



Helio Energia

Nickelore Limited

ABN 13 086 972 429

10 February 2016

NICKELORE TO ACQUIRE EMERGING BRAZILIAN SOLAR ENERGY COMPANY AND UNDERTAKE PRO RATA ENTITLEMENT ISSUE

HIGHLIGHTS

- ☺ Nickelore has entered into a non-binding agreement to acquire Helio, a leading-edge, full-service, end-to-end provider of roof top solar energy systems for commercial and industrial energy customers in Brazil.
- ☺ Brazil has strong fundamentals for solar energy, with supply constraints and growing demand resulting in high retail prices from existing energy sources:
 - ▶ Supply of hydroelectricity, which provides approximately 65%¹ of Brazil's energy, has been severely impacted by an ongoing drought
 - ▶ There are long lead times for conventional energy sources
 - ▶ There is a supportive working environment for solar energy within Brazil
- ☺ Helio is an early mover in the highly attractive and rapidly expanding Brazilian solar energy market, with revenue from its first project commissioned in November 2015 to increase through the installation of a further 1.73 MW for customers by the end of February 2016.
- ☺ Helio has a strong pipeline to grow megawatts supplied to the market, with more than 26 MW in signed proposals and 166 MW of pipeline under development.
- ☺ The Helio management team has a track record in the renewable energy sector, including building a portfolio of wind farms generating 210 MW in Brazil that was sold for approximately US\$1 billion in 2012 and extensive experience with solar energy projects in the United States and Mexico.
- ☺ Nickelore will undertake a non-renounceable pro rata Entitlement Issue to existing shareholders to raise approximately \$527,540 to facilitate completion of the acquisition.

Nickelore Limited (ASX:NIO) (**NIO** or the **Company**) is pleased to announce that it has signed a non-binding term sheet (**Term Sheet**) with Helio Energia Holdings S .A. (**Helio**) to acquire 100% of the issued capital in Helio (**Helio Shares**) in exchange for equity in NIO (the **Acquisition**). Helio, registered in Luxembourg, is the parent of Helio Projetos em Energia Renovavel Ltda (ownership 99.9%), which specialises in solar energy systems primarily for commercial and industrial energy customers in Brazil.

¹ Source: Empresa de Pesquisa Energética

Helio provides customers with a single-source, reliable, and predictable energy offering. Helio manages every aspect of the solar energy project, with customers having zero up-front costs and energy provided at a discount to prevailing retail energy prices in return for a 20 year contract.

Helio Chief Executive Officer Dale Vander Woude said: “We are delighted to have this opportunity with Nickelore which will better position Helio to capture our early mover advantage in Brazil. We believe the fundamentals of the Brazilian energy market, with supply constraints and growing demand for solar, makes our offering very attractive to commercial and industrial customers looking for a reliable and predictable source of energy. Importantly, solar energy is now price competitive compared to other energy sources, with the cost of solar systems declining 78 per cent in the US over the past five years^{2 3}.”

Nickelore Executive Chairman Robert Gardner said: “The Board believes this transaction with Helio will provide Nickelore shareholders with an opportunity to enter an exciting new market with strong prospects for growth.”

ABOUT BRAZILIAN ENERGY SECTOR AND HELIO

The Brazilian energy sector is highly reliant on hydroelectricity, providing around 65%⁴ of Brazil’s energy. However, the reliability of hydroelectricity has been impacted by an ongoing drought in Brazil. Meanwhile, increased demand has seen Brazilian energy prices increase, with prices for commercial and industrial customers in Helio’s initial target market of Ceara growing at an average annual compound rate of 14.6 per cent over the last 15 years⁵. Demand for energy is expected to grow by 4.6 per cent per annum over the next 10 years across Brazil, according to Brazil’s energy forecasting arm, *Empresa de Pesquisa Energética*.

In addition to the supply/demand fundamentals, Brazil has an environment conducive to solar energy, including high levels of irradiance (“sunlight hours”) and support from the Brazilian government, which is placing greater emphasis on solar energy as part of its renewable energy targets.

Helio is an early mover in the rapidly expanding Brazilian roof top solar energy market, targeting commercial and industrial energy customers. Helio has a “zero down” long-term financing model to customers, replicating a business model and strategy successfully applied in the United States solar market where the rate of panel installations since 2006 has grown at a compound annual rate of approximately 72 per cent³. Helio manages the project from design, procurement, installation and financing through to monitoring, maintenance and long-term operation. This enables interested parties to reduce their electricity expense with zero up-front costs, while Helio receives a stable and reliable revenue stream that is independent of government subsidies.

Helio expects to have successfully completed construction of its first three projects (totalling 1.73 MW) by the end of February 2016. Helio additionally has approximately 166 MW of pipeline under development.

Helio’s management team has extensive expertise in alternative energy and finance in Brazil, and has a proven track record of delivering attractive returns for shareholders having built and exited a US\$1 billion Brazilian renewable energy company in 2012. Furthermore, the team has significant experience in the US solar and renewable energy market, including securing required asset and infrastructure capital funding.

Details about Helio and its business, an indicative timetable for the Acquisition, indicative capital structure and pro-forma balance sheet in relation to the Acquisition are set out in **Appendices 1** and **2** of this announcement.

² Renewables Rising Report No 2014 Page 19 Lazard report published by Edison Investment Research

³ Killik & Co, Thematic Note “Solar Energy” 10 July 2014

⁴ *Empresa de Pesquisa Energética*

⁵ COELCE www.coelce.com.br



PRO RATA ENTITLEMENT ISSUE

NIO intends to undertake, prior to completion of the Acquisition, a non-renounceable pro rata Entitlement Issue (**Entitlement Issue**).

Pursuant to the Entitlement Issue, eligible shareholders of NIO will be able to subscribe for 2 new NIO Shares for every 5 NIO Shares held as at the record date at an issue price of \$0.006 per NIO Share.

The Entitlement Issue will raise up to approximately AUD\$527,540 (before costs) and is expected to result in the issue of an additional 87,923,354 NIO Shares.

NIO has received a firm commitment letter from Pendragon Capital Limited to procure an underwriting agreement for 100 per cent of the total shortfall shares in the Entitlement Issue.

The proceeds from the Entitlement Issue will be used to fund acquisition and due diligence costs associated with the Acquisition, working capital and ongoing expenditure commitments of the Company.

A prospectus for the Entitlement Issue is currently being prepared by the Company, which will include a timetable and full details of the Entitlement Issue. The prospectus with respect to the Entitlement Issue is proposed to be lodged with the ASX on or around 17 February 2016. The Entitlement Issue is not subject to shareholder approval.

KEY TERMS OF THE ACQUISITION

1. Consideration

In consideration for the sale of the Helio Shares to NIO, at Settlement NIO will:

- (a) As at the date of this announcement, issue to the Shareholders (or their nominees) of Helio, 769,329,350 NIO Shares (on a post-Consolidation basis) in accordance with the following formula:

$$\text{Consideration Shares} = \left(\frac{C}{\left(1 - \frac{B}{(A + B)}\right)} \right) - C$$

Where:

A = US\$1,200,000

B = US\$15,000,000 plus the value of any equity raised to the period from the date of the signing of the non-binding Term Sheet between Helio and Nickelore, together with any equity raised by Helio from the conversion of convertible notes prior to settlement and any cash proceeds from the exercise of any outstanding warrants issued by Helio.

C = 61,546,348 (being the number of NIO Shares on issue at Settlement Date, post-Consolidation)

(Consideration Shares)

Note: The ultimate quantum of consideration shares to be issued is dependent upon variable B in the consideration formula in respect to the amount of any equity raised by either NIO or Helio.

Securities issued by the Company as part of the Acquisition may be subject to escrow imposed by ASX under its Listing Rules.

2. Conditions precedent

The Acquisition is subject to a number of conditions being satisfied, including:



- (a) NIO will undertake a 2 for 5 Entitlement Issue of NIO Shares at an issue price of \$0.006 per NIO Share to raise approximately \$527,540 (before costs) to all current shareholders.
- (b) completion of due diligence by NIO on Helio.
- (c) completion of due diligence by Helio on NIO.
- (d) if required by the ASX Listing Rules, NIO obtaining an Independent Expert's Report confirming that the acquisition is "fair and reasonable" and in the best interests of shareholders.
- (e) Consolidation of the Company's capital as described below.
- (f) NIO, on a best endeavours basis, conducting the Principal Raising (as described below) and lodging a prospectus (**Prospectus**) with Australian Securities and Investments Commission (**ASIC**) and Australian Securities Exchange (**ASX**) in respect of the Principal Raising.
- (g) NIO obtaining all necessary shareholder and regulatory approvals pursuant to the *Corporations Act 2001* (Cth) (**Corporations Act**), the ASX Listing Rules or any other law, as well as third party approvals or consents to give effect to the matters set out in the Term Sheet to allow NIO to lawfully complete the Acquisition.
- (h) NIO receiving a letter from the ASX confirming that the ASX will re-admit NIO to the Official List of the ASX, on conditions acceptable to NIO and Helio (both parties acting reasonably), as described below.
- (i) NIO completing changes to the Board as described below.

The Acquisition remains conditional on satisfaction (or waiver) of the above conditions precedent and as such the ability of the Company to complete it is not certain.

3. Re-compliance with Chapters 1 and 2 of the ASX Listing Rules

The Acquisition will result in a change in the Company's nature and scale of its activities and will require shareholder approval under Chapter 11 of the ASX Listing Rules as well as requiring the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules and obtain conditional approval from ASX to have its securities re-admitted to trading. NIO will despatch a notice of meeting (**NoM**) to its shareholders seeking the relevant approvals to undertake this process with such NoM to contain detailed information relating to the Acquisition.

4. Change of name

Upon completion of the Acquisition, it is intended that the Company will undergo a change of name, subject to shareholder approval, to Helio Energia Limited (or such other name as Helio may request and subject to availability). The proposed name change will be advised to shareholders when the Company despatches its NoM and shareholder approval for the change in company type will be sought in the NoM.

5. Consolidation of share capital

Subject to shareholder approval, NIO will undertake a proposed consolidation of the Company's issued shares at a predefined conversion ratio of five existing shares to one new share (**Consolidation**), which will take effect after the Entitlement Issue.

6. Principal raising

In order to re-comply with the requirements of Chapters 1 and 2 of the ASX Listing Rules, in conjunction with the Acquisition, the Company will issue a Prospectus for the Principal Raising.

The Principal Raising will be to raise (post-Consolidation) a minimum of AUD\$5,000,000 (or such other amount as required to meet the assets test admission criteria of the ASX) with oversubscriptions for up to another AUD\$20,000,000.



7. Board and management changes

The Acquisition contemplates the appointment of two Helio board members to the board of NIO to replace up to two existing directors. Details of the Helio board members will be advised at the time of the Notice of Meeting.

EXISTING NIO ACTIVITIES UPDATE

The acquisition of Helio will result in a significant change to the nature and scale of the Company's main business, which the NIO Board considers to be positive and in the best interests of NIO shareholders.

While NIO intends to continue to fund its obligations in respect to the Canegrass Project, if NIO shareholders approve the acquisition of Helio, post-completion the new board of NIO will undertake a review of the Canegrass assets to investigate opportunities to divest its existing assets and projects by way of a sale, joint venture, or farm-out agreement.

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CONTACT

Investors

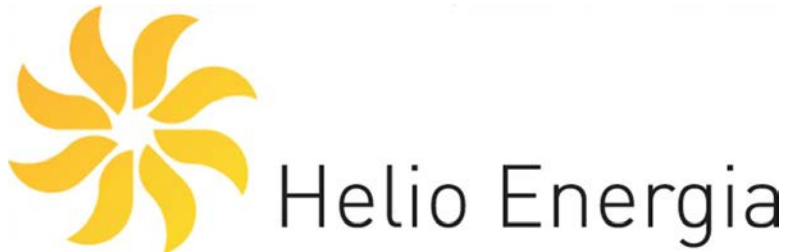
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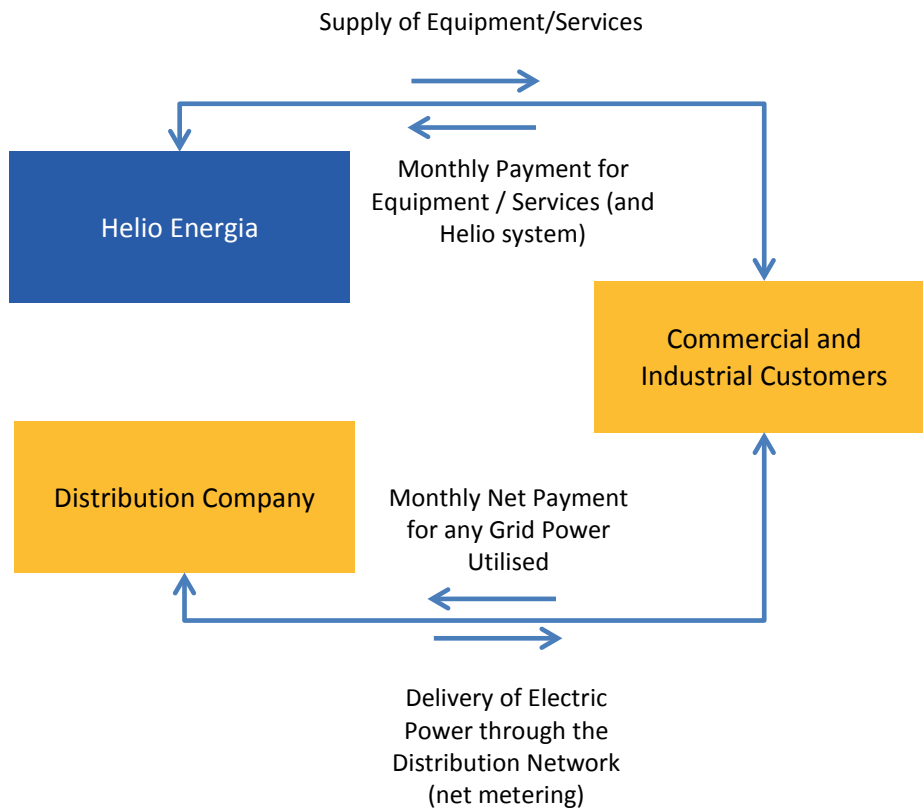
Appendix 1



COMPANY INFORMATION

About Helio

Helio Energia Holdings SA (**Helio**), through its 99.9% controlled subsidiary Helio Energias Renováveis (together the **Helio Group**) develops, installs and owns solar projects in the distributed generation commercial and industrial market up to 5 MW in Brazil, generating long term, stable and reliable revenue streams for its investors through the Helio Business Model (below).



Helio provides a single source solution, which streamlines and facilitates the adoption and use of solar energy systems, and reduces energy costs for customers while gaining certainty and predictability in their energy supply.

Helio manages every aspect of a project, from initial design, permitting, procurement, installation and financing, to monitoring, maintenance and long-term operation. This enables interested parties to reduce their electricity expense with zero up-front costs, while Helio receives a stable and reliable revenue stream that is independent of government subsidies.



INVESTMENT HIGHLIGHTS:

- * Helio has in place key members from the team that built and sold a US\$1B Brazilian wind energy company in 2012, demonstrating extensive expertise in delivering attractive and sustainable returns in a new renewable energy market.
- * Helio has momentum, the team, and local knowledge to capitalise on highly positive sector fundamentals and build a best in class Brazilian end-to-end solar operator.
- * Brazil has favourable and compelling energy demand fundamentals, positive pricing, climatic suitability and renewable acceptance.
- * Excellent governmental support for renewables with positive distributed solar focused legislation granting favourable terms to solar owners, including flexible net metering benefits that are assured for the life of projects constructed through 2019.
- * Helio is responsible for all aspects of the solar system, and to train its installers to ensure system installations meet or exceed international standards.
- * Helio offers a turn-key solution ensuring ease of adoption and efficiency.
- * Helio has 166 MW in prospective projects with a strong pipeline of projects with more than 50 customers signing proposals with Helio.


HELIO'S EXPERIENCED EXECUTIVE TEAM*** Dale A. Vander Woude** *Founder and Chief Executive Officer*

Mr Vander Woude is a Founder of Helio Energia and has more than two decades of experience in a combination of banking and executive positions. Most recently, Dale was the Executive Vice President of Capital Markets, M&A, and Corporate Strategy reporting directly to the CEO for OneRoof Energy (TSXV:ON). At OneRoof Mr Vander Woude led several key financings, including its listing on the Toronto Stock Exchange and more than US\$300M in corporate equity and asset level funding. Prior to joining OneRoof Energy, Mr Vander Woude was a director in capital markets origination for Citigroup, where he led an investment group of three US institutions to invest, develop, and construct 210MW of wind farms in Brazil. During this time, Mr Vander Woude served as Chairman of the Board of Directors and hired a management team that ultimately built and exited SIIF Energias do Brasil, then the largest wind development company in Latin America. At Citigroup Mr Vander Woude advised upon and directed structured investments in renewable energy companies and projects, including a residential solar fund and a US\$100M senior subordinated loan with a large US wind farm development company, as well as a range of other asset classes.

*** David M. Mitchell** *Founder and Chief Financial Officer*

Mr Mitchell is a Founder of Helio Energia and has more than two decades of experience in a combination of capital markets, renewable energy and the M&A arena, in addition to building, integrating and leading the financial operations for public and private companies. From a capital markets perspective, Mr Mitchell has completed transactions totalling approximately US\$7.0B. In June 2010, as CFO of SIIF Energias do Brasil, at the time the largest wind energy company in Latin America, Mr Mitchell directed the recapitalisation of the company in an award-winning R\$400M subordinated loan and in December, 2011, Mr Mitchell directed the sale of the company in a R\$1.5B transaction to a major Brazilian utility.



 **Tamara Barreto Cidade** *Founder, Chief Operating Officer, and General Counsel*

Ms Cidade is a Founder of Helio Energia and has more than 14 years of international law practice in corporate settings and is a New York State and Brazilian licensed attorney. She served as General Counsel for SIIF Energies do Brasil for four years, where she oversaw all legal aspects relating to development and operations of the largest wind farm developer in Brazil, with an enterprise value of more than US\$1B. During her tenure as general counsel, she was responsible for legal oversight of a number of transformative transactions, including a R\$400M recapitalisation loan for the company. She also was General Counsel at Oak Creek Energy Systems, Inc., a developer of utility scale wind energy projects in US and Mexico, based in Escondido, California.



Appendix 2

INDICATIVE TIMETABLES

The indicative timetables for the Entitlement Issue and Acquisition are outlined below:

1. Entitlement Issue Indicative Timetable

Event	Date
Announcement of Acquisition and Entitlement Issue	10 February 2016
Appendix 3B and Prospectus lodged with ASX	17 February 2016
Company sends letter to shareholders notifying them of Entitlement Issue	19 February 2016
"Ex" date for Entitlement Issue	22 February 2016
Record Date to determine entitlements under the Entitlement Issue	22 February 2016
Opening Date of Entitlement Issue	24 February 2016
Despatch of Prospectus and Entitlement and Acceptance Form	24 February 2016
Shares quoted on a deferred settlement basis	24 February 2016
Closing Date of Entitlement Issue	2 March 2016
ASX notified of undersubscriptions under the Entitlement Issue	2 March 2016
Issue Date for New Shares and deferred settlement ends	11 March 2016
Trading of New Shares expected to commence	11 March 2016
Despatch of holding statements for New Shares	14 March 2016

2. Acquisition indicative timetable*

Event	Date
Announce Transaction	10 February 2016
Despatch Notice of Meeting and Explanatory Memorandum	16 March 2016
Shareholders Meeting	19 April 2016
Suspension from Trading	20 April 2016
Lodgement of Prospectus	22 April 2016
Closing Date of Prospectus Offer	18 May 2016
Completion of Acquisition and Issue NIO Shares under Prospectus	25 May 2016
Re-compliance and Re-quotations of NIO Shares on ASX	13 June 2016

*The Company notes that the timetable above is indicative only and is subject to change.



INDICATIVE CAPITAL STRUCTURE:

The indicative effect of the Acquisition, Entitlement Issue, and proposed Consolidation on the capital structure of NIO is as follows:

	Issued ordinary shares No.
Nickelore 30 June 2015 – audited	219,808,386
- Issued as part 2:5 Entitlement Issue at \$0.006	87,923,354
- Less effect of the proposed Consolidation at 1:5	(246,185,392)
Share on issue at settlement	61,546,348
- Issued as part of the Acquisition	769,329,350
	830,875,698

PRO-FORMA BALANCE SHEET

	Notes	Actual		Pro-forma Group (Unaudited) Merged Helio / NIO \$
		30 June 2015 (Unaudited) Helio \$	30 June 2015 (Audited) NIO \$	
Current assets				
Cash and cash equivalents	(1)(h)	4,076,672	254,737	4,804,829
Trade and other receivables		24,585	8,535	33,120
Financial assets		-	17,037	17,037
Other current assets		-	6,048	6,048
Total current assets		4,101,257	286,357	4,861,034
Non-current assets				
Property, plant and equipment		232,037	-	232,037
Intangible assets		527	-	527
Deferred tax assets		149,008	-	149,008
Total non-current assets		381,572	-	381,572
Total assets		4,482,829	286,357	5,242,606
Current liabilities				
Trade and other payables		381,808	88,266	383,874
Borrowings	(1)(h)	1,296,850	-	-
Total current liabilities		1,678,658	88,266	383,874
Non-current liabilities				
Trade and other payables		20,588	-	20,588
Advances for future capital increase		3,783,611	-	-
Total non-current liabilities		3,804,199	-	20,588
Total liabilities		5,482,857	88,266	404,462
Net assets		(1,000,028)	198,091	4,838,144



	Notes	Actual		Pro-forma Group (Unaudited) Merged Helio / NIO \$
		30 June 2015 (Unaudited) Helio \$	30 June 2015 (Audited) NIO \$	
Equity				
Issued capital	(5)	492,738	24,114,217	7,505,789
Reserves	(1)(b)	15,601	-	15,601
Accumulated losses	(1)(b)	(1,508,367)	(23,916,126)	(1,508,367)
Less: Corporate transaction accounting expense	(3)	-	-	(1,174,879)
Total equity		(1,000,028)	198,091	4,838,144

(1) **Pro-forma Adjustments**

(a) **Acquisition of Helio**

The acquisition of Helio by the issue to the Shareholders (or their nominees) of Helio, 769,329,350 NIO Shares (on a post-consolidation basis) in accordance with the following formula:

$$\text{Consideration Shares} = \left(\frac{C}{\left(1 - \frac{B}{(A+B)}\right)} \right) - C$$

Where:

A = US\$1,200,000.

B = US\$15,000,000 plus the value of any equity raised to the period from the signing of the non-binding Term Sheet between Helio and Nickelore, together with any equity raised by Helio from the conversion of convertible notes prior to settlement and any cash proceeds from the exercise of any outstanding warrants issued by Helio.

C = 61,546,348

Note: The ultimate quantum of consideration shares to be issued is dependent upon variable **B** in the consideration formula in respect to the amount of any equity raised by either NIO or Helio.

- (b) **Consolidation of share capital** – Subject to the completion of the Entitlement Issue and shareholder approval, NIO will (subject to regulatory requirements) undertake a proposed consolidation of the Company's issued shares at a predefined conversion ratio of five existing shares to one consolidated share after the Entitlement Issue.
- (c) For accounting purposes, the acquirer has been identified as Helio and the business combination referred to as a reverse acquisition. Accordingly, the pro-forma Group incorporates the assets and liabilities of NIO and of Helio as if the Group was headed by Helio. At acquisition date the assets and liabilities of Helio (being the acquirer for accounting purposes) are recorded at their book value and the assets and liabilities of NIO (being the acquiree for accounting purposes) are recorded at fair value. Furthermore, for pro-forma purposes, the 133,333,333 Performance Shares in NIO have been treated as issued capital for the purpose of determining the notional purchase price of NIO.

Components of equity (other than issued capital), including retained earnings and other reserves, reflect the balances of the accounting acquirer, Helio.

For the purposes of the pro forma, balances relating to non-controlling interest have been applied to the value of accumulated losses.

- (d) The Directors estimate that costs for the Entitlement Issue will be \$54,120 and this estimated cost has been deducted from the Entitlement Issue of \$527,540 (see also (5)(e)).
- (e) Helio's balance sheet was presented in US dollars. For the purpose of the pro forma, these balances have been converted at a rate of A\$1.3001:US\$1.0000
- (f) **Costs associated with the acquisition of Helio** – For pro-forma purposes the costs of acquisition for due diligence, preparation of the explanatory memorandum, etc. are assumed to have been incurred and expensed in the pro forma Group balance sheets.



- (g) No pro forma adjustment has been made for any capital raised as a result of the exercise of any options.
- (h) Included in Helio's balance sheet were \$1,296,850 classified as Borrowings and \$3,783,611 classified as Advances for Future Capital Increases. These balances were converted into equity of the Company in July, 2015 and therefore are reclassified to Issued Capital.

(2) Cash and cash equivalents

		\$
Cash and cash equivalents at 30 June 2015 – Actual		4,331,409
<i>Pro-forma adjustments</i>		
- Net proceeds from 2:5 Entitlement Issue of 87,923,354 shares at \$0.006	(5)(e)	473,420
		<u>4,804,829</u>

(3) Trade and other payables

	Notes	\$
Trade and other payables 30 June 2015 – Actual		470,074
<i>Pro-forma adjustments</i>		
- Settle through share issue in accordance with the 2015 Annual General Meeting	(5)(b)	(86,200)
		<u>383,874</u>

(4) Corporate transaction accounting expense

Corporate transaction accounting expense represents the excess of consideration over the fair value of NIO's net assets as follows:

	Notes	\$
<i>Pro-forma adjustment: Reverse Acquisition of Nickelore</i>		
Market value of NIO shares immediately prior to the reverse acquisition at a deemed 3 cents per share	(5)(f)	1,846,390
Less: Fair value of NIO net assets (including cash raised through note (5)(e))	(5)(f)	(671,511)
Corporate transaction accounting expense	(5)(f)	<u>1,174,879</u>

(5) Issued Capital

The movement in issued capital as reflected in the pro forma balance sheets at 30 June 2015 is shown below:

	Notes	Issued ordinary shares No.	Merged Helio / NIO \$
Nickelore 30 June 2015 – Actual	(a)	209,033,386	24,114,217
<i>Merged NIO / Helio Issued Capital</i>			
Opening: Helio 30 June 2015 – Actual	(1)(h)	3,790	492,738
- Conversion of Borrowings and Advances for Future Capital Increases		2,948	5,080,461
- Elimination of existing shares of Helio (number)	(c)	(6,738)	-
- Existing shares of NIO	(a)	209,033,386	24,114,217
- Issued in accordance with the 2015 Annual General Meeting	(b)	10,775,000	86,200
- Issued as part 2:5 Entitlement Issue at \$0.006	(e)	87,923,354	473,420
- Less effect of the proposed Consolidation at 1:5	(1)(b)	(246,185,392)	-
- Issued as part of reverse acquisition	(c),(f)	769,329,350	23,079,881
- Elimination of existing shares of NIO (value)	(g)	-	(45,821,128)
- Transaction Costs	(h)	-	-
		<u>830,875,698</u>	<u>7,505,789</u>



- (a) **NIO Issued Capital** – As at 30 June 2015, NIO had on issue 209,033,389 fully paid ordinary shares
- (b) **NIO 2015 AGM Share Issue** – On 23 November 2015, in accordance with the results of NIO's 2015 AGM, NIO issued 10,775,000 shares in lieu of payment of director and Consultancy fees in the amounting to \$86,200. The effect of this was an increase to share capital and net asset of \$86,200 and a reduction in liabilities of \$86,200.
- (c) **Reverse Acquisition – Helio** – The number of shares on issue is adjusted to reflect only the listed entity's (NIO) issued capital.
- (d) **Helio** – NIO is to acquire Helio in exchange for the issue of 769,329,350 ordinary shares. The acquisition has been accounted for as a reverse acquisition in accordance with AASB 3 *Business Combinations*. For the purposes of the Pro Forma, a value of 3 cents has been used as the value per security issued, based upon a deemed post-Consolidation share value and is in accordance with the formula described in (h).
- (e) **Entitlement Issue** – a pre-Consolidation 2 for 5 non-renounceable Entitlement Issue of Shares at an issue price of \$0.006, to raise approximately \$527,540.
- (f) **Reverse Acquisition – NIO** – The pro-forma adjustment reflects the deemed issue of shares to acquire NIO. Performance shares have been issued at a value of 3 cents for the purposes of this pro forma. Both Consideration Shares and Performance Shares have been issued on a post-Consolidation basis.

The fair value, as determined by the Board, of NIO's net assets at 30 June 2015, per the audited balance sheet was \$198,091 plus the net cash raised in note (1)(h) of \$527,540, being \$725,631. The fair value of the deemed consideration was assessed at \$1,846,390, being the sum of the issued capital at 30 June 2015 plus (e) above at 3 cents. The difference between the deemed purchase price \$1,846,390 and fair value of net assets acquired represents a corporate transaction accounting expense of \$1,174,879.

- (g) **Reverse Acquisition – Helio** – As part of the reverse acquisition the issued capital includes the following adjustments (in value only):

	Notes	\$
Elimination of existing capital in NIO	(a)	(24,114,217)
Elimination of net 2:5 Pro Rata issue of 87,923,354 (treated as pre-acquisition equity)	(e)	(473,420)
Elimination of acquisition value of Helio	(c)	(23,079,881)
Add deemed reverse acquisition value of NIO	(f)	1,846,390
		<u>(45,821,128)</u>

- (h) **Transaction costs** – The Directors estimate that costs for the Entitlement Issue will be \$54,120 and this estimated cost has been deducted from the capital raising of \$527,540. These however have been treated as pre-acquisition costs for the purposed of the pro forma, and form part of the adjustment in (g) above.



