



22 January 2016

Company Announcements Office  
ASX Limited

*By E-Lodgement*

---

**QUARTERLY ACTIVITIES REPORT  
FOR THE PERIOD ENDING 31 DECEMBER 2015**

---

The Board of Orca Energy Limited (Orca or the Company) is pleased to provide the following commentary and Appendix 5B for the period ending 31 December 2015.

**Acquisition of Mobimedia International Pte. Ltd**

Orca announced during the quarter that it had entered into a binding term sheet to acquire 100% of Mobimedia International Pte. Ltd. (Mobimedia) (the Transaction).

Mobimedia is a telecommunication mobile technology business that is operationally based in Singapore, Pacific Islands, Cambodia, Bangladesh and India with corporate headquarters in Australia. Mobimedia supplies mobile Value Added Services (VAS) and data products across the full mobile functionality spectrum (2G to 4G). VAS are products and services provided by telecommunications carriers (Telcos) to their subscribers in addition to voice.

The business has operated profitably for 7 years with only one contracted telecommunications carrier and is currently undergoing a significant expansion phase. In 2015 Mobimedia substantially expanded its accessible subscriber base of 3 million from one carrier to over 43 million by contracting with 8 additional Telcos in 7 countries with a population base of over 300 million people.

In November 2015, Osiris Asia Impact Fund (Osiris) from the Osiris Group, a frontier market private equity firm helping innovative Asian companies scale entrepreneurial solutions, invested A\$3.5m into Mobimedia for an approximate 12% interest in the company. A representative from Osiris will be joining the Mobimedia Board and utilising the fund's deep relationships in various emerging markets to assist the expansion of Mobimedia.

The Transaction is subject to a number of conditions precedent, including:

- Orca consolidating its existing issued capital on the basis of 1 new share for every 10 existing shares (Consolidation);
- Orca obtaining and complying with all shareholder and regulatory approvals required including re-compliance with Chapters 1 and 2 of the ASX Listing Rules;
- Mobimedia and Orca each conducting due diligence enquiries to their satisfaction;
- execution of formal share sale agreements for the Transaction;
- there being no material adverse change in respect of Mobimedia and Orca;
- the parties obtaining any governmental and third party consents, approvals or waivers required for completion of the Transaction; and
- to the extent required by the ASX or the ASX Listing Rules, the relevant parties entering into restriction agreements as required by ASX in respect of the Consideration Securities and Advisor Securities, or in the event escrow of less than 24 months is applied to the relevant securities, execution of voluntary restriction agreements as required by Orca.

**BOARD & MANAGEMENT**

Mr Greg Bandy  
MANAGING DIRECTOR

Mr Jason Bontempo  
NON-EXECUTIVE DIRECTOR

Mr Nathan Rayner  
NON-EXECUTIVE DIRECTOR

Mr Aaron Bertolatti  
COMPANY SECRETARY

**REGISTERED OFFICE**

Level 1  
35 Richardson Street  
West Perth WA 6005

**POSTAL ADDRESS**

PO Box 1440  
West Perth WA 6872

**CONTACT DETAILS**

Tel: +61 8 9212 0102

**WEBSITE**

[orcaenergy.com.au](http://orcaenergy.com.au)

**SHARE REGISTRY**

Advanced Share Registry  
110 Stirling Highway  
Nedlands WA 6009

**ASX CODE**

OGY



As consideration for the acquisition of 100% of Mobimedia, the Company will issue the following securities to the vendor (on a post-Consolidation basis) (Consideration Securities):

- up to 196,666,667 shares (Consideration Shares);
- 50,000,000 performance shares subject to the following milestones (Performance Shares):
  - 16,666,667 Performance Shares that convert upon the achievement of consolidated EBITDA of \$5.0 million by Mobimedia during any 12-month reporting period that ends on or prior to the date that is 2 years and 6 months after Completion;
  - 16,666,667 Performance Shares that convert upon the achievement of consolidated EBITDA of \$10.0 million by Mobimedia during any 12 month reporting period that ends on or prior to the date that is 3 years and 6 months after Completion; and
  - 16,666,666 Performance Shares upon the achievement of contracts that enable the sale of Mobimedia’s content (including existing and new contracts) with customers with a verifiable total aggregated available subscriber base of greater than 200 million subscribers within 3 years after Completion.

The term sheet contemplates payment of a cash consideration component of up to \$2.5m (Cash Consideration) in return for a reduction in the total number of Consideration Shares. Payment of any Cash Consideration will be subject to the ASX Listing Rules and the Company’s working capital requirements. If any Cash Consideration is paid, the total number of Consideration Shares may reduce by up to 16,666,667 Consideration Shares to a total of 180,000,000 Consideration Shares.

It is proposed that on Completion of the Transaction three new Directors, to be nominated by Mobimedia and Osiris, will join the Board of Orca. One of the new Directors will be Mr David van Herwaarde, who will assume the role of Managing Director (MD).

Mr van Herwaarde, current MD and CEO of Mobimedia, has extensive experience in rapidly growing businesses and significant transaction specific experience gained from 10 years with Accor Asia Pacific and 12 years with KPMG, 6 as an equity partner. David has a significant equity stake in Mobimedia and has transformed the company from a local company operating in the small Pacific market, to now one of the largest value added services businesses in Asia.

The Transaction is expected to complete during March 2016.

#### **Seabiscuit – Texas**

No exploration activities or production and development activities were completed during the December Quarter. With the current depressed state of the Oil & Gas industry in the US, the project generators of “Seabiscuit” have had little interest from general market participants to invest the requisite funding to either operate or drill the prospect.

#### **Corporate**

On 31 December 2015 28,000,000 unlisted options, exercisable at \$0.03 expired unexercised.

For and on behalf of the Board

**Greg Bandy**  
**Managing Director**

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

ORCA ENERGY LIMITED

ABN

25 009 121 644

Quarter ended ("current quarter")

31 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 product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	- - - (176)	- - - (343)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	12
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(170)</b>	<b>(331)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - -
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - -
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(170)</b>	<b>(331)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(170)	(331)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(170)	(331)
1.20	Cash at beginning of quarter/year to date	4,897	4,858
1.21	Exchange rate adjustments to item 1.20	-	200
1.22	<b>Cash at end of quarter</b>	<b>4,727</b>	<b>4,727</b>

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

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	75
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Payments of Directors Fees and Remuneration - \$75k

**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

--

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

--

+ See chapter 19 for defined terms.

### 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		
3.2 Credit standby arrangements		

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
4.3 Production	-
4.4 Administration	430
<b>Total</b>	<b>430</b>

### 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
5.1 Cash on hand and at bank	4,727	4,897
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>4,727</b>	<b>4,897</b>

### Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	N/A	See additional information Appendix 1		
6.2 Interests in mining tenements and petroleum tenements acquired or increased	N/A	See additional information Appendix 1		

+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

#### Issued and quoted securities at end of current quarter


Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	463,382,876	463,382,876		
7.4 Changes during quarter (a) Increases through issues - Corporate advisor (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> - Unlisted Options	10,500,000		<u>Exercise Price</u> \$0.015	<u>Expiry Date</u> 31 Dec 17
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter - Unlisted Options	28,000,000		<u>Exercise Price</u> \$0.03	<u>Expiry Date</u> 31 Dec 15
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:   
(Company secretary)

Date: 22 January 2016

Print name: Aaron Bertolatti

## 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 "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **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.

== == == == ==

---

+ See chapter 19 for defined terms.

## Appendix 1 – Interests in mining tenements held

*Holder: Oil & Gas Beneficial percentage interests held in farm-in or farm- out agreement*

Tenement Reference	Location	Working Interest at Beginning of Quarter	Acquired/ Disposed	Working Interest at End of Quarter
Seabiscuit (Matagorda) Project	Texas	20%	N/A	20%

**Holder:** Oil & Gas Beneficial percentage interests held in farm-in or farm- out agreement.

**Mining tenements acquired and disposed during the December 2015 quarter:** N/A

**Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the December 2015 quarter:** N/A