relation to the acquisition of SenSen India; however the dealer bank has yet to submit such forms to the RBI. SenSen's legal advisors in India, Khaitan & Co., have advised that while the authorised dealer bank intends to complete the filings to the RBI shortly, SenSen's title to the shares in SenSen India will not be affected by the failure of the authorised dealer bank to complete the necessary filings with the RBI.

The current corporate structure of SenSen and SenSen India is provided below:



* In India, SenSen Video Business Intelligence Pvt Ltd is required to have a minimum of 2 shareholders. In order to comply with this requirement, the 10,000 equity shares issued in the capital of SenSen Video Business Intelligence Pvt Ltd are currently registered in the names of SenSen Networks Pty Ltd (9,999 equity shares) and Subhash Challa (1 equity share) who holds 1 equity share as nominee for SenSen Networks Pty Ltd.

SenSen also controls 100% of the issued share capital in SenSen Networks Inc, a Californian registered entity, although it does not hold any shares in SenSen Network Inc. SenSen Networks Inc is a dormant, non-trading entity. As at the date of this Prospectus, all documentation for the winding up and deregistration of this entity have been filed. Deregistration is a matter of process only. It is anticipated that SenSen Networks Inc will be deregistered within eight weeks of the date of this Prospectus.

4.2.4 **SenSen profile and business introduction**

SenSen's business model is focused principally on the development, commercialization and supply of innovative, data driven business process enhancement solutions, designed to assist its customers in their business operations in order to improve business efficiency and productivity (**SenSen Business**).

Under the current business model, SenSen focuses on providing Video-IoT analytics and artificial intelligence data analytics software solutions, which include the SenSen Technology (as described below), to customers and businesses in the Intelligent Transportation Systems and Gaming sectors that are located in Australia, Canada, Europe, India, Singapore and UAE. As a video analytics and automation supplier, SenSen's unique selling point is its patented data fusion, which integrates the camera data using video analytic algorithms with other sensory data; offering exclusive data insights to help its customers improve business productivity, safety and revenue streams.

SenSen's business operations are conducted principally by SenSen, which as at the date of this Prospectus, has approximately 14 employees and consultants, in Australia, 1 consultant in Canada and 2 consultants in India. SenSen's business operations are supported by SenSen India which provides administrative and back end support and services, including, software testing, software quality assurance, offshore software development, global customer support and global project delivery support, pursuant to the Support Services Agreement. A summary of the key terms of the Support Services Agreement is provided in **Section 10.2**.

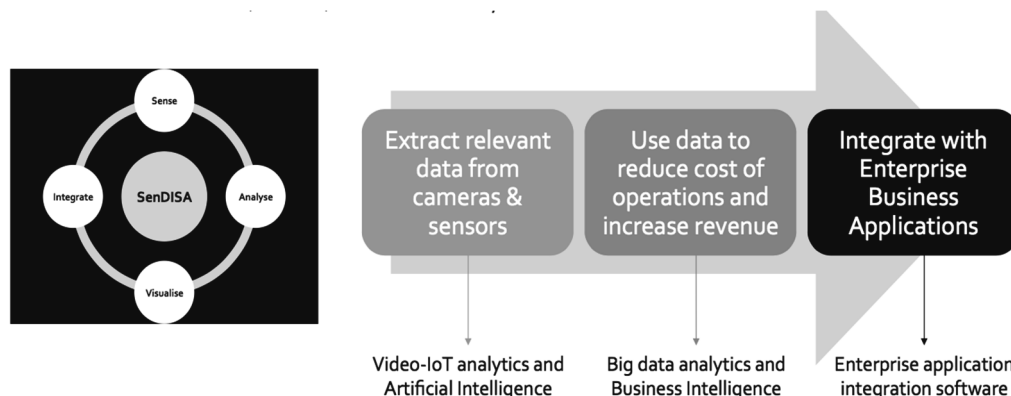
4.2.5 **Overview of the SenSen Technology**

As at the date of this Prospectus, SenSen owns the following core SenSen Technology:

- **SenDISA**

SenSen's flagship product is the patented, analytic software platform, SenDISA. The SenDISA platform combines enterprise video and sensor data acquisition, data fusion and big data analytics into a scalable and configurable platform, to help its customers and businesses improve speed and accuracy of decision making processes and automated business processes.

The diagram below provides an overview of the SenDISA platform operation process



The Company considers this technology to be highly scalable as it is rapidly reconfigurable to integrate with various enterprise business applications.

To date, SenSen has leveraged the SenDISA platform to develop other SenSen Technology, including SenFORCE, SenGAME, SenTAS, SenFORCE, SenCOUNT, SenPOD, SenSIGN and SenPARK, for use in Australia, Singapore, Canada, Norway, Denmark, Germany, UAE and India.

The application of each of SenFORCE, SenGAME, SenTAS, SenFORCE, SenSIGN, SenCOUNT, SenPOD and SenPARK is provided below.

Please refer to the information under the heading "Intellectual Property" in **Section 4.2.7** below for detail of the patents.

- **SenSPEED, SenTAS, SenFORCE, SenSIGN, SenPARK, SenCOUNT, SenPOD and SenBOS**

SenSen employs a combination of cameras, centimetre-accurate GPS, radars, time servers, patented algorithms and cloud-hosted back office software as part of its Intelligent Transportations Systems (ITS) solutions, providing insights on traffic data and law enforcement solutions to city councils, national parks, road authorities and transit agencies worldwide, substantially increasing productivity and parking compliance, thereby making parking in cities safer.


As at the date of this Prospectus, SenSen's ITS solutions are currently being utilised in Australia, Singapore, Canada, Norway, Denmark, Germany, UAE and India.


As at the date of this Prospectus, SenSen's core ITS solutions include SenSPEED, SenTAS, SenFORCE, SenSIGN, SenPARK, SenCOUNT, SenPOD and SenBOS. At this stage, SenSen has not sought patents for any of these technologies as these technologies are extensions of the patented SenDISA technology. It is the intention of SenSen and the Company, post Acquisition to seek additional patent protection in the event the requirement for further patent protection is identified.

Please refer to the information under the heading "Intellectual Property" in **Section 4.2.7** below for detail on the patents.

A snapshot of each is provided below:

<p>SenFORCE - A fully automated, end to end Mobile Parking Enforcement solution</p>	<p>SenFORCE is a fully automated, end to end mobile parking enforcement solution. The way in which it operates is that a parking officer drives a vehicle outfitted with the SenFORCE technology with all zones and parking rules (time and permit based) preloaded with automatic synchronisation with SenSen's cloud-hosted back office software, SenBOS. The application of SenBOS is provided in more detail below.</p> <p>The SenFORCE solution includes a weather proof Thule luggage box mounted on roof racks (POD) capable being switched from one vehicle to other in less than 10 minutes.</p> <p>The POD is equipped with a rugged, high end centimetre-accurate GPS system with Real time Kinetic (RTK) capability which tracks the location of both enforcement and violating vehicles. Parking zones are loaded into SenBOS as Keyhole markup language (KML) files generated using mapping/GIS software such as Google Earth.</p> <p>There is a router and switch for network connectivity of all on board components and the system is connected to a central system over a 3G/4G network.</p> <p>Data fusion is performed on reads from different cameras and the system is capable of generating multiple OCR rankings helping customers to achieve very high raw accuracy and business application outputs.</p> <p>A picture of a car with the POD is provided below:</p> 
<p>SenTAS - SenSen's state-of-the-art automated traffic monitoring system.</p>	<p>SenTAS is SenSen's automated traffic monitoring system. In essence, this system uses high-resolution cameras, thermal vision and video analytics, to accurately recognise trucks, cars, motorbikes, cyclists and pedestrians.</p> <p>With SenTAS, customers receive real-time intelligence about the traffic flows on their roads. The solution provides real time performance of urban arterial roads and motorways early detection of congestion and traffic performance at intersections and routes within a road network.</p> <p>Vehicle counting and classification is available in various operating scenarios including: highway free flow traffic, toll ways, slow-moving vehicle flows, traffic surveys for insights into existing vehicle counts and future infrastructure planning.</p>
<p>SenSPEED - A point-to-point average speed enforcement technology</p>	<p>SenSPEED is a point-to-point average speed enforcement technology which has been officially gazetted and approved by Roads and Maritime Services, New South Wales, Australia.</p> <p>SenSPEED is currently deployed in six locations across New South Wales, Australia and has been delivering results and revenue since 2012.</p> <p>Point-to-Point enforcement works by measuring the amount of time it takes a vehicle to drive between two points and then calculates the average speed of the vehicle. If the vehicle's average speed is higher than the speed limit for the length of road, a matching entry and exit incident file will be created for post adjudication.</p> <p>The SenSPEED system consists of a number of critical hardware and software components carefully chosen and packaged to deliver a complete customer solution that works P2P speed enforcement solution that works 24/7 in all weather conditions.</p> <p>Apart from high-functioning cameras to detect and read number plates of vehicles entering P2P zones, the system requires high-accuracy clocks that can keep time without drifting even when communications to time-sync servers are lost for an extended period.</p> <p>The picture below depicts a SenSPEED system delivered by SenSen to Roads and Maritime Services, New South Wales, Australia.</p>

<p>SenSIGN - A sign and line marking audit solution technology</p>	 <p>SenSIGN is a sign and line marking audit solution technology.</p> <p>SenSIGN is a fully automated solution to perform sign audits in a cost effective manner helping city councils create, update and maintain a database of traffic signs, parking signs and line markings.</p> <p>SenSIGN records the GPS coordinates of all signs including street names, tourist hotspots, directional signs, pointers to major public facilities (eg: hospital signs), carpark directional signs and all other non-standard traffic signs.</p> <p>SenSIGN detects and locates all standard and non-standard traffic signs including Stop and Give Way, along with statcon lines marking and lead lines. The user receives detailed reports about assets under their management including sign class, type, location, condition, GPS position with map hyperlink and street view link, actual image captured, mounting type, facing direction and number of signs co-located on poles. The information in an export-friendly Excel spreadsheet containing sign photos and GIS mapping data.</p> <p>All data is available on the cloud-hosted GIS layer with all captured information including links to photographs.</p>
<p>SenPARK - a park management solution technology</p>	<p>SenPARK is a park management solution that provides accurate and simple to implement ticketless and gate less parking management solutions suitable for numerous parking related applications. It enhances ease of parking management and removes all the inconvenience of waiting for a ticket at entry.</p> <p>SenPARK uses a camera at the entry and exit of car parks to detect vehicles and read their license plates and compare with the authorised list of users to provide access to parking facilities without the need for boom barriers and Radio-Frequency Identification (RFID) tags. This reduces costs for operators and provides better customer experiences.</p>
<p>The SenBOS</p>	<p>SenBOS is the back office platform used in conjunction with other SenSen's products with smart-edge systems such as automated on-street and off-street parking enforcement vehicles fitted with automatic number plate recognition (ANPR) cameras, time servers, GPS, fixed CCTV cameras and mobile phone devices.</p> <p>Using SenBOS, parking enforcement business rules can be applied on incoming data from edge systems and council officers can perform compliance check on on-road vehicles using the incoming metadata and imagery from edge systems.</p> <p>SenBOS is built to generate alerts on hot-listed number plates and integrates with third party systems via the REST API. Users can manage all edge devices through one application instead of configuring each edge system separately. Health checks and monitoring are built in. On one handy web page users can see status of each component running on the edge system. Real time alerts and warnings about system health appear on the SenBOS web -interface for fast action. The cloud-hosted and web based SenBOS is used for configuring business rules including zone updates and assignment time and permit based parking rules and defining entrance and exit cameras for parking lots.</p> <p>Across the entire suite of SenSen product and services, SenBOS is used for many</p>

	enforcement and business intelligence applications including Average Speed Enforcement (SenSPEED P2P), gaming business insights and other Video-IoT analytics applications.
SenCOUNT – People counting	<p>SenCOUNT is a complete solution to help customers gather intelligence about people traffic flow from virtually any surveillance camera that has already been installed at their premises for safety and security purposes. Whether it's an outdoor or an indoor location, customers can be assured that 24/7 statistics on people movement in and out of their premises is collected, analysed and reported.</p> <p>SenCOUNT is a powerful management tool that provides:</p> <ul style="list-style-type: none"> • instant feedback about space utilisation trends and flows. • Instant access to a broad range of reports detailing patterns in customer traffic flows and trends over the internet. • Multiple user groups management with different access levels. • Real-time, IP-based data collection with data import via internet. • Built in database and data display tools. <p>As at the date of this Prospectus, SenCOUNT generates revenues for SenSen via its Channel Partner to count pedestrians.</p>
SenPOD – Mobile and Fixed Parking Solutions with Video Detection	<p>SenPOD is SenSen's Parking Occupancy Detection solution. It uses video cameras to determine if a vehicle is parked or not in a parking bay and determine occupancy of a parking lot or parts of the parking lot and send this information to display boards to display available spaces in the parking lots. A single camera can cover multiple parking bays enabling us to deliver highly cost effective solution to the parking operators.</p> <p>The picture below depicts the analytic data generated from SenPOD system:</p> 

- **SenGAME**

Using Time of Flight cameras and its patent pending AI algorithms, the SenGAME technology offers accurate actionable insights about table occupancy, hands per hour, bet type and value for every bet placed on the gaming floor. This allows customers to more accurately monitor traffic inflow and analyse impact of non-gaming events.

SenGAME is currently being utilised in Australia.

4.2.6 How does SenSen market the SenSen Technology and gain new customers?

As at the date of this Prospectus, SenSen's commercialisation strategy is focussed on the following three channels:

- contracting with Channel Partners to provide the SenSen Technology and associated support services to customers;
- contracting directly with customers, namely City Councils and other enterprises; and

- contracting with its distributor, namely Speedshield Technologies Pty Ltd, to distribute the SenSen platform, SenDISA, and its configurations to customers within the Materials Handling Market.

In Australia, approximately 90% of all domestic SenSen customers are contracted directly by SenSen and the remaining 10% are contracted through SenSen's Australian Channel Partners.

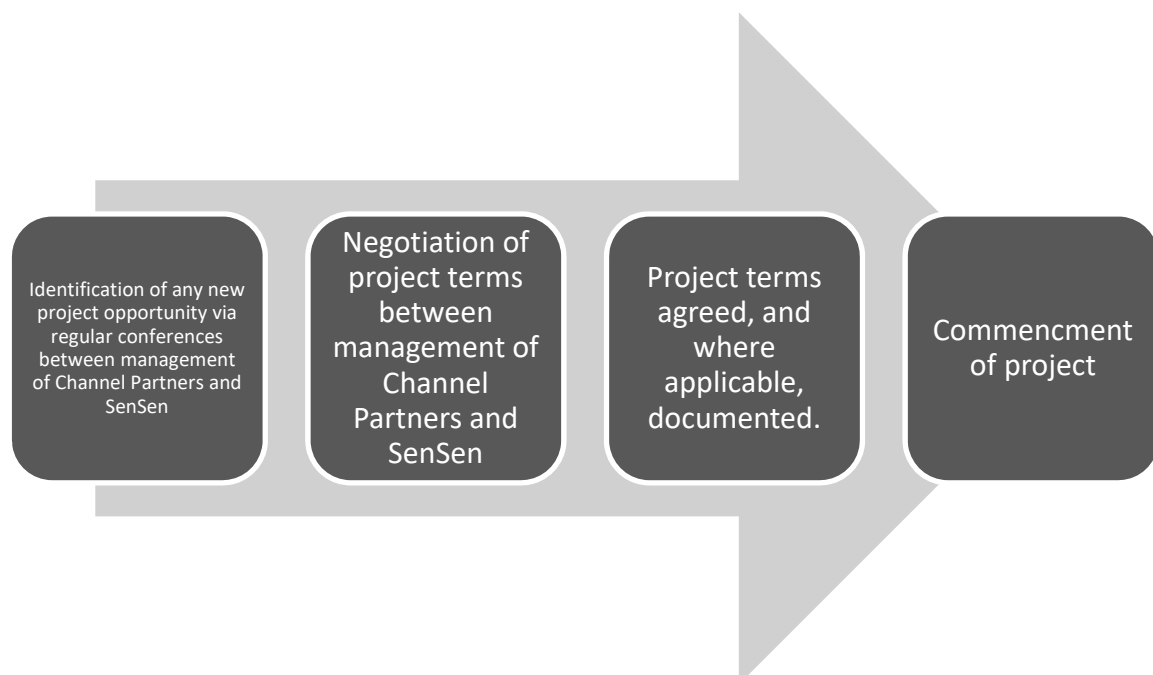
Channel Partners

SenSen's offshore customers are predominantly contracted through its Offshore Channel Partners under the terms and conditions agreed between SenSen and the relevant Offshore Channel Partners.

SenSen has developed a strategy of utilising a network of trusted partners for specific geographic regions and/or customer groups. Marketing and selling the SenSen Technology and services via the Channel Partners opens up the SenSen Technology to new clients by using the Channel Partners' existing trusted relationships. This marketing and sale method also alleviates the necessity for a large number of sales staff attempting to introduce and sell the SenSen Technology where SenSen has no existing active services.

SenSen works closely with its Channel Partners to optimise sales of the SenSen Technology and performance across their networks. This includes working with them on the steps and process involved in the identification of any new project opportunities.

The diagram below depicts the process involved in seeking project opportunities from SenSen's Channel Partners:



During the regular conferences, Channel Partners will share their sales initiatives with SenSen who in turn will analyse the information to help its Channel Partners identify where additional sales of the SenSen Technology can be delivered across their network through an improvement in sales processes.

SenSen also provides regular updates of documentation and training for the SenSen Technology and latest innovations and new features of the SenSen Technology, to Channel Partners to raise their awareness of the SenSen Technology.

Following completion of the Acquisition, SenSen will continue to commercialise the SenSen Technology and its associated support services solutions via its existing Channel Partners, and shall actively seek commercial opportunities with new Channel Partners.

SenSen's key Channel Partners

A summary of Channel Partners of SenSen is provided below.

As at the date of this Prospectus, SenSen has 2 Australian Channel Partners (being Duncan Solutions, and Tenix Solutions) and 5 Offshore Channel Partners (being Cubic Transportation Systems-Inc, PanStreet International GmbH, ATT Systems-(S'pore) Pte Ltd, Schweers Technologies Inc and Tyco Fire, Security and Services Pte Ltd).

As at the date of this Prospectus, SenSen has entered into formal agreements with the following Offshore Channel Partners, namely:

- **Duncan Solutions** – which has retained SenSen, as a sub-contractor, to deliver SenPARK and SenBOS solutions to the NSW Government Office of Heritage and Environment under the Main NSW Government Agreement;
- **Cubic Transportation Systems, Inc** – which markets, distribute and sub-license (to its distributors and customers only) the SenSen Video Analytics Solutions for the ITS sector, including SenFORCE, SenTAS, SenPARK, SenPOD, SenCOUNT, through Cubic's products sales and product maintenance and support channels;
- **PanStreet International GmbH** (formerly **Schweers Informationstechnologie GmbH**) and **Schweers Technologies Inc** – which offer SenSen Technology and service solutions to city council customers, national parks and parking operators worldwide with specific focus on European cities; and
- **Tyco Fire, Security and Services Pte Ltd** – which provides advanced fire and security business solutions in the Southeast Asia region. Through Tyco Fire, Security and Services, SenSen provides law enforcement solutions technology for Singapore Land Transport Authority and other government agencies in Singapore.

Further information on the above agreements is provided in **Section 10.2**.

There are currently no formal agreements between SenSen and its other Channel Partners (Tenix Solutions Pty Ltd and ATT Systems-(S'pore) Pte Ltd). Instead, the terms and conditions are negotiated and agreed by the parties on a case by case basis and specific to the relevant projects. These terms are detailed in the respective quotations submitted by SenSen and purchase orders issued by the relevant Channel Partners.

A summary of the key standard terms of its arrangements with the other Channel Partners in respect of existing projects are provided in **Section 10.2**.

Direct customers

SenSen is active in the smart city space and has been awarded by city councils and government customers for the supply of SenSen Technology and services in the ITS sector.

In addition to city council and government customers, SenSen also sells and markets the SenSen Technology and services directly to general business customers.

SenSen subscribes to tenders portals through which it comes to know about direct customer opportunities. SenSen is also present in major conferences in this space and interacts with potential customers who visit these conferences. SenSen's CEO, Mr Subhash Challa, is regularly invited to speak at major conferences in the smart city space. Through these conferences and these channels SenSen has been introduced to customers, such as the Brisbane city council. Once initial contact is made and SenSen has an opportunity to present SenSen's value proposition

and products, SenSen progresses through demonstrations, proof of concepts and tenders to finally acquire them as customers.

In addition, city council and government customers are generally risk averse and want to interact with other customers using SenSen products. SenSen has strong relationships with its existing customers and leverages on the network of its existing customers to seek prospective direct customers and sale opportunities.

Following completion of the Acquisition, SenSen will continue to commercialise the SenSen Technology and its associated support services solutions directly to city councils and government customers, as well as general business customers. SenSen also intends to implement marketing, advertising and promotional initiatives to raise the profile and market awareness of SenSen brand, and in particular, the SenSen Technology.

SenSen's key customers – ITS sectors

As at the date of this Prospectus, SenSen's key direct city council and government customers include:

- Roads and Maritime Services (RMS), New South Wales, Australia
- City Councils (Smart Cities), namely:
 - Australia: Brisbane City Council, Logan City Council, Town of Victoria Park and Ipswich City Council.
 - Canada: a city council in the Canadian province of Alberta

SenSen's key customers – Gaming Sector

As at the date of this Prospectus, an agreement with Crown has been made on commercial terms of the supply, development, maintenance and support of the SenGAME Technology.

Please refer to **Section 10.2** for further information.

Distributor

Since August 2014, SenSen has granted Speedshield Technologies Pty Ltd (a the provider of telemetry and engineering products and solutions to various industries and aftermarket applications including aviation, automotive, industrial, mining, and mobile fleet equipment) the sole and exclusive rights to:

- commercially exploit, on a world-wide basis, the SenSen's platform, SenDISA, and its configurations to customers within the Materials Handling Market; and
- manufacture, supply, sell and distribute any telemetry product that will integrate the SenSen's platform, SenDISA, and its configurations with Speedshield Technologies Pty Ltd's telemetry software and hardware (**Integrated Product**) within the Materials Handling Market.

Following completion of the Acquisition, the Company will, through SenSen, continue to commercialise the SenSen Technology and its associated support services solutions through its distributor, Speedshield Technologies Pty Ltd.

A summary of the key terms of the current Integrated Product Development and Supply Agreement between SenSen and Speedshield Technologies Pty Ltd are provided in **Section 10.2**.

4.2.7 Intellectual property

The intellectual property assets of SenSen as at the date of this Prospectus are summarised below:

Patents

SenDISA is subject to the following granted or pending patents (detailed in Schedule 2 of the Intellectual Property Report):

Country	Application No. (Patent No.)	Filing Date	Patent Expiry Date	Next Renewal Date	Owner	Status
Australia	2006904797	01/09/2006	N/A	N/A	SenSen Networks Pty Ltd	Completed
PCT	PCT/AU2007/001274	31/08/2007	N/A	N/A	SenSen Networks Pty Ltd	Completed
Australia	2007291884 (2007291884)	31/08/2007	31/08/2027	31/08/2017	SenSen Networks Pty Ltd	Granted
United States	12/439,531 (8,457,408)	31/08/2007	28/08/2029	04/06/2020	SenSen Networks Pty Ltd	Granted
United States	13/604,536 (9,111,169)	5/09/2012	31/08/2027	18/08/2018	SenSen Networks Pty Ltd	Granted
Europe	07800232.6	31/08/2007	31/08/2027	31/08/2017	SenSen Networks Pty Ltd	Pending

SenGAME is currently subject to the following granted or pending claims of patents (detailed in Schedule 3 of the Intellectual Property Report):

Country	Application No.	Filing Date	Patent Expiry Date	Next Renewal Date	Owner	Status
Australia	2016901829	15/05/2016	N/A	N/A	SenSen Networks Pty Ltd	Completed
PCT	PCT/AU2017/050452	16/05/2017	N/A	N/A	SenSen Networks Pty Ltd	Pending


Please refer to the Intellectual Property Report in **Section 7** for further details on the pending and granted patents detailed above.

The status of the patents and patent applications is set out in Schedules 1, 2 and 3 attached to the Intellectual Property Report. The Intellectual Property Report provides information on the patenting process including in section 3.3 and detail of the patents and patent applications of SenSen in section 4 of the Intellectual Property Report.

As at the date of this Prospectus, SenSen has not specifically sought patents for the SenSPEED, SenTAS, SenFORCE, SenSIGN, SenPARK, SenPOD, SenCOUNT and SenBOS technologies as these technologies are extensions of the patented SenDISA technology. As detailed in **Section 4.2.3**, it is the intention of SenSen and the Company, post Acquisition to seek additional patent protection in the event the requirement for further patent protection is identified.

Trademarks

As at the date of this Prospectus, SenSen has applied for registration of the following trademarks in the following jurisdictions:

No	Mark	Country	No.	Priority Date	Class	Status
1.	SenSen Networks (word)	Aust	1855940	30 June 2017	9, 42	Application Filed
2.	 sensennetworks Making Cities Smarter	Aust	1855919	30 June 2017	9, 42	Application Filed
3.	SenFORCE (word)	Aust	1855936	30 June 2017	9, 42	Application Filed
4.	SenGAME (word)	Aust	1855956	30 June 2017	9, 42	Application Filed
5.	SenDISA (word)	Aust	1855949	30 June 2017	9, 42	Application Filed

4.2.8 Jurisdictions in which SenSen operates

Under the current business model, SenSen focuses on providing Video-IoT analytics and artificial intelligence data analytics software solutions, namely the SenSen Technology, to customers in the ITS and gaming sectors that are located in Australia, Canada, Europe (namely Norway, Denmark, Germany), India, Singapore and UAE.

Table 1: Snap shot of the revenues generated from domestic customers and overseas customers:

	FY2015	FY2016	HY2017 (ended 31 December 2016)
Sales - domestic	\$141,716.52	\$799,646.85	\$483,699.00
Sales - overseas	\$276,870.00	\$308,942.00	\$196,722.00
Total sales revenue	\$418,586.52	\$1,108,588.85	\$680,471.00

**The HY2017 figures represent the total revenues for the 6 month period ended on 31 December 2016, whereas the FY2015 and FY2016 figures are the total revenues for full financial years ended 30 June 2015 and 30 June 2016 respectively.*

4.2.9 Key markets and business divisions of SenSen

With its potential for multiple industry usage, as at the date of this Prospectus, the SenSen Business is currently focused on two market segments, being:

- *Intelligent Transportations Systems (ITS)*

SenSen delivers solutions for the parking, traffic safety and ITS industry, especially when the solutions must work in very challenging environments. In its 10 year history as a leader in this sector, SenSen has delivered a number of different solutions using its Video-IoT analytics platform across different countries including Australia, Singapore, Canada, Norway, Denmark, Germany, UAE and India.

The SenSen approach is fundamentally different to most businesses which operate in this sector. SenSen is driven by a strong culture to innovate using ever advancing technology in smart sensors, cameras and processing platforms, with a focus on delivering the highest possible accuracy in the most cost effective way to its customers. SenSen's advantages include its ever improving sensing technologies. SenSen has designed the product platform SenDISA which has open interfaces to sensing devices and cameras. This allows it to control and process incoming signals and fuse the data gathered in order to accurately detect, track and identify vehicles and people and to generate evidential data to support a

range of enforcement applications providing end-to-end automation for parking management and enforcement solutions.

As at the date of this Prospectus, SenSen's core ITS solutions include SenSPEED, SenTAS, SenFORCE, SenSIGN, SenPARK, SenCOUNT, SenPOD and SenBOS. These technologies are currently being utilised in Australia, Singapore, Canada, Norway, Denmark, Germany, UAE and India. As at the date of this Prospectus, SenSen has not specifically sought patents for the SenSPEED, SenTAS, SenFORCE, SenSIGN, SenPARK, SenCOUNT, SenPOD and SenBOS technologies as these technologies are extensions of the patented SenDISA technology. As detailed in **Section 4.2.3**, it is the intention of SenSen and the Company, post Acquisition to seek additional patent protection in the event the requirement for further patent protection is identified.

Refer to Section 4.2.7 and Section 7 for detail on the patented SenDISA technology.

- *Casino Gaming*

Using Time of Flight cameras and patent pending artificial intelligence algorithms, SenSen's casino gaming solution optimises table game operations in casinos by delivering accurate, actionable insights about table occupancy, hands per hour, bet type and value for every bet placed on the gaming floor.

Traditional systems have typically proven to be expensive to install and maintain, and have failed to achieve the accuracy levels required in order to be truly useful.

Traditional solutions utilised by casino managers, such as having sensors in casino chips and other offline yield management solutions are less effective as the operating environment is too fast paced for those products.

By working closely with leading casino customers, SenSen has identified key obstacles and developed smarter gaming solutions, namely the SenGAME technology, to overcome these obstacles with an all-in-one package that adds increased visibility from the moment it is installed.

Refer to Section 4.2.7 and Section 7 for detail on the patented SenGAME technology.

- *Revenues*

Table 2: Snap shot of the revenues generated from each industry sector*

	FY2015	FY2016	HY2017 (31 December 2016)
ITS	67%	39%	97%
Gaming	33%	61%	3%
Total	100%	100%	100%

*The 2017 figures were derived from the total revenues generated by SenSen for the 6 month period ended on 31 December 2016, whereas the FY2015 and FY2016 figures were derived from the total revenues generated by SenSen for full financial years ended 30 June 2015 and 30 June 2016 respectively.

The revenue streams by industry sectors are expected to have significant fluctuations from year to year as the ITS is a stable and established industry whereas the gaming services are relatively new for SenSen, having only been offered as a product and service in the last 3 years. The current contracts in place for the gaming sector require the achievement of milestones prior to the recognition of revenue from an accounting perspective and any delay in the milestone has an impact on when the revenue can be recognised.

As at 31 December 2016, SenSen has \$1.3m of unearned revenue recorded as a current liability in relation to contracts with milestones yet to be achieved, once these milestones are achieved this unearned revenue will be subsequently recorded as revenue.

The fluctuation of the gaming revenue over the periods presented are a result of the following:

- 2015 establishment of first formal contract for sales in the gaming sector;
- 2016 continuation of sales and completion of key milestones; and
- HY2017 minimal revenue recorded as awaiting completion of next key milestones expected to be completed in the second half of the 2017 financial year and early in the 2018 financial year.

4.2.10 How does SenSen generate income?

SenSen's revenues are generated from the commercialisation of the SenSen Technology, and include the provision of support services to customers. Its main revenue stream is principally based on software as a service (SaaS) recurrent revenues.

The main revenue streams of SenSen include:

- **SenGAME** – licensing fees for SenGAME based on the number of tables utilising the SenGAME technology, subject to certain requirements being met.

One of SenSen's key SenGAME customers is Crown Casino.

- **SenFORCE** – licensing fees based on the volume of infringements processed per annum.
- **SenSIGN** – recurring fees calculated by reference to the distance audited using the SenSIGN technology.
- **Maintenance and support fees** – One-off and/or recurring maintenance fees for providing any maintenance and support services.

Other revenue streams of SenSen include one off or recurring fees from utilisation of SenPARK, SenSPEED, SenTAS, SenPOD and SenCOUNT systems and the provision of related maintenance services.

A table is provided below detailing how income is generated under SenSen's current key contracts. For further information refer to **Section 10.2**.

Contracting Party	Agreement	Relevant SenSen Technology	Income generation by SenSen
Distributors			
Speedshield Technologies Pty Ltd	Integrated Product Development and Supply Agreement	SenSen Video Analytics Solutions for Materials Handling Market	<ul style="list-style-type: none"> • A one-off payment upon activation of each unit of SenSen software sold to a customer; and • Monthly ongoing fees representing a percentage of the revenues that Speedshield Technologies Pty Ltd receives or direct licensing of the SenSen's Video Analytics Solutions for Materials Handling Market.
Customers			
Crown Casino	An agreement with Crown Casino made on commercial terms for the	SenGAME 2.0	<ul style="list-style-type: none"> • A one-off installation fee; and • licensing fees (subject to certain minimum requirements)..

	supply, development, maintenance and support of the SenGAME technology		
Town of Victoria Park	Town of Victoria Park Agreement	SenFORCE Mobile and SenBOS	<ul style="list-style-type: none"> Annual maintenance fees for help-desk software licence and hardware support of SenFORCE equipment, subject to annual review; Annual GPS RTK subscription fee, chargeable from 1 May 2018; and Hourly labour rate (if required for extraordinary works not included in the maintenance fee).
Brisbane City Council	Brisbane City Council Agreement	SenFORCE Mobile, SenFORCE Fixed and SenBOS	<ul style="list-style-type: none"> A project implementation fee, payable to SenSen in instalments in accordance with the achievement of pre-determined milestones; Hardware, software, infrastructure and hardware software purchase fees, which will be dependent on the products required by the Council from SenSen; An annual maintenance fee for the support services to be provided by SenSen in relation to the SenFORCE product; whereby such fee shall be subject to annual review; Back-office license fee for infringement processing, printing and postage services; and An ad-hoc labour rate, payable where SenSen is required to perform for works outside the scope agreed to between the parties.
Logan City Council	Letter of appointment to supply, install and maintain Automated Number Plate Recognition (ANPR) technology	SenFORCE Mobile & SenBOS	<ul style="list-style-type: none"> Back-office license fee for infringement processing and ticket generation; Clouding hosting fees for the cloud hosting services to be provided by SenSen in relation to the SenFORCE product; and An annual maintenance fee for the support services to be provided by SenSen in relation to the SenFORCE product.
Ipswich City Council	Products and Service Contract, Conditions of Contract and Contract Schedule	SenFORCE Mobile & SenBOS	<ul style="list-style-type: none"> Back-office license fee for infringement processing and ticket generation; Clouding hosting fees for the cloud hosting services to be provided by SenSen in relation to the SenFORCE product; and An annual maintenance fee for the support services to be provided by SenSen in relation to the SenFORCE product.
A city council in the Canadian province of Alberta	Letter of appointment to supply, install and maintain ANPR technology and Purchase orders	SenFORCE Mobile, SenFORCE Fixed and SenBOS	Licence fee and annual maintenance fee.
Roads and Maritime Services (RMS), New South Wales	Detection and Enforcement Systems Agreement	SenSPEED	A fixed installation and commission fee and/or variable maintenance and services fee depending upon the items and/or services required under the project order.
Channel Partners			

Tyco Fire, Security and Services Pte Ltd	Tyco Channel Partner Agreement	SenFORCE - Fixed	Annual maintenance fee, payable to SenSen in relation to the 77 cameras installed for the customer of Tyco Fire, Security and Services Pte Ltd.
PanStreet International GmbH (formerly Schweers Informations technologie GmbH) and Schweers Technologies Inc	Schweers Channel Partner Agreements	SenSen's SenFORCE product line, SenCount product line and SenPod product line	<ul style="list-style-type: none"> • Fee for installation or commissioning of the SenSen products as requested in each purchase order; and • Support and maintenance fees as requested in each order.
Duncan Solutions	Back to Back NSW Government Agreement	SenPARK/SenBOS	<ul style="list-style-type: none"> • Project implementation fees payable to SenSen in accordance with the achievement of pre-determined milestones, which will include licence fees for the SenSen Technology for the first year; and • Maintenance fees for the support services to be provided by SenSen, payable in quarterly instalments, after the first year.
ATT Systems (S'Pore) Pte Ltd	Pursuant to Purchase Order dated 10 March 2016	SenFORCE – Fixed/SenBOS	Quarterly SenFORCE Software Maintenance fee for a period of 5 years commencing on 1 July 2017.
Cubic Transportation Systems, inc	Cubic Channel Partners Agreement	SenSen Video Analytics Solutions for the ITS sector, including SenFORCE, SenTAS, SenPARK, SenPOD, SenCOUNT	A percentage of any licence or maintenance fees generated from the SenSen Video Analytics Solutions.