Company Presentation



Delivering end-to-end solar energy solutions to the rapidly emerging Brazilian commercial and industrial market.



Who is Helio?

Helio is a full-service, end-to-end provider of roof top solar energy systems for commercial and industrial energy customers in Brazil

Helio provides customers with a single-source, reliable, and predictable energy offering

Helio manages every aspect of the solar energy project, with customers paying no upfront costs. Customers receive ongoing energy savings.

Helio receives a stable and reliable revenue stream that is independent of government subsidies, creating utility like revenue stability and diversification



Helio's third client

Why invest in Helio?

Strong Market Fundamentals

Brazil energy demand increasing

Positive pricing

Leading source of electricity, hydropower, constrained by drought and limited areas for new projects

Long lead times for conventional energy

Among the highest sun hours in the world

Established Revenue Pipeline

Contracts: 6 projects, 2.9MW

Signed proposals: 46 projects, 26MW

Proposals: 327 projects, 166MW

Initial project completed, generating revenue

Early Mover Advantage

One of the few businesses of its kind currently operating in Brazil

23% market share

Solar demand in Brazil in its infancy and forecast to grow at 45% annually

Clear and distinct offering – a turnkey solar solution

Proven Management Team

Same management team that built and sold a US\$1B Brazilian wind company

Also a track record in building and growing companies in the renewable energy sector in the US and Mexico

Disruptive Business Model

Market disruptive 'zero down' business model

Replicates model successfully applied in the United States and elsewhere internationally

Capital, construction, and operating cost savings to customers

Falling capital costs per MW



**Strong
market
fundamentals**

Energy in Brazil – growing demand, supply constraints, solar opportunity

Brazil's energy forecasting arm, *Empresa de Pesquisa Energetica*, estimates demand to grow by 4.6% p.a. over the next 10 years

Brazil's Ministry of Mines and Energy has predicted Brazil's installed solar capacity will rise to 78GW by 2050

Strong fundamentals for solar energy, with supply constraints and growing demand resulting in high retail prices

Supply of hydroelectricity, which historically provides up to 80% of Brazil's energy, has recently been in the mid 60% due to the impact of drought

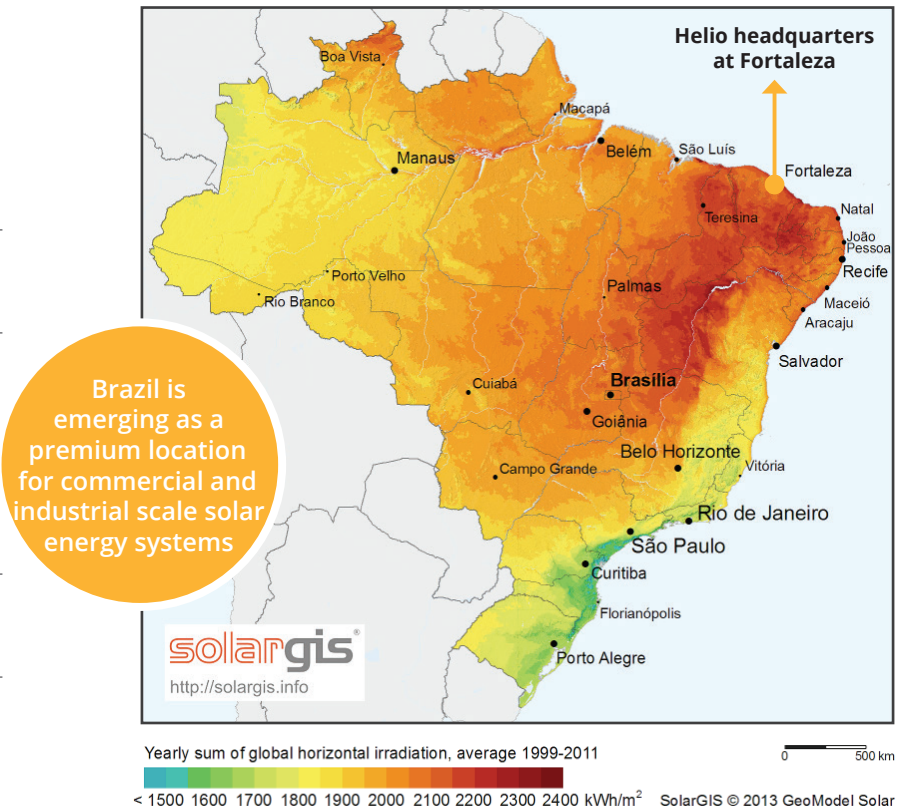
There are long lead times for the construction of conventional energy sources

Brazil's energy regulator ANEEL predicts there will be 700,000 micro and mini generation installations by 2022

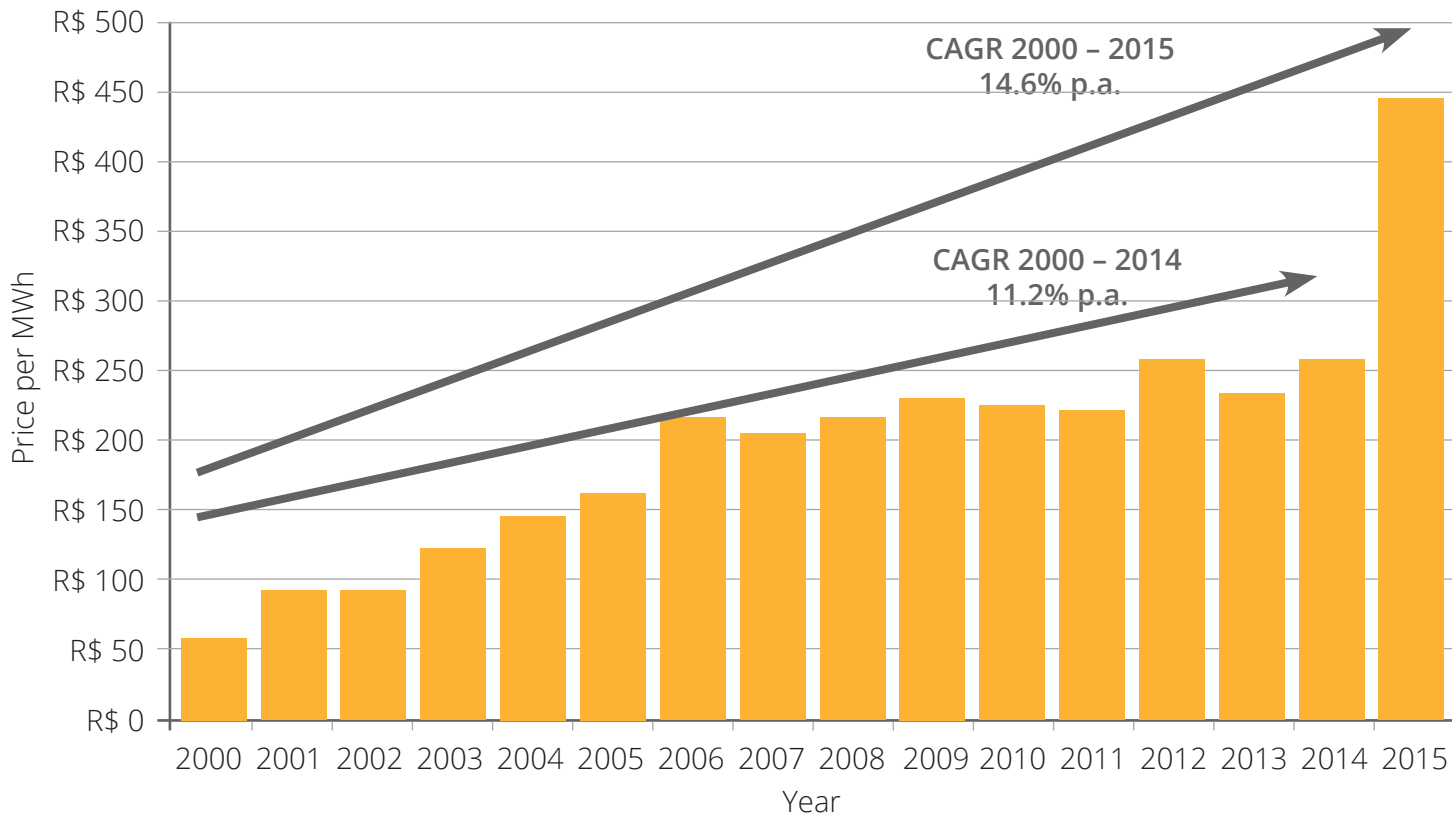
Brazil has a supportive government and regulatory framework for the implementation of solar schemes, including world leading net metering rules

