



9 May 2017

COMPLETION OF NOTE ISSUE TO FUND PROPOSED BACK-DOOR LISTING OF SENSEN INTO ORPHEUS

As announced on 12 April 2017, one of the Conditions Precedent for the completion of the backdoor listing of SenSen Networks Pty Ltd (**SenSen**) into Orpheus Energy Limited ("**OEG**", "**Orpheus**" or "**the Company**") (**Backdoor Listing**) requires OEG to raise up to \$500,000 by way of a non-convertible note (**Note**) issue.

The Company is pleased to announce that it has now received binding commitments from Sophisticated and Professional Investors (as described in the Corporations Act) to subscribe for \$500,000 worth of Notes, with the Company to issue up to 7,187,500 Notes each with a face value of \$0.10 cents per Note.

Proceeds received from the Notes issue will be used to fund the Company's legal costs (including Due Diligence Committee, Notice of Meeting and Prospectus preparation), Independent Expert and Investigating Accountant Reports, and regulatory costs of the transaction, as well as OEG's ongoing working capital requirements and other costs for maintaining the company's admission to the ASX, including Listing Fees, Registry Fees and statutory Audit costs.

Pricing of the Notes was at a 20% discount to the price of the forthcoming Capital Raisings of up to AUD1,500,000 under a Share Purchase Plan to be put to Orpheus Shareholders and the raising of up to AUD5,000,000, both of which will be contained in a Prospectus. The Notes attract a 10% interest coupon and a 5% Utilization Fee. The Notes will be subscribed for in five equal instalments, in line with the costs to be incurred through the RTO process. There is no obligation to issue Notes in the event at least \$500,000 from the payment, settlement or sale of the Indonesian Receivable is received by OEG.

The Face Value of the Notes and the Utilization Fees will only become convertible into ordinary shares in Orpheus (**Shares**) on completion of the Backdoor Listing subject to the following:

- Shareholders approve the conversion mechanism in the Note Deed Poll for the purposes of ASX Listing Rule 7.1 (for all Notes held by non-related party Noteholders); and
- Shareholders approve the conversion mechanism in the Note Deed Poll for the purposes of ASX Listing Rule 10.11 (for all Notes held by related party Noteholders).

An Appendix 3B relating to the issue of the first instalment (anticipated to be completed by 12 May), and subsequent instalments of Notes will be released once all funds have been received for each instalment in accordance with the requirements of the ASX Listing Rules.

For further information, please contact:

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Disclaimer – Forward looking statements

This release may contain forward-looking statements. These statements are based upon management's current expectations, estimates, projections and beliefs in regards to future events in respect to Orpheus's business, the industry in which it operates. These forward looking statements are provided as a general guide and should not be relied upon as an indication or guarantee of future performance. The bases for these statements are subjected to risk and uncertainties that might be out of control of Orpheus Energy Limited and may cause actual results to differ from the release. Orpheus Energy Limited takes no responsibility to make changes to these statements to reflect change of events or circumstances after the release.