

31 January 2016

## ASX MARKET ANNOUNCEMENT

### Locality Planning Energy Holdings Ltd (LPE)

#### Quarterly Review and Appendix 4c

The Company is pleased to provide a Quarterly Review and Appendix 4c for the quarter ended 31 December 2015.

#### HIGHLIGHTS FOR THE QUARTER

- LPE fully funded to execute its growth strategy.
- Successfully completed the reverse takeover and merger between Stratum Metals Ltd and Locality Planning Energy Pty Ltd culminating in the listing of the company (ASX:LPE) on January 4, 2016.
- Completed a capital raising of \$6million by way of a substantially oversubscribed public offer.
- 97 strata communities under contract, an increase of 49.2%.
- Estimated annual energy consumption under contract 44.1GW, an increase of 81.4%.
- 20 under management (billing) strata communities, an increase of 233%.
- Growing market interest in other strata community segments identified by LPE, including electric instantaneous hot water system supply and commercial strata communities.
- Management, logistics and business development team expanded to support rapid growth.

Since the mid-October 2015 Investor Presentation & Roadshow, LPE has seen continual growth in the market uptake of its various product offerings, principally to existing and new residential strata communities. During the period, the focus has been on the conversion of pipeline opportunities to 'under contract', and then bringing these contracts on as 'under management' (billing) strata communities. This focus will continue and accelerate in 2016, particularly with the Company's strengthened financial position following the successful \$6 million capital raising.

The objective for calendar year 2016 is to reach and exceed 50GW in 'under management' strata communities (this being Milestone 1 for the Performance Shares issued to the Vendors of Locality Planning Energy Pty Ltd - refer ASX announcement 2 July 2015).

Whilst LPE’s primary target markets are new and existing residential strata communities, other strata community segments have been identified as opportunities to broaden and grow the Company’s customer base. These include supply of electric instantaneous hot water systems with 10 year embedded electricity supply agreements and commercial strata communities, including those with a residential component.

The following contracts completed during the period, illustrate the potential within these additional strata community segments:

Blue Sky Alternative Investments Ltd (**ASX:BLA**), a leading alternative asset manager based in Brisbane, entered into agreements with LPE to supply electric instantaneous hot water systems and embedded electricity supply contracts for five (5) new residential developments located within close proximity to Brisbane CBD. The 5 developments in various stages of completion, comprise 327 residential apartments and 2 commercial lots with an estimated annual energy consumption of 2.4GW.

- Establishment, Kangaroo Point (105 apartments)
- Bastion Apartments, Windsor (65 apartments)
- Cedar Apartments, Greenslopes (61 apartments)
- Stone & Co Apartments, Greenslopes (53 apartments & 2 commercial)
- Empire Apartments, Woolloongabba (43 apartments)

The Drew Group, a well-established property and investment company based in Fortitude Valley, Brisbane entered into an agreement with LPE to supply electric instantaneous hot water systems and embedded electricity supply requirements for two (2) of their current residential developments in Herston (The Annexe - 81 apartments) and New Farm (Riverstone Apartments - 72 apartments), Brisbane, with an estimated annual energy consumption of 1.1GW.



Riverstone Apartments  
New Farm



Stone & Co Apartments  
Greenslopes



Bastion Apartments  
Windsor

Mon Komo, a landmark building located in the heart of Redcliffe QLD, is a mix of permanent residential apartments, short term stay (managed by the Oaks Group) and commercial tenancies

including a tavern. The building comprises 185 residential apartments and 11 commercial lots, with an estimated annual energy consumption of 1.7GW.



*“2015 was an important year for LPE. It laid the foundation for further significant growth in 2016 and to achieve our initial target of 450GW under management within our 5 year plan”* said LPE Managing Director/CEO, Damien Glanville.

## CORPORATE ACTIVITY

The company is completely divesting the legacy resource assets associated with Stratum Metals Ltd involving wind up costs including stamp duty, staff termination payments and final exploration costs. All loans in Locality Planning Energy Pty Ltd have been settled leaving the consolidated entity debt free (other than for an existing small site conversion loan). A series of one off costs associated with the capital raising and unforeseen delays in ASX granting re-instatement were also paid.

LPE is now fully funded to execute on its growth strategy.

For and on behalf of Locality Planning Energy Holdings Ltd  
Damien Glanville  
Chief Executive Officer and Director

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## About Locality Planning Energy Holdings Ltd (LPE)

LPE's wholly owned subsidiary Locality Planning Energy Pty Ltd, holds 1 of only 20 active energy retail authorisations with the Australian Energy Regulator (AER) to supply and sell electricity to residential, commercial and industrial customers throughout the National Energy Market. LPE supplies and manages electricity sales to strata communities, both existing and new developments, generating significant savings on electricity delivered to strata community common areas and its occupants.

LPE's unique purchasing model is matched against 5 to 10-year supply contracts providing LPE with consistent recurring revenues. LPE is transforming the electricity retail supply industry by providing an intelligent solution to help its customers reduce high electricity costs, with no risk and no cost upfront cost. LPE is at the forefront of innovative electricity supply with a commitment to the integration of technology and renewable infrastructure, to provide the highest savings to its customers.

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

Locality Planning Energy Holdings Limited

ABN

90 147 867 301

Quarter ended ("current quarter")

December 2015

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from customers	194	279
1.2 Payments for		
(a) staff costs	(281)	(407)
(b) advertising and marketing	(25)	(26)
(c) research and development	-	-
(d) leased assets	(2)	(2)
(e) other working capital	(786)	(1,096)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	(22)	(35)
1.6 Income taxes paid	-	-
1.7 Other (former activities (exploration))	(115)	(170)
<b>Net operating cash flows</b>	<b>(1,037)</b>	<b>(1,457)</b>

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date (..... months) \$A'000
1.8 Net operating cash flows (carried forward)	<b>(1,037)</b>	<b>(1,457)</b>
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	(100)
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(525)	(592)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	1	1
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(524)</b>	<b>(691)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(1,561)</b>	<b>(2,148)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	6,000	6,153
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	358	986
1.18 Repayment of borrowings	(837)	(864)
1.19 Dividends paid	-	-
1.20 Other (capital raising fees)	(300)	(300)
<b>Net financing cash flows</b>	<b>5,221</b>	<b>5,975</b>
<b>Net increase (decrease) in cash held</b>	<b>3,659</b>	<b>3,827</b>
1.21 Cash at beginning of quarter/year to date	233	66
1.22 Exchange rate adjustments to item 1.20		
1.23 <b>Cash at end of quarter</b>	<b>3,893</b>	<b>3,893</b>

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	246
1.25	Aggregate amount of loans to the parties included in item 1.11	Nil

1.26 Explanation necessary for an understanding of the transactions

Director remuneration and consulting fees

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

The acquisition of Locality Planning Energy Pty Ltd by Locality Planning Energy Holdings Limited is accounted for under AASB2 Share Based Payments whereby the non-cash consideration in a reverse acquisition is deemed to be the fair value of the deemed issue of shares by the legal acquiree (Locality Planning Energy Pty Ltd) equivalent to the current shareholders interest in the legal acquirer (Locality Planning Energy Holdings Limited)

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	210	210
3.2	Credit standby arrangements	-	-

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**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

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**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	467	233
4.2 Deposits at call	3,000	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.23)</b>	<b>3,467</b>	<b>233</b>

**Acquisitions and disposals of business entities**

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Damon Sweeny Date: 31 January 2016  
 (Company secretary)

Print name: Damon Sweeny

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## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
  
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
  
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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