Sources: EPE, ANEEL, MME, International Hydropower Association

Irradiation – Brazil



Track record of positive energy price growth



Source: www.coelce.com.br A4 Market, Ceara

Future total energy demand forecast to grow steadily

Future growth in energy demand to be consistent with historic annual CAGR

2010-2015: 4.6%

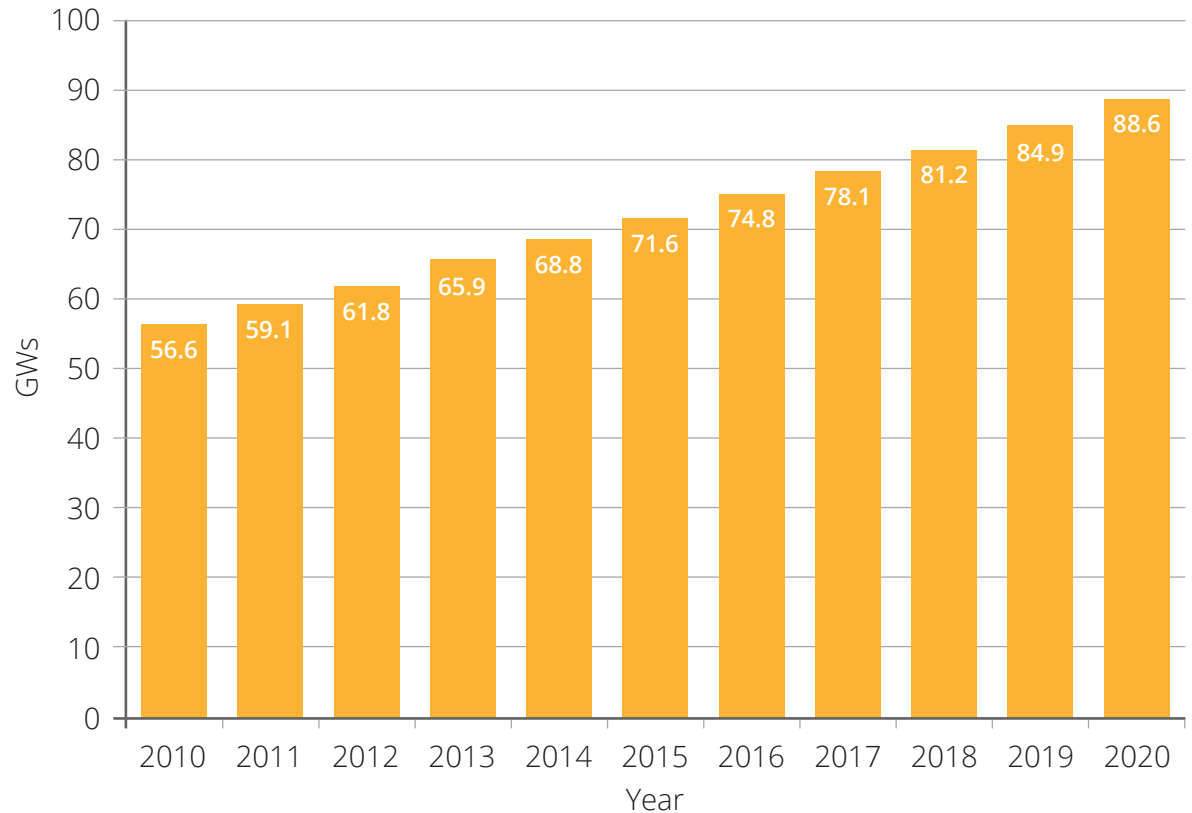
2015-2020: 3.4%

2010-2020: 3.8%

Growth in long-term energy demand to be driven by:

Emerging middle class

Per capita consumption is 50% of European consumption and 75% of American consumption



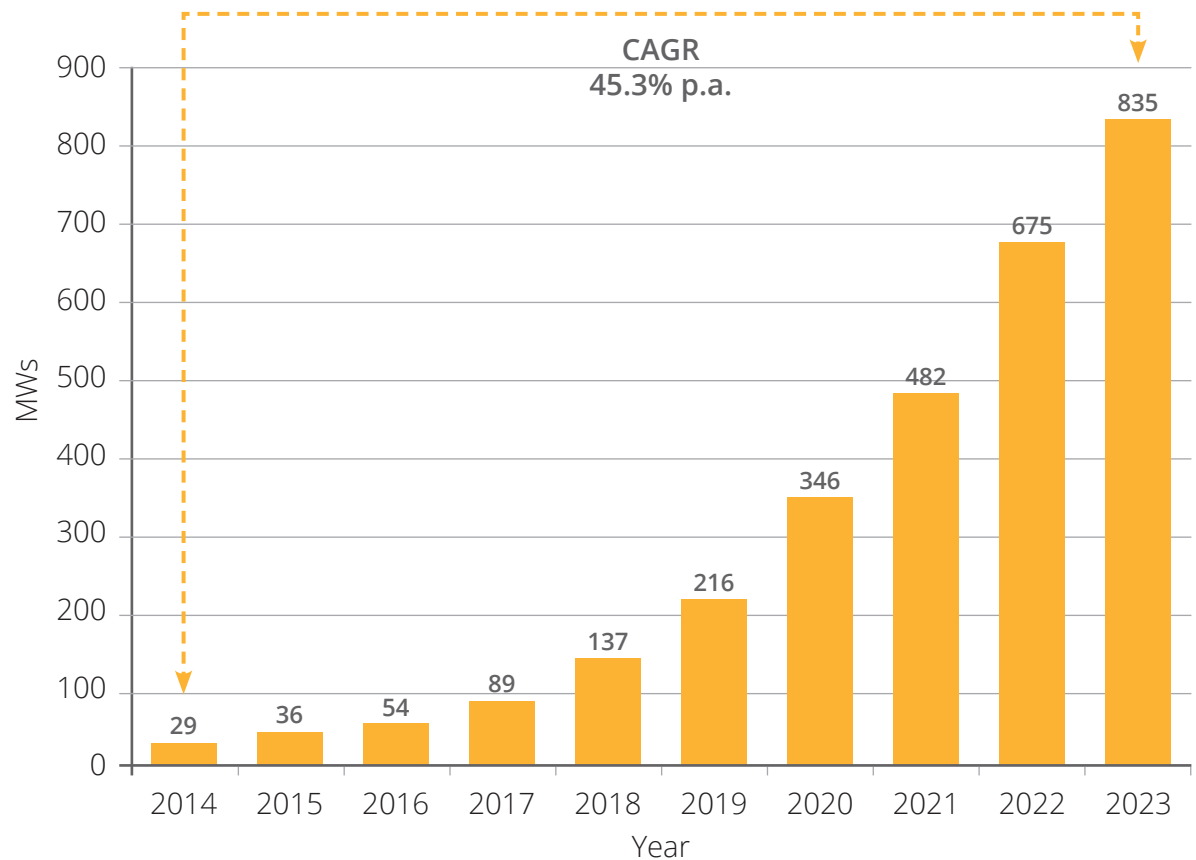


**Early
mover
advantage**

Solar expected to grow significantly to meet energy demand in Brazil

Brazil solar demand to emerge from infancy

Helio positioned to capture rapid growth market



Source: EPE DEA 19/2014

Distinct strategy and turnkey solar solution to capture this growth

Exploit early mover advantage within Brazil's expansion into solar energy to meet future demand, to increase efficiencies and to reduce costs for customers

Strategy is to build upon Showcase Project already operational with "under construction" pipeline of 2.5MW by Q1 2016, fully demonstrating proof of concept and market acceptance

Execute and build on growing pipeline of projects, focusing sales efforts where sun hours and retail prices are the highest

The best in class supplier of solar solutions to commercial and industrial (C&I) energy customers in Brazil



Helio's inverters supplied by Fronius

An aerial photograph of a large-scale solar farm. The image shows numerous rows of dark blue photovoltaic solar panels mounted on a metal tracking system. The panels are arranged in a grid pattern, extending towards the horizon. In the background, there is a green landscape with trees and a few buildings, suggesting a rural or semi-rural setting. The sky is clear and bright.

Disruptive business model

Helio's 1MW project for furniture manufacturer

Facilitates the rapid adoption of solar energy systems

The Helio Solar Energy Solution

Provides a single source customer energy solution

Streamlines and facilitates the adoption and use of solar energy systems

Reduces energy costs for customers

Provides certainty and predictability in customers' energy supply

Solar rental agreement – initial 20 year term

No up-front costs to customers

Discount rate to customer's retail energy cost

Maintain a life of contract discount to grid pricing

Flexibility through buyout, relocation and renewal options

A targeted turnkey solution for customers

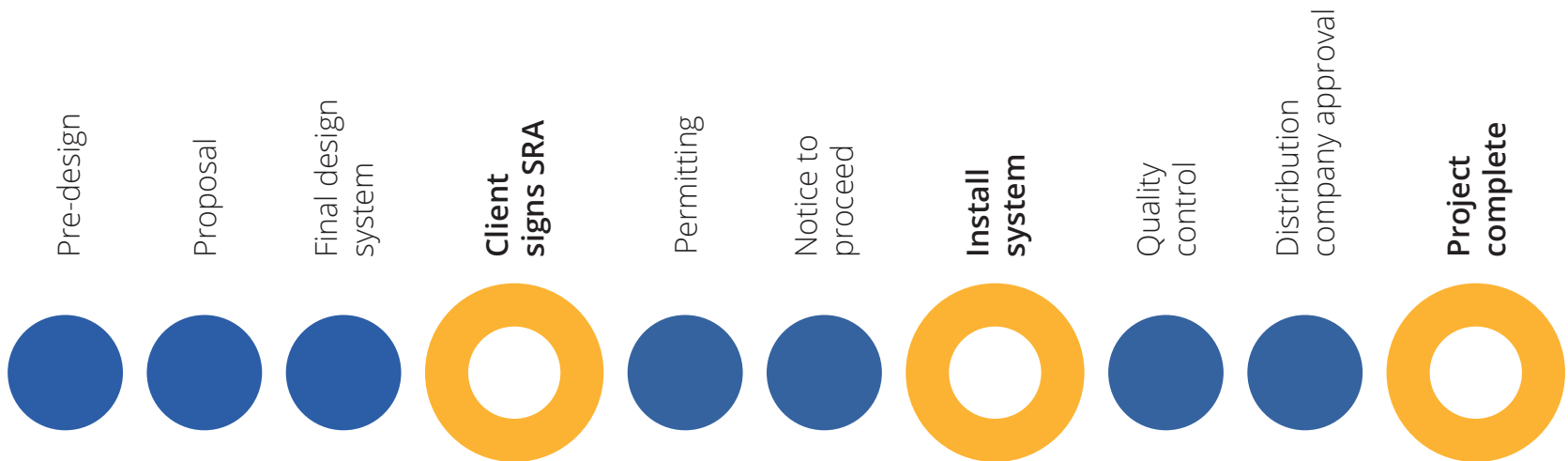
Helio manages every aspect of the project

Initial design, permitting, procurement, installation and financing, to monitoring, maintenance and long-term operation

Enables customers to reduce their electricity expense with zero up-front costs

Customers pay monthly - Helio for the solar system, and power distribution company for any net grid power

Helio receives stable and reliable revenue streams independent of government subsidies



Proven business model

United States market example

Significant rate of growth achieved in US solar panel installations since 2006

Compound annual growth of approximately 72% following the introduction of the zero down, long term financing model to US customers

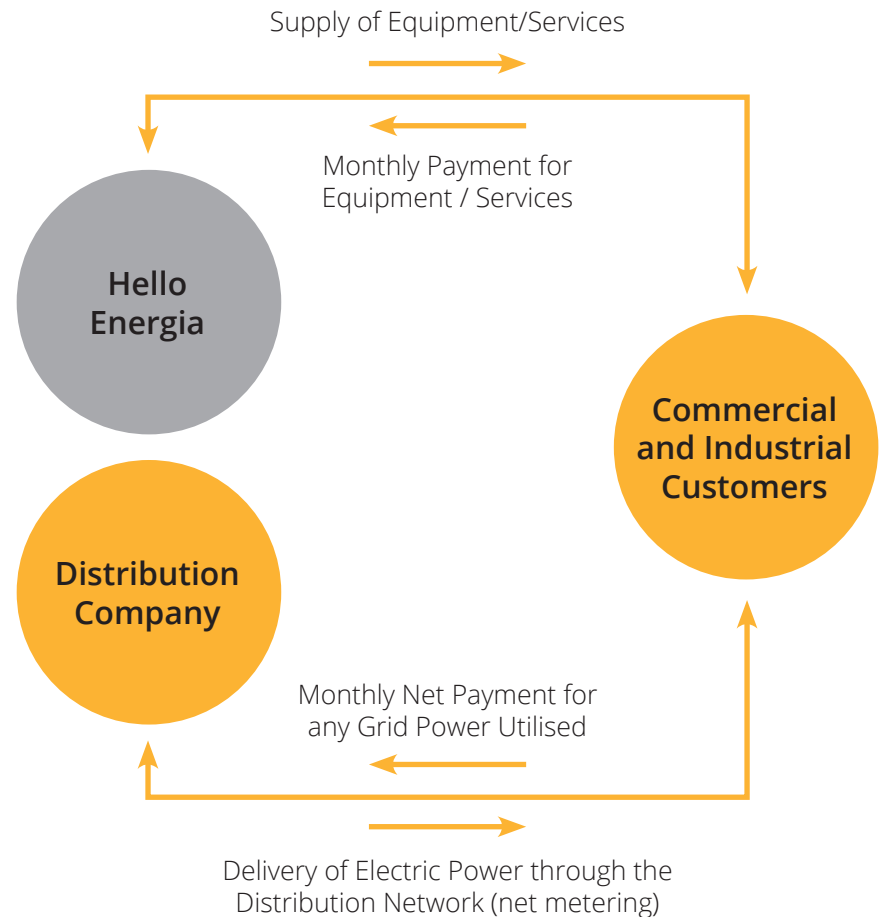
As at Q2 2015, solar represented 40% of new generating capacity in the U.S. in 2015

PV installations is expected to reach 7.7GW in 2015, up 24% over 2014.

