

Notice of Extraordinary General Meeting and Explanatory Memorandum

Odin Energy Limited ACN 124 491 416

Date of Meeting: 30th August 2016

Time of Meeting: 10.30 AM (Western Standard Time)

Place of Meeting: Suite 4, 16 Ord Street, West Perth, WA 6005

This Notice of Extraordinary General Meeting, Explanatory Memorandum and Independent Expert's Report should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

The Independent Expert, RSM Corporate Australia Pty Ltd, has concluded that the proposed acquisition of gridComm Pte Ltd is fair and reasonable to the Non-Associated Shareholders.

Notice of Meeting

Notice is given that an Extraordinary General Meeting of shareholders of Odin Energy Limited ACN 124 491 416 (**Company**) will be held at Suite 4, 16 Ord Street, West Perth on 30th August at 10.30 am (WST).

Terms used in this Notice of Meeting are defined in section 14 of the accompanying Explanatory Memorandum.

The Explanatory Memorandum and the Proxy Form accompanying this Notice of Meeting are incorporated in and comprise part of this Notice of Meeting.

A copy of this Notice and the Explanatory Memorandum and Independent Expert's Report which accompany this Notice has been lodged with the Australian Securities and Investments Commission (**ASIC**) in accordance with section 218 of the Corporations Act.

Agenda

The agenda for the meeting is as follows:

1. Opening of meeting;
2. Resolution 1 – Consolidation of Capital;
3. Resolution 2 – Approval of Acquisition of Austasia: Change of Activities;
4. Resolution 3 – Creation of New Class of Securities: Performance Shares;
5. Resolution 4 – Approval of the Issue of Shares and Performance Shares to Austasia Shareholders;
6. Resolution 5 – Approval of the issue of Shares and Performance Shares to Michael Holt and Get2Volume Pte Ltd;
7. Resolution 6 - Approval to Issue Offer Shares under the Prospectus;
8. Resolution 7 - Approval of Participation of Directors in Capital Raising – Roland Berzins
9. Resolution 8 - Approval of Participation of Directors in Capital Raising – David Ballantyne;
10. Resolution 9 - Approval of Participation of Directors in Capital Raising – Alex Bajada;
11. Resolution 10 – Approval of the Austasia Notes becoming Convertible;
12. Resolution 11 – Change of Company Name;
13. Resolution 12 – Approval for the Issue of Advisor Options;
14. Resolution 13 – Approval of ESOP
15. Other business; and
16. Close of meeting.

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1. Resolution 1 – Consolidation of Capital

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of section 254H of the Corporations Act, Listing Rule 7.20 and the Constitution and for all other purposes, approval is given for the issued capital of the Company to be consolidated on the basis that every thirty five Shares be consolidated into one Share, with the Consolidation taking effect on a date announced to ASX in accordance with the Listing Rules and with any fractional entitlements being rounded up to the nearest whole number on the terms and conditions set out in the Explanatory Memorandum.

2. Resolution 2 – Approval of Acquisition of Austasia: Change of Activities

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of Listing Rule 11.1.2, Listing Rule 10.1 and for all other purposes, approval is given for the Company to:

- (a) undertake the Acquisition the terms and conditions of which are summarised in the Explanatory Memorandum; and*
- (b) change the nature and scale of the Company’s activities on completion of the Acquisition as described in the Explanatory Memorandum.”*

3. Resolution 3 – Creation of New Class of Securities: Performance Shares

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of section 246B(1) and 246C(5) of the Corporations Act, the Constitution and for all other purposes, the Directors are authorised to issue the Performance Shares on the terms and conditions set out in the Explanatory Memorandum.”

4. Resolution 4 – Approval of the Issue of Shares and Performance Shares to Austasia Shareholders

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution, with or without amendment:

*“That, subject to the passing of the Conditional Resolutions, for the purposes of Listing Rule 7.1, Listing Rule 10.11 and for all other purposes, the Company is authorised to issue and allot on a post Consolidation basis 85,363,965 Shares and 110,002,349 Performance Shares to Austasia Industrial Pty Ltd (**Austasia**) Shareholders or their nominees, in consideration for the transfer to the Company by the Austasia Shareholders of the Austasia Shares held by them, pursuant to the terms and conditions of the Securities Sale Agreement (**SSA**), the details of which are summarised in the Explanatory Memorandum.”*

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5. Resolution 5 - Approval of the Issue of Shares and Performance Shares to Michael Holt and Get2Volume Pte Ltd

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of Chapter 2E and item 7 of section 611 of the Corporations Act and for all other purposes, the Company is authorised to:

- (a) issue and allot a total of 22,565,489 Acquisition Shares on a post Consolidation basis to Michael Holt and Get2Volume Pte Ltd UEN 200606764Z (Get2Volume), a company controlled by Michael Holt, or their nominees, on the terms and conditions set out in the Explanatory Memorandum, in consideration for the transfer to the Company by Michael Holt and Get2Volume of the Austasia Shares held by them, pursuant to the terms and conditions of the SSA; and*
- (b) issue and allot a total of 62,875,548 Performance Shares on a post Consolidation basis to Michael Holt and Get2Volume, a company controlled by Michael Holt, on the terms and conditions set out in the Explanatory Memorandum and issue and allot up to 62,875,548 Shares on a post Consolidation basis to Michael Holt and Get2Volume on the subsequent conversion of the Performance Shares into Shares,*

and, as a consequence, that shareholders of the Company approve Michael Holt, Get2Volume and their associates, acquiring a Relevant Interest in up to 85,441,037 Shares on a post Consolidation basis .”

6. Resolution 6 - Approval to Issue Offer Shares under the Prospectus

To consider and, if thought fit, pass the following resolution as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of Listing Rule 7.1 and for all other purposes, the Company is authorised to issue between 30,000,000 and 40,000,000 Offer Shares at an issue price of \$0.20 per Offer Share, to raise a minimum of \$6,000,000 and up to \$8,000,000 pursuant to the Capital Raising, on the terms and conditions set out in the Explanatory Memorandum.”

7. Resolution 7 - Approval of Participation of Roland Berzins in the Capital Raising

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of Listing Rule 10.11, section 195(4) and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue to Roland Berzins (or his nominee) up to an aggregate maximum of 250,000 Offer Shares (on a post Consolidation basis), which represent a value of up to \$50,000, on the same terms and conditions as other participants of the Capital Raising and on the terms and conditions set out in the Explanatory Memorandum.”

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8. **Resolution 8 - Approval of Participation of David Ballantyne in the Capital Raising**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of Listing Rule 10.11, section 195(4) and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue to David Ballantyne (or his nominee) up to an aggregate maximum of 250,000 Capital Raising Shares (on a post Consolidation basis), which represent a value of up to \$50,000, on the same terms and conditions as other participants of the Capital Raising and on the terms and conditions set out in the Explanatory Memorandum.”

9. **Resolution 9 - Approval of Participation of Alex Bajada in the Capital Raising**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of Listing Rule 10.11, section 195(4) and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue to Alex Bajada (or his nominee) up to an aggregate maximum of 250,000 Capital Raising Shares (on a post Consolidation basis), which represent a value of up to \$50,000, on the same terms and conditions as other participants of the Capital Raising and on the terms and conditions set out in the Explanatory Memorandum.”

10. **Resolution 10 - Approval of the Issue of Conversion Shares to Austasia Noteholders**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purpose of Listing Rule 7.1 and for all other purposes, the Company is authorised to issue up to 9,000,000 Conversion Shares on conversion of the Austasia Notes with a face value of \$900,000, on the terms and conditions set out in the Explanatory Memorandum.”

11. **Resolution 11 - Change of Company Name**

To consider and, if thought fit, pass the following resolution as a Special Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions and the consent of ASIC, for the purposes of section 157(1) of the Corporations Act and for all other purposes, the name of the Company be changed to “gridComm Limited” with effect from the date on which the ASIC alters the details of the Company’s registration to reflect the change of name.”

12. **Resolution 12 - Approval for the Issue of Advisor Options**

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution, with or without amendment:

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, the Company is authorised to issue 15,000,000 Options (on a post-Consolidation basis) to advisors and lead managers of the Company (or their nominees) (**Advisor Options**) on the terms and conditions set out in the Explanatory Memorandum.”*

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13. Resolution 13 - Approval of ESOP

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without amendment:

*“That, the Employee Share and Option Plan (**ESOP**), which is summarised in the attached Explanatory Memorandum, be approved and that for the purposes of Exception 9(b) of Listing Rule 7.2 and for all other purposes, the issue of securities under the ESOP within three (3) years from the date of this resolution be an exception to Listing Rules 7.1 and 7.1A.”*

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Notes and Voting Exclusion Statements

Notes:

- A detailed summary of the Resolutions is contained within the Explanatory Memorandum.
- Further details regarding the SSA and the Acquisition are set out in the accompanying Explanatory Memorandum and Independent Expert's Report which the Directors recommend Shareholders read in full before making any decision in relation to the Resolutions.

Voting Exclusions:

The Company will disregard any votes cast by the following people:

- with respect to Resolution 2, a person who might obtain a benefit, except a benefit solely in capacity of a Shareholder, if Resolution 2 is passed and any associate of that person (or those persons);
- with respect to Resolutions 4, 6, 10 and 12, a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the resolution is passed, and any associate of that person (or those persons);
- with respect to Resolution 6 regarding the Capital Raising the proposed allottees of any Offer Shares are not as yet known or identified. In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of the Capital Raising), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted. In accordance with Listing Rule 14.11.1, there is no reason to exclude the votes, and the votes will not be excluded, of such Shareholders;
- with respect to Resolution 5, Michael Holt, Get2Volume and any associate of Michael Holt or Get2Volume;
- with respect to Resolutions 7, 8 and 9, a person who is to receive the relevant securities and any associate of that person (or those persons);
- with respect to Resolution 13, a Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associate of such a Director; and

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the direction on the proxy form to vote as the proxy decides.

Key Management Personnel voting exclusion statement

A vote on Resolution 13 must not be cast by:

- any member of Key Management Personnel of the Company or if the Company is part of a consolidated entity, of the entity; or
- a Closely Related Party of such a member,

who is appointed as a Shareholder's proxy, on the basis of that appointment, where the Shareholder does not specify in writing the way the proxy is to vote on the resolution.

However, the Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, where the Shareholder does not specify in writing the way the proxy is to vote on the resolution, if the appointment of proxy expressly authorises the chair to exercise the proxy even if the resolution is connected

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directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company or if the Company is part of a consolidated entity, of the entity.
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14. General business

To consider any other business as may be lawfully put forward in accordance with the Constitution.

By order of the board

Roland Berzins

Company Secretary
21st July 2016

Explanatory Memorandum

1. Introduction

The following information is provided to Shareholders of the Company in connection with the business to be considered at an Extraordinary General Meeting of Shareholders to be held at Suite 4, 16 Ord Street, West Perth on 30th August at 10.30 am (WST).

The Notice of Meeting, which is also enclosed, sets out details of proposals concerning the 13 Resolutions to be put to Shareholders.

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum and the accompanying Independent Expert's Report in full before making any decision in relation to the Resolutions.

Unless otherwise defined, terms used in this Explanatory Memorandum are defined in Section 14 Interpretation.

Summary

The Company proposes to change the nature of its activities to become an Internet of Things (**IoT**) technology business. The Directors, gridComm Shareholders and Austasia Shareholders discussed, examined and negotiated a set of transactions to effect this transformation (together, the **Transaction**).

There are several components to the Transaction:

- (a) Pursuant to the gridComm SSA, the gridComm Shareholders sell 94% of the issued capital of gridComm to Austasia in consideration for issued capital of Austasia;
- (b) Pursuant to the SSA, the Company acquires all the issued capital in Austasia from the Austasia Shareholders for a consideration comprising 85,363,965 Shares issued at a deemed issue price of \$0.20 per Share and 110,002,349 Performance Shares, both on a post Consolidation basis. Austasia will become a wholly owned subsidiary of the Company and will hold 94% of the issue capital of gridComm;
- (c) the Company changes its name to "gridComm Limited";
- (d) the Company undertakes the Capital Raising, being a public offer to raise between \$6,000,000 and \$8,000,000, through the issue of between 30,000,000 and 40,000,000 Shares at \$0.20 per Share;
- (e) the Company converts the Austasia Notes to up to 9,000,000 Shares on a post Consolidation basis;
- (f) the Company applies the funds raised from Capital Raising to:
 - (1) market, distribute and develop the gridComm suite of products and solutions;
 - (2) pay the costs of the Transaction; and
 - (3) provide funding for working capital of the Company; and
- (g) the Company issue up to a further 15,000,000 Advisor Options to various parties who have provided services to the Company.

The Transaction will only proceed if all of the Conditional Resolutions are passed by Shareholders at the Meeting and the Company receives valid applications for at least the minimum subscription under the Capital Raising (\$6 million). The parties have entered into the

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SSA and the gridComm SSA which, together, will give effect to the Acquisition and the terms of which are summarised in Schedule 2.

The Transaction will result in a company with the potential capability and scalability to deliver strong returns to stakeholders. The Transaction is essentially a listing mechanism for gridComm with the Company acting as the listing vehicle. The Company will change its name to "gridComm Limited".

gridComm, is a Singapore based technology company providing reliable and robust narrow-band powerline communications (**PLC**) solutions that enable the transformation of traditional power grid into a smart grid and hybrid narrow-band PLC.

The gridComm technology connects to existing networks over a city's power lines and then uses this network to connect the city's street lights, saving cities millions of dollars in electricity and maintenance costs. This network becomes the back bone for smart city implementations, connecting sensors through a city in internet of things implementations.

At the date of this Notice, the Directors of the Company are Mr Alex Bajada, Mr Roland Berzins and Mr David Ballantyne. Mr Alex Bajada, Mr Roland Berzins and Mr David Ballantyne recommend that Shareholders vote in favour of all of the Resolutions, other than Resolutions 2 and 7 to 9 in respect of which those directors have a personal interest and, accordingly, make no recommendation.

2. Background to applicable Listing Rules and provisions of the Corporations Act

2.1 Introduction

There are a number of approvals and requirements under the Listing Rules and the Corporations Act that are applicable to the Resolutions set out in the Notice. To avoid lengthy duplication throughout the Explanatory Memorandum, set out in this Section 2 is a summary of the applicable provisions that will be referred to throughout the Notice and Explanatory Memorandum.

2.2 Listing Rule 7.1 - Issues exceeding 15% of capital

Listing Rule 7.1 prohibits a listed company from issuing in any 12 month period new Equity Securities equivalent in number to more than 15% of the total number of ordinary securities on issue at the beginning of the twelve month period (**15% Capacity**) without the prior approval of Shareholders unless the issue otherwise comes within one of the exceptions to Listing Rule 7.1.

2.3 Listing Rule 7.2 - Exceptions to Listing Rule 7.1

Exception 9 of Listing Rule 7.2 allows the Company to issue Equity Securities without specific shareholder approval and without reducing the 15% capacity under Listing Rule 7.1 or the 10% capacity under Listing Rule 7.1A, where shareholders of the Company have approved the issue of securities under an employee incentive scheme (like the ESOP) as an exception to Listing Rules 7.1 and 7.1A, within three years prior to the issue of the securities. Resolution 13 is being put to shareholders for this purpose and will allow the Company to utilise Exception 9 of Listing Rule 7.2 for three years from the date of the Resolution being passed.

Exception 14 of Listing Rule 7.2 provides that where shareholder approval is being obtained for the purposes of Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Exception 16 of Listing Rule 7.2 states that, where shareholder approval is being obtained for the purposes of section 611 (item 7) of the Corporations Act, a company is not required to obtain shareholder approval pursuant to Listing Rule 7.1.

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2.4 Listing Rule 10.1 – Acquisition of a substantial asset from a Related Party

Listing Rule 10.1 states that an entity must ensure that neither it, nor any of its child entities, acquires a substantial asset from, or disposes a substantial asset to, relevantly, a Related Party of the entity or one of its associates without the prior approval of the entity's ordinary shareholders.

For the purposes of Listing Rule 10.1, an asset is substantial if its value, or the value of the consideration for it is, or in ASX's opinion is, 5% or more of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules (being for the financial year ended 31 December 2015).

The equity interests of the Company as defined by the Listing Rules (being for the financial year ended 31 December 2015) were (\$3,875,835) and, accordingly, the value of the consideration payable for the Acquisition is more than 5% of the equity interests of the Company. On that basis, the Acquisition will result in the acquisition by the Company of a substantial asset.

For the purposes of Listing Rule 10.1, a Related Party of an entity includes, relevantly, directors of a public company and an entity controlled by directors of a public company.

2.5 Listing Rule 10.11 - Acquisition of securities in the company

Listing Rule 10.11 states that a company must not issue or agree to issue equity securities to any of the following persons without the approval of holders of ordinary securities:

- (a) a Related Party; and
- (b) a person whose relationship with the company or a Related Party is, in the ASX's opinion, such that approval should be obtained.

A Related Party includes a director, an entity controlled by a director and spouses, parents and children of a director. A Related Party also includes any person who came within any of these abovementioned classifications in the preceding six months or in respect of which there are reasonable grounds to believe that that person will fall within such a classification in the future.

If Shareholder approval is obtained under Listing Rule 10.11, further approval is not required under Listing Rule 7.1 (see Listing Rule 7.2, Exception 14).

2.6 Listing Rule 9 - Restricted Securities

All Austasia Shareholders should expect that the ASX, as a condition of re-commencing the quotation of the securities of the Company, may require that all or at least a portion of the Acquisition Shares and Performance Shares issued to them (pursuant to the implementation of any of the Resolutions) be placed in escrow for a period of either 12 or 24 months (**Escrow Period**).

The Company intends to make submissions with respect to the securities to be classified as restricted securities. However, the number of restricted securities and length of restriction will ultimately be determined by the ASX.

Each vendor who holds restricted securities will be required to execute, or appoint an attorney to execute, an escrow agreement with the Company on the terms and conditions prescribed in the Listing Rules. The effect of such an arrangement is that the holder(s) of restricted securities will not be permitted to transfer, encumber or otherwise deal with their title in any of those restricted securities until the expiry of the Escrow Period. All other rights (eg, voting, dividends etc) in respect of those restricted securities will remain unaffected throughout the Escrow Period.

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2.7 Listing Rule 11.1

ASX Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature or scale of its activities, it must provide full details to ASX as soon as practicable before making the change and comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings and any further information that ASX requests;
- (b) if ASX requires, obtain the approval of holders of its shares and comply with any requirements of ASX in relation to the Notice of Meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the ASX Listing Rules as if the company were applying for admission to the Official List of ASX.

Upon receiving details of the Acquisition, ASX have formed the view that the Acquisition produces a significant change to the nature and scale of the Company's activities and as such, the Company is required to:

- (a) obtain Shareholder approval; and
- (b) re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules.

For this reason, the Company is seeking Shareholder approval pursuant to Resolution 2 for the Company to change the nature and scale of its activities under ASX Listing Rule 11.1.2.

2.8 Application made for waiver of Listing Rules

Condition 2 of Listing Rule 2.1 specifies that the issue or sale price of all the securities for which a company seeks quotation must be at least 20 cents (**20 cent rule**). Similarly, condition 11 of Listing Rule 1.1 provides that any options on issue must be exercisable for at least 20 cents.

Under Guidance Note 12 of the ASX Listing Rules, a Company may be granted relief from the 20 cent rule by ASX in certain circumstances. This includes where:

- (a) the issue price or sale price for any securities being issued or sold as part of, or in conjunction with, the transaction:
 - (1) is not less than two (2) cents each; and
 - (2) is specifically approved by security holders as part of the approval(s) obtained under Listing Rule 11.1.2; and
- (b) ASX is otherwise satisfied that the entity's proposed capital structure after the transaction will satisfy Listing Rules 1.1 Condition 1 and 12.5, being that the Company has an appropriate structure for a listing entity.

It is generally accepted that the issue price for the purposes of the 20 cent rule is the price at which an associated capital raising is undertaken when a re-compliance listing is in progress.

Listing Rule 6.1 provides that the terms that apply to each class of equity securities in a company must, in ASX's opinion, be appropriate and equitable. Under Listing Rule 6.2, a company may only have one class of ordinary securities unless ASX approval is given to the terms of an additional class. Guidance Note 19 sets out certain requirements in respect of performance shares.

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The Company applied to the ASX for the following waivers and approvals:

- (a) approval from ASX for the purposes of Listing Rules 6.1, 6.2 and 12.5 to the terms of the Performance Shares on the basis such terms are appropriate and equitable;
- (b) confirmation from ASX for the purposes of Listing Rule 6.1 as the Performance Shares will be a different class of ordinary shares to the currently quoted ordinary shares of the Company;
- (c) waiver of the application of condition 2 of Listing Rule 2.1 and condition 11 of Listing Rule 1.1 with respect to the Company's re-compliance with the admission requirements outlined in Chapters 1 and 2 of the ASX Listing Rules to allow the Company to:
 - (1) issue Shares in respect of the Transaction at a price not less than \$0.02 each;
 - (2) issue the Advisor Options at an exercise price not less than \$0.02 each; and
 - (3) issue the Performance Shares which have no exercise price; and
- (d) in-principle advice that, pursuant to Listing Rules 1.1 and 12.5, the capital structure of the Company upon completion of the Transaction is appropriate for a listed entity;
- (e) waiver of the application of Listing Rule 10.13.3 in respect of Resolution 4, to permit this Notice of Meeting to specify a date by which the Acquisition Shares will be issued (if the requisite shareholder approvals are obtained) which is more than 1 month after the date of the meeting.

ASX has approved the matters detailed in (a), (b), (c)(3), (d) and (e). However it has declined the Company's application in regard to (c)(1) and (c)(2). Accordingly, Shares in respect of the Transaction will be issued at 20 cents per share and the Advisor Options, the subject of resolution 12, will be issued with an exercise price of 22 cents.

2.9 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a Related Party of the public company unless providing the benefit falls within a prescribed exception to the general prohibition. Relevantly, there is an exception if the company first obtains the approval of its shareholders in a general meeting in circumstances where certain requirements specified in Chapter 2E in relation to the convening of that meeting have been met (**Shareholder Approval Exception**).

A Related Party is defined widely in section 228 of the Corporations Act and includes, relevantly, a director (or proposed director) of a public company, any entity that controls (or is reasonably likely to control) a public company, and any entity that is controlled by a person or entity which is otherwise a Related Party, or there are reasonable grounds to believe that a person/entity is likely to become a Related Party of the public company.

A financial benefit for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the Related Party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing (rather than just the legal form). Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate.

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2.10 Chapter 6, section 611 (item 7) of the Corporations Act - Exceptions to prohibited acquisitions

Section 606 of the Corporations Act prohibits a person from acquiring a relevant interest in issued voting shares in a listed company if the acquisition would result in that person's voting power in the company increasing:

- (a) from 20% or below to more than 20%; or
- (b) from a starting point that is above 20% and below 90%.

However, there are certain specified exceptions to the takeover prohibition contained in the Corporations Act. In particular, under section 611 (item 7) of the Corporations Act an acquisition will not contravene the takeover prohibition if shareholders approve the acquisition by passing a resolution at a general meeting, where:

- (a) no votes were cast in favour of the resolution by the person proposing to make the acquisition or their associates; and
- (b) shareholders were given all information known to the acquirer or the company that was material to the decision on how to vote.

ASIC Regulatory Guide 74: Acquisitions Approved by Members also specifies certain additional requirements where a Company seeks an acquisition to be exempt under section 611 (item 7) of the Corporations Act.

2.11 Independent Expert's Report

The Directors of the Company have commissioned the Independent Expert to prepare a report on the question of whether the Acquisition is fair and reasonable to the Shareholders not associated with the proposal. That report accompanies the Notice.

Shareholders are asked to note that the Independent Expert's Report has been prepared by the Independent Expert and the Company does not accept or assume any responsibility for the accuracy or completeness of the Independent Expert's Report, other than factual information provided by the Company to the Independent Expert for the purposes of the Independent Expert's Report.

The Independent Expert has concluded that the terms of the Acquisition are fair and reasonable to the Non-Associated Shareholders of the Company. Summaries of the findings are contained below and further details are contained in the Independent Expert's Report.

- (a) Fairness

The Independent Expert concluded the following in respect of the valuation of a Share in the Company prior to the proposed Acquisition and of a Share in the Company immediately following completion of the Acquisition for the purpose of assessing the fairness of the Acquisition:

	Low Value (\$)	High Value (\$)
Value of the Company prior to the proposed Acquisition – (controlling interest)	0.023	0.039
Value of the Company post completion of the Acquisition – (minority interest)	0.027	0.030

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After considering the information summarised above and set out in more detail in Section 10 of the Independent Expert's Report, the Independent Expert formed the view that the proposed Acquisition is fair to Shareholders as at the date of the Independent Expert's Report.

(b) Reasonableness: Key Advantages and Disadvantages of Proposed Transaction

The table below summarises the advantages and disadvantages of the Acquisition, as identified by the Independent Expert.

Advantage	Disadvantage
The proposed transaction is fair.	The Company will be changing the nature and scale of its activities, becoming a company in the technology and IOT industries with a focus on enabling communications across existing power grid systems, which may not be consistent with the objectives of all Shareholders.
The Company will be exposed to a new, growing technology and IOT industries.	The Proposed Transaction will result in the issue of Shares and Performance Shares to the gridComm Shareholders, Austasia Noteholders and new investors, which will have a significant dilutive effect on the holdings of existing Shareholders.
The Company will have the necessary working capital to continue operations and to assist with the commercialisation of gridComm's technology and growth of the Company.	The activities of gridComm have a different risk and reward profile than the Company had historically. gridComm is a start-up technology company with minimal income and a focus on an unknown and unproven market that is at risk of competition, regulatory change or simply not materialising. This new risk profile may not suit all Shareholders.
The Company's ability to raise funds and attract strategic investors may be improved.	
The Acquisition may increase liquidity in the Shares	

After considering the advantages and disadvantages of the Acquisition summarised above and set out in more detail in Section 11.0 of the Independent Expert's Report, the Independent Expert formed the view that the Acquisition is fair and reasonable to Shareholders as at the date of the Independent Expert's Report.

Shareholders are urged to read and consider the Independent Expert's Report which accompanies the Notice, prior to making a decision as to how to vote on Resolution 2 and Resolution 5.

The above is a summary only, for further details of the assessment made by the Independent Expert in determining the fairness and reasonableness of the Acquisition please refer to the Independent Expert's Report accompanying the Notice.

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3. Resolution 1 – Consolidation of Capital

3.1 General

Resolution 1 seeks Shareholder approval to consolidate the number of Shares on issue on a 1 for 35 basis (**Consolidation**).

The purpose of the Consolidation is to implement a more appropriate capital structure for the Company going forward and to enable the Company to satisfy Chapters 1 and 2 of the Listing Rules and obtain approval from ASX for the re-instatement of the Shares on ASX should Shareholder approval be obtained for the Conditional Resolutions.

The Consolidation will also reduce the number of Shares on issue, to correspondingly increase the imputed value of each Share, to make investment in the Company's securities more attractive to institutional and other investors and to position the Company for long term growth.

This Resolution is conditional on each of the Conditional Resolutions being approved.

3.2 Legal Requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

Listing Rule 7.20 provides that if an entity proposes to reorganise its capital, it must advise shareholders of certain matters, which are set out below.

3.3 Fractional entitlements

Not all Shareholders will hold that number of Shares which can be evenly divided by 35. Where a fractional entitlement occurs, as a result of holdings not being evenly divisible by 35, the Company will round that fraction up to the nearest whole number.

3.4 Taxation

Security holders are advised to seek their own tax advice on the effect of the Consolidation and the Company. Directors and their advisers do not accept any responsibility for the individual taxation implications arising from the Consolidation or the other Conditional Resolutions.

3.5 Holding statements

From the date of the Consolidation, all holding statements for Shares will cease to have any effect, except as evidence of entitlement to a certain number of securities on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Shares to be issued to holders of those securities.

It is the responsibility of each security holder to check the number of securities held prior to disposal.

3.6 Effect on capital structure

The effect which the Consolidation will have on the capital structure of the Company is set out in the table in Schedule 3.

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3.7 Indicative timetable

If Resolution 1 and all the other Conditional Resolutions are passed, the Consolidation of capital is proposed to take effect in accordance with the timetable below:

Indicative timetable	
Record date to determine eligibility to vote at the Meeting	28 th August 2016
Meeting – Announcement of results including Shareholders approving the Consolidation	30 th August 2016
Last day of ASX trading for Shares on a pre-consolidated basis	31 st August 2016
Trading in Consolidated Shares will commence on deferred settlement basis	1 st September 2016
Last day for Company to register transfers on the pre-Consolidation basis	2 nd September 2016
First day for Company to register Shares on a post Consolidation basis First day for Company to issue holding statements for Shares on a Consolidated basis	3 rd September 2016
Dispatch of new holding statements for Consolidated Shares Deferred settlement trading ends	9 th September 2016
Normal T + 2 trading in Consolidated Shares start on ASX	12 th September 2016
Settlement of trades conducted on a deferred settlement basis and first settlement of trades conducted on the normal T + 2 basis	13 th September 2016

This timetable is indicative only and subject to change without notice.

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4. Resolution 2 - Approval of Acquisition of Austasia: Change of Activities

4.1 General

As has been advised to the market, the Company has entered the SSA pursuant to which it has agreed to acquire 100% of Austasia Shares, subject to the satisfaction of various conditions, including Shareholder approval of the Acquisition. It is anticipated that the acquisition of Austasia will be completed in or around October 2016. Completion of the Acquisition will be conditional upon, and contemporaneous with, the acquisition by Austasia of 94% of the issued capital in gridComm pursuant to the gridComm SSA.

Resolution 2 seeks Shareholder approval to the Acquisition and for a change to the nature and scale of the Company's activities, subject to the passing of the Conditional Resolutions.

In light of the significance of the change to the Company's activities, ASX has advised that the Company must re-comply with Chapters 1 and 2 of the Listing Rules (as required by Listing Rule 11.1.3). In accordance with ASX Guidance Note 12, the Company's shares will be suspended from the beginning of the Trading Day on which the Meeting is held until the requirements of Listing Rules 1 and 2 have been met.

The Austasia Shareholders include:

- (a) Spartan Nominees Pty Ltd (ACN 099 822 081) as trustee for the Spartan Super Fund, which is an entity controlled by Alex Bajada, a director of the Company;
- (b) GCP Capital Pty Ltd (ACN 161 764 647), which is an entity controlled by Alex Bajada, a director of the Company;
- (c) Sandgroper Pty Ltd (ACN 065 049 032) as trustee for the Modillion Discretionary Trust, which is an entity controlled by David Ballantyne, a director of the Company;
- (d) Roland Berzins, a director of the Company, and his wife Carol Berzins; and
- (e) Sealblue Investments Pty Ltd (ACN 133 164 726), which is an entity controlled by Roland Berzins, a director of the Company.

Accordingly, each of the above Austasia Shareholders are related parties of the Company.

As a result of the above, and the matters noted in section 2.4, the Acquisition will result in the acquisition by the Company of a substantial asset from (in part) related parties and the Company is therefore required to seek Shareholder approval for the purposes of Listing Rule 10.1.

As required by Listing Rule 10.10.2, the Directors of the Company have commissioned the Independent Expert to prepare a report on the question of whether the Acquisition is fair and reasonable to the Shareholders not associated with the proposal. That report accompanies the Notice and concludes that the Acquisition is fair and reasonable to Shareholders of the Company.

4.2 Rationale for the proposed Acquisition

Due to market conditions in the commodities and exploration sector, the Directors believe that current market conditions made it very difficult to raise funds to continue to explore the oil and gas tenements it held. Hence the Company has been evaluating investment opportunities outside the oil and gas sector for the benefit of Shareholders. During April the Company completed the disposal of its wholly owned subsidiary, Kilgore Exploration Inc, which held the oil and gas assets. This disposal was approved by shareholders at a general meeting held on 13 January 2016.

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The Board identified an opportunity with gridComm and the gridComm Solution developed for the IoT. gridComm were in need of additional capital to accelerate their commercialisation and strategy and the Company entered into an agreement to acquire 94% of the capital in gridComm via a special purpose vehicle, Austasia, which will be wholly owned by the Company.

The Directors moved to proceed with the Acquisition based on:

- (a) the level of investment the founders have made in the company to date;
- (b) the management team in place and their backgrounds;
- (c) the opportunity and markets that the gridCom Solution can fit into going forward;
- (d) the technology is already being commercialised and is scalable;
- (e) the focus to grow its Asian customer base from head office in Singapore;
- (f) the encouraging signs of forming relationships with large organisations reviewing the technology; and
- (g) the fact that it is already generating revenue with potential for further revenue opportunities and growth.

4.3 Key Advantages and Disadvantages of the Acquisition

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on each Conditional Resolution:

- (a) the Acquisition represents a significant opportunity for the Company to increase the scale of its activities which should increase the number and size of the investor pool that may invest in the Company's Shares;
- (b) the Acquisition provides an opportunity for the Company to diversify its interests to include gridComm and the gridComm Solution;
- (c) the Acquisition provides the Company with the opportunity to increase the value of the Company;
- (d) the Company may be able to attract key cornerstone investors as a result of the Acquisition which may aid in the development and growth strategy of the gridComm business; and
- (e) the Acquisition provides the Company with a greater opportunity to realise revenue over a short time frame relative to the Company's previous oil and gas assets; and
- (f) The Company will, via Austasia, hold 94% of the issued capital in gridComm and, accordingly, gridComm will not be a wholly owned subsidiary of the Company. The Company will examine its ability to compulsorily acquire the remaining shares in gridComm under the laws of Singapore, however there is no guarantee that it will be able to do so.

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on each Conditional Resolution:

- (a) the Company will be changing the nature and scale of its activities to become a company focused on IoT technology, as referred to above, which may not be consistent with the objectives of all Shareholders;

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- (b) the Acquisition and the Capital Raising will result in the issue of Shares and Performance Shares to the Austasia Shareholders and new investors, which will have a dilutionary effect on the holdings of Shareholders;
- (c) on completion of the Transaction, the Austasia Shareholders will hold up to 60.78% of the total issued Share capital of the Company. This level of shareholding will give the Austasia Shareholders significant influence over the Company and they may be able to influence the outcomes of resolutions sought at meetings of the Company, including the ability to block special resolutions. It may also reduce the chance of the Company receiving a future takeover offer due to the large stake held by the Austasia Shareholders; and
- (d) there are inherent risks associated with the change in nature of the Company's activities. Some of these risks are summarised in Section 4.13 below.

4.4 About gridComm

gridComm is a smart city-focused company that creates a network over a city's power lines to enable street light control and sensor data communications with its power line networking solution.

gridComm was incorporated in Singapore in 2012. The management team came from Semitech with Asia-focused smart grid device capability. gridComm owns the technology and provides the chips that enable communications across existing power grid systems by connecting utilities to power consumers.

gridComm has developed intelligent machine-to-machine communication on the evolving power generation and distribution grid to establish greater efficiency and productivity in energy delivery to the world's increasingly integrated and demanding economy. gridComm provides the components that enable communications over the power grid. Initially gridComm is using its technology for "connected streetlights" but its chips can be used to enable "smart grid" and "smart home" communications.

The SLMS developed by gridComm enables smart streetlights to be controlled and monitored based on environmental conditions, as well as to send information about their functionality to the city's command centre, enabling predictive maintenance.

The SLMS allows cities to monitor power consumption and the streetlights' working conditions, both in real time and historically, and to program the lights to dim at specific times. The SLMS analyses each lamp's operational status—on, off or a dimming level—as well as the power consumption based on kilowatt per hour, voltage and current. The system also includes each lamp's GPS location, which a worker enters into the system during the PLC Smart Light Controller module's installation, and can present that location on a map to partners of the SLMS software.

By connecting street lights gridComm creates a network over a city's power lines enabling the connectivity of other IOT sensors to monitor, for example, traffic flow, weather conditions, pollution levels and CO2 emissions.

gridComm is in production of its street light management systems which are deployed and in trials throughout Asia.

4.5 gridComm Business Model

City infrastructure is undergoing major disruption and gridComm has a communications solution that is currently operating in parts of Asia enabling smart grid solutions with higher data rates performance and reliability but at lower installation costs.

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gridComm's customers are street light manufacturers that integrate the gridComm solution into their product which they sell to cities, and utilities. gridComm markets via established distribution channels across Asia and also sells direct via internal sales and engineering market experts.

gridComm sells full street light control systems as well as PLC modules (GC9100) and semiconductor devices (GC2200) with network software as "plug and play" smart grid communications solution. gridComm's revenue is up to \$100/street light (initial install) and up to \$5 per month /street light recurring SaaS revenue and achieves average gross margin of up to 35% on up to \$3.00 per unit GC220. Device sales revenue is up to \$9.00 per unit for GC8100 module sales, and up to \$40 or 45% margin on its street light controllers.

gridComm has a robust and diverse business model combining recurring Software as a Service (**SaaS**) analytics software, gridComm networking infrastructure and recurring shared energy cost savings by providing:

- (a) Power Line Communication Solution – upon installation via Value Added Resellers (VAR);
- (b) SaaS Licensing – street light control analytics; per month per street light licensing; and
- (c) Shared energy cost saving – following large deployments via energy and maintenance cost reductions.

Further, gridComm is paid for the networking infrastructure; it then provides the control and analytics software to enable further streetlight control efficiency and works with street light makers to provide street lights at zero capital cost to cities in exchange for the savings made by the city in its electricity costs. This model would attract those cities that cannot afford connected street lights gridComm provides access to their partners and VAR's and are paid the resulting electricity cost savings.

Overview of the "Internet of Things"

The Internet of Things or "IoT", is the network of physical objects or "things" embedded with electronics, software, sensors, and connectivity to enable objects to collect and exchange data. The Internet of Things allows objects to be sensed and controlled remotely across existing network infrastructure, creating opportunities for more direct integration between the physical world and computer-based systems, and resulting in improved efficiency, accuracy and economic benefit. Each thing is uniquely identifiable through its embedded computing system but is able to interoperate within the existing Internet infrastructure. According to Cisco, it is estimated that the IoT will consist of almost 50 billion objects by 2020.¹

Typically, IoT is expected to offer advanced connectivity of devices, systems, and services that goes beyond machine-to-machine communications (M2M) and covers a variety of protocols, domains, and applications. The interconnection of these embedded devices (including smart objects), is expected to usher in automation in nearly all fields, while also enabling advanced applications like a Smart Grid, and expanding to the areas such as Smart city.

Things, in the IoT, can refer to a wide variety of devices such as environmental sensors, biochip transponders on farm animals, automobiles with built-in sensors, or field operation devices that assist fire-fighters in search and rescue. These devices collect useful data with the help of various existing technologies and then autonomously flow the data between other devices. Current market examples include smart thermostat systems and washer/dryers that use Wi-Fi for remote monitoring.

¹ Cisco Internet Business Solutions Group (2011) *The Internet of Things How the Next Evolution of the Internet Is Changing Everything*. Retrieved from Cisco Internet Business Solutions Group website <http://www.cisco.com/web/about/ac79/docs/innov/IoT_IBSG_0411FINAL.pdf> [15 January 2016].

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Besides the plethora of new application areas for Internet connected automation to expand into, IoT is also expected to generate large amounts of data from diverse locations that is aggregated very quickly, thereby increasing the need to better index, store and process such data

4.6 Current Contracts and Growth

There are currently 304 million total public streetlights in the world. This number will grow to 352 million total streetlights by 2025. (Source: Northeast Group, Global LED and Smart Street Lighting: Market Forecast).

Public lighting is 30% of a city's electricity budget, and potential savings of up to 40% can be made using SLMS (as demonstrated in gridComm deployments). Extension of SLMS will include outdoor Radio Frequency sensor network systems.

Smart grid deployment is a significant and fast growing market with 700 million nodes (smart meters, LED street lights, connected appliances) being deployed over the next 5 years with market growth for such components seen to be up to \$3B (Source: Northeast Group, Global LED and Smart Street Lighting: Market Forecast).

gridComm has secured orders from a number of customers in China, Singapore, Indonesia and Russia.

The Indonesian city of Jakarta is in the second phase of a multiple implementing the SLMS. The first phases implementing of smart streetlights will be able to dim lights based on environmental conditions, as well as send information about their functionality to the city's command data centre, enabling predictive maintenance. This data can be tailored according to the needs of each individual street or block.

Jakarta contains 250,000 streetlights that may be eventually integrated into the system. It began with a trial of 100 lights during the first quarter of 2015. Once that system proved to work well, the city launched a wider deployment, starting with 10,000 lights in a single neighbourhood, several thousand of which have been equipped to date.

Field trials are being conducted in Makassar, Surabaya and Semarang cities, gridComm partnered with LED lighting provider PT Siklon Energy Nusantara (**Siklon**) which installed the Internet of Things technology.

gridComm products are used now on the China State Grid by companies including Lang Fang Gao Shan (China, meters), AEM (China, street lights) and include LED light makers and smart meter customers such as Siklon with whom gridComm has a contract with the city of Jakarta to provide connectivity for 50,000 street lights. Other deployments include:

- (a) Shenzhen AEM Lights Controller - supply AEM with GC2200 OFDMA chip to enable PLC communications in the power lines for Street Lights control and deployment in Foshan and Shenzhen roads,
- (b) Oriental Pearl - Partnered with Shanghai Meshall Lights PLC to rig the Oriental Pearl TV Tower with a remote controlled lighting system. Because it was a broadcast tower sensitive to transmissions, wireless communications control was not possible gridComm's system allowed client to control lighting by utilising the existing electrical wiring to the lights.
- (c) CAEXPO centre - an iconic trade centre in Nanning - installed 100 smart LED and HID street lights and another 20,000 in the pipeline for Guangxi.

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4.7 Key Elements of the Acquisition

(a) Consideration

In consideration for acquiring all of the Austasia Shares, the Company will issue 85,363,965 Acquisition Shares and 110,002,349 Performance Shares to the Austasia Shareholders on a post Consolidation basis.

(b) Conditions of the Acquisition

Completion of the Acquisition is subject to a number of conditions precedent being met by both the Company and Austasia. The conditions precedent include the following key conditions:

- (1) the Company and the Austasia Shareholders each being satisfied in their absolute discretion with the results of their own due diligence;
- (2) all necessary regulatory approvals being obtained to enable the completion of the Acquisition;
- (3) all necessary Shareholder approvals being obtained by the Company in respect of the Acquisition;
- (4) the Company undertaking the Capital Raising; and
- (5) the Company completing the Consolidation; and
- (6) post-Consolidation the number of Shares not exceeding 16,100,000 and the number of Preference Shares not exceeding 7,000.

4.8 Change of activities

As identified above, ASX has advised that the Acquisition produces an effect on the Company which amounts to a significant change in the nature and scale of its current business activities.

Pursuant to Chapter 11 of the ASX Listing Rules, ASX has advised the Company that the Company must:

- (a) obtain Shareholder approval for the purposes of Listing Rule 11.1.2; and
- (b) re-comply with Chapters 1 and 2 of the ASX Listing Rules, pursuant to Listing Rule 11.1.3.

In accordance with Chapters 1 and 2 of the Listing Rules, the Company is required to satisfy a number of conditions. As such, subject to Shareholders passing the Conditional Resolutions, in order to meet the requirements of Chapters 1 and 2 of the Listing Rules and be re-admitted to the Official List, the Company intends to lodge the Prospectus, pursuant to which the Company will undertake the Capital Raising to raise a minimum of \$6 million and up to \$8 million. Further details of the Capital Raising are outlined in section 7 of this Explanatory Memorandum.

The Company's Shares will be placed in trading halt from the commencement of trading on the date following the despatch of the Notice of Meeting, pending the outcome of the Meeting and the Company's re-compliance with Chapters 1 and 2 of the ASX Listing Rules. The Company's Shares will remain suspended from Official Quotation until the ASX approves the Company's re-compliance with Chapters 1 and 2 of the ASX Listing Rules.

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In relation to the change to the Company's nature and scale of activities, upon re-complying with Chapters 1 and 2 of the Listing Rules the Company's primary focus will be an IoT technology business that is intent on commercialising and realising value from its developed technology.

4.9 Financial effect of the transaction on the Company

(a) Assets, equity, annual profit

Details of the estimated effect that the Acquisition will have on the Company's total assets, total equity interests, annual revenue/annual expenditure and annual profit before tax and extraordinary items following completion of the Acquisition are set out in Schedule 7.

The Pro Forma Financial Information in Schedule 7 has been prepared for illustrative purposes and has been prepared in accordance with the measurement and recognition criteria of Australian Accounting Standards and the significant accounting policies of the Company and Austasia, as if the Acquisition occurred on 31 December 2015.

The accounting policies comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board. They also comply with International Financial Reporting Standards. The Financial Information is presented in an abbreviated form insofar as it does not include all the disclosures, statements, comparative information and notes required in annual general purpose financial report prepared in accordance with Australian Accounting Standards and the Corporations Act.

The Company's financial statements as at and for the years ended 30 June 2013, 2014 and 2015 and as at and for the 6 months ended 31 December 2015 have been audited by Greenwich & Co (formerly Simes Cooke). An unqualified audit opinion, but with an emphasis of matter in regard to going concern, was issued in respect of these periods by Greenwich & Co (formerly Simes Cooke).

The historical financial information of the merged group provided in Schedule 7 comprises a Pro forma consolidated statement of financial position as at 31 December 2015, which is based upon:

- (1) the Company's audited statement of financial position as at 31 December 2015;
- (2) gridComm's audited statement of financial position as at 31 December 2015; and
- (3) relevant pro-forma adjustments required to present the merged group.

The information in Schedule 7 is presented on a pro-forma basis only, and as a result it is likely that this information will differ from the actual financial information for the merged group as at completion of the proposed acquisition.

(b) Issued capital

Schedule 3 sets out the current issued share capital of the Company, together with the capital structure, assuming the Transaction completes.

In summary, if the Acquisition is completed and all Shares are issued in accordance with Resolutions 4, 5 and 6 of this Notice, the Austasia Shareholders would hold a total of 60.78% of the issued Shares, assuming that the Austasia Shareholders do not

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subscribe for any Shares pursuant to the Capital Raising and assuming the minimum Capital Raising of \$6 million.

The existing Shareholders of the Company would hold a total of 11.45% of the issued Shares, assuming that neither the Austasia Shareholders nor any existing Shareholders subscribe for any Shares pursuant to the Capital Raising and assuming the minimum Capital Raising of \$6 million. Assuming only new investors subscribe for Shares pursuant to the Capital Raising and that the Capital Raising is for the minimum of \$6 million, those new investors would hold 21.36% of the issued Shares on completion of the Transaction.

This information excludes any Performance Shares and Advisor Options held and assumes such securities are not converted into Shares.

The spread of the shareholding among the Austasia Shareholders is identified in Schedule 1.

4.10 Board Composition

The Company's Board is currently comprised of three (3) directors:

- (a) Alex Bajada;
- (b) Roland Berzins; and
- (c) David Ballantyne,

and will remain the same following the Acquisition.

4.11 Key Management

Following the Acquisition, the key management of the Company will initially comprise:

(a) Michael Holt - CEO

Mike graduated in 1985 with a BSEE with Honours. In 1998 he received a MSc Electrical Engineering degree with Honours and in 1993 received an MBA with Honours focusing on marketing and finance; all from the University of California, Irvine.

Mike has 27 years of management experience in the high technology industry. In 2006 he founded technology incubator and advisory firm Get2Volume in Singapore. Get2Volume has helped 15 technology companies grow revenue, win customers, raise money and be acquired.

Prior to founding Get2Volume, Mike spent 15 years at Texas Instruments and Silicon Systems in various leadership positions including product line manager for TI's \$200m storage DSP division (managing a world-wide team of 130 employees).

Mike has been the CEO of eMicro a semiconductor company, growing its revenue and profitability and consolidating the company with Cirrus Logic. He has been CEO of high-tech start-ups raising \$70m in funding. He is Vice President and co-founder of Singapore Semiconductor Industry Association (SSIA) and an "Entrepreneur-in-Residence" at INSEAD. Mike holds two patents.

Mike's high-technology and related company growth experience includes:

- NRF TIS incubation manager for Get2Volume (www.get2volume.com).

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- Semitech semiconductor (Singapore, Australia, California), led buyout restructuring, move to Singapore, growth and exit (M/A process). Chosen as EETimes 2011 top 5 startups.
- ConnectHealth (Singapore), with co-founder Hari Ramachandran, incubated Connec-tHeath from concept, funding, revenue and growth.
- Plunify (Singapore), NUS NEC Company focused on semiconductor tools. Focus on growth.
- Novelics (US & Singapore), involvement in market growth to exit. Led sale of the company to Mentor Graphics in 2011 (\$10M exit value).
- JamTech (US & Singapore), funding market expansion, operations.
- Transdimensions as VP Marketing and Operations grew the business from \$4m to \$20m in annual sales in the first twelve month of his appointment. Acquired by Oxford Semiconductors.

(b) Tuck Long Nge – Vice-President Sales

Tuck Long is Co-founder of gridComm and is currently VP Sales.

Tuck Long brings more than 18 years semiconductor sales experience with world-class multi-national corporations and start-ups covering Asia Pacific and focusing in Smart Grid, consumer electronics and embedded devices. He is a Smart grid systems and semiconductor expert acquiring his experience at Silicon Systems, TI, Teridian and Semitech.

In his previous careers, Tuck Long had created several strategic and successful design-wins with the China State Grid, China Telecoms, Lenovo, Seagate, Hewlett Packard, Hitachi and others. Tuck Long started his career as a wafer fab engineer at ST Micro and held senior sales roles at Semitech Semiconductor, Symwave, Teridian Semiconductor Corporation, Oxford Semiconductor and Wind River Systems.

(c) Arthur Goh - VP Engineering

Arthur brings 20+ years of experience in design and development of embedded systems and in software architecture.

Arthur started his career as a Software Engineering lecturer at Ngee Ann Polytechnic in Singapore and later worked in HP and GE as key software engineer. He is an experienced trainer and technical writer and architected gridComm GC-Net adaptive networking software and the Street Light Management Software.

4.12 Timetable

The timetable in Schedule 4 outlines the expected timing for completion of the Acquisition and the Capital Raising, subject to compliance with all regulatory and statutory requirements.

The Company notes that the dates outlined in the timetable in Schedule 4 are indicative only and subject to a number of factors which are outside the control of the Company and as such may change without notice.

4.13 Risks

The business activities of the Company are and will continue to be subject to normal business risks and uncertainties and there may be many factors that could affect the future performance

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of the Company. Some of these risks and uncertainties may be mitigated by the use of safeguards, appropriate systems and contingencies. However, some risks may be outside the control of the Company and not able to be mitigated. Additionally, there are also a number of risk factors that are specific to the Company.

The following is a summary of some of the key specific risks relating to the Acquisition and business of the Company after completion of the Transaction.

(a) Limited trading history of gridComm

gridComm is an early stage company with limited trading history and, at such an early stage of its development, there are significant uncertainties associated with forecasting future revenues and expenses of the company.

Since incorporating on 7 September 2012, gridComm's activities have principally involved funding the development of its software, product testing and marketing. The funds were allocated to Research & Development expenses, wages, legal fees and other associated administration costs.

As with many early stage companies, gridComm has incurred losses since its inception. The cumulative losses up to 31 December 2015 are approximately \$1.3 million

There have been no forecast financial projections undertaken as part of this Prospectus.

(b) Reinstatement to the Official List

The Acquisition is subject to a number of conditions precedent. If these conditions are not satisfied or waived by the relevant due date, the Acquisition may not proceed, in which case the Company will need to evaluate its future strategy.

In addition, one of the conditions precedents is that all necessary regulatory approvals pursuant to the Listing Rules are met. The acquisition of gridComm constitutes a significant change in the nature and scale of the Company's activities and the Company needs to comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the official list of the ASX.

There is a risk that the Company may not be able to meet the requirements of the ASX for re-quotations of its Shares and Options on the ASX, which would result in the investors' funds being returned, and the Acquisition not being completed. Should this occur, the Shares and Options will not be able to be traded on the ASX until such time as those requirements can be met, if at all.

(c) Competition and New Technologies

The industries in which gridComm and the Company are involved are subject to increasing domestic and global competition which is fast-paced and fast-changing.

While the Company intends to 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, whose activities or actions may positively or negatively affect the operating and financial performance of the Company.

There is a risk that the Company will not be able to compete in the competitive industries in which it, gridComm operates. gridComm will (and after the Acquisition, the Company will) be competing against a number of significant global IT companies and other entities for customers, growth, and revenue.

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In addition, the emergence of new competitors in the market, or technological developments providing an alternative to gridComm products and services, could adversely impact gridComm market share and the Company's financial position and financial performance. Existing and new providers of services platforms may expand their market share and revenue, which could also impact adversely on the Company's financial position and financial performance.

(d) Development and Marketing Risks

Following completion of the Capital Raising, the Company will focus on growing gridComm's business and fully commercialising the gridComm Solution by prioritising funds towards further product enhancement, sales and marketing.

The Company's focus will be to generate sales in the Asian Pacific and International markets. It is proposed that the Company will achieve this through advanced sales plans and solid partner sales relationships, as well as a maturing ambassadorial program.

The Company also intends to market to industry specific markets by working with industry groups, catalyst clients in specific markets and integration to complementary products for co-sales and marketing.

By its nature, there is no guarantee that the Company's marketing campaign will be successful and there is no guarantee of whether the Company will generate any revenue or profits.

The Company may encounter difficulty in bringing the gridComm Solution to the market and creating market awareness of the brand.

Following completion of the Capital Raising, the Company intends to seek to advance the gridComm Solution by focusing initially on marketing.

Any failure to expand the usage of gridComm's Solution would have an adverse impact on the Company's financial position and financial performance

(e) Operational and Commercialisation Risks

There can be no assurance that the Company's business will be profitable and/or commercially viable. The Company may not achieve either short or long term profitability and may suffer losses.

There is the risk that the gridComm Solution may not be commercially successful and may not function, operate or integrate as intended, including with respect to its capacity to service customers. gridComm's technologies are complex; they may have errors or defects that users identify after they begin using them. There is a risk that the gridComm Solution may not be scalable in that the software or hardware may not support large numbers of users as the Company's business grows and the number of users of the gridComm Solution increases.

This may lead to the Company's financial position and financial performance being adversely affected and the Company's reputation suffering amongst users and customers as well as potential claims for redress.

(f) Intellectual Property Rights

Following Completion of the Acquisition, the Company will have acquired the gridComm Solution, which includes the application of two patents which are in the process of being granted:

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- (1) Singapore Patent Application No.: 10201503002V
Date of Filing: 16 April 2015
Title: FORMATION AND MAINTENANCE OF A COMMUNICATION NETWORK
Applicant: GRIDCOMM PTE LTD
- (2) Singapore Patent Application No.: 10201500769U
Date of Filing: 30 January 2015
Title: A DISCOVERY METHOD FOR A POWER LINE COMMUNICATION NETWORK
Applicant: GRIDCOMM PTE LTD

The Company will endeavour to hold patents and trademarks over its hardware and software and seek to protect its potential intellectual property. However due to the legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are not guaranteed. In particular, when the Company's product range is introduced to different jurisdictions, protection may not be available in any or every country in which the Company may operate.

In any event, the Company may not be able to prevent third parties from infringing upon or misappropriating its intellectual property. The Company cannot be certain that unauthorised use or access of intellectual property relevant to the Company's, business will not be undertaken by third parties to the detriment of the Company, its operations and business. In addition, there can be no guarantee that unauthorised use or copying of the software, data or specialised technology will not be compromised. Any unauthorised use, access or copying of the intellectual property could impact adversely on the Company, its operations and business.

Further, there is a risk that the Company's business may be alleged to have infringed intellectual property rights of third parties. The Company is not aware of any such allegations.

(g) Reliance on Key Personnel

The responsibility of overseeing the day to day operations and the strategic management of the Company depends substantially on its proposed key personnel (being Mr Michael Holt and the Directors). Loss of key personnel could adversely affect the Company's performance and its financial position.

The Company's ability to effectively execute its growth strategies therefore depends significantly upon the ability to recruit key personnel and the performance and expertise of such personnel, including those with valuable technological skills, marketing experience and specialist knowledge of the Company's business model and markets, respectively. The inability to recruit key personnel or the departure of certain key employees, including Mr Michael Holt and any delay in his replacement or indeed any failure to adequately replace him, is likely to hinder the Company's ability (post Completion) to achieve its strategic growth objectives and financial performance goals. In addition, in order for the Company to achieve its growth objectives it will likely be required to engage the services of other key management personnel with appropriate experience.

There is no guarantee that the Company will be able to attract and retain appropriately qualified personnel in these areas. Any failure to do so is likely to also hinder the Company's ability to achieve its strategic growth objectives.

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(h) Relationships with suppliers

The Company relies on sourcing products from various suppliers and any material adverse change in the Company's relationships with its suppliers, its terms of trade, or the ability of key suppliers to service orders could have an adverse impact on the Company's prospects.

It is important to note, however, that the Company's business revolves largely around the supply of software and modules, and does not heavily rely upon the supply of other products.

In areas where supply of components is necessary, gridComm will attempt, where possible, to have a number of suppliers for components.

(i) Faults with products/services

The Company's products are complex. Damage to or failure of key systems may result in disruptions to the Company's ability to operate the gridComm Solution and other services and could affect the Company's performance and financial position

(j) Regulatory Environment

Presently, the Company's active operations are based in Asia Pacific, and as recently announced in the Russian Republic, and are subject to those jurisdictions. The Company will examine expanding its operations into other markets such as Australia which may expose it to regulatory and jurisdictional risks.

The Company's operations may become subject to regulatory requirements, such as licensing and reporting obligations, which would increase the costs and resources associated with regulatory compliance. Any such increase in the costs and resources associated with regulatory compliance could impact upon the Company's profitability and viability.

(k) Additional Requirements for Capital

Additional funding beyond that proposed to be raised pursuant to the Capital Raising may be required for the continued development of the gridComm's business model. This additional capital may also be used to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, or to meet any unanticipated liabilities or expenses which the Company may incur.

The Company may seek to raise further funds through equity or debt financing, joint ventures, partnerships, alliances or other means. Failure to obtain sufficient financing for the Company's activities and future projects may have an adverse effect on the Company's financial position and financial performance. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(l) Foreign Exchange Risks

Exchange rates are beyond the control of the Company.

The Company's revenues, costs and expenses are currently all derived in US Dollars dollars and there may be foreign exchange risk under the current business trading model.

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As the Company's intention is to expand its operations in future in foreign jurisdictions, the Company could be exposed to foreign exchange risks.

(m) Reliance on External Technology

The Company does rely on the capacity of external technology utilized by the gridComm products under licence to provide ongoing support for the delivery of their software solutions.

gridComm have developed or acquired their own software which is used in conjunction with off the shelf software under licence from third parties to enable the functionality of its product offerings. Such third party software may be subject to external factors such as depreciation of operating systems, libraries, components, third party interfaces, drivers, patches, compatibility, version conflict, obsolescence or other related issues. In addition, the third party software may require updating and maintenance.

These external factors may also affect the ability of gridComm to effectively upgrade and maintain its software. Furthermore, licensing and commercial conditions imposed by third party software companies may be unsustainable or impracticable for gridComm causing a need to rely on other solutions or develop these in house. Should gridComm have such issues, these may affect their ability to successfully provide their products.

The Company recognizes the risk in these areas and will undertake all necessary controls and monitoring of these facilities to ensure that any variation or cancellation of these technologies can be replaced in due course.

(n) Security Breaches / Hackers

A malicious attack on the Company, from external or internal sources could put the integrity and privacy of customers' data and business systems used to run the gridComm Solution at risk. The impact of control breaches, loss or leakage of customer or business data could include costs for rebates, potential service disruption, litigation and brand damage resulting in adverse effects to the Company which may affect the Company's financial position and performance.

Hackers could render the Company's website unavailable. While the Company will take reasonable precautions, the Company may be a target for hackers. Actual or perceived security vulnerabilities in the Company's services or any breach of its security controls and authorised access to a customer's data could harm the business and the Company's operating results.

The Company follows best practice in relation to security policies, procedures, automated and manual protections, encryption systems and staff screening to minimise this risk.

(o) Privacy

The environment in which the Company operates is subject to complex and evolving foreign policies, laws and regulations regarding privacy, data protection, content regulation, intellectual property, competition, distribution of electronic contracts and other communications, consumer protection, taxation, online payment services and advertising and marketing standards.

The Company collects, stores and processes highly sensitive, highly regulated and confidential information. The provision of secure and reliable information storage and processing services is integral to the businesses and operations of the Company.

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Whilst the Company follows best practice in relation to security policies, procedures, automated and manual protections, encryption systems and staff screening to minimise risks, there is no guarantee that the implementation of such precautions will be sufficient to prevent data security breaches and information being compromised or misused.

A malicious attack on the Company's systems, processes or people from external or internal sources could put the integrity and privacy of client data and business systems used to run the Company at risk. The impact of loss or leakage of client or business data could include potential service disruption, litigation, liability to third parties, penalties imposed by government agencies under applicable laws and brand damage resulting in reduced or falling revenues. These potential losses or liabilities will be different for each jurisdiction in which the Company operates.

There is also currently an increased exposure to organisations that process personal information in the course of their commercial activities, in particular relating to liability arising from security incidents.

4.14 Other information

(a) Conditionality of Resolutions

The Conditional Resolutions are each conditional upon the passing of each other, so that each will not have effect unless and until all of the others are passed.

As such, if any of the Conditional Resolutions are not passed, then all of the Conditional Resolutions will be taken to have been not approved by Shareholders.

(b) Plans for the Company if the Resolutions are passed

In the event that all of the Conditional Resolutions are approved by Shareholders and the Acquisition completes, the Company will comprise the combined business operations of Odin and gridComm. As such, the Company will move forward with plans to grow gridComm's business and fully commercialise the gridComm Solution by prioritising funds towards further product enhancement, sales and marketing.

(c) Plans for the Company if the Resolutions are not passed:

In the event that the Conditional Resolutions are not approved and the Acquisition does not take place, the Company will attempt to find another project that meets shareholder expectations.

4.15 Director Recommendation

For the reasons set out above, including the conclusion of the Independent Expert, the Directors consider that the Acquisition is in the best interests of the Company. However, as noted in section 4.1, the Directors have a personal interest in Resolution 2 and, accordingly, make no recommendation in relation to the Resolution.

5. Resolution 3 – Creation of New Class of Securities: Performance Shares

5.1 General

This Resolution seeks Shareholder approval for the Company to be authorised to issue Performance Shares under the Acquisition.

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A company which proposes to issue new shares not having the same right as its existing classes of shares is taken to vary the rights of the existing shareholders unless the constitution of that company already provides for such an issue.

Section 246B of the Corporations Act provides that the rights attaching to a class of shares cannot be varied without:

- (a) a special resolution passed at a meeting of the members holding shares in that class; or
- (b) the written consent of the members who are entitled to at least 75% of the votes that may be cast in respect of the shares in that class.

The Company currently has fully paid ordinary shares on issue, as well as 7,000 convertible preference shares. Accordingly, the Company seeks approval from Shareholders for the issue of a total of 110,002,349 Performance Shares being:

- (a) 33,417,449 Class A Performance Shares;
- (b) 33,417,450 Class B Performance Shares; and
- (c) 33,417,450 Class C Performance Shares,
- (d) 3,250,000 Class D Performance Shares;
- (e) 3,250,000 Class E Performance Shares; and
- (f) 3,250,000 Class F Performance Shares,

to the Austasia Shareholders.

Each Performance Share, if certain milestones are achieved, will convert into one fully paid ordinary share in the Company. Full terms and conditions of the Performance Shares are set out in Schedule 5 of this Explanatory Memorandum.

This Resolution is conditional on each of the Conditional Resolutions being approved.

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6. Resolutions 4 and 5: Approval of the Issue of Acquisition Shares and Performance Shares

6.1 Introduction

As outlined in section 4.7(a), the consideration for the Acquisition consists of the:

- (a) Acquisition Shares to be issued to all of the Austasia Shareholders; and
- (b) Performance Shares to be issued to certain Austasia Shareholders.

A summary of the terms of the SSA is set out in Schedule 2 of this Explanatory Memorandum.

6.2 Acquisition Shares

Resolutions 4 and 5 propose the issue and allotment of a total of 85,363,965 Acquisition Shares to Austasia Shareholders pursuant to the SSA.

As noted in section 4.1, the Austasia Shareholders include the following parties who are related parties of the Company and who together will be issued an aggregate of 2,740,809 Acquisition Shares:

- (a) Spartan Nominees Pty Ltd (ACN 099 822 081) as trustee for The Spartan Super Fund which is an entity controlled by Alex Bajada, a director of the Company;
- (b) GCP Capital Pty Ltd (ACN 161 764 647, which is an entity controlled by Alex Bajada, a director of the Company;
- (c) Sandgroper Pty Ltd (ACN 065 049 032) ATF The Modillion Discretionary Trust, which is an entity controlled by David Ballantyne, a director of the Company;
- (d) Roland Berzins, a director of the Company, and his wife Carol Berzins; and
- (e) Sealblue Investments Pty Ltd (ACN 133 164 726, which is an entity controlled by Roland Berzins, a director of the Company.

Accordingly, Resolution 4 seeks approval for the issue of 85,363,965 Acquisition Shares to the Austasia Shareholders (or their nominees) pursuant to both Listing Rule 7.1 and Listing Rule 10.11.

Michael Holt is an Austasia Shareholder and controls Get2Volume, which is also an Austasia Shareholder. Accordingly, Michael Holt and Get2Volume are presently considered Associates of each other.

As the issue of the Austasia Shares and Performance Shares may result in a person having a voting power in the Company of more than 20%, Resolution 5 seeks approval for the issue of a total of 22,565,489 Shares to Michael Holt and Get2Volume for the purposes of section 611 (item 7) of the Corporations Act. These securities are included in, and not additional to, the total number of Acquisition Shares for which approval is sought pursuant to Resolution 4.

Details of the number of Acquisition Shares to be issued to each Austasia Shareholder are set out in Schedule 1.

6.3 Performance Shares

Pursuant to the terms of the SSA, the Company will also issue 110,002,349 Performance Shares to the Austasia Shareholders. Resolution 4 seeks approval for the issue of

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110,002,349 Performance Shares to the Austasia Shareholders (or their nominees) pursuant to Listing Rule 7.1.

The SSA contemplates the Performance Shares being issued as six classes of performance shares: Class A Performance Shares, Class B Performance Shares, Class C Performance Shares, Class D Performance Shares, Class E Performance Shares and Class F Performance Shares.

Details of the number of Performance Shares to be issued to each Austasia Shareholder is set out in Schedule 1. No Performance Shares are to be issued to related parties of the Company.

Resolution 5 seeks approval for the issue of 62,875,548 Performance Shares to Michael Holt and Get2Volume, for the purposes of section 611 (item 7) of the Corporations Act.

6.4 Listing Rule 7.1

The issue of the Acquisition Shares and Performance Shares to the Austasia Shareholders will exceed the 15% Capacity under Listing Rule 7.1. Accordingly, the Directors are seeking Shareholder approval pursuant to Resolution 4 to the issue of Acquisition Shares and Performance Shares to the Austasia Shareholders.

In accordance with Listing Rule 7.3, the Company advises as follows:

- (a) the maximum number of Acquisition Shares to be issued to the Austasia Shareholders (or their nominees) pursuant to Resolution 4 is 85,363,965 Acquisition Shares;
- (b) the maximum number of Performance Shares to be issued to Austasia Shareholders (or their nominees) pursuant to Resolution 4 is 110,002,349 Performance Shares;
- (c) the Acquisition Shares and Performance Shares will be allotted and issued on completion of the Acquisition, but in any event will be issued to the Austasia Shareholders (or their nominees) within 3 months of the date of the Meeting;
- (d) the Acquisition Shares and Performance Shares will not be issued for cash and will not raise any funds as the Acquisition Shares and Performance Shares are to be issued as consideration for the acquisition of the Austasia Shares. That said, the deemed issue price of the Acquisition Shares and Performance Shares is \$0.20 per Share; and
- (e) on issue, the Acquisition Shares will rank equally with all Shares on issue at that time; and
- (f) the material terms of the Performance Shares are set out in Schedule 5.

Other than as set out in section 6.5 below, the recipients of the Acquisition Shares and Performance Shares are not related parties of the Company.

6.5 Listing Rule 10.13

In accordance with Listing Rule 10.13, the Company provides the following additional information in relation to the Acquisition Shares to related parties of the Company:

- (a) the related parties to whom Acquisition Shares will be issued are:
 - (1) Spartan Nominees Pty Ltd (ACN 099 822 081) as trustee for the Spartan Super Fund which is an entity controlled by Alex Bajada, a director of the Company;
 - (2) GCP Capital Pty Ltd (ACN 161 764 647, which is an entity controlled by Alex Bajada, a director of the Company;

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- (3) Sandgroper Pty Ltd (ACN 065 049 032) as trustee for the Modillion Discretionary Trust, which is an entity controlled by David Ballantyne, a director of the Company;
 - (4) Roland Berzins, a director of the Company, and his wife Carol Berzins; and
 - (5) Sealblue Investments Pty Ltd (ACN 133 164 726, which is an entity controlled by Roland Berzins, a director of the Company;
- (b) a maximum of 2,740,809 Acquisition Shares will be issued to those related parties;
- (c) ASX has granted a waiver of the requirements of Listing Rule 10.13.3. Ordinarily, Listing Rule 10.13.3 would require the Company to specify a date by which the Acquisition Shares would be issued to related parties, with that date being no more than 1 month after the date of the Meeting. However, based on the conditions of the waiver granted by ASX, the allotment of the Acquisition Shares to the parties in paragraph (a) above will be required to occur simultaneously with the allotment of all other Acquisition Shares, with all allotments to occur within 3 months after the date of the meeting;
- (d) The issue price (\$0.20 per Acquisition Share) and terms are the same as for the Acquisition Shares to be issued to the Non-Associated Shareholders; and
- (e) No funds will be raised by the issue of the Acquisition Shares.

6.6 Section 611 of the Corporations Act

The issue of the Acquisition Shares to Michael Holt and Get2Volume pursuant to Resolution 5 will be prohibited by section 606 of the Corporations Act unless a relevant exception applies, as Michael Holt and Get2Volume currently have no voting power in the Company and may increase their voting power in the Company to more than 20%.

The initial acquisition of the Performance Shares pursuant to Resolution 5 will not result in Michael Holt or Get2Volume (as the case may be) acquiring a relevant interest in issued voting shares in the Company. However, on issue of any Shares on conversion of the Performance Shares (following satisfaction of the applicable performance milestones), the holder will acquire a relevant interest in those Shares. Accordingly, as Michael Holt and Get2Volume will in aggregate have voting power of more than 20% in the Company after completion of the Acquisition, any increase in their voting power would be prohibited by section 606 of the Corporations Act unless a relevant exception applies.

Section 611 (item 7) of the Corporations Act exempts an acquisition agreed to by a resolution passed at a general meeting on which no votes were cast in favour of the resolution by the person proposing to make the acquisition or their associates.

As a consequence of Michael Holt controlling Get2Volume, Michael Holt and Get2Volume are presently regarded as Associates of each other. The Company notes however that this does not necessarily mean that Michael Holt and Get2Volume will always be regarded as Associates.

Accordingly, Resolution 5 seeks approval for the issue of Acquisition Shares to Michael Holt and Get2Volume as well as for the issue of Shares to Michael Holt and Get2Volume upon conversion of the Performance Shares into Shares for the purposes of, amongst other things, section 611 (item 7) of the Corporations Act.

This Explanatory Memorandum has been prepared to provide sufficient detail for Shareholders of the Company to appropriately consider Resolution 5 and should be read in conjunction with the Independent Expert's Report.

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If Shareholders pass the Conditional Resolutions this will have the effect of, amongst other things:

- (a) the Company changing its activities within the meaning of Listing Rule 11.1;
- (b) the Company issuing the Acquisition Shares, including to those Austasia Shareholders who are related parties of the Company; and
- (c) Mr Michael Holt and Get2Volume (and their associates) potentially gaining a relevant interest in Shares in the Company in excess of 20%.

For the purposes of section 611 (item 7(b)), the Company advises that:

- (a) Section 611 (item 7(b)(i)): The identity of the person proposing to make the acquisition and their Associates

In respect of Resolution 5, the identity of the person proposing to make the acquisition is Michael Holt and Get2Volume (or their nominees).

Michael Holt and Get2Volume are presently regarded as Associates of each other.

Neither Michael Holt or Get2Volume currently hold any Equity Securities in the Company.

- (b) Section 611 (item 7(b)(ii)): The maximum extent of the increase in that person's Voting Power in the company that would result from the acquisition

Neither Michael Holt, nor Get2Volume, nor their Associates currently have a relevant interest or any voting power in the Company

In summary, in respect of Michael Holt and Get2Volume:

- (1) the maximum extent of the increase in Michael Holt and Get2Volume's relevant interest and voting power in the Company that would result from the issue of the Acquisition Shares to Michael Holt and Get2Volume or their nominees (assuming the Acquisition is completed and all Shares are issued in accordance with Resolutions 4, 5 and 6 of this Notice, but that no other Shares are issued) is 16.07%. This assumes that Michael Holt and Get2Volume do not subscribe for any Offer Shares under the Capital Raising. It further assumes the minimum Capital of \$6million. Michael Holt and Get2Volume do not intend to subscribe for any Offer Shares, and further, would not be able to subscribe for any Offer Shares under the Capital Raising without additional Shareholder approval first being obtained; and
- (2) the maximum extent of the increase in Michael Holt and Get2Volume's relevant interest and voting power in the Company that would result from the full conversion of all of the Performance Shares and the Advisor options (assuming the Acquisition is completed and all Shares are issued in accordance with Resolutions 4, 5 and 6 of this Notice, but that no other Shares are issued) is 16.12%, bringing the total relevant interest and voting power to 32.19%. This assumes that Michael Holt and Get2Volume do not subscribe for any Offer Shares under the Capital Raising. Michael Holt and Get2Volume do not intend to subscribe for any Offer Shares, and further, would not be able to subscribe for any Offer Shares under the Capital Raising without additional Shareholder approval first being obtained.

It is noted that under the proposed timetable, the Acquisition Shares will be issued prior to the issue of the Offer Shares. Accordingly, for a very short period of time, the

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maximum relevant interest and voting power in the Company that would result from the issue of the Acquisition Shares to Michael Holt and Get2Volume (assuming the Acquisition is completed, however, no other Shares are issued) would be 20.43%. This would only be the position until the Offer Shares were issued in which case the maximum relevant interest and voting power in the Company that would result from the issue of the Acquisition Shares Michael Holt and Get2Volume would be as set out above.

- (c) Section 611 (item 7(b)(iii)): The Voting Power that the person would have as a result of the acquisition

As provided in paragraph (b) above, Michael Holt and Get2Volume could have a maximum Voting Power of up to approximately 16.07% as a result of the issue of the Acquisition Shares (assuming the Acquisition is completed and all Shares are issued in accordance with Resolutions 4, 5 and 6 of this Notice, but that no other Shares are issued). This also assumes that the Michael Holt and Get2Volume do not subscribe for any Offer Shares under the Capital Raising. Michael Holt and Get2Volume do not intend to subscribe for any Offer Shares, and further, would not be able to subscribe for any Offer Shares under the Capital Raising without additional Shareholder approval first being obtained. In the event that there was full conversion of all of the Performance Shares issued to Michael Holt and Get2Volume (assuming the Acquisition is completed and all Shares are issued in accordance with Resolutions 4, 5 and 6 of this Notice, but that Michael Holt and Get2Volume do not subscribe for any Offer Shares and no other Shares are issued), Michael Holt and Get2Volume could have a maximum Voting Power of up to approximately 32.19%.

- (d) Section 611 (items 7(b)(iv) and 7(b)(v)): The maximum extent of the increase in the Voting Power of each of that person's Associates that would result from the acquisition and the Voting Power that each of that person's Associates would have as a result of the acquisition

In respect of Resolution 5, no associates of Michael Holt and Get2Volume hold Shares or a relevant interest in the Company, other than a relevant interest arising from the issue of Shares to Michael Holt and Get2Volume pursuant to the Acquisition.

In accordance with ASIC RG 74.25, the Company advises that:

- (a) Reasons for the proposed acquisition

The reasons for the Transaction are set out above at section 4.2.

- (b) When the proposed acquisition is to occur

Completion of the Acquisition will occur five business days after satisfaction or waiver of the conditions precedent to the Acquisition, at which time the Acquisition Shares and the Performance Shares will be issued.

The Performance Shares may convert into Shares at any time between the date of issue and up to 60 months from the Re-admission Date, in accordance with the terms set out in Schedule 5.

- (c) Material terms of the proposed acquisition

The material terms of the Performance Shares are set out in Schedule 5. The material terms of the Acquisition are set out in Schedule 2. The Acquisition Shares will rank equally with all Shares on issue at the time of issue.

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- (d) Details of any other relevant agreement between the acquirer and the Company that is conditional or depends on members' approval of the proposed acquisition

Each of the Resolutions in this Notice of Meeting are interconditional and, accordingly, the Acquisition is dependent on this Resolution being approved.

- (e) Acquirer's intentions regarding the future of the target entity if members approve the acquisition

Each of Michael Holt and Get2Volume has advised the Company that it:

- (1) has no current intention to make any significant change to the existing business of the Company;
- (2) has no current intention to inject further capital into the Company;
- (3) intends that the Board will be in accordance with that detailed in section 4.10;
- (4) has no current intention to change the employment of any existing employees of gridComm and the Company;
- (5) does not intend for any property be transferred between the Company and either the Michael Holt and Get2Volume or any person Associated with either of them; and
- (6) has no current intention to redeploy any of the Company's fixed assets.

- (f) Intention of the acquirer to significantly change the financial or dividend distribution policies of the entity

Each of Michael Holt and Get2Volume has advised the Company that it has no current intention to change the Company's financial or dividend policies.

- (g) The interests that any Director has in the acquisition or any relevant agreement disclosed above.

As set out in section 4.1, several of the Austasia Shareholders are entities associated with (variously) Roland Berzins, Alex Bajada and David Ballantyne. As the Resolutions in this Notice of Meeting are inter-conditional, the Acquisition is dependent on this Resolution 5 being approved. Other than as disclosed, and as Shareholders in the Company, neither Mr Roland Berzins, Mr Alex Bajada nor Mr David Ballantyne has an interest in the outcome of the Acquisition. Details of the Shares and Options of the Directors and their associates as at the date of this Notice are as follows:

Director	Number of Shares (pre-Consolidation)	Number of Shares (post-Consolidation)	Number of Options
Alex Bajada	28,386,668	811,048	Nil
Roland Berzins	2,083,333	59,524	Nil
David Ballantyne	2,400,000	68,571	Nil

- (h) Intended Directors if members approve the acquisition

On completion of the Acquisition, the board of the Company will be as set out in section 4.10.

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6.7 Independent Expert's Report

As set out in section 2.11, the Directors of the Company have commissioned the Independent Expert to prepare a report on the question of whether the Acquisition is fair and reasonable to the Shareholders not associated with the proposal. That report accompanies the Notice.

After considering the advantages and disadvantages of the Acquisition summarised above and set out in more detail in section 11 of the Independent Expert's Report, the Independent Expert formed the view that the Acquisition, including, relevantly, the potential impact on voting power the subject of this Resolution, is fair and reasonable to Shareholders as at the date of the Independent Expert's Report.

Shareholders are urged to read and consider the Independent Expert's Report which accompanies the Notice, prior to making a decision as to how to vote on Resolution 5.

6.8 Directors' Recommendation

Based on the information available, including the information contained in this Explanatory Memorandum and the Independent Expert's Report and the advantages and disadvantages outlined in this Explanatory Memorandum and the Independent Expert's Report, the Directors recommend that Shareholders vote in favour of Resolution 5 - Approval of the issue of Acquisition Shares and Performance Shares to Michael Holt and Get2Volume, for the following reasons:

- (a) they consider that the Acquisition is in the best interests of the Company. A detailed explanation of the rationale for the Acquisition is set out in section 4.2 and the advantages and disadvantages of the Acquisition are set out in section 4.3;
- (b) completion of the Acquisition is conditional upon the passing of all of the Conditional Resolutions;
- (c) the issue of Acquisition Shares and Performance Shares is the consideration for the Company acquiring all of the Austasia Shares; and
- (d) RSM Corporate Australia Pty Ltd, in the Independent Expert's Report, has concluded that the Acquisition is fair and reasonable to the Non-Associated Shareholders.

In summary, the Directors consider that the rationale for and benefits of the Acquisition outweigh any disadvantages of the Acquisition, and other reasons why they would consider voting against Resolution 5.

As the Directors have a personal interest in the outcome of Resolution 4, the Directors make no recommendation in respect of that Resolution.

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7. Resolution 6 - Approval to issue Offer Shares under the Prospectus

7.1 General

Resolution 6 seeks Shareholder approval for the Company to undertake the Capital Raising by way of an offer to the public of between 30,000,000 and 40,000,000 Shares at an issue price of \$0.20 each to raise between \$6 million and \$8 million. Shareholder approval is required pursuant to Listing Rule 7.1 before the Company can issue the Offer Shares, which is the subject of Resolution 6.

The specific details of the Capital Raising will be described in the Prospectus. However, it is noted that the Capital Raising will not be undertaken if the Conditional Resolutions are not all passed and that no Offer Shares will be issued if the Acquisition does not complete.

7.2 Re-Compliance with Chapters 1 and 2

As previously identified, the Company will seek to re-comply with the requirements of Chapters 1 and 2 of the ASX Listing Rules for admission to the Official List, pending approval of the Resolutions by Shareholders. In re-complying with Chapters 1 and 2 of the ASX Listing Rules, Listing Rule 1.1 Condition 3 requires a company to issue and lodge a prospectus with ASIC. The Prospectus issued by the Company is therefore a re-compliance Prospectus for the purposes of Chapters 1 and 2 of the Listing Rules.

