



ABN 27 084 656 691

ENTITLEMENT OFFER PROSPECTUS

For:

- a non-renounceable pro rata offer to Eligible Shareholders on the basis of one (1) New Share for every Existing Share held on the Record Date, at an issue price of \$0.02 per New Share to raise up to approximately \$4,102,002 (**Offer**); and
- an offer of Shortfall Securities to Eligible Shareholders and others on the terms set out in section 12.6 (**Shortfall Offer**).

The Offer is conditionally underwritten by Urban Group Energy Holdings Pty Limited for up to \$3,000,000. See Section 12.6 for details.

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IMPORTANT NOTICE

This Prospectus is dated 25 November 2014 and was lodged with ASIC on that date. Application will be made to ASX for quotation of the New Shares offered under this Prospectus within 7 days of this date.

Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

NATURE OF THIS PROSPECTUS

The New Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the official list of the ASX during the 12 months prior to the issue of this Prospectus.

Whilst the Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) and as such under the Corporations Act could issue a 'transaction specific prospectus', to satisfy the requirements of ASX for reinstatement to quotation of the Company's Shares, this Prospectus is a 'long form' prospectus and includes the information set out in section 710 and 711 of the Corporations Act.

This Prospectus is deemed to include certain information contained in documents lodged with ASIC; copies of which are available from the Company.

PROSPECTUS AVAILABILITY

This Prospectus and a personalised Entitlement and Acceptance Form will be sent to Shareholders with a registered address in Australia and New Zealand. Eligible Shareholders will only be able to accept the Offer by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus or by making payment using BPAY® (refer to section 11.5 of this Prospectus for further information). Other persons to whom may apply for Shares under the Shortfall Offer will be provided with a copy of this Prospectus and application form. Such persons accessing an electronic copy of this Prospectus should ensure that they download and read the entire Prospectus.

FOREIGN JURISDICTIONS

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisors as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

This Prospectus is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This Prospectus is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

DISCLAIMER OF REPRESENTATIONS

No person is authorised to provide any information or make any representation in connection with the Offer which is not contained in this Prospectus.

FORWARD LOOKING STATEMENTS

This Prospