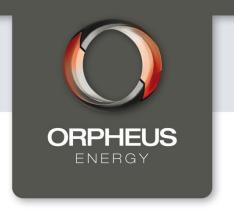
# **ASX Release**



### **ASX ANNOUNCEMENT**

By Electronic Lodgement Company Announcements Office ASX Limited Exchange Centre Level 4, 20 Bridge Street SYDNEY NSW 2000 16 December 2014

# UPDATE ON RECOVERY PROCESS ON OUTSTANDING MONIES FROM NUGROHO SUKSMANTO AND THE MEGA COAL GROUP

#### **UPDATE ON ALTERNATIVE ASSET ACQUISITION STRATEGY**

#### Recovery process update on outstanding debts to Orpheus

Under Indonesian legal practice, three notices must be sent prior to the commencement of any formal legal proceedings. Notices have been sent as follows:

First Notice: As detailed in the Prospectus in Section 5.4, the Orpheus Board initiated action to

expedite the recovery of the Debt owed by Mr Suksmanto and the Mega Coal Group on 13 November 2014 and 14 November 2014, with the issuing of the first round of notices to Mr Suksmanto and the Mega Coal Group for the payment of

the Debt.

Second Notice: As detailed in the announcement released on the ASX on 28 November 2014, on

25 November 2014 and 26 November 2014 the second round of notices were issued to Mr Suksmanto and the Mega Coal Group for the payment of the Debt.

Third Notice: The third and final round of notices were issued to Mr Suksmanto and the Mega

Coal Group on 9 December 2014 for the payment of the Debt.

In each of these notices, Orpheus clearly indicated that unless the Debt is paid, Orpheus will commence legal proceedings in Indonesia against Mr Suksmanto and/or the Mega Coal Group (both civil and criminal), including but not limited to filing: (i) a petition for declaration of bankruptcy; (ii) a notice of arbitration and/or; (iii) a police report, in accordance with the prevailing laws and regulations.

Orpheus will keep shareholders updated on the Debt recovery process.

## Alternative asset acquisition strategy

On 31 October 2014, Orpheus announced that:

(a) one of the projects being investigated by the Board was a potentially industry changing gold processing technology (**Project**).

(b) it had significantly progressed its due diligence and negotiations, which commenced a number of months ago, on this technology.

The Board wishes to advise that following further negotiation and completion of its due diligence it has formed a view that the Project is not in the best interest of either Orpheus or its Shareholders and it has formally terminated discussions in respect to the Project.

Orpheus has, however, commenced discussions on a range of other opportunities, including in the resources sector.

Orpheus will keep shareholders updated as discussions progress.

# For further information, please contact:

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