Listing Rule 2.1 outlines the conditions that must be satisfied for quotation of the main class of securities of an entity seeking admission to the Official List. Condition 2 specifies that the issue or sale price of the securities be at least 20 cents (**20 Cent Rule**). Similarly, Condition 11 of Listing Rule 1.1 provides that any options on issue must be exercisable for at least 20 cents. As noted in section 2.8, the Company sought a waiver of the 20 Cent Rule, to permit an issue price and exercise price of 10 cents. However this waiver was not granted and accordingly the Offer Shares are being issued at 20 cents, and the options are exercisable at 22 cents.

7.3 Listing Rule 7.1

In accordance with Listing Rule 7.3, the following additional information is provided for the purposes of Resolution 6:

- (a) up to 40,000,000 Offer Shares will be issued and allotted pursuant to the Prospectus;
- (b) the Offer Shares will be issued and allotted on completion of the Capital Raising but in any event no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the ASX Listing Rules);
- (c) the issue price of each Offer Share is \$0.20. The Capital Raising will raise up to \$8 million;
- (d) the allottees will be subscribers to the Capital Raising and the identity of the allottees is not known at this point in time;
- (e) the Offer Shares are fully paid ordinary shares;
- (f) on issue, the Offer Shares will rank equally with all Shares then on issue; and
- (g) the funds raised pursuant to the Capital Raising are intended to be applied to:
 - (1) market, distribute and develop the gridComm suite of products and solutions;
 - (2) pay the costs of the Transaction; and

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(3) provide funding for the working capital of the Company.

However, in the event that circumstances change or other beneficial opportunities arise, the Directors reserve the right to vary the proposed use of funds to maximise the benefit to Shareholders. Further details on the use of funds is set out in Schedule 9.

7.4 Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 6.

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8. Resolution 7, 8 and 9 - Approval of Directors Participating in the Capital Raising

8.1 General

It is proposed that each of the Directors will participate in the Capital Raising by subscribing for Shares up to an aggregate maximum total of 250,000 Capital Raising Shares (on a post Consolidation basis) (**Director Capital Raising Shares**). The number of Director Capital Raising Shares are included in the number of Offer Shares the subject of Resolution 6. If Resolutions 7, 8 or 9 are not passed, the Director Capital Raising Shares, the subject of those Resolutions, will instead be issued to unrelated third parties as part of the Offer Shares.

8.2 Listing Rule 10.11

Listing Rule 10.11 provides that a company must not (subject to specific exceptions) issue or agree to issue equity securities to a Related Party without the approval of shareholders. Each of the Directors is a Related Party of the Company by virtue of being a director. Therefore shareholder approval is required under Listing Rule 10.11 for their respective participation in the Capital Raising and the issue of the Director Capital Raising Shares to them. Each of the Directors' participation must be separately approved by Shareholders in accordance with Listing Rule 10.11.

Resolutions 7 to 9 seek Shareholder approval under Listing Rule 10.11 for the issue of the Director Capital Raising Shares to the Directors. If approval is given under Listing Rule 10.11, the Company is entitled to rely on Exception 14 of Listing Rule 7.2 as an exception to any requirement for shareholder approval under Listing Rule 7.1. Accordingly, shareholder approval is not required under Listing Rule 7.1.

Shareholder approval of the issue of the Director Capital Raising Shares means that the Company will not use the Company's 15% Capital Raising capacity under the Listing Rule 7.1.

These Resolutions are conditional on each of the Conditional Resolutions being approved.

8.3 Chapter 2E of the Corporations Act

The Company is seeking separate Shareholder approval under Chapter 2E of the Corporations Act to each of the Directors' participation in the Capital Raising.

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to related parties of the Company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the relevant provisions of the Corporations Act; or
- (b) prior shareholder approval has been obtained for the giving of the financial benefit.

Any Director Capital Raising Shares issued to a Director will constitute a financial benefit for the purposes of Chapter 2E of the Corporations Act. The Director Capital Raising Shares will be issued at the same price as the other Capital Raising Shares. The board believes that the "arms' length" exception in section 210 of the Corporations Act to the requirement to seek Shareholder approval under Chapter 2E of the Corporations Act is available to the Company. However, as the Company is already required to seek Shareholder approval to the issue of any Director Capital Raising Shares to the Directors under the Listing Rules, the Company has decided to also seek Shareholder approval under Chapter 2E of the Corporations Act.

8.4 Specific information required by Listing Rule 10.13

For the purpose of Listing Rule 10.13, the following information is provided in relation to the issue of Director Capital Raising Shares under Resolutions 7 to 9:

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- (a) The maximum number of Shares to be issued to the Directors (or their nominee(s)) is:
 - (1) Up to 250,000 Director Capital Raising Shares to Mr Roland Berzins (or his nominee(s)) (on a post Consolidation basis);
 - (2) up to 250,000 Director Capital Raising Shares to Mr David Ballantyne (or his nominee(s)) (on a post Consolidation basis); and
 - (3) up to 250,000 Director Capital Raising Shares to Mr Alex Bajada (or his nominee(s)) (on a post Consolidation basis).
- (b) ASX has granted a waiver of the requirements of Listing Rule 10.13.3. Ordinarily, Listing Rule 10.13.3 would require the Company to specify a date by which the Director Capital Raising Shares would be issued to related parties, with that date being no more than 1 month after the date of the Meeting. However, based on the conditions of the waiver granted by ASX, the Director Capital Raising Shares will be issued at the same time as the other Capital Raising Shares, with all allotments to occur within 3 months after the date of the meeting.
- (c) The Director Capital Raising Shares will be issued at an issue price of \$0.20 each. It will be issued at the same price and on the same terms and conditions as those Capital Raising Shares issued to other participants in the Capital Raising. A maximum of \$150,000 will be raised from the issue of the Director Capital Raising Shares.
- (d) The Director Capital Raising Shares will be fully paid ordinary shares of the Company and rank equally in all respect with the Company's existing Shares on issue.
- (e) The funds raised from the issue of Director Capital Raising Shares will be aggregated with, and used for the same purpose as, the funds raised from the Capital Raising (and in accordance with Section 7.3).

8.5 Chapter 2E of the Corporations Act

In accordance with the requirements of Chapter 2E of the Corporations Act, and in particular, section 219 of the Corporations Act, the following information is provided to Shareholders to enable them to assess the proposed participation of the Directors in the Capital Raising and the potential issue of Director Capital Raising Shares to each of them:

- (a) Each of the Directors is a Related Party of the Company to whom approval of Resolution 7 (in the case of Mr Roland Berzins), Resolution 8 (in the case of Mr David Ballantyne) and Resolution 9 (in the case of Mr Alex Bajada) would permit financial benefits to be given.
- (b) The nature of the financial benefit to be given to a Director (or their nominee) is the issue of, and subscription for:
 - (1) up to 250,000 Director Capital Raising Shares to Mr Roland Berzins (or his nominee(s)) (on a post Consolidation basis) which represents a value of up to \$50,000 in accordance with Resolution 7;
 - (2) up to 250,000 Director Capital Raising Shares to Mr David Ballantyne (or his nominee(s)) (on a post Consolidation basis) which represents a value of up to \$50,000 in accordance with Resolution 8; and
 - (3) up to 250,000 Director Capital Raising Shares to Mr Alex Bajada (or his nominee(s)) (on a post Consolidation basis) which represents a value of up to \$50,000 in accordance with Resolution 9.

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- (c) The highest, lowest and last trading prices (pre Consolidation) of the Shares during the 12 months prior to the last practicable day for finalising this Explanatory Memorandum (being 18 July 2016) are set out below:

Description	Date	Share Price
High	15 December 2015	\$0.043
Low	17 September 2015	\$0.001
Last	18 July 2016	\$0.010

- (d) As at 21 July 2016, being the last practicable date before finalising this Explanatory Memorandum, the Directors each had the following relevant interests in pre Consolidation Shares of the Company:

Name of Directors	Securities in the Company (pre-Consolidation)	Interest in the Company (%)	Securities in the Company (post-Consolidation)
Roland Berzins	2,083,333	0.37%	59,524
David Ballantyne	2,400,000	0.43%	68,572
Alex Bajada	28,386,668	5.04%	811,048

- (e) The issue of Director Capital Raising Shares to the Directors will have a dilutionary impact on the percentage interests of existing Shareholders. Based on the number of Shares on issue as at 21 July 2016, being the last practicable date before finalising this Explanatory Memorandum, set out below is a scenario of the dilutionary impact on existing Shareholders of the issue of Director Capital Raising Shares to the Directors, assuming the following:

- (1) the Acquisitions have been completed with the issue of Acquisition Shares;
- (2) the Conversion Shares (Resolution 10) are issued to Austasia Noteholders;
- (3) the minimum number of Capital Raising Shares have been issued in respect of the Capital Raising; and
- (4) the maximum number of Director Capital Raising Shares are issued to each Director.

Dilution as a result of Resolution 7 (on a post Consolidation basis):

	Number of Shares
Shares on Issue (as at the date of this Notice of Meeting) and no additional securities have been issued	16,076,845
Add:	124,363,965
New Total	140,440,810
Resolution: Director Capital Raising Shares to be issued to Mr Roland Berzins	250,000
Dilution Effect	0.18%

Dilution as a result of Resolution 8 (on a post Consolidation basis):

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	Number of Shares
Shares on Issue (as at the date of this Notice of Meeting) and no additional securities have been issued	16,076,845
Add:	124,363,965
New Total	140,440,810
Resolution: Director Capital Raising Shares to be issued to Mr David Ballantyne	250,000
Dilution Effect	0.18%

Dilution as a result of Resolution 9 (on a post Consolidation basis):

	Number of Shares
Shares on Issue (as at the date of this Notice of Meeting) and no additional securities have been issued	16,076,845
Add:	124,363,965
New Total	140,440,810
Resolution: Director Capital Raising Shares to be issued to Mr Alex Bajada	250,000
Dilution Effect	0.18%

- (f) Any funds raised from the issue of the Director Capital Raising Shares to the Directors will be applied in the same manner as the other funds raised in the Capital Raising.
- (g) There are no significant opportunity costs to the Company, taxation consequences or benefits foregone in issuing the Director Capital Raising Shares to the Directors on the terms proposed.
- (h) The Directors are not aware of any information other than that set out in the Notice or this Explanatory Memorandum that is reasonably required by Shareholders in order for them to decide whether or not it is in the Company's interest to pass Resolution 7, Resolution 8 or Resolution 9.

8.6 Directors' recommendation

The Directors will not make a recommendation in relation to these Resolutions as they may participate in the Capital Raising and be issued Director Capital Raising Shares.

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9. Resolution 10 - Approval of the Issue of Conversion Shares to Austasia Noteholders

9.1 Background

Austasia has raised, or will raise, up to \$900,000 by the issue of convertible notes with a face value of \$1.00 each. The Company understands that the funds raised have been, or will be, loaned to gridComm to provide funding for its operations pending completion of the Transaction.

The terms of the Austasia Notes provide that if the Transaction completes, the Austasia Notes are convertible into Shares at a conversion price of 50% of the issue price of the Offer Shares (ie \$0.10).

Accordingly, upon conversion of the Austasia Notes, the Company will issue to the Austasia Noteholders (or their nominees) up to 9,000,000 Conversion Shares at a deemed issue price of \$0.10 each upon conversion of the outstanding balance of the Austasia Notes (excluding accrued interest).

None of the Noteholders are Related Parties of the Company.

9.2 Key Terms of Austasia Notes

- (a) **Status:** Unlisted and convertible into Shares. Each Converting Note will rank equally in all respects with other Converting Notes.
- (b) **Face value:** Each Converting Note has a face value of \$1.00. The total face value of the Converting Notes is \$900,000.
- (c) **Transfer:** The Converting Notes cannot be sold, assigned or transferred.
- (d) **Maturity Date:** 10 March 2017.
- (e) **Interest Rate:** Each Converting Note is interest bearing at a rate of 10% per annum.
- (f) **Security:** The Converting Notes are unsecured.
- (g) **Events of default:** Each of the following is an event of default:
 - (i) the Company failing to make any payment due in accordance with the terms and conditions of the Converting Notes;
 - (ii) the Company failing to perform any of the terms and covenants of the Converting Notes and such default, if remediable, is not remedied for 30 days after notice from Noteholders requiring such default to be remedied;
 - (iii) any of the Company's representations and warranties being false or misleading; or
 - (iv) the Company suffering an insolvency event.

Upon an event of default occurring, a Noteholder may declare the Converting Notes (held by them) due and payable (which will be payable by the Company within 20 Business Days of receiving such a declaration). The total amount due and payable is the face value of the Converting Notes held by that Noteholder (**Total Amount**).

- (h) **Conversion:** Each Converting Note is convertible into Shares (**Conversion Shares**) at the conversion price which is \$0.10 for each Conversion Share issued upon the

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conversion of the Converting Notes (on a post Consolidation basis) (**Conversion Price**).

(i) **Mandatory Conversion Event:** Upon:

- (i) the Company receiving valid Application Forms for the Shares offered under the Public Offer equivalent to, or in excess of, the Minimum Offer Subscription;
- (ii) ASX giving the Company conditional approval for the Company to be re-admitted to the Official List; and
- (iii) the Board, acting reasonably and in good faith, resolving that the Company is able to satisfy the conditions attached to ASX's approval for the Company to be readmitted to the Official List,

(**Mandatory Conversion Event**), the Company must convert all of the Converting Notes by delivering a conversion notice to the Noteholders within 5 Business Days after the Mandatory Conversion Event has occurred.

- (j) **Conversion Right:** If the Mandatory Conversion Event has not occurred, the Company may convert all the Converting Notes no more than 10 Business Days, and at least 3 Business Days, before the Maturity Date.
- (k) **Early Redemption:** The Company can elect to redeem the Converting Notes, on any date that falls 3 months after their issue date, by paying the Total Amount.
- (l) **Repayment:** If the Company has not converted or redeemed the Converting Notes by the Maturity Date, and there has been no event of default, the Company must pay the Total Amount by the Maturity Date.
- (m) **Number of Shares issued upon Conversion:** The number of Conversion Shares issued upon the conversion of the Converting Notes will be calculated by dividing the total face value of the Converting Notes by the Conversion Price of the Converting Notes.
- (n) **Conversion Shares subject to escrow restrictions:** Some or all of the Conversion Shares may be subject to escrow as determined by ASX.
- (o) **Issue of Shares upon conversion of the Converting Notes:** All Conversion Shares issued upon the conversion of the Converting Notes will rank equally in all respects with all other Shares on issue as at the issue date of the Conversion Shares.
- (p) **Breach of section 606 of the Corporations Act:** If the conversion of the Converting Notes will result in a Noteholder contravening section 606(1) of the Corporations Act, the conversion of the Converting Notes will be deferred and the Company will convene a meeting to seek Shareholder approval for the conversion of the Converting Notes. If such Shareholder approval is not obtained, the Company will pay the Noteholder an amount equal to the aggregate face value of the Converting Notes the conversion of which will result in a contravention of section 606(1) of the Corporations Act.

9.3 Regulatory Requirements

Under Resolution 10, the Company is seeking shareholder approval to issue Conversion Shares through the conversion of the Austasia Notes.

The effect of Resolution 10 will be to allow the Conversion Shares to be issued without using the Company's 15% annual placement capacity.

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9.4 Listing Rule 7.3

Pursuant to and in accordance with the Listing Rule 7.3, the following information is provided in relation to the Austasia:

- (a) There are no new Austasia Notes issued under Resolution 10. If Resolution 10 is approved the maximum number of Conversion Shares which will be issued upon the conversion of the Austasia Notes is 9,000,000 Shares (on a post consolidation basis).
- (b) The Conversion Shares will be issued no later than three months after the date of this Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (c) Each Austasia Note has a face value of \$1.00. Each Austasia Note is convertible at a Conversion Price of A\$0.10 for each Conversion Share.
- (d) The terms of the Austasia Notes are described in Section 9.2 above. All Conversion Shares issued upon the conversion of the Austasia Notes will be fully paid ordinary shares in the capital of the Company and will rank equally with the existing Shares on issue.
- (e) As the issue of Conversion Shares will be in satisfaction of the amounts owing under the Austasia Notes, there will be no new funds raised from the conversion of the Austasia Notes.

Dilution as a result of Resolution 10 (on a post Consolidation basis):

	Number of Shares
Shares on Issue (as at the date of this Notice of Meeting) and no additional securities have been issued	16,076,845
Resolution 10: Conversion Shares to be issued	9,000,000
New Total	25,076,845
Dilution Effect	35.89%

9.5 Directors' Resolution

The Directors unanimously recommend that Shareholders vote in favour of Resolution 10.

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10. Resolution 11 - Change of Company Name

Section 157 of the Corporations Act requires the Company to pass a Special Resolution in order to adopt a new name. The Directors have recommended to the Shareholders that, subject to their approval, the passing of the Conditional Resolutions and completing the Acquisition, the name of the Company be changed to "gridComm Limited". As a Special Resolution, this Resolution must be passed by at least 75% of the votes cast by Shareholders entitled to vote on this Resolution.

The Directors believe that the name of the Company needs to change as a result of the Company's proposed change in business activities as a result of completing the Acquisition.

The Directors unanimously recommend that Shareholders vote in favour of the name change to reflect the proposed future direction of the business of the Company.

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11. Resolution 12 - Approval for the Issue of Advisor Options

11.1 Background

Resolution 12 seeks Shareholder approval to issue up to 15,000,000 Advisor Options to any corporate advisors, brokers or underwriters to the Capital Raising in full or part consideration for services provided to the Company in respect of the Capital Raising or prior capital raisings. The ability to issue Advisor Options in full or part payment for such services provides the Company with flexibility to ensure its cash resources are being deployed in the best possible way.

11.2 Listing Rule 7.1

For the purposes of Listing Rule 7.3, the Company advises that:

- (a) the maximum number of securities to be issued is 15,000,000 Advisor Options;
- (b) the Advisory Options will each have an exercise price of \$0.22 and an expiry date of 31 December 2018. Each Advisory Option will have an issue price of \$0.0001 each.
- (c) the Advisor Options will be issued within three months of the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the ASX Listing Rules);
- (d) the Advisor Options will be issued in full or part consideration for services provided to the Company in respect of the Capital Raising or prior capital raisings and as such, there will not be any funds raised from the issue of the Advisor Shares;
- (e) the full terms and conditions of the Advisor Options are set out in Schedule 6; and
- (f) the Advisor Options will be issued to corporate advisors, brokers or underwriters to the Capital Raising or to prior capital raisings undertaken by the Company and will not be issued to any Related Parties of the Company.

11.3 Directors Recommendation

The Directors recommend shareholders vote in favour of this Resolution 12.

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12. Resolution 13 - Approval of ESOP

12.1 Introduction

The Company proposes to adopt an employee share and option plan (**ESOP**) pursuant to which issued capital of the Company may be made available to directors, senior management and staff as a form of longer term equity incentive.

Pursuant to Resolution 13, the Company is seeking Shareholder approval to adopt the ESOP and approval for any potential future issue of securities under the Company's ESOP as an exception under Listing Rule 7.2, Exception 9(b) to Listing Rules 7.1 and 7.1A.

While the Company does not have a formal employee share and option plan, the Company has previously issued Shares and Options to directors and employees. The number of Options issued, the strike price of Options issued and all other relevant terms have been set having regard to the person's position in the Company and level of experience.

Over the past three years, the Company has issued no shares or options to directors and employees, other than shares issued and paid for in rights issue offers either pursuant to entitlements or from shortfall applications (with shareholder approval)

Approval of the ESOP is therefore sought under exception 9 to Listing Rule 7.2 so that any issue of securities under the ESOP over the next 3 years is disregarded when determining the 15% threshold of the Company.

A summary of the ESOP is set out in Schedule 8 to this Notice of Meeting.

12.2 Directors Recommendation

The Directors recommends that Shareholders vote in favour of this Resolution 13 because it considers the issue of securities under the ESOP will constitute an effective incentive to eligible participants to improve the performance of the Company. Additionally, the Company believes it to be in the best interests of the Company to preserve the maximum commercial flexibility to issue Shares that is afforded to it by Listing Rule 7.1.

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13. Voting entitlement

For the purposes of determining voting entitlements at the Meeting, shares will be taken to be held by the persons who are registered as holding the Shares on 28th August 2016 at 5:00 PM (WST).

Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

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14. Interpretation

The following terms used in the Notice of Meeting and the Explanatory Memorandum are defined as follows:

15% Capacity has the meaning given to that term in section 2.2.

Acquisition means the acquisition by the Company of 100% of the issued capital of Austasia.

Acquisition Shares means the issue and allotment to the Austasia Shareholders of a total of 85,363,965 Shares at a deemed issue price of \$0.20 each in the proportions set out in Schedule 1.

Advisors means any corporate advisors, brokers or underwriters to the Capital Raising.

Advisor Options means up to 15,000,000 Options to be issued to Advisors for services provided to the Company in respect of the Capital Raising.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to that term in the Corporations Act.

ASX means the ASX Limited.

Austasia means Austasia Industrial Pty Ltd ACN 605 692 475.

Austasia Notes means the convertible notes on issue by Austasia.

Austasia Shares means a share in the issued capital of Austasia

Austasia Shareholders means the holders of Austasia Shares who hold (or will hold) Austasia Shares in the proportions set out in Schedule 1.

Board means the board of Directors of the Company from time to time.

Capital Raising means the public offer under the Prospectus to raise between \$6,000,000 and \$8,000,000 through the issue of between 30,000,000 and 40,000,000 Offer Shares at an issue price of \$0.20 per Share.

Class A Performance Shares means Performance Shares to be issued pursuant to the SSA to the Austasia Shareholders on the terms set out in Schedule 5.

Class B Performance Shares means Performance Shares to be issued pursuant to the SSA to the Austasia Shareholders on the terms set out in Schedule 5.

Class C Performance Shares means Performance Shares to be issued pursuant to the SSA to the Austasia Shareholders on the terms set out in Schedule 5.

Class D Performance Shares means Performance Shares to be issued pursuant to the SSA to the Austasia Shareholders on the terms set out in Schedule 5.

Class E Performance Shares means Performance Shares to be issued pursuant to the SSA to the Austasia Shareholders on the terms set out in Schedule 5.

Class F Performance Shares means Performance Shares to be issued pursuant to the SSA to the Austasia Shareholders on the terms set out in Schedule 5.

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Closely Related Party or **CRP** (as defined in section 9 of the Corporations Act) of a member of the Key Management Personnel for an entity means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the regulations for the purposes of the definition of closely related party.

Company means Odin Energy Limited ACN 124 491 416.

Completion means completion of the Acquisition.

Conditional Approval means a conditional approval letter from the ASX to the Company confirming that, subject to completion of the Acquisition, the equity securities of the Company will be re-admitted to quotation on the Official List of ASX.

Conditional Resolutions means each of Resolutions 1 to 13.

Consolidation means the consolidation of the Company's Shares on the basis that every 35 shares are consolidated into 1 Share, with fractional entitlements rounded up.

Constitution means the constitution of the Company from time to time.

Conversion Shares means Shares to be issued on conversion of the Austasia Notes.

Corporations Act means the *Corporations Act 2001* (Cth) as amended from time to time.

Directors means the directors of the Company from time to time.

Equity Securities has the meaning given to that term in the Listing Rules.

ESOP means the Company's Employee Share and Option Plan the terms of which are summarised in Schedule 8.

Explanatory Memorandum means the explanatory memorandum accompanying this Notice.

Get2Volume means Get2Volume Pte Ltd UEN 200606764Z.

gridComm means gridComm Pte Ltd UEN 201222120Z.

gridComm Shares means a share in the issued capital of gridComm.

gridComm Shareholders means the holders of gridComm Shares, who hold gridComm Shares in the proportions set out in Schedule 1 and who have agreed to sell 94% of the issued capital of gridComm to Austasia pursuant to the gridComm SSA.

gridComm Solution means the SLMS developed by gridComm, the application of software, applications, IT systems and other technologies owned or licenced by gridComm enabling the

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creation of a network over a city's power lines to enable street lights light control and sensor data communications.

gridCommSSA means the securities sale agreement entered into between gridComm, the gridComm Shareholders Austasia and Austasia Shareholders, as varied by the parties.

Independent Expert means RSM Corporate Australia Pty Ltd ACN 050 508 024.

Independent Expert's Report or **IER** means the report prepared by the Independent Expert and dated July 2016 accompanying this Notice.

IoT means "Internet of Things", further information of which is outlined in paragraph 0 of the Explanatory Memorandum.

IP means intellectual property.

Key Management Personnel or **KMP** has the definition given in the Accounting Standard AASB 124 *Related Party Disclosure* as 'those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity'.

Listing Rules means the official listing rules of the ASX as amended from time to time.

Market Price means the closing market price as that term is defined in the Listing Rules.

Meeting means the Extraordinary General Meeting of Shareholders to be held on 30 August 2016 as convened by the accompanying Notice of Meeting.

Non-Associated Shareholders means the holders of the Company's Shares whose votes are not to be disregarded on Resolutions 2 and 5 respectively.

Notice of Meeting or **Notice** means the notice of meeting giving notice to shareholders of the Meeting, accompanying this Explanatory Memorandum.

Offer Shares means the new Shares being offered under the Prospectus (being between 30,000,000 and 40,000,000 Shares) at a subscription price of \$0.20 per Share.

Option means an option to subscribe for a Share.

Ordinary Resolution means a resolution passed by more than 50% of the votes at a general meeting of Shareholders.

Performance Shares means the Class A Performance Shares, Class B Performance Shares, Class C Performance Shares, Class D Performance Shares, Class E Performance Shares and the Class F Performance Shares.

Preference Shares means preference shares in the Company on issue as at the date of this Notice.

PLC means power line communications.

Prospectus means a full form prospectus in accordance with section 710 of the Corporations Act with respect to the Capital Raising.

Odin or the **Company** means Odin Energy Limited ACN 124 491 416.

Re-admission Date means the date on which the Company's Equity Securities are re-admitted to quotation on the Official List of ASX.

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Related Party has the meaning given to that term in section 228 of the Corporations Act.

Resolutions means the resolutions set out in the Notice of Meeting.

Securities has the meaning in section 92(1) of the Corporations Act.

Shares means fully paid ordinary shares in the Company from time to time.

Shareholder means a shareholder of the Company.

SLMS means the Street Light Management Solution developed by gridComm.

Special Resolution means a resolution:

- (a) of which notice has been given as set out in paragraph 249L(1)(c) of the Corporations Act; and
- (b) that has been passed by at least 75% of the votes cast by members entitled to vote on the resolution.

SSA means the securities sale agreement entered into between the Company, Austasia and Austasia Shareholders, as varied by the parties.

Subsidiary has the meaning given to that term in the Corporations Act.

Trading Day has the meaning given to that term in the Listing Rules.

Transaction has the meaning set out in Section 1 of the Explanatory Memorandum.