4.2.11 SenSen's competitive advantage and barriers to entry

In the gaming sector, SenSen's competitive advantage is the low capital costs required and simple, on-going SaaS based pricing model. This is achieved through the use of Time-of-Flight cameras and proprietary, patent (pending) Artificial Intelligence algorithms. Other solutions require multiple, expensive cameras, and/or significant calibration effort making those solutions not scalable. SenSen's patent (pending) prevents its competitors from using same technology and hence offer the solution at such a competitive price and this is a serious barrier for entry for our competitors.

In the ITS sector, SenSen has developed a solution that delivers the highest level of automation within the parking management and automation solution.

SenSen has differentiated its products and services by providing high accuracy solutions that deliver end-to-end business process automation with significant and demonstrable return on investment for its customers. While SenSen's competitor solutions have significant manual components, the SenSen Technology has none.

For example, the city parking management and enforcement operations can be explained in the following 6 levels of automation with vendors providing solutions at various levels of automation.

For Levels 1 to 4 explained below, the parking officers have to walk the street

- Level 1: to manually observe the parking violations by walking and chalking and/or manually entering license plates of parked vehicles;
- Level 2: with a handheld mobile phone camera pointed at the cars that auto-detect parking violations while walking;
- Level 3: to receive messages from in-ground sensors on parking bays that auto detect parking violations; and
- Level 4: to receive messages from vehicle mounted cameras that auto-detect certain types of parking violations using Automatic license plate recognition technology,

and issue tickets by sticking them to the windscreen.

In the following two types of solutions, the officer does not have to walk the streets.

- Level 5: City uses cameras on vehicles and fixed poles to record video to manually verify certain types of parking offenses and use the evidence to deliver tickets in mail.
- Level 6: City uses cameras on vehicles and fixed poles to automatically detect all types of parking offenses using automatic license plate recognition technology and artificial intelligence algorithms to collate the evidence and deliver tickets in mail.

Level 6 is proven to substantially increase productivity and efficiency to city councils and government agencies, as it is completely automated without any manual process.

While most of SenSen's competitors provide only the first four levels of automation and very few provide level 5, SenSen provides level 6 automation, which has been the primary reason for its success in overseas markets.

City councils are referral based businesses and cities often need other references to take a decision on engaging with vendors. SenSen has created strong reference customers across the globe and this creates a barrier to new entrants into the field who may also be targeting level 6 automation.

4.2.12 Financing of SenSen's operations

SenSen's operations are financed through a combination of:

- SenSen Director Loans. These are being repaid as part of the use of funds under the Offer. Refer to **Section 4.8**;
- loans and lines of credit from the Commonwealth Bank pursuant to the CBA Facility Terms and Conditions. A summary of the key terms of the CBA Facility Terms and Conditions is provided in **Section 10.2**.

As at the date of this Prospectus, the total amount owing under the CBA Facility is \$775,000. The Board believes that SenSen is well poised to meet the minimum interest payments from sales revenue earnings and/or otherwise. As at the date of this Prospectus, SenSen has not been in default under the CBA Facility.

Following completion of the Acquisition, SenSen may utilise the funding available under the CBA Facility to fund its business operations where necessary and appropriate.

Under the CBA Facility Terms and Conditions, the outstanding amount of the CBA Facility is repayable on demand.

- one-off and on-going revenue from the delivery of its SenSen Technology and services. Refer to **Section 4.2.6**;

- R&D tax incentives in the form of a refundable or non-refundable tax offset on certain research and development expenses incurred by SenSen in conducting its research and development activities in Australia in each year; and
- ‘Export Market Development’ grants (**EMDG**) pursuant to the EMDG scheme, which is a key Australian Government financial assistance program for aspiring and current exporters. The EMDG is calculated as 50% of total Eligible EMDG Expenses (less \$5,000), up to \$150,000, subject to funds available in the EMDG scheme and satisfaction of the eligibility criteria under the EMDG scheme.

4.2.13 Employees and office location

SenSen Business operations are conducted principally by SenSen, the Australian parent company, which has 14 employees and consultants in Australia, 1 consultant in Canada and 2 consultants in India.

SenSen's operations are supported by SenSen India which provides administrative and back end support and services, including, software testing, software quality assurance, offshore software development, global customer support and global project delivery support, pursuant to the terms of the Support Services Agreement. SenSen India employs 16 employees and consultants in India.

4.3 Direction of the Company post Acquisition

Business of the Company

Upon completion of the Acquisition, the Company's focus will shift from energy exploration to the technology industry, specifically the development and commercialisation of Video-IoT analytics and artificial intelligence data analytics software.

Sections 2.3 and 10.1 describe the proposed consideration payable by the Company at completion of the Acquisition, being the Consideration Shares, which was agreed following robust negotiations between the Company and representatives of SenSen.

The Board is of the opinion that the opportunity presented under the Acquisition represents an opportunity that is in the best interests of current Shareholders of the Company.

The opportunity structured and presented under the proposed Acquisition presents Shareholders with the opportunity to hold a position in a unique business with the ability to generate revenue in a growing market.

The issue of Consideration Shares to the incoming Board (as Vendors), presents a compelling opportunity whereby Shareholder and Director interests are aligned and accordingly focused on optimising the Share price and performance of the Company.

The Receivable

In regards to the Receivable, the Company notes the following developments in relation to the Receivable:

- The Directors are confident that they are able to recover a portion of the Receivable over time. However, the timing of collection remains uncertain;
- Mr Suksmanto is currently experiencing cash flow difficulties and owes money to many creditors;
- The Company is pursuing the sale of shares in PT Abadi Guna Papan ('AGP'), (a property development company controlled by Mr Suksmanto whose shares were pledged as security) to recover a portion of the Receivable. Any sale of the AGP shares will constitute completion of the outstanding debt in full. To that end:

- The Company has been in advanced negotiations with a potential acquirer of the shares. A formal offer to acquire the shares for IDR35 billion has been submitted to the Company and has been agreed to by the Board, subject to cash funds actually being received. Under AGP's articles of association any share sale must be approved by all shareholders. As at the date of this Prospectus all documentation has been completed and approval has been granted by all shareholders with the exception of Mr Suksmanto himself. Until such time as Mr Suksmanto agrees to the share sale, the transaction cannot proceed. Mr Suksmanto has requested more time before approving the share sale to allow a pending property transaction to proceed that would alleviate the need to sell the AGP shares. There is no evidence at this time from Mr Suksmanto of the pending property sale and the Company will continue to pursue the sale of the AGP shares;
- The Company has advised that other parties are also interested in acquiring the AGP equity, however the current buyer represents the best deal for the Company; and
- As at 31 December 2016 the total receivable was IDR73.605 billion (approximately \$7.36 million) inclusive of IDR3.605 billion in interest (approximately \$0.36 million).

In the event the Company receives the Receivable, the Company intends to use the funds to advance the interests of the Company for the benefit of all Shareholders.

The Company will continue to keep the market updated in accordance with its obligations under the ASX Listing Rules.

4.4 Growth strategy of the Company post Acquisition

With rising demand for 'big data', artificial intelligence, computer vision and machine learning, SenSen's vision and strategy is to expand its business operations internationally and continue to develop and innovate new technology with a view to maintaining a competitive advantage over the market in which it operates.

Following completion of the Acquisition, SenSen and the Company intend to focus on:

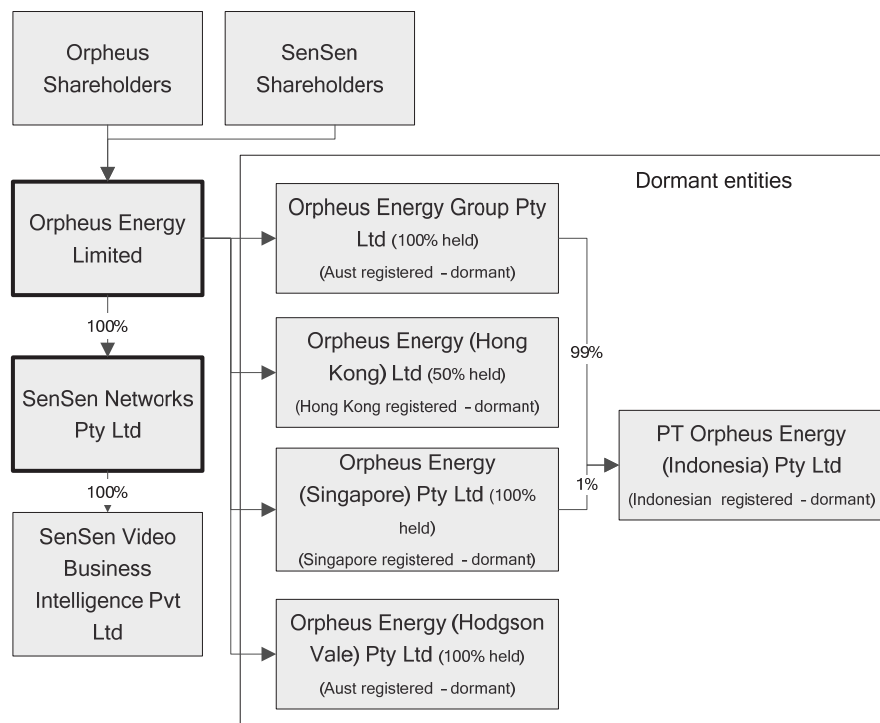
- expanding its service offerings to its existing customers in the intelligent transportation systems (ITS) and casino gaming markets, including, but not limited to, providing training and support and other value added services on the SenSen Technology offerings;
- expanding its business operations in the casino gaming market focusing initially on Australia, New Zealand, Macau and Las Vegas and gradually expanding further internationally;
- extending the ambit of its product offerings to high growth market segments, including, but not limited to, retail, logistics, manufacturing, defence, security, and mining sectors; and
- pursuing strategic acquisition opportunities with a view to expanding its business options into high growth markets and enhancing its service offerings.

The ability for SenSen and the Company to expand into New Zealand, Macau and Las Vegas and other jurisdictions will be subject to legal and technical advice that in respect to whether there are any regulatory or technological impediments and/or compliance requirements to SenSen providing its current products or services into those jurisdictions and, if there are compliance requirements, complying with such requirements.

In the event SenSen and the Company identify regulatory or technological impediments that lead to a decision not proceed in a particular jurisdiction, this could bear on Company and SenSen's (as the Company's wholly owned subsidiary) ability to generate revenue and profit.

4.5 Group structure

Assuming completion of the Acquisition, the diagram below summarises the ownership structure of the Company and SenSen.



Detail of the business of SenSen and SenSen India is provided in **Section 4.2.1** and **Section 4.2.3**.

All of the entities controlled by the Company and listed in the white box are dormant entities and not conducting any business. The following have amounts owing to them:

- Orpheus Energy (Hodgson Vale) Pty Ltd is a party to the material contracts that relate to the Receivable. Once paid, this entity will be wound up;
- Orpheus Energy Group Pty Ltd is a party to the material contracts that relate to the Receivable. Once paid, this entity will be wound up.

On completion of the Acquisition and receipt of all funds owing to them, or payment obligations of them, these dormant entities will be wound up.

The Company notes that an application for voluntary deregistration of Orpheus Energy (Hodgson Vale) Pty Ltd was lodged with ASIC on 17 August 2017. This application was made in error. The Company is in the process of seeking reinstatement to registration of Orpheus Energy (Hodgson Vale) Pty Ltd.

4.6 Key dependencies of the business model – Company and SenSen

The key factors that SenSen and the Company will depend on to meet its objectives are:

- the successful completion of the Offers;
- the successful completion of the Acquisition;
- the continuing ability of the Company to attract customers to the SenSen Business;

- the continuing ability of the SenSen Business to provide superior functionality and service to its customers;
- the continued limited competition in the industry in which SenSen operates;
- the continued acceptance of the internet as a communications and commerce platform for individuals, devices and enterprises;
- the continuing growth of deployments of connected devices and sensors globally;
- the continued retention of key personnel;
- the continued performance of third parties' obligations pursuant to SenSen's material contracts;
- the successful development and commercialisation of the SenSen Technology;
- the continued availability of IT staff;
- the continued protection of SenSen's intellectual property rights; and
- the stability of the regulatory framework applicable to the SenSen Business.

4.7 Funding post Acquisition

The funding for the Company following re-admission to the Official List of ASX will be met by the offer of Shares pursuant to the SPP Offer and the General Offer under this Prospectus and by the SenSen and Company's existing cash reserves (see **Section 4.8** for further details).

The Company may also utilise the available funding under the CBA Facility to fund its short to medium term activities, where necessary and appropriate.

The Company may need to raise further funding from equity raisings in the future to further develop its ITS and gaming solutions. The Company may also consider alternative forms of debt or quasi-debt funding if required.

4.8 Use of funds

If the Acquisition is completed, the Company intends to combine its cash reserves with the cash reserves of SenSen up to settlement of the Acquisition and the Company intends to apply these funds plus the funds raised from the SPP Offer and the General Offer, following re-admission to the Official List of the ASX (for the purpose of satisfying ASX's requirements for re-listing following a significant change to the nature and scale of the Company's activities) as follows:

Item	Existing cash reserves plus General Offer Minimum Subscription	Existing cash reserves plus General Offer Maximum Subscription
Total cash in bank as at 31 Dec 2016 and capital raised through OEG Convertible note issue and SenSen's shares issue to 30 June 2017	\$1,367,727	\$1,367,727
Amounts raised under the SPP Offer and the General Offer	\$4,500,000	\$6,500,000
Total Funds available after capital raisings and total cash at bank (Before the Cost of the Offer)	\$5,867,727	\$7,867,727
	General Offer Minimum Subscription	General Offer Maximum Subscription

	Amount	%	Amount	%
ITS, gaming marketing and new product development	\$1,000,000	17.04%	\$2,250,000	28.60%
Platform development, patents and trademarks	\$500,000	8.52%	\$750,000	9.53%
Expenses associated with the Offers and the Acquisition (to be settled with cash)	\$807,400	13.76%	\$927,400	11.79%
Paying down the following current liabilities:				
• SenSen Director Loans repayment	\$750,000	12.78%	\$750,000	9.53%
• \$82,113 for payment of the balance SenSen loans and leases (being a liability owed under various car loans).	\$82,113	1.40%	\$82,113	1.04%
• \$1,146,439 for payment of the trade and other receivables.	\$1,146,439	19.54%	\$1,146,439	14.57%
• \$64,173 for the SenSen overdraft under the CBA Facility	\$64,173	1.09%	\$64,173	0.82%
Working capital	\$1,517,602	25.86%	1,897,602	24.12%
Total	\$5,867,727	100%	\$7,867,727	100%

Detail on each of the uses of funds is provided below:

- **ITS, gaming marketing and new product development:** the Company intends to use the funds raised for:
 - the commercialisation of the SenSen Technology, including hiring a head of sales for ITS solutions, installing stalls and booths in international conferences for both the ITS and gaming industries, conducting regular and targeted training to empower SenSen's Channel Partners and distributors to sell and support the SenSen Technology effectively;
 - further research and development of new products based on emerging requirements of customers and businesses in both the ITS and gaming markets; and
 - further development and improvement of the SenSen Technology with a view to expanding SenSen's market segments, such as the retail and manufacturing segments.
- **Platform development, patents and trademark:** capital raised from the Offers will also be used for platform development and securing intellectual property protection, including:
 - to continue to invest into the SenDISA platform by providing more types of cameras, sensors and analytics for extraction of relevant business information that will assist customers and businesses in improvement of efficiency and performance and reduction of operation costs.
 - to apply for patent registrations where appropriate to protect critical inventions; and
 - to apply for trademark registrations globally for brand development and protection.

- **SenSen Director Loan repayment:** These loans are owed to a related party of Subhash Challa (Proposed Director) and directly to William Moran. Subhash Challa is a director of SenSen and William Moran is a former director of SenSen. These loans were entered into on arms length terms and are unsecured and have accrued interest of 10% per annum. These loans were provided for working capital in SenSen. The Company directors are of the view that these loans were entered into on arms length terms (given the interest rate and the unsecured nature of the loans) and the repayment of these loans would be reasonable in the circumstances if the parties were dealing at arms length terms and note that at the time agreement was made to repay the loans (during negotiation of the Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed), the parties were in fact dealing at arms length terms. These loans are detailed in the SenSen accounts for the HY2017 as \$641,500. The difference between \$750,000 and \$641,500 (namely \$108,500) is a result of \$5,500 in accrued interest and \$103,000 of additional loans provided by a related party of Subhash Challa (on the same terms) since 31 December 2016.
- **Expenses associated with the Offers and the Acquisition:** Refer to **Section 11.18** for the itemised costs and expenses associated with the Acquisition and the Offers.
- **Current liabilities payments:** Refer to **Section 1** under the heading "*What does the combined financial information of the Company and SenSen look like on a pro-forma basis?*" for detail of the current liabilities and what is required to be paid by 31 December 2017.
- **Working capital:** Working capital include the general costs associated with the management and operation of the business including administration expenses, management salaries, directors' fees, rent and other associated costs (not including the current liabilities of the SenSen and the Company detailed above). Working capital will also be used to continue to pursue payment of the Receivable.

4.9 Historical Financial Information

The Financial Information in **Section 8** of the Prospectus sets out the following historical financial information:

- The reviewed Consolidated Statement of Financial Position as at 31 December 2016 of Orpheus;
- The audited Consolidated Statements of Financial Position as at 30 June 2015 and 30 June 2016 of SenSen;
- The reviewed Consolidated Statement of Financial Position as at 31 December 2016 of SenSen;
- The audited Consolidated Statements of Profit or Loss for the years ended 30 June 2015 and 30 June 2016 of SenSen;
- The reviewed Consolidated Statement of Profit or Loss for the period ended 31 December 2016 of SenSen;
- The audited Consolidated Statements of Cash Flows for the year ended 30 June 2015 and 30 June 2016 of SenSen; and
- The reviewed Consolidated Statement of Cash Flows for the period ended 31 December 2016 of SenSen.

Set out in **Section 8** is a pro forma statement of financial position of the Company as at 31 December 2016 following its acquisition of SenSen, together with an Independent Limited

Assurance Report. Investors should note the scope limitations of the Independent Limited Assurance Report (refer to **Section 9** for further information).

Investors are urged to read **Section 8** and the Independent Limited Assurance Report in **Section 9** in full.

The full financial statements for Orpheus for its financial year ended 30 June 2016, which include the notes to the financial statements, can be found from the Company's ASX announcements platform on www.asx.com.au.

5. Risk factors

5.1 Overview

An investment in the Company is not risk free and the Board strongly recommends that potential investors consider the key dependencies and risk factors detailed in the Investment Overview in **Section 1** of this Prospectus as well as the risk factors described below, together with information contained elsewhere in this Prospectus before deciding whether to apply for New Shares or Consideration Shares (as relevant) and to consult their professional advisers before deciding whether to apply for New Shares or Consideration Shares (as relevant) pursuant to this Prospectus.

This **Section 5** identifies circumstances that the Board regards as the major risks associated with an investment in the Company and which may have a material adverse impact on the financial performance of the Company and the market price of the Shares if they were to arise.

There are risks associated with the contemplated Acquisition, specifically in relation to the success of the Company which may adversely impact the value of an investment in the New Shares or Consideration Shares (as relevant) of the Company (**Section 5.2** and **Section 5.3**).

In addition, there are other general investment risks, many of which are largely beyond the control of the Company and its Directors (**Section 5.5**). The Board aims, and will aim, to manage these risks by carefully planning the Company's activities and implementing risk control measures. However, some of the risks identified below are highly unpredictable and the Company is limited to the extent to which the Board can effectively manage such risks.

The following risk factors are not intended to be an exhaustive list of the risk factors to which the Company is exposed. In addition, this **Section 5** has been prepared without taking into account Applicants' individual financial objectives, financial situation and particular needs. Applicants should seek professional investment advice if they have any queries in relation to making an investment in the Company.

5.2 Specific Risks Associated with the Change in Nature and Scale of Activities

Re-Quotation of Shares on ASX

The acquisition of SenSen constitutes a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the official list of ASX. There is a risk that the Company may not be able to meet the requirements of the ASX for re-quotation of its Shares on the ASX. Should this occur, the Shares will not be able to be traded on the ASX until such time as those requirements can be met, if at all. Shareholders may be prevented from trading their Shares should the Company be suspended until such time as it does re-comply with the ASX Listing Rules.

Dilution Risk

The Company currently has 183,476,469 Shares and 500,000 Notes on issue (on a pre-Consolidation basis). Upon completion of the Acquisition, the Company proposes to issue:

- the Consideration Shares;
- Shares to raise the Subscription Amount of \$1,500,000 under the SPP Offer.
- Shares to raise a minimum of \$3,000,000 (General Offer Minimum Subscription) and a maximum of \$5,000,000 under the General Offer (General Offer Maximum Subscription)
- Shares on conversion of the Notes;
- Shares to repay 50% of the Orpheus Director Loans and Orpheus CFO Loan;

- Shares to the SenSen Corporate Advisor and Joint Lead Manager (Introduction and Advisory Fee).

On issue of the Consideration Shares, the Subscription Amount of New Shares under the SPP Offer of \$1,500,000 and the General Offer Minimum Subscription under the General Offer at an issue price of \$0.10 per New Share and all other Shares detailed above:

- the Existing Shareholders will retain approximately 13.44% of the Company's issued Share capital. This includes 2.75% taken up by David Smith, Wayne Mitchell Wesley Harder, Michael Rhodes Barry Neal on capitalisation of 50% of the Orpheus Director Loans and Orpheus CFO Loan and 1.34% taken up by Noteholders on conversion of their Notes on the basis that David Smith, Wayne Mitchell Wesley Harder, Michael Rhodes Barry and a number of the Noteholders are Existing Shareholders; and
- the Vendors will hold approximately 76.7% of the Company's issued Share capital.

If the General Offer is subscribed to the General Offer Maximum Subscription:

- the interests of the Existing Shareholders in the Company will reduce to 12.73% of the Company's issued Share capital. This includes 2.61% taken up by David Smith, Wayne Mitchell Wesley Harder, Michael Rhodes Barry Neal on capitalisation of 50% of the Orpheus Director Loans and Orpheus CFO Loan and 1.27% taken up by Noteholders on conversion of their Notes on the basis that David Smith, Wayne Mitchell Wesley Harder, Michael Rhodes Barry and a number of the Noteholders are Existing Shareholders; and
- the Vendors will hold approximately 72.6% of the Company's issued Share capital.

In the event Eligible Shareholders subscribe for less than the Subscription Amount, the Company reserves the right to place any shortfall of the Share Purchase Plan in its discretion.

In the event the SPP Offer is not subscribed to the Subscription Amount by the Existing Shareholders and the Company places any shortfall under the SPP Offer, the total holding of Existing Shareholders (which includes the Share issues detailed above) could be reduced as follows.

Note: This assumes the completion of the SPP Offer up to the Subscription Amount, (all or partly by Eligible Shareholders) the General Offer being subscribed to either the Minimum Subscription or the Maximum Subscription (as detailed below), the Notes being converted into Shares and 50% of the Orpheus Director Loans and Orpheus CFO Loan being capitalised into Shares.

Existing Shareholders %	General Minimum Subscription	General Maximum Subscription
100% take-up of SPP Offer by Existing Shareholders	13.44%	12.73%
75% take-up of SPP Offer by Existing Shareholders and 25% placement of shortfall	12.39%	11.73%
50% take-up of SPP Offer by Existing Shareholders and 50% placement of shortfall	11.34%	10.74%
25% take-up of SPP Offer by Existing Shareholders and 75% placement of shortfall	10.29%	9.74%

Please see Schedule A which provides the full dilutionary impact of the issue of the Shares detailed above.

There is also a risk that the interests of Shareholders will be further diluted as a result of future capital raisings required in order to fund the development of the Business.

Liquidity risk

On completion of the Acquisition, the Company proposes to issue the Consideration Shares. The Directors understand that ASX will treat these securities as restricted securities in accordance with Chapter 9 of the ASX Listing Rules. However, submissions will be made to the ASX to apply for cash formula relief in respect of some of these Consideration Shares.

Based on the post-Acquisition capital structure (assuming no further Shares are issued), the Consideration Shares will equate to approximately 72.6% of the issued Share capital on an undiluted basis (assuming the General Offer is subscribed to the General Offer Maximum Subscription).

During the period in which these Consideration Shares 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. The Company will announce to the ASX full details (quantity and duration) of the New Shares and Consideration Shares required to be held in escrow prior to the Company's listed securities being reinstated to trading on ASX (which reinstatement is subject to ASX's discretion and approval).

It is also proposed that certain Existing Shares will be subject to voluntary restriction. The percentage of shares that will be subject to voluntary escrow is 0.78% based on the General Offer Minimum Subscription being achieved and 0.74% based on the General Offer Maximum Subscription being achieved. Refer to Section 11.16 for details.

Contractual risk

Pursuant to the Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed, completion of the Acquisition is subject to the fulfilment of certain conditions precedent. The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under the Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed. If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

5.3 Risks in respect of SenSen's current operations***Historical losses***

In terms of historical earnings or losses, SenSen has generated historical losses. Further, the assets of both the Company and SenSen are yet to prove that they can generate sustainable positive operating cash flows. The value of such companies may increase or decrease materially over short time periods depending on their ability to meet certain milestones.

Uncertainty of future profitability

SenSen is in the commercialisation stage for its SenSen Technology. To date, it has funded its activities principally through issuing securities and other capital raising activities.

SenSen's profitability will be impacted by its ability to successfully deliver a high level of service to any future potential customers, its ability to execute its development and growth strategies, economic conditions in the markets in which it operates, competitive factors and regulatory developments. Accordingly, the extent of future profits, if any, and the time required to achieve a sustained profitability are uncertain. Moreover, the level of such profitability cannot be predicted.

Development and commercialisation of SenSen Technology

SenSen's business model is reliant on its ability to develop and commercialise its SenSen Technology. A failure to develop and commercialise its SenSen Technology successfully would lead to a loss of opportunities and adversely impact on the operating results and financial position of SenSen. Furthermore, any third party developing superior technology or with greater

commercial appeal in the fields in which SenSen operates may harm the future prospects of SenSen.

New market entrants and technology risk

The emergence of new competitors in the market, or any technological developments providing an alternative to SenSen's product offerings could impact the market share that SenSen is able to acquire and cause downward price pressure on 'cloud' based consumer software, services and analytics platforms, thus reducing SenSen's margins and revenue. Further, existing providers of similar consumer services may also respond aggressively to SenSen's market entry to retain or regain market share, which could also impact SenSen's margins and revenue.

Failure to deal with growth

SenSen's business has the potential to grow rapidly. If that occurs and SenSen fails to properly manage that growth, then that failure could harm its business. Any failure to meet customer demand properly could adversely affect the business, including demand for SenSen's products/services, revenue collection, customer satisfaction and public perception.

Availability of IT staff in the market

SenSen is reliant upon employees with specialist IT skills in order to develop and maintain its projects. Any shortage of availability of these skills in the IT employment market could impair the development of SenSen's products and business and the rate of such development. Such shortage could also cause wage inflation, which may impact on SenSen's profitability.

Dependence on third party servers and products

Part of the business model of the Company will be reliant upon leased third party servers and the performance of those servers. If the servers upon which the technology of SenSen depends do not operate as expected then the services that SenSen provides may be adversely affected.

The majority of the SenSen Technology requires the use of 'cloud' or other similar online management devices and as such the business model of SenSen will be dependent upon the existence and ownership of these devices. There can be no guarantee that these devices will continue to be as widely used as they are currently or that they will not be replaced by alternative devices upon which SenSen's technology will not function as intended which could impact on the profitability of SenSen.

Failure to retain and attract new customers

SenSen's ability to generate revenue and profit depends on the sales it makes on its platform, across its product offerings. As with any business there is a risk that SenSen's marketing strategies are not effective in generating the increased customer scale the Company is targeting.

Customer preferences may change

A significant proportion of SenSen's revenues are generated from the SenSen Technology which are subject to rapid and occasionally unpredictable changes in customer preferences. If SenSen misjudges customer preferences or fails to provide appealing product offerings when required, this may result in a decline in financial performance.

Failure to increase margins per customer

The Company's ability to increase profit relies on its ability to increase the margins per customer. Whilst the Company's technology allows it to increase these, there is a risk that customers will reject the increased margins and cease to be SenSen customers.

Increased investment of product development and support

There is a risk that maintaining and upgrading current products as well as new product development may lead to a higher than anticipated investment spend on IT development.

Reliance on core information technology and other systems

The availability of SenSen's 'cloud' platform is dependent upon the performance, reliability and availability of its IT and communication systems. This includes its core technologies such as computer services and back-end processing systems. These systems may be adversely affected by a number of factors including major events such as acts of terrorism or war, a breakdown in utilities such as electricity and fibre optic cabling and even pandemics. Events of that nature may cause one or more of those core technologies to become unavailable. There are also internal and external factors that may adversely affect those systems and technologies such as natural disasters, misuse by employees or contractors or other technical issues. SenSen's disaster recovery plans may not adequately address every potential event and its insurance policies may not cover loss or damage that SenSen suffers as a result of a system failure.

The business is particularly reliant on the successful implementation and operation of its 'cloud' technology. There is a risk that the Company may fail to build and maintain a platform that is suitable to the needs of its business as it expands into new product offerings.

Security breaches and hacker attacks

A malicious attack on SenSen's systems, processes or people from external or internal sources could put the integrity and privacy of customers' data and business systems used by SenSen at risk. The impact of loss or leakage of customer or business data could include costs for rebates, potential service disruption, litigation, and brand damage resulting in reduced or failing revenues. SenSen follows best practice in relation to security policies, procedures, automated and manual protection, encryption systems and staff screening to minimise this risk.

Customer service risk

SenSen's business model is based on recurring revenue arising from usage. Poor customer service experiences may result if SenSen loses key customer service personnel, fails to provide adequate training and resources for customer service personnel or there is a disruption to monitoring and account management systems utilised by customer service personnel. Poor experiences may result in the loss of customers, adverse publicity, litigation, regulatory enquiries and customers reducing the use of SenSen's products or services. If any of these occur, it may adversely impact SenSen's revenues.

Cessation of supply and service contracts

SenSen relies on relationships with key parties including Crown Casino. The non-performance or termination of contracts with any of these key parties could have a negative impact on the Company. SenSen will likely enter into further contracts, which will also be material to the Company's business. Some of these contracts are, or will be, governed by laws other than laws of Australia. There may be difficulties in enforcing contracts in jurisdictions other than Australia.

Brand and reputation risks

The reputation and brand of SenSen and its individual products are important in attracting potential customers. Any reputational damage or negative publicity around SenSen or its products could adversely impact on SenSen's business.

Retention and Recruitment of Key Personnel

The emergence of SenSen and development of its products has been in a large part due to the talent, effort, experience and leadership of its management team, including its directors, Mr Subhash Challa (Proposed Director) and Mr Jason Ko (Proposed Director). SenSen is substantially dependent on the continued service of its existing management team due to the

complexity of its services and products. There is no assurance that SenSen will be able to retain the services of such persons.

Furthermore SenSen expects to grow its sales and marketing teams in both Australia and internationally. An inability to attract quality sales and marketing personnel may adversely impact on SenSen's growth plans.

Validity of patents

The ultimate validity of the claims of a patent cannot be guaranteed. Various legal mechanisms exist to challenge the validity of patents and patent applications. For example, validity may be challenged in the following ways:

- during examination;
- in opposition proceedings once the application has been examined and found allowable;
- in court during revocation proceedings brought by a third party; or
- during infringement proceedings initiated against an alleged infringer.

While as at the date of this Prospectus, SenSen is not aware of any litigation being commenced in respect to any patent or patent application referred to in this Prospectus, there is no guarantee that the validity of the SenSen Technology will not be challenged in the future.

It is also noted that some of the patent rights relating to the SenSen Technology are still pending patent applications. There is no guarantee that these applications (or any applications stemming from them) will proceed to grant or, if grant is achieved, that the claims will remain in their present form. It is possible, for example, that the scope of the claims of these patent applications may be restricted during examination of the applications.

Please refer to the Intellectual Property Report in **Section 7** for further details.

Infringement of third party intellectual property rights

If a third party accuses SenSen of infringing its intellectual property rights or if a third party commences litigation against SenSen for the infringement of patents or other intellectual property rights, SenSen may incur significant costs in defending such action, whether or not it ultimately prevails. Typically, patent litigation is expensive. Costs that SenSen incurs in defending third party infringement actions would also include diversion of management's and technical personnel's time.

In addition, parties making claims against SenSen may be able to obtain injunctive or other equitable relief that could prevent SenSen from further developing discoveries or commercialising its products. In the event of a successful claim of infringement against SenSen, it may be required to pay damages and obtain one or more licenses from the prevailing third party. If it is not able to obtain these licenses at a reasonable cost, if at all, it could encounter delays in product introductions and loss of substantial resources while it attempts to develop alternative products. Defence of any lawsuit or failure to obtain any of these licenses could prevent SenSen from commercialising available products and could cause it to incur substantial expenditure.

Regulation

Any increased regulation in data protection, privacy, information, security and intellectual property rights may increase the cost of providing services or the quality of services provided by the Company which may adversely impact the profitability of the Company.

Country/region specific risks in new and /or unfamiliar markets

SenSen has operations in a number of overseas jurisdictions and is exposed to a range of different legal and regulatory regimes, including in new jurisdictions in which SenSen is expanding its operations. As SenSen expands its presence in new international jurisdictions, SenSen is subject to the risks associated with doing business in regions that may have political, legal and economic instability or less sophisticated legal and regulatory systems and frameworks including, (i) unexpected changes in, or inconsistent application of applicable foreign laws and regulatory requirements (ii) less sophisticated technology standards; (iii) difficulties engaging local resources; and (iv) potential for political upheaval or civil unrest.

As SenSen enters newer and less familiar regions, there is a risk that it fails to understand the law, regulations and business customs of these regions. This gives rise to risks relating to labour practices, foreign ownership restrictions, tax regulation, difficulty in enforcing contracts, changes to or uncertainty in the relevant legal and regulatory regimes and other issues in foreign jurisdictions in which SenSen may operate. This could interrupt or adversely affect parts of SenSen's business and may have an adverse effect on SenSen's business operations and financial performance.

5.4 Residual risks from former operations of the Company

The Receivable

As at 31 December 2016 the total Receivable from Mr Suksmanto is IDR73.605 billion (approximately \$7.36 million) inclusive of IDR3.605 billion in interest (approximately \$0.36 million).

The Company is pursuing the sale of shares in PT Abadi Guna Papan ('AGP'), (a property development company whose shares were pledged as security) to recover a portion of the Receivable. Any sale of the AGP shares will constitute settlement of the outstanding debt in full. To that end:

- The Company has been in advanced negotiations with a potential acquirer of the AGP shares. A formal offer to acquire the AGP shares for IDR35 billion has been submitted to the Company and has been agreed to by the Board, subject to cash funds actually being received. Under AGP's articles of association any share sale must be approved by all shareholders.
- As at the date of this Prospectus all documentation has been completed and approval has been granted by all shareholders with the exception of Mr Suksmanto himself. Until such time as Mr Suksmanto agrees to the share sale, the transaction cannot proceed. Mr Suksmanto has requested more time before approving the share sale to allow a pending property transaction to proceed that would alleviate the need to sell the AGP shares. There is no evidence at this time from Mr Suksmanto of the pending property sale and the Company will continue to pursue the sale of the AGP shares;
- The Company has advised that other parties are also interested in acquiring the AGP equity, however the current buyer represents the best deal for the Company.

There is a risk that Mr Suksmanto will not approve the sale of the AGP shares (pledged as security for the Receivable), meaning that the Receivable will remain outstanding. In the event Mr Suksmanto does not approve the sale of the AGP shares, Orpheus will continue negotiations and to pursue recovery of the Receivable in Indonesia. The continuation of the dispute, may impact adversely on the Company's operations, financial performance and financial position.

5.5 General risks

Reliance on key management

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and directors. There can be no assurance that there will be no detrimental impact on the performance of the Company or its growth potential if one or more of these employees cease their employment and suitable replacements are not identified and engaged in a timely manner.

Risk of High Volume of Share sales

If completion of the Acquisition occurs, the Company will have issued a significant number of new Shares to various parties. Some of the Vendors and others that receive Consideration Shares as a result of the Acquisition or the Vendor Offer may not intend to continue to hold those Consideration Shares and may wish to sell them on ASX (subject to any applicable escrow period). There is a risk that an increase in the amount of people wanting to sell Consideration Shares may adversely impact on the market price of the Company's Shares.

There can be no assurance that there will be, or continue to be, an active market for Shares or that the price of Shares will increase. As a result, Shareholders may, upon selling their Shares, receive a market price for their securities that is less than the price of Shares offered pursuant to the SPP Offer.

Trading Price of Shares

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to general economic conditions including the performance of the Australian dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares. In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

Additional Requirements for Capital

The capital requirements of the Company depend on numerous factors. Depending on the ability of the Company to generate income from its operations, the Company may require further financing in addition to amounts raised under the SPP Offer and the General Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations.

Litigation Risks

The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. Neither the Company nor SenSen are currently engaged in any litigation.

Please refer to **Section 5.4** containing detail of the negotiations with Mr Suksmanto in terms of the Receivable (as detailed in **Section 5.4**). This matter is not in litigation.

Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities. Further, share market conditions may affect the value of the Company's securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;

- interest rates and inflation rates;
- currency fluctuations;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

Force Majeure

The Company, now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Acquisitions

As part of its business strategy, the Company may make acquisitions of, or significant investments in, companies, technologies and/or products that are complementary to SenSen's business. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies, products and technologies, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving the sales and margins anticipated and retaining key staff and customer and supplier relationships.

5.6 Investment horizon

The above list of risk factors should not 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 financial performance of the Company and the value of the Shares.

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

6. Key people, interests and governance

6.1 Directors and Proposed Directors

Upon successful completion of the Acquisition, the Board will be reconstituted.

The existing Directors of the Company, other than David Smith, have resigned as Directors of the Company effective on completion of the Backdoor Listing. A resolution for the election of Mr Subhash Challa, Mr Zenon Pasieczny and Mr Jason Ko were put to Shareholders at the General Meeting and were approved. Mr Subhash Challa and Mr Zenon Pasieczny and Mr Jason Ko's appointments are subject to and will take effect upon successful completion of the Acquisition.

Following re-admission to the Official List of the ASX, the Company intends to identify and appoint additional independent directors to the Board.

The profiles of the Proposed Directors, and of the existing Director that will remain on the Board following completion of the Acquisition, are provided below.

Mr David Smith	
Role	Executive Director
Qualification	B Econ (The University of Sydney), Dip Mgmt – Exec MBA (Australian Graduate School of Management, Sydney)
Expertise	<p>David was previously an investment banker with more than 15 years experience, working in both the capital markets and M & A globally, having worked at JPMorgan Chase, Ord Minnett and BBY Limited. He was regularly ranked as one of the Top 10 Australian Investment Bankers in annual surveys, and raised more than \$4 billion for corporate clients.</p> <p>With an extensive background in advising companies across all sectors, including technology, industrials and resources, David has been integrally involved in the evolution of numerous emerging companies into multi-billion dollar enterprises.</p> <p>David is a Non-Executive Director of RAW Capital Partners Holdings Limited, a UK based, international asset management business and a Non- Executive director of South Western Wireless, an emerging Australian telecommunications company.</p>
Independence	Non independent
Interests in securities	Refer to Section 6.3 .
Legal or disciplinary action	Nil
Insolvent companies	Nil

Mr Subhash Challa	
Role	Executive Director (Chairman) (Proposed Director)
Qualification	B. Tech (Electrical and Electronics Engineering), JNTU College of Engineering, Hyderabad, India. Ph.D. (Aerospace and Electronic Systems, Signal Processing), Queensland University of Technology

Expertise	Subhash founded SenSen Networks as a spin off from the University of Technology Sydney where he was the Professor of Computer Systems in 2007. He is a world leading authority in data science specialising in the analysis of video and sensor data with a focus on solving everyday business problems. Between 2007-2011, he was a Professor at National ICT Australia, University of Melbourne and the author of the reference text "Fundamentals of Object Tracking" published by Cambridge University Press. Subhash was a visiting scholar at Harvard University (1997) and Tan-Chin Tau fellow at Nanyang Technological University in Singapore (2003). Subhash joined SenSen as a full time CEO in January 2012 after leaving a successful career in academia. Since then, Subhash has led the development of the Video-IoT platform SenDISA and its applications to diverse market segments. He built a team of 30 engineers and marketing/sales executives and led the expansion of SenSen offerings into overseas markets including Singapore, India, Europe, UAE and Canada.
Independence	Non independent
Interests in securities	Refer to Section 6.3 .
Legal or disciplinary action	Nil
Insolvent companies	Nil

Mr Zenon Pasieczny	
Role	Executive Director (Proposed Director)
Qualification	MBA, Maastricht School of Management, The Netherlands
Expertise	<p>Zenon is an experienced venture capital investor screening 300+ deals annually and investing in only a handful. He backed SenSen for its potential as an Australian technology company with innovative and IP-driven solutions, helping it grow from an R&D focused startup to a globally respected industry leader.</p> <p>Zenon is closely involved in SenSen's strategic marketing and delivery of global communication messages to customers, partners and the media.</p>
Independence	Non independent on the basis of his interest in the Company following completion of the Acquisition.
Interests in securities	Refer to Section 6.3 .
Legal or disciplinary action	Nil
Insolvent companies	Nil

Mr Jason Ko	
Role	Non-Executive Director (Proposed Director)
Qualification	Bachelor of Computer Science (Dean's Scholar program), Monash University

Expertise	Jason is the CEO of Nexpaq, an IoT platform and consumer device business, a Company Director at Speedshield Technologies Pty Ltd and former CEO, who led Speedshield from a loss making business to a consistent \$1M EBIT before joining Nexpaq. Jason is a Dean's scholar of Computer Science (Monash University) and has and has a unique blend of business acumen with high technical proficiency in software design and hardware manufacturing and proven experience in setting up and operating successful businesses in Australia, China, and the US.
Independence	Non independent on the basis that he is a non-executive director of Speedshield Technologies Pty Ltd, the sole and exclusive distributor of the SenSen platform, SenDISA, and its configurations within the Materials Handling Market pursuant to the Integrated Product Development and Supply Agreement. Mr Jason Ko does not hold any interest in the share capital of Speedshield Technologies Pty Ltd.
Interests in securities	Refer to Section 6.3 .
Legal or disciplinary action	Nil
Insolvent companies	Nil

Summaries of the material terms of the appointment agreements with these Directors and Proposed Directors are set out in **Section 10.1**.

6.2 Senior management team

Following completion of the Acquisition, David Smith will continue as a Director of the Company reporting to the Board.

The profiles of the senior management team of SenSen (other than the Proposed Directors and David Smith (detailed above)) following completion of the Acquisition, are provided below.

Tony Lynch	
Role	Chief Financial Officer
Qualification	Institute of Chartered Accountants, Ireland; Bachelor of Commerce, University College Cork, Ireland
Expertise	<p>Tony is a highly experienced CFO and has held senior management and board level roles both in Australia and Europe. Most recently, Tony was CFO at Pershing Australia, a BNY Mellon company and has held positions at Select Asset Management in Sydney, Egg Bank (LSE listed), and Arthur Andersen in London. Tony successfully completed a Reverse Takeover transaction as CFO at Artium plc, a UK AIM listed technology company.</p> <p>Tony has had a number of successful corporate finance transactions including IPO, Acquisitions and Turnaround scenarios and has had key roles in several start-up and early stage growth companies.</p>

Surendranath Sanka	
Role	Vice President, Operations & Finance
Qualification	B.Tech (Electrical & Electronics Engineering), JNTU College of Engineering, Hyderabad, India

Expertise	Surendra brings 20+ years of management and leadership experience with global IT consulting services, technology product start-ups and public sector organizations (oil & gas) in Australia and India. Surendra is heavily involved in many operational areas including HR, pre-sales, tenders, contracts & grants management, accounting, performance analysis and financial reporting.
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Amanda Green	
Role	General Manager, International Sales and Marketing – Gaming
Qualification	MBA, The University of Queensland, Australia
Expertise	Amanda joined SenSen in August 2016 and brings a broad and diverse wealth of experience in the gaming industry from a career spanning over 18 years. Prior to joining SenSen, Amanda held the positions of Regional Director for Australia and New Zealand - TCS John Huxley; Director, Games Product Management and Performance - Bally Technologies based in Macau; and General Manager - Voyager Gaming Technologies.

Madan Kumar	
Role	General Manager, India Operations
Qualification	B. Eng (Computer Science), IIT Allahabad, India
Expertise	Madan brings over 8 years of experience in cloud enabled video and business intelligence solutions in security, retail and ITS segments. Madan has worked on tender bids and commissioning of multiple law enforcement projects across Australia, Singapore, the Middle East and Europe with road transport authorities and city councils.

6.3 Directors interest and remuneration

Other than as set out below or elsewhere in this Prospectus:

- no Director or proposed Director holds at the date of this Prospectus or held at any time during the last two years before the date of lodgement of this Prospectus with ASIC, any interest:
 - in the formation or promotion of the Company; or
 - in any property acquired or proposed to be acquired by the Company in connection with its formation; or
 - in connection with the Offers; or
 - in the Offers; and
- no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person:
 - to a Director or proposed Director to induce him or her to become, or to qualify as, a Director; or
 - for services provided by a Director or proposed Director in connection with the formation or promotion of the Company or in connection with the Offer.

Remuneration of Directors

- the remuneration of a managing director or an executive director is fixed from time to time by the directors of the Company;
- remuneration of a managing director or executive director may be by way of fixed salary or participation in profits of the Company or of any other company in which the Company is interested;
- remuneration of a managing director or executive director may not be by way of commission on or percentage of operating revenue of the Company;
- unless otherwise determined by the Company in general meeting, the remuneration (as set out above) of a managing director or executive director may be in addition to any remuneration which he or she receives as a director;
- directors may be paid out of the funds of the Company as remuneration for their ordinary services as directors;
- the sum to be paid to directors as remuneration may be determined from time to time by the Company in general meeting;
- remuneration paid to directors must be by a fixed sum and not by a commission on or percentage of operating revenue of the Company or (except in the case of a managing director or executive director) its profits;
- the sum so fixed must be divided among the directors in such proportion and manner as they agree from time to time or, in default of agreement, equally; and
- the remuneration of each director for his or her ordinary services is deemed to accrue from day to day and is to be apportioned accordingly.

The Shareholders of the Company have resolved in general meeting that, for the purposes of ASX Listing Rule 10.17, non-executive directors' remuneration is set at an aggregate of \$200,000 per annum, to be divided amongst the directors as they see fit and, in the absence of agreement, equally.

Following completion of the Acquisition, the annual Directors' fees (exclusive of superannuation) that will be payable by the Company to the Directors and the Proposed Directors are set out in the following table.

Director	Director's fees
Mr David Smith (existing Executive Director)	\$250,000 per annum
Mr Subhash Challa (Proposed Executive Director)	\$300,000 per annum
Mr Zenon Pasieczny (Proposed Non-Executive Director)	\$30,000 per annum
Mr Jason Ko (Proposed Non-Executive Director)	\$30,000 per annum

Shareholdings of Directors and the Proposed Directors

Directors are not required under the Constitution to hold any Shares.

After completion of the Offers the direct and indirect interests of each Director of the Company and the Proposed Directors in the securities of the Company are set out in the following table. This table assumes that:

- The SPP Offer is subscribed to the SPP Subscription Amount and the General Offer is subscribed to the General Offer Maximum Subscription and then the General Offer Minimum Subscription;
- The existing Director, David Smith and his associated entities take up their full entitlement under the SPP Offer;
- The Shares are issued on conversion of 50% of the Orpheus Director Loans and Orpheus CFO Loan;
- The Shares are issued on conversion of Notes;
- The Shares are issued to the SenSen Corporate Advisor and Joint Lead Manager as the Introduction and Advisory Fee; and
- All Share numbers are on a post-Consolidation basis (refer **Section 11.4** for details of the Consolidation), are subject to rounding resulting from the Consolidation.

	Shares (including Consideration Shares & Shares proposed to be acquired under the SPP Offer)		Issue of Shares on conversion of 50% of the Orpheus Director Loans and Orpheus CFO Loan		Shares on conversion of Notes		Total held		
	Direct	Indirect	Direct	Indirect	Direct	Indirect	Number	% (General Offer Minimum Subscription)	% (General Offer Maximum Subscription)
Existing Directors									
Mr David Smith	1,150,000 ¹	3,400,000 ²	3,016,515	Nil	1,205,088	136,013 ³	8,907,616	2.50%	2.36%
Mr Wayne Mitchell	1,526,421	Nil	3,631,935	Nil	Nil	Nil	5,158,356	1.45%	1.37%
Mr Wesley Harder	645,282	Nil	1,309,710	Nil	Nil	Nil	1,954,992	0.55%	0.52%
Mr Michael Rhodes	427,783	Nil	998,780	Nil	Nil	Nil	1,426,563	0.40%	0.38%
Proposed Directors									
Mr Subhash Challa	28,778,002	56,804,611 ⁴	Nil	Nil	Nil	Nil	85,582,613 ⁵	23.98% Relevant interest in 21.87%	22.71% Relevant interest in 20.71%
Mr Zenon Pasieczny	Nil	46,376,259 ⁶	Nil	Nil	Nil	Nil	46,376,259	13%	12.31%
Mr Jason Ko	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Tony	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Lynch									
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Note:

1. Of these Shares 1,000,000 Shares are currently held by David Smith. 150,000 Shares are proposed to be acquired under the SPP Offer.
2. Of these Shares, 890,533 are held by DAGIDOCH Pty Ltd ACN 159 435 757, 1,000,000 are held by Octopi Enterprises Pty Ltd ACN 103 442 306, both entities controlled by David Smith and 759,467 are held by David Smith's wife and children. The balance 750,000 Shares are to be acquired under the SPP Offer.
3. All of these Shares will be held by DAGIDOCH Pty Ltd ACN 159 435 757, an entity controlled by David Smith.
4. Of these Shares, Subhash Challa (Proposed Director) has an interest in 49,246,968 Shares by way of his holding of Share Units in the SenSen Employee Equity Trust (being an interest of 34.82% in the total Shares held by the SenSen Employee Equity Trust). 6,682,906 of the Shares are to be held by Ms Laxmi Challa (his mother) and 874,737 of the Shares are to be held by Ms Lalitha Vadlapalli (Mr Subhash Challa's wife) by way of her holding of Share Units in the SmartEquity EIS Trust (being an interest of 0.62% in the total Shares held by the SenSen Employee Equity Trust).
5. Of the 85,582,613 Shares that Mr Subhash Challa and his associates and related parties will hold, Mr Subhash Challa will only has a relevant interest (under section 608 the Corporations Act) in 78,024,970 being 21.87% on the basis that he does not have a relevant interest (under section 608 of the Corporations Act) in the Shares held by each of Ms Laxmi Challa (his mother) and in the Share Units in the SenSen Employee Equity Trust held by Ms Lalitha Vadlapalli (his spouse) for the reason that he does not control or direct the exercise of the votes attached to the Shares held by each of Ms Laxmi Challa and Ms Lalitha Vadlapalli. Ms Laxmi Challa and Ms Lalitha Vadlapalli can exercise the votes attached to their Shares independently.
6. Of these Shares, 22,262,395 are held by Saphet Capital Management Pty Limited ACN 105 869 378 and 343,028 are held by Great Wall Media Pty Ltd ACN 124 841 121, both entities controlled by Mr Zenon Pasieczny (Proposed Director). Mr Zenon Pasieczny also has an interest in 23,770,835 Shares held in the SenSen Employee Equity Trust being an interest of 16.81% in the total Shares held by the SenSen Employee Equity Trust.

Indemnification of Directors and Insurance

The Company has executed a 'Deed of Indemnity, Insurance and Access' with the Director and the Proposed Directors. In summary, each Deed provides:

- an ongoing indemnity (to the fullest extent permitted by law), to the Director and the Proposed Directors against liability incurred by them in their capacity as an officer of the Company or any wholly owned subsidiary of the Company (**Group Company**);
- that the Company will maintain an insurance policy for the benefit of the Director and the Proposed Directors which insures them against liability for actual or alleged acts or omissions of the Director and the Proposed Directors that occurred while the Director or Proposed Director was an officer of the Company (including a Group Company), with the period of insurance being the Director's or Proposed Director's term of office and a period of seven years thereafter;
- the insurance policy maintained by the Company will not insure the Director or Proposed Director against a liability (other than for legal costs) arising out of conduct involving a wilful breach of duty by the Director or Proposed Director; and
- the Director and the Proposed Directors with a limited right of access to books of the Group Companies relating to the period during which they hold office as a Director of the Group Company.

6.4 Interests of key management

After completion of the Offers the direct and indirect interests of each proposed key executives of the Company (other than Directors or Proposed Directors) in the securities of the Company are set out in the following table. This table assumes that:

- The SPP Offer is subscribed to the SPP Subscription Amount and the General Offer is subscribed to the General Offer Maximum Subscription and then the General Offer Minimum Subscription;
- The existing Director, David Smith and his associated entities take up their full entitlement under the SPP Offer;

- The Shares are issued on conversion of 50% of the Orpheus Director Loans and Orpheus CFO Loan;
- The Shares are issued on conversion of Notes;
- The Shares are issued to the SenSen Corporate Advisor and Joint Lead Manager as the Introduction and Advisory Fee; and
- All Share numbers are on a post-Consolidation basis (refer **Section 11.4** for details of the Consolidation), are subject to rounding resulting from the Consolidation.

	Shares (including Consideration Shares)		Issue of Shares on conversion of 50% of the Orpheus Director Loans and Orpheus CFO Loan		Shares on conversion of Notes		Total held		
	Direct	Indirect	Direct	Indirect	Direct	Indirect	Number	% (General Offer Minimum Subscription)	% (General Offer Maximum Subscription)
Mr Surendranath Sanka	Nil	6,997,892 ¹	Nil	Nil	Nil	Nil	6,997,892	1.96%	1.86%
Ms Amanda Green	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr Madan Kumar	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Tony Lynch	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note:

1. All of the 6,997,892 Shares will be held by way of Mr Surendranath Sanka's interest in the Share Units in the SenSen Employee Equity Trust (being an interest of 4.95% in the total Shares held by the SenSen Employee Equity Trust).

6.5 Related party transactions

Related parties of the Company relevantly include Directors and entities controlled by Directors. Chapter 2E of the Corporations Act prohibits a public company or an entity that it controls from giving a financial benefit to a related party of the public company unless either the giving of the financial benefit falls within one of the nominated exceptions to the prohibition, or shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

One of the nominated exceptions to the prohibition is where the financial benefit is reasonable in the circumstances if the public company or entity and the related party were dealing at arm's length.

Except where indicated below, the following contracts or transactions with related parties have been determined by Directors who do not have a material personal interest in the matter to fall within the arm's length exception.

Related party transactions – Company

The Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed

The Company is a party to the Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed relating to the Acquisition with parties including Mr Subhash Challa, a Proposed Director. A summary of the Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed is contained in **Section 10.1**.

The proposed issue of the Consideration Shares constitutes the giving of a financial benefit and Mr Subhash Challa is a related party by virtue of Subhash Challa being a Proposed Director.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Consideration Shares because the Acquisition Agreement was negotiated on an arms' length basis.

Orpheus Director Loan and Orpheus CFO Loan

Each of the following current Directors of the Company and the Chief Financial Officer have agreed to convert 50% of the amounts owing to them by the Company into Shares. The issue of these Shares was approved by way of the passing of Acquisition Resolutions 12, 13, 14 and 15 at the General Meeting:

Detail of the 50% of the Orpheus Director Loans and the Orpheus CFO Loan to be converted in to Shares is provided below:

Name	Total Outstanding Debt	Amount to be Converted Shares- 50%	Shares to be Issued (\$0.10 per Share)
Wayne Mitchell	\$726,387	\$363,193.50	3,631,935
David Smith	\$603,303	\$301,651.50	3,016,515
Wesley Harder	\$261,942	\$130,971	1,309,710
Michael Rhodes	\$199,756	\$99,878	998,780
Barry Neal	\$173,096	\$86,548	865,480
TOTAL	\$1,964,484	\$982,242	9,822,420

The terms of the Orpheus Director Loans and Orpheus CFO Loan along with the agreed conversion are provided below:

Parties	<ul style="list-style-type: none"> • The Company and David Smith. • The Company and Wayne Mitchell • The Company and Wesley Harder • The Company and Michael Rhodes • The Company and Barry Neal
Loan Amount	<ul style="list-style-type: none"> • David Smith– \$603,303 • Wayne Mitchell– \$726,387 • Wesley Harder– \$261,942 • Michael Rhodes – \$199,756 • Barry Neal - \$173,096
Interest	Nil
Security	Nil
Repayment date	<p>The Shares will be issued on completion of the Acquisition.</p> <p>The balance of the Orpheus Director Loans and the Orpheus CFO Loan will be repaid within 12 months of completion of the Acquisition in cash, or in Shares, at the election of the Company's Board. If the Company's Board</p>

	elects to repay the loans in Shares, this will be subject to Shareholder approval and the number of Shares to be issued will be calculated by dividing the relevant Orpheus Director Loans and the Orpheus CFO Loan amounts by the 30 day VWAP of the Shares trading on ASX.
Conversion	<p>Subject to approval of Acquisition Resolutions 12-15 (inclusive):</p> <ul style="list-style-type: none"> • David Smith – \$301,651.50 owed by the Company to David Smith may be satisfied by way of the issue of 3,016,515 Shares, calculated by dividing \$301,651.50 by \$0.10. • Wayne Mitchell – \$363,193.50 owed by the Company to Wayne Mitchell may be satisfied by way of the issue of 3,631,935 Shares, calculated by dividing \$363,193.50 by \$0.10. • Wesley Harder – \$130,971 owed by the Company to Wesley Harder may be satisfied by way of the issue of 1,309,710 Shares, calculated by dividing \$130,971 by \$0.10. • Michael Rhodes – \$99,878 owed by the Company to Michael Rhodes may be satisfied by way of the issue of 998,780 Shares, calculated by dividing \$99,878 by \$0.10.

The Shares to be issued to David Smith, Wayne Mitchell, Wesley Harder and Michael Rhodes on conversion of the Orpheus Director Loans will be on the same terms as all other Shares on issue in the Company and is the subject of Acquisition Resolutions 12, 13, 14 and 15. Refer to **Section 11.2** for detail. Approval under these Resolutions is being sought under ASX Listing Rule 10.11 (approval for the issue of securities to a related party). Approval is not being sought under Chapter 2E of the Corporations Act however as such issue is at the same price as New Shares proposed to be issued to non-related party participants in the SPP Offer and General Offer and were negotiated on arm's length terms. As such, the giving of the financial benefit is on arm's length terms.

Service agreements with David Smith (only Existing Director to remain post completion of the Acquisition) and Proposed Directors

The service agreements the Company has entered into with David Smith, the only Existing Director that will remain post completion of the Acquisition and the Proposed Directors are detailed in **Section 10.1**. Shareholder approval was not required for these agreements on the basis of section 211(1) of the Corporations Act, namely that the financial benefit under the services agreements are reasonable remuneration.

Resignation letters from Wayne Mitchell, Wesley Harder and Michael Rhodes

On 21 July 2017, 22 July 2017 and 22 July 2017 (respectively), each of Wayne Mitchell, Wesley Harder and Michael Rhodes executed letters of resignation whereby they agreed to resign as Directors of the Company effective on completion of the Backdoor Listing.

Related party transactions – SenSen

The Support Services Agreement

SenSen has entered into a Support Services Agreement with its subsidiary, SenSen India, for the provision of back end administration and support services to SenSen. A summary of the Support Services Agreement is contained in **Section 10.2**. Shareholder approval was not required for this agreement given that SenSen was not a public company at the time of entry into the agreement. Even if it were, any such financial benefit would fall under the exception in section 214 of the Corporations Act on the basis that the benefit was to (or from) a closely held subsidiary.

Loan facility

Mr Subhash Challa (Proposed Director) has provided an interest free, unsecured at call loan facility to SenSen India. As at the date of this Prospectus, this totals INR480,000 (equivalent to approximately AUD9,500)

The loan facility was provided by Mr Subhash Challa to SenSen India to fund the business operations of SenSen India.

Shareholder approval was not required for this agreement given that SenSen was not a public company at the time of entry into the loan arrangement. Even if it were, any such financial benefit would fall under the exception in section 210, as the financial benefit is on less than arms length terms.

6.6 Corporate governance

ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, commensurate with the Company's size and nature, the Company has adopted The Corporate Governance Principles and Recommendations (3rd Edition) as published by ASX Corporate Governance Council (**Recommendations**). The Board seeks, where appropriate, to provide accountability levels that meet or exceed the Recommendations.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and further details on the Company's corporate governance procedures, policies and practices can be obtained from the Company website at www.orpheusenergy.com.au.

Board of Directors

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- maintain and increase Shareholder value;
- ensure a prudential and ethical basis for the Company's conduct and activities; and
- ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- developing initiatives for profit and asset growth;
- reviewing the corporate, commercial and financial performance of the Company on a regular basis;
- acting on behalf of, and being accountable to, the Shareholders; and
- identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully informed basis.

The Board currently consists of no independent directors.

In light of the Company's size and nature, the Board considers that the proposed Board is a cost effective and practical method of directing and managing the Company. If the Company's activities

develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. However, subject thereto, the Company is committed to the following principles:

- the Board is to comprise Directors with a blend of skills, experience and attributes appropriate for the Company and its business; and
- the principal criterion for the appointment of new Directors is their ability to add value to the Company and its business.

Following completion of the Acquisition the Board is proposed to consist of four members, all of whom are non-independent Directors. The Company will re-consider the appointment of further independent non-executive directors following the completion of the Acquisition.

The Company has not formally adopted a Nominations Committee Charter or formally adopted a nominations committee. The Directors consider that the Company is currently not of a size, nor are its affairs of such complexity as to justify the appointment of independent directors or the formation of a nominations committee. The responsibilities of a Nomination Committee are currently carried out by the Board.

Where a casual vacancy arises during the year, the Board has procedures to select the most suitable candidate with the appropriate experience and expertise to ensure a balanced and effective Board. Any Director appointed during the year to fill a casual vacancy or as an addition to the current Board, holds office until the next general meeting and is then eligible for re-election by the Shareholders.

Identification and management of risk

Due to the size of the Company and the number of Directors, no formal risk management committee has been established. The Board recognises that all Directors have responsibilities to recognise risks, bring them to the attention of the other Directors and actively apply controls to manage risks.

Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

Independent professional advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

Remuneration arrangements

The aggregate remuneration of Non-Executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable.

The determination of Non-Executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Non-Executive Director.

The current remuneration of Non-Executive Directors has been set by the Shareholders in general meeting at an aggregate amount not to exceed \$200,000 per annum.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

Under the Constitution, directors are also entitled to be paid all travelling and other expenses properly incurred by them in attending and returning from meetings of the directors, meetings of any committee of the Directors or general meetings of the Company or otherwise in connection with the execution of their duties as directors.

Trading policy

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and employees). This policy is designed to maintain investor confidence in the integrity of the Company's internal controls and procedures and to provide guidance on avoiding any breach of the insider trading laws in Australia.

External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

Audit and risk committee

The Company has an Audit Committee consisting of Michael Rhodes (Chairman), Wayne Mitchell and Wesley Harder. Following completion of the Acquisition, the Directors of the Company (including the new Proposed Director) will appoint new members to the Audit Committee.

Departures from Recommendations

Following re-admission to the Official List of ASX, the Company will be required to report any departures from the Recommendations in its annual financial report.

6.7 SenSen employee incentive scheme

SmartEquity EIS Pty Ltd (**SmartEquity**), an entity unrelated to SenSen and the Vendors, is the current corporate trustee of the SenSen Employee Equity Trust (**Trust**). As at the date of this Prospectus, the directors of SmartEquity are Devendra Vasant Billimoria, Michael James Ellies, Timothy Seng Meng Looi and John Kenneth Day. These directors are not related to SenSen and the Vendors. SmartEquity is ultimately held by SmartGroup Corporation Limited, an entity listed on the ASX.

The Trust has been established to, amongst other things, support employee retention, enhance employee involvement and focus, and increase wealth distribution amongst employees of SenSen. Employees are offered shares in SenSen via the Trust, in the form of units in the trust (**Share Units**), which correlate to shares in SenSen held by SmartEquity as trustee for the Trust, on a one-for-one basis.

The Trust is operated such that the Share Units provide their holders with substantially the same rights in respect of shares in SenSen as if the holders were the legal owners of the shares, which include the rights to direct SmartEquity how the voting rights attached to the shares shall be exercised and to receive the dividend income from the shares in SenSen as declared by SenSen from time to time. The administration of the trust is vested in SmartEquity.

On receipt of Board approval, Employees who are no longer employed on a full-time basis in SenSen are not required to dispose of their Share Units under the terms of the deed of the Trust. The Share Units are not transferrable nor assignable and no equitable, contingent, future or partial interest or other security interest can be created in a Share Unit.

It is proposed that:

- on and from the date of this Prospectus, no further Share Units be issued in the Trust; and
- subject to receiving all necessary relief from the ASX in terms of escrow requirements, within the first few months following completion of the Acquisition, the Trust will be wound up and Shares held by SmartEquity in the Company will be transferred to the holders of Share Units on a pro-rata basis in accordance with their holdings of Share Units in the Trust. The new holders will then be subject to the balance of the escrow period which was applicable to SmartEquity.

6.8 Company employee incentive scheme

On 1 November 2013, the Shareholders of the Company approved the terms of a long term incentive plan (**Company Employee Incentive Scheme**).

The Company Employee Incentive Scheme forms a key element of the Company's incentive and retention strategy for key executives and executive directors. The Company Employee Incentive Scheme is designed to:

- facilitate equity ownership for key executives and executive directors, providing the opportunity to align their interest with those of shareholders;
- encourage the achievement of performance goals and growth of Orpheus' business; and
- focus employees on enhancing shareholder value.

The Company Employee Incentive Scheme is on the following terms:

- Awards under the Company Employee Incentive Scheme are granted in the form of "options", each being an option to acquire one ordinary share in the Company upon payment of an exercise price.
- Under the Company Employee Incentive Scheme, the Board may grant options to eligible employees of the Company and its related bodies corporate, and to other persons determined by the Board.
- The Board may determine the exercise price, vesting conditions, exercise period and lapsing conditions and any other terms applicable to a grant of options.
- In general, options will not carry any dividend or voting rights. Options are also non-transferable, except in limited circumstances or with the consent of the Board.
- The Company may issue new shares or procure the acquisition of shares on-market to satisfy vested and exercised options. The Company may establish an employee share trust for the purpose of holding shares.
- In the event of fraud, dishonesty or material misstatement of financial statement, the Board may make a determination, including lapsing unvested options, to ensure that no unfair benefit is obtained by a participant.
- In the event of a takeover, scheme of arrangement or other transaction which may result in a person becoming entitled to exercise control over the Company, the Board has discretion to determine whether any unvested options should vest, lapse or become subject to different vesting conditions.
- In general where a participant ceases employment prior to options vesting, all unvested options will lapse. However, where a participant ceases employment due to certain qualifying reasons, the Board has discretion to determine the treatment of any unvested

options. If a participant ceases employment after vesting, any vested options must be exercised within 60 days of the end of the next 'blackout period' occurring after cessation of employment otherwise they will lapse.

- The Company Employee Incentive Scheme will be administered by the Board which, subject to the ASX Listing Rules and applicable legal requirements, is given the power to make all required determinations under the Company Employee Incentive Scheme and to waive or modify the application of the terms of the Company Employee Incentive Scheme as it considers appropriate, provided that such amendment does not materially reduce or otherwise prejudicially affect the rights attaching to options or shares issued or transferred pursuant to, and still subject to, the Company Employee Incentive Scheme.
- The Company will not provide loans to participants to acquire securities under the Company Employee Incentive Scheme.

The Company intends on restructuring the Company Employee Incentive Scheme following completion of the Acquisition. Following completion of the restructure it is intended that the revised Company Employee Incentive Scheme will be put to Shareholders for approval as an exception to ASX Listing Rule 7.1.

As at the date of this Prospectus, there are no incentives on issue in the Company Employee Incentive Scheme. Further, the Company has not formed a view on who will be issued with incentives under the revised Company Employee Incentive Scheme, the number to be issued or the timing of such issue.

Any issue of incentives under the revised Company Employee Incentive Scheme to related parties of the Company will require the prior approval of Shareholders under ASX Listing Rule 10.14.

7. Intellectual Property Report

FB RICE



The IP
Navigators

Intellectual Property Report for SenSen Networks Pty Ltd

7 August 2017

Patent and Trade Mark Attorneys

FB Rice ABN 53 487 267 994

Level 14
90 Collins Street
Melbourne VIC 3000
Australia

GPO Box 1794
Melbourne
VIC 3001
Australia

Tel +61 3 8618 4100
Fax +61 3 8618 4199
contact@fbrice.com.au
www.fbrice.com.au

FB RICE



1 Executive Summary

Set out below is our report (the "Report") detailing the current status of the patents and patent applications being handled by FB Rice on behalf of SenSen Networks Pty Ltd (ACN: 115 838 036) for inclusion in a General Offer Prospectus to be lodged with the Australian Securities & Investments Commission by Orpheus Energy Ltd (ACN: 121 257 412).

The Report summarises the details and status of the granted patents and pending patent applications in Schedules 1, 2 and 3. To the best of our knowledge the Report is accurate as at its date, subject to the limitations and qualifications set out in Section 6 (in particular, subject to the sources of information described in Section 6.1).

FB Rice is not aware of any material changes expected to occur to the status of the matters outlined below, except where indicated.

2 FB Rice

FB Rice is a firm of patent and trade mark attorneys specialising in the law and practices relating to intellectual property and, more particularly, patents, trade marks, industrial designs and plant breeders rights. The patent attorneys of FB Rice are specialists in the technology areas of electrical engineering, mechanical engineering, electronics, chemistry, biotechnology, medical devices, computers, information technology and communication technology. Each of the professional staff members in the patent department of FB Rice holds tertiary qualifications in the technology area in which that person practises. Many professional staff members of FB Rice in the patent department also hold postgraduate qualifications.

3 Intellectual Property

3.1 Meaning of Intellectual Property

The term "intellectual property" refers to a group of registrable and non-registrable rights, including rights in patents, designs, trade marks, plant varieties, copyright, confidential information and trade secrets. Intellectual property has many of the characteristics possessed by real and personal property. In particular, intellectual property is an asset, which may be bought, sold, licensed, exchanged, or otherwise transferred as other forms of property. Accordingly, an intellectual property owner has the right to prevent the unauthorised use or sale of its property.

This Report is only directed to intellectual property which is in the form of patents and patent applications.

3.2 Patents

Patents confer inventions and provide a monopoly in exchange for an inventor's full disclosure of the invention to the public. A patent provides protection for novel (new), inventive (non-obvious) and useful inventions for a fixed period, which is typically up to twenty (20) years. For certain inventions, this period may be extended. In addition, to maintain a pending application or patent in force, it is necessary to pay renewal fees, usually on an annual basis. Patents may be granted in relation to a wide range of subject matter, such as new or improved products, new uses for products and methods for doing things. Such subject matter must, however, be industrially applicable.

A patent cannot be granted on a worldwide basis. Rather, patents must be obtained in every country where protection is required. Although there is a certain amount of harmonization between the patent granting procedures and standards throughout the world, there are

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differences regarding the test for patentability. Accordingly, the scope of a patent may vary from country to country and indeed a patent may not be granted in a particular country for failure to comply with the relevant standards.

3.3 Patenting Process

In most countries of the world the process of protecting patent rights begins with the submission of a patent application comprising a patent specification describing the invention. Filing an Australian patent application (provisional or complete) or other initial patent application in a foreign country, which permits such a filing, satisfies this requirement.

A fundamental requirement of the patent system is that the invention is novel and inventive at the time of filing, relative to what was publicly known or used at the date of the application. Accordingly, it is imperative that the specification contains a full disclosure of the invention. A patent specification generally consists of a description of the invention and so-called claims, which define the scope of the invention.

Once the initial application has been filed, further applications in foreign countries must be filed within twelve (12) months, pursuant to an International Treaty called the Paris Convention; otherwise rights to the invention may be lost in those countries. In this regard, the Paris Convention provides that the filing of an initial patent application establishes a priority date for the invention in all other countries which are party to this Convention, including countries such as the United States, Japan and Australia, as well as jurisdictions such as the European Union and Eurasia.

The filing of further patent applications in foreign countries may be pursued individually or in some instances by filing an application with a regional patent office that does the work for a number of countries, such as the European Patent Office and the African Regional Industrial Property Organisation. Under such regional systems, an applicant requests protection for the invention in one or more countries, and each country decides as to whether to offer patent protection within its borders.

The WIPO-administered Patent Cooperation Treaty ("PCT") provides for the filing of a single international patent application, which has the same effect as national applications filed in the designated countries. An applicant seeking protection may file one application and request protection in as many signatory states as needed. It should be noted that at present there are only 152 countries that are party to the PCT and if patent protection is required in a country that is not party to the PCT then individual applications must be filed in these countries by the twelve (12) month anniversary of the initially filed application. An example of a country that is not a party to the PCT is Taiwan. Applications filed individually in countries rather than via the PCT are examined under the national laws of those countries. However, a PCT application is considered under the terms of the PCT.

Once a PCT application has been filed it is subjected to what is called an "international search", carried out by one of the major patent offices. The search results are then communicated to the patent applicant in an "international search report", which is a listing of published documents that might affect the patentability of the invention claimed in the international application. On the basis of the international search report the applicant may decide to withdraw the application. However, if the PCT application is not withdrawn, it is, together with the international search report, published by the International Bureau.

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If the applicant decides to continue with the international application, then within thirty (30) months of the provisional patent application filing date, national patent applications need to be filed. In some countries such as Australia and regions such as Europe, the deadline is thirty-one (31) months.

Once the PCT process has been completed then the national or regional phase is undertaken, as the PCT application itself does not mature into patents. The standard documentation and fee requirements will need to be satisfied in each country, and in non-English speaking countries that will include translating the PCT specification into the language of the relevant country. Failure to enter the national phase within the thirty (30) month period or thirty-one (31) month period, as appropriate, will result in abandonment of the ability to secure patent protection in most PCT countries.

The national or regional applications progress under the jurisprudence and legislation of each country or region. In most jurisdictions, such as Australia, Europe, United States and Japan, examination by the relevant patent office comprises an examination of the art to which the invention pertains as it existed at the priority date of the application. Examination establishes what is referred to as the "state of the art". The patent application is measured against the state of the art and an assessment is made regarding whether the invention described in the application is novel, inventive, useful and relates to patentable subject matter in that jurisdiction. Therefore, the time required to complete the process of examination differs from country-to-country and the scope of protection may differ depending upon the law of each country. In general, it will take several years from the date of application until the patent is actually granted. With respect to regional applications, like the European application, this involves filing a single application designating any of the countries that are signatories to the Convention covering that region. The single application is subjected to examination, and assuming that the application is allowed, it will proceed to the grant phase. The applicant can then elect to have patents validated in all or some of the originally designated countries, and the individual patents then function as though they were patents granted under standard national procedures.

3.4 Renewal Fees, and Exploitation and Enforcement of Granted Patents

Once a patent has been granted renewal fees will need to be paid; otherwise the patent will cease. In some jurisdictions, such as Australia and Europe, renewal fees may also need to be paid in respect of patent applications; otherwise the patent applications may be deemed to be abandoned.

It should also be noted that grant of a patent does not guarantee that the patent is valid or enforceable. FB Rice provides no assurance that the pending patent applications of Schedule 1, Schedule 2 and Schedule 3 will be granted or will be held valid and enforceable following grant or that the granted patents of Schedule 2 will be held valid and enforceable.

Notwithstanding the issue regarding guaranteed enforceability, once a patent has been granted, the owner has the exclusive rights to use the patented technology throughout the lifetime of a patent. This means that the owner can decide to exclusively use it for their own benefit and prevent others from using it. Alternatively, they can allow others to use it under the terms of a license agreement. The terms of the license agreement generally define the limited scope of the use of the patent and the consideration to be paid for the use of it.

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Once a patent has been granted, the patent owner may enforce their rights by initiating infringement proceedings against an alleged infringer of the property. It is important to note that infringement proceedings cannot be initiated on the basis of a pending application. Enforcement of patent rights varies from country-to-country. The remedies for unauthorised use (patent infringement) available to the patent owner often include an injunction, which effectively stops further infringement of the patent, damages or account of profits, and costs.

4 Patent Portfolio of SenSen Networks Pty Ltd as at 7 June 2017

The patents and patent applications owned by SenSen Networks Pty Ltd are set out in Schedule 1, Schedule 2 and Schedule 3.

4.1 Automated Vehicle Recognition - PCT/AU2014/000029

This patent family derives from a PCT application, namely PCT/AU2014/000029, which was filed on 17 January 2014. It claimed an earliest priority date of 17 January 2013, from an Australian provisional patent application 2013900153. This PCT application proceeded through the International Phase and entered the Regional/National Phase in Europe, the United States and Australia.

The Australian patent application is pending and has not yet undergone examination. The European patent application has been deemed withdrawn and the US patent application has been abandoned.

The PCT application PCT/AU2014/000029 had claims directed to a method and system for identification of a vehicle using a camera and image processor. In particular, the identification is performed by deriving sub-images from a captured image of a vehicle, extracting features from the sub-images, matching features extracted from the sub-images with corresponding features derived from a previously obtained image of vehicle to determine matching scores and fusing matching scores obtained from two sub-images to produce fused matching scores to allow determination of whether the vehicle of the captured image is the same vehicle as the vehicle of the previously obtained image.

Claims with the breadth of scope outlined above are being prosecuted in the Australia patent application.

4.2 Method and system of identifying one or more features represented in a plurality of sensor acquired data sets - PCT/AU2007/001274

This patent family derives from a PCT application, namely PCT/AU2007/001274, which was filed on 31 August 2007. It claimed an earliest priority date of 01 September 2006, from an Australian provisional patent application 2006904797. This application proceeded through the International Phase and entered the Regional/National Phase in Europe, Australia, and the United States.

A patent has been granted in Australia and two patents have been granted in the United States.

The European patent application is pending. A response to objections raised in an Examination Report was filed on 16 November 2016 and the European Patent Office has not yet issued a further communication.

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*PCT/AU2007/001274*

The PCT application PCT/AU2007/001274 had claims directed to a method, system, computer program, and computer readable medium for identifying features represented in sensor acquired data sets by determining the first probability of an identity of one or more features in a first data set, determining the second probability of an identity of one or more features in a second data set, fusing the first and second probabilities and identifying features based on the fused probability.

The PCT application PCT/AU2007/001274 also had claims directed to a method, system computer program, and computer readable medium for identifying a vehicle registration number from a plurality of images comprising representations of a vehicle registration plate. In particular, the identification involved determining a first probability distribution of alphanumeric characters present in a portion of one of the images and a second probability distribution of alphanumeric characters present in a portion of another of the images, fusing the probability distributions to provide a fused probability distribution and identifying which alphanumeric character is present in the respective portions of the images by identifying from the fused probability distribution the alphanumeric character having the highest probability of being present.

Patent Applications are commonly drafted with a very broad ambit scope of claims - as different claim scopes are often allowed in different jurisdictions. This approach is important initially so as not to unduly limit the potential coverage of the patent application. An initial rejection by a patent examiner of such broad ambit claims is commonly received and then the applicant, in conjunction with discussions with the patent examiner, narrows the claims (which are the subject of the application) to achieve allowance of the claims and subsequent grant.

AU2007291884

The claims of the PCT application were narrowed during prosecution of the Australian patent application 2007291884. In particular, the granted claims of the Australia patent directed towards a method, system, computer program, and computer readable medium for identifying features represented in sensor acquired data sets further recite that the features comprise alphanumeric characters and that each of the plurality of data sets comprises different respective representations of a vehicle license plate displaying one or more of the alphanumeric characters. These granted claims also further recite the limitation of iterative fusing of determined probabilities. The granted claims of the Australia patent directed towards a method, system computer program, and computer readable medium for identifying a vehicle registration number from a plurality of images comprising representations of a vehicle registration plate also recite the limitation of iterative fusing of determined probabilities. The granted claims of the Australia patent also include method, system, computer program and computer readable medium claims defined with reference to the description and drawings.

US 8,457,408

The claims of the PCT application were narrowed during prosecution of the US patent application No. 12/439,531. In particular, the granted claims of US patent No. 8,457,408 directed towards a method, system, computer program, and computer readable medium for identifying features represented in sensor acquired data sets further recite the limitation of iterative fusing of determined probabilities. The granted claims of US patent No. 8,457,408 directed towards a method for identifying a vehicle registration number from a plurality of images also recites the limitation of iterative fusing of determined probabilities. Unlike the

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PCT application, the granted US claims of US patent No. 8,457,408 do not include any computer program or computer readable medium claims directed towards identifying a vehicle registration number from a plurality of images.

US 9,111,169

US patent application 13/604,536 was filed as a continuation application of US patent application 12/439,531. The granted claims of US patent No. 9,111,169 are directed to a computer program product, a system and method of identifying vehicle registration numbers from images of vehicle registration plates. These claims correspond substantially to the counterpart claims of the PCT application.

EP 07800232.6

The claims of the PCT application were narrowed during prosecution of the European patent application. In particular, the pending claims of the European patent application directed towards a method, system, computer program, and computer readable medium for identifying features represented in sensor acquired data sets, and the claim directed towards a system having a calculating device for identifying a vehicle registration number from a plurality of images comprising representations of a vehicle registration, have been amended to replace the term "feature" with "alphanumeric character" and further recite that each of the plurality of data sets comprises a different respective representation of a vehicle license plate displaying one or more of the alphanumeric characters. The pending claims of the European patent application directed towards a method, computer program, and computer readable medium for identifying a vehicle registration number from a plurality of images comprising representations of a vehicle registration plate correspond substantially to the counterpart claims of the PCT application.

4.3 System and method for automated table game activity recognition - PCT/AU2017/050452

This patent family derives from a PCT application, namely PCT/AU2017/050452, which was filed on 16 May 2017. It claimed an earliest priority date of 16 May 2016, from an Australian provisional patent application 2016901829.

This PCT application can enter the National/Regional phase in any of the 152 contracting states of the PCT. To date, this application has not yet entered National/Regional phase in any state. The 30 month deadline for entering the National/Regional phase is 16 November 2018.

The PCT application PCT/AU2017/050452 has claims directed to a system, method and non-transitory computer readable medium for automated gaming recognition using image sensors, depth sensors and computing devices to recognise gaming state.

5 Other Matters

5.1 Proprietorship

Typically, a patent for an invention may only be granted to the inventor(s) or to a person who has entitlement to the invention by way of assignment, employment contract or other means.

FB Rice understands that SenSen Networks Pty Ltd is entitled to be recorded as the owner of the patents and patent applications listed in Schedule 1, Schedule 2 and Schedule 3.

FB Rice notes that the original applicant for Australian provisional application 2006904797 was the University of Technology, Sydney. Subsequent to the filing of the Australia provisional

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application 2006904797 and before the filing of the PCT Application PCT/AU2007/001274 which claims priority from the Australia provisional application 2006904797, we understand that a Deed of Assignment between the University of Technology, Sydney and SenSen Networks Pty Ltd was executed by both parties, assigning all rights in the invention described in Australian provisional application 2006904797, along with the right to priority, to SenSen Networks Pty Ltd.

It is important to note that there are legal mechanisms by which third parties can bring evidence that they have sole or joint entitlement to an invention and any patent application or patent obtained for that invention.

We are not aware of any issues regarding the ownership or entitlement with respect to the patents and patent applications listed in Schedule 1, Schedule 2 and Schedule 3.

5.2 Third Party Rights

Filing a patent application does not mean that the applicant is free to commercially use an invention, as it is possible that the intellectual property rights of another party may be infringed by doing so. Typically, third party rights are identified by conducting a Freedom to Operate (FTO) search in the country or countries it is proposed to commercialise an invention.

5.3 Validity of Patents

The ultimate validity of the claims of a patent cannot be guaranteed. Various legal mechanisms exist to challenge the validity of patents and patent applications. For example, validity may be challenged in the following ways:

- (a) during examination;
- (b) in opposition proceedings once the application has been examined and found allowable;
- (c) in court during revocation proceedings brought by a third party; or
- (d) during infringement proceedings initiated against an alleged infringer.

As at the date of this Report, we are not aware of any litigation being commenced in respect to any patent or patent application referred to in this Report.

As some of the patent rights set out in this Report are still pending patent applications and will undergo examination, it cannot be assumed that these applications (or any applications stemming from them) will proceed to grant or, if grant is achieved, that the claims will remain in their present form. It is possible, for example, that the scope of the claims of these patent applications may be restricted during examination of the applications.

6. Limitations and qualifications

6.1 Information Sources

In preparing this Report, in addition to reviewing our internal databases, we relied upon information contained in relevant publicly available databases and the searches conducted by the appropriate national and international patent offices with respect to the patents and patent applications in Schedule 1, Schedule 2, and Schedule 3. FB Rice is not responsible for the accuracy of the information available in public databases and accordingly cannot guarantee the accuracy of this information.

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6.2 Jurisdictional Requirements

Each jurisdiction has its own laws and particular requirements that need to be met for the grant and maintenance of a patent. Accordingly, the assessment of patentability of inventions varies from jurisdiction-to-jurisdiction. Inventions which may be patentable in one jurisdiction, may be excluded from grant in another. Moreover, the different jurisdictional requirements may result in variation of the scope of patent protection obtained for the same patent in different jurisdictions. The outcome of examination of the patent application, by the office of one jurisdiction is not binding on the office of any other jurisdiction. Similarly, in respect of patent applications, international PCT searches and examination reports are not binding on national patent applications during examination in the national phase.

In some jurisdictions there is a duty to disclose certain information to the relevant patent office. This information can include relevant prior art information known to the applicant or its agents or search results issued in respect of corresponding foreign applications. Failure to disclose such information may adversely affect the validity and/or enforceability of the patent.

We further note that there may be changes to patent law or its interpretation by the courts in a particular jurisdiction from time-to-time, which may have an impact on patents in the relevant country. For example, in 2012, the Australian Government enacted the Intellectual Property Law Amendments (Raising the Bar) Act 2012 (Cth), which represents a significant amendment to Australian patent law. In particular, the Act raises the requirement for patentability and the description requirements for patent specifications. It applies to all Australian patent applications for which a request for examination was filed on or after 15 April 2013. Other examples include relatively recent decisions of the US Supreme Court which have increased the threshold for what constitutes patentable subject matter in the USA.

6.3 Search Limitations

A patentability search, such as international searches carried out by various patent offices under the PCT procedure, cannot be guaranteed to locate all prior art that may exist which is potentially relevant to the assessment of novelty and inventive step of a claimed invention. Such searches are generally computer-based searches and are dependent on the database search strategy and the coverage provided by the databases used. For example, the databases may not cover older published documents and/or certain jurisdictions. Further, all such searches are subject to the accuracy of records, as well as the indexing and classification of the subject matter comprising the records. The scope of each search is also dependent on the search strategy utilised and, for example, the keyword(s) selected for the search.

Besides documentary prior art, commercialisation or secret use of an invention by, or with the authority of, an applicant (or their predecessor in title), public use of an invention and non-confidential oral disclosures before the priority date of a patent application may also be relevant to the assessment of patentability or newness and distinctiveness, respectively. As such searches are conducted on published documents, they would not locate such other forms of prior art disclosures.

Accordingly, although such searches provide a reasonable indication of patentability, it is not possible to guarantee that every relevant prior art record has been located and considered. As a result, any conclusions regarding the validity of the claims of a particular patent based on patent office searches should be regarded as indicative rather than conclusive.

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Further, non-provisional patent applications are not normally published until at least eighteen (18) months from the earliest acceptable priority date. Accordingly, a patentability search would not normally identify any third party patent application that is potentially relevant to the assessment of patentability that have a priority date which is less than eighteen (18) months prior to the date of the patentability search.

Delays between official publication and the incorporation of information into the relevant database can also occur, which means that some documents may not be located in a search.

6.4 Freedom to Operate

There is no guarantee that the patent rights referred to in this Report comprise all of the rights that are required for SenSen Networks Pty Ltd to be entitled to freely use and commercialise its products. If SenSen Networks Pty Ltd infringes any third party patents and those third party patents are valid, SenSen Networks Pty Ltd may be unable to obtain licenses to the patents at a reasonable cost, if at all, and may also be unable to develop or obtain alternative technology. If such licenses cannot be obtained at a reasonable cost, the business could be significantly impacted.

6.5 Entitlement to Claimed Priority Date

In Australia, for subject matter contained in a non-provisional patent application to be entitled to the priority date established by a corresponding priority patent application or provisional patent application there must be a "real and reasonably clear disclosure" of the subject matter in the priority application. Similar provisions apply in other jurisdictions. Subject matter disclosed in a non-provisional patent application that is not contained in a corresponding priority application is generally only entitled to the filing date of the non-provisional application as a priority date.

7 Statement of Independence

FB Rice has extensive experience protecting and defending intellectual property rights and commercialising products and services. FB Rice provides a comprehensive intellectual property service through its patent and trade mark attorney practices, consultancy arm and through its partnership with a major international renewal service.

FB Rice has no interest in SenSen Networks Pty Ltd or Orpheus Energy Ltd other than fees for professional work done for SenSen Networks Pty Ltd.

FB Rice has no involvement in the acquisition of SenSen Networks Pty Ltd by Orpheus Energy Limited, other than the preparation of this Report. FB Rice is therefore considered independent of SenSen Networks Pty Ltd and Orpheus Energy Limited for the purpose of preparing this Report.

The person responsible for preparing this Report was Madeleine Kelly, Partner of FB Rice.

Madeleine Kelly
Partner, FB Rice

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**Schedule 1 – Patents***"Automated Vehicle Recognition"* – PCT/AU2014/000029

Country	Application No.	Filing Date	Patent Expiry Date	Next Renewal Date	Owner	Status
Australia	2013900153	17/01/2013	N/A	N/A	SenSen Networks Pty Ltd	Completed
PCT	PCT/AU2014/000029	17/01/2014	N/A	N/A	SenSen Networks Pty Ltd	Completed
Australia	2014207250	17/01/2014	17/01/2034	17/01/2018	SenSen Networks Pty Ltd	Pending – to be let lapse in due course
United States	14/761,937	17/01/2014	N/A	N/A	SenSen Networks Pty Ltd	Abandoned
Europe	14740877.7	17/01/2014	N/A	N/A	SenSen Networks Pty Ltd	Deemed withdrawn

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**Schedule 2 – Patents**

"Method and system of identifying one or more features represented in a plurality of sensor acquired data sets" - PCT/AU2007/001274

Country	Application No. (Patent No.)	Filing Date	Patent Expiry Date	Next Renewal Date	Owner	Status
Australia	2006904797	01/09/2006	N/A	N/A	SenSen Networks Pty Ltd	Completed
PCT	PCT/AU2007/001274	31/08/2007	N/A	N/A	SenSen Networks Pty Ltd	Completed
Australia	2007291884 (2007291884)	31/08/2007	31/08/2027	31/08/2017	SenSen Networks Pty Ltd	Granted
United States	12/439,531 (8,457,408)	31/08/2007	28/08/2029	04/06/2020	SenSen Networks Pty Ltd	Granted
United States	13/604,536 (9,111,169)	5/09/2012	31/08/2027	18/08/2018	SenSen Networks Pty Ltd	Granted
Europe	07800232.6	31/08/2007	31/08/2027	31/08/2017	SenSen Networks Pty Ltd	Pending

Schedule 3 – Patents

"System and method for automated table game activity recognition" -
PCT/AU2017/050452

Country	Application No.	Filing Date	Patent Expiry Date	Next Renewal Date	Owner	Status
Australia	2016901829	15/05/2016	N/A	N/A	SenSen Networks Pty Ltd	Completed
PCT	PCT/AU2017/050452	16/05/2017	N/A	N/A	SenSen Networks Pty Ltd	Pending

8. Financial information

8.1 Introduction

This Section sets out the Historical and Pro-Forma Financial Information. The basis for preparation and presentation of this information is also set out below.

The Historical and Pro-Forma Financial Information has been prepared by management and adopted by the Board. The Board is responsible for the inclusion of all financial information in the Prospectus. BDO Audit Pty Ltd has prepared an Independent Limited Assurance Report in respect of the Historical and Pro-Forma Financial Information. A copy of the report is contained in **Section 9**.

The Historical and Pro-Forma Financial Information has been prepared in accordance with the recognition and measurement criteria of Australian Accounting Standards and the significant accounting policies set out in Note 6 in **Section 8.5** below. The Historical and Pro-Forma Financial Information comprises financial information of Orpheus Energy Limited ("**Orpheus**" or "**the Company**") and of SenSen Networks Pty Ltd ("**SenSen**") (the **Combined Entity**). The Historical and Pro-Forma Financial Information is presented in an abbreviated form insofar as it does not include all the disclosures and notes required in an annual financial report prepared in accordance with Australian Accounting Standards and the Corporations Act 2001.

Orpheus has entered into a conditional Acquisition Agreement and Warranty & Indemnity Acknowledgement Deed with SenSen and the shareholders of SenSen to acquire all of the issued share capital in SenSen (**Acquisition**). The Acquisition is conditional upon Orpheus successfully completing a Share Purchase Plan Offer (to raise capital in the amount of \$1,500,000 by way of the issue of 15,000,000 Shares) (**SPP Offer**); and a General Offer (to raise capital of a minimum of \$3,000,000 and to a maximum of \$5,000,000 by way of the issue of 30,000,000 Shares and 50,000,000 Shares respectively) (**General Offer**).

This Section has been prepared on the basis of the Company successfully raising \$4,500,000 to \$6,500,000 through the issue of 45,000,000 to 65,000,000 Shares at an issue price of \$0.10 per Share.

8.2 Historical Financial Information

The Historical Financial Information for both Orpheus and SenSen set out below comprises:

- The reviewed Consolidated Statement of Financial Position as at 31 December 2016 of Orpheus;
- The audited Consolidated Statements of Financial Position as at 30 June 2015 and 30 June 2016 of SenSen;
- The reviewed Consolidated Statement of Financial Position as at 31 December 2016 of SenSen;
- The audited Consolidated Statements of Profit or Loss for the years ended 30 June 2015 and 30 June 2016 of SenSen;
- The reviewed Consolidated Statement of Profit or Loss for the period ended 31 December 2016 of SenSen;
- The audited Consolidated Statements of Cash Flows for the year ended 30 June 2015 and 30 June 2016 of SenSen; and
- The reviewed Consolidated Statement of Cash Flows for the period ended 31 December 2016 of SenSen.

hereafter referred to as the **Historical Financial Information**.

The Historical Financial Information does not include a Statement of Comprehensive Income or a Statement of Changes in Equity.

The Company's consolidated financial statements for the year ended 30 June 2015 and 30 June 2016 have been subject to an audit by Hall Chadwick which included an emphasis of matter in relation to the Company's ability to continue as a going concern. The consolidated financial statement of the Company for the period ended 31 December 2016 has been subject to a review by Hall Chadwick which included an emphasis of matter in relation to the Company's ability to continue as a going concern.

SenSen's consolidated financial statements for the year ended 30 June 2015 and 30 June 2016 have been subject to an audit by BDO Audit Pty Ltd which included an emphasis of matter in relation to SenSen's ability to continue as a going concern. The consolidated financial statements of SenSen for the period ended 31 December 2016 have been reviewed by BDO Audit Pty Ltd which included an emphasis of matter in relation to SenSen's ability to continue as a going concern.

8.3 Pro-Forma Financial Information

The Pro-Forma Financial Information set out below comprises the unaudited Pro-Forma Statement of Financial Position as at 31 December 2016 of the Combined Entity showing the impact of the proposed capital raising and the effects of the acquisition.

The unaudited Pro-Forma Statement of Financial Position has been derived from the reviewed consolidated Statement of Financial Position as at 31 December 2016 of Orpheus and the reviewed consolidated Statement of Financial Position of SenSen as at 31 December 2016 adjusted for the following transactions as if they had occurred at 31 December 2016 (**Pro-Forma Transactions**):

- A 10:1 Consolidation of the Company's existing ordinary shares;
- Issue of convertible notes of \$500,000;
- the issue of between 45,000,000 and 65,000,000 Shares pursuant to a capital raising at an Offer Price of \$0.10 per Share to raise between \$4,500,000 and \$6,500,000 cash before expenses of the SPP Offer and General Offer. All ordinary shares issued pursuant to this Prospectus will be issued as fully paid. The minimum and maximum subscription scenarios are included in the Pro-Forma Statement of Financial Position;
- SenSen capital raise of \$1,000,000 (being \$160,997 of loans converted to equity and \$839,003 raised in cash less costs of \$50,340) which completed on 1 April 2017;
- Accounting for an underprovision of the 30 June 2016 tax position of SenSen including an estimate of the potential interest and penalties;
- the effects of the Acquisition as described in **Section 8.5**; and
- total costs expected to be incurred in connection with the Acquisition, SPP Offer and General Offer are approximately \$1,248,320 (being \$313,575 settled in cash and charged to equity and \$934,745 settled in cash and equity and charged to the Profit or Loss) based on the maximum subscription and approximately \$1,128,320 based on the minimum subscription (being \$193,575 settled in cash and charged to equity and \$934,745 settled in cash and equity and charged to the Profit or Loss).

8.4 Historical and Pro-Forma Financial Information

8.4.1 Reviewed Pro-Forma Statement of Financial Position of the Combined Entity as at 31 December 2016

31-Dec-16	Note	Orpheus Historical Statement of Financial Position	Issue of convertible notes and redemption	Orpheus Capital Raise	Orpheus Capital Raise	SenSen Historical Statement of Financial Position	SenSen Capital Raise & Tax Provision	Impact of Acquisition	Impact of Acquisition	Combined Pro-Forma Statement of Financial Position Maximum Subscription under Capital Raising	Combined Pro-Forma Statement of Financial Position Minimum Subscription under Capital Raising
		\$ (A)	\$ (B)	Maximum Subscription \$6.5M (C)	Minimum Subscription \$4.5M (D)	\$ (E)	\$ (F)	Maximum Subscription \$6.5M (G)	Minimum Subscription \$4.5M (H)	\$ (I)	\$ (J)
CURRENT ASSETS											
Cash and cash equivalents	2	24,444	500,000	5,802,600	3,922,600	54,620	788,663	(230,000)	(230,000)	6,940,327	5,060,327
Trade and other receivables		66,284	-	-	-	352,225	-	-	-	418,509	418,509
Inventory		-	-	-	-	15,000	-	-	-	15,000	15,000
Other current assets		-	-	-	-	5,551	-	-	-	5,551	5,551
TOTAL CURRENT ASSETS		90,728	500,000	5,802,600	3,922,600	427,396	788,663	(230,000)	(230,000)	7,379,387	5,499,387
NON-CURRENT ASSETS											
Plant and equipment		432	-	-	-	118,002	-	-	-	118,434	118,434
Other non-current assets		-	-	-	-	27,932	-	-	-	27,932	27,932
TOTAL NON-CURRENT ASSETS		432	-	-	-	145,934	-	-	-	146,366	146,366
TOTAL ASSETS		91,160	500,000	5,802,600	3,922,600	573,330	788,663	(230,000)	(230,000)	7,525,753	5,645,753
CURRENT LIABILITIES											
Trade and other payables	3	1,787,099	-	(638,958)	(638,958)	1,762,617	161,000	-	-	3,071,758	3,071,758
Borrowings	3	686,569	-	(343,284)	(343,284)	1,447,787	(160,997)	-	-	1,630,075	1,630,075
Short-term provisions		9,877	-	-	-	-	-	-	-	9,877	9,877
TOTAL CURRENT LIABILITIES	4	2,483,545	-	(982,242)	(982,242)	3,210,404	3	-	-	4,711,710	4,711,710
NON-CURRENT LIABILITIES											
Borrowings		-	-	-	-	500,000	-	-	-	500,000	500,000
TOTAL NON-CURRENT LIABILITIES		-	-	-	-	500,000	-	-	-	500,000	500,000
TOTAL LIABILITIES		2,483,545	-	(982,242)	(982,242)	3,710,404	3	-	-	5,211,710	5,211,710
NET ASSETS		(2,392,385)	500,000	6,784,842	4,904,842	(3,137,074)	788,660	(230,000)	(230,000)	2,314,043	434,043
EQUITY											
Contributed equity	5	31,478,839	668,985	7,489,587	5,609,587	13,004,783	949,660	(28,541,938)	(28,351,006)	25,049,916	23,360,848
Reserves		461,524	-	-	-	-	-	(461,524)	(461,524)	-	-
Accumulated losses		(34,326,394)	(168,985)	(704,745)	(704,745)	(16,141,857)	(161,000)	28,773,462	28,582,530	(22,729,519)	(22,920,451)
Non-Controlling interests		(6,354)	-	-	-	-	-	-	-	(6,354)	(6,354)
TOTAL EQUITY (deficit)		(2,392,385)	500,000	6,784,842	4,904,842	(3,137,074)	788,660	(230,000)	(230,000)	2,314,043	434,043

8.4.2 Consolidated Statement of Profit or Loss – SenSen Networks Pty Ltd

	12 Months Ended 30-Jun-15 Audited (\$ AUD)	12 Months Ended 30-Jun-16 Audited (\$ AUD)	6 Months Ended 31-Dec-16 Reviewed (\$ AUD)
Sales revenue	418,588	1,108,589	680,471
Cost of sales	(514,388)	(377,419)	(487,818)
Gross profit	(95,800)	731,170	192,653
Other income	924,501	1,020,249	770,312
Interest income	3,358	1,166	13
Consulting expense	(1,181,350)	(930,207)	(393,088)
Employee benefits expense	(2,076,149)	(847,584)	(549,924)
Occupancy expense	(108,530)	(98,341)	(28,628)
Marketing expense	(201,933)	(168,111)	(155,412)
Administration expense	(64,008)	(60,966)	(25,492)
Depreciation and amortisation expense	(18,542)	(27,723)	(4,224)
Finance costs	(107,740)	(87,510)	(46,919)
Other expenses	(147,653)	(135,055)	(39,122)
Loss before income tax	(3,073,846)	(602,912)	(279,831)
Tax (expense) income	-	-	-
Loss for the Year	(3,073,846)	(602,912)	(279,831)

8.4.3 Consolidated Statement of Financial Position – SenSen Networks Pty Ltd

	As at 30-Jun-15 Audited (\$) AUD	As at 30-Jun-16 Audited (\$) AUD	As at 31-Dec-16 Reviewed (\$) AUD
Current assets			
Cash and cash equivalents	68,987	54,620	54,620
Trade and other receivables	405,575	281,107	352,225
Inventories	15,000	15,000	15,000
Other assets	4,943	13,584	5,551
Total current assets	494,505	364,311	427,396
Non-current assets			
Other assets	38,203	27,932	27,932
Plant and equipment	35,182	121,360	118,002
Total non-current assets	73,385	149,292	145,934
Total assets	567,890	513,603	573,330
Current liabilities			
Trade and other payables	1,347,107	1,665,023	1,762,617
Borrowings	1,204,614	1,435,323	1,447,787
Total current liabilities	2,551,721	3,100,346	3,210,404
Non-current liabilities			
Borrowings	500,000	500,000	500,000
Total non-current liabilities	500,000	500,000	500,000
Total liabilities	3,051,721	3,600,346	3,710,404
Net assets	(2,483,831)	(3,086,743)	(3,137,074)
Equity			
Issued Capital	12,775,283	12,775,283	13,004,783
Accumulated Losses	(15,259,114)	(15,862,026)	(16,141,857)
Total equity	(2,483,831)	(3,086,743)	(3,137,074)

8.4.4 Consolidated Statement of Cash Flows – SenSen Networks Pty Ltd

	12 Months Ended 30-Jun-15 Audited (\$) AUD	12 Months Ended 30-Jun-16 Audited (\$) AUD	6 Months Ended 31-Dec-16 Reviewed (\$) AUD
Cash flows from / (used in) Operating Activities			
Receipts from customers	1,182,390	1,233,057	609,353
Payments to suppliers and employees	(2,526,520)	(1,281,108)	(574,910)
Interest received	3,358	1,166	13
Finance costs	(107,740)	(87,510)	(46,919)
Net cash flows from / (used in) operating activities	(1,448,512)	(134,395)	(12,463)
Cash flows from / (used in) investing activities			
Disposal / (Purchase) of plant and equipment	(11,725)	(110,681)	-
Net cash flows from / (used in) investing activities	(11,725)	(110,681)	-
Cash flows from / (used in) financing activities			
Proceeds from issue of shares	1,510,588	-	-
Proceeds from borrowings	65,964	63,515	158,729
Net cash flows from / (used in) financing activities	1,576,552	63,515	158,729
Net increase / (decrease) in cash and cash equivalents	116,315	(181,561)	146,266
Cash and cash equivalents at beginning of period	(90,573)	25,742	(155,819)
Closing cash balance¹	25,742	(155,819)	(9,553)
¹ Closing cash includes overdrafts			
Cash and cash equivalents per section 8.4.3	68,987	54,620	54,620
Overdrafts included in borrowings	(43,245)	(210,439)	(64,173)
Closing cash position	25,742	(155,819)	(9,553)

8.4.5 Historical and Pro-Forma Financial Information not included

As the Company is effectively a shell without material assets or liabilities, only the operating history of SenSen has been included in this section along with the Statement of Financial Position as at 31 December 2016 of the Company as included in the Reviewed Pro-Forma Statement of Financial Position of the Combined Entity as at 31 December 2016 as detailed in **Section 8.4.1**.

8.5 Notes to and forming part of the Pro-Forma Financial Information

Note 1

The proposed Acquisition will result in the SenSen shareholders holding a controlling interest in the Company after the transaction. This proposed transaction does not meet the definition of a business combination in Australian Accounting Standard AASB 3 *Business Combinations* (**AASB 3**). The transaction has therefore been accounted for in the Reviewed Pro-Forma Statement of Financial Position of the Combined Entity in accordance with Australian Accounting Standard AASB 2 *Share-based Payments* and has been accounted for as a continuation of the financial statements of SenSen together with a deemed issue of shares. The deemed issue of shares is, in effect, a share-based payment transaction whereby SenSen is deemed to have received the net assets of the Company, together with the listing status of the Company.

Because the Reviewed Pro-Forma Statement of Financial Position of the Combined Entity represents a continuation of the financial statements of SenSen, the principles and guidance on the preparation and presentation of the consolidated financial statements in a reverse acquisition set out in AASB 3 have been applied as follows:

- fair value adjustments arising at acquisition are made to the Company's assets and liabilities, not those of SenSen. As the carrying value of all assets and liabilities held by the Company at 31 December 2016 approximated their fair value, no adjustments were required;
- the equity structure (the number and type of equity instruments issued) at the date of the acquisition reflects the equity structure of the Company, including the equity instruments issued to effect the acquisition;
- accumulated (losses)/ profits and other equity balances at acquisition date are those of SenSen;
- the cost of the acquisition, and amount recognised as contributed equity to affect the transaction, is based on the deemed number of shares that SenSen would have needed to issue to give the shareholders of Orpheus the same shareholding percentage in the Combined Entity that results from the transaction; and
- a share-based payment transaction arises whereby SenSen is deemed to have issued shares in exchange for the net assets of the Company (together with the listing status of the Company). The listing status does not qualify for recognition as an intangible asset and the relevant costs have therefore been expensed in profit or loss as a listing expense.

The fair value of the deemed number of shares that SenSen would have needed to issue is estimated to be \$11,095,473 for the maximum subscription and \$9,406,404 for the minimum subscription.

The fair value of Orpheus' net assets as at 31 December 2016, adjusted for the SPP Offer, General Offer, associated costs and the costs associated with the acquisition of SenSen, is estimated to be \$5,772,541 for the maximum subscription and \$3,892,540 for the minimum subscription. Deducting this from the deemed consideration results in a notional listing expense of \$5,322,932 for the maximum subscription and \$5,513,864 for the minimum subscription.

As the proposed Acquisition, if implemented, will be effected at a future date, the actual financial position and performance of the Combined Entity post completion will differ from that presented in Section 8.4.1.

Note 2

Reconciliation of movements in Pro-Forma cash and cash equivalents

	Cash and cash equivalents (Maximum Subscription \$6.5M) \$	Cash and cash equivalents (Minimum Subscription \$4.5M) \$
Orpheus Historical Statement of Financial Position 31 December 2016 (A)	24,444	24,444
Issue of approximately 65,000,000 maximum or 45,000,000 minimum shares at \$0.10 per share pursuant to the capital raising (C) & (D)	6,500,000	4,500,000
Total costs expected to be incurred in connection with the capital raising (C) & (D)	(697,400)	(577,400)
SenSen Historical Statement of Financial Position 31 December 2016 (E)	54,620	54,620
Costs expected to be incurred in connection with the acquisition (G) & (H)	(230,000)	(230,000)
Cash received from the issue of convertible notes (B)	500,000	500,000
Cash received from the SenSen Capital Raise (F)	788,663	788,663
Reviewed Pro-forma Statement of Financial Position of the Combined Entity 31 December 2016 (I) & (J)	6,940,327	5,060,327

No Pro-Forma adjustments have been made to reflect cash flow movements from operating activities between 1 January 2017 and the date of this document. As at 16 August 2017 the unaudited cash balance of the Combined Entity was an overdraft of approximately \$56,047.

Note 3*Orpheus Capital Raise (C) & (D)*

On completion of the Acquisition, the Directors and Chief Financial Officer of Orpheus have agreed to convert 50% of the amounts owing to them by the Company into Shares.

SenSen Capital Raise & Tax Provision (F)

The Acquisition calculations are based on SenSen raising \$1m in capital post 31 December 2016 and prior to the Acquisition, the SPP Offer and the General Offer. The \$1m was raised in the form of \$839,003 of cash, less costs of \$50,340, and the conversion of a loan totalling \$160,997 into equity.

Post 31 December 2016 SenSen received an information request from the Australian Tax Office (ATO) regarding a tax deduction claimed in prior years that related to contributions made by SenSen to the SenSen Employee Trust. Following a review SenSen management have decided to forego the tax deduction for the contribution made to the trust. As a result of this there is an estimated under provision for income tax payable of \$161,000 including potential interest and penalties related to the 30 June 2016 year. This liability has been included in the Pro-Forma Statement of Financial Position.

Note 4

The current liability position of the Company and SenSen (Combined Entity) under both the General Offer Maximum Subscription and General Offer Minimum Subscription is as follows:

Item	Amount (\$)
<ul style="list-style-type: none"> 50% of the remaining loans and payables of the existing Company Directors and CFO (as detailed in Section 6.5). <p>Note, the Company Directors and CFO and the Company have agreed that in the event there is not sufficient cashflow to pay this amount in cash, this will be repaid by way of the issue of equity subject to Shareholder approval at the 2018 annual general meeting.</p>	982,242
<ul style="list-style-type: none"> SenSen unearned revenue. <p>Note: Unearned revenue is recorded as a current liability in relation to contracts with milestones yet to be achieved, once these milestones are achieved, anticipated to be in the second half of FY2017 and in FY2018, this unearned revenue will be subsequently recorded as revenue.</p> <p>These milestones relate in the main to SenGAME Supply and Development Agreement with Crown Casino. This was accounted for as a current liability for the following reasons:</p> <ul style="list-style-type: none"> SenSen is continually working with its customers on the delivery of the milestones, as at 31 December 2016 it was expected that these milestones will be achieved within 12 months from that date. 	1,296,240
<ul style="list-style-type: none"> SenSen loans and leases <p>Note: \$641,500 of this amount is being repaid out of the funds raised from the Offers. Refer to Section 4.8 for detail of the SenSen Director Loans repayment. This amount is detailed in the use of funds table in Section 4.8 as \$750,000. The difference between \$750,000 and \$641,500 (namely \$108,500) is a result of \$5,500 in accrued interest and \$103,000 of additional loans provided by a related party of Subhash Challa (on the same terms) since 31 December 2016.</p> <p>\$499,003 is payable to Speedshield Technologies Pty Ltd (Speedshield). This amount is not expected to be settled within the next 12 months as post 31 December 2016 the Integrated Product Development and Supply Agreement was entered into between SenSen and Speedshield to enable these funds to be allocated to settle the expected future distribution fees payable to SenSen by Speedshield.</p> <p>Although this agreement was entered into in February 2017, this was not adjusted in the Pro-Forma Statement of Financial Position as this transaction has no impact of the net asset position of the Combined Entity.</p> <p>This leaves a balance of \$82,113, being a liability owed for a car lease. This amount is being repaid out of the funds raised from the Offers. Refer to Section 4.8 for detail of this payment.</p>	1,222,616
<ul style="list-style-type: none"> SenSen overdraft <p>Note: this amount is payable under the CBA Facility and is being repaid out of the funds raised from the Offers. Refer to Section 4.8 for detail of this payment.</p>	64,173

<ul style="list-style-type: none"> Trade and other payables of the Combined Entity (including short term provisions). <p>Note: This represents the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. This amount is being repaid out of the funds raised from the Offers. Refer to Section 4.8 for detail of this payment.</p>	1,146,439
Total current liabilities	4,711,710

Note 5

The pro-forma contributed equity includes the following assumptions:

- A 10:1 Consolidation of the Company's existing ordinary shares;
- Issue of convertible notes of \$500,000;
- the issue of between 45,000,000 and 65,000,000 Shares pursuant to a capital raising at an Offer Price of \$0.10 per Share to raise between \$4,500,000 and \$6,500,000 cash before expenses of the SPP Offer and General Offer.
- SenSen to raise capital of \$1,000,000 (being \$160,997 of loans converted to equity and \$839,003 raised in cash less costs of \$50,340) prior to the Acquisition; and
- total costs expected to be incurred in connection with the Acquisition, SPP Offer and General Offer are approximately \$1,248,320 (being \$313,575 settled in cash and charged to equity and \$934,745 settled in cash and equity and charged to the Profit or Loss) based on the maximum subscription and approximately \$1,128,320 based on the minimum subscription (being \$193,575 settled in cash and charged to equity and \$934,745 settled in cash and equity and charged to the Profit or Loss).

Reconciliation of movements in pro-forma contributed equity (Maximum Subscription \$6.5M)	Number of shares #	Contributed equity \$
Orpheus Historical Statement of Financial Position 31 December 2016 (A)	183,476,469	31,478,839
Effect of Share Consolidation	(165,128,819)	-
Issue of shares pursuant to the prospectus (C)	65,000,000	6,500,000
Costs expected to be incurred in connection with the issue (C)	-	(313,575)
Loans and payables converted to equity (C)	9,822,420	982,242
Conversion of convertible notes (B)	6,689,850	668,985
Issue of shares to settle costs (C)	3,209,201	320,920
Reversal of Orpheus shares on acquisition (G)	-	(39,637,411)
SenSen Historical Statement of Financial Position 31 December 2016 (E)	-	13,004,783
SenSen deemed issue of shares for Orpheus (G)	-	11,095,473
SenSen Capital Raise (F)	-	949,660
Orpheus shares issued for acquisition of SenSen (including shares issued as part of the SenSen Capital Raise)	273,764,706	-
Reviewed Pro-forma Statement of Financial Position of the Combined Entity 31 December 2016 (I)	376,833,827	25,049,916

Reconciliation of movements in pro-forma contributed equity (Minimum Subscription \$4.5M)	Number of shares #	Contributed equity \$
Orpheus Historical Statement of Financial Position 31 December 2016 (A)	183,476,469	31,478,839
Effect of Share Consolidation	(165,128,819)	-
Issue of shares pursuant to the prospectus (D)	45,000,000	4,500,000
Costs expected to be incurred in connection with the issue (D)	-	(193,575)
Loans and payables converted to equity (D)	9,822,420	982,242
Conversion of convertible notes (B)	6,689,850	668,985

Issue of shares to settle costs (D)	3,209,201	320,920
Reversal of Orpheus shares on acquisition (H)	-	(37,757,411)
SenSen Historical Statement of Financial Position 31 December 2016 (E)	-	13,004,783
SenSen deemed issue of shares for Orpheus (H)	-	9,406,404
SenSen Capital Raise (F)	-	949,660
Orpheus shares issued for acquisition of SenSen (including shares issued as part of the SenSen Capital Raise)	273,764,706	-
Reviewed Pro-forma Statement of Financial Position of the Combined Entity 31 December 2016 (J)	356,833,827	23,360,847

Note 6

Significant accounting policies of the Combined Entity

The following is a summary of the material accounting policies adopted by the Combined Entity in the preparation of the financial information. The accounting policies have been consistently applied unless otherwise stated. The financial information is in compliance with the recognition and measurement requirements of Australian Accounting Standards.

The financial information in this Section should be read in conjunction with all of the significant accounting policies outlined below. The significant accounting policies have been included to assist in a general understanding of the Historical Financial Information and Pro-Forma Historical Financial Information presented in **Sections 8.4** and **8.5** of this Prospectus.

The functional and presentation currency of the Combined Entity is Australian dollars. All amounts disclosed in the tables are presented in Australian dollars.

a. Principles of Consolidation

The consolidated financial statements comprise the financial statements of all subsidiaries of the Company and the results of all subsidiaries from the date that control was obtained. The Company controls another entity when the Company is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is fully transferred. They are deconsolidated from the date control ceases.

The financial statement of the subsidiary is prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest without a loss of control is accounted for as an equity transaction.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the financial statements. Losses incurred by the consolidated entity are attributed to the non-controlling interests in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary, together with any cumulative transaction differences in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gains or losses in profit or loss.

b. Income Tax

Current tax assets and liabilities for the current and prior periods are measured at the amounts expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences except:

- (i) when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- (ii) when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probably that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- (iii) when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- (iv) when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

c. Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	10% - 33.3%
Computer Equipment	25% - 33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised.

d. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

e. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction

for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability.

Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

The Combined Entity does not designate any interests in subsidiaries, associates or joint ventures as being subject to the requirements of Accounting Standards specifically applicable to financial instruments. Accordingly, such interests are accounted for on a cost basis.

(i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

f. Impairment of Non-Financial Assets

The Combined Entity assesses at each balance date whether there is an indication that an asset may be impaired.

If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

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. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may

have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Where 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.

g. Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each Combined Entity is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, which is the parent entity's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is directly recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

h. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

i. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately

received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

All revenue is stated net of the amount of goods and services tax.

j. Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

k. Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

l. Employee Benefits

The liability for employee benefit obligations relates to government-mandated annual leave, superannuation and long service leave payments. Employee benefits have been measured at the amounts expected to be paid when the liability is settled at the current pay rates plus any related on-costs. Any superannuation contributions that are unpaid at the end of the reporting period are classified as accrued expenses.

m. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

n. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers

or payments to suppliers.

o. Critical Accounting Estimates and Judgements

Key estimates

(i) Impairment – general

The Combined Entity assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Combined Entity that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Note 7

Subsequent Events

In February 2017, SenSen entered into a new Integrated Product Development and Supply Agreement with Speedshield to enable the funds recorded as at 31 December 2016 to be allocated to settle the expected future distribution fees payable to SenSen by Speedshield which will defer the loan payable beyond 12 months from the date of entering into the agreement.

Although this agreement was entered into in February 2017, this was not adjusted in the Pro-Forma Statement of Financial Position (to split the loan between current and non-current liabilities) as this transaction has no impact of the net asset position of the Combined Entity.

8.6 The Directors of both Orpheus and SenSen are not aware of any other significant changes in the state of affairs of the Orpheus or SenSen, or events subsequent to 31 December 2016 and up to the date of this Prospectus, that would have a material impact on the Historical or Pro-Forma Financial Information, except as otherwise disclosed in this Prospectus. Forecast financial information

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 performance in any future period cannot be reliably estimated. On this basis and after considering ASIC Regulatory Guide 170, the Directors do not believe that they have a reasonable basis to reliably forecast future earnings and accordingly forecast financials are not included in this Prospectus.

8.7 Dividend policy

The Company does not expect to pay dividends in the near future as its focus will primarily be on using cash reserves to grow and develop the SenSen Business.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.

9. Independent Limited Assurance Report



Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

To the Directors
Orpheus Energy Limited
Level 14, 3 Spring Street
SYDNEY NSW 2000

18 August 2017

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT ON ORPHEUS ENERGY LIMITED HISTORICAL AND PRO-FORMA HISTORICAL FINANCIAL INFORMATION

BDO Audit Pty Ltd ('BDO Audit') have been engaged by Orpheus Energy Limited ("the Company" or "Orpheus") to report on the Historical and Pro-Forma Financial Information of Orpheus (the responsible party) and SenSen Networks Pty Ltd ("SenSen") for inclusion in the Prospectus dated on or about 18 August 2017 and relating to the offer by the Company of a minimum of 45,000,000 Shares at \$0.10 per Share to raise a minimum of \$4,500,000 and a maximum of 65,000,000 Shares to investors at \$0.10 per Share to raise a maximum of \$6,500,000 and the acquisition of SenSen by Orpheus ("the Prospectus").

Expressions and terms defined in the Prospectus have the same meaning in this report.

Scope

Historical financial information

You have requested BDO Audit Pty Ltd to review the following historical financial information included in Section 8 the Prospectus:

- The reviewed Consolidated Statement of Financial Position as at 31 December 2016 of Orpheus;
- The audited Consolidated Statements of Financial Position as at 30 June 2015 and 30 June 2016 of SenSen;
- The reviewed Consolidated Statement of Financial Position as at 31 December 2016 of SenSen;
- The audited Consolidated Statements of Profit or Loss for the years ended 30 June 2015 and 30 June 2016 of SenSen;
- The reviewed Consolidated Statement of Profit or Loss for the period ended 31 December 2016 of SenSen;
- The audited Consolidated Statements of Cash Flows for the year ended 30 June 2015 and 30 June 2016 of SenSen; and
- The reviewed Consolidated Statement of Cash Flows for the period ended 31 December 2016 of SenSen.

Hereafter referred to as "the Historical Financial Information".

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation, other than for the acts or omissions of financial services licensees.



The Historical Financial Information 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 Orpheus has been extracted from the consolidated financial reports of Orpheus as at and for the period ended 31 December 2016 which was reviewed by Hall Chadwick in accordance with the Australian Auditing Standards. Hall Chadwick issued an unmodified review conclusion with an emphasis of matter in relation to the Company's ability to continue as a going concern.

The Historical Financial Information of SenSen has been extracted from the consolidated financial reports of SenSen as at and for the years ended 30 June 2015 and 30 June 2016 which were audited and as at and for the period ended 31 December 2016 which was reviewed by BDO Audit Pty Ltd in accordance with the Australian Auditing Standards. BDO Audit Pty Ltd issued an unmodified audit opinion with an emphasis of matter in relation to SenSen's ability to continue as a going concern for the years ending 30 June 2015 and 30 June 2016 and an unmodified review conclusion with an emphasis of matter in relation to SenSen's ability to continue as a going concern for the period ending 31 December 2016.

The Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

Pro-forma Historical Financial Information

You have requested BDO Audit Pty Ltd to review the following Pro-Forma Historical Financial Information of Orpheus and SenSen (the Combined Entity) included in the Prospectus being the the Pro-Forma Statement of Financial Position as at 31 December 2016 showing the impact of the pro-forma adjustments as if they had occurred at 31 December 2016.

Hereafter referred to as "the Pro-Forma Historical Financial Information".

The Pro-Forma Historical Financial Information has been derived from the historical financial information of Orpheus and the historical financial information of SenSen, after adjusting for the effects of Pro-Forma Transactions described in section 8.3 of the Prospectus. 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 Transactions relate, as described in section 8.3 of the Prospectus, 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 or the Combined Entity's actual or prospective financial position.

Directors' responsibility

The directors of Orpheus are responsible for the preparation of the Historical Financial Information and Pro-Forma Historical Financial Information, including the selection and determination of Pro-Forma Transactions 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 that are free from material misstatement, whether due to fraud or error.

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Our responsibility

Our responsibility is to express a limited assurance conclusion on the financial information based on the procedures performed and the evidence we have obtained. 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*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedure. A review 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 an audit. Accordingly, we do not express an audit opinion.

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

Conclusions

Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in section 8.4 of the Prospectus, and comprising:

- The reviewed Consolidated Statement of Financial Position as at 31 December 2016 of Orpheus;
- The audited Consolidated Statements of Financial Position as at 30 June 2015 and 30 June 2016 of SenSen;
- The reviewed Consolidated Statement of Financial Position as at 31 December 2016 of SenSen;
- The audited Consolidated Statements of Profit or Loss for the years ended 30 June 2015 and 30 June 2016 of SenSen;
- The reviewed Consolidated Statement of Profit or Loss for the period ended 31 December 2016 of SenSen;
- The audited Consolidated Statements of Cash Flows for the year ended 30 June 2015 and 30 June 2016 of SenSen; and
- The reviewed Consolidated Statement of Cash Flows for the period ended 31 December 2016 of SenSen.

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in section 8.5 of the Prospectus.

Pro-Forma Historical Financial Information

Based on our review, 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 section 8.4 of the Prospectus, and comprising the Pro-Forma Statement of Financial Position as at 31 December 2016 showing the impact of the Pro-Forma Transactions as if they had occurred at 31 December 2016, are not presented fairly in all material respects, in accordance with the stated basis of preparation as described in section 8.5 of the Prospectus.

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation, other than for the acts or omissions of financial services licensees.

**Restriction on use**

Without modifying our conclusions, we draw attention to section 8.1 of the Prospectus, 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.

Consent

BDO Audit Pty Ltd has consented to the inclusion of this independent limited assurance report in the Prospectus in the form and context in which it is included.

Liability

The liability of BDO Audit Pty Ltd is limited to the inclusion of this report in the Prospectus. BDO Audit Pty Ltd makes no representation regarding, and takes no responsibility for, any other statements, or material in, or omissions from, the Prospectus.

General advice warning

The 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 take the place of professional advice and investors should not make specific investment decisions in reliance on information contained in this report. Before acting or relying on any information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.

Independence or Disclosure of Interest

BDO Audit Pty Ltd does not have any interest in the outcome of the proposed listing, or any other interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. BDO Audit Pty Ltd will receive normal professional fees for the preparation of this report.

BDO Audit Pty Ltd are auditors of Orpheus and from time to time BDO Audit Pty Ltd also provides Orpheus with certain other professional services for which normal professional fees are received.

Yours faithfully,
BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'M Cutri', is written over a faint, stylized BDO logo.

M Cutri
Director

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation, other than for the acts or omissions of financial services licensees.

10. Material agreements

10.1 Company material agreements

The Company has entered into various agreements which the Board considers to be material and relevant to potential investors in the Company (**Company Material Agreements**). Set out in this **Section 10.1** is a summary of the key terms of the Company Material Agreements.

Company Material Agreements					
No.	Contract	Parties	Detail	Date	Related party contract
1.	Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed (Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed)	Company, SenSen and the Vendors	Pursuant to these documents, SenSen and the Vendors agreed to transfer share in SenSen in consideration for the Consideration Shares	11 April 2017 (Acquisition Agreement) and 3 April 2017 (Warranty and Indemnity Acknowledgement Deed)	No
2.	Deed of Commitment	Mr Nugroho Suksmanto, Orpheus Energy Group Pty Limited, Orpheus Energy (Hodgson Vale) Pty Ltd.	<p>Pursuant to the terms of the Deed of Commitment Mr Nugroho Suksmanto agreed to settle the following:</p> <ul style="list-style-type: none"> IDR 19,130,000,000 (plus interest and costs) owed to Orpheus Energy Group Pty Limited under the Deed of Settlement and Termination dated 26 March 2014 (as amended on 21 May 2015); IDR 18,380,000,000 (plus interest and costs) owed to Orpheus Energy Group Pty Limited under the Deed of Settlement and Termination dated 8 April 2014 (as amended on 21 May 2015); IDR26,090,000,000 owed to Orpheus Energy (Hodgson Vale Pty) Limited under the Share Sale and Purchase Agreement dated 7 May 2014 (as amended on 21 May 2015); and IDR6,400,000,000 owed to Orpheus Energy (Hodgson Vale Pty) Limited under the Share Sale and Purchase Agreement dated 13 May 2014 (as amended on 21 May 2015). <p>(Total Outstanding Debt)</p>	19 June 2014	No

3.	Settlement Agreement	Orpheus Energy Group Pty Limited, Orpheus Energy (Hodgson Vale) Pty Ltd, Mr Nugroho Suksmanto, Ardiansyah Ahmad Situmorang and PT Mega Coal International	Pursuant to the Settlement Agreement in order to secure the payment of the Total Outstanding Debt (defined below) Mr Nugroho Suksmanto procured the share charge over 10.5% of the shares in PT Abadi Guna Papan, an entity controlled by Mr Nugroho Suksmanto.	21 May 2015	No
4.	Pledge Agreement over Shares in PT Abadi Guna Papan (Share Charge 1)	Orpheus Energy Group Pty Limited, Orpheus Energy (Hodgson Vale) Pty Ltd, Mr Noegroho Pranoto	Pursuant to Share Charge 1, 7% of the shares in PT Abadi Guna Papan, an entity controlled by Mr Nugroho Suksmanto were pledged in order to secure the payment of the Total Outstanding Debt (defined below).	30 June 2015	No
5.	Pledge Agreement over Shares in PT Abadi Guna Papan (Share Charge 2)	Orpheus Energy Group Pty Limited, Orpheus Energy (Hodgson Vale) Pty Ltd, Mr YohanaKurnia stuti	Pursuant to Share Charge 2, 3.5% of the shares in PT Abadi Guna Papan, an entity controlled by Mr Nugroho Suksmanto were pledged in order to secure the payment of the Total Outstanding Debt (defined below).	30 June 2015	No
6.	Executive Services Agreement - Subhash Challa	Company and Subhash Challa	Documents the appointment of Subhash Challa as the Executive Chairman of the Company.	10 August 2017	Yes
7.	Executive Services Agreement - David Smith	Company and David Smith	Documents the terms of the appointment of David Smith as an Executive Director and Company Secretary of the Company effective on completion of the Acquisition.	10 August 2017	Yes
8.	Letter of Appointment - Zenon Pasieczny	Company and Zenon Pasieczny	Documents the terms of the appointment of Zenon Pasieczny as a Non-Executive Director of the Company effective on completion of the Acquisition.	5 August 2017	Yes
9.	Letter of Appointment - Jason Ko	Company and Jason Ko	Documents the terms of the appointment of Jason Ko as a Non-Executive Director of the Company effective on completion of the Acquisition.	27 June 2017	Yes

The key terms are provided below. The whole of the provisions of the Company Material Agreements are not repeated in this Prospectus.

Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed

The key terms of the Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed between the Company, SenSen and the Vendors are as follows:

- The Company entered into an agreement with each of the Vendors and SenSen for the acquisition of the entire issued share capital of SenSen in consideration for the issue of 273,764,706 Consideration Shares issued pro-rata to each of the Vendors (on a post-Consolidation basis). The Consideration Shares are on terms that are the same as the Company's quoted ordinary Shares.
- Any escrow restrictions in accordance with Chapter 9 of the ASX Listing Rules applying to the Consideration Shares will be determined by the ASX after the Prospectus is lodged with the ASX for the Capital Raising.
- The Acquisition is conditional upon, and subject to, a number of conditions. Material conditions precedent include:
 - **Due Diligence:** Completion of legal, financial and technical due diligence on SenSen to the satisfaction of the Company in its absolute discretion;
 - **Independent Expert's Report:** receipt of an independent expert's report by the Company confirming that the Acquisition is fair and reasonable, or not fair but reasonable to the Company, or is deemed by the Company, in its absolute discretion, to be satisfactory and sufficient to proceed with seeking Shareholder approval for the Acquisition;
 - **Compliance with ASX Listing Rules and the Corporations Act:** The Company has received all necessary or desirable regulatory approvals to effect the Acquisition as required under the Corporations Act and the ASX Listing Rules, these include:
 - **Shareholders Resolutions:** The approval of the Acquisition Resolutions. The Acquisition Resolutions were all approved at the General Meeting which convened on 29 August 2017;
 - **Re-compliance with ASX Listing Rules Chapters 1 and 2:** The Company receives from the ASX written conditional approval that the ASX will re-admit the Company to the Official List of the ASX subject to the terms and conditions as are prescribed by the ASX and the ASX Listing Rules;
 - **ASX waiver:** the ASX grants certain waivers in respect of ASX Listing Rules 2.1 Condition 2 and 7.3.8 and the Company has complied with the requirements of such waivers (Note: These waivers were granted on 23 June 2017;
 - **Capital Raising:** completion of the capital raising of up to \$6,500,000 under a SPP Offer and the General Offer.
 - **Consolidation:** As required by the ASX Listing Rules, the Company undertake a Consolidation of its issued capital on the basis of 1 Share for every 10 Shares held, as set out further in **Section 11.4**. Approval for the Consolidation is the subject of Resolution 2 of the Acquisition Resolutions.
- The Company agreed to issue 3,209,201 Shares (on a post Consolidation basis) to the SenSen Corporate Advisor and Joint Lead Manager, Tat Capital Pty Ltd, for introduction and advisory services provided to the Company (Introduction and Advisory Fee).
- The Acquisition Agreement otherwise contains usual and customary warranties and representations, which pursuant to the Warranty and Indemnity Acknowledgement Deed, are provided by those Vendors with the knowledge to provide such warranties and representations.

Deed of Commitment

Pursuant to the terms of the Deed of Commitment dated 19 June 2014 Mr Nugroho Suksmanto agreed to settle the following:

- The payment obligation in the amount of IDR 19,130,000,000 (plus interest and costs) owed to Orpheus Energy Group Pty Limited by PT Mega Coal Indomine, PT Mega Coal International, PT Pelita Kharisma Kenanga and PT Pelita Dian Petangi under the Deed of Settlement and Termination dated 26 March 2014 (as amended on 21 May 2015);
- The payment obligation in the amount of IDR 18,380,000,000 (plus interest and costs) owed to Orpheus Energy Group Pty Limited by Mr Nugroho Suksmanto, PT Mega Coal International, PT Bara Bima Persada, PT Dian Bima Permata, PT Daya Bumi Penajam and PT Bara Cita Mega under the Deed of Settlement and Termination dated 8 April 2014 (as amended on 21 May 2015);
- The payment obligation in the amount of IDR26,090,000,000 owed to Ardiansyah Ahmad Situmorang (assigned to Orpheus Energy (Hodgson Vale Pty Limited) by Mega Coal International under the Share Sale and Purchase Agreement dated 7 May 2014 (as amended on 21 May 2015); and
- The payment obligation in the amount of IDR6,400,000,000 owed to Ardiansyah Ahmad Situmorang (assigned to Orpheus Energy (Hodgson Vale Pty Limited) by Mega Coal International under the Share Sale and Purchase Agreement dated 13 May 2014 (as amended on 21 May 2015).

Settlement Agreement

Pursuant to the terms of the Settlement Agreement dated 21 May 2015 between Orpheus Energy Group Pty Limited, Mr Nugroho Suksmanto, Ardiansyah Ahmad Situmorang and PT Mega Coal International, it was agreed:

- The total liability under the Deed of Settlement and Termination dated 26 March 2014, the Deed of Settlement and Termination dated 8 April 2014, the Share Sale and Purchase Agreement dated 7 May 2014 and the Share Sale and Purchase Agreement dated 13 May 2014 is IDR70,000,000,000 (plus any applicable interests and costs) (**Total Outstanding Debt**);
- In order to secure the payment of the Total Outstanding Debt Mr Nugroho Suksmanto procured the Share Charge over 10.5% of the shares in PT Abadi Guna Papan. PT Abadi Guna Papan is an entity controlled by Mr Nugroho Suksmanto. The share charge was obtained on 30 June 2015.

Share Charge 1

Pursuant to the terms of the Share Charge 1 dated 30 June 2015, Mr Nugroho Pranoto pledged 7% of the shares he holds in PT Abadi Guna Papan, an entity controlled by Mr Nugroho Suksmanto in order to secure the payment of the Total Outstanding Debt (defined above).

Share Charge 2

Pursuant to the terms of the Share Charge 2 dated 30 June 2015, Mr Yohana Kurniastuti pledged 3.5% of the shares he holds in PT Abadi Guna Papan, an entity controlled by Mr Nugroho Suksmanto in order to secure the payment of the Total Outstanding Debt (defined above).

Executive Services Agreement - Subhash Challa

On 10 August 2017, Subhash Challa entered into an Executive Services Agreement with the Company to serve as Executive Chairman of the Company effective on completion of

the Acquisition. Subhash Challa's Executive Services Agreement provides for, amongst other things:

- Subhash Challa is engaged by the Company to provide services to the Company in the capacity of Executive Director.
- Subhash Challa is to be paid an annual salary of \$300,000.

The Executive Services Agreement continues until terminated by either Subhash Challa or the Company. Unless termination is for illness or cause, Subhash Challa is entitled to a minimum notice period of 6 months from the Company and the Company is entitled to a minimum notice period of 6 months from Subhash Challa.

The Executive Services Agreement otherwise contains provisions that are usual for agreements of this nature.

Executive Services Agreement - David Smith

On 10 August 2017, David Smith entered into an Executive Services Agreement with the Company to serve as an Executive Director and Company Secretary of the Company, with the terms being effective on completion of the Acquisition. David Smith's Executive Services Agreement provides for, amongst other things:

- David Smith is engaged by the Company to provide services to the Company in the capacity of Executive Director.
- David Smith is to be paid an annual salary of \$250,000.

The Executive Services Agreement continues until terminated by either David Smith or the Company. Unless termination is for illness or cause, David Smith is entitled to a minimum notice period of 6 months from the Company and the Company is entitled to a minimum notice period of 6 months from David Smith.

The Executive Services Agreement otherwise contains provisions that are usual for agreements of this nature.

Letter of Appointment - Jason Ko

On 27 June 2017, Jason Ko entered into a Letter of Appointment to serve as a Non-Executive Director of the Company. Jason Ko's Letter of Appointment provides for, amongst other things:

- Jason Ko's appointment as a Non-Executive Director of the Company.
- Jason Ko is to be paid an annual director's fee of \$30,000.
- The Letter of Appointment is effective from completion of the Acquisition and continues until the date that Jason Ko ceases to hold office as a director of the Company.
- Jason Ko may resign as a director of the Company at any time by written notice.

The Letter of Appointment otherwise contains provisions that are usual for appointment letters of this nature.

Letter of Appointment - Zenon Pasieczny

On 5 August 2017, Zenon Pasieczny entered into a Letter of Appointment to serve as a Non-Executive Director of the Company. Zenon Pasieczny's Letter of Appointment provides for, amongst other things:

- Zenon Pasieczny's appointment as a Non-Executive Director of the Company.
- Zenon Pasieczny is to be paid an annual director's fee of \$30,000.

- The Letter of Appointment is effective from completion of the Acquisition and continues until the date that Zenon Pasieczny ceases to hold office as a director of the Company.
- Zenon Pasieczny may resign as a director of the Company at any time by written notice.

The Letter of Appointment otherwise contains provisions that are usual for appointment letters of this nature.

10.2 SenSen Material Agreements

SenSen has entered into various agreements which the Board considers to be material and relevant to potential investors in the Company (**SenSen Material Agreements**). Set out in this **Section 10.2** is a summary of the key terms of the SenSen Material Agreements:

SenSen Material Agreements					
No.	Contract	Parties	Detail	Date	Related party contract
1.	Software Licence and Hardware Maintenance Agreement (Town of Victoria Park Agreement)	SenSen and the Town of Victoria Park	SenSen has been engaged by Town of Victoria Park to provide 'Help Desk' support, software licence support and hardware system support in relation to the SenFORCE product line of the SenSen Technology.	21 April 2017	No
2.	SenGAME Supply and Development Agreement (SenGAME Supply and Development Agreement)	SenSen and Crown Melbourne Limited	SenSen has been engaged by Crown to develop, supply, maintain and support the SenGAME product line of the SenSen Technology, which is a video analytics tool that assists in the optimisation of table games businesses.	27 May 2016	No
3.	Exclusivity Agreement (Integrated Product Development and Supply Agreement)	SenSen and Speedshield Technologies Pty Ltd	Under the Integrated Product Development and Supply Agreement, Speedshield Technologies Pty Ltd have the sole and exclusive rights to commercially exploit, on a world-wide basis, the SenSen platform, SenDISA and its configurations within the Materials Handling Market.	February 2017	No
4.	Hardware Procurement, Software Licensing and Maintenance Agreement (Brisbane City Council Agreement)	SenSen and the Brisbane City Council	SenSen has been engaged by the Brisbane City Council to provide software licence support and hardware system support in relation to the SenFORCE product line of the SenSen Technology.	3 March 2017	No
5.	Master Subcontractor Agreement (Tyco Channel Partner Agreement);	SenSen and Tyco Fire, Security and Services	The Tyco Channel Partner Agreement contains the general terms and conditions for the provision of the works by SenSen upon receipt of a purchase order from Tyco.	27 January 2014	No

		Pte Ltd			
6.	Sales & Marketing Agents Agreements (Schweers Channel Partner Agreements)	SenSen and PanStreet International GmbH (formerly Schweers Informationstechnologie GmbH) and Schweers Technologies, Inc	PanStreet International GmbH (formerly) Schweers Informationstechnologie GmbH and Schweers Technologies have been separately engaged by SenSen to promote, market, sell and distribute, SenSen's SenFORCE product line, SenCOUNT product line and SenPOD product line to its sub-agents or customers, on a non-exclusive basis, in specified territories	19 November 2014	No
7.	"Back to Back" Goods and Services Standard Long Form Agreement (Back to Back NSW Government Agreement)	SenSen and Duncan Solutions	SenSen has been engaged by the Duncan Solutions to supply, as subcontractor of Duncan Solutions, the SenSen Vehicle Access Security System (being customised vehicle access security products developed specifically for the customer) to the NSW Government Office of Environment and Heritage and to provide software licence support and hardware system support.	29 August 2016	No
8.	Strategic Alliance and License Agreement (Cubic Channel Partner Agreement)	SenSen and Cubic Transportation Systems, Inc	Cubic Transportation Systems Inc has been appointed by Cubic to market, distribute and sublicense the SenSen Video Analytics Solutions for the ITS sector, including SenFORCE, SenTAS, SenPARK, SenPOD, SenCOUNT, through Cubic's products sales and product maintenance and support channels.	September 2014	No
9.	Detection and Enforcement Systems Agreement (RMS Agreement)	SenSen and Road and Maritime Services	SenSen has been retained by Road and Maritime Services to supply the Detection and Enforcement Systems, DES Implementation Services and Des Supply Services on a project by project basis.	30 June 2017	No
10.	Letter Contract and associated terms and conditions (Logan City Council Agreement)	SenSen and Logan City Council	SenSen has been retained by the Logan City Council to supply =, install and maintain automated number plate recognition technology for mobile parking enforcement (i.e. SenFORCE – mobile and SenBOS).	22 August 2016	No
11.	Product and Services Contract (Ipswich City Council Contract)	SenSen and Ipswich City Council	SenSen has been retained by the Ipswich City Council to provide automated number plate recognition technology for mobile parking enforcement (i.e. SenFORCE – mobile and SenBOS)	11 July 2017	No
12	Canadian City Council Contract	SenSen and a city	The City has appointed SenSen to provide vehicle Licence Plate	13 December	No

		council in the Canadian province of Alberta (City)	Recognition System for an initial term of 1 year from 12 December 2016 and may be renewed by the City for up to 6 additional one year terms.	2016	
13.	Support Services Agreement (Support Services Agreement)	SenSen and SenSen India.	SenSen India has been engaged by SenSen to provide software administrative support and services to SenSen	9 August 2017	Yes
14.	CBA Facility Terms and Conditions	SenSen and the Commonwealth Bank	Pursuant to the CBA Facility Terms and Conditions, CBA offered to SenSen three lending facilities, namely Overdraft Facility, Market Rate Loan and Commonwealth Bank Corporate Credit Card Interest Free Days Facility.	February 2016	No
15.	Standard terms of its arrangements with those Channel Partners which have not entered into formal agreements with SenSen, being Tenix Solutions Pty Ltd and ATT Systems-(S'pore) Pte Ltd	SenSen and each of Tenix Solutions Pty Ltd, and ATT Systems-(S'pore) Pte Ltd	Standard terms of its arrangements with those Channel Partners.	N/A	No

The key terms are provided below. The whole of the provisions of the SenSen Material Agreements are not repeated in this Prospectus.

Town of Victoria Park Agreement

The key terms of the Town of Victoria Park Agreement between SenSen and the Town of Victoria Park (TVP) are as follows:

- SenSen has been engaged by TVP to provide 'Help Desk' support, software licence support and hardware system support in relation to the SenFORCE product line of the SenSen Technology.
- SenSen has granted to TVP, a right to use the SenSen Technology as contemplated by and in accordance with the terms of the Town of Victoria Park Agreement.
- The term of Town of Victoria Park Agreement shall be for a period of 12 months commencing from 1 May 2017 (**Term**), unless terminated earlier or extended in accordance with the Town of Victoria Park Agreement.
- The Term shall be automatically extended for a further 12 month period at the expiration of each successive Term, unless terminated earlier in accordance with the Town of Victoria Park Agreement. Each party may give notice of non-automatic-renewal of the Term at any time within 3 months, but in any event, not less than 14 days, prior to the expiry of the initial or renewed Term.

- If a party defaults in its obligations, the non-defaulting party may terminate the Town of Victoria Park Agreement by giving at least 14 days' notice of termination to the defaulting party.
- Under the Town of Victoria Park Agreement, SenSen shall be entitled to the following fees:
 - an annual maintenance fee of \$9,000 for the support services to be provided by SenSen in relation to the SenFORCE Product; whereby such fee shall be subject to annual review; and
 - an annual GPS RTK subscription fee of \$5,000, which shall be payable from 1 May 2018.
- There will also be variable fees payable to SenSen under the contract based on the service fees to be charged at hourly rates where additional services are requested to be performed by SenSen.
- SenSen is required to obtain the TVP's prior approval if it seeks to engage any subcontractors to undertake work that would exceed 10% of the amount that would be payable to SenSen under the Town of Victoria Park Agreement, any site-specific works, or for any works which would entitle SenSen to fees in excess of the fees that would be payable to the SenSen under the Town of Victoria Park Agreement.

SenGAME Supply and Development Agreement

- The key terms of the SenGAME Supply and Development Agreement between SenSen and Crown Melbourne Limited (Crown) are as follows:
- SenSen has been engaged by Crown to develop, supply, maintain and support the SenGAME product line of the SenSen Technology, which is a video analytics tool that assists in the optimisation of table games businesses ('the Product').
- The agreement is subject to several conditions precedent. As at the date of this Prospectus, the parties are still working with each other toward satisfaction of all of the conditions precedent contained in the agreement.
- The date from which SenSen shall be required to commence provision of the services relating to the Product ('the Service Start Date') is to be determined and agreed between the parties.
- The SenGAME Supply and Development Agreement commenced on or about 27 May 2016 and shall continue for a period of 6 years from the Service Start Date (**Initial Term**) and shall be automatically renewed thereafter, for successive periods of 12 months, unless terminated earlier in accordance with the terms of the SenGAME Supply and Development Agreement ('the Term').
- In consideration for the services provided under the SenGAME Supply and Development Agreement, SenSen shall be entitled to licensing and service fees on arm's length terms.
- SenSen uses or exploits the Product in any premises not operated by Crown during the Initial Term, SenSen will pay Crown royalties based on revenues to be derived from such use or exploitation.
- In respect of any sale, deployment or other exploitation of the Product, in any premises not operated by Crown during and after the Initial Term, SenSen will pay Crown royalties based on revenues to be derived from such use or exploitation.

Integrated Product Development and Supply Agreement

The key terms of the Integrated Product Development and Supply Agreement between SenSen and Speedshield Technologies Pty Ltd (**Speedshield**) are as follows:

- Under the Integrated Product Development and Supply Agreement, Speedshield shall have sole and exclusive rights to commercially exploit, on a world-wide basis, the SenSen platform, SenDISA, and its configurations for application on materials handling equipment, in the market, or market segments concerned or involved with the movement, storage in a manufacturing plant or warehouse, control and protection of materials, goods and products throughout the processes of cleaning, preparation, manufacturing, distribution, consumption and disposal of all related materials and processed food, goods and their packaging (**Materials Handling Market**).
- SenSen has granted Speedshield a licence over the SenSen Intellectual Property; whereby Speedshield shall be entitled to develop to a telemetry product that will integrate the SenSen platform, SenDISA and its configurations with Speedshield's telemetry software and hardware (**Integrated Product**).
- Speedshield shall have the sole and exclusive rights to manufacture, supply, sell and distribute the Integrated Product within the Materials Handling Market.
- SenSen is entitled to sell and/or apply the Integrated Product outside the materials handling market but is prohibited from procuring the manufacture, design or writing of specific software for the supply, sale or distribution of the SenSen Products (or any derivatives) for use or application in the Materials Handling Market.
- The term of the Integrated Product Development and Supply Agreement and the duration Speedshield's rights thereunder is five (5) years from February 2017 or the date on which Speedshield makes a public announcement that it has released an Integrated Product or a SenSen product in the Materials Handling Market, whichever period is longer. Speedshield is entitled to an option to renew for the initial term for a further five (5) years.
- If SenSen wishes to accept an opportunity with a third party to develop a product that integrates the SenSen technology with the telemetry software of that third party for a market other than the Materials Handling Market, SenSen must first offer Speedshield the opportunity to undertake such development on the same terms as applicable to the third party developer.
- SenSen is entitled to receive the following fees under the Integrated Product Development and Supply Agreement :
 - a one-off activation fee of \$50 for each unit of SenSen software sold to a customer; and
 - monthly ongoing fees representing 25% of the revenues that Speedshield receives from the direct sale or direct licensing of SenSen's 'SenDISA' product,provided that the total fees payable shall not be less than the minimum thresholds below:
 - Year 1: \$50,000;
 - Year 2: \$75,000;
 - Year 3: \$100,000;
 - Year 4: \$120,000; and

- Year 5: \$155,000.
- The parties agree and acknowledge that Speedshield has advanced an amount of \$500,000 to SenSen as pre-payment of the fees payable to SenSen referred to above. Furthermore, it is acknowledged that Speedshield or SenSen may elect to terminate the Integrated Product Development and Supply Agreement if the cumulative fees payable to SenSen at the end of Year 2 is less than \$125,000, in which case, such advance payment must be repaid to Speedshield less any amount to which SenSen is entitled.

Brisbane City Council Agreement

The key terms of the Brisbane City Council Agreement between SenSen and the Brisbane City Council (**Council**) are as follows:

- SenSen has been engaged by the Council to provide software licence support and hardware system support in relation to the SenFORCE product line of the SenSen Technology.
- The contract value of fees payable to SenSen for year 1 under the contract is \$312,925 (excl GST), and the aggregate contract value of fees payable to SenSen for years 2 - 5 of the agreement shall be \$416,000 (excl GST).
- There will also be variable fees payable to SenSen under the contract based on the number of infringements processed by the Council and service fees to be charged at hourly rates where additional services are requested to be performed by SenSen.
- The term of the agreement shall commence from February 2017 and continue for a period of five (5) years.
- The Council may terminate the contract with or without cause by providing 15 business days' notice to SenSen. The Council may also terminate the contract in the event that SenSen breaches a material obligation under the contract, breaches service level requirements, fails further acceptance testing under the contract or engages in conduct harmful to the reputation or interests of the Council. SenSen is not permitted to terminate the contract for convenience.

Tyco Channel Partner Agreement

The key terms of the Tyco Channel Partner Agreement between SenSen and Tyco Fire, Security and Services Pte Ltd (**Tyco**) are as follows:

- The Tyco Channel Partner Agreement contains the general terms and conditions for the provision of the works by SenSen upon receipt of a purchase order from Tyco.
- Under the Tyco Channel Partner Agreement, SenSen shall indemnify Tyco and its employees, agents, customers, affiliates and parent companies, from any claims arising from SenSen's supply of the goods and services under the Tyco Channel Partner Agreement.
- SenSen is liable for all defects in the works performed under the Tyco Channel Partner Agreement for a period of one (1) year from the date of acceptance of such works by Tyco.
- There is no set term for the Tyco Channel Partner Agreement, however Tyco may terminate the Tyco Channel Partner Agreement or any purchase order submitted thereunder by providing three (3) days' written notice to SenSen. Upon such termination, SenSen shall be entitled to payment for any work completed as at such date.

Schweers Channel Partner Agreements

SenSen has entered into separate Channel Partner Agreements with Schweers Informationstechnologie GmbH (which has become PanStreet International GmbH) and Schweers Technologies, Inc, (referred to collectively and interchangeably for the purposes of this section as **Schweers**) on substantially identical terms, the key terms are as follows:

- Schweers has been engaged by SenSen to promote, market, sell and distribute, SenSen's SenFORCE product line, SenCOUNT product line and SenPOD product line (**Products**) to its sub-agents or customers, on a non-exclusive basis, in the following territories under the respective Schweers Channel Partner Agreements (**Territory**):
 - Schweers Informationstechnologie GmbH (which has become PanStreet International GmbH) – Europe, Middle East and Africa; and
 - Schweers Technologies, Inc – North America and South America.
- Schweers acknowledges that its appointment under the Schweers Channel Partner Agreements is on a non-exclusive basis and that SenSen is entitled to appoint other alternative and/or additional agents to promote, market, sell and distribute the Products in the Territory.
- The Products are to be promoted, marketed, sold and distributed by Schweers in the Territory, in accordance with the pricing agreed to with SenSen, whereby Schweers will be entitled to receive a fixed discount of 40% on the Products ordered.
- The Schweers Channel Partner Agreements will operate for a term of sixty (60) months subject to the parties agreeing to any amendments to the Schweers Channel Partner Agreements on the second anniversary of the commencement of the Schweers Channel Partner Agreements.
- Schweers is required to make payment of invoices received from SenSen within ninety (90) days of date of the invoice and is entitled to a further discount of 3% or 2% where invoices are settled within thirty (30) and sixty (60) days respectively from the date of the invoice.
- There is no set term for the Schweers Channel Partner Agreements, however either party may terminate the Schweers Channel Partner Agreements if the other party fails to rectify a breach within thirty (30) days of being notified of the breach by the non-defaulting party.
- SenSen may terminate the Schweers Channel Partner Agreements immediately if Schweers fails to comply its obligations under the Schweers Channel Partner Agreements to make payments to SenSen, its obligations regarding the maintenance of the intellectual property rights of SenSen or if Schweers is subject to a change of control event.

Back to Back NSW Government Agreement

On or around 24 August 2016, Duncan Solutions entered into a Goods and Services Standard Long Form Agreement with NSW Government Office of Environment and Heritage (**Main NSW Government Agreement**) whereby Duncan Solutions was retained to supply the SenSen Vehicle Access Security System (being customised vehicle access security products developed specifically for the Agency) (the **Product**) to the Agency and to provide software licence support and hardware system support in relation to the Product (**the Services**).

On or around 29 August 2016, Duncan Solutions entered into a Goods and Services Standard Long Form Agreement (which is in substantially identical terms as the Main NSW

Government Agreement) with SenSen (**Back to Back NSW Government Agreement**) whereby SenSen was appointed by Duncan Solution, as its sub-contractor, to supply the Product and the Services to NSW Government Office of Environment and Heritage (**Agency**) under the Main NSW Government Agreement.

The key terms of the Back to Back NSW Government Agreement and the Main NSW Government Agreement are substantially identical. The key terms of the Back to Back NSW Government Agreement are as follows:

- SenSen has been engaged by Duncan Solutions to provide the Services and Products as sub-contractor of Duncan Solutions, in accordance with the Main NSW Government Agreement.
- The term of the Back to Back NSW Government Agreement commenced on 29 August 2016 and will expire on 4 October 2021 (**Term**). The Agency is entitled to extend the Term for an additional period, subject to an annual review.
- Under the Back to Back NSW Government Agreement, SenSen shall be entitled to the following fees:
 - a project implementation fee totalling \$312,500, which will be payable to SenSen in instalments in accordance with the achievement of pre-determined milestones, such fee will include the licence fee for the SenSen Technology licenced for the first year; and
 - a maintenance fee of \$32,000 per annum for the support services to be provided by SenSen, which shall be payable to SenSen in quarterly instalments, after the first year of the Term.
- Notwithstanding that the Main NSW Government Agreement and the Back to Back NSW Government Agreement specifically relates to the supply of the Product and the Services to the Agency, any other NSW State Government Agency shall have access to such Product and the Services on terms equivalent or similar to that offered to the Agency under the Main NSW Government Agreement (and consequently, the Back to Back NSW Government Agreement).
- The Agency may terminate the Main NSW Government Agreement immediately for cause, including where Duncan Solutions breaches the Main NSW Government Agreement or fails to remedy the breach within ten (10) business days or where Duncan Solutions becomes insolvent. The Agency may also terminate the Main NSW Government Agreement without cause by providing Duncan Solutions with at least 90 days' notice in writing.
- Duncan Solutions may only terminate the Main NSW Government Agreement where the Agency fails to make payment of an amount that is not in dispute, within forty (40) business days of receiving a correct notice for the payment of such amount.
- The Back to Back NSW Government Agreement terminates on termination of the Main NSW Government Agreement.

Cubic Channel Partners Agreement The key terms of the Cubic Channel Partners Agreement between SenSen and Cubic Transportation Systems, Inc (**Cubic**) are as follows:

- The agreement took effect in September 2014 (**Effective Date**) and continues for an initial term of 3 years from the Effective Date, with an option to renew for an additional 3 year term (**Term**).

- SenSen has appointed Cubic to market, distribute and sublicense (to distributors and customers only) the SenSen Video Analytics Solutions for the ITS sector, including SenFORCE, SenTAS, SenPARK, SenPOD, SenCOUNT (**SenSen Products**) through Cubic's products sales and product maintenance and support channels.
- SenSen has also granted to Cubic:
 - a non-exclusive, personal, non-transferable, right and licence:
 - to use the SenSen Products to customers in the ITS market (including in the public transportation, tolling, traffic management, road user charging, parking, traffic and transportation safety and enforcement) (**Field**); and
 - to use, test and maintain the SenSen Technology incident to and as otherwise required for Cubic to perform its obligations and otherwise exercise its rights under the agreement;
 - a royalty-free, non-exclusive, non-transferable, right and licence:
 - to develop market specific applications utilising or incorporating the SenSen Products and SenSen Technology;
 - to use the SenSen Products for business development and testing applications and for product support purposes.
- The SenSen Products will be marketed in the Field jointly under the SenSen trademarks and Cubic trademarks, unless otherwise agreed.
- Cubic may determine, in its sole discretion, the pricing it charges to its customers in the Field for the SenSen Products, and is not required to charge in accordance with SenSen's suggested price as set out in its price book from time to time (**Price Book**).
- As consideration for the rights and license, Cubic is required to pay, each month during the Term and thereafter for so long as sublicenses remain in effect, a Revenue Share, which is 40% of:
 - the licence fees and maintenance fees collected by Cubic from its customer; or
 - the pricing listed in the then current Price Book, in the event that Cubic charged such customer less than the applicable pricing in the Price Book without SenSen's approval.
- Each of Cubic and SenSen have the right to terminate the agreement on a breach, discontinuation of its business or the occurrence of a bankruptcy event.

RMS Agreement

The key terms of the RMS between SenSen and Roads and Maritime Services (**RMS**) are as follows

- The RMS Agreement commenced on 1 July 2017 and continues for a period of 3 years, unless RMS exercises its right to extend the contract period for further terms of 1 year each or unless it is otherwise terminated earlier (Term).
- SenSen is required to:

- supply the Detection and Enforcement Systems, being systems to be supplied by SenSen under each project order;
- perform the following services (**Services**):
 - all services required in order to design, supply, install and commission a Detection and Enforcement System under the relevant project order (**DES Implementation Services**); and
 - any other services required under a project order (**DES Supply Services**).
- In consideration for the supply of the Detection and Enforcement Systems and Services each project order, RMS is required to pay the Contract Price, which is calculated based on the rates set out in the unit pricing schedule, which ranges from \$35,910 to \$85,493, depending upon the items and services supplied under the relevant project order, subject to the maximum project order cap.
- RMS may terminate the RMS Agreement in full or, at RMS's opinion, as it relates to any particular project order, immediately by notice to SenSen on breach of the agreement, failure to achieve acceptance testing, repeated failures to enforce certain number of penalty notices, insolvency, wrongful assignment, change of control, occurrence of a material adverse event.
- SenSen may terminate a project order if RMS has failed to pay an amount due in respect of that project order within 40 business days of receiving a correct overdue notice.
- RMS may terminate without cause:
 - the agreement or in relation to a particular project order for the supply of a Detection and Enforcement System or DES Implementation Services by giving not less than 60 days' written notice to SenSen;
 - a particular project order for the supply of the DES Supply Services by giving not less than 30 days written notice to SenSen.

Logan City Council Contract

The letter from the Logan City Council (**Logan**) to SenSen dated 22 August 2016 (**Logan City Council Contract**) confirms SenSen's appointment to supply, install and maintain automated number plate recognition technology for Mobile Park Enforcement (**SenSen Appointment**).

The key terms of the Logan City Council Contract are as follows:

- The term of the Logan City Council Contract is for an initial term of 5 years commencing on 5 September 2016, with an option to renew for a further term of 5 years, exercisable at Logan's discretion.
- The contract value of fees payable to SenSen for year 1 under the contract is \$144,000 (excl GST), and the aggregate contract value of fees payable to SenSen for years 2 – 5 of the agreement shall be \$291,694 (excl GST).
- There will be variable fees payable to SenSen under the contract based on the number of infringements processed by the Council and service fees to be charged at hourly rates where additional services are requested to be performed by SenSen.

Ipswich City Council Contract

The key terms of the Ipswich City Council Contract between SenSen and Ipswich City Council(**Council**) are as follows:

- SenSen has been appointed to supply and install automatic number plate recognition (**ANPR Compliance System**) technology, comprising of SenFORCE in car system, RTK GPS system, SenBOS back end evidence processing and Schweers politess ticket writing and management system.
- The contract value of fees payable to SenSen for year 1 under the contract is \$312,925 (excl GST), and the aggregate contract value of fees payable to SenSen for years 2 - 5 of the agreement shall be \$416,000 (excl GST).
- There will also be variable fees payable to SenSen under the contract based on the number of infringements processed by the Council and service fees to be charged at hourly rates where additional services are requested to be performed by SenSen.
- The contract commenced on 11 July 2017 and continues until it is terminated in accordance with its terms.
- The Council may terminate any contract order or the SE Queensland City Council Contract immediately on SenSen committing an acceptable breach, failure to achieve the same service level during 3 consecutive period, failure to remedy any remediable breach within 21 days after notice by the Council, insolvency, any director of SenSen being convicted or investigated for fraud or dishonesty or if the contract becomes contrary by law.
- SenSen may terminate the contract immediately by notify the Council if the Council is in breach of any terms of the contract and has failed to remedy the breach within 30 days after notice by SenSen.

Canadian City Council Contract

By a letter dated 12 December 2016, SenSen and a city council in the Canadian province of Alberta (**City**) confirmed the appointment of SenSen to provide vehicle Licence Plate Recognition System (**Appointment**) for an initial term of 1 year from 12 December 2016 and may be renewed by the City for up to 6 additional one year terms.

In consideration of SenSen accepting the Appointment, SenSen is entitled to receive a fee for installation of the vehicle licence plate recognition system, and ongoing annual maintenance fee during the term of Appointment.

Support Services Agreement

The key terms of the Support Services Agreement between SenSen and SenSen India are as follows:

- SenSen India has been engaged to provide the following administrative support and services to SenSen:
 - the testing, implementation and software delivery support of all relevant SenSen Technology, as may be requested by the Company from time to time, including software quality assurance;
 - the hosting and monitoring of all relevant SenSen Technology, inclusive of support and maintenance of hosted software services, global customer support and third party services; and

- any other administrative support and services as may be required by the Company from time to time.
- In consideration for that the amount of service fee payable by SenSen to SenSen India for the provision of services is the sum of all expenses incurred by SenSen India in providing the Services to or for the benefit of SenSen during a month, but excluding following excluded expenses:
 - Rental expenses;
 - Depreciation expenses for the Relevant Period;
 - Capital expenses;
 - Rental Equipment costs; and
 - Costs for purchasing depreciable equipment.

CBA Facility Terms and Conditions

Pursuant to the CBA Facility Terms and Conditions, CBA offered to SenSen three lending facilities, namely Overdraft Facility, Market Rate Loan and Commonwealth Bank Corporate Credit Card Interest Free Days Facility, which are summarised below.

Such offer was subsequently accepted by SenSen in February 2016.

Overdraft Facility

- The facility limit of the Overdraft Facility is \$225,000.
- Interest is payable on the Overdraft Facility at the rate equal to the then current Residential Equity Rate plus a margin of 0.90% per annum (**Interest Rate**). As at the date of this Prospectus, the Interest Rate is 6.63% per annum.
- SenSen must repay the outstanding amount of the Overdraft Facility upon demand by CBA.
- SenSen is required to pay, on the first day of each month and on cancellation of the Overdraft Facility, an Overdraft Line Fee, calculated at 1.12% per annum on the higher of the Overdraft Facility Limit or the loan balance where it exceeds the Overdraft Facility Limit, during the previous month.

Market Rate Loan

- The Market Rate Loan has a maximum facility limit of \$500,000. The aggregate of all the amounts outstanding under the Market Rate Loan must not exceed this limit.
- Interest accrues at the prevailing Variable Market Rate (which is the indicative BBSY for a reset period of 3 months) on the day of funding and on the last day of each 3 month reset period (**Reset Date**). As at the date of this Prospectus, the Variable Market Rate applicable to the Market Rate Loan is 1.64% per annum (applicable to 31 August 2017),
- SenSen must repay, in full, the principal amount of the Market Rate Loan and all accrued, but unpaid, interest amounts at the maturity date of 15 January 2019.

- SenSen is required to pay a line fee at 3% per annum, calculated on the facility limit and payable in arrears on the first day of each month and on cancellation of limit.

Commonwealth Bank Corporate Credit Card Interest Free Days

- SenSen is the account holder of the Corporate Credit Card, which has a maximum limit of \$50,000.

General standard terms of existing arrangements with those Channel Partners which have no formal agreements with SenSen

- SenSen is engaged to provide SenSen Technology and/or maintenance services to or for the customers of the Channel Partners for a period agreed on a case by case basis.
- In consideration for the provision of services, SenSen is entitled to receive a fee from the Channel Partners, which is negotiated and agreed on a case by case basis. In some cases a proportion of SenSen's fees are paid in advance as a lump sum payment with the balance paid on an ongoing monthly/quarterly basis.

11. Additional information

11.1 Suspension and re-admission to ASX

As the Company is currently a coal exploration and coal mining company, the Acquisition, if successfully completed, will represent a significant change in the nature and scale of the Company's operations to a software and technology development company focused on the development and commercialisation of Video Analytics and Artificial Intelligence data analytics software.

ASX has advised that this change in the nature and scale of the Company's activities will require:

- the approval of Shareholders; and
- the Company to re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules.

If Shareholder approval to the change in nature and scale of the Company's activities as a result of the Acquisition is obtained, then subject to the passing of each other Acquisition Resolution (see below for further details), the Shares will not be reinstated to Official Quotation until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and is re-admitted by ASX to the Official List.

Some of the key requirements of Chapters 1 and 2 of the ASX Listing Rules are:

- the Company must satisfy the shareholder spread requirements relating to the minimum number of Shareholders and the minimum value of the shareholdings of those Shareholders;
- the Company must satisfy the "assets test" as set out in ASX Listing Rule 1.3; and
- the issue price of New Shares must be at least 20 cents unless ASX grants the Company a waiver, which it has done to allow the issue price of the New Shares under the SPP Offer and the General Offer to be \$0.10. Please refer to **Section 11.20** for details.

It is expected that the conduct of the SPP Offer, General Offer and Vendor Offer pursuant to this Prospectus will assist the Company to satisfy the above requirements.

Applicants should be aware that ASX will not re-admit or admit any Shares to Official Quotation until the Company re-complies with Chapters 1 and 2 of the ASX Listing Rules and is re-admitted by ASX to the Official List. In the event that the Company does not receive conditional approval for re-admission to the Official List, the Company will not proceed with the SPP Offer, General Offer or the Vendor Offer and will repay all Application Monies received by it in connection with this Prospectus (without interest).

11.2 The General Meeting and the Acquisition Resolutions

The Company called the General Meeting primarily for the purpose of seeking the approval of Shareholders to a number of resolutions required to implement the Acquisition.

It is a condition to completion of the Offers under this Prospectus, as well as the Acquisition, that each of the following resolutions is approved by Shareholders; these are referred to as the 'Acquisition Resolutions'. These Acquisition Resolutions were all approved at the General Meeting.

