

Xped Limited



KS Orka to acquire Sokoria Geothermal Project

Xped Limited (**ASX: XPE**) ("**Xped**" or "**the Company**") wishes to announce it has entered into a binding Conditional Sale and Purchase Agreement ("**CSPA**") with Singapore based KS Orka Renewables Pte Ltd ("**Orka**").

As announced on 22nd June 2016, the Company advised discussions were underway with a geothermal developer who could fund and develop the Sokoria project. Following completion of due diligence, Orka has agreed to acquire 95% shareholding of PT Sokoria Geothermal Indonesia ("**SGI**") from Xped and its JV partner PT Bakrie Power ("**Bakrie**").

Xped will divest its entire 45% shareholding in SGI and Bakrie will reduce its current shareholding in SGI from 53% down to 3% and remain a minority shareholder with Orka in the project development. Xped will receive consideration for the transfer in the nominal amount of USD\$1 and assignment of accounts payable by Xped under the terms of the CSPA. Xped will be entitled to an additional payment up to USD\$947,368 via payment commitment agreement between the parties.

The additional payment is payable to Xped within 30 days of the issuance of approval to the Notification of Intent to Develop the project ("**NOID**") by PT PLN (Persero) ("**PLN**") which remains subject to approvals under the Power Purchase Agreement and finalizing tariff concession with PLN for the 30MW project. The amount of the additional payment (up to a maximum of USD\$947,368) will be determined by the finalised tariff and committed capacity.

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To ensure the project is fast tracked through the process, Orka has committed immediate funding to SGI by providing loan of up to USD \$1.5M for working capital to expedite the project and meet regulatory timelines. The loan must be repaid by SGI if completion of the purchase of Xped's and Bakrie's shares in SGI does not occur. The loan is secured by the shares in SGI held by Xped and Bakrie (by way of a limited recourse pledge).

Completion of the CSPA is subject to approval of PLN and BKPM (the Investment Coordinating Board of the Republic of Indonesia), the extension of the exploration period under the IPB held by SGI for one year, completion of the sale between Bakrie and KSO, all warranties remaining true and correct and there being no material adverse change in SGI. The sunset date for satisfaction of all conditions is 3 months after the execution date and failure to satisfy or waive all conditions by this date gives either party the right to terminate the CSPA.

Xped has provided usual representations, warranties and indemnities in favour of KS Orka.

Athan Lekkas CEO commented "Xped is pleased it has reached agreement with Orka to acquire SGI and wishes Orka and its team all the success in developing the geothermal project. Through the divestment of our legacy assets Xped can continue focussing on the technology side of the business."

By Order of the Board

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ABOUT XPED

Xped has developed revolutionary and patent protected technology that allows any consumer, regardless of their technical capability, to connect, monitor and control devices and appliances found in our everyday environment. It's as simple as two people shaking hands. By enabling the Internet of Things, Xped's ADRC platform will bring benefit to Manufacturers, Retailers, Service Providers and Consumers.

At Xped, we're **Making Technology Easy Again**

FOR MORE INFORMATION:



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