

23 March 2016

ASX Limited
Level 8 Exchange Plaza
2 The Esplanade
Perth WA 6000

Dear Sir

Re: Dispatch of Prospectus and Offer Documents

Greenpower Energy Limited ("the Company") advises that the Company has despatched the Prospectus and Entitlement and Acceptance Form to Eligible Shareholders (as defined in the Prospectus) in accordance with the timetable for the renounceable entitlement offer announced on 26 February 2016.

Attached to this announcement is a copy of the Prospectus dated 14 March 2016.

For the Eligible Shareholders who wish to participate in the renounceable entitlement offer the Entitlement and Acceptance Form must be lodged prior to 5.00pm WST on 5 April 2016.

We note that the rights cease trading on the ASX at the close of trading on 29 March 2016.

Yours Faithfully



Matthew Suttling
Company Secretary

GREENPOWER ENERGY LIMITED
ACN 000 002 111

ENTITLEMENT ISSUE PROSPECTUS

For a fully underwritten renounceable entitlement issue of two (2) Shares for every one (1) Share held by those Shareholders registered at the Record Date at an issue price of \$0.003 per Share to raise up to \$637,800 (based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

The Offer is fully underwritten by Patersons Securities Limited (**Underwriter**). Refer to Section 9.3 for details regarding the terms of the Underwriting Agreement.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Alan Flavelle
Executive Chairman

Gerard King
Executive Director

Edwin Bulseco
Non-Executive Director

Company Secretary

Matthew Suttling

Registered Office

Level 1
46 Ord Street
West Perth WA 6005

Telephone: + 61 2 9999 1515
Facsimile: +61 2 9999 1518
Email: admin@greenpowerenergy.com.au
Website: www.greenpowerenergy.com.au

ASX Code

GPP

Share Registry*

Computershare Investor Services
Pty Limited
Yarra Falls
452 Johnston Street,
Abbotsford VIC 3067

Telephone: 1300 850 505
Facsimile: +61 3 9473 2500

Auditor*

William Buck Audit (WA) Pty Ltd
Level 3
15 Labouchere Road
South Perth WA 6151

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Underwriter and Lead Manager

Patersons Securities Limited
Level 23, Exchange Tower
2 The Esplanade
Perth WA 6000

*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

2. TIMETABLE

Event	Date
Lodgement of Prospectus with the ASIC	14 March 2016
Lodgement of Prospectus & Appendix 3B with ASX	14 March 2016
Notice sent to Optionholders	14 March 2016
Notice sent to Shareholders	16 March 2016
Ex date	17 March 2016
Rights start trading	17 March 2016
Record Date for determining Entitlements	18 March 2016
Prospectus sent out to Shareholders & Company announces this has been completed	23 March 2016
Rights stop trading	5:00pm (WST) 29 March 2016
Shares quoted on a deferred settlement basis	30 March 2016
Last day to extend the Closing Date*	31 March 2016
Closing Date*	5:00pm (WST) 5 April 2016
ASX notified of under subscriptions	8 April 2016
Issue date/Shares entered into Shareholders' security holdings	12 April 2016
Quotation of Shares issued under the Offer*	13 April 2016

*The Directors may extend the Closing Date by giving at least 3 Business Days notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

3. CHAIRMAN'S LETTER

Dear Shareholder

On 26 February 2016, the Company announced its intention to conduct a fully underwritten, renounceable rights issue of two (2) new Shares for every one (1) Share held by Eligible Shareholders at the record date at an issue price of \$0.003 per Share to raise approximately \$637,800 before costs.

On behalf of Greenpower Energy Limited, I am pleased to invite you to participate in the Offer.

The Offer is fully underwritten by Patersons Securities Limited.

This Prospectus contains important information about the Offer, including:

- (a) details of the Offer, including key dates;
- (b) actions required by Shareholders; and
- (c) risk factors associated with the Offer.

A personalised Entitlement and Acceptance Form which details your Entitlement is to be completed in accordance with the instructions provided.

You should read this Prospectus carefully and in its entirety before deciding whether or not to participate in the Offer. In particular, you should consider the key risk factors included in Section 7.

Shareholders who have any queries about the Offer should contact the Company at any time from 8:30am to 5:00pm (Sydney time) during the Offer period.

The Entitlements under the Offer are renounceable which means that all or part of an Eligible Shareholder's rights to subscribe for Shares under the Offer may be traded on ASX. Shareholders who do not take up all or any part of their Entitlements and do not sell their Entitlements will not receive any payment or value in respect of those Entitlements and their equity interest in the Company will be diluted.

In conjunction with the Offer, the Company announced on 26 February 2016 that it had completed a placement of new Shares to sophisticated investors raising approximately \$41,502 (before costs) through the issue of 13,834,213 Shares at an issue price of \$0.003 per Share, utilising the Company's existing placement capacity under ASX Listing Rule 7.1 (**Placement**).

The Company also announced that it will raise \$450,000 pursuant to Converting Loan Agreements, which, subject to Shareholder approval (which is being sought at an upcoming General Meeting to be held in April 2016) will convert into Shares at a deemed issue price of \$0.003 per Share.

Subject to Shareholder approval, the Company has also agreed to convert outstanding debt of \$420,000, which is owed to Pandora Nominees Pty Ltd, a company controlled by Mr Gerard King, a Director, into Shares at a deemed issue price of \$0.003 per Share.

On behalf of the Board, I invite you to consider this investment opportunity and thank you for your ongoing support of our Company.

Yours faithfully

Alan Flavelle
Executive Chairman

4. IMPORTANT NOTES

This Prospectus is dated 14 March 2016 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered highly speculative.

Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

4.1 Risk factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

4.2 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements

contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have 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, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7 of this Prospectus.

5. DETAILS OF THE OFFER

5.1 The Offer

The Offer is being made as a renounceable entitlement issue of two (2) Shares for every one (1) Share held by Shareholders registered at the Record Date at an issue price of \$0.003 per Share.

Based on the capital structure of the Company as at the date of this Prospectus and assuming all Entitlements are accepted, a maximum of 212,600,000 Shares will be issued pursuant to this Offer to raise up to \$637,800.

As at the date of this Prospectus the Company has 450,000 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to section 6.4 of this Prospectus for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 8 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offer and the intended use of funds raised are set out in section 6.1 of this Prospectus.

5.2 What Eligible Shareholders may do

The number of Shares to which Eligible Shareholders are entitled is shown on the accompanying personalised Entitlement and Acceptance Form. Eligible Shareholders may:

- (a) take up all of their Entitlement (refer to Section 5.3);
- (b) sell all of their Entitlement on ASX (refer to Section 5.4);
- (c) take up a proportion of their Entitlement and sell the balance on ASX (refer to Section 5.5);
- (d) take up a proportion of their Entitlement and allow the balance to lapse (refer to Section 5.6);
- (e) sell all or a proportion of their Entitlement other than on ASX (refer to Section 5.7); or
- (f) allow all or part of their Entitlement lapse (refer to Section 5.8).

5.3 Taking up all of your Entitlement

Should you wish to accept all of your Entitlement, then applications for Shares under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus or by completing a BPAY® payment, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque for the Application Monies indicated on the Entitlement and Acceptance Form.

If you wish to pay via BPAY®, payment may be made in accordance with Section 5.11.

5.4 Selling all your Entitlement on ASX

The Entitlements under the Offer are renounceable which means that all or part of an Eligible Shareholder's rights to subscribe for Shares under the Offer may be traded on ASX. If you wish to sell all of your Entitlement on ASX, provide instructions to your stockbroker regarding the Entitlement you wish to sell on ASX. Trading of Entitlements will commence on ASX on 17 March 2016 and will cease on 29 March 2016.

There is no guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on ASX or that any particular price will be paid for the Entitlements sold on ASX.

5.5 Taking up a proportion of your Entitlement and selling the balance on ASX

If you wish to take up only part of your Entitlement, complete the accompanying personalised Entitlement and Acceptance Form for the number of Shares you wish to take up and follow the steps in Section 5.3, or make a payment by BPAY® in accordance with Section 5.11.

Subsequently, provide instructions to your stockbroker regarding the proportion of your Entitlement you wish to sell on ASX and follow the steps in Section 5.4.

5.6 Taking up a proportion of your Entitlement and allowing the balance to lapse

If you wish to take up only part of your Entitlement and allow the balance to lapse, complete the accompanying personalised Entitlement and Acceptance Form for the number of Shares you wish to take up and follow the steps in Section 5.3, or make a payment by BPAY® in accordance with Section 5.11. If you take no further action, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from taking up or selling that part of your Entitlement.

5.7 Selling all or a proportion of your Entitlement other than on ASX

You may elect to transfer all or a proportion of your Entitlement to another person other than on ASX. If the purchaser of your Entitlement is an Ineligible Shareholder or a person that would be an Ineligible Shareholder if they were a registered holder of Shares, that purchaser will not be able to take up the Entitlement they have purchased.

If you are a Shareholder on the issuer sponsored subregister and you wish to transfer all or a proportion of your Entitlement to another person other than on ASX, forward a completed standard renunciation and transfer form (obtainable from the Share Registry) and the applicable transferee's cheque for the Shares they wish to subscribe for payable to "**Greenpower Energy Limited - Subscription Account**" and crossed "Not Negotiable" to the Share Registry (by delivery or by post at any time after the issue of this Prospectus and on or before the Closing Date) at the following address:

By Post	Computershare Investor Services Pty Limited
	GPO Box 505
	Melbourne VIC 3001

If you wish to transfer all or a proportion of your Entitlement to or from another person on the CHESS subregister you must engage your CHESS controlling participant (usually your stockbroker). If the transferee wants to exercise some or all of the Entitlement, you should follow your stockbroker's instructions as to the most appropriate way to take up the Entitlement on their behalf. The Application Monies for Shares the transferee of the Entitlement wants to acquire must be received by Share Registry in accordance with Section 5.3.

5.8 Allow all or part of your Entitlement to lapse

Shareholders should be aware that their Entitlement may have value. Entitlement are renounceable, which enable Eligible Shareholders who do not wish to take up part or all of their Entitlement to seek to sell or trade all or some of their Entitlement on ASX.

If you do not wish to accept or trade any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement or dispose of your Entitlement by the Closing Date, the Offer to you will lapse.

5.9 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application Monies by BPAY® will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety; and
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® payment instruction is given in relation to any Application Monies, the application may not be varied or withdrawn except as required by law.

5.10 Payment by cheque/bank draft

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "**Greenpower Energy Limited - Subscription Account**" and lodged and received at any time after the issue of this Prospectus and on or before the Closing Date at the Company's Share Registry (by delivery or by post) at:

By Post Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5:00 pm (WST) on the Closing Date.

If you wish to pay via BPAY®, payment may be made in accordance with Section 5.11.

5.11 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form and the representations outlined in Section 5.9; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application Monies.

Make sure that you use the specific Biller Code and unique Customer Reference Number (CRN) on your personalised Entitlement and Acceptance Form. If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those shareholdings only use the CRN specific to that shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same CRN for more than one of your shareholdings. This can result in your Application Monies being applied to your Entitlement in respect of only one of your shareholdings (with the result that any application in respect of your remaining shareholdings will not be valid).

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 4:00 pm (WST) on the Closing Date. You should be aware that your financial institution may implement either cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any Application Monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

5.12 Minimum subscription

There is no minimum subscription to the Offer.

5.13 Underwriting and sub-underwriting

In addition to acting as lead manager to the Offer, the Underwriter has agreed to fully underwrite the Offer. Refer to section 9.3 of this Prospectus for details of the terms of the underwriting.

The Underwriter has entered into a number of sub-underwriting agreements in respect of Underwritten Shares, including with the following entity associated with a Director:

Director	Sub-underwritten Shares	Sub-underwritten value	Current voting power	Voting power post Offer ²
PAC Partners Pty Ltd ¹	16,666,667	\$50,000	0.00%	5.23%

Notes:

1. PAC Partners Pty Ltd, an entity associated with Mr Edwin Bulesco, has entered into a sub-underwriting agreement with the Underwriter on the terms set out in Section 9.4. Pursuant to the terms of the sub-underwriting, the Underwriter shall pay each sub-underwriter 3.00% of the sub-underwriter's respective sub-underwritten value. Mr Edwin Bulesco is employed by PAC Partners Pty Ltd. PAC Partners Pty Ltd has indicated that of the sub-underwritten Shares, Mr Bulesco (or his nominee) will be allocated up to \$30,000 worth of Shares, being 10,000,000 Shares.
2. Assumes that:
 - (a) all Shares and Shortfall Shares are issued pursuant to the Offer; and

- (b) that PAC Partners Pty Ltd is obliged to subscribe for all of its respective sub-underwritten Shares pursuant to its sub-underwriting agreement. However, the obligation to subscribe for sub-underwritten Shares will reduce to the extent that Shareholders take up their Entitlements under the Offer.

5.14 Effect on control of the Company

The Underwriter is not presently a Shareholder of the Company and is not a related party of the Company for the purpose of the Corporations Act.

The Underwriter has agreed to use its best endeavours to allocate the Shortfall Shares to sub-underwriters such that neither the Underwriter nor any of its sub-underwriters will individually have a voting power in the Company in excess of 20%.

Notwithstanding that the Offer is fully sub-underwritten, the number of Shares that may be held by the Underwriter and its voting power under several scenarios are set out in the table below.

Event	Shares held by Underwriter	Voting power of Underwriter
Date of Prospectus	Nil	0.00%
Completion of Entitlement Issue:		
Fully subscribed	Nil	0.00%
75% subscribed	53,150,000	16.67%
50% subscribed	106,300,000	33.33%
25% subscribed	159,450,000	50.00%
0% subscribed	212,600,000	66.67%

The number of Shares held by the Underwriter and its voting power in the table above show the potential effect of the underwriting of the Offer. However, it is unlikely that no Shareholders will take up Entitlements under the Offer. The underwriting obligation and therefore voting power of the Underwriter will reduce by a corresponding amount for the amount of Entitlements taken up by Shareholders.

Further, the Underwriting Agreement gives the Underwriter the right to enter into sub-underwriting agreements to pass on some or all of its obligations to subscribe for the Shortfall under the Underwriting Agreement. The Underwriter has advised the Company that it has entered sub-underwriting agreements for the total number of Entitlements being offered under the Offer. Accordingly, it is unlikely that the Underwriter will be obliged to subscribe for the Shortfall, as these obligations are likely to be passed on to the sub-underwriters.

The Underwriter has advised the Company that the following sub-underwriters may potentially hold voting power of 5% or more in the Company as a result of their respective sub-underwriting agreements. The voting power post Offer is calculated on the basis that each sub-underwriter takes up all of the sub-underwritten Shares pursuant to that party's sub-underwriting agreement. However, the voting power of each sub-underwriter will reduce by a corresponding amount for the amount of Entitlements taken up by Shareholders.

Sub-underwriter	Current holding	Current voting power	Entitlements under the Offer	Sub-underwritten Shares	Holding post-Offer	Voting power post Offer
PAC Partners Pty Ltd ¹	Nil	0.00%	Nil	16,666,667	16,666,667	5.23%

Notes:

1. This entity is associated with Edwin Bulseco, a Director of the Company. PAC Partners Pty Ltd has indicated that of the sub-underwritten Shares, Mr Bulseco (or his nominee) will be allocated up to \$30,000 worth of Shares, being 10,000,000 Shares. Accordingly, the maximum voting power to be acquired by Mr Bulseco (or his nominee) as a result of the sub-underwriting arrangement is 3.14%, with a corresponding reduction in PAC Partners Pty Ltd's voting power.

In the event that the Underwriting Agreement is terminated and not all Shareholders accept their full Entitlement, the Shortfall procedure set out in Section 5.16 may apply.

5.15 Potential dilution to Shareholders

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 67% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders is set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	9.41%	20,000,000	10,000,000	3.13%
Shareholder 2	5,000,000	4.70%	10,000,000	5,000,000	1.57%
Shareholder 3	2,500,000	2.35%	5,000,000	2,500,000	0.78%
Shareholder 4	1,000,000	0.94%	2,000,000	1,000,000	0.31%
Shareholder 5	500,000	0.47%	1,000,000	500,000	0.16%

Notes:

1. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

5.16 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.003 being the price at which Shares have been offered under the Offer.

Eligible Shareholders who wish to subscribe for Shares above their Entitlement are invited to apply for additional Shares under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form.

Investors who are not Shareholders of the Company can apply for Shortfall Shares by completing the Shortfall Application Form accompanying this Prospectus.

The Shortfall to the Offer is to be issued at the absolute discretion of the Directors in consultation with the Underwriter and as such there is no guarantee that any Shortfall Shares applied for will be issued to Eligible Shareholders.

5.17 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all Application Monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

5.18 Issue

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus Application Monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all Application Monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Shares issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

5.19 Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

The Offer is being made in New Zealand pursuant to the Securities Act (Overseas Companies) Exemption Notice 2013.

5.20 Nominee

Pursuant to ASX Listing Rule 7.7, the Company has appointed a nominee, Patersons Securities Limited, to sell the Entitlements to which Ineligible Shareholders are entitled. The nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the relevant Ineligible Shareholders as described below.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the nominee may sell Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

Neither the Company nor the nominee will be subject to any liability for failure to sell the Entitlements or to sell them at a particular price. If, in the reasonable opinion of the nominee, there is no viable market for the Entitlements of the Ineligible Shareholders, or a surplus over the expenses of the sale cannot be obtained the Entitlements that would have been offered to the Ineligible Shareholders, then those Entitlements will be allowed to lapse. The Shares not taken up will form part of the Shares to be taken up by the Underwriter pursuant to the Underwriting Agreement.

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 Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

The Company will pay the nominee a brokerage fee of 1.5% on the total gross dollar value of all Shares sold or \$1,500 (plus applicable GST), whichever is the greater.

5.21 Enquiries

Any questions concerning the Offer should be directed to Matthew Suttling, Company Secretary, on + 61 2 9999 1515.

6. PURPOSE AND EFFECT OF THE OFFER

6.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$637,800.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	\$	%
1.	Thermaquatica "OHC" Coal to Liquid Technology	\$408,333	64.02%
2.	Payment of creditors	\$60,398	9.47%
3.	Payment of accrued interest on loans ¹	\$18,883	2.96%
4.	Expenses of the Offer ²	\$150,186	23.55%
	Total	\$637,800	100.00%

Notes:

- Includes the following amounts of accrued interest payable by the Company as at the date of this Prospectus:
 - \$15,385 is payable to Pandora Nominees Pty Ltd, a company controlled by Mr Gerard King on a \$420,000 loan; and
 - \$3,498 will be payable to the Lenders on the \$450,000 loans advanced under the Converting Loan Agreements. A summary of the Converting Loan Agreements is set out in Section 9.1.
- Refer to Section 10.7 for further details relating to the estimated expenses of the Offer.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

6.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, will be to:

- increase the cash reserves by \$487,614 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer; and
- increase the number of Shares on issue from 106,300,000 as at the date of this Prospectus to 318,900,000 Shares.

6.3 Pro-forma balance sheet

The unaudited balance sheet as at 31 December 2015 and the unaudited pro-forma balance sheet as at 31 December 2015 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

Actual and proposed transactions to arrive at the pro-forma unaudited balance sheet:

- (a) issue of 13,834,213 Shares under the Placement at an issue price of \$0.003 each to raise \$41,503;
- (b) receipt of \$450,000 pursuant to the Converting Loan Agreements; and
- (c) all Entitlements are accepted, no Options are exercised prior to the Record Date and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Note	UNAUDITED 31 DECEMBER 2015 \$	PROFORMA 31 DECEMBER 2015 \$
CURRENT ASSETS			
Cash and cash equivalents	1	317,577	1,296,694
Trade and other receivables		12,226	12,226
TOTAL CURRENT ASSETS		329,803	1,308,920
NON-CURRENT ASSETS			
Plant and equipment		1,569	1,569
Exploration and evaluation asset		1,324,439	1,324,439
Other financial assets		386,163	386,163
TOTAL NON-CURRENT ASSETS		1,712,171	1,712,171
TOTAL ASSETS		2,041,974	3,021,091
CURRENT LIABILITIES			
Trade payables and other payables		98,986	98,986
Borrowings	2	420,000	870,000
TOTAL CURRENT LIABILITIES		518,986	968,986
TOTAL LIABILITIES		518,986	968,986
NET ASSETS (LIABILITIES)		1,522,988	2,052,105
EQUITY			
Contributed equity ³	3	63,398,286	63,927,403
Reserves		11,032,063	11,032,063
Accumulated losses		(72,907,361)	(72,907,361)
TOTAL EQUITY		1,522,988	2,052,105

Notes:**1. Cash and cash equivalents**

	Consolidated unaudited 31 Dec 2015 \$	Consolidated Unaudited Pro forma 31 Dec 2015 \$
Cash and cash equivalents	317,577	317,577
Proceeds from Placement of 13,834,213 Shares at an issue price \$0.003 per Share	-	41,503
Proceeds Converting Loans	-	450,000
Proceeds from Rights Issue	-	637,800
Expenses of the Offer	-	(150,186)
	317,577	1,296,694

2. Borrowings

	Consolidated unaudited 31 Dec 2015 \$	Consolidated Unaudited Pro forma 31 Dec 2015 \$
Borrowings	420,000	420,000
Converting Loans	-	450,000
	420,000	870,000

Subject to Shareholder approval following completion of the Offer, the Company proposes to issue:

- (a) 150,000,000 Shares on conversion of the Converting Loans; and
- (b) 140,000,000 Shares to Pandora Nominees Pty Ltd (or its nominee), an entity controlled by Gerard King, in satisfaction of an outstanding loan amount of \$420,000 owing to Pandora Nominees Pty Ltd.

Upon receipt of Shareholder approval and the issue of the Shares, the borrowings will be extinguished in full.

3. Contributed equity

	Consolidated unaudited 31 Dec 2015 \$	Consolidated Unaudited Pro forma 31 Dec 2015 \$
Contributed equity	63,398,286	63,398,286
Placement of 13,834,213 Shares at \$0.003 per Share	-	41,503
Rights Issue	-	637,800
Expenses of the Offer	-	(150,186)
	63,398,286	63,927,403

6.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, is set out below.

Shares

	Number
Shares currently on issue	106,300,000
Shares offered pursuant to the Offer	212,600,000
Total Shares on issue after completion of the Offer¹	318,900,000

Note:

- Subject to Shareholder approval following completion of the Offer, the Company proposes to issue:
 - 150,000,000 Shares on conversion of the Converting Loans; and
 - 140,000,000 Shares to Pandora Nominees Pty Ltd (or its nominee), an entity controlled by Gerard King, in satisfaction of an outstanding loan amount of \$420,000 owing to Pandora Nominees Pty Ltd.

If Shareholders approve the above issues of Shares at the General Meeting, an additional 290,000,000 Shares will be issued. Refer to Section 9.1 for further details of the Converting Loan Agreements.

It is expected that the issue of Shares to Pandora Nominees (or its nominee) lieu of repayment of the Loan and upon conversion of the Converting Loans will occur concurrently with the issue of Shortfall Shares pursuant to the Shortfall Offer.

Options

	Number
Options currently on issue: Quoted exercisable at \$0.05 each on or before 30 September 2016	450,000
Total Options on issue after completion of the Offer	450,000

Note:

- Subject to Shareholder approval following completion of the Offer, the Company proposes to issue 10,000,000 Options to each of Mr King and Mr Bulseco (or their respective nominees) and 25,000,000 Options to unrelated consultants and advisors of the Company. The Options will be issued at an issue price of \$0.000001 to raise a total of \$45. The Options will be unquoted and exercisable at \$0.005 each on or before the date that is four (4) years from the date of issue of the Options.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 106,750,000 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Options are exercised prior to the Record Date) would be 319,350,000 Shares.

No Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

6.5 Details of substantial holders

Based on publicly available information as at 14 March 2016, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	Voting Power ² (%)
Tregeare Pty Ltd ¹	28,977,516	27.26%
C N McDonald Pty Ltd <C N McDonald Family A/C>	10,000,000	9.41%
Astron Limited	9,513,018	8.95%

Notes:

1. This entity is controlled by Gerard King, a Director. Mr King has indicated that Tregeare Pty Ltd does not intend to take up its Entitlements under the Offer.
2. The voting power in the table is prior to completion of the Offer.

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

7. RISK FACTORS

7.1 Introduction

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Company specific

(a) Potential for significant dilution

Upon implementation of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date the number of Shares in the Company will increase from 106,300,000 currently on issue to 318,900,000. This means that each Share will represent a significantly lower proportion of the ownership of the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to the prospectus being lodged of \$0.005 is not a reliable indicator as to the potential trading price of Shares after completion of the Offer.

(b) Going concern risk

The Company's financial report for the half-year ended 31 December 2015 (released to ASX on 14 March 2016) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the consolidated entity's ability to continue as a going concern.

Notwithstanding the 'going concern' Emphasis of Matter paragraph included in the half-year financial report, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current expenditure commitments and short term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long term working capital costs of the Company. Please refer to Section 7.2(c) below for further details.

In the event that the Offer is not completed successfully there is significant uncertainty as to whether the Company can continue as a

going concern, and which is likely to have a material adverse effect on the Company's activities.

(c) **Additional requirements for capital**

The funds raised by the Offer will be used to carry out the Company's objectives as detailed in this Prospectus and the Company's announcements to ASX.

Whilst the Company believes that the funds raised by the Offer, together with funds raised under the Placement and the Converting Loan Agreements, will provide the Company with sufficient funds to meet its expenses, carry out its objectives and continue as a going concern, there is no guarantee that the Company will not be required to raise additional capital in the future.

The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary accordingly to a number of factors, including prospectivity of projects (existing and future), feasibility studies, development of its technology, stock market and industry conditions and the price of relevant commodities and exchange rates.

No assurance can be given that future funding will be available to the Company on favourable terms (or at all). If adequate funds are not available on acceptable terms the Company may not be able to further develop its project and it may impact on the Company's ability to continue as a going concern.

(d) **Contractual risks**

The ability of the Company to fulfil its stated objectives will depend on the performance of counterparties to agreements. In particular, the Company is a party to the Memorandum of Understanding with US-Thermaquatica Inc pursuant to which the Company has the opportunity to secure an exclusive license to develop and apply the Oxidative Hydrothermal Dissolution process on a commercial scale within Australia and New Zealand.

If any counterparty defaults in the performance of their obligations, it may delay or prevent the continuance of a project, and it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

All agreements entered into by the Company are subject to interpretation. There is no guarantee that the Company will be able to enforce all its rights under its agreements with third parties.

7.3 Industry specific

(a) **Research and development**

There can be no assurance that any of the Company's research into or development of an environmentally neutral coal liquefaction technology necessary to achieve commercial production will be successful, that the development milestones will be achieved, that an environmentally neutral coal liquefaction technology will be commercially viable, or that the Company will be able to complete

construction of plant and equipment to enable economic production of end product in compliance with patent design and regulatory requirements.

There are many risks inherent in the development of technology, particularly where the technology is in the early stages of development. Projects can be delayed or fail to demonstrate sufficient benefit, or research may cease to be viable for a range of scientific and commercial reasons.

(b) Protection of intellectual property rights

The Company may be required to spend significant resources to monitor and protect any intellectual property which it develops, licences or acquires. The granting of protection, such as a registered patent, does not guarantee that the rights of others are not infringed, that competitors will not develop technology to avoid the patent or that third parties will not claim an interest in the intellectual property with a view to seeking a commercial benefit from the Company or its partners.

The Company may initiate or otherwise be involved in litigation against third parties for infringement, or to establish the validity, of its rights. Any litigation, whether or not it is successful, could result in significant expense to the Company and divert the efforts of its personnel.

(c) Health, safety and environmental matters

Exploration, development and production of coal and coal by-products involves risks which may impact the health and safety of personnel, the community and the environment. Industry operating risks include fire, explosions, blow outs, pipe failures, abnormally pressured formations and environmental hazards such as accidental spills or discharge of toxic gases. Failure to manage these risks could result in injury or loss of life, damage or destruction of property and damage to the environment. Losses or liabilities arising from such incidents could significantly impact the Company's financial results.

(d) Competition risk

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(e) Commodity and currency price risk

Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors. Fluctuations in the price of coal and coal substitutes may have an impact on the economic viability of the Company's projects.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and

expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(f) **Government policy changes**

Adverse changes in government policies or legislation may affect the Company's ability to develop its technology, availability of research and development credits, taxation, royalties, ownership of mineral interests, land access, labour relations, and mining and exploration activities of the Company. Any material adverse changes in relevant government policies or legislation of Australia may affect the viability and profitability of the Company, and consequent returns to investors. The activities of the Company are subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

(g) **Failure to satisfy Expenditure Commitments**

As noted in the Company's ASX announcements, the Company continues to hold tenements in Victoria's Latrobe valley.

Interests in tenements Victoria are governed by the mining acts and regulations that are current in that State and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in its tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

(h) **Tenement applications and licence renewal**

As noted in the Company's Quarterly Activities Report released to the ASX on 28 January 2016, the Company has applied for renewals of EL 4877, EL 4500 and EL 4227. The Company cannot guarantee that renewals of the tenements will be granted on a timely basis, or at all.

7.4 General risks

(a) **Equity market conditions**

Securities listed on the stock market can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

General factors that may affect the market price of Shares include economic conditions in both Australia and internationally (particularly Australian, US and Chinese economic conditions), investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and

foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(b) **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. The Company is not currently engaged in any litigation.

(c) **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

(d) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(e) **General economic and political risks**

Changes in the general economic and political climate in Australia and on a global basis may impact on economic growth, interest rates, the rate of inflation, taxation and tariff laws, domestic security which may affect the value and viability of any activities that may be conducted by the Company.

(f) **Insurance**

Insurance against all risks associated with the Company's business is not always available or affordable. The Company maintains insurance where it is considered appropriate for its needs however it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

(g) **Unforeseen expenditure risks**

Expenditure may need to be incurred which has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, however if such expenditure is subsequently required or incurred, this may adversely impact budgeted expenditure proposals by the Company.

7.5 Speculative investment

The above list of risk factors ought not to 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 offered under this Prospectus. Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

8. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

8.1 General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

8.2 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

8.3 Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

8.4 Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

8.5 Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

8.6 Transfer of shares

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

8.7 Future increase in capital

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

8.8 Variation of rights

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

8.9 Alteration of constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

9. MATERIAL CONTRACTS

9.1 Converting Loan Agreement

The Company is proposing to enter into converting loan agreements with various unrelated lenders (**Lenders**), pursuant to which the Lenders will lend a total of \$450,000 (**Principal Sum**) to the Company (**Converting Loan Agreements**).

The key terms of the Converting Loan Agreements are as follows:

- (a) **Conversion:** the Principal Sum under the Converting Loan Agreements will, subject to Shareholder approval, automatically convert into Shares within approximately 20 business days of Shareholder approval;
- (b) **Number:** the Company shall issue such number of Shares to the Lenders determined by dividing the Principal Sum by \$0.003 (**Conversion Price**);
- (c) **Repayment:** subject to conversion, the Principal Sum is repayable on 15 June 2016 (**Repayment Date**);
- (d) **Unsecured:** the Company's obligations under the Converting Loan Agreements are unsecured;
- (e) **Interest:** interest will accrue at a rate of 8% per annum on the outstanding amount under the Converting Loan Agreements. Interest will be payable quarterly in arrears calculated on the basis of a 360-day year consisting of twelve 30-day months. An interest rate of 10% per annum is payable on any overdue amounts and accrues from day to day from and including the date the Principal Sum was advanced up until the actual date of payment; and
- (f) **Change of control:** Upon a change of control event (**Change of Control Event**), which will include, but is not limited to;
 - (i) any one Shareholder owning or controlling more than 50% of the Company or otherwise exerting effective control over the Company, which control represents a change from the current control of the Company;
 - (ii) the sale of all or more than 50% of the assets of the Company; and
 - (iii) other customary change of control events,

the Lenders will have the right to require the Company to redeem the Principal Sum in cash for the Conversion Price plus a 50% premium, plus accrued and unpaid interest thereon, if any, up to but excluding the date of the Change of Control Event plus the present value of all remaining interest payments and accretion on the Principal Sum through the Repayment Date (**Change of Control Make-Whole**); provided that upon any conversion of the Principal Sum following delivery of notice of the Change of Control Event by the Company, the Lenders will receive the Change of Control Make-Whole in respect of all Principal Sum so converted.

9.2 **Mandate letter**

On 12 February 2016, the Company entered into a mandate letter with the Underwriter (**Mandate**), pursuant to which the Underwriter agreed to act as lead manager to the Placement, lead manager to the Converting Loans and lead manager and underwriter to the Offer.

In relation to the provision of its services, the Underwriter will be paid fees in accordance with the Underwriting Agreement. In addition, the Underwriting will receive a placement and underwriting fee of 6.5% of the total gross amount raised by the Placement and Converting Loans. The Underwriter will also be entitled to be reimbursed for its out-of-pocket expenses.

The Underwriter's appointment pursuant to the Mandate may only be terminated by the Company as a result of dissatisfaction with the execution of the Mandate by the Underwriter, provided that the Company must first provide the Underwriter with reasonable verbal and written notice and an opportunity to rectify, to the Company's satisfaction, the quality of service to be provided under the Mandate.

The Underwriter may terminate the Mandate at any time upon giving written notification of its intention to do so, or if one or more of the following events occur in its sole and absolute opinion:

- (a) at any time, either of the All Ordinaries Index or the Standard and Poors/ ASX200 Materials Index is at a level that is 10% or more below its level as at the close of normal trading on ASX at the date of acceptance of the Mandate;
- (b) the Australian equity capital market conditions and/or ASX trading conditions are such that they are not, in the judgement of the Underwriter, conducive to the successful completion of the Capital Raising; or
- (c) all of the conditions to the Mandate have not been, or will not in the Underwriter's sole and absolute opinion be, satisfied, or waived by the Underwriter, prior to 22nd March 2016 or such later date agreed by the Underwriter in writing.

The Company has agreed not to offer, sell or market, contract to sell, otherwise dispose of or announce the sale, directly or indirectly, of any Shares or other securities which are convertible into or exchangeable or contain the right to acquire Shares, without the prior written consent of the Underwriter for a period of 3 months commencing on the closing date of the Capital Raising or unless disclosed to the market prior to the date of the Underwriting Agreement.

9.3 **Underwriting Agreement**

By an agreement between the Underwriter and the Company (**Underwriting Agreement**), the Underwriter agreed to conditionally underwrite the Offer for 212,600,000 Shares (**Underwritten Shares**).

Pursuant to the Underwriting Agreement, the Company has agreed to pay the Underwriter a management fee of \$75,000 (plus GST) plus an underwriting fee of 6.5% of the value of the Underwritten Shares.

The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement if:

- (a) **(Indices fall)**: any of the S&P/ASX 200 Index or the S&P/ASX 200 Energy Index as published by ASX is at any time after the date of the Underwriting Agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;
- (b) **(Share Price)**: the Shares of the Company finish trading on the ASX under the ASX code of "GPP" with a closing price that is less than the \$0.003;
- (c) **(Prospectus)**: the Company does not lodge the Prospectus on the date agreed between the parties (**Lodgement Date**) or the Prospectus or the Offer is withdrawn by the Company;
- (d) **(Copies of Prospectus)**: the Company fails to provide the Underwriter an electronic copy of the Prospectus as lodged with ASIC and such failure is not remedied within 2 days;
- (e) **(No Official Quotation)**: Official Quotation has not been granted for all Shares under the Offer by the shortfall notice deadline date or, having been granted, is subsequently withdrawn, withheld or qualified;
- (f) **(Supplementary prospectus)**:
 - (i) the Underwriter, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of an occurrence as described in paragraph (q)(vi) below, forms the view on reasonable grounds that a supplementary or replacement prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary or replacement prospectus in such form and content and within such time as the Underwriter may reasonably require; or
 - (ii) the Company lodges a supplementary or replacement prospectus without the prior written agreement of the Underwriter;
- (g) **(Non-compliance with disclosure requirements)**: it transpires that the Prospectus does not contain all the information required by section 713 of the Corporations Act;
- (h) **(Misleading Prospectus)**: it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of section 713 of the Corporations Act) or if any statement in the Prospectus becomes or misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;
- (i) **(Restriction on allotment)**: the Company is prevented from allotting the Shares under the Offer within the time required by the Underwriting Agreement, the Corporations Act, the ASX Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or

any court of competent jurisdiction or any governmental or semi-governmental agency or authority;

- (j) **(Withdrawal of consent to Prospectus)**: any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;
- (k) **(ASIC application)**: an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the shortfall notice deadline date has arrived, and that application has not been dismissed or withdrawn;
- (l) **(ASIC hearing)**: ASIC gives notice of its intention to hold a hearing under section 739 or any other provision of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or the ASIC makes an interim or final stop order in relation to the Prospectus under section 739 or any other provision of the Corporations Act;
- (m) **(Takeovers Panel)**: the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;
- (n) **(Hostilities)**: there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this agreement involving one or more of Australia, New Zealand, Japan, the United Kingdom, the United States of America, the People's Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- (o) **(Authorisation)** any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter;
- (p) **(Indictable offence)**: a director or senior manager of the Company or any of its subsidiaries is charged with an indictable offence; or
- (q) **(Termination Events)**: subject always to the Material Adverse Effect (as defined in the Underwriting Agreement) qualification described below, any of the following events occurs:
 - (i) **(Default)**: default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking, provided however, if such default can be rectified the Company fails to rectify the same within 2 business days of the default;
 - (ii) **(Incorrect or untrue representation)**: any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
 - (iii) **(Contravention of constitution or Act)**: a contravention by a the Company of a subsidiary of the Company of any provision of its constitution, the Corporations Act, the ASX Listing Rules or any

other applicable legislation or any policy or requirement of ASIC or ASX;

- (iv) **(Adverse change):** an event occurs which gives rise to a Material Adverse Effect (as defined in the Underwriting Agreement) or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company or any of its subsidiaries including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
- (v) **(Error in Due Diligence Results):** it transpires that any of the due diligence results or any part of the verification material was false, misleading or deceptive or that there was an omission from them;
- (vi) **(Significant change):** a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- (vii) **(Public statements):** without the prior approval of the Underwriter a written public statement is made by the Company in relation to the Offer, the issue of Shares under the Offer or the Prospectus;
- (viii) **(Misleading information):** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the issue of Shares under the Offer or the affairs of the Company or its subsidiaries is or becomes misleading or deceptive or likely to mislead or deceive;
- (ix) **(Official Quotation qualified):** the Official Quotation is qualified or conditional other than as set out in the definition of "Official Quotation";
- (x) **(Change in Act or policy):** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (xi) **(Prescribed Occurrence):** a Prescribed Occurrence (as defined in the Underwriting Agreement) occurs;
- (xii) **(Suspension of debt payments):** the Company suspends payment of its debts generally;
- (xiii) **(Event of Insolvency):** an Event of Insolvency occurs (as defined in the Underwriting Agreement) in respect of the Company or any of its subsidiaries;

- (xiv) **(Judgment against a Relevant Company):** a judgment in an amount exceeding \$100,000 is obtained against the Company or any of its subsidiaries and is not set aside or satisfied within 7 days;
- (xv) **(Litigation):** litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against the Company or any of its subsidiaries, other than any claims foreshadowed in the Prospectus;
- (xvi) **(Board and senior management composition):** there is a change in the composition of the Board or a change in the senior management of the Company before completion of the Offer without the prior written consent of the Underwriter;
- (xvii) **(Change in shareholdings):** there is a material change in the major or controlling shareholdings of the Company or any of its subsidiaries or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company or any of its subsidiaries;
- (xviii) **(Timetable):** there is a delay in any specified date in the indicative timetable agreed between the Company and the Underwriter which is greater than 3 Business Days and the Underwriter has not given its prior consent agreeing to a delay exceeding 3 Business Days (such consent not to be unreasonably withheld or delayed);
- (xix) **(Force Majeure):** a Force Majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- (xx) **(Certain resolutions passed):** the Company or any of its subsidiaries passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (xxi) **(Capital Structure):** the Company or any of its subsidiaries alters its capital structure in any manner not contemplated by the Prospectus;
- (xxii) **(Investigation):** any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or any of its subsidiaries;
- (xxiii) **(Market Conditions):** a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the Philippines, any member of the European Union, the United Kingdom, the United States of America or other international financial markets; or
- (xxiv) **(Suspension):** the Company is removed from the Official List or the Shares become suspended from Official Quotation

following the Lodgement Date and that suspension is not lifted within 24 hours following such suspension.

The Underwriter may not exercise its rights under paragraph (q) above unless, in the reasonable opinion of the Underwriter reached in good faith, the occurrence of a termination event has or is likely to have, or two or more termination events together have or are likely to have:

- (a) a Material Adverse Effect (as defined in the Underwriting Agreement); or
- (b) could give rise to a liability of the Underwriter under the Corporations Act or otherwise.

In the event that the Underwriting Agreement is terminated, the Underwriter will be entitled to the management fee.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

9.4 Sub-Underwriting

The Underwriter has entered into a number of sub-underwriting agreements pursuant to which it has appointed a number of sub-underwriters to sub-underwrite the Underwritten Shares on the following material terms:

- (a) in the event of a Shortfall under the Offer, each sub-underwriter will be required subscribe for a proportion of the Shortfall to be determined with reference to the proportion that the sub-underwriter's individual sub-underwriting commitment bears to the total number of sub-underwritten Shares;
- (b) if the sub-underwriter is a Shareholder as at the Record Date, any application by the sub-underwriter for any of its Entitlement pursuant to the Offer will not be permitted to be applied in relief of, or be offset against, any amount that may be subsequently due pursuant to the sub-underwriting commitment;
- (c) the Underwriter will pay each sub-underwriter a fee of 3.00% of the amount sub-underwritten by the sub-underwriter. No fee will be payable if the Offer does not proceed for any reason, if the Underwriter terminates the Underwriting Agreement or if the Underwriter is not paid its fee for any reason; and
- (d) the sub-underwriting agreement shall terminate if the Offer does not proceed or the Underwriting Agreement is terminated.

10. ADDITIONAL INFORMATION

10.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against the Company.

10.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is 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.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

- (i) the annual financial report most recently lodged by the Company with the ASIC;
- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
14/03/2016	Half Year Accounts
04/03/2016	Appendix 3B
04/03/2016	Final Director's Interest Notice
04/03/2016	Final Director's Interest Notice
04/03/2016	Initial Director's Interest Notice
26/02/2016	Capital Raising
24/02/2016	Trading Halt
28/01/2016	Quarterly Activities Report
28/01/2016	Quarterly Cashflow Report
23/11/2015	Results of Meeting
23/11/2015	Chairman's Address to Shareholders
30/10/2015	Quarterly Activities Report
30/10/2015	Quarterly Cashflow Report
26/10/2015	Notice of Annual General Meeting/Proxy Form
23/10/2015	Notice of Annual General Meeting/Proxy Form
23/10/2015	Annual Report to shareholders
23/10/2015	Appendix 4G
22/09/2015	Full Year Statutory Accounts

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.greenpowerenergy.com.au.

10.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	(\$)	Date
Highest	\$0.009	23 November 2015 to 22 January 2016
Lowest	\$0.006	25 January 2016 to 22 February 2016
Last	\$0.005	11 March 2016

10.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (i) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (i) the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

Director	Shares	Options	Entitlement	\$
Alan Flavelle	3,130,160	Nil	6,260,320	\$18,781
Gerard King ¹	28,977,516	Nil	57,955,032	\$173,865
Edwin Bulseco	Nil ²	Nil ³	Nil	\$Nil

Notes:

1. Subject to Shareholder approval following completion of the Offer, the Company proposes to issue:
 - (a) 140,000,000 Shares to Pandora Nominees Pty Ltd (or its nominee), an entity controlled by Gerard King, in satisfaction of an outstanding loan amount of \$420,000 owing to Pandora Nominees Pty Ltd; and
 - (b) 10,000,000 Options at an issue price of \$0.000001 each to Mr King (or his nominee). The Options will be unquoted and exercisable at \$0.005 each on or before the date that is four (4) years from the date of issue of the Options.
2. PAC Partners Pty Ltd, a sub-underwriter of the Offer, has indicated that of the Shortfall Shares sub-underwritten by it, Mr Bulseco (or his nominee) will be allocated up to \$30,000 worth of Shares, being 10,000,000 Shares. Mr Edwin Bulseco is an employee of PAC Partners Pty Ltd.
3. Subject to Shareholder approval following completion of the Offer, the Company proposes to issue 10,000,000 Options at an issue price of \$0.000001 each to Mr Bulseco (or his nominee). The Options will be unquoted and exercisable at \$0.005 each on or before the date that is four (4) years from the date of issue of the Options.

The Board recommends all Shareholders take up their Entitlement.

Gerard King has indicated that he will not participate in the Offer. Accordingly, Mr King's percentage ownership interest (and voting power) in the Company will be diluted. As noted in Note 1 above, the Company is seeking Shareholder approval at the General Meeting to issue 140,000,000 Shares to Gerard King in satisfaction of an outstanding loan amount of \$420,000 owing to Mr King.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum 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 amount has been set at an amount not to exceed \$100,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, 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.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	FY 2016	FY 2015	FY 2014
Alan Flavelle	\$144,000	\$144,000	\$144,000
Gerard King	\$60,000	\$60,000	\$60,000
Edwin Bulseco ¹	\$12,000	\$Nil	\$Nil

Notes:

1. Mr Bulseco was appointed as a Director on 29 February 2016.

10.5 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (i) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Patersons Securities Limited will be paid an underwriting fee of 6.5% of the value of the Underwritten Shares (being approximately \$41,457) together with a \$75,000 management fee in respect of the Offer. During the 24 months preceding lodgement of this Prospectus with the ASIC, Patersons Securities Limited has not received any other fees from the Company.

Patersons Securities Limited has also been appointed as the nominee under ASX Listing Rule 7.7.1 (c). Patersons Securities Limited will be paid for this service on standard industry terms and conditions.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$20,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has not received any other fees from the Company.

10.6 Consents

Each of the parties referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Patersons Securities Limited has given and has not withdrawn its written consent to being named as Underwriter and Lead Manager to the Offer in this Prospectus, in the form and context in which it is named. Patersons Securities Limited (including its related entities) is not a Shareholder of the Company and currently has no relevant interest in any of the Company's securities. Patersons Securities Limited has also given and has not withdrawn its consent to be named as the Company's nominee under ASX Listing Rule 7.7.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

10.7 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$150,186 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	2,320
ASX fees	3,909
Underwriting fees	116,457
Nominee fee	1,500
Legal fees	20,000
Printing and distribution	5,000
Miscellaneous	1,000
Total	150,186

10.8 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on + 61 2 9999 1515 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.greenpowerenergy.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic

Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

10.9 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. 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.

10.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

10.11 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

11. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Alan Flavelle
Executive Chairman
For and on behalf of
GREENPOWER ENERGY LIMITED

12. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Applicant means a Shareholder who applies for Shares pursuant to the Offer or a Shareholder or other party who applies for Shortfall Shares pursuant to the Shortfall Offer.

Application means an application to subscribe for Shares under this Prospectus.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

Application Monies means money submitted by Applicants in respect of Applications.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out in Section 2 (unless extended).

Company means Greenpower Energy Limited (ACN 000 002 111).

Constitution means the constitution of the Company as at the date of this Prospectus.

Converting Loans means the loans to be advanced to the Company under the Converting Loan Agreements.

Converting Loan Agreements has the meaning given in Section 9.1.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a Shareholder of the Company as at the Record Date other than an Ineligible Shareholder.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

General Meeting means the general meeting of Shareholders to be held in or around April 2016.

Ineligible Shareholder means a Shareholder as at the Record Date whose registered address is not situated in Australia or New Zealand.

Offer means the renounceable entitlement issue the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out in Section 2.

Section means a section of this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall means the Shares not applied for under the Offer (if any).

Shortfall Application Form means the shortfall application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in section 5.16 of this Prospectus.

Shortfall Shares means those Shares issued pursuant to the Shortfall.

Underwriter means Patersons Securities Limited (ACN 008 896 311).

Underwritten Shares has the meaning given to the term in Section 9.3.

WST means Western Standard Time, as observed in Perth, Western Australia.