Resolution 1	Approval of the significant change in the nature or scale of the Company's activities to become a technology company, for which Shareholder approval is required under ASX Listing Rule 11.1.2
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Resolution 2	Approval of the Consolidation of the Company's issued capital in accordance with section 254H(1) of the Corporations Act, ASX Listing Rule 7.22 and for all other purposes.
Resolution 3	Approval of the issue of Consideration Shares to the Vendors for the purposes of ASX Listing Rule 7.1 and for all other purposes.
Resolution 4	Approval of the issue of Consideration Shares to Subhash Challa (Proposed Director) for the purposes of section 611 paragraph 7 of the Corporations Act and for all other purposes.
Resolution 5	Approval of the issue of Consideration Shares to SmartEquity EIS Pty Ltd for the purposes of section 611 paragraph 7 of the Corporations Act and for all other purposes.
Resolution 6	Approval of the issue of Shares pursuant to the Capital Raising (SPP Offer) for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval
Resolution 7	Approval of the issue of Shares pursuant to the Capital Raising (General Offer) for the purposes of ASX Listing Rule 7.1 and for all other purposes.
Resolution 8	Approval of the issue of Shares to David Smith, a Director (and his associates) under the SPP for the purpose of ASX Listing Rule 10.11 and for all other purposes
Resolution 9	Appointment of Mr Subhash Challa as a Director.
Resolution 10	Appointment of Mr Zenon Pasieczny as a Director.
Resolution 11	Appointment of Mr Jason Ko as a Director.
Resolution 12	Approval of conversion mechanism in Orpheus Director Loan and issue of Shares to Related Party on conversion of Orpheus Director Loan - Mr David Smith for the purpose of ASX Listing Rule 10.11 and for all other purposes.
Resolution 13	Approval of conversion mechanism in Orpheus Director Loan and issue of Shares to Related Party on conversion of Orpheus Director Loan - Mr Wayne Mitchell for the purpose of ASX Listing Rule 10.11 and for all other purposes.
Resolution 14	Approval of conversion mechanism in Orpheus Director Loan and issue of Shares to Related Party on conversion of Orpheus Director Loan - Mr Wesley Harder for the purpose of ASX Listing Rule 10.11 and for all other purposes.
Resolution 15	Approval of conversion mechanism in Orpheus Director Loan and issue of Shares to Related Party on conversion of Orpheus Director Loan - Mr Michael Rhodes for the purpose of ASX Listing Rule 10.11 and for all other purposes.
Resolution 16	Approval of conversion mechanism in the Note Deed Poll and the issue of Shares on conversion of the Notes for the purposes of ASX Listing Rule 7.1 and for all other purposes.
Resolution 17	Approval of conversion mechanism in Note Deed Poll and issue of Shares to Related Party on conversion of the Note - Mr David Smith (and his associate) for the purpose of ASX Listing Rule 10.11 and for all other purposes.
Resolution 18	Approval of the change of name of the Company to "SenSen Networks Limited".

11.3 Change of Name

It is proposed that, subject to Shareholder approval being obtained, the Company will change its name to "SenSen Networks Limited" on completion of the Acquisition, which in the Company's opinion will be better suited to the Company's new strategic direction.

An overview of the Company's business following completion of the Acquisition is set out in **Section 4.1**.

11.4 The Consolidation

At the General Meeting of the Company, which convened on 29 August 2017, the Shareholders approved the consolidation of the Company on a 10 for 1 basis. I.e. every 10 Shares will be consolidated to 1 Share.

On the basis of Acquisition Resolution 2, every ten (10) Shares on issue will be consolidated into one (1) Share (subject to rounding). Overall, this will result in the number of Shares on issue reducing from 183,476,469 to approximately 18,347,650 (subject to rounding).

As the Consolidation applies equally to all Shareholders, individual Shareholdings will be reduced in the same ratio as the total number of Shares (subject to rounding). Accordingly, assuming no other market movements or impacts occur, the Consolidation will have no effect on the percentage interest in the Company of each Shareholder.

The Consolidation will be completed before completion of the Acquisition and the SPP Offer, General Offer and Vendor Offer.

11.5 Capital structure

Current capital structure

The capital structure of the Company as at the date of this Prospectus is as follows:

Equity	
Current Shares (post-Consolidation)	18,347,650 (subject to rounding resulting from the Consolidation)
Debt	
Notes	500,000

Refer to **Section 11.8** and **Section 11.9** for a summary of the rights attaching to the Shares and Notes respectively.

Proposed capital structure

The expected capital structure of the Company following completion of the Offers and the Acquisition and all related matters (assuming all Notes are converted into Shares) and on a post-Consolidated basis will be as follows:

	Assuming the SPP is subscribed to the SPP Subscription Amount and the General Offer Minimum	Assuming the SPP is subscribed to the SPP Subscription Amount and the General Offer Maximum

	Subscription is raised under the General Offer		Subscription is raised under the General Offer	
	Shares	%	Shares	%
Current				
Current (post-Consolidation)	18,347,650	5.14%	18,347,650	4.87%
Proposed				
SPP Offer Shares	15,000,000	4.20%	15,000,000	3.98%
General Offer Shares	30,000,000	8.41%	50,000,000	13.27%
Consideration Shares	273,764,706	76.72%	273,764,706	72.65%
Shares to be issued on conversion of 50% of the Orpheus Director Loans and Orpheus CFO Loan	9,822,420	2.75%	9,822,420	2.61%
Shares to be issued to SenSen Corporate Advisor and Joint Lead Manager as the Introduction and Advisory Fee	3,209,201	0.90%	3,209,201	0.85%
Shares to be issued on conversion of Notes ²	6,689,850	1.87%	6,689,850	1.78%
TOTAL	356,833,827	100%	376,833,827	100%

Notes

1. Assuming all Notes are converted to Shares.

Please refer to **Section 2.1** and **Schedule A** for details on the dilutionary impact of the Vender Offer, General Offer and SPP Offer on Shareholders both on the basis of the General Offer Minimum Subscription being achieved and the General Offer Maximum Subscription being achieved.

The dilutionary impact assumes the issue of the Shares on conversion of 50% of the Orpheus Director Loans and Orpheus CFO Loan and the Shares to be issued to the SenSen Corporate Advisor and Joint Lead Manager as the Introduction and Advisory Fee and the Shares to be issued on conversion of the Notes.

11.6 Incorporation

The Company was incorporated on 8 September 2006 as a public company limited by shares.

11.7 Balance date

The accounts of the Company are made up to 30 June each year.

11.8 Rights attaching to Shares (Existing Shares, New Shares and Consideration Shares)

There is only one class of Share on issue in Orpheus, being fully paid ordinary Shares. The rights and liabilities attaching to Shares are:

- set out in the Constitution of Orpheus; and
- in certain circumstances, regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules (formerly the ASTC Settlement Rules) and the general law.

Set out below is a summary of the rights and liabilities under the Constitution, the ASX Listing Rules and the Corporations Act, which will attach to the Shares of the Company. This summary does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders under the Constitution.

All New Shares and Consideration Shares issued under this Prospectus will, from the time of issue, rank equally with all the Company's Existing Shares. New Shares and Consideration Shares offered under this Prospectus are fully paid ordinary Shares. There is no liability on a holder of Shares to contribute any further amount to the Company.

Copies of the Company's Constitution are available for inspection at the registered office of the Company during normal business hours.

Meeting and voting	Each Shareholder will be entitled to receive notice of, and attend and vote at, general meetings of the Company. At a general meeting, every shareholder present in person or by proxy, representative or attorney will have one vote on a show of hands and, on a poll, one vote for each Share held.
Notices	Each Shareholder will be entitled to receive all notices, accounts and other documents required to be given to shareholders under the Constitution of the Company, the Corporations Act and the ASX Listing Rules.
Dividends	The Shares will rank equally with all other issued Shares in the capital of Orpheus and will participate in dividends out of profits earned by Orpheus from time to time. Subject to the rights of holders of Shares of any special preferential or qualified rights attaching thereto, the profits of Orpheus are divisible amongst the holders of Shares in proportion to the Shares held by them irrespective of the amount paid up or credited as paid up thereon. The Directors are authorised to make all decisions, including as to method and time for payment, regarding dividends in respect of Shares which are permitted under the Corporations Act.
Winding up	Subject to the terms of issue of shares, on a winding up of the Company, the liquidator may with the sanction of a special resolution of the Company divide the surplus assets of the Company remaining after payment of its debts among Shareholders in proportion to the number of Shares held by them (with partly paid Shares counted as fractions of fully paid Shares). Upon paying the application monies, Shareholders will have no further liability to make payments to the Company in the event of the Company being wound up pursuant to the provisions of the Corporations Act.
Transfer	Subject to the Constitution of the Company, the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules, the New Shares will be freely transferable.
Creation and issue of further Shares	The allotment and issue of any additional Shares will be under the control of the Directors, subject to any restrictions on the allotment of Shares imposed by the Constitution, the Corporations Act and the ASX Listing Rules.
Variation of rights	The rights and privileges attaching to ordinary Shares can be altered with the approval of a resolution passed at a separate general meeting of the holders of ordinary Shares, by a 75% majority of those holders who, being entitled to do so, vote at the general meeting or, with the written consent of the holders of at least 75% of the ordinary Shares on issue.
Sale of non-marketable holdings	Generally, the Shares in the Company will be freely transferable, subject to satisfying the usual requirements of security transfers on the ASX. The Directors may decline to register any transfer of Shares but only where permitted to do so under its Constitution or the ASX Listing Rules. The Company may take steps in respect of non-marketable holdings of Shares in Orpheus to effect an orderly sale of those Shares in the event that holders do not take steps to retain their holdings. The Company may only take steps to eliminate non-marketable holdings in accordance with the Constitution and the ASX Listing Rules.

11.9 Terms and conditions of Notes

The terms and conditions of the Notes are as follows:

Face Value	\$1.00
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Quotation	The Company does not intend to list the Notes for quotation on any stock exchange.
Interest	<p>Interest of 10% is cumulative and is payable on each Note from the issue date of the Note until (and including):</p> <ul style="list-style-type: none"> • where the Note is converted - the date of completion of the Backdoor Listing; and • where the Note is not converted but is redeemed - the date of redemption.
Conversion mechanism	<p>The Notes only become convertible into Shares if Acquisition Resolutions 16 and 17 at the General Meeting are passed. These Acquisition Resolutions were passed at the General Meeting on 29 August 2017.</p> <p>With respect to any Noteholder that is not a Related Party or a person whose relationship with the Company or a Related Party is, in ASX's opinion, such that approval should be obtained (Non-Related Party Noteholder):</p> <ul style="list-style-type: none"> • the Conversion provisions in the Note Deed Poll will not apply to the Non-Related Party Noteholder until such time as approval by the shareholders of Resolution 16 has been obtained (LR7.1 Approval); and • until LR7.1 Approval has been obtained: <ul style="list-style-type: none"> ○ the Note(s) held by the Non-Related Party Noteholder will be non-convertible; and ○ the Company will not have the right to convert any interest accrued on the outstanding principal amount of the Note or the Utilisation Fee into Shares. <p>With respect to any Noteholder that is a Related Party or a person whose relationship with the Company or a Related Party is, in ASX's opinion, such that approval should be obtained (Related Party Noteholder):</p> <ul style="list-style-type: none"> • the Conversion provisions in the Note Deed Poll will not apply to the Related Party Noteholder until such time as approval by the shareholders of Resolution 17 has been obtained (LR10.11 Approval); and • until LR10.11 Approval has been obtained: <ul style="list-style-type: none"> ○ the Note(s) held by the Related Party Noteholder will be non-convertible; and ○ the Company will not have the right to convert any interest accrued on the outstanding principal amount of the Note or the Utilisation Fee into Shares.
Utilisation fee	The Company must pay to the Noteholders in their respective pro-rata share a non-refundable utilisation fee equal to 5% of the total amount raised under the Note offer (Utilization Fee).
Conversion Price	<p>The Conversion Price is 80% of the offer price per Shares offered under the prospectus issued under section 710 of the Corporations Act for the Backdoor Listing of the Company.</p> <p>The offer price per Share offered under this Prospectus is \$0.10. On this basis, the Conversion Price is \$0.08.</p>
Conversion	<p>Conversion Event Notice</p> <p>Where the Company anticipates the Backdoor Listing will occur before 12 months from the Issue Date, the Company will issue the Noteholders a Conversion Event Notice.</p> <p>Conversion Notice</p> <p>Following the issue of a Conversion Event Notice, a Noteholder may elect to Convert their Notes by issuing a Conversion Notice to the Company.</p> <p>A Conversion Notice must be in the form provided by the Company and must be received by the Company within the time detailed in the Conversion Event Notice.</p> <p>Once issued, a Conversion Notice is binding and irrevocable.</p> <p>In the event the Noteholder:</p> <ul style="list-style-type: none"> • does not issue a Conversion Notice within the time detailed in the Conversion Event Notice; or • the Backdoor Listing does not occur before 12 months following the Issue Date (irrespective of whether a Conversion Notice has been received), <p>the Notes will be redeemed.</p>

	<p>The Noteholders have all issued valid Conversion Notices and elected to convert their Notes into Shares.</p> <p>The Conversion</p> <p>Subject to a valid Conversion Notice being received by the Company, on the date of Backdoor Listing completion:</p> <ul style="list-style-type: none"> the Company must repay to each Noteholder the Face Value of the Notes held by such person together with all interest accrued plus the Utilization Fee on such Notes; and unless an Event of Default has occurred, the Face Value, the interest received and the Utilization Fee will be applied to the subscription for fully paid Shares. <p>The number of fully paid Shares to be issued is equal to the amount calculated by dividing the aggregate Face Value plus interest plus the Utilization Fee by the Conversion Price.</p> <p>The Notes can only be converted in whole and not in part.</p>
Redemption	<p>The Company must redeem the Notes of a Noteholder and pay to a Noteholder the Face Value of each Note held by such person and all accrued interest on such Notes plus the Utilization Fee, within 20 Business Days of the earlier of the following:</p> <ul style="list-style-type: none"> the date of completion of the Backdoor Listing where a Conversion Notice has not been issued to the Company by the Noteholder; and 12 months following the Issue Date, where the Notes have not previously been converted. <p>The Notes can only be redeemed in whole and not part.</p>
Shares issued on Conversion	<p>Each Share issued upon conversion of a Note will be credited as fully paid and must:</p> <ul style="list-style-type: none"> be issued on the date of completion of the Backdoor Listing; and rank equally with, and have all rights, benefits and obligations identical with, the Shares to be issued under the prospectus for the Backdoor Listing. <p>The Company must cause any Shares issued on conversion to be granted quotation on the ASX.</p>
Transferability	The Notes are non-transferrable.

11.10 Substantial Shareholders

As at the date of this Prospectus, the following Shareholders hold 5% or more of the total number of Shares on issue (on a post Consolidation basis):

Shareholder	Shares	%
David Smith ¹	2,650,000	14.4%
Wayne Mitchell	1,526,421	8.32%
Whitehaven Coal Limited ACN 124 425 396	1,282,097	6.99%
Octopi Enterprises Pty Ltd ACN 103 442 306 ²	1,000,000	5.45%

Notes:

1. This includes the Shares held by David Smith (1,000,000), Dagodoch Pty Ltd ACN 159 435 757 (890,533) and his wife and children (759,467)

2. Octopi Enterprises Pty Ltd ACN 103 442 306 is an entity controlled by David Smith.

On completion of the SPP Offer, General Offer and the Vendor Offer the following entities are expected to a relevant interest in 5% or more of the total number of Shares on issue (**Substantial Holders**):

Shareholder	Shares	% (General Offer Minimum Subscription)	% (General Offer Maximum Subscription)
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SmartEquity EIS Pty Ltd ¹	141,450,407	39.64%	37.54%
Mr Subhash Challa (Proposed Director) ²	78,024,970	21.87%	20.71%
Mr Zenon Pasieczny ³	46,376,259	13%	12.31%
Speedshield Holdings Pty Ltd ACN 603 052 866 ⁴	28,999,266	8.13%	7.70%
Saphet Capital Management Pty Limited ACN 105 869 378 ⁵	22,262,395	6.24%	5.91%
Mr Satish Gupta ⁷	21,485,717	6.02%	5.70%

Notes:

1. SmartEquity EIS Pty Ltd (**SmartEquity**), an entity unrelated to SenSen and is the current corporate trustee of the SenSen Employee Equity Trust (**SenSen Employee Equity Trust**). SmartGroup Corporation Ltd ACN 126 266 831 is the ultimate holding company of SmartEquity EIS Pty Ltd. Refer to **Section 6.7** for details. Mr Subhash Challa (Proposed Director) holds 34.82% of the Share Units in the SenSen Employee Equity Trust. Mr Zenon Pasieczny (Proposed Director) holds 16.81% of the Share Units in the SenSen Employee Equity Trust. Ms Lalitha Vadlapalli (Mr Subhash Challa's wife), holds 0.62% of the Share Units in the SenSen Employee Equity Trust. Mr Subhash Challa does not control the decisions of Ms Lalitha Vadlapalli and does not have a relevant interest (under section 608 of the Corporations Act) in her Share Units.

2. Of these Shares, Subhash Challa (Proposed Director) has an interest in 49,246,968 Shares by way of his holding of Share Units in the SenSen Employee Equity Trust (being an interest of 34.82% in the total Shares held by the SenSen Employee Equity Trust).

3. Of these Shares, 22,262,395 are held by Saphet Capital Management Pty Limited ACN 105 869 378 and 343,028 are held by Great Wall Media Pty Ltd ACN 124 841 121, both entities controlled by Mr Zenon Pasieczny (Proposed Director). Mr Zenon Pasieczny also has an interest in 23,770,835 Shares held in the SenSen Employee Equity Trust being an interest of 16.81% in the total Shares held by the SenSen Employee Equity Trust.

4. Speedshield Holdings Pty Ltd is a wholly owned subsidiary of Speedshield Technologies Pty Ltd, which is controlled by Peter Whiffen, Margaret Whiffen and their associated entity.

5. William Moran is a former director of SenSen. Of these Shares, William Moran has an interest in 16,555,701 Shares by way of his holding of Share Units in the SenSen Employee Equity Trust (being an interest of 11.70% in the total Shares held by the SenSen Employee Equity Trust).

6. Saphet Capital Management Pty Limited ACN 105 869 378 is controlled by Mr Zenon Pasieczny.

7. Satish Gupta is a former director of SenSen. Of these Shares, Satish Gupta has an interest in 12,711,016 Shares by way of his holding of Share Units in the SenSen Employee Equity Trust (being an interest of 8.97% in the total Shares held by the SenSen Employee Equity Trust).

The above assumes the SPP Offer Subscription Amount is raised, all Notes are converted, the Shares are issued to the SenSen Corporate Advisor and Joint Lead Manager (Introduction and Advisory Fee) and 50% of the Orpheus Director Loans and Orpheus CFO Loan are converted to Shares.

11.11 Top 20 Shareholders

The Company will announce to the ASX details of its top 20 Shareholders following completion of the Offers and prior to the Shares re-commencing trading on ASX.

11.12 ASX announcements

The following announcements (continuous disclosure notices) have been made by Orpheus to ASX since 1 January 2017.

Date	Headline
29/08/2017	Results of General Meeting
29/08/2017	Chairman's Address to Shareholders
24/08/2017	Consolidation/Split - OEG
21/08/2017	Prospectus
01/08/2017	Notice of General Meeting/Proxy Form
31/07/2017	Quarterly Activities and Cashflow Report June 2017
10/07/2017	SenSen Awarded NSW Government RMS Panel Contract
15/05/2017	SENSEN World First Monitoring of Table Games in Real Time

09/05/2017	Completion of Note Issue to Fund Backdoor Listing
28/04/2017	Quarterly Activities and Cashflow Report March 2017
12/04/2017	Orpheus Signs Share Purchase Agreement with Sensen
16/03/2017	Half Yearly Report and Accounts
31/01/2017	Quarterly Activities and Cashflow Report December 2016

Any person may request, and Orpheus will provide free of charge, a copy of any of the above announcements during the application period of this Prospectus.

Orpheus may make further announcements to ASX from time to time. Copies of announcements are released by ASX on its website, www.asx.com.au, (ASX Code: OEG). Copies of announcements can also be obtained from the Orpheus website www.orpheusenergy.com.au.

11.13 Share prices

The highest and lowest prices of Shares in Orpheus on the ASX during the six month period before the date of this Prospectus on a pre-Consolidation basis are set out below:

	Price	Dates
Highest	\$0.01	10 February 2017
Lowest	\$0.01	10 February 2017

This is the same number given the Company has been suspended from trading since 10 June 2015.

11.14 Forecasts

Given the current status of the Company's operations and the significant changes anticipated the Proposed Directors do not consider it appropriate to forecast future earnings. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection on a reasonable basis. Refer to **Section 8.6** for further information.

11.15 Litigation

Other than as detailed in **Section 5.4**, as at the date of this Prospectus, neither the Company nor SenSen is involved in any legal proceedings and the Directors and Proposed Directors are not aware of any legal proceedings pending or threatened against the Company or SenSen.

Please refer to Section **5.4** however, which details the ongoing negotiation to recover the Receivable from Mr Nugroho Suksmanto and PT Mega Coal.

11.16 Escrow restrictions

ASX imposed escrow

Subject to the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offers, the Company understands that certain Consideration Shares may be classified by ASX as restricted securities.

The Vendors and their related entities will be required to enter into mandatory escrow restriction agreements in relation to these securities, which will prohibit them from selling, or otherwise dealing with, their securities for:

- 12 months from the date of issue (subject to certain exceptions noted below); or
- 24 months from the date of reinstatement to Official Quotation (subject to certain exceptions noted below).

Subject to the ASX Listing Rules and ASX's consent, the escrow arrangements do not preclude an escrowed Shareholder from transferring their Shares in certain circumstances, including pursuant to a takeover bid where holders of at least half of the Shares that are not restricted securities have accepted the offer.

Voluntary escrow

Subject to the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offers, the following Existing Shares will also be (subject to ASX confirmation) subject to voluntary escrow, prohibiting them from selling, or otherwise dealing with, their securities.

This constitutes 0.78% in the event the General Offer is subscribed to the General Offer Minimum Subscription and 0.74% in the event the General Offer is subscribed to the General Offer Maximum Subscription.

Existing Shareholder	Escrowed Shares	Period of escrow
David Smith	1,000,000 Shares	24 months from the date of reinstatement to Official Quotation
David Smith's wife and children	759,467 Shares	24 months from the date of reinstatement to Official Quotation
DAGIDOCH Pty Ltd	890,533 Shares	24 months from the date of reinstatement to Official Quotation
Octopi Enterprises Pty Ltd	1,000,000 Shares	24 months from the date of reinstatement to Official Quotation

11.17 Interests of experts and advisors

Other than as set out below or elsewhere in this Prospectus, no person performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus has had, within the 2 years before lodgement of this Prospectus with ASIC, any interest in:

- the formation or promotion of the Company;
- any property acquired or proposed to be acquired by the Company in connection with its formation or promotion; or
- any property acquired or proposed to be acquired by the Company in connection with the Offers under this Prospectus; or
- the Offers.

Other than as set out in this Prospectus, no amounts or benefits have been paid or agreed to be paid for services rendered by the person performing a function in a professional,

advisory or other capacity in connection with the formation or promotion of the Company or the Offers.

BDO Audit Pty Ltd ACN 134 022 870 has acted as the Investigating Accountant in relation to the Offers and provided the Independent Limited Assurance Report in **Section 9**. The Company has paid or agreed to pay an amount of approximately \$35,000 (plus disbursements and GST) in respect of these and other services provided. During the 24 months preceding lodgement of this Prospectus with the ASIC, BDO Corporate Finance (QLD) Ltd ACN 010 185 725, an entity related to BDO Audit Pty Ltd has received \$45,000 fees from the Company for preparation of the independent expert's report that accompanied the Notice of Meeting.

HWL Ebsworth Lawyers has acted as legal adviser to the Company and performed work in relation to due diligence enquiries on Australian legal matters. As at the date of this Prospectus, the Company has paid or agreed to pay an amount of approximately \$150,000 (plus disbursements and GST) in respect of these services. Further costs will be charged at usual hourly rates. During the 24 months preceding lodgement of this Prospectus with the HWL Ebsworth Lawyers has acted for the Company and has received \$50,000 in fees (excluding GST and disbursements) from the Company for legal services provided to the Company.

Moray & Agnew Lawyers has acted as legal adviser to SenSen and performed work in relation to Australian legal matters. As at the date of this Prospectus, SenSen has paid or agreed to pay an amount of approximately \$108,500 (plus disbursements and GST) in respect of these services. Further costs will be charged at usual hourly rates.

Tat Capital Pty Ltd ACN 605 777 759, the SenSen Corporate Advisor and Joint Lead Manager has acted as the corporate advisor and joint lead manager to SenSen. As at the date of this Prospectus, SenSen has paid or agreed to pay an amount of approximately 6% of the amount raised under the General Offer (plus disbursements and GST) in respect of these services along with the Introduction and Advisory Fee of 3,209,201 Shares in consideration for introduction and advisory services provided.

BW Equities Pty Ltd ACN 146 642 462, the Joint Lead Manager (SenSen) has acted as the joint lead manager to SenSen. As at the date of this Prospectus, Tat Capital Pty Ltd has agreed to pay BW Equities Pty Ltd 50% of its share of the amount raised under the General Offer (being a total of 3% of the amount raised under the General Offer) in respect of these services.

FB Rice has acted as Patent and Trademark Attorney to SenSen. As at the date of this Prospectus, SenSen has paid or agreed to pay an amount of approximately \$4,623.00 (plus disbursements and GST) in respect of these services.

11.18 Costs of the Offer

The Company and SenSen will pay all of the costs associated with the Offers. The total estimated costs (excluding GST) in connection with the SPP Offer, General Offer and Vendor Offer are summarised below:

Costs of the Company	Minimum Subscription	Maximum Subscription
ASX fees	\$70,000.00	\$70,000.00
ASIC fees	\$2,400.00	\$2,400.00
Legal expenses (HWL Ebsworth)	\$150,000.00	\$150,000.00
Independent Limited Assurance Report and Independent Expert Report ¹	\$80,000.00	\$80,000.00
Share registry and communication costs	\$75,000.00	\$75,000.00
Total cost incurred by the Company	\$377,400.00	\$377,400.00

Costs of SenSen	Minimum Subscription	Maximum Subscription
IPO Legal expenses (Moray and Agnew)	\$108,500.00	\$108,500.00
Public relations, marketing and investor website design	\$30,000.00	\$30,000.00
Prospectus printing and design	\$35,000.00	\$35,000.00
Advisory & retainer fees	\$48,400.00	\$48,400.00
Indian legal due diligence ²	\$10,000.00	\$10,000.00
Intellectual Property Report prepared by FB Rice	\$4,950.00	\$4,950.00
Capital raising fees (paid in cash) ³	\$180,000.00	\$300,000.00
Capital raising fees (paid in Shares) ⁴	\$320,920.00	\$320,920.00
Miscellaneous others (estimate)	\$13,150.00	\$13,150.00
Total cost incurred by SenSen	\$750,920.00	\$870,920.00
Total cost incurred by SenSen & the Company	\$1,128,320	\$1,248,320

Note:

1. The Independent Expert Report was included in the Notice of Meeting.
2. This fee was paid for the production of the legal due diligence report on SenSen India.
3. Paid to Tat Capital Pty Ltd, Tat Capital Pty Ltd has agreed to pay BW Equities 50% of this amount.
4. Paid to Tat Capital Pty Ltd as the Introduction and Advisory Fee.

11.19 Consents and disclaimers

Each of the following parties has given and has not, before the issue of this Prospectus, withdrawn its written consent to being named in the Prospectus and to the inclusion, in the form and context in which it is included, of any information described below as being included with its consent.

Each of the parties referred to below has not caused the issue of this Prospectus and, to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than the reference to its name and any statement or report included in this Prospectus with the consent of that party as described below:

Name of entity	Named as	Reports or statements
Tat Capital Pty Ltd	Corporate Advisor and Joint Lead Manager (SenSen)	No
Hall Chadwick	Auditor (Orpheus)	No
BDO Audit Pty Ltd	Auditor (SenSen)	No
FB Rice	Patent and Trade Mark Attorney	Intellectual Property Report in Section 7 .
BDO Audit Pty Ltd	Investigating Accountant	Independent Limited Assurance Report in Section 9 .
HWL Ebsworth Lawyers	Australian legal advisor to the Offer	No
Computershare Investor Services Pty Limited	Share Registry for the Company	No
Crown Melbourne Limited	Counterparty to the SenGAME Supply and Development Agreement	No

Computershare Investor Services Pty Limited has given and, as at the date hereof, has not withdrawn, its written consent to be named as Share Registrar in the form and context in which it is named.

Computershare Investor Services Pty Limited has had no involvement in the preparation of any part of the Prospectus other than being named as Share Registrar to the Company. Computershare Investor Services Pty Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

11.20 ASX waivers and confirmations

On 23 June 2017, the ASX granted the Company a waiver to the extent necessary to permit the issue of up to 65,000,000 fully paid Shares under the SPP Offer and the General Offer not to be at least \$0.20 each, on the following conditions:

- The issue price of the Shares under the Capital Raising is not less than \$0.02 each;
- The Company completes a Consolidation of its capital structure in conjunction with the Backdoor Listing such that its securities are consolidated at a ratio that will be sufficient, based on the lowest price at which the Company's securities traded over the 20 trading days prior to the Company's suspension, to achieve a market value for its securities of not less than \$0.02 each;
- The terms and conditions of the waiver are clearly disclosed in the Notice and the Prospectus;
- Shareholders approve the issue price of the Shares under the General Offer and the SPP Offer in conjunction with the approvals to be obtained under ASX Listing Rule 11.1.2 in respect of the Acquisition and the Capital Raising; and
- ASX Listing Rule 7.3.8 to the extent necessary to permit the Acquisition Resolution in the Notice of Meeting approving the issue of securities under the SPP (Acquisition Resolution 6) not to include a voting exclusion statement that excludes the votes of any person who may participate in the Share Purchase Plan or any associate of such a person.

11.21 Continuous disclosure obligations

As the Company is admitted to the Official List, 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. Specifically, like all listed companies, 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 the 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. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

11.22 Working capital statement

The Directors believe that, on completion of the Offers, the Company will have sufficient working capital to carry out its objectives as stated in this Prospectus.

11.23 Governing law

This Prospectus, the Offers and the contracts formed on acceptance of Applications under the Offers are governed by the laws in force in the State of New South Wales and each Applicant submits to the non-exclusive jurisdiction of the courts of New South Wales.

11.24 Authorisation

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

Each Director and the Proposed Directors have authorised the issue of this Prospectus. Each Director and the Proposed Directors have consented (and not withdrawn their consent) to the lodgement of the Prospectus with ASIC.

12. Glossary

In this Prospectus, the following terms and abbreviations have the following meanings, unless the context otherwise requires:

\$	Australian dollar
Acquisition	The purchase of 100% of the issued capital in SenSen by the Company in accordance with the Acquisition Agreement.
Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed	Each of: <ul style="list-style-type: none"> The share purchase deed dated 11 April 2017 entered into between the Company, the Vendors and SenSen in respect of the acquisition of all issued shares in SenSen; and the Warranty and Indemnity Acknowledgement Deed dated 3 April 2017 entered into between the Company, SenSen, Subhash Challa, Great Wall Media Pty Ltd ACN 124 841 121 and Saphet Capital Management Ltd ACN 105 869 378 in respect of the warranties and indemnities provided by Subhash Challa, Great Wall Media Pty Ltd ACN 124 841 121 and Saphet Capital Management Ltd ACN 105 869 378, the material terms of which are summarised in Section 10.1 .
Acquisition Resolutions	The inter-conditional resolutions which relate to approval of the Acquisition, the Offers and related matters, put to Shareholders for approval at the General Meeting, as more particularly described in Section 11.2 .
AEST	Australian Eastern Standard Time.
AI	Artificial intelligence.
Applicant	A person or entity who submits a valid Application and required Application Monies under this Prospectus.
Application	An application to subscribe for New Shares or Consideration Shares under this Prospectus.
Application Form	An application form attached to or accompanying this Prospectus relating to the SPP Offer, General Offer or Vendor Offer.
Application Monies	The amount accompanying an SPP Offer Application Form or General Offer Application Form submitted by an Applicant.
ASC	Has the meaning given in Section 2.11 of this Prospectus.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited ACN 008 624 691 or the financial market known as the Australian Securities Exchange it operates, as the context requires.
ASX Listing Rules	The official listing rules of the ASX, as amended or waived from time to time.
ASX Settlement Operating Rules	The operating rules of ASX Settlement Pty Limited ACN 008 504 532, as amended or waived from time to time.
Australian Channel Partners	The channel partners through which SenSen provides SenSen Technology and related maintenance and other services to customers and businesses in Australia. As at the date of this Prospectus, the Australian Channel Partners are Duncan Solutions and Tenix Solutions.
Backdoor Listing	The backdoor listing of SenSen on the ASX by way of the Acquisition.
Back to Back NSW Government Agreement	Has the meaning given to it in Section 10.2 of this Prospectus.
Board	The Board of Directors of the Company as constituted from time to time.
Brisbane City Council Agreement	Has the meaning given to it in Section 10.2 of this Prospectus.
Business Day	A day, other than a Saturday or Sunday, on which banks are open for

	general banking business in Sydney.
Canadian City Council Contract	Has the meaning given to it in Section 10.2 of this Prospectus.
CBA	Commonwealth Bank of Australia
CBA Facility	The overdraft facility available to SenSen pursuant to the CBA Facility Terms and Conditions
CBA Facility Terms and Conditions	Term and conditions outlined in the letter of offer issued by CBA on 19 January 2016 and signed and accepted by SenSen on 2 February 2016.
Chairman	Wayne Mitchell. The proposed new Chairman of the Board, is Subhash Challa.
Channel Partner	Either an Australian Channel Partner or an Offshore Channel Partner and Channel Partners mean any combination of two or more of them.
CHESS	Has the meaning given in Section 2.11 of this Prospectus.
Closing Date	The date on which the relevant Offers are expected to close as set out in the indicative timetable on page 7 . This date may be varied without prior notice.
Combined Entity	The Company and SenSen.
Company or Orpheus	Orpheus Energy Limited ACN 121 257 412.
Company Secretary	David Smith.
Conditions	The conditions to the Offers set out in Section 2.9 .
Consideration Shares	The Shares that are to be issued to each of the Vendors in consideration for the transfer of the SenSen Shares.
Consolidation	The consolidation of the Company's issued capital on a 10:1 basis (i.e. that every 10 Existing Shares be consolidated into 1 Share, with fractional entitlements rounded up) approved by Shareholders at the General Meeting.
Constitution	The Constitution of Orpheus.
Corporate Governance Principles and Recommendations or Recommendations	The Corporate Governance Principles and Recommendations 3 rd Edition released by the ASX Corporate Governance Council in March 2014 (as amended).
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
Crown Casino	Crown Melbourne Limited ACN 006 973 262.
Cubic Channel Partners Agreement	Has the meaning given to it in Section 10.2 of this Prospectus.
Custodian	Has the meaning given in Section 2.1 of this Prospectus.
Directors	The directors of Orpheus from time to time.
Duncan Solutions	Reino International Pty Ltd ABN 75 079 147 201 trading as Duncan Solutions Australia.
EBITDA	The earnings before interest, tax, depreciation and amortisation calculated in accordance with Accounting Standards.
Eligible EMDG Expenses	Expenditure on certain export promotion activities, which can be claimed under the EMDG scheme.
Eligible Investor	Investors who: <ul style="list-style-type: none"> have a registered address in Australia or New Zealand or are eligible under all securities laws applicable to the Shareholder to receive an offer under the General Offer; and are not in the United States and are not acting for the account or benefit of, any US Person.
Eligible Shareholder	Shareholders who: <ul style="list-style-type: none"> were registered holders of Shares at 5:00pm (AEST) on the SPP Record Date; and

	<ul style="list-style-type: none"> have a registered address in Australia or New Zealand or are eligible under all securities laws applicable to the Shareholder to receive an offer under the SPP Offer; and are not in the United States and are not acting for the account or benefit of, any US Person.
Existing Directors	The directors of the Company as at the date of this Prospectus.
Existing Shareholders	A holder of an Existing Share.
Existing Shares	Means the 183,476,469 existing Shares currently on issue (pre-Consolidation).
General Meeting	The general meeting of Shareholders held on 29 August 2017 which sought Shareholder approval for the matters set out in the Notice of Meeting (including the Acquisition Resolutions).
General Offer	Has the meaning given on the cover page of this Prospectus.
General Offer Application Form	The Application Form for the General Offer which accompanies this Prospectus.
General Offer Maximum Subscription	The maximum number of New Shares to be issued under the General Offer, namely 50,000,000 New Shares.
General Offer Minimum Subscription	The minimum number of New Shares to be issued under the General Offer, namely 30,000,000 New Shares.
Group	The Company and any subsidiaries, including SenSen and SenSen India after completion of the Acquisition.
GST	Goods and services tax in Australia.
Holder Identification Number	The holder identification number detailed in the holding statement.
Integrated Product Development and Supply Agreement	Has the meaning given in Section 10.2 of this Prospectus.
Intellectual Property Report	Means the Intellectual Property Report contained in Section 7 of this Prospectus.
Introduction and Advisory Fee	Means the 3,209,201 Shares (on a post Consolidation basis) to be issued to the SenSen Corporate Advisor and Joint Lead Manager in consideration for introduction and advisory services provided.
Investigating Accountant	BDO Audit Pty Ltd.
Independent Limited Assurance Report	The independent limited assurance report contained in Section 9 .
Investor	An investor under the Offers in accordance with the terms of those Offers.
IoT	Internet of Things, which is described in Section 3 of this Prospectus.
Ipswich City Council Contract	Has the meaning given to it in Section 10.2 of this Prospectus.
Joint Lead Manager (SenSen)	BW Equities Pty Ltd ACN 146 642 462.
KML	Keyhole markup language, which is an XML based file format used to display geographic data in an Earth browser such as Google Earth, Google Maps, and Google Maps for mobile.
ITS	Intelligent Transportation System.
Materials Handling Market	Has the meaning given in Section 10.2 of this Prospectus under the heading <i>'Integrated Product Development and Supply Agreement'</i> .
New Share	A Share issued, on a post-Consolidation basis, pursuant to the SPP Offer and/or the General Offer (as relevant).
Notes	The notes issued to sophisticated or professional investors (as defined in section 708 of the Corporations Act) pursuant to the terms of the Note Deed Poll, the material terms which are summarised in Section 11.9 .

Note Deed Poll	The note deed poll for the issue of the Notes in the Company dated 11 April 2017 the terms of which are described in Section 11.9 .
Notice of Meeting	The Notice of General Meeting and Explanatory Statement of the Company in relation to the General Meeting released on the ASX on 1 August 2017
Original Prospectus	The original prospectus dated 18 August 2017 which is replaced by this Prospectus.
Orpheus CFO Loan	The loan from Barry Neal to the Company as detailed in Section 6.5 .
Orpheus Director Loans	The loans from each of David Smith, Wayne Mitchell, Wesley Harder and Michael Rhodes to the Company as detailed in Section 6.5 .
Offer Period	<p>The period during which investors may subscribe for Shares under the Offers, being:</p> <ul style="list-style-type: none"> • for the SPP Offer – the period commencing on the date the SPP Offer opens until the Closing Date for the SPP Offer (inclusive of each date); • for the General Offer – the period commencing on the date the General Offer opens until the Closing Date for the General Offer (inclusive of each date); and • for the Vendor Offer – the period commencing on the date the Vendor Offer opens until the Closing Date for the Vendor Offer (inclusive of each date).
Offer Information Line	1300 651 303 (from within Australia) and +61 3 9415 4281 (from outside Australia) between 8.30am and 5.00pm (Sydney time).
Offers	The SPP Offer, the General Offer and the Vendor Offer.
Officers	The officers of Orpheus from time to time.
Official List	The official list of the ASX.
Official Quotation	Official quotation by ASX in accordance with the ASX Listing Rules.
Offshore Channel Partners	The channel partners through which SenSen provides SenSen Technology and related maintenance and other services to customers and businesses located outside Australia. As at the date of this Prospectus, the Offshore Channel Partners are Cubic Transportation Systems Inc, PanStreet International GmbH, ATT Systems-(S'pore) Pte Ltd, Schweers Technologies Inc and Tyco Fire, Security and Services.
Privacy Act	The Privacy Act, 1988 (Cth).
Proposed Directors	Mr Subhash Challa, Mr Zenon Pasieczny and Mr Jason Ko.
Prospectus	This replacement prospectus dated 1 September 2017.
Real time Kinetic or RTK	A special correction signal provided by service providers to help in achieving very high GPS accuracy even if the line of sight with satellites is lost.
Receivable	The IDR73.605 billion (approximately \$7.36 million) receivable owing to the Company from Mr Suksmanto.
Record Date (Consolidation)	The record date for the Consolidation being 5:00pm AEST on the date detailed in the Timetable on page 7 .
Related Bodies Corporate	Has the meaning given to that term under section 9 of the Corporations Act.
RMS Agreement	Has the meaning given in Section 10.2 of this Prospectus.
Section	A section in this Prospectus unless otherwise specified.
SenBOS	Has the meaning given in Section 4.2.5 of this Prospectus.
SenCOUNT	Has the meaning given in Section 4.2.5 of this Prospectus.
SenDISA	Has the meaning given in Section 4.2.5 of this Prospectus.
SenFORCE	Has the meaning given in Section 4.2.5 of this Prospectus.
SenGAME	Has the meaning given in Section 4.2.5 of this Prospectus.
SenGAME Supply and	Has the meaning given to it in Section 10.2 of this Prospectus.

Development Agreement	
SenPARK	Has the meaning given in Section 4.2.5 of this Prospectus.
SenPOD	Has the meaning given in Section 4.2.5 of this Prospectus.
SenSen	SenSen Networks Pty Ltd ACN 115 838 036, the shares in which are to be acquired by the Company under the Acquisition Agreement and Warranty and Indemnity Acknowledgement Deed.
SenSen Business	Has the meaning given in Section 4.2.4 of this Prospectus.
SenSen Companies	SenSen and SenSen India.
SenSen Corporate Advisor and Joint Lead Manager	Tat Capital Pty Ltd ACN 605 777 759.
SenSen Director Loans	The loans to a related party of Subhash Challa and directly to William Moran as detailed in Section 4.8 and to be repaid out of the funds raised from the Offers.
SenSen Employee Equity Trust	The Employee Share Trust established for the benefit of SenSen Key Personnel pursuant to the trust deed dated 2 July 2012 additional detail of which is provide in Section 6.7 .
SenSen India	SenSen Video Business Intelligence Pvt Ltd, which is a private limited company incorporated in India and is a subsidiary of SenSen.
SenSen Key Personnel	Current and former employees, consultants and key personnel of SenSen Companies and, where applicable, their associated entities. SenSen Key Personnel include Mr Subhash Challa and Mr Zenon Pasieczny.
SenSen Shares	All of the issued share capital on issue in SenSen.
SenSIGN	Has the meaning given in Section 4.2.5 of this Prospectus.
SenSPEED	Has the meaning given in Section 4.2.5 of this Prospectus.
SenSen Technology	Has the meaning given in Section 4.2.5 of this Prospectus.
SenTAS	Has the meaning given in Section 4.2.5 of this Prospectus.
Share Allotment Date	A date on which New Shares are allotted under the Offers.
Share Unit	Has the meaning provided in Section 6.7 .
Share Registry	Computershare Investor Services Pty Limited ACN 078 279 277.
Shareholders	The holders of Shares from time to time.
Shares	The ordinary shares on issue in the Company from time to time.
Schweers Channel Partner Agreements	Has the meaning given to it in Section 10.2 of this Prospectus.
SPP	Share purchase plan.
SPP Offer	Has the meaning given on the cover page of this Prospectus.
SPP Offer Application Form	The Application Form for the SPP Offer which accompanies this Prospectus.
SPP Offer Subscription Amount	The number of Shares to be issued under the Share Purchase Plan Offer, namely 15,000,000 Shares.
SPP Record Date	31 July 2017.
Support Services Agreement	Has the meaning given in Section 10.2 of this Prospectus.
Timetable	The timetable for the Offer contained at page 7 .
Town of Victoria Park Agreement	Has the meaning given to it in Section 10.2 of this Prospectus.
ToF	Time of flight.
Tyco Channel Partner Agreement	Has the meaning given to it in Section 10.2 of this Prospectus.
US Person	Is as defined in Regulation S of the US Securities Act.

US Securities Act	The United States Securities Act of 1933.
VA	Video analytics.
Vendor Offer	Has the meaning given on the cover page of this Prospectus
Vendor Offer Application Form	The tailored Application Form for the Vendor Offer which will be sent directly to each Vendor.
Vendors	The holders of all of the issued capital of SenSen.
Video-IoT	The effective combination in a system of analytical algorithms, methods and software that analyse video and sensor data streams from cameras and sensors on the internet (commonly referred to as Internet of Things (IoT)) in real time to extract business relevant information and deliver it in the form that enterprise software systems can assimilate for down stream business applications.

Schedule A - Dilutive impact of the Acquisition and SPP Offer and General Offer

The below table provides a snapshot of the dilutive impact to Shareholders in the event:

- The SPP is subscribed by Company Shareholders to the SPP Offer Subscription Amount and General Offer subscribed to the General Offer Maximum Subscription; and
- The SPP is fully subscribed by Company Shareholders to the SPP Offer Subscription Amount and General Offer subscribed to the General Offer Minimum Subscription.

The numbers are detailed on a post Consolidation basis and assumes that all Notes are all converted to Shares, Shares issued to the SenSen Corporate Advisor and Joint Lead Manager (Introduction and Advisory Fee) and Shares issued on capitalisation of 50% of the Orpheus Director Loans and Orpheus CFO Loan.

Holder	Number of Company Shares (post Consolidation) (date of this Prospectus)	% of Company Shares (post Consolidation) (date of this Prospectus) %	All Share issues post completion of the Acquisition (assumes SPP is fully subscribed & General Offer subscribed to the Maximum Subscription)		All Share issues post completion of the Acquisition (assumes SPP is fully subscribed & General Offer subscribed to the Minimum Subscription)	
			Number	%	Number	%
Vendors						
SmartEquity EIS Pty Ltd ¹	Nil	Nil	141,450,407	37.54%	141,450,407	39.64%
Speedshield Holdings Pty Ltd ACN 603 052 866 ²	Nil	Nil	28,999,266	7.70%	28,999,266	8.13%
Mr Subhash Challa ³	Nil	Nil	28,778,002	7.64%	28,778,002	8.06%
Saphet Capital Management Pty Limited ACN 105 869 378 ⁴	Nil	Nil	22,262,395	5.91%	22,262,395	6.24%
Mr William Moran ⁵	Nil	Nil	9,232,976	2.45%	9,232,976	2.59%
Mr Satish Gupta ⁶	Nil	Nil	8,774,701	2.33%	8,774,701	2.46%
Mrs Laxmi Challa ⁷	Nil	Nil	6,682,906	1.77%	6,682,906	1.87%
Mr Venkateswara Prasad Gunupati	Nil	Nil	4,822,335	1.28%	4,822,335	1.35%
University of Technology, Sydney	Nil	Nil	4,373,683	1.16%	4,373,683	1.23%
Mr Bhanu Prasad Challa	Nil	Nil	1,971,944	0.52%	1,971,944	0.55%
The Ayre Family Pty Ltd ACN 151 561 652	Nil	Nil	1,852,484	0.49%	1,852,484	0.52%
Christopher Dylan Judd	Nil	Nil	1,176,471	0.31%	1,176,471	0.33%
Mr Harry Hatch	Nil	Nil	1,176,471	0.31%	1,176,471	0.33%
Mr Drew Ilsley	Nil	Nil	1,176,471	0.31%	1,176,471	0.33%
Mr James R T Spenceley	Nil	Nil	1,176,471	0.31%	1,176,471	0.33%
Vasco Investment Managers Limited ATF BMYG	Nil	Nil	1,176,471	0.31%	1,176,471	0.33%

Holder	Number of Company Shares (post Consolidation) (date of this Prospectus)	% of Company Shares (post Consolidation) (date of this Prospectus) %	All Share issues post completion of the Acquisition (assumes SPP is fully subscribed & General Offer subscribed to the Maximum Subscription)		All Share issues post completion of the Acquisition (assumes SPP is fully subscribed & General Offer subscribed to the Minimum Subscription)	
			Number	%	Number	%
Australia IPO Opportunities Fund Tranche 2						
Corvine Chemicals & Pharmaceuticals Ltd	Nil	Nil	798,766	0.21%	798,766	0.22%
Mr Najmul Qureshi	Nil	Nil	696,290	0.18%	696,290	0.20%
Hibbard Consulting Pty Ltd	Nil	Nil	588,235	0.16%	588,235	0.16%
Millwest Investments Pty Ltd	Nil	Nil	588,235	0.16%	588,235	0.16%
Mrs Judith Hondiris	Nil	Nil	588,235	0.16%	588,235	0.16%
Buprestid Pty Ltd <Hanl On Family S/F A/C>	Nil	Nil	588,235	0.16%	588,235	0.16%
Mr Kanvar Prabjot Singh	Nil	Nil	482,242	0.13%	482,242	0.14%
Mr Lakshmi Prasad Yerneni	Nil	Nil	434,001	0.12%	434,001	0.12%
Mrs Padma Priya Vemulapati	Nil	Nil	385,803	0.10%	385,803	0.11%
Mr Vijaya Chandrahas Maddukuri	Nil	Nil	385,803	0.10%	385,803	0.11%
Vasco Investment Managers Limited ATF BMYG Australia IPO Opportunities Fund Tranche 1	Nil	Nil	358,859	0.10%	358,859	0.10%
Great Wall Media Pty. Ltd. ACN 124 841 121 ⁸	Nil	Nil	343,028	0.09%	343,028	0.10%
Mr Nipun Narendra Singhal	Nil	Nil	289,363	0.08%	289,363	0.08%
Mr Paul Gerard Mccann	Nil	Nil	294,118	0.08%	294,118	0.08%
Mr Angelo Barboutis	Nil	Nil	294,118	0.08%	294,118	0.08%
Mrs Sharmila Vattikuti	Nil	Nil	241,121	0.06%	241,121	0.07%
Mr Nagasharma Pranesha Tumkur	Nil	Nil	241,121	0.06%	241,121	0.07%
Mr Richard Robert Wickham	Nil	Nil	235,304	0.06%	235,304	0.07%
Mr George Deva	Nil	Nil	235,304	0.06%	235,304	0.07%
Ganguly & Associates Pty Ltd ACN 076 083 022	Nil	Nil	171,448	0.05%	171,448	0.05%
Prabhava Organics Pvt Ltd	Nil	Nil	101,644	0.03%	101,644	0.03%

Holder	Number of Company Shares (post Consolidation) (date of this Prospectus)	% of Company Shares (post Consolidation) (date of this Prospectus) %	All Share issues post completion of the Acquisition (assumes SPP is fully subscribed & General Offer subscribed to the Maximum Subscription)		All Share issues post completion of the Acquisition (assumes SPP is fully subscribed & General Offer subscribed to the Minimum Subscription)	
			Number	%	Number	%
Mr Indu Sekhar Mudigonda	Nil	Nil	96,440	0.03%	96,440	0.03%
DSL Trading Company Pty Ltd	Nil	Nil	117,647	0.03%	117,647	0.03%
Mrs Payal Srivastava	Nil	Nil	100,000	0.03%	100,000	0.03%
Mr Rajib Chakravorty	Nil	Nil	25,892	0.01%	25,892	0.01%
Existing Shareholders²⁰						
David Smith (holding more than 5% as at date of the Prospectus) ⁹	2,650,000	14.44%	2,800,000	0.74%	2,800,000	0.78%
Wayne Mitchell (holding more than 5% as at date of the Prospectus) ¹⁰	1,526,421	8.32%	1,526,421	0.41%	1,526,421	0.43%
Whitehaven Coal (holding more than 5% as at date of the Prospectus)	1,282,097	6.99%	1,282,097	0.34%	1,282,097	0.36%
Octopi Enterprises Pty Ltd (holding more than 5% as at date of the Prospectus) ¹¹	1,000,000	5.45%	1,150,000	0.31%	1,150,000	0.32%
All Other Existing Shareholders	11,889,132	64.80%	26,589,132	7.06%	26,589,132	7.45%
Issue of shares to Investors from the General Offer						
General Offer investors	N/A	N/A	50,000,000	13.27%	30,000,000	8.41%
Issue of Shares on conversion of 50% of the Orpheus Director Loans & Orpheus CFO Loan						
David Smith ¹²	N/A	N/A	3,016,515	0.80%	3,016,515	0.85%
Wayne Mitchell ¹³	N/A	N/A	3,631,935	0.96%	3,631,935	1.02%
Wes harder ¹⁴	N/A	N/A	1,309,710	0.35%	1,309,710	0.37%
Michael Rhodes ¹⁵	N/A	N/A	998,780	0.27%	998,780	0.28%
Barry Neal ¹⁶	N/A	N/A	865,480	0.23%	865,480	0.24%
Issue of Shares on a conversion of the Notes						
David Smith ¹⁷	N/A	N/A	1,205,088	0.32 %	1,205,088	0.34 %
DagiDoch Pty Ltd ¹⁸	N/A	N/A	136,013	0.04 %	136,013	0.04%
Millwest Investments Pty Ltd (Millwest A/C)	N/A	N/A	936,250	0.25 %	936,250	0.26 %
Judith Hondris	N/A	N/A	667,963	0.18 %	667,963	0.19 %
Henry Martin Stenning	N/A	N/A	668,887	0.18 %	668,887	0.19 %
Richard Avery Wright	N/A	N/A	668,716	0.18 %	668,716	0.19 %

Holder	Number of Company Shares (post Consolidation) (date of this Prospectus)	% of Company Shares (post Consolidation) (date of this Prospectus) %	All Share issues post completion of the Acquisition (assumes SPP is fully subscribed & General Offer subscribed to the Maximum Subscription)		All Share issues post completion of the Acquisition (assumes SPP is fully subscribed & General Offer subscribed to the Minimum Subscription)	
			Number	%	Number	%
Hawthorn Grove Investments Pty Ltd	N/A	N/A	1,043,442	0.28 %	1,043,442	0.29 %
RL Holdings Pty Ltd (Airlie A/c)	N/A	N/A	292,963	0.08 %	292,963	0.08 %
Lindmark Investments Staff Super Fund	N/A	N/A	668,887	0.18 %	668,887	0.19 %
Colvic Pty Ltd	N/A	N/A	401,641	0.11 %	401,641	0.11 %
Issue of Shares to SenSen Corporate Advisor and Joint Lead Manager (Introduction and Advisory Fee)						
SenSen Corporate Advisor and Joint Lead Manager ¹⁹	Nil	Nil	3,209,201	0.85%	3,209,201	0.90%
GRAND TOTAL	18,347,650		376,833,827	100%	356,833,827	100%

Notes:

- SmartEquity EIS Pty Ltd (**SmartEquity**), is an entity unrelated to SenSen and is the current corporate trustee of the SenSen Employee Equity Trust (**SenSen Employee Equity Trust**). Refer to **Section 6.7** for details. Mr Subhash Challa (Proposed Director) holds 34.82% of the Share Units in the SenSen Employee Equity Trust. Mr Zenon Pasieczny (Proposed Director) holds 16.81% of the Share Units in the SenSen Employee Equity Trust. Ms Lalitha Vadlapalli (Mr Subhash Challa's wife), holds 0.62% of the Share Units in the SenSen Employee Equity Trust. Mr Subhash Challa does not control the decisions of Ms Lalitha Vadlapalli and does not have a relevant interest (under section 608 of the Corporations Act) in her Share Units.
- Mr Jason Ko is a Director of Speedshield Holdings Pty Ltd ACN 603 052 866 but does not hold any interests in Speedshield Holdings Pty Ltd ACN 603 052 866. Speedshield Holdings Pty Ltd ACN 603 052 866 is a wholly owned subsidiary of Speedshield Technologies Pty Ltd ACN 111 968 275, which is controlled by Peter Whiffen, Margaret Whiffen and their associated entities.
- Mr Subhash Challa is a Proposed Director.
- Saphet Capital Management Pty Limited ACN 105 869 378 is controlled by Mr Zenon Pasieczny (Proposed Director).
- Mr William Moran is a former Director of SenSen and resigned on 10 April 2017.
- Mr Satish Gupta is a former Director of SenSen and resigned on 4 January 2017.
- Mrs Laxmi Challa is the mother of Mr Subhash Challa (Proposed Director). Mr Subhash Challa does not control the decisions of Mrs Laxmi Challa and does not have a relevant interest (under section 608 of the Corporations Act) in her Shares.
- Great Wall Media Pty. Ltd. ACN 124 841 121 is controlled by Mr Zenon Pasieczny (Proposed Director).
- This includes the Shares held by David Smith (1,000,000), Dagodoch Pty Ltd (890,533) and his wife and children (759,467).
- Wayne Mitchell is a current Director of the Company. He will resign effective on completion of the Acquisition.
- Octopi Enterprises Pty Ltd ACN 103 442 306 is controlled by David Smith (Director).
- These Shares will be issued to David Smith (Director) in his personal capacity. Refer to **Section 6.5** for further details on the Orpheus Director Loans and Orpheus CFO Loan.
- These Shares will be issued to Wayne Mitchell (Director) in his personal capacity. Refer to **Section 6.5** for further details on the Orpheus Director Loans and Orpheus CFO Loan.
- These Shares will be issued to Wes Harder (Director) in his personal capacity. Refer to **Section 6.5** for further details on the Orpheus Director Loans and Orpheus CFO Loan.
- These Shares will be issued to Michael Rhodes (Director) in his personal capacity. Refer to **Section 6.5** for further details on the Orpheus Director Loans and Orpheus CFO Loan.
- These Shares will be issued to Barry Neal (Chief Financial Officer) in his personal capacity. Refer to **Section 6.5** for further details on the Orpheus Director Loans and Orpheus CFO Loan.
- These Shares will be issued to David Smith (Director) in his personal capacity. The issue of these Shares was approved by Shareholder at the General Meeting.
- DagiDoch Pty Ltd ACN 159 435 757 is controlled by David Smith (Director).
- Please see **Section 11.17** for details on the Introduction and Advisory Fee.
- In the event Eligible Shareholders do not take up 100% of the SPP Offer and the Directors place the shortfall, the total holding of Existing Shareholders in this table (not including those Existing Shareholders that take-up Shares on conversion of 50% of the Orpheus Director Loans & Orpheus CFO Loan or Shares on the conversion of Notes) may be reduced as follows:

Existing Shareholders %	General Offer Maximum Subscription		General Offer Minimum Subscription	
	Number held by Existing Shareholders	%	Number held by Existing Shareholders	%
100% take-up of SPP Offer by Existing Shareholders	33,347,350	8.85%	33,347,350	9.35%
75% take-up of SPP Offer by Existing Shareholders and 25% placement of shortfall	29,597,650	7.85%	29,597,650	8.29%
50% take-up of SPP Offer by Existing Shareholders and 50% placement of shortfall	25,847,650	6.86%	25,847,650	7.24%
25% take-up of SPP Offer by Existing Shareholders and 75% placement of shortfall	22,097,650	5.86%	22,097,650	6.19%

Corporate directory

Company – Office & Headquarters

Orpheus Energy Limited
Level 14, 3 Spring Street
Sydney, NSW 2000

Board of Directors

Name	Position
Wayne Mitchell	Executive Director
David Smith	Executive Director
Wesley Harder	Executive Director
Michael Rhodes	Non-Executive Director

Proposed Directors (Post-Acquisition)

Name	Position
Subhash Challa	Proposed Executive Director
Zenon Pasieczny	Proposed Non-Executive Director
Jason Ko	Proposed Non-Executive Director

Company Secretary

David Smith

ASX Code

OEG to be changed to 'SNS'

Corporate Advisor and Joint Lead Manager (SenSen)

Tat Capital Pty Ltd
Level 14, 3 Spring Street
Sydney NSW 2000

Joint Lead Manager (SenSen)

BW Equities Pty Ltd
Level 25, 360 Collins Street
Melbourne, VIC 3000

Legal Advisor (Company)

HWL Ebsworth Lawyers
Level 19, 480 Queen Street
Brisbane, QLD 4000

Legal Advisor (SenSen)

Moray and Agnew
6/505 Little Collins Street
Melbourne, VIC 3000

Patent and Trademark Attorneys

FB Rice
Level 14, 90 Collins Street
Melbourne, VIC 3000

Investigating Accountant

BDO Audit Pty Ltd
Level 10, 12 Creek St
Brisbane, QLD 4000

Auditor–Company

Hall Chadwick
Level 40, 2 Park Street
Sydney, NSW 2000

Auditor–SenSen

BDO Audit Pty Ltd
Level 10, 12 Creek St
Brisbane, QLD 4000

Share Registry

Computershare Investor Services Pty Limited
Level 4, 60 Carrington Street
Sydney NSW 2000

Orpheus Energy Limited

ABN 67 121 257 412

General Offer - Return your form to:

Orpheus Energy Limited
c/-Computershare Investor Services Pty Limited
GPO Box 2115
Melbourne VIC 3001

For all enquiries:

Phone

1300 651 303 (from within Australia)
+61 3 9415 4281 (from outside Australia)
Between 8.30am and 5.00pm (Sydney time)

General Offer Application Form

General Offer closes 5.00 pm (Sydney time) on Monday, 18 September 2017

This Application Form relates to the General Offer by Orpheus Energy Limited (the "Company") of fully paid ordinary shares ("Shares") in the Company, made under the prospectus ("Prospectus") lodged with the Australian Securities and Investments Commission on 1 September 2017 (or any supplementary or replacement prospectus). This Application Form is important. If you are in doubt as to how to deal with it, please contact your financial or other professional adviser. You should read the entire Prospectus carefully before completing this Application Form. To meet the requirements of the Corporations Act, this Application Form must not be distributed unless included in, or accompanied by, the Prospectus. Capitalised terms have the meaning given to them in the Prospectus.

By applying under the General Offer, you make the acknowledgments, declarations, representations and warranties set out in the Prospectus.

STEP 1 Shares applied for

Enter the number of Shares you wish to apply for. Enter the amount of the Application Monies. To calculate this amount, multiply the number of Shares applied for by the offer price which is A\$0.10.

Applicant name(s) and postal address

Enter the full name you wish to appear on the confirmation statement. This must be either your own name or the name of a company. Up to three joint applicants may register. You should refer to the table overleaf for the correct forms of registrable title(s). Applications using the wrong form of names may be rejected. CHESS participants should complete their name identically to that presently registered in CHESS. Enter your postal address for all correspondence. All communications to you from the Share Registry will be mailed to the person(s) and address as shown. For joint applicants, only one address can be entered. Enter your contact name and telephone number. This information may be used to communicate other matters to you subject to the Company's privacy statement. This is not compulsory but will assist us if we need to contact you.

STEP 3 CHESS holdings only

The Company will apply to ASX for Shares to participate in CHESS, operated by ASX Settlement Pty Limited, a wholly owned subsidiary of ASX. In CHESS, the Company will operate an electronic CHESS subregister of securityholdings and an electronic issuer sponsored subregister of securityholdings.

Together, the two subregisters will make up the Company's principal register of Shares. The Company will not be issuing certificates to applicants in respect of Shares allotted.

If you are a CHESS participant (or are sponsored by a CHESS participant) and you wish to hold Shares allotted to you under this Application on the CHESS subregister, enter your CHESS HIN.

Otherwise, leave the section blank and on allotment you will be sponsored by the Company and a "Securityholder Reference Number" ("SRN") will be allocated to you.

Please note that if you supply a CHESS HIN but the name and address details on your Application Form do not correspond exactly with the registration details held at CHESS, your Application will be deemed to be made without the CHESS HIN, and any Shares issued will be held on the issuer sponsored subregister.

STEP 4 Application payment

Applicants under the General Offer must return this Application Form and Application Monies to the Share Registry.

Cheque(s) or bank draft(s) must be in Australian dollars and drawn on an Australian branch of an Australian bank, must be crossed 'Not Negotiable' and must be made payable to "Orpheus Energy Limited". Cash is not accepted.

Lodgement instructions

The General Offer is expected to close at 5.00pm (Sydney time) on Monday, 18 September 2017, unless varied in accordance with the Corporations Act and ASX Listing Rules. You should allow sufficient time for postage. Return the Application Form with cheque (s) attached to: Orpheus Energy Limited c/- Computershare Investor Services Pty Limited, GPO Box 2115, Melbourne VIC 3001. Neither Computershare nor the Company accepts any responsibility if you lodge the Application Form at any other address or by any other means.

Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited (CIS), as registry for Orpheus Energy Limited for the purpose of maintaining registers of securities and facilitating payments and other corporate actions and communications. Your personal information may be disclosed to related bodies corporate of CIS, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act, you may be sent material (including marketing material) approved by Orpheus Energy Limited in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this Application Form or e-mail privacy@computershare.com.au.

[illegible]

Individual / joint applications - refer to naming standards for correct form of registrable title(s)

[illegible]

Surname

[illegible]

Joint applicant 2 or account designation

[illegible]

Joint applicant 3 or account designation

[illegible]

Street name or PO box

[illegible]

Street name or PO box (continued)

[illegible]

City/Suburb/Town

State

Postcode

Contact details

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Contact name

supply your Holder Identification Number

X									
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STEP 4 Cheque(s) must be crossed 'Not Negotiable' and made payable to "Orpheus Energy Limited"

				A\$.
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Drawer

Cheque number

BSB number

Account number

Amount of payment

Acceptance of the Offer

By returning this Application Form with your Application Monies:

- you declare that this Application is completed and lodged according to the Prospectus and the declarations/statements on this Application Form:

- you represent and warrant that you have read and understood the Prospectus and that you acknowledge the matters, and make the warranties and representations, contained in the Prospectus and this Application Form:

- you declare that all details and statements made are complete and accurate;

- you declare that each applicant, if a natural person, is at least 18 years old;

- you declare that you are located in Australia or New Zealand, not acting for

United States:

- you represent and warrant that the law of any other place does not prohibit you from being given the Prospectus and any supplementary or replacement prospectus or making an Application on this Application Form:

- you provide authorisation to be registered as the holder of Shares issued to you and agree to be bound by the Constitution and the Prospectus;

- you apply for the number of Shares set out on or determined in accordance with this Application Form and agree to be issued or transferred such number of Shares, a lesser number or none;- you agree to become a member of the Company and to be bound by and comply with the terms of its Constitution:

- you acknowledge that the information contained in the Prospectus (or any supplementary or replacement prospectus) is not investment advice or a recommendation that Shares are suitable for you, given your investment objectives, financial

not investment advice or a recommendation that Shares are suitable for you, given your investment objectives, financial situation or particular needs and that the investment performance of shares is not guaranteed by the Company;

- your Application to acquire Shares is irrevocable and may not be varied or withdrawn except as allowed by law;

- you acknowledge that an Application may be rejected without giving any reason, including where this Application Form is not properly completed or where a cheque submitted with this Application Form is dishonoured or for the wrong amount and

- you authorise the Company to complete or correct this Application Form; and

you acknowledge that if you are not issued any Shares or you are issued fewer Shares than the number that you applied for and paid for as a result of a scale back, all or some of your Application Monies (as applicable) will be refunded to you (without interest) in accordance with the Corporations Act.

Correct forms of registrable titles

Applications must be made in the name(s) of natural persons, companies or other legal entities in accordance with the Corporations Act. At least one full given name and surname is required for each natural person. The name of the beneficial owner or any other registrable name may be included by way of an account designation or completed as described in the correct forms of registrable title(s) below.

Type of investor	Correct form of registration	Incorrect form of registration
Individual - Use given name(s) in full, not initials	Mr John Alfred Smith	J.A Smith
Joint - Use given name(s) in full, not initials	Mr John Alfred Smith & Mrs Janet Marie Smith	John Alfred & Janet Marie Smith
Company - Use company title, not abbreviations	ABC Pty Ltd	ABC P/L; ABC Co
Trusts - Use trustee(s) personal name(s) - Do not use the name of the trust	Ms Penny Smith <Penny Smith Family A/C>	Penny Smith Family Trust
Deceased Estates - Use executor(s) personal name(s) - Do not use the name of the deceased	Mr William Smith <Est John Smith A/C>	Estate of Late John Smith
Minor (a person under the age of 18) - Use the name of a responsible adult with an appropriate designation	Mr John Alfred Smith <Peter Smith A/C>	Peter Smith
Partnerships - Use partners personal name(s) - Do not use the name of the partnership	Mr John Smith & Mr William Smith <John Smith & Son A/C>	John Smith & Son
Clubs/Unincorporated Bodies/Business Names - Use office bearer(s) personal name(s) - Do not use the name of the club etc	Mrs Janet Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds - Use the name of trustee of the fund - Do not use the name of the fund	John Smith Pty Ltd <Super Fund A/C>	John Smith Pty Ltd Superannuation Fund