Voting Power has the meaning given to that term in the Corporations Act.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Roland Berzins (Company Secretary):

Suite 4, 16 Ord Street, West Perth WA 6005

Telephone: +61 8 9429 2900

Facsimile No: +61 8 9486 1011

Email: rberzins@gcpcapital.com.au

Schedule 1 - Shareholders

gridComm Shareholders

Name	gridComm Ordinary Shares Held	Austasia Ordinary Shares Issued
Get2Volume Pte Ltd (UEN 200606764Z)	291,309	28,623,126
Chan Kwok Sum Samuel	17,391	1,708,786
Melvyn Yeo Hak Boon	26,087	2,563,228
Michael Lawrence Holt	168,007	16,507,851
Chua Thiam Leng	156,705	15,397,351
Nge Tuck Long	283,333	27,839,429
Dai Li Zhou	283,333	27,839,429
TYLT Lab Partners 1 LP	22,335	2,194,568
Jen Kwong Hwa	18,624	1,829,937
Yeo Yong	17,855	1,754,377
Chuang Toon Lin	61,143	6,007,723
Lim Tee Yeow	8,928	877,238
Tralvex Yeap	2,653	260,676
Adrosaga Partners (Asia) Pte Ltd (UEN 201201211Z)	89,277	0
Phillip Carlton	8,928	877,238
Miniata Technologies Pty Ltd (ACN 140701248)	10,000	982,569
OnTrack Advisory Pte Ltd (UEN 201003182K)	17,850	1,753,886
Burton Chua Chua	3,571	350,875
Hon Tow Siew Mark	8,925	876,943
Koh Ching Peh	3,571	350,875
Jen Soe Fun	26,785	2,361,810
Total	1,526,610	141,227,917

Austasia Acquisition Shares

Austasia Shareholders	Austasia Ordinary Shares held	Acquisition Shares to be issued
Get2Volume Pte Ltd (UEN 200606764Z)	28,623,126	14,311,563
Chan Kwok Sum Samuel	1,708,786	854,393
Melvyn Yeo Hak Boon	2,563,228	1,281,614
Michael Lawrence Holt	16,507,851	8,253,926
Chua Thiam Leng	15,397,351	7,698,676
Nge Tuck Long	27,839,429	13,919,715
Dai Li Zhou	27,839,429	13,919,715
TYLT Lab Partners 1 LP	2,194,568	1,097,284
Jen Kwong Hwa	1,829,937	914,969
Yeo Yong	1,754,377	877,189
Chuang Toon Lin	6,007,723	3,003,862
Lim Tee Yeow	877,238	438,619
Tralvex Yeap	260,676	130,338
Miniata Technologies Pty Ltd (ACN 140701248)	982,569	491,285
OnTrack Advisory Pte Ltd (UEN 201003182K)	1,753,886	876,943
Burton Chua Chua	350,875	175,438
Hon Tow Siew Mark	876,943	438,472
Koh Ching Peh	350,875	175,438
Jen Soe Fun	2,631,812	1,315,906
Phillip Carlton	6,727,238	3,363,619
AAG Management Pty Ltd (ACN 125 476 824)	14,849,748	7,424,874
Hallcrest Investments Pty Ltd (ACN 164 752 361)	3,093,616	1,546,808

Judicium Pty Ltd (ACN 167 005 138)	225,020	112,510
Spartan Nominees Pty Ltd (ACN 099 822 081)	2,630,949	1,315,475
Sandgroper Pty Ltd (ACN 065 049 032)	479,057	239,529
GCP Capital Pty Ltd (ACN 161 764 647)	1,452,780	726,390
R H and C M Berzins	384,408	192,204
Sealblue Investments Pty Ltd (ACN 133 164 726)	534,422	267,211
Total	170,727,923	85,363,965

Class A Performance Shares

Austasia Shareholders	Class A Performance Shares to be Issued
Get2Volume Pte Ltd (UEN 200606764Z)	10,003,546
Michael Lawrence Holt	10,954,970
Nge Tuck Long	10,954,970
Jen Kwong Hwa	568,080
Lim Tee Yeow	303,265
Lim Song Joo	632,618
Total	33,417,449

Class B Performance Shares

Austasia Shareholders	Class B Performance Shares to be Issued
Get2Volume Pte Ltd (UEN 200606764Z)	10,003,546
Michael Lawrence Holt	10,954,970
Nge Tuck Long	10,954,970
Jen Kwong Hwa	568,080
Lim Tee Yeow	303,266
Lim Song Joo	632,618
Total	33,417,450

Class C Performance Shares

Austasia Shareholders	Class C Performance Shares to be Issued
Get2Volume Pte Ltd (UEN 200606764Z)	10,003,546
Michael Lawrence Holt	10,954,970
Nge Tuck Long	10,954,970
Jen Kwong Hwa	568,080
Lim Tee Yeow	303,266
Lim Song Joo	632,618
Total	33,417,450

Class D Performance Shares

Austasia Shareholders	Class D Performance Shares to be Issued
AAG Management Pty Ltd (ACN 125 476 824)	2,275,000
Phillip Carlton	975,000
Total	3,250,000

Class E Performance Shares

Austasia Shareholders	Class E Performance Shares to be Issued
AAG Management Pty Ltd (ACN 125 476 824)	2,275,000
Phillip Carlton	975,000
Total	3,250,000

Class F Performance Shares

Austasia Shareholders	Class F Performance Shares to be Issued
AAG Management Pty Ltd (ACN 125 476 824)	2,275,000
Phillip Carlton	975,000
Total	3,250,000

Schedule 2 - Material Terms of Acquisition

1. Parties

Each of Odin, Austasia and the Austasia Shareholders are a party to the SSA.

Each of Austasia, gridComm and the gridComm Shareholders are a party to the gridComm SSA.

2. Acquisition

On or about 18 March 2016, the Parties executed the SSA and the gridComm SSA to facilitate, upon satisfaction of the Conditions Precedent outlined in paragraph 3 below, Odin acquiring all of issued capital in Austasia.

As a result of the refusal by ASX of the Company's application for a waiver of the 20 cent rule (as set out in section 2.8), the SSA is to be amended to reflect an issue price of 20 cents and a consolidation ratio of 35 to 1, together with minor consequential amendments. A deed of amendment was executed on or about 18 July 2016 to give effect to those amendments. As a result of the amendment, the terms of the SSA are as set out herein.

Completion will occur on a date that is 5 business days after the satisfaction of all of the Conditions Precedent, or some other date agreed to by Odin and Austasia.

3. Conditions Precedent

Completion is conditional upon the satisfaction (or waiver, to the extent permitted by law) of the following conditions precedent:

- (a) Odin completing legal due diligence investigations, in its absolute satisfaction including in relation to the Austasia Shareholders, the Company, gridComm (and its intellectual property rights).
- (b) Odin's shareholders passing all resolutions as are required under the ASX Listing Rules, the constitution of Odin and the Corporations Act to give effect to the transactions contemplated by the SSA.
- (c) Odin obtaining all necessary regulatory approvals pursuant to the ASX Listing Rules and the Corporations Act or any other law in order for Completion to occur including but not limited to approval from ASX to reinstatement of Odin to official quotation on ASX following Completion on conditions satisfactory to Odin.
- (d) Receipt by Odin of applications and funds for a minimum of \$6,000,000 (or such other amount that is sufficient to meet ASX Listing Rule 1.3) through the issue of Odin Energy Shares pursuant to a prospectus at an issue price of \$0.20 each (on a post-Consolidation basis) (**Capital Raising**).
- (e) Odin completing the Consolidation in compliance with applicable laws and the ASX Listing Rules including obtaining the necessary shareholder approval.
- (f) Odin obtaining confirmation from ASX that the terms of the Odin Performance Shares are appropriate and equitable for the purposes of ASX Listing Rule 6.1. The parties will agree any necessary amendments to the terms of the Odin Performance Shares required to obtain ASX approval.
- (g) Each of the Austasia Shareholders waiving all pre-emptive or other rights over any of the Securities conferred by the constituent documents of the Company, any security holders agreement relating to those securities or in any other way (if any).

- (h) The number of Odin Shares (post Consolidation) not exceeding 16,100,000, the number of the number of Odin Preference Shares not exceeding 7,000 and there being no other shares, options, securities of any kind, convertible notes or other agreements or arrangements issued by Odin or to which Odin is a party which will or may give rise to an obligation on the part of Odin to issue any shares or options whatsoever.
- (i) The Austasia Shareholders being satisfied, acting reasonably, with the result of their due diligence investigations in respect of Odin.

(together the **Conditions Precedent**). If the Conditions Precedent are not satisfied or waived by 31 December 2016 or such later date agreed by the parties (**End Date**), either party may by notice terminate the SSA.

4. Consideration

(a) Acquisition Shares

A total of 85,363,965 Shares in Odin will be issued to the Austasia Shareholders in consideration for the sale of all of the Austasia Shares, in the proportions as set out in Schedule 1.

(b) Performance Shares

A total of 110,002,349 Performance Shares will be issued to the Austasia Shareholders in the proportions as set out in Schedule 1.

5. Stamp Duty

Odin is to pay all stamp duty on the Acquisition.

6. Capital Raising

As outlined above, Odin must carry out a capital raising as one of the Conditions Precedent.

Odin may determine the maximum raising under the Capital Raising.

7. Warranties

Each of the Austasia Shareholders provides various warranties as to the business, assets and operations of Austasia. Each Austasia Shareholder provides warranties regarding unencumbered title to their Austasia Shares. Odin has also provided warranties regarding its operations and compliance with laws.

Schedule 3 - Issued Capital

Capital structure	Number Minimum Offer Subscription \$6,000,000 ¹	Number Mid Point Offer Subscription \$7,000,000 ²	Number Maximum Offer Subscription \$8,000,000 ³
SHARES			
Current Shares on Issue-Post Consolidation	16,076,845	16,076,845	16,076,845
Issue of Acquisition Shares	85,363,965	85,363,965	85,363,965
Issue of Offer Shares	30,000,000	35,000,000	40,000,000
Issue of Shares under Austasia Converting Note Conversion Offer upon conversion of the Converting Notes	9,000,000	9,000,000	9,000,000
TOTAL SHARES	140,440,810	145,440,810	150,440,810
PERFORMANCE SHARES			
Issue of Performance Shares under the Acquisition	110,002,349	110,002,349	110,002,349
TOTAL PERFORMANCE SHARES	110,002,349	110,002,349	110,002,349
OPTIONS			
Issue of Advisor Options	15,000,000	15,000,000	15,000,000
TOTAL OPTIONS	15,000,000	15,000,000	15,000,000

Notes:

1. This is based on the Minimum Offer Subscription being reached and post Consolidation.
2. This is the mid-point Offer Subscription being reached and post Consolidation.
3. This is based on the Maximum Offer Subscription being reached and post Consolidation.

Schedule 4 - Timetable for Acquisition and Capital Raising

Indicative timetable	
Company's Shares suspended from Official Quotation on ASX	22 nd July 2016
Lodgment of Prospectus with ASX & ASIC	9 th August 2016
Opening Date for the Public Offer	16 th August 2016
General Meeting of the Company	30 th August 2016
Closing Date for the Public Offer	27 th September 2016
Completion of Proposed Acquisition	7 th October 2016
Issue of Consideration Securities and Securities under the Public Offer and Other Offers	7 th October 2016
Dispatch of holding statements	7 th October 2016
Expected date for Shares to be reinstated to trading on ASX (subject to ASX's discretion)	8 th October 2016

Note: The dates shown in the table above are indicative only and may change without notice. In particular, the Company reserves the right to vary the Closing Date without prior notice, which may have a consequential effect on the other dates. Applicants are therefore encouraged to lodge their Application Form as soon as possible after the Opening Date if they wish to invest in the Company.

Schedule 5 - Material Terms of Performance Shares

The proposed terms of the Performance Shares to be issued to Austasia Shareholders pursuant to Resolution 4 are set out below. All the capitalised terms which are not set out at the end of this Schedule are defined in Section 14:

Lapse after Expiry Date

If on the relevant Expiry Date:

- (i) the A Performance Share Milestone has not been satisfied, then all of A Performance Shares held by each Holder shall consolidate into one A Performance Share and then convert into Shares on a one for one basis;
- (ii) the B Performance Share Milestone has not been satisfied, then all of B Performance Shares held by each Holder shall consolidate into one B Performance Share and then convert into Shares on a one for one basis;
- (iii) the C Performance Share Milestone has not been satisfied, and then all of C Performance Shares held by each Holder shall consolidate into one C Performance Share and then convert into Shares on a one for one basis;
- (iv) the D Performance Share Milestone has not been satisfied, then all of D Performance Shares held by each Holder shall consolidate into one D Performance Share and then convert into Shares on a one for one basis;
- (v) the E Performance Share Milestone has not been satisfied, then all of E Performance Shares held by each Holder shall consolidate into one E Performance Share and then convert into Shares on a one for one basis; and
- (vi) the F Performance Share Milestone has not been satisfied, and then all of F Performance Shares held by each Holder shall consolidate into one F Performance Share and then convert into Shares on a one for one basis.

Conversion

Upon the satisfaction of the Milestone prior to the Expiry Date, each Performance Share will convert into one Share.

Upon the occurrence of a Change in Control Event:

- (A) that number of Performance Shares that, after conversion, is equal to 10% of the issued Share capital of the Company (as at the date of the Change of Control Event) shall automatically convert into Shares;
- (B) the Company shall ensure a pro-rata allocation of Shares issued to all Holders; and
- (C) any Performance Shares that are not converted into Shares will continue to be held by the Holder on the same terms and conditions.

Takeover Provisions

If the conversion of Performance Shares (or part thereof) would result in any person being in contravention of section 606(1) of the Corporations Act then the conversion of each Performance Share that would cause the contravention shall be deferred until such time or times thereafter that the conversion would not result in a contravention of section 606(1) of the Corporations Act.

The Holders shall give notification to the Company in writing if they consider that the conversion of Performance Shares (or part thereof) may result in the contravention of section 606(1) of the Corporations Act, and if the Holders fail to give such notification to the Company, the Company shall assume that the conversion of Performance Shares (or part thereof) will not result in any person being in contravention of section 606(1) of the Corporations Act.

The Company may (but is not obliged to) by written notice request the Holders to give notification to the Company in writing within 7 days if they consider that the conversion of Performance Shares (or part thereof) may result in the contravention of section 606(1) of the Corporations Act. If the Holders do not give notification to the Company within 7 days that they consider the conversion of Performance Shares (or part thereof) may result in the contravention of section 606(1) of the Corporations Act then the Company shall assume that the conversion of Performance Shares (or part thereof) will not result in any person being in contravention of section 606(1) of the Corporations Act.

Issue of shares for no consideration - The Company shall allot and issue Shares upon conversion of the Performance Shares for no consideration to the Holder or its nominees and shall record the allotment and issue in the manner required by the Corporations Act and the ASX Listing Rules.

After conversion - The Shares issued on conversion of any Performance Share will, as and from 5.00pm (WST) on the date of allotment, rank equally with and confer rights identical to all other Shares then on issue and application will be made by the Company to ASX for Official Quotation of the Shares issued upon conversion.

Dividend

Holders are not entitled to a dividend.

Reconstruction

In the event of any reconstruction, consolidation or division of the issued capital of the Company, the Shares, the Performance Shares and their terms of conversion shall be reconstructed, consolidated or divided in the same manner such that no additional benefits are conferred on the Holders by virtue of such reconstruction, consolidation or division.

Winding up

If the Company is wound up prior to conversion of all of the Performance Shares into Shares then the Holders will have no right to participate in surplus assets or profits of the Company on winding up.

Non-transferable

The Performance Shares are not transferable.

Copies of notices and reports

The Holders have the same right as Shareholders to receive notices, reports and audited accounts.

Voting rights

The Holders shall have no right to vote, subject to the Corporations Act.

Participation in new issues

There are no participation rights or entitlements inherent in the Performance Shares and Holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Shares.

Quotation

The Performance Shares are unquoted. No application for quotation of the Performance Shares will be made by the Company.

Definitions

A Performance Share means a Performance Share issued by the Company to an Austasia Shareholder (or its nominee) in accordance with the SSA that is subject to the A Performance Share Milestone and the terms of the Performance Shares.

A Performance Share Expiry Date means that date 5 years from the date of issue of the A Performance Shares.

A Performance Share Milestone will be taken to have been satisfied upon the gridComm Solution achieving gross revenue of \$3 million or cumulative 40,000 gridComm Module/Node sales calculated from the date of the execution of the SSA.

B Performance Share means a Performance Share issued by the Company to an Austasia Shareholder (or its nominee) in accordance with the SSA that is subject to the B Performance Share Milestone and the terms of the Performance Shares.

B Performance Share Expiry Date means that date 5 years from the date of issue of the B Performance Shares.

B Performance Share Milestone will be taken to have been satisfied upon the gridComm Solution achieving gross revenue of \$6 million or cumulative 80,000 gridComm Module/Node sales calculated from the date of the execution of the SSA.

C Performance Share means a Performance Share issued by the Company to an Austasia Shareholder (or its nominee) in accordance with the SSA that is subject to the C Performance Share Milestone and the terms of the Performance Shares.

C Performance Share Expiry Date means that date 5 years from the date of issue of the C Performance Shares.

C Performance Share Milestone will be taken to have been satisfied upon the gridComm Solution achieving gross revenue of \$10 million or cumulative 110,000 gridComm Module/Node sales calculated from the date of the execution of the SSA.

Change in Control Event means the occurrence of:

- (a) the offeror, under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares and that takeover bid has become unconditional; or
- (b) the announcement by the Company that Shareholders have at a court convened meeting of Shareholders voted in favour, by the necessary majorities, of a proposed scheme of arrangement under which all Shares are to be either:
 - (1) cancelled; or
 - (2) transferred to a third party,

D Performance Share means a Performance Share issued by the Company to an Austasia Shareholder (or its nominee) in accordance with the SSA that is subject to the D Performance Share Milestone and the terms of the Performance Shares.

D Performance Share Expiry Date means that date 5 years from the date of issue of the D Performance Shares.

D Performance Share Milestone will be taken to have been satisfied upon the gridComm Solution achieving gross revenue of \$3 million or cumulative 40,000 gridComm Module/Node sales calculated from the date of the execution of the SSA; and the signing of 5 distributor / sales representatives under the master distribution agreement and receipt of initial purchase orders from the distributor / sales representative.

E Performance Share means a Performance Share issued by the Company to an Austasia Shareholder (or its nominee) in accordance with the SSA that is subject to the E Performance Share Milestone and the terms of the Performance Shares.

E Performance Share Expiry Date means that date 5 years from the date of issue of the E Performance Shares.

E Performance Share Milestone will be taken to have been satisfied upon the gridComm Solution achieving gross revenue of \$6 million or cumulative 80,000 gridComm Module/Node sales calculated from the date of the execution of the SSA; and gross revenue from AAG signed distributor / sales representatives under the master distribution agreement of at least \$50,000 per month for a minimum of three consecutive months

F Performance Share means a Performance Share issued by the Company to an Austasia Shareholder (or its nominee) in accordance with the SSA that is subject to the E Performance Share Milestone and the terms of the Performance Shares.

F Performance Share Expiry Date means that date 5 years from the date of issue of the E Performance Shares.

F Performance Share Milestone will be taken to have been satisfied upon the gridComm Solution achieving gross revenue of \$10 million or cumulative 110,000 gridComm Module/Node sales calculated from the date of the execution of the SSA; and gross revenue from AAG signed distributor / sales representatives under the master distribution agreement of at least \$100,000 per month for a minimum of three consecutive months

Holder means the holder of a Performance Share.

Milestone means the A Performance Share Milestone, the B Performance Share Milestone, the C Performance Share Milestone, D Performance Share Milestone, the E Performance Share Milestone or the F Performance Share Milestone (as the case may be).

Performance Share means an A Performance Share, a B Performance Share, a C Performance Share, a D Performance Share, an E Performance Share or an F Performance Share (as the case may be).

gridComm Solution means the SLMS developed by gridComm, the application of software, applications, IT systems and other technologies owned or licenced by gridComm enabling the creation of a network over a city's power lines to enable street lights light control and sensor data communications.

Schedule 6 – Material Terms of Advisor Options

The proposed terms of the Advisor Options to be issued to the Advisors pursuant to Resolutions 12, are as follows:

- (a) The exercise price of each Advisor Options is \$0.22 (**Exercise Price**).
- (b) The Advisor Options expire at 5:00pm WST on 31 December 2018 (**Expiry Date**).
- (c) Each Advisor Options shall entitle the holder to subscribe for and be issued one Share in the capital of the Company upon exercise of the Advisor Options and payment to the Company of the Exercise Price.
- (d) Shares issued as a result of the exercise of any of the Advisor Options will rank equally in all respects with all Shares currently on issue.
- (e) The Advisor Options holder is not entitled to participate in new issues of securities offered to Shareholders (including any rights issue, entitlement issue or bonus issue) unless the Advisor Options is exercised before the relevant record date for that new issue.
- (f) Shares issued on the exercise of Advisor Options will be issued not more than 14 days after receipt of a properly executed exercise notice and application moneys. Shares issued pursuant to the exercise of Advisor Options will rank equally with the then issued Shares of the Company in all respects. If the Company is listed on ASX it will, pursuant to the exercise of a Advisor Options, apply to ASX for quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act and the ASX Listing Rules.
- (g) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Advisor Options holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to the reconstruction of capital at the time of the reconstruction.

Schedule 7 – Financials

Financial position of Odin

	CONSOLIDATED	Pro - forma Balance Sheet (assuming Minimum \$6.0M raising)
	31 December 2015 \$	31 December 2015 \$
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalent	458	6,489,856
Trade and Other Receivables	154,844	181,088
Available for Sale Assets	22,438	18,425
Inventory	-	102,738
Other Assets	-	45,000
Total current assets	177,740	6,837,107
NON CURRENT ASSETS		
Intangible Assets	-	194,140
Plant and Equipment	-	4,174
Total non-current assets	-	198,314
Total assets	177,740	7,035,421
LIABILITIES		
CURRENT LIABILITIES		
Trade and Other Payables	3,808,575	958,946
Borrowings	245,000	37,465
Other Liabilities	-	1,167,617
Total liabilities	4,053,575	2,164,028
Net (liabilities) / assets	(3,875,835)	4,871,393
EQUITY		
Contributed Equity	14,868,644	14,568,969
Reserves	(271,353)	1,786,606
Accumulated Losses	(18,473,126)	(11,484,182)
Total (deficit) / equity	(3,875,835)	4,871,393

Schedule 8 – Summary of the ESOP

Summary of the key terms of the Employee Share and Option Plan

1. The Plan is to extend to Eligible Persons or Eligible Associate (as the case may be) of the Company or an Associated Body Corporate of the Company as the Board may in its discretion determine.
2. The total number of Securities which may be offered by the Company under this Plan shall not at any time exceed 5% of the Company's total issued Shares when aggregated with the number of Securities issued or that may be issued as a result of offers made at any time during the previous 3 year period under:
 - (a) an employee incentive scheme covered by ASIC CO 14/1000; or
 - (b) an ASIC exempt arrangement of a similar kind to an employee incentive scheme.
3. The Shares are to be issued at a price determined by the Board.
4. The Options are to be issued for no consideration.
5. The exercise price of an Option is to be determined by the Board at its sole discretion.
6. The Option Commencement Date will be any such date or dates with respect to the Options or tranches of Options (as the case may be) as may be determined by the Board prior to the issuance of the relevant Options.
7. The Option Period commences on the Option Commencement Date and ends on the earlier of:
 - (a) the expiration of such period nominated by the Board at its sole discretion at the time of the grant of the Option but being not less than 2 years;
 - (b) if an Eligible Person's employment or engagement with the Company or an Associated Body Corporate ceases because of an Uncontrollable Event, the earlier of:
 - (1) the expiry of the Option Period; or
 - (2) 6 months (or such other period as the Board shall, in its absolute discretion, determine) from the date on which the Eligible Person ceased that employment or engagement;
 - (c) if an Eligible Person's employment or engagement with the Company or an Associated Body Corporate ceases because of a Controllable Event:
 - (1) the expiry of the Option Period; or
 - (2) 3 months (or such other period as the Board shall, in its absolute discretion, determine) from the date on which the Eligible Person ceased that employment or engagement; or
 - (d) the Eligible Person ceasing to be employed or engaged by the Company or an Associated Body Corporate of the Company due to fraud, dishonesty or being in material breach of their obligations to the Company or an Associated Body Corporate.
8. Eligibility to participate is determined by the Board. Eligibility is restricted to Eligible Persons (or their Eligible Associates where applicable) of the Company or an Associated Body Corporate of the Company. The Board is entitled to determine:

- (a) subject to paragraph 2, the total number of Shares and Options to be offered in any 1 year to Eligible Persons or Eligible Associates;
 - (b) the Eligible Persons to whom offers will be made; and
 - (c) the terms and conditions of any Shares and Options granted, subject to the Plan.
9. In respect of Options, Option holders do not participate in dividends or in bonus issues unless the Options are exercised.
10. Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the ASX Listing Rules.
11. In the event of a pro rata issue (except a bonus issue) made by the Company during the term of the Options the Company may adjust the exercise price for the Options in accordance with the formula in the terms of the Plan.
12. The Board has the right to vary the entitlements of Participants to take account of the effect of capital reorganisations, bonus issues or rights issues.
13. The terms of the Options shall only be changed if holders (whose votes are not to be disregarded) of Shares in the Company approve of such a change. However, the terms of the Options shall not be changed to reduce the Exercise Price, increase the number of Options or change any period for exercise of the Options.
14. The Board may impose as a condition of any offer of Shares and Options under the Plan any restrictions on the transfer or encumbrance of such Shares and Options as it determines.
15. The Board may vary the Plan.
16. The Plan is separate to and does not in any way form part of, vary or otherwise affect the rights and obligations of an Eligible Person under the terms of his or her employment or arrangement.
17. At any time from the date of an Offer until the Acceptance Date of that Offer, the Board undertakes that it shall provide information as to:
- (a) the Current Market Price of the Shares; and
 - (b) the acquisition price of the Shares or Options offered where this is calculated by reference to a formula, as at the date of the Offer,
- to any Participant within 3 Business Days of a written request to the Company from that Participant to do so.
18. Any Offer made pursuant to this Plan will specify whether subdivision 83A-C of the applicable Tax Laws applies to that Offer such that any tax payable by a Participant under the Offer will be deferred to the applicable deferred taxing point described in that subdivision.
19. In this Plan:

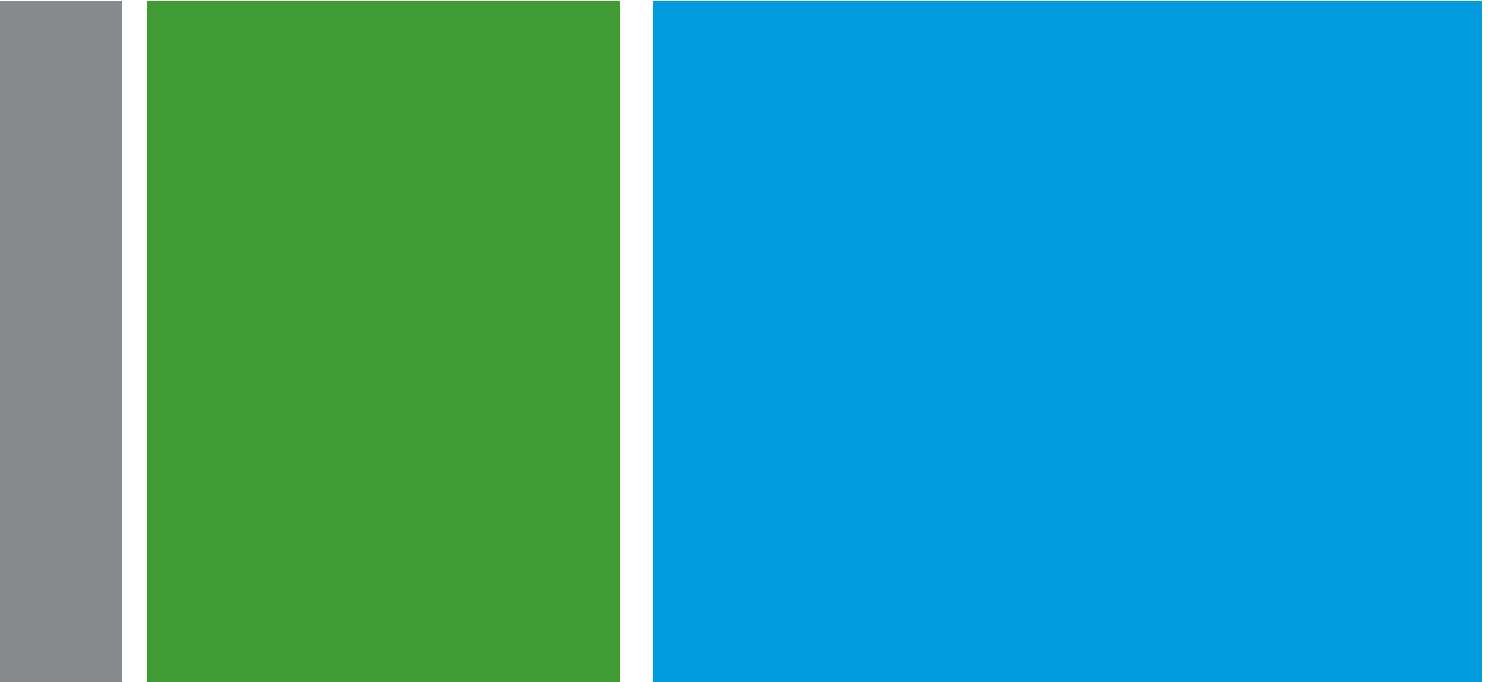
Controllable Event means cessation of employment or engagement other than by an Uncontrollable Event.

Uncontrollable Event means:

- (a) death, serious injury, disability or illness which renders the Eligible Person incapable of continuing their employment or engagement (or providing the services the subject of the engagement) with the Company or Associated Body Corporate;
- (b) forced early retirement, retrenchment or redundancy; or
- (c) such other circumstances which results in an Eligible Person leaving the employment of or ceasing their engagement with the Company or Associated Body Corporate and which the Board determines is an Uncontrollable Event.

Schedule 9 – Use of Funds

	Minimum Offer Subscription \$6,000,000	Mid Point Offer Subscription \$7,000,000	Maximum Offer Subscription \$8,000,000
Capital Raised	6,000,000	7,000,000	8,000,000
Expenses of the Capital Raising	600,000	709,090	818,182
Administration	500,000	500,000	500,000
Staff-product development	1,356,300	1,602,900	1,849,500
Staff-business development	698,700	825,736	952,773
Staff- marketing	2,055,000	2,428,637	2,802,272
Marketing/PR/Travel	518,000	612,182	706,364
Working Capital	272,000	321,455	370,909
Total Allocated Funds	\$6,000,000	\$7,000,000	\$8,000,000



ODIN ENERGY LIMITED

Financial Services Guide and Independent Expert's Report

July 2016

We have concluded that the Proposed Transaction is Fair and Reasonable

FINANCIAL SERVICE GUIDE

21 July 2016

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 ("RSM Corporate Australia Pty Ltd" or "we" or "us" or "ours" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the financial services that we will be providing you under our Australian Financial Services Licence, Licence No 255847;
- remuneration that we and/or our staff and any associates receive in connection with the financial services that we will be providing to you;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

Financial services we will provide

For the purposes of our report and this FSG, the financial service we will be providing to you is the provision of general financial product advice in relation to securities.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General Financial Product Advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that we may receive

We charge various fees for providing different financial services. However, in respect of the financial service being provided to you by us, fees will be agreed, and paid by, the person who engages us to provide the report and such fees will be agreed on either a fixed fee or time cost basis. You will not pay to us any fees for our services; the Company will pay our fees. These fees are disclosed in the Report.

Except for the fees referred to above, neither RSM Corporate Australia Pty Ltd, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Remuneration or other benefits received by our employees

All our employees receive a salary.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia, a large national firm of chartered accountants and business advisers. Our directors are partners of RSM Australia Partners.

From time to time, RSM Corporate Australia Pty Ltd, RSM Australia Partners, RSM Australia and / or RSM Australia related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints Resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints should be directed to The Complaints Officer, RSM Corporate Australia Pty Ltd, P O Box R1253, Perth, WA, 6844.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Financial Ombudsman Service ("FOS"). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website or by contacting them directly via the details set out below.

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Toll Free: 1300 78 08 08
Facsimile: (03) 9613 6399
Email: info@fos.org.au

Contact Details

You may contact us using the details set out at the top of our letterhead on page 1 of this report.

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21 July 2016
Shareholders
Odin Group Limited
Locked Bag 8
EAST PERTH, WA, 6892

Dear Shareholders

INDEPENDENT EXPERT'S REPORT ("REPORT")

1. Introduction

1.1 This Independent Expert's Report (the "Report" or "IER") has been prepared to accompany the Notice of General Meeting and Explanatory Statement ("Notice") to be provided to shareholders for a General Meeting of Odin Energy Limited ("Odin" or "the Company") to be held on or around 30 August 2016, at which shareholder approval will be sought for (among other things):

- The issue of 85,363,965 (post-consolidation) shares ("Acquisition Shares") and 110,002,349 (post-consolidation) performance shares ("Performance Shares") in the Company to acquire 100% of the issued capital in Austasia Industrial Pty Ltd ("Austasia") ("Acquisition");
- The issue of 22,565,489 Acquisition Shares on a post consolidation basis to Mr Michael Holt and Get2Volume Pte Ltd ("Get2Volume"), a company controlled by Mr Holt, and the issue of 62,875,548 Performance Shares on a post consolidation basis to Mr Holt and Get2Volume. Upon conversion of the the Performance Shares to ordinary shares, Mr Holt may hold a Relevant Interest in the Company of up to 85,441,037 Shares (between 31.0% and 32.2% fully diluted) on a post Consolidation basis,
- The acquisition by Austasia of 94% of the issued capital in gridComm Pte Ltd ("gridComm") pursuant to the gridComm Securities Sale Agreement ("SSA") ("gridComm Acquisition");
- The Company completing a capital raising of between \$6,000,000 and \$8,000,000, through the issue of 30,000,000 to 40,000,000 Shares at \$0.20 per Share ("Capital Raising"); and
- The Company converting up to \$900,000 of Austasia Notes to up to 9,000,000 Shares;

combined, the "Proposed Transaction".

1.2 The Acquisition is included as Resolution 2 in the Notice and the Acquisition Shares and Performances Shares to Mr Hold and Get2Volume are included in Resolution 5 in the Notice. Resolution 2 and Resolution 5 are both subject to the approval of Resolutions 1 to 13 inclusive ("Conditional Resolutions"), in the Notice. We have summarised the Conditional Resolutions at Appendix D of this Report.

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RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 Australian Financial Services Licence No. 255847

- 1.3 The Directors of the Company have requested that RSM Corporate Australia Pty Ltd ("RSM"), being independent and qualified for the purpose, express an opinion as to whether the Proposed Transaction is fair and reasonable to shareholders not associated with the Proposed Transaction ("Non-Associated Shareholders").
- 1.4 Whilst we have only been requested to provide an opinion on whether the Resolutions 2 and 5 are fair and reasonable to the Non-Associated Shareholders, approval of the Conditional Resolutions are interdependent on each other and, therefore, Resolution 2 and Resolution 5 cannot be approved without all 13 resolutions being approved and, as such, we consider in substance the Conditional Resolutions are a part of the same transaction. On this basis, we have assessed whether Resolution 2 and Resolution 5 are fair and reasonable to Non-Associated Shareholders through the evaluation of whether the proposed transactions as a whole, comprising the Conditional Resolutions ("Proposed Transaction") are fair and reasonable to the Non-Associated Shareholders.
- 1.5 The ultimate decision whether to approve the Proposed Transaction should be based on each Shareholder's assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt as to the action they should take with regard to the Proposed Transaction, or the matters dealt with in this Report, Shareholders should seek independent professional advice.

2. Summary and conclusion

Opinion

- 2.1 In our opinion, and for the reasons set out in Sections 10 and 11 of this Report, the Proposed Transaction is fair and reasonable to the Non-Associated Shareholders of Odin.

Approach

- 2.2 In assessing whether the Proposed Transaction is fair and reasonable to the non-associated shareholders, we have considered Australian Securities and Investment Commission (“ASIC”) Regulatory Guide 111 – *Content of Expert Reports* (“RG 111”), which provides specific guidance as to how an expert is to appraise transactions.
- 2.3 Where an issue of shares by a company otherwise prohibited under section 606 of the Act is approved under item 7 of section 611, and the effect on the company shareholding is comparable to a takeover bid, such as the Proposed Transaction, RG 111 states that the transaction should be analysed as if it was a takeover bid.
- 2.4 Therefore we have considered whether or not the Proposed Transaction is “fair” to the Non-Associated Shareholders by assessing and comparing:
- The Fair Value of a share in Odin on a control basis pre the Proposed Transaction; with
 - The Fair Value of a share in Odin on a non-control basis immediately post completion of the Proposed Transaction,

and, considered whether the Proposed Transaction is “reasonable” to the Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to the Non-Associated Shareholders in their decision of whether or not to approve the Proposed Transaction.

- 2.5 Further information of the approach we have employed in assessing whether the Proposed Transaction is “fair and reasonable” is set out at Section 4 of this Report.

Fairness

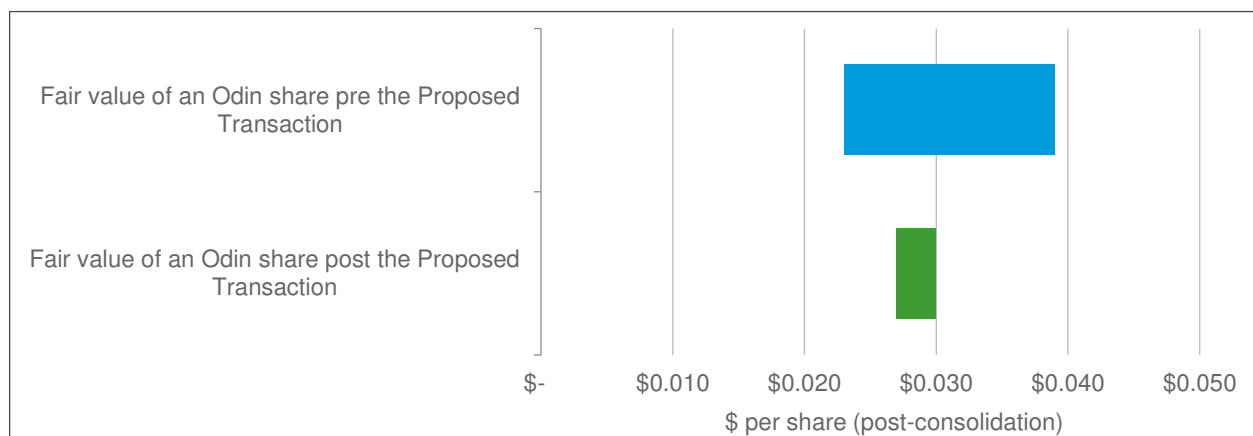
- 2.6 Our assessed values of an Odin share prior to and immediately after the Proposed Transaction, are summarised in the table and figure below.

Table 1 Assessed values of an Odin share pre and post the Proposed Transaction

Assessment of fairness	Ref:	Value per Share	
		Low \$	High \$
Fair value of an Odin share pre the Proposed Transaction - Control basis	8.2	0.023	0.039
Fair value of an Odin share post the Proposed Transaction - Non control basis	9.2	0.027	0.030

Source: RSM analysis

Figure 1 Odin Share valuation graphical representation



Source: RSM analysis

- 2.7 Therefore, in accordance with the guidance set out in ASIC RG 111, and in the absence of any other relevant information, we consider the Proposed Transaction to be fair to the Non-Associated Shareholders of Odin as the value of an Odin share following the Proposed Transaction is within the range of the value of an Odin share prior to the Proposed Transaction.

Reasonableness

- 2.8 RG 111 establishes that a transaction is reasonable if it is fair. It might also be reasonable if, despite not being fair, there are sufficient reasons for the security holders to approve the transaction in the absence of a superior alternative. In assessing the reasonableness of the Proposed Transaction, we have considered the following factors in our assessment:

- The future prospects of the Company if the Proposed Transaction does not proceed; and
- Any other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding.

- 2.9 If the Proposed Transaction does not proceed then the Company will have:

- A significant working capital deficiency;
- Insufficient cash to pay its liabilities; and
- No operating assets to generate cash flows.

- 2.10 Consequently, the Company will be required to seek additional capital funding and/or seek alternative investments to add value for shareholders.

- 2.11 We consider the key advantages of the Proposed Transaction to be as follows:

- The Proposed Transaction is fair;
- The Company will be exposed to a new, growing technology and internet of things (IoT) industries;
- The Company will have the necessary working capital to continue operations and to assist with the commercialisation of gridComm's technology and growth of the Company;
- The Company's ability to raise funds and attract strategic investors may be improved; and
- The Acquisition may increase liquidity in the shares

2.12 The key disadvantages of the Proposed Transaction are:

- The Company will be changing the nature and scale of its activities, becoming a company in the technology and internet of things (IoT) industries with a focus on enabling communications across existing power grid systems, which may not be consistent with the objectives of all Shareholders.
- The Proposed Transaction will result in the issue of Shares and Performance Shares to the gridComm Shareholders, Austasia Noteholders and new investors, which will have a significant dilutive effect on the holdings of existing Shareholders.
- The activities of gridComm have a different risk and reward profile than the Company had historically. gridComm is a start-up technology company with minimal income and a focus on an unknown and unproven market that is at risk of competition, regulatory change or simply not materialising. This new risk profile may not suit all Shareholders.

2.13 In our opinion, the position of the Non-Associated Shareholders of Odin if the Proposed Transaction is approved is more advantageous than if the Proposed Transaction is not approved. Therefore, in the absence of any other relevant information and/ or a superior transaction, we consider that the Proposed Transaction is reasonable for the Non-Associated Shareholders.

2.14 Non-Associated Shareholders should have particular regard to the potential advantages and disadvantages set out above in the context of their own risk profile and investment strategy.

3. Summary of transaction

Overview

- 3.1 On 18 March, 2016, Odin announced to the ASX that it had entered into Securities Sale Agreements (“SSA”) to acquire 94% of the issued capital of gridComm via a wholly owned special purpose vehicle, Austasia.
- 3.2 On 21 July 2016, the Company announced that it had entered into Deeds of Amendment, Restatement and Accession (“Amendments”) to vary the terms of the SSA.

Key terms of the SSA

- 3.3 Under the terms of the SSA and Amendments, Odin will undertake the Acquisition through the issue of 85,363,965 (post-consolidation) fully paid ordinary shares and three tranches of 110,002,349 (post-consolidation) performance shares (which convert to the same number of fully paid ordinary shares, subject to satisfaction of applicable performance milestones within 5 years of the date of issue).
- 3.4 The performance conditions required to be satisfied for the performance shares to convert into ordinary shares by 31 December 2018 are:
- 33,417,449 Class A Performance Shares convert upon the gridComm Solution achieving gross revenue of \$3 million or cumulative 40,000 gridComm Module/Node sales;
 - 33,417,450 Class B Performance Shares convert upon the gridComm Solution achieving gross revenue of \$6 million or cumulative 80,000 gridComm Module/Node sales;
 - 33,417,450 Class C Performance Shares convert upon the gridComm Solution achieving gross revenue of \$10 million or cumulative 110,000 gridComm Module/Node sales;
 - 3,250,000 Class D Performance Shares convert upon the gridComm Solution achieving gross revenue of \$3 million or cumulative 40,000 gridComm Module/Node sales and signing of 5 distributor / sales representatives under the master distribution agreement and receipt of initial purchase orders from the distributor / sales representative;
 - 3,250,000 Class E Performance Shares convert upon the gridComm Solution achieving gross revenue of \$6 million or cumulative 80,000 gridComm Module/Node sales and earning gross revenue from AAG signed distributor / sales representatives under the master distribution agreement of at least \$50,000 per month for a minimum of three consecutive months; and
 - 3,250,000 Class F Performance Shares convert upon the gridComm Solution achieving gross revenue of \$10 million or cumulative 110,000 gridComm Module/Node sales and earning gross revenue from AAG signed distributor / sales representatives under the master distribution agreement of at least \$100,000 per month for a minimum of three consecutive months.
- 3.5 The key terms of the Performance Shares are set out in Schedule 5 of the Notice.

Rationale for the Proposed Transaction

- 3.6 The Directors believe that current market conditions make it very difficult to raise funds and to continue to explore in the commodities and exploration sector. As such, the Company disposed of its wholly owned subsidiary, Kilgore Exploration Inc. (“KEI”), which held oil and gas assets.
- 3.7 The Company has identified an opportunity with gridComm and Austasia which could provide investors with potentially greater returns than if it had continued exploration of the Company’s oil and gas assets.

Impact of Proposed Transaction on Odin's Capital Structure

3.8 The tables below set out a summary of the capital structure of Odin prior to and post completion of the Proposed Transaction and Capital Raising both on an undiluted and fully diluted basis, assuming both the minimum (Table 2) and maximum (Table 3) Capital Raising.

Table 2 Share structure of Odin before and after the Proposed Transaction – Minimum Capital Raising

	Pre Proposed Transaction		Post Proposed Transaction undiluted		Post Proposed Transaction fully diluted	
	Shares	%	Shares	%	Shares	%
Consolidation of Odin shares						
Pre-consolidation Odin shares on issue	562,689,570					
Share consolidation at 35:1	(546,612,725)					
Post-consolidation Odin shares on issue	16,076,845	100.0%	16,076,845	11.4%	16,076,845	6.1%
Non-Associated Shareholders						
Fully paid ordinary shares issued to Mr Holt and Get2Volume in the Acquisition	-	-	22,565,489	16.1%	22,565,489	8.5%
Remaining fully paid ordinary shares issued in accordance with the Acquisition	-	-	62,798,476	44.7%	62,798,476	23.7%
Shares issued upon settlement of the convertible note	-	-	9,000,000	6.4%	9,000,000	3.4%
Shares issued under the Capital Raising	-	-	30,000,000	21.4%	30,000,000	11.3%
Performance Shares issued to Mr Holt and Get2Volume in the Acquisition	-	-	-	-	62,875,548	23.7%
Remaining Performance Shares issued in accordance with the Acquisition	-	-	-	-	47,126,801	17.8%
Options issued to advisers under the Prospectus	-	-	-	-	15,000,000	5.7%
Total shares on issue	16,076,845	100.0%	140,440,810	100.0%	265,443,159	100.0%

Source: RSM analysis

Table 3 Share structure of Odin before and after the Proposed Transaction – Maximum Capital Raising

	Pre Proposed Transaction		Post Proposed Transaction undiluted		Post Proposed Transaction fully diluted	
	Shares	%	Shares	%	Shares	%
Consolidation of Odin shares						
Pre-consolidation Odin shares on issue	562,689,570					
Share consolidation at 35:1	(546,612,725)					
Post-consolidation Odin shares on issue	16,076,845	100.0%	16,076,845	10.7%	16,076,845	5.8%
Non-Associated Shareholders						
Fully paid ordinary shares issued to Mr Holt and Get2Volume in the Acquisition	-	-	22,565,489	15.0%	22,565,489	8.2%
Remaining fully paid ordinary shares issued in accordance with the Acquisition	-	-	62,798,476	41.7%	62,798,476	22.8%
Shares issued upon settlement of the convertible note	-	-	9,000,000	6.0%	9,000,000	3.3%
Shares issued under the Capital Raising	-	-	40,000,000	26.6%	40,000,000	14.5%
Performance Shares issued to Mr Holt and Get2Volume in the Acquisition	-	-	-	-	62,875,548	22.8%
Remaining Performance Shares issued in accordance with the Acquisition	-	-	-	-	47,126,801	17.1%
Options issued to advisers under the Prospectus	-	-	-	-	15,000,000	5.4%
Total shares on issue	16,076,845	100.0%	150,440,810	100.0%	275,443,159	100.0%

Source: RSM analysis

3.9 As illustrated above, the Proposed Transaction will result in reducing the Non-Associated Shareholders aggregate interest to between 11.4% and 10.7% on an undiluted basis or between 6.1% and 5.8% on a fully diluted basis, depending on the number of shares issued under the Capital Raising.

- 3.10 The 9,000,000 shares issued on settlement of the Austasia Notes relates to an amount of \$0.9 million of convertible debt raised in Austasia, which was then loaned to gridComm. The terms of the Transaction stipulate that the Austasia Notes will convert into ordinary Odin shares as a part of the Transaction.

4. Scope of the report

ASX Listing Rules

- 4.1 ASX Listing Rule 10.1 states that an entity must ensure that neither it, nor any of its child entities, acquires a substantial asset from, or disposes of a substantial asset to a related party or substantial shareholder or any of its associates without the approval of holders of the entity's ordinary securities.
- 4.2 For the purposes of Listing Rule 10.1, an asset is substantial if its value, or the value of the consideration for it is, or in ASX's opinion is, 5% or more of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules (being for the financial year ended 31 December 2015).
- 4.3 The equity interests of the Company as defined by the Listing Rules (being for the financial year ended 31 December 2015) were negative \$3.9 million and, accordingly, the value of the consideration payable for the Acquisition is more than 5% of the equity interests of the Company. On that basis, the Acquisition will result in the acquisition by the Company of a substantial asset.
- 4.4 For the purposes of Listing Rule 10.1, a related party of an entity includes directors of a public company and entities controlled by directors of a public company. Each of the directors of the Company are shareholders in Austasia and, as such, for the purpose of the ASX Listing Rules, constitute related parties of the Company.
- 4.5 ASX Listing Rule 10.10 states that the notice for the shareholders' meeting required under ASX Listing Rule 10.1 must include a report on the transaction from an independent expert. The report must state whether, in the expert's opinion, the transaction is fair and reasonable to the Non-Associated Shareholders.

Corporations Act

- 4.6 Further, Section 606 of the Act prohibits a person from acquiring a relevant interest in the issued voting shares of a public company if the acquisition results in that person's voting interest in the company increasing from a starting point that is below 20% to an interest that is above 20%. Completion of the Proposed Transaction will result in gridComm director Mr Michael Holt and Get2Volume Pte Ltd ("Get2Volume"), a company controlled by Mr Holt, acquiring a Relevant Interest in the Company of up to 85,441,037 Shares (between 31.0% and 32.2% fully diluted) on a post consolidation basis.
- 4.7 Under Item 7 of Section 611 of the Act, the prohibition contained in Section 606 does not apply if the acquisition has been approved by the Non-Associated Shareholders of the company.
- 4.8 Accordingly, the Company is seeking approval from the Non-Associated Shareholders for Resolution 5 under Item 7 of Section 611 of the Act.
- 4.9 Section 611(7) of the Act states that shareholders must be given all information that is material to the decision on how to vote at the meeting. ASIC Regulatory Guide 111 ("RG 111") advises the requirement to commission an Independent Expert's Report in such circumstances and provides guidance on the content.
- 4.10 Accordingly, for the purposes of Listing Rule 10.1 and Section 611(7) of the Act, Odin is to hold a meeting of its shareholders where it will seek approval for the Proposed Transaction and the Company has engaged RSM to prepare a report which sets out our opinion as to whether the Proposed Transaction is fair and reasonable to Non-Associated Shareholders.

Basis of Evaluation

- 4.11 In determining whether the Proposed Transaction is "fair and reasonable" we have given regard to the views expressed by the ASIC in RG 111.

- 4.12 RG 111 provides ASIC's views on how an expert can help security holders make informed decisions about transactions. Specifically it gives guidance to experts on how to evaluate whether or not a proposed transaction is fair and reasonable.
- 4.13 RG 111 states that the expert's report should focus on:
- the issues facing the security holders for whom the report is being prepared; and
 - the substance of the transaction rather than the legal mechanism used to achieve it.
- 4.14 Furthermore, RG 111 states that the expert's assessment of fair and reasonable should not be applied on a composite test – that is, there should be a separate assessment of whether the transaction is 'fair' and 'reasonable', as in a control transaction.
- 4.15 Consistent with the guidelines in RG 111, in assessing whether the Proposed Transaction is fair and reasonable to the Non-Associated Shareholders, the analysis undertaken is as follows:
- Whether the value of an Odin share prior to implementation of the broader transaction (on a control basis) is less than the value of an Odin share following implementation of the broader transaction (on a non-control basis) – fairness; and
 - A review of other significant factors which Non-Associated Shareholders might consider prior to approving the Proposed Transaction – reasonableness.
- 4.16 The other significant factors to be considered include:
- The future prospects of the Company if the Proposed Transaction does not proceed; and
 - Any other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding.
- 4.17 Our assessment of the Proposed Transaction is based on economic, market and other conditions prevailing at the date of this report.

5. Profile of Odin

Background

- 5.1 Odin Energy Limited is an ASX listed company (ASX:ODN) which engages in the production of oil and gas in the United States. The company was incorporated in 2007 and is based in West Perth, Australia.
- 5.2 On 23 November 2015, the Company announced that it had executed a Memorandum of Understanding (“MOU”) with gridComm Pte Ltd (“gridComm”), to explore the possible acquisition of the Company. On 18 March 2016 the Company announced that it had completed the SSA with 94% of gridComm shareholders executing the agreements. On 21 July 2016, the Company announced that it had entered into Deeds of Amendment, Restatement and Accession to vary the terms of the SSA.
- 5.3 On 11 December 2015, the Company announced that it had entered into an agreement to dispose of Kilgore Exploration, Inc (“KEI”) to Paser Pte Ltd (“Paser”), a Singaporean company for \$1. This disposal also included Odin transferring its debt in the principal amount of US\$12.4 million (plus accrued interest) to Paser. The Board had previously decided that the costs of any further appeals in KEI’s litigation against Apache Corporation were not warranted. Judgement and the writ of garnishment were subsequently issued against KEI.
- 5.4 The disposal of KEI was completed in January 2016.

Directors and management

- 5.5 The directors and key management of Odin are summarised in the table below.

Table 4 Odin Directors

Name	Title	Experience
Mr Alex Bajada	Executive Chairman	Mr Bajada is Executive Director of Spartan Nominees Pty Ltd, corporate consultants. He is a former stockbroker with many years’ experience in the corporate sector and has been involved in the management of public companies for many years fulfilling the roles of chairman and director.
Mr Roland Berzins	Non-executive Director and Company Secretary	Mr Berzins graduated from the University of Western Australia with a Bachelor of Commerce degree majoring in accounting and finance. He has over 25 years’ experience in the mining industry and was previously Chief Accountant for 6 years at Kalgoorlie Consolidated Gold Mines Pty Ltd (“Kalgoorlie Super Pit”). Since 1996, Mr Berzins has been a Director and Company Secretary for a variety of ASX listed companies, and has also had experience in retail, merchant banking, venture capital and SME business advisory.
Mr David Ballantyne	Non-Executive Director	David is a Chartered Accountant who has considerable commercial experience in the resources industry, both oil and gas, and hard rock. In addition, he has experience outside resources in technology, primary production and international trade. David has also had extensive experience in corporate management, directorship and company secretary roles in listed companies, and has been involved in listings on ASX and AIM.

Source: Company

Financial Performance

- 5.6 The following table sets out a summary of the financial performance of Odin for the financial years ended 30 June 2014 (“FY14”) and 30 June 2015 (“FY15”) and the half year ended 31 December 2015 (“HY16”).

Table 5 Odin financial performance

	Ref	HY16 Reviewed \$	FY15 Audited \$	FY14 Audited \$
Revenue		18,183	-	123,488
Other income		-	-	114,086
Accounting and audit expenses		(22,098)	(26,059)	(63,829)
Depletion expense		-	-	(41,043)
Staff/consulting expenses	5.7	(159,644)	(414,244)	(364,795)
Legal expenses		(20,577)	(14,907)	-
Regulatory expenses		(42,898)	(3,822)	(26,234)
Travel expenses		(1,992)	(21,011)	(28)
Impairment expenses	5.7	408	(781,240)	(894,389)
Other administrative expenses		(67,236)	(585,187)	(540,536)
Loss before income tax expense		(295,854)	(1,846,470)	(1,693,280)
Income tax expense		-	-	-
Net loss for the year		(295,854)	(1,846,470)	(1,693,280)
Other Comprehensive Income/(loss) for the period:				
Exchange differences arising on translation of foreign operations		(63,363)	(167,979)	(6,587)
Total Comprehensive Loss		(359,217)	(2,014,449)	(1,699,867)

Source: Company financial statements

- 5.7 The Statement of Comprehensive Income is indicative of an exploration company, with very little revenue and the majority of expenditure on exploration (impairment) and staff and administrative costs.
- 5.8 In FY15, Odin discontinued operations of its oil and gas assets and, as such, wrote down the value to \$nil. Accordingly, total costs incurred fell in the HY16 as the Company considered strategic options.
- 5.9 In January 2016, the Company completed the disposal of its oil and gas licences held in KEI and consequently deconsolidated related liabilities.

Financial Position

- 5.10 The table below sets out a summary of the financial position of Odin as at 31 December 2015 and 30 June 2015.

Table 6 Odin financial position

	Ref:	31-Dec-15 Reviewed \$	30-Jun-15 Audited \$
Current assets			
Cash and cash equivalents		458	10,873
Trade and other receivables		154,844	209,003
Available for sale assets		22,438	22,179
Total current assets		177,740	242,055
Non-current assets			
Plant and equipment		-	-
Oil and gas properties	5.12	-	-
Other financial assets		-	-
Total current assets		-	-
Total assets		177,740	242,055
Current liabilities			
Trade and other payables	5.13	3,808,575	3,637,108
Borrowings	5.14	245,000	245,000
Total current liabilities		4,053,575	3,882,108
Total liabilities		4,053,575	3,882,108
Net assets	5.11	(3,875,835)	(3,640,053)
Equity			
Contributed equity		14,868,644	14,745,209
Reserves		(271,353)	(207,990)
Accumulated losses		(18,473,126)	(18,177,272)
Total equity		(3,875,835)	(3,640,053)

Source: Company financial statements

- 5.11 As at 31 December 2015, Odin had net liabilities of \$3.9 million. The Company had net liabilities of \$3.6 million as at 30 June 2015.
- 5.12 During FY15, Odin discontinued operations in its oil and gas assets and, as such, wrote down the value to \$nil. The Company has since disposed of all oil and gas assets and related liabilities.
- 5.13 As at 31 December 2015, Odin had significant liabilities. Approximately \$1.4 million relates to liabilities in the KEI entity which was deconsolidated in January 2016. A further \$1.8 million was owing to major shareholders, directors and former directors. A total of \$1.5 million of these related party liabilities were forgiven post 31 December 2015.
- 5.14 Borrowings of \$0.245 million are convertible notes in the Company. These were converted to shares in the Company in January 2016.

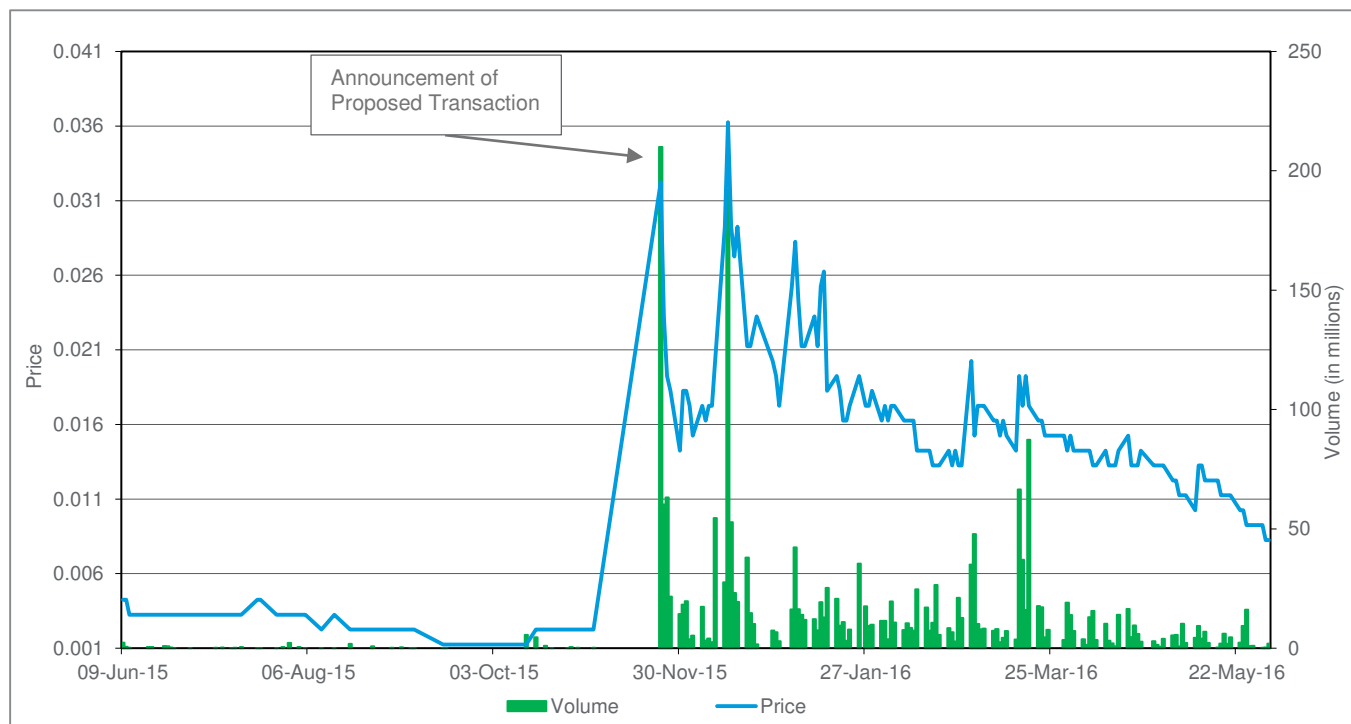
Capital Structure

- 5.15 Odin has 562,689,570 ordinary pre-consolidation shares on issue. There are no options over unissued ordinary shares outstanding.

Share price performance

5.16 The figure below sets out a summary of Odin's closing share prices and traded volumes for the 12 months to 1 June 2016.

Figure 2 Odin daily closing share price and traded volume



Source: S&P Capital IQ/ ASX

- 5.17 In the period prior to the announcement of the Proposed Transaction on 24 November 2015, Odin's shares traded at limited volumes on very few trading days. Upon announcement of the Proposed Transaction, the share price and trading volumes increased significantly.
- 5.18 In the days following announcement of the Proposed Transaction, trading volumes remained stronger and share prices were volatile, ranging from \$0.035 to \$0.015. Shares last traded at \$0.008 on 1 June 2016.

6. Profile of gridComm

General information

- 6.1 gridComm was incorporated in Singapore in 2012 as a high technology company following a management buyout of Singapore's Semitech Semiconductor's Asia-focused smart grid device capability.
- 6.2 gridComm owns the technology and provides chips that enable communications across existing power grid systems by connecting utilities to power consumers. The business is a smart city-focused company that creates a network over a city's power lines to enable street light control and sensor data communications with its power line networking solution.
- 6.3 gridComm has developed machine-to-machine (M2M) communication to be used on power generation and distribution grids to establish greater efficiency and productivity in energy delivery. gridComm provides components that enable communications over power grids to enable "smart grid" and "smart home" communications.

Financial Performance

- 6.4 The following table sets out a summary of the unaudited financial performance of gridComm for the financial years ending 31 December 2013 ("CY13"), 31 December 2014 ("CY14") and 31 December 2015 ("CY15").

Table 7 gridComm financial performance

	Ref	CY15 Unaudited SGD\$	CY14 Unaudited SGD\$	CY13 Unaudited SGD\$
Revenue	6.6	178,069	25,621	68,016
Cost of Sales and Services		(95,387)	(18,222)	(57,147)
Gross Profit		82,682	7,399	10,869
Other operating income		278,281	433,851	13,328
Administrative expenses		(6,975)	(12,455)	(12,222)
Depreciation and amortisation		(43,507)	(13,847)	(1,102)
Distribution costs	6.7	(189,771)	(137,544)	(121,773)
Finance costs		(94,363)	(77,335)	(68,376)
Staff costs	6.7	(413,295)	(528,694)	(371,668)
Other operating expenses		3,641	(7,986)	(4,293)
Loss before income tax expense	6.5	(383,307)	(336,611)	(555,237)
Income tax expense		-	-	-
Net loss for the year		(383,307)	(336,611)	(555,237)
Other Comprehensive Income/(loss)		-	-	-
Total Comprehensive Loss		(383,307)	(336,611)	(555,237)

Source: Company financial statements

- 6.5 gridComm was incorporated in 2012 and in the subsequent years has incurred net losses.
- 6.6 The business has generated sales revenue in each of the past three financial years through the sale of its technology. The business has generated a gross profit in each of the years CY13 to CY15.
- 6.7 The major costs of the business have been staff and distribution costs.

Financial Position

6.8 The table below sets out a summary of the unaudited financial position of gridComm as at 31 December 2015 and 30 June 2015.

Table 8 gridComm financial position

	Ref:	31-Dec-15 Unaudited SGD\$	31-Dec-14 Unaudited SGD\$
Current assets			
Cash and cash equivalents		590,854	18,088
Trade and other receivables		26,816	749
Inventory		104,953	73,018
Other assets		18,822	4,089
Total current assets		741,445	95,944
Non-current assets			
Plant and equipment		4,264	8,575
Intangible assets	6.10	228,971	53,273
Total current assets		233,235	61,848
Total assets		974,680	157,792
Current liabilities			
Trade and other payables		639,050	120,395
Other liabilities		77,247	43,071
Borrowings		140,428	-
Redeemable convertible bonds	6.11	916,841	592,905
Preferred Shares		99,999	99,999
Total current liabilities		1,873,565	856,370
Total liabilities		1,873,565	856,370
Net assets	6.9	(898,885)	(698,578)
Equity			
Issued Capital		253,000	70,000
Reserves		140,679	140,679
Accumulated losses		(1,292,564)	(909,257)
Total equity	6.9	(898,885)	(698,578)

Source: Company financial statements

- 6.9 As at 31 December 2015, gridComm had net liabilities of SGD\$0.9 million. The Company had net liabilities of SGD\$0.7 million as at 31 December 2014.
- 6.10 Other than working capital, the main assets held by gridComm are intangible assets consisting of computer software and, more significantly, intellectual property (IP).
- 6.11 gridComm has SGD\$0.9 million in redeemable convertible bonds and SGD\$0.1 million preference shares outstanding as at 31 December 2015. Both the redeemable convertible bonds and preference shares will convert into ordinary gridComm shares prior to the Acquisition.

Capital Structure

- 6.12 gridComm has 1,526,611 ordinary shares on issue. Other than the redeemable convertible bonds and preference shares, there are no options over unissued ordinary shares outstanding.

7. Valuation approach

Valuation methodologies

- 7.1 In assessing the Fair Value of an ordinary Odin share prior to and immediately following the Proposed Transactions, we have considered a range of valuation methodologies. RG 111 proposes that it is generally appropriate for an expert to consider using the following methodologies:
- the discounted cash flow (“DCF”) method and the estimated realisable value of any surplus assets;
 - the application of earnings multiples to the estimated future maintainable earnings or cash flows added to the estimated realisable value of any surplus assets;
 - the amount which would be available for distribution on an orderly realisation of assets;
 - the quoted price for listed securities; and
 - any recent genuine offers received.
- 7.2 We consider that the valuation methodologies proposed by RG 111 can be split into three valuation methodology categories, as follows.

Market based methods

- 7.3 Market based methods estimate the Fair Value by considering the market value of a company’s securities or the market value of comparable companies. Market based methods include;
- The quoted price for listed securities; and
 - Industry specific methods.
- 7.4 The recent quoted price for listed securities method provides evidence of the fair market value of a company’s securities where they are publicly traded in an informed and liquid market.
- 7.5 Industry specific methods usually involve the use of industry rules of thumb to estimate the fair market value of a company and its securities. Generally rules of thumb provide less persuasive evidence of the fair market value of a company than other market based valuation methods because they may not account for company specific risks and factors.

Income based

- 7.6 Income based methods estimate value by calculating the present value of a company’s estimated future stream of earnings or cash flows. Income based methods include:
- Capitalisation of maintainable earnings; and
 - Discounted cash flow methods.
- 7.7 The capitalisation of earnings methodology is generally considered a short form DCF, where an estimation of the Future Maintainable Earnings (“FME”) of the business, rather than a stream of cash flows is capitalised based on an appropriate capitalisation multiple. Multiples are derived from the analysis of transactions involving comparable companies and the trading multiples of comparable companies.

- 7.8 The DCF technique has a strong theoretical basis, valuing a business on the net present value of its future cash flows. It requires an analysis of future cash flows, the capital structure and costs of capital and an assessment of the residual value or the terminal value of the company's cash flows at the end of the forecast period. This method of valuation is appropriate when valuing companies where future cash flow projections can be made with a reasonable degree of confidence.

Asset based methods

- 7.9 Asset based methodologies estimate the Fair Value of a company's securities based on the realisable value of its identifiable net assets. Asset based methods include:
- orderly realisation of assets method;
 - liquidation of assets method; and
 - net assets on a going concern basis.
- 7.10 The value achievable in an orderly realisation of assets is estimated by determining the net realisable value of the assets of a company which would be distributed to security holders after payment of all liabilities, including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. This technique is particularly appropriate for businesses with relatively high asset values compared to earnings and cash flows.
- 7.11 The liquidation of assets method is similar to the orderly realisation of assets method except the liquidation method assumes that the assets are sold in a shorter time frame. The liquidation of assets method will result in a value that is lower than the orderly realisation of assets method, and is appropriate for companies in financial distress or where a company is not valued on a going concern basis.
- 7.12 The net assets on a going concern method estimates the market values of the net assets of a company but unlike the orderly realisation of assets method it does not take into account realisation costs. Asset based methods are appropriate when companies are not profitable, a significant proportion of the company's assets are liquid, or for asset holding companies.

Selection of Valuation Methodologies

Valuation of an Odin share pre the Proposed Transaction (control basis)

- 7.13 In assessing the value of an Odin share prior to the Proposed Transaction we have utilised the net assets as a going concern methodology.
- 7.14 We have also utilised the quoted market price methodology as a secondary valuation method.
- 7.15 Our valuation methodologies were selected on the following basis:
- In January 2016, Odin's exploration assets were disposed of and the Company does not have any other operating assets or any other significant assets. As such, the most appropriate basis of valuation is the book value of asset and liabilities.
 - Odin's shares are listed on the ASX which means there is a regulated and observable market for its shares. However, consideration must be paid to adequate liquidity and activity in order to rely on the quoted market price method;
 - In our opinion, the DCF methodology cannot be used as future revenue and expenses cannot be forecast with sufficient reasonable basis to meet the requirements of RG111; and
 - The FME methodology is not appropriate as Odin does not have a history of profits.

Valuation of an Odin share post the Proposed Transaction (non-control basis)

- 7.16 In assessing the value of Odin post the Proposed Transaction, we have used the pre Proposed Transaction value and included the impact of the Proposed Transaction assuming it proceeds. In particular, we have made the following adjustments:
- Eliminated any value attributable to the shell company status of Odin;
 - Included the assessed value of gridComm's assets and liabilities;
 - Included the cash raised as a result of the capital raising that is a condition of the Proposed Transaction;
 - Included impact of the Austasia Notes converting to equity in the Company that is a condition of the Proposed Transaction;
 - Included any dilution from the issue of shares;
 - Included specific costs associated with the Proposed Transaction; and
 - Included the payments made to convertible note holders plus the Odin shares issued to convertible note holders.
- 7.17 We have then assessed the value of an Odin share post the Proposed Transaction on a non-controlling basis by adjusting for minority discount.
- 7.18 In assessing the value of gridComm we have utilised the net assets methodology. Our valuation methodology was selected on the following basis:
- gridComm is a start-up business which has only generated minimal operating revenue from its technology and incurred a net loss in every reporting period since the incorporation in 2012. Further, as gridComm incurred a loss of A\$0.4 million for the year ended 31 December 2015 and is in a net liability position as at that date, there appears to be significant uncertainty as to the company's ability to continue as a going concern, and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in its financial statements. As such, the most appropriate basis of valuation is the value of asset and liabilities;
 - The market value of IP cannot be reliably measured given the early stages of operations.
 - In our opinion, the DCF methodology cannot be used as future revenue and expenses cannot be forecast with sufficient reasonable basis to meet the requirements of RG111; and
 - The FME methodology is not appropriate as gridComm does not have a history of profits.

8. Valuation of Odin prior to the Proposed Transaction

- 8.1 As stated at paragraph 7.13, we have assessed the value of an Odin share prior to the Proposed Transaction on a net assets basis and have also considered the quoted price of its listed securities. In both valuations, we have included a premium for control.

Net assets valuation

- 8.2 We have assessed the value of an Odin share on a control basis to be between \$0.023 and \$0.039 per share, prior to the Proposed Transaction, based on the net assets valuation methodology, as summarised in the table below.

Table 9 Assessed fair value of an Odin Share – net assets

	Ref.	Low \$	High \$
Net assets at 31 December 2015	8.3	(3,875,835)	(3,875,835)
Cash from rights issue	8.4	631,339	631,339
Disposal of KEI	8.5	1,372,422	1,372,422
Conversion of convertible notes	8.6	245,000	245,000
Liabilities forgiven	8.7	1,500,000	1,500,000
Value of the Company as a listed shell	8.8	500,000	750,000
Net assets		372,926	622,926
Post consolidation number of shares on issue	3.8	16,076,845	16,076,845
Value per share (undiluted)	8.2	\$0.023	\$0.039

Source: RSM analysis

- 8.3 Our assessment has been based on the net liability position of Odin as at 31 December 2015 of \$3.9 million as set out in the Company's financial statements. We have been advised that, except for adjustments noted below and normal operating costs, there has been no significant change in the net assets of Odin since 31 December 2015.

Cash from rights issue

- 8.4 In January 2016, the Company completed a rights issue of 52,611,602 shares at an issue price of \$0.012 to raise \$0.63 million.

Disposal of KEI

- 8.5 Following 31 December 2015 the Company's disposed of KEI, which had previously held the Company's oil and gas assets. The deconsolidation of KEI from the group in January resulted in net liabilities of approximately \$1.37 million being disposed of.

Conversion of convertible notes

- 8.6 Convertible notes of \$0.245 million were converted to 245,000,000 Odin shares in January 2016 in full settlement of the liability.

Liabilities forgiven

- 8.7 Amounts totalling \$1.5 million owed to directors, former directors and shareholders of Odin were forgiven subsequent to 31 December 2015.

Value of a listed shell

- 8.8 In considering the value of the listed shell we have reviewed similar recent transactions and the values attributed to shells. We have also considered comparable dormant listed companies and concluded that the value of a shell is between \$0.50 million and \$0.75 million based on recent data and the financial position of the Company.

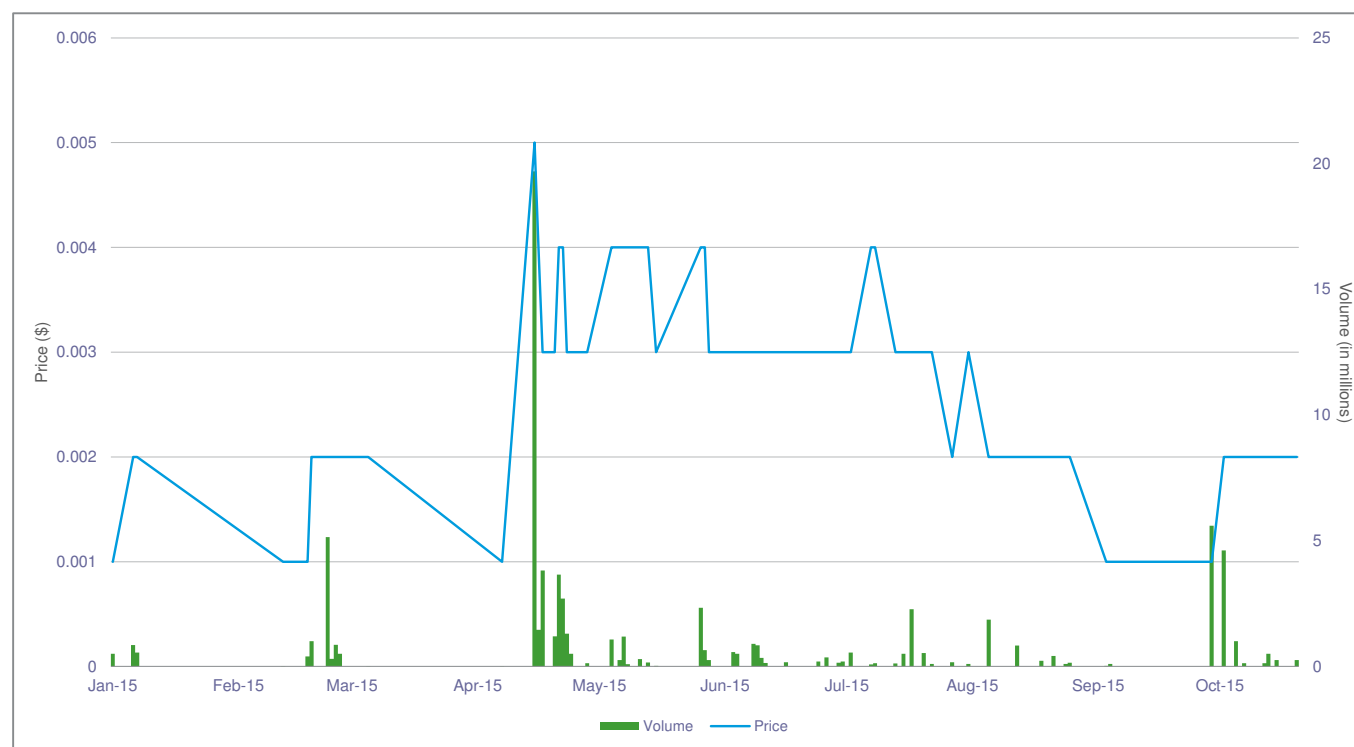
Quoted Price of Listed Securities (secondary method)

- 8.9 In order to provide a comparison and cross check to our net assets valuation of Odin, we have considered the recent quoted market price for Odin's shares on the ASX prior to the announcement of the Proposed Transaction.
- 8.10 Unless stated, the analysis in this section is based on the pre-consolidation capital structure of Odin.

Analysis of recent trading in Odin shares

- 8.11 The figure below sets out a summary of Odin's closing share price and volume of Odin shares traded in the 12 months to 23 November 2015, the date prior to the announcement of the Proposed Transaction. The assessment only reflects trading prior to the announcement of the Proposed Transaction in order to avoid the influence of any movement in price that may have occurred as a result of the announcement.

Figure 3 Odin share price volume graph



Source: S&P Capital IQ

- 8.12 Over the trading period prior to the announcement of the Proposed Transaction, Odin shares have traded at a high of \$0.005 and a low of \$0.001. Trade volumes peaked at 19.7 million on 29 April 2015, which followed the announcement of Odin signing a memorandum of understanding to acquire The Hemp Corporation Pty Ltd. This transaction was cancelled in August 2015.
- 8.13 Trade volumes were minimal over the following months prior to the announcement of the Proposed Transaction on 24 November 2015.

- 8.14 To provide further analysis of the quoted market prices for Odin's shares, we have considered the VWAP over a number of trading day periods ending 23 November 2015. An analysis of the volume in trading in Odin's shares for the 1, 10, 30, 60, 90 and 180 day trading periods is set out in the table below.

Table 10 Traded volumes of Odin Shares to 23 November 2015

	1 Day	10 Day	30 Day	60 Day	90 Day	120 Day	180 Day
VWAP (\$)	-	-	0.002	0.002	0.002	0.002	0.003
Total Volume (000's)	-	-	12,461	13,471	20,174	28,316	66,364
Total Volume as a % of Total Shares	0.00%	0.00%	4.70%	5.08%	7.61%	10.68%	25.04%
Low Price (\$)	-	-	0.001	0.001	0.001	0.001	0.001
High Price (\$)	-	-	0.002	0.002	0.004	0.004	0.005
Trading Days (no.)	-	-	8	14	25	40	59

Source: S&P Capital IQ

- 8.15 The table above indicates very low volume and liquidity in Odin shares, with only 7.6% of total shares traded over the past 90 trading days. This is reflective of an illiquid stock.

Value of an Odin Share on a non-control minority basis

- 8.16 We have selected the 30-day VWAP for trading prior to 23 November 2015 as this is indicative of recent market trading for the shares. Therefore, in our opinion, \$0.002 reflects the quoted market price valuation of an Odin share on a minority basis prior to the Proposed Transaction.

Valuation of an Odin share (quoted price of listed securities methodology)

- 8.17 Our valuation of an Odin share, on the basis of the recent quoted market price including a premium for control is approximately \$0.003 (between \$0.088 and \$0.095 on a post-consolidation basis), as summarised in the table below.

Table 11 Assessed value of an Odin share – Quoted Price of Listed Securities

	Ref.	Low	High
30-day VWAP of an Odin share at 23 November 2015	8.16	\$0.002	\$0.002
Add premium for control	8.19	25%	35%
Quoted market price controlling value		\$0.003	\$0.003
Consolidation multiple		35.0x	35.0x
Consolidated quoted market price controlling value		\$0.088	\$0.095

Source: RSM analysis

Key assumptions

Control Premium

- 8.18 The value derived at paragraph 8.17 is indicative of the value of a marketable parcel of shares assuming the shareholder does not have control of Odin. RG 111.11 states that when considering the value of a company's shares the expert should consider a premium for control. If the Proposed Transaction is successful, Austasia shareholders will hold an interest of at least 56.7% of the issued share capital of Odin and, therefore, as explained in Section 4 above, our assessment of the Fair Value of an Odin share must include a premium for control.
- 8.19 In selecting a control premium we have given consideration to the RSM 2013 Control Premium Study. The study performed an analysis of control premiums paid over a 7-year period to 31 December 2012 in 345 successful takeovers and schemes of arrangements of companies listed on the ASX. Our study concluded that, on average, control premiums in takeovers and schemes of arrangements involving Australian companies in the mining and metals sectors was in the range of 25% to 35%. In valuing an ordinary Odin Share prior to the Proposed Transaction using the quoted price of listed securities methodology we have reflected a premium for control in the range of 25% to 35%.

Valuation summary and conclusion

- 8.20 A summary of our assessed values of an ordinary Odin share on a post-consolidation control basis prior to the Proposed Transaction, derived under the two methodologies, is set out in the table below.

Table 12 Odin Share valuation summary

	Ref.	Low	High
Net assets		\$0.023	\$0.039
Quoted market price		\$0.088	\$0.095
Preferred valuation (post-consolidation at 35:1)		\$0.023	\$0.039

Source: RSM analysis

- 8.21 In our opinion, we consider that the net assets valuation methodology provides a better indicator of the fair value of an Odin share as we consider our analysis of the trading of Odin's shares prior to the announcement of the Proposed Transaction indicates that the market for Odin's shares is not deep enough to provide an assessment of their fair value via the quoted market price methodology.
- 8.22 Therefore, in our opinion, the fair value of an Odin share prior to the Proposed Transaction is between \$0.023 and \$0.039 on a controlling, post-consolidation and undiluted basis.

9. Valuation of Odin following to the Proposed Transaction

- 9.1 We summarise our valuation of an Odin share subsequent to the Proposed Transaction on a net assets basis in the table below. This valuation assumes the minimum capital of \$6.0 million before costs is raised from the condition precedent Capital Raising.

Table 13 Assessed value of Odin post the Proposed Transaction

	Ref:	Low Value \$	High Value \$
Net assets of Odin pre Proposed Transaction	9.4	(127,074)	(127,074)
Adjusted net assets of gridComm	9.6	(107,749)	(107,749)
Net cash raised from condition precedent Capital Raising	9.12	5,400,000	5,400,000
Undiluted value of Odin		5,165,177	5,165,177
Number of shares on issue pre Proposed Transaction	3.8	16,076,845	16,076,845
Shares issued in the Acquisition	3.8	85,363,965	85,363,965
Shares issued in condition precedent capital raising	3.8	30,000,000	30,000,000
Shares issued to Austasia convertible note holders	3.8	9,000,000	9,000,000
Total shares after Proposed Transaction	3.8	140,440,810	140,440,810
Post-consolidation value per share		0.037	0.037
Discount for minority interest	9.12	26%	20%
Minority value per share after capital raising		0.027	0.030

Source: RSM analysis

- 9.2 We consider that the minority value of an Odin share post the Proposed Transaction to be between \$0.027 and \$0.030 per share on a post-consolidation, undiluted basis.
- 9.3 We have assessed the value of an Odin share following the Proposed Transaction combining the value of the net assets of Odin and the net assets of gridComm, including adjustments all Conditional Resolutions, over the total shares on issue following the Proposed Transaction.

Net assets of Odin

- 9.4 We have assessed the value of Odin on a net assets basis to be negative \$0.13 million, as set out in the table below.

Table 14 Net tangible assets of Odin

	Ref.	Low \$
Net assets at 31 December 2015	8.3	(3,875,835)
Cash from rights issue	8.4	631,339
Disposal of KEI	8.5	1,372,422
Conversion of convertible notes	8.6	245,000
Liabilities forgiven	8.7	1,500,000
Adjusted net tangible assets of Odin	8.2	(127,074)

Source: RSM analysis

- 9.5 We have assessed the value of the Company, prior to the adjustments for the Proposed Transaction, to be negative \$0.13 million. In reaching the value we have used the same valuation methodology applied in valuing Odin in Section 8, however we have not included any value for the Company's status as a listed shell.

Net assets of gridComm

- 9.6 We have assessed the value of gridComm on a net assets basis to be negative A\$0.11 million, as set out in the table below.

Table 15 Assessed equity value of gridComm

	Ref:	31-Dec-15 Unaudited SGD\$	31-Dec-15 Unaudited A\$
Net assets	6.9	(898,885)	(872,431)
Intangible assets	9.8	(228,971)	(222,232)
Preferred shares	9.9	99,999	97,056
Redeemable convertible bonds	9.10	916,841	889,858
Net tangible assets		(111,016)	(107,749)

Source: RSM analysis

- 9.7 We have adjusted the net assets of gridComm for the adjustments as set out below. We have converted the carrying value of the gridComm assets and liabilities from Singapore dollars (SGD) to Australia dollar at a rate of \$A1:0.9706SGD, being the exchange rate as at 1 June 2016.

Intangible assets

- 9.8 As at 31 December 2015, gridComm had A\$0.23 million of intangible assets on its balance sheet. The intangible assets consist of \$0.03 million in software and \$0.20 million in intellectual property (IP). We have excluded the intangible assets from the valuation as we cannot substantiate the recoverable value of these assets.

Preferred shares

- 9.9 As at 31 December 2015, gridComm had A\$0.1 million of preferred shares on its balance sheet. The liability related to the preferred shares were settled subsequent to 31 December 2015.

Redeemable convertible bonds

- 9.10 As at 31 December 2015, gridComm had A\$0.92 million of redeemable convertible bonds on its balance sheet. This liability relates to the Austasia Notes which were loaned to gridComm. These convertible bonds will convert into Odin shares upon completion of the Acquisition and have therefore been eliminated from the net assets of gridComm.

Minority interest discount

- 9.11 In selecting a minority discount we have given consideration to our control premium applied in Paragraph 8.19, where we established a range for a control premium of between 25% and 35%. The resulting corresponding minority discount range based on said control premiums is between 20% and 26%.

Condition precedent capital raising

- 9.12 We have adjusted the net asset value of Odin post the Proposed Transaction by \$6 million (less \$600,000 for transaction and capital raising costs) and the 30 million Odin shares issued to reflect the minimum capital raising that is a condition precedent of the Proposed Transaction. We have assumed that this capital was raised at the issue price of \$0.20 per share (on a post-consolidation basis).

Performance Shares

- 9.13 Under the Proposed Transaction, a total of 110,002,349 Performance Shares are to be issued, which each convert into an ordinary shares. The conversion of Performance Shares is dependent on achieving certain milestones and does not involve any receipt of cash by the Company upon conversion.
- 9.14 Given the uncertainty of achieving the milestones, the impact of the Performance Shares has not been included in our assessment of the value of an Odin share following the Proposed Transaction. However, we note that the nature of the milestones is such that, when met, the milestones are expected to increase the value for Shareholders.

10. Is the Proposed Transaction Fair to Odin Shareholders?

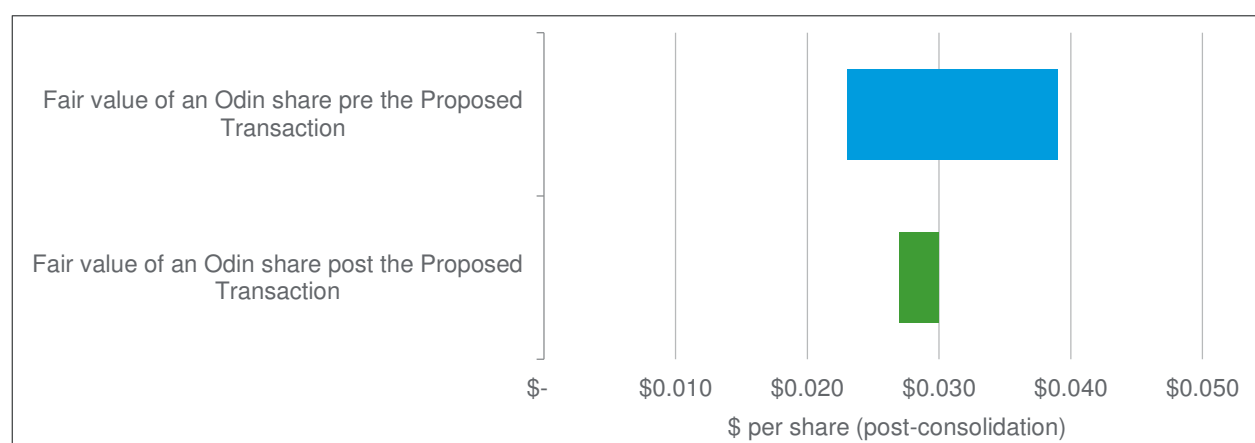
- 10.1 Our assessed values of an Odin share prior to and immediately after the Proposed Transaction, are summarised in the table and figure below.

Table 16 Assessed values of an Odin share pre and post the Proposed Transaction

Assessment of fairness	Ref:	Value per Share	
		Low \$	High \$
Fair value of an Odin share pre the Proposed Transaction - Control basis	8.2	0.023	0.039
Fair value of an Odin share post the Proposed Transaction - Non control basis	9.2	0.027	0.030

Source: RSM analysis

Figure 4 Odin Share valuation graphical representation



Source: RSM analysis

- 10.2 Therefore, in accordance with the guidance set out in ASIC RG 111, and in the absence of any other relevant information, we consider the Proposed Transaction to be fair to the Non-Associated Shareholders of Odin as the value of an Odin share following the Proposed Transaction is within the range of the value of an Odin share prior to the Proposed Transaction.

11. Is the Proposed Transaction Reasonable to Odin Shareholders?

11.1 RG111 establishes that an offer is reasonable if it is fair. If an offer is not fair it may still be reasonable after considering the specific circumstances applicable to the offer. In our assessment of the reasonableness of the Proposed Transaction, we have given consideration to:

- The future prospects of Odin if the Proposed Transaction does not proceed; and
- Other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding.

Future prospects of Odin if the Proposed Transaction does not proceed

11.2 If the Proposed Transaction does not proceed then the Company will have:

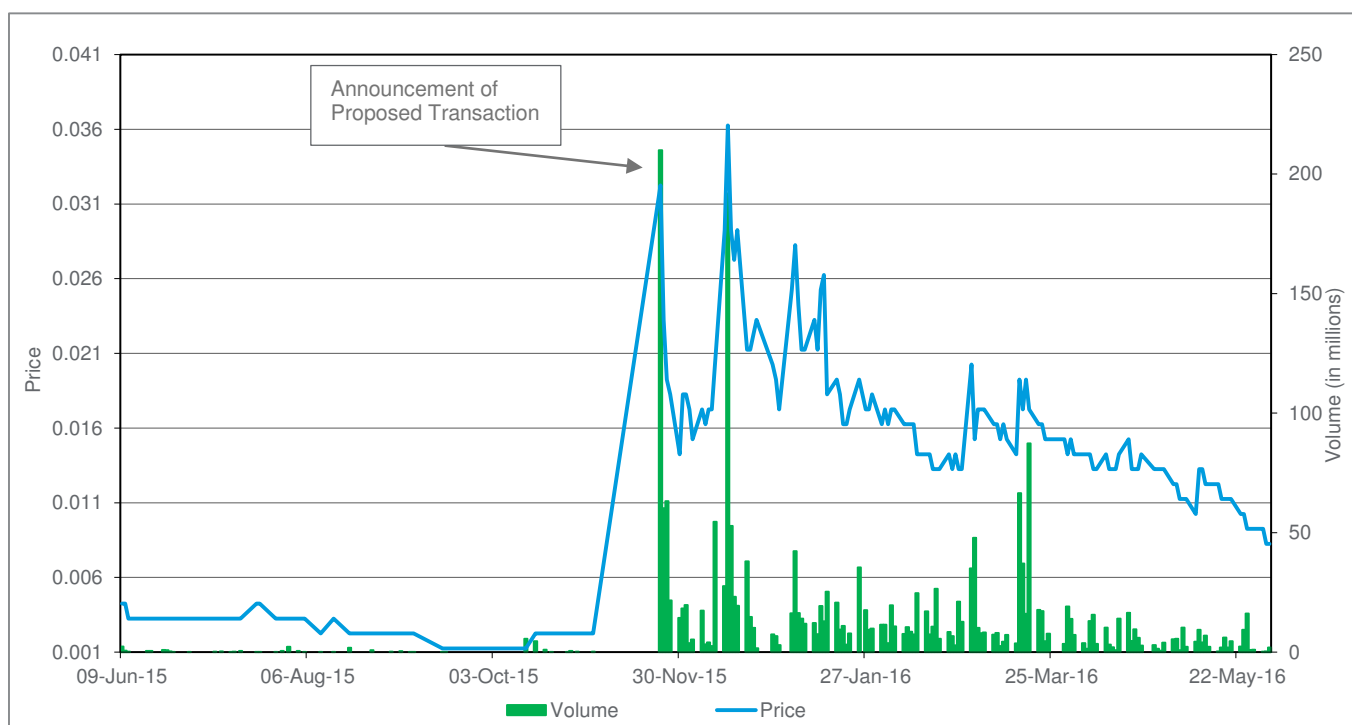
- A significant working capital deficiency;
- Insufficient cash to pay its liabilities; and
- No operating assets to generate cash flows.

11.3 Consequently, the Company will be required to seek additional capital funding and/or seek alternative investments to add value to shareholders.

Trading in Odin shares following the announcement of the Proposed Transaction

11.4 As demonstrated in the chart below, there was a strong positive response to the announcement of the Proposed Transaction.

Figure 5 Odin post announcement share price volume chart



Source: S&P Capital IQ/ ASX

11.5 The chart above shows that the Odin share price increased significantly initially, however has since declined from as high as \$0.036 to a low of \$0.008 on 1 June 2016.

Advantages and disadvantages

- 11.6 In assessing whether the Non-Associated Shareholders are likely to be better off if the Proposed Transaction proceed, than if it does not, we have also considered various advantages and disadvantages that are likely to accrue to the Non-Associated Shareholders.

Advantages of approving the Proposed Transaction

Advantage 1 – The Proposed Transaction is fair

- 11.7 RG 111 states that a transaction is reasonable if it is fair.

Advantage 2 – The Company will be exposed to a new, growing industry

- 11.8 The Company will be exposed to a rapidly growing technology and internet of things (IoT) industries, and Shareholders have the ability to gain exposure to future opportunities the business offers.

Advantage 3 – The Company has working capital to continue operations

- 11.9 The Capital Raising that is a Conditional Resolution to the Proposed Transaction will add necessary funds for working capital for the ongoing operations and will assist with the commercialisation of gridComm's technology and growth of the Company.

Advantage 4 – The Company's ability to raise funds and attract strategic investors may be improved

- 11.10 The Company's ability to raise additional funds and attract strategic investors may be improved once the Acquisition is completed and the Company pursues commercialisation of its technology. This depends greatly on demonstrating and selling gridComm's products.

Advantage 5 – Increase liquidity in the shares

- 11.11 The Acquisition may encourage new investors in the Company which may lead to increased liquidity of Shares and greater trading depth than currently experienced by Shareholders.

Disadvantages of approving the Proposed Transaction

Disadvantage 1 – Change in nature and scale of activities

- 11.12 The Company will be changing the nature and scale of its activities to become a company in the technology and internet of things (IoT) industries with a focus on enabling communications across existing power grid systems, which may not be consistent with the objectives of all Shareholders.

Disadvantage 2 – Dilution on Non-Associated Shareholders

- 11.13 The Proposed Transaction will result in the issue of Shares and Performance Shares to the gridComm Shareholders, Austasia Noteholders and new investors, which will have a significant dilutive effect on the holdings of existing Shareholders.

Disadvantage 3 – Change in risk profile of the Company

- 11.14 The activities of gridComm has a different risk and reward profile than the Company had historically. gridComm is start-up technology company with minimal income and a focus on an unknown and unproven market that is at risk of competition, regulatory change or simply not materialising. This new risk profile may not suit all Shareholders.

Alternative Proposal

- 11.15 We are not aware of any alternative proposal at the current time which might offer the Non-Associated Shareholders of Odin a greater benefit than the Proposed Transaction.


Conclusion on Reasonableness

- 11.16 In our opinion, the position of the Non-Associated Shareholders if the Proposed Transaction is approved is more advantageous than the position if it is not approved. Therefore, in the absence of any other relevant information and/or a superior offer, we consider that the Proposed Transaction is reasonable for the Non-Associated Shareholders of Odin.
- 11.17 An individual shareholder's decision in relation to the Proposed Transaction may be influenced by his or her individual circumstances. If in doubt, shareholders should consult an independent advisor.

Yours faithfully

RSM FINANCIAL SERVICES AUSTRALIA PTY LTD


A GILMOUR
Director


G YATES
Director



APPENDICES

A. DECLARATIONS AND DISCLAIMERS

Declarations and Disclosures

RSM Corporate Australia Pty Ltd holds Australian Financial Services Licence 255847 issued by ASIC pursuant to which they are licensed to prepare reports for the purpose of advising clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate reconstructions or share issues.

Qualifications

Our report has been prepared in accordance with professional standard APES 225 "Valuation Services" issued by the Accounting Professional & Ethical Standards Board.

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia Pty Ltd (RSM) a large national firm of chartered accountants and business advisors.

Mr. Andrew Gilmour and Mr Glyn Yates are directors of RSM Corporate Australia Pty Ltd. Both Mr Gilmour and Mr Yates are Chartered Accountants with extensive experience in the field of corporate valuations and the provision of independent expert's reports for transactions involving publicly listed and unlisted companies in Australia.

Reliance on this Report

This report has been prepared solely for the purpose of assisting Shareholders of the Company in considering the Security. We do not assume any responsibility or liability to any party as a result of reliance on this report for any other purpose.

Reliance on Information

Statements and opinions contained in this report are given in good faith. In the preparation of this report, we have relied upon information provided by the Directors and management of Odin Energy Limited and we have no reason to believe that this information was inaccurate, misleading or incomplete. RSM Corporate Australia Pty Ltd does not imply, nor should it be construed that it has carried out any form of audit or verification on the information and records supplied to us.

The opinion of RSM Corporate Australia Pty Ltd is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

In addition, we have considered publicly available information which we believe to be reliable. We have not, however, sought to independently verify any of the publicly available information which we have utilised for the purposes of this report.

We assume no responsibility or liability for any loss suffered by any party as a result of our reliance on information supplied to us.

Disclosure of Interest

At the date of this report, none of RSM Corporate Australia Pty Ltd, RSM, Andrew Gilmour, Glyn Yates, nor any other member, director, partner or employee of RSM Corporate Australia Pty Ltd and RSM has any interest in the outcome of the Proposed Transaction, except that RSM Corporate Australia Pty Ltd are expected to receive a fee of approximately \$15,000 based on time occupied at normal professional rates for the preparation of this report. The fees are payable regardless of whether Odin Energy Limited receives Shareholder approval for the Security, or otherwise.

Consents

RSM Corporate Australia Pty Ltd consents to the inclusion of this report in the form and context in which it is included with the Notice of Extraordinary General Meeting and Explanatory Memorandum to be issued to Shareholders. Other than this report, none of RSM Corporate Australia Pty Ltd or RSM Australia Pty Ltd or has been involved in the preparation of the Notice of Extraordinary General Meeting and Explanatory Memorandum. Accordingly, we take no responsibility for the content of the Notice of General Meeting and Explanatory Statement.

B. SOURCES OF INFORMATION

In preparing this Report we have relied upon the following principal sources of information:

- Drafts and final copies of the Notice of Meeting;
- Audited financial statements for Odin for the years ended 30 June 2013, 30 June 2014 and 30 June 2015;
- Reviewed half yearly accounts of Odin for the period to 31 December 2015;
- Draft financial statements of gridComm for the years ended 31 December 2013, 31 December 2014 and 31 December 2015;
- SSA and amendments to the SSA for the Acquisition and gridComm Acquisition
- ASX announcements of Odin;
- S&P Capital IQ database; and
- Discussions with Directors, Management and staff of Odin and gridComm.

C. GLOSSARY OF TERMS

Term or Abbreviation	Definition
\$	Australian Dollar
Act	Corporations Act 2001 (Cth)
Acquisition	The acquisition of 100% of the issued capital of Austasia by the Company
Amendments	Deeds of Amendment, Restatement and Accession to vary the terms of the SSA
APES	Accounting Professional & Ethical Standards Board
ASIC	Australian Securities & Investments Commission
ASX	Australian Securities Exchange
Austasia	Austasia Industrial Pty Ltd, a special purpose vehicle created for the Acquisition and the gridComm Acquisition
Company	Odin
Control basis	As assessment of the fair value on an equity interest, which assumes the holder or holders have control of entity in which the equity is held
CY##	Calendar year ended 31 December
DCF	A method within the income approach whereby the present value of future expected net cash flows is calculated using a discount rate
Directors	Directors of the Company
EBIT	Earnings, Before, Interest and Tax
EBITDA	Earnings, Before, Interest, Tax, Depreciation and Amortisation
Equity	The owner's interest in property after deduction of all liabilities
EV	Enterprise Value, meaning, the total value of the equity in a business plus the value of its debt or debt-related liabilities, minus any cash or cash equivalents available to meet those liabilities
Fair Value	The amount at which an asset could be exchanged between a knowledgeable and willing but not anxious seller and a knowledgeable and willing but not anxious buyer, both acting at arm's length
FME	Future Maintainable Earnings
FOS	Financial Ombudsman Service
FSG	Financial Services Guide
FY##	Financial year ended 30 June
gridComm	gridComm Pte Ltd
gridComm Acquisition	The acquisition of 94% of the issued capital of gridComm by Austasia
IER	This Independent Expert Report
Non Associated Shareholders	Shareholders who are not a party, or associated to a party, to the Proposed Transaction
Non control basis	As assessment of the fair value on an equity interest, which assumes the holder or holders do not have control of entity in which the equity is held
Notice	The notice of meeting to vote on the Proposed Transaction
NPBT	Net Profit Before Tax
NPAT	Net Profit After Tax
Odin	Odin Energy Limited
Regulations	Corporations Act Regulations 2001 (Cth)
Report	This Independent Experts Report prepared by RSM dated 3 June 2016
RG 111	ASIC Regulatory Guide 111 Contents of Expert's Reports

Term or Abbreviation	Definition
RSM	RSM Corporate Australia Pty Ltd
S&P Capital IQ	An entity of Standard and Poors which is a third party provider of company and other financial information
SSA	Securities Sale Agreement for the Acquisition and gridComm Acquisition
Proposed Transaction	It has the meaning given to the term in paragraph 1.2 of this Report
VWAP	Volume weighted average share price

D. RESOLUTIONS

Resolution 1 – Consolidation of Capital

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of section 254H of the Corporations Act, Listing Rule 7.20, Listing Rule 7.22 and the Constitution and for all other purposes, approval is given for the issued capital of the Company to be consolidated on the basis that every thirty five Shares be consolidated into one Share, with the Consolidation taking effect on a date announced to ASX in accordance with the Listing Rules and with any fractional entitlements being rounded up to the nearest whole number on the terms and conditions set out in the Explanatory Memorandum.

Resolution 2 – Approval of Acquisition of Austasia: Change of Activities

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of Listing Rule 11.1.2, Listing Rule 10.1 and for all other purposes, approval is given for the Company to:

- (a) *undertake the Acquisition the terms and conditions of which are summarised in the Explanatory Memorandum; and*
- (b) *change the nature and scale of the Company’s activities on completion of the Acquisition as described in the Explanatory Memorandum.”*

Resolution 3 – Creation of New Class of Securities: Performance Shares

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of section 246B(1) and 246C(5) of the Corporations Act, the Constitution and for all other purposes, the Directors are authorised to issue the Performance Shares on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 4 – Approval of the Issue of Shares and Performance Shares to Austasia Shareholders

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution, with or without amendment:

*“That, subject to the passing of the Conditional Resolutions, for the purposes of Listing Rule 7.1, Listing Rule 10.11 and for all other purposes, the Company is authorised to issue and allot on a post Consolidation basis 85,363,965 Shares and 110,002,349 Performance Shares to Austasia Industrial Pty Ltd (**Austasia**) Shareholders or their nominees, in consideration for the transfer to the Company by the Austasia Shareholders of the Austasia Shares held by them, pursuant to the terms and conditions of the Securities Sale Agreement (**SSA**), the details of which are summarised in the Explanatory Memorandum.”*

Resolution 5 - Approval of the Issue of Shares and Performance Shares to Michael Holt and Get2Volume Pte Ltd

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of Chapter 2E and item 7 of section 611 of the Corporations Act and for all other purposes, the Company is authorised to:

- (a) *issue and allot a total of 22,565,489 Acquisition Shares on a post Consolidation basis to Michael Holt and Get2Volume Pte Ltd UEN 200606764Z (**Get2Volume**), a company controlled by Michael Holt, or their nominees, on the terms and conditions set out in the Explanatory Memorandum, in consideration for the transfer to the Company by Michael Holt and Get2Volume of the Austasia Shares held by them, pursuant to the terms and conditions of the SSA; and*
- (b) *issue and allot a total of 62,875,548 Performance Shares on a post Consolidation basis to Michael Holt and Get2Volume, a company controlled by Michael Holt, on the terms and conditions set out in the Explanatory Memorandum and issue and allot up to 62,875,548 Shares on a post Consolidation basis to Michael Holt and Get2Volume on the subsequent conversion of the Performance Shares into Shares,*

and, as a consequence, that shareholders of the Company approve Michael Holt, Get2Volume and their associates, acquiring a Relevant Interest in up to 85,441,037 Shares on a post Consolidation basis .”

Resolution 6 - Approval to Issue Offer Shares under the Prospectus

To consider and, if thought fit, pass the following resolution as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of Listing Rule 7.1 and for all other purposes, the Company is authorised to issue between 30,000,000 and 40,000,000 Offer Shares at an issue price of \$0.20 per Offer Share, to raise a minimum of \$6,000,000 and up to \$8,000,000 pursuant to the Capital Raising, on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 7 - Approval of Participation of Roland Berzins in the Capital Raising

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of Listing Rule 10.11, section 195(4) and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue to Roland Berzins (or his nominee) up to an aggregate maximum of 250,000 Offer Shares (on a post Consolidation basis), which represent a value of up to \$50,000, on the same terms and conditions as other participants of the Capital Raising and on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 8 - Approval of Participation of David Ballantyne in the Capital Raising

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of Listing Rule 10.11, section 195(4) and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue to David Ballantyne (or his nominee) up to an aggregate maximum of 250,000 Capital Raising Shares (on a post Consolidation basis), which represent a value of up to \$50,000, on the same terms and conditions as other participants of the Capital Raising and on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 9 - Approval of Participation of Alex Bajada in the Capital Raising

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purposes of Listing Rule 10.11, section 195(4) and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue to Alex Bajada (or his nominee) up to an aggregate maximum of 250,000 Capital Raising Shares (on a post Consolidation basis), which represent a value of up to \$50,000, on the same terms and conditions as other participants of the Capital Raising and on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 10 - Approval of the Issue of Conversion Shares to Austasia Noteholders

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions, for the purpose of Listing Rule 7.1 and for all other purposes, the Company is authorised to issue up to 9,000,000 Conversion Shares on conversion of the Austasia Notes with a face value of \$900,000, on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 11 - Change of Company Name

To consider and, if thought fit, pass the following resolution as a Special Resolution, with or without amendment:

“That, subject to the passing of the Conditional Resolutions and the consent of ASIC, for the purposes of section 157(1) of the Corporations Act and for all other purposes, the name of the Company be changed to “gridComm Limited” with effect from the date on which the ASIC alters the details of the Company’s registration to reflect the change of name.”

Resolution 12 - Approval for the Issue of Advisor Options

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution, with or without amendment:

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, the Company is authorised to issue 15,000,000 Options (on a post-Consolidation basis) to advisors and lead managers of the Company (or their nominees) (**Advisor Options**) on the terms and conditions set out in the Explanatory Memorandum.”*

Resolution 13 – Approval of ESOP

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without amendment:

*“That, the Employee Share and Option Plan (**ESOP**), which is summarised in the attached Explanatory Memorandum, be approved and that for the purposes of Exception 9(b) of Listing Rule 7.2 and for all other purposes, the issue of securities under the ESOP within three (3) years from the date of this resolution be an exception to Listing Rules 7.1 and 7.1A.”*

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