The U.S. cumulative installations has now exceeded 20GWs through Q2 2015

Expected to add an additional 18GW of capacity by the end of 2016

Cost of solar systems have declined by 78% in the last 5 years



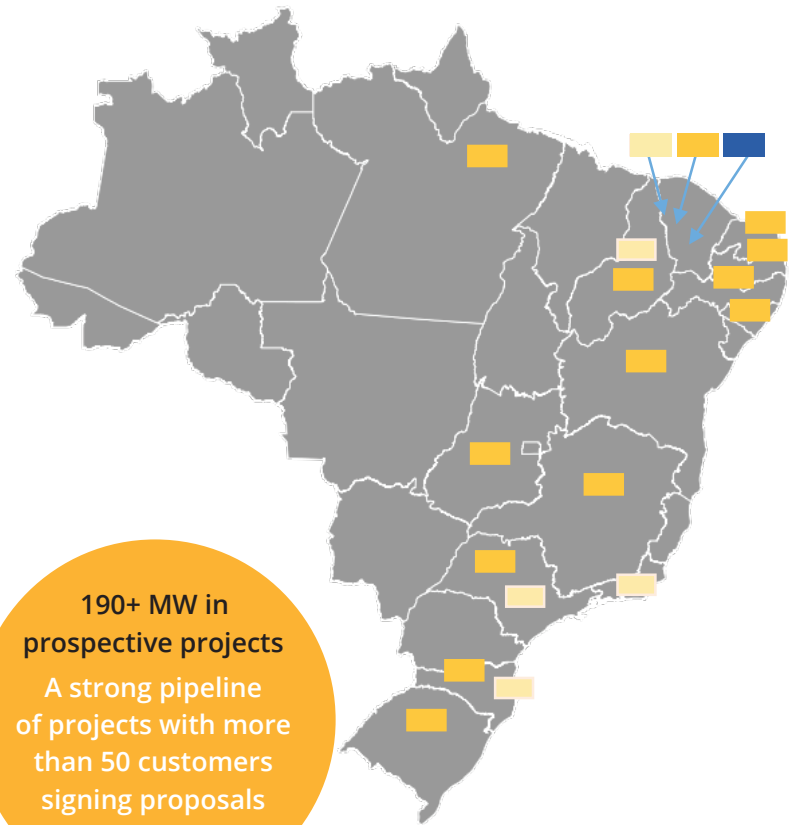


**Established
revenue
pipeline**

Helio's 580MW chicken processing customer

Project Pipeline as of January 2016

State	Proposal Stage (MW)	Signed Proposal Stage (MW)	Signed Contract Stage (MW)	Total
Ceara (CE)	77.486	16.856	2.907	97.249
Bahia (BA)	30.130			30.130
Rio Grande do Norte (RN)	14.780			14.780
Sao Paulo (SP)	9.240	5.516		14.756
Pernambuco (PE)	13.580			13.580
Piaui (PI)	5.095	579		5.674
Para (PA)	4.653			4.653
Rio de Janeiro (RJ)	1.004	1.999		3.003
Mato Grosso do Sul (MS)	2.530			2.530
Rio Grande do Sul (RS)	2.400			2.400
Algoas (AL)	2.320			2.320
Santa Catarina (SC)	0.523	0.707		1.230
Goiias (GO)	1.000			1.000
Minas Gerais (MG)	0.890			0.890
Paraiba (PB)	0.380			0.380
Gross	166.011	25.657	2.907	194.575
Weighted	41.097	16.344	2.907	6.349
Projects	327	46	6	379



Significant and diverse client base

Client 1: Drug Store Chain

US\$1.2B revenue business, with 800+ stores nationwide

Distribution centre project is operational (150kW) and expanding (to 200kW)

Further 1.3MW distribution centre project awarded and 3.5MWs awarded for 150 stores and head office

Client 4: Juice/Fruit Processor

US\$30M revenue business

780kW project under construction – to be operational in June 2016

Expansion by 650kW under negotiation – expected to be operational in Mid 2016

Client 2: Meat Processor

US\$100M revenue business

580MW project under construction – to be operational in Feb 2016

Further 1.5MW project is under consideration – expected to be operational in Mid 2016

Client 5: Logistics/Properties

US\$9B revenue business (worldwide)

Finalist in competitive bid

6.1MWs under consideration

Client 3: Furniture Manufacturer

Largest furniture manufacturers in Brazils North East

1MW project under construction – to be operational in Feb 2016

Expansion to 200kW to be operational Mid 2016

Other Clients

Supermarket chains

Shopping Malls

Plastics manufacturing

Textiles

166MWs Identified



**Experienced
management
team**

Grand Opening of first project

Financing, building & delivering value in the renewable energy sector

Dale A. Vander Woude

Founder | Chief Executive Officer

More than 25 years experience in capital markets, M&A and corporate strategy in the renewable energy space

Led several key financings for OneRoof Energy (TSXV:ON), including its listing on the Toronto Stock Exchange and more than US\$200M in asset level funding

Led US institutional clients to invest, develop, and construct 210MW of wind farms in Brazil as a Director in capital markets origination for Citigroup

Served as Chairman of the Board of Directors and hired a management team that ultimately created and exited SIIF Energias do Brasil, then the largest wind development company in Latin America

Advised upon and directed structured investments in the renewable energy sector and other asset classes, including a residential solar fund and a US\$100M senior subordinated loan with a large US wind farm development company

David M. Mitchell

Founder | Chief Financial Officer

More than 25 years experience in capital markets, M&A and renewable energy, and completed transactions totalling approximately US\$7.0B

Directed the recapitalisation of SIIF Energias do Brasil in 2010 as CFO, at the time the largest wind energy company in Latin America through an award-winning R\$400M subordinated loan

Directed the sale of the company in 2010 in a R\$1.5B (~US\$1B) transaction to a major Brazilian utility

Involved in integrating and leading the financial operations for public and private companies

Tamara Barreto Cidade

Founder | Chief Operating Officer and General Counsel

More than 14 years experience of international corporate legal experience in the renewable energy space

New York and Brazilian licensed attorney

Oversaw all legal aspects relating to development and operations of SIIF Energias do Brasil, the largest wind farm developer in Brazil, with an enterprise value of more than US\$1B

Legal oversight of a number of transformative transactions for SIIF Energias do Brasil, including a R\$400M recapitalisation loan

Previous General Counsel at Oak Creek Energy Systems, Inc., a developer of utility scale wind energy projects, based in Escondido, California, who closed 158MW Tres Mesas in Mexico with Goldman Sachs and OPIC

In addition to the above, Helio's next tier of management includes three key members of the former engineering, project management and finance teams from SIIF Energias do Brasil




Summary

Early stage entry to a rapidly growing market




Distinct offering

A turnkey solar solution ensuring maximum exposure to the entire solar value chain targeting the C&I market




A rapidly expanding market

Focus on Brazil which has a critical need for new energy sources



Early mover advantage

One of the few businesses of its kind currently operating in Brazil



Defined growth targets

Initial target to develop 50MW of capacity within 2 years from the conclusion of current fundraising and increasing portfolio to 359MW within 5 years

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