



ASX ANNOUNCEMENT

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

17 February 2015

PARTIALLY UNDERWRITTEN NON-RENOUCEABLE RIGHTS OFFER

RIGHTS OFFER CLOSURE AND NOTICE OF SHORTFALL

The Directors of Orpheus Energy Limited (ASX:OEG) (**Orpheus** or the **Company**) are pleased to advise that its non-renounceable, partially underwritten rights offer (**Rights Offer**) announced on 21 November 2014 closed on 12 February 2015.

This notice is given in accordance with Appendix 7A of the ASX Listing Rules.

Total subscriptions

Orpheus gives notice of the total subscriptions for the Rights Offer as follows:

- (a) Entitlement – Acceptances were received from Eligible Shareholders in regards to their Entitlement for a total of 6,080,390 New Shares from 63 shareholders, raising \$121,607.80.
- (b) Shortfall – The number of New Shares offered under the Rights Offer was 56,085,423 New Shares; given acceptances were received for a total of 6,080,390 New Shares, this resulted in a shortfall of 50,005,033 New Shares (**Shortfall Shares**) under the Rights Offer. A number of the Shortfall Shares have been subscribed as follows:
 - (i) Additional applications were received from Eligible Shareholders for a total of 1,910,328 Shortfall Shares in excess of shareholder entitlements from 16 shareholders, raising \$38,206.56*; and
 - (ii) The Rights Offer was underwritten up to \$181,871.00 (9,093,548 Shortfall Shares) by the Directors. The Directors subscribed for the following Shortfall Shares under the Underwriting Agreement:

Name	Shortfall Shares
Wayne Mitchell	2,273,387
David Smith	409,319**
Wesley Harder	2,273,387
Michael Rhodes	2,273,387

* All shareholders that applied for Shortfall Shares above their entitlement will be allocated the Shortfall Shares they applied for.

** The number of Shortfall Shares subscribed by David Smith has been reduced from the 2,273,387 (detailed in the Prospectus), to 409,319 Shortfall Shares to ensure that David Smith does not hold 20% or more of the issued share capital in Orpheus.

The total of these subscriptions detailed above is 15,220,198 New Shares, raising \$304,403.96.

Balance shortfall

Given number of New Shares offered under the Rights Offer was 56,085,423 New Shares, and the amount subscribed for was 15,220,198 New Shares, this has resulted in a balance shortfall under the Rights Offer of 40,865,225 New Shares (**Balance Shortfall Shares**).

As disclosed in the Prospectus, the Directors of Orpheus have reserved the right to place any of the Balance Shortfall Shares at the same price of \$0.02 per Balance Shortfall Share and intends to pursue discussions with parties interested in acquiring Balance Shortfall Shares under this shortfall facility.

Remaining material dates for the finalisation of the Rights

The remaining material dates for the finalisation of the Rights Offer are as follows:

Expected date of issue of New Shares applied for under the Rights Offer	19 February 2015
Expected date of dispatch of transaction confirmation statements	20 February 2015
Expected date for commencement of normal trading of New Shares issued under the Offer on the ASX	20 February 2015

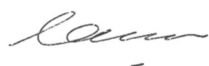
The Company thanks Shareholders for showing support for this Rights Offer. The \$304,403.96 raised under the Rights Offer will assist the Company to pay down the Orpheus debt relating to its previous coal business.

Loans to Orpheus

Wayne Mitchell was unable to apply for his shareholder entitlement given his registered address is in Thailand and, as such, he is not an Eligible Shareholder. Consequently, Wayne has agreed to loan Orpheus \$86,605.45 on an unsecured basis.

Given the number of New Shares subscribed by David Smith was reduced to ensure that David Smith does not hold 20% or more of the issued share capital in Orpheus, David has agreed to loan Orpheus \$20,000 on an unsecured basis.

For and on behalf of
Orpheus Energy Limited



Wayne Mitchell
Executive Chairman
Orpheus Energy Limited