

21 March 2018

THIS IS AN IMPORTANT DOCUMENT THAT REQUIRES YOUR ATTENTION

Dear Shareholder

Invitation to Participate in Share Purchase Plan

On the 14 March 2018, Greenpower Energy Limited (**GPP** or the **Company**) announced a capital raising comprising a placement to sophisticated and professional investors to issue up to 155,250,000 shares together with two (2) free attaching options for every three (3) shares issued (**Placement**) and a share purchase plan to raise up to \$500,000, the terms and conditions of which, are contained in this letter (**Terms and Conditions**) (**SPP**). In conjunction with the Placement, this will provide the Company with additional funds of \$2,518,250 (**Capital Raising**).

In order to provide all eligible GPP Shareholders with the ability to participate in this Capital Raising, the Company is pleased to provide details of its SPP. Under the SPP, the Company is giving Eligible Shareholders the opportunity to purchase up to \$15,000 worth of fully paid ordinary shares in the Company (**Shares**) (together with two (2) free attaching options for every three (3) shares applied for under the SPP (**SPP Options**)) at the same price as the Placement, irrespective of the size of their shareholding, without incurring brokerage or transaction costs.

The issue of the SPP Options will be subject to shareholder approval being obtained at the general meeting to be held in May 2018. The SPP Options, together with the options being issued under the Placement, will be issued under a prospectus which the Company intends to lodge on or around the date of the general meeting. Shareholders should note that there is no guarantee that shareholder approval will be granted and therefore there is no certainty that the SPP Options will be issued to participating shareholders. These options will be issued immediately following shareholder approval at the forthcoming general meeting. The SPP Options will have an exercise price of \$0.018 each and expire on or before 15 December 2021. The full SPP Option Terms can be found in Annexure A to the SPP Terms and Conditions.

The funds raised from the SPP and the Placement will be used to advance the Turesi Ridge drilling campaign at the Morabisi Lithium project, ensure the existing portfolio of assets is kept in good standing and to augment working capital.

On behalf of GPP, I am pleased to offer you the opportunity to increase your investment in GPP through the SPP.

Share Purchase Plan

- The SPP is being offered to shareholders who are registered holders of fully paid ordinary shares in the Company (**Shares**) at 4:00pm (AWST) on 13 March 2018 (**Record Date**) and whose registered address is in Australia or New Zealand (**Eligible Shareholder**).
- The issue price is \$0.013 per Share (**Issue Price**), being the same price at which Shares were issued under the Placement and represents a 14.4% discount to the volume weighted average market price (**VWAP**) for shares over the last 5 days in which sales in the share were recorded immediately prior to the announcement of the SPP (being \$0.015).

- The SPP has been structured to comply with ASIC Class Order CO 09/425, therefore the maximum amount which may be applied for under this SPP is \$15,000 per Eligible Shareholder (when combined with any shares issued under any arrangement similar to the SPP in the 12 month period preceding the application under the SPP and subject to the rules applying to custodians and multiple holdings).
- The maximum amount to be raised under the Offer is \$500,000 being 38,461,538 Shares (GPP will retain discretion to accept oversubscriptions subject to any limitations of the ASX Listing Rules).
- Any shortfall from the SPP may be placed at the discretion of the Directors.
- The SPP provides Eligible Shareholders with an opportunity to buy a parcel of new Shares. Shareholders may apply for any of the following amounts irrespective of the size of their shareholdings:

	SUBSCRIPTION AMOUNT (\$AUD)
Parcel A	\$2,000 (minimum)
Parcel B	\$5,000
Parcel C	\$10,000
Parcel D	\$15,000 (maximum)

Details of the payment methods are set out on the personalised application form.

- The SPP will not be underwritten.
- The SPP opens at 9:00 am (AWST) on 21 March 2018 and is expected to close at 5:00 pm (AWST) on 30 March 2018 (**Closing Date**). The directors of GPP reserve the right to extend the Closing Date.
- Participation in the SPP is entirely voluntary. No brokerage costs apply to purchases under the SPP. The issue of shares under the SPP is expected to occur on 6 April 2018 (Issue Date) and quotation on ASX on 6 April 2018.
- The Company also reserves the right (in its absolute discretion) to scale back applications on a pro rata basis, should total applications under the SPP exceed \$500,000.
- The Shares issued under the SPP meets the criteria set out in Exception 15 of ASX Listing Rule 7.2 and as such will not be subject to shareholder approval.
- The Directors reserve their right to take up the entitlement to participate in the SPP.
- The issue of free-attaching options under the Offer is conditional upon Shareholder approval being obtained at the general meeting to be held in May 2018.

Indicative Timetable

The key dates in respect of the SPP are set out in the indicative timetable below:

Event	Date
Record Date for Share Purchase Plan	13 March 2018
Placement and SPP Announcement Date	14 March 2018

Placement Issue Date	21 March 2018
SPP Opening Date and despatch of SPP Offer Booklet to Eligible Shareholders	21 March 2018
SPP Closing Date	30 March 2018
SPP Settlement Date	6 April 2018
SPP Issue Date	6 April 2018
Quotation of Offer Securities issued under SPP	6 April 2018

These dates are indicative only. The Company may vary the dates and times of the Offer without notice. Accordingly, shareholders are encouraged to submit their Acceptance Forms as early as possible.

Lead Manager

The Company has engaged the services of Xcel Capital Pty Ltd (**Xcel**) and has entered into two separate lead manager mandates with Xcel, on substantially the same terms, in respect of the SPP and Placement whereby Xcel will act as Lead Manager to the SPP and the Placement and assist the Company through the provision of corporate advisory and capital raising services. In consideration for the services provided in respect of the SPP, Xcel will be paid fees as follows:

- a lead manager fee of \$50,000;
- an offer fee of 6% (exclusive of goods and services tax) of the amount subscribed under the SPP; and
- 20,000,000 listed Options on the same terms as the Options issued under the SPP.

How to accept this offer

To apply for shares under the SPP, please follow the instructions on the enclosed personalised Application Form.

Further details of the SPP are set out in the enclosed Terms and Conditions. I encourage you to read the enclosed material and seek your own financial advice in relation to the SPP, before you decide whether to participate.

Yours faithfully

GERARD KING
EXECUTIVE CHAIRMAN

GREENPOWER ENERGY LIMITED
(ACN 064 820 408)

Share Purchase Plan – Terms and Conditions

1. PURPOSE

The purpose of the Share Purchase Plan (**SPP**) is to offer shareholders of Greenpower Energy Limited (**Company**) the opportunity to purchase up to \$15,000 worth of fully paid ordinary shares in the Company (**Shares**) under the SPP without incurring brokerage or transaction costs subject to and in accordance with the terms and conditions set out below (**SPP Offer**).

2. NO DISCLOSURE DOCUMENT

The SPP Offer is made in accordance with ASIC Class Order 09/425 (**Class Order**) and therefore does not require a prospectus for the purposes of Chapter 6D of the *Corporations Act (2001)* (Cth) (**Corporations Act**).

3. NO FINANCIAL ADVICE

This document does not provide financial advice and has been prepared without taking account of any person's investment objectives, financial situation or particular needs. You should consider the appropriateness of participating in the SPP having regard to your investment objectives, financial situation or particular needs. Shareholders should seek independent financial and taxation advice before making any investment decision in relation to these matters.

4. ELIGIBLE SHAREHOLDERS

Shareholders who are registered on the Company's Share register (**Register**) as a holder of Shares (**Shareholders**) at 4.00pm (AWST) on 13 March 2018 (**Record Date**) and whose registered address is in Australia or New Zealand are eligible to apply under the SPP, unless such Shareholder holds Shares on behalf of another person who resides outside Australia or New Zealand (**Eligible Shareholders**). Due to foreign securities laws, it is not practical for shareholders (or beneficial holders) resident in countries other than Australia or New Zealand to be offered the opportunity to participate in the SPP.

If two or more persons are registered on the Register as jointly holding Shares, they are taken to be a single registered Shareholder for the purposes of determining whether they are an Eligible Shareholder and a certification given by any of them is taken to be a certification given by all of them. For further details in respect of multiple holdings refer to section 19 of these terms and conditions.

The SPP Offer is being extended to Eligible Shareholders who are custodians (as defined in paragraph 14 of the Class Order) (**Custodians**) and who wish to apply for Shares under the SPP on behalf of a person for whom that Custodian held Shares on behalf of that person on the Record Date and who is not, or is not acting for the account or benefit of any person who resides outside Australia or New Zealand (**Eligible Beneficiary**). For further details in respect of Custodians refer to section 20 of these terms and conditions.

5. INVITATION TO PARTICIPATE IN SPP

The Company has sent an invitation to participate in the SPP to Eligible Shareholders (**Offer Document**). These terms and conditions and an application form (**Application Form**) have been enclosed with the Offer Document. The SPP Offer is non-renounceable.

The Offer Document sets out details about the issue price of Shares to be issued under the SPP (**Issue Price**), the maximum dollar amount and maximum number of Shares to be issued under the SPP and key dates for the SPP.

6. OPENING AND CLOSING DATE OF THE OFFER

The SPP Offer opens at 9.00am (AWST) on 21 March 2018 and closes at 5.00pm (AWST) on 30 March 2018 (**Closing Date**). No late applications will be accepted. However, the Directors reserve the right to extend the Closing Date.

7. SHORTFALL PLACEMENT

In the event that less than \$500,000 is applied for, the full amount of the shortfall may be placed at the discretion of the Board subject to compliance with the necessary legal requirements.

8. OVERSUBSCRIPTIONS

In the event total applications for more than \$500,000 are received, the Board may exercise its discretion to accept oversubscriptions subject to any limitations of the ASX Listing Rules.

9. APPLICATION AMOUNTS

Eligible Shareholders may apply for one of the amounts set out in the Offer Document and the Application Form accompanying these terms and conditions with a maximum amount of \$15,000 subject to the rules applying to custodians and multiple holdings. The maximum amount is determined with reference to any Shares issued under any arrangement similar to the SPP in the 12 month period preceding the date of application under the SPP.

The number of Shares that would be issued for each of the application amounts will be determined by dividing the application amount by the Issue Price rounded down to the nearest whole Share.

10. APPLICATION PROCEDURE

Payment for applications can be made by BPAY® or cheque, bank draft or money order. If paying by BPAY payment must be received by the Closing Date and you do not need to return the Application Form. If paying by cheque, bank draft or money order payment and your Application Form must be received by the Closing Date. Applications will not be accepted after the Closing Date. Applicants should not forward cash and direct bank transfers are not permitted. Please refer to the Application Form for further details.

Once an application has been made it cannot be revoked.

11. SCALE BACK

The directors of the Company reserve the right in their absolute discretion to reject, or scale back, on an equitable basis, any application. If there is a scale-back you may receive less than the parcel of Shares for which you have applied. If a scale-back produces a fractional number of Shares when applied for your parcel, the number of Shares you will be issued will be rounded up to the nearest whole number of Shares. Scale-back for Shares held by Custodians will be applied at the level of the underlying Beneficiary. If the Company rejects or scales-back an application or purported application, the Company will promptly return to that applicant the relevant application monies, without interest.

12. REJECTION OF APPLICATIONS

The Company and its officers and agents, may accept or reject your application for Shares under the SPP at its discretion including, without limit, if:

- (a) your application does not comply with these terms and conditions;
- (b) it appears you are not an Eligible Shareholder;
- (c) your Application Form and cheque, money order, bank draft or BPAY payment is not received by the Company's share registry by the Closing Date;
- (d) if paying by cheque, your Application Form is incomplete or incorrectly completed or is otherwise determined by the Company to be invalid;
- (e) your cheque is dishonoured or has been incorrectly completed;
- (f) it appears that you are applying to purchase more than \$15,000 worth of SPP Shares in aggregate (including as a result of Shares you hold directly, jointly or through a custodian or nominee arrangement); or
- (g) payment of the application monies is not submitted in Australian currency or, if payment is made by cheque, the cheque is not drawn on an Australian financial institution.

13. ISSUE DATE

Shares issued under the SPP will be issued after the Closing Date in accordance with the ASX Listing Rules and will, from the date of issue, rank equally in all respects with all other fully paid ordinary shares in the Company. In addition, holding statements or CHESS notification will be issued in respect of all Shares issued under the SPP.

14. APPLICATION FOR QUOTATION

Application for quotation on ASX of the Shares issued under the SPP will be made immediately following the issue of those Shares.

15. RELATIONSHIP OF ISSUE PRICE WITH MARKET PRICE

The market price of Shares may change between the date of the Offer and the date when Shares are issued under the SPP.

By making an application under the SPP the applicant acknowledges that although the Issue Price of Shares issued under the SPP is at a discount to the price traded on ASX at the time of announcement of the SPP, Shares are a speculative investment and the price of Shares on ASX may change which means the value of the Shares received under the SPP may rise or fall accordingly.

The Company recommends that you obtain your own financial advice in relation to the SPP Offer and consider price movements of Shares prior to making an application under this SPP Offer.

16. NEW ZEALAND SHAREHOLDERS

The Shares offered under the SPP are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with a registered address in New Zealand at the Record Date and who continue to hold Shares as at the opening date of the SPP Offer and to whom the SPP is being made in reliance on

the *Financial Markets Conduct Act 2013* and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement, product disclosure statement or prospectus under New Zealand law is required to contain.

17. RESTRICTIONS OUTSIDE AUSTRALIA AND NEW ZEALAND

This document may not be released or distributed in any country other than Australia and New Zealand. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other country. In particular, any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

18. CUSTODIANS, TRUSTEES AND NOMINEES

If you are a Custodian for one or more Eligible Beneficiaries, you may apply for up to \$15,000 worth of Shares for each Eligible Beneficiary for whom you act as Custodian provided you complete and submit, together with an Application Form, a certificate complying with the Class Order (**Custodian Certificate**) that contains further certifications and details (required under the terms of Class Order) before your application will be accepted. Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected.

The Custodian Certificate will certify (amongst other things), for each Eligible Beneficiary, that the application price for the Shares applied for on their behalf, and any other Shares applied for on their behalf under a similar arrangement in the previous 12 months has not exceeded \$15,000.

To request a Custodian Certificate and if you would like further information on how to apply, you may contact the Company Secretary, Matthew Suttling on + 61 2 9999 1515.

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 for multiple holdings apply.

19. MULTIPLE HOLDINGS

The maximum investment any Eligible Shareholder may apply for will remain \$15,000 even if an Eligible Shareholder receives more than one Offer Document and accompanying Application Form (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 application amount paid under the SPP or any similar arrangement in the 12 month period prior to the application under the SPP does not exceed \$15,000.

20. ACKNOWLEDGEMENT

By returning an Application Form with a cheque, bank draft, money order or making a payment via BPAY, you:

- (a) irrevocably and unconditionally agree to the terms and conditions of the SPP and the terms and conditions of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;
- (b) warrant that all details and statements in your application are true and complete and not misleading;
- (c) agree that your application will be irrevocable and unconditional (that is, it cannot be withdrawn even if the market price of the Shares is less than the Issue Price);
- (d) warrant that you are an Eligible Shareholder and are eligible to participate in the SPP;
- (e) acknowledge that no interest will be paid on any application monies held pending the issue of Shares under the SPP or subsequently refunded to you for any reason;
- (f) acknowledge that the Company and its officers and agents, are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these terms and conditions;
- (g) acknowledge and agree that if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are participating is resident in Australia or New Zealand, and you have not sent these Terms and Conditions, an Offer Document, or any materials relating to the SPP, to any person outside Australia and New Zealand;
- (h) if you are applying on your own behalf (and not as a Custodian), acknowledge and agree that:
 - (i) you are not applying for Shares with an application price of more than \$15,000 under the SPP (including by instructing a Custodian to acquire Shares on your behalf under the SPP); and
 - (ii) the total of the application price for the following does not exceed \$15,000:
 - (A) the SPP Shares the subject of the application;
 - (B) any other Shares issued to you under the SPP or any similar arrangement in the 12 months before the application (excluding Shares applied for but not issued);
 - (C) any other SPP Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
 - (D) any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the SPP.

- (i) if you are a Custodian and are applying on behalf of an Eligible Beneficiary on whose behalf you hold Shares, acknowledge and agree that:
 - (i) you are a Custodian (as that term is defined in ASIC Class Order 09/425);
 - (ii) you hold Shares (directly or indirectly) on behalf of one or more Eligible Beneficiaries;
 - (iii) you held Shares on behalf of the Eligible Beneficiary as at the Record Date who has instructed you to apply for SPP Shares on their behalf under the SPP;
 - (iv) each Eligible Beneficiary on whose behalf you are applying for SPP shares has been given a copy of this document;
 - (v) the application price for the SPP Shares applied for on behalf of the Eligible Beneficiary, and any other Shares applied for on their behalf under a similar arrangement in the previous 12 months (excluding shares applied for but not issued), does not exceed \$15,000; and
 - (vi) the information in the Custodian Certificate submitted with your Application Form is true, correct and not misleading;
- (j) agree to be bound by the constitution of the Company (as amended and as it may be amended from time to time in the future);
- (k) acknowledge that none of the Company, its advisers or agents, has provided you with any financial product or investment advice or taxation advice in relation to the SPP, or has any obligation to provide such advice; and
- (l) authorise the Company, and its officers and agents, to correct minor or easily rectified errors in, or omissions from, your Application Form and to complete the Application Form by the insertion of any missing minor detail.

21. NOTICES

Notices and statements made by the Company to participants may be given in any manner prescribed by the Company's constitution.

22. MODIFICATION AND TERMINATION OF THE SPP

The Company may modify or terminate the SPP at any time.

The Company will notify ASX of any modification to, or termination of, the SPP. The omission to give notice of any modification to, or termination of, the SPP or the failure of ASX to receive such notice will not invalidate the modification or termination.

Without limiting the above, the Company may issue to any person fewer Shares than the person applied for under the SPP if the issue of Shares applied for would contravene any applicable law or the ASX Listing Rules.

23. DISPUTE RESOLUTION

The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant or application. The decision of the Company in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

The Company reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of the Company under these terms and conditions may be exercised by the directors of the Company or any delegate of the directors of the Company.

24. QUESTIONS AND CONTACT DETAILS

If you have any questions regarding the SPP or how to deal with the SPP Offer, please contact your stockbroker or professional adviser or the Company Secretary, Matthew Suttling on + 61 2 9999 1515.

ANNEXURE A – SPP OPTION TERMS AND CONDITIONS

OPTIONS

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.018 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AWST) on 15 December 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

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

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

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Quoted**

The Company will apply for quotation of the Options on ASX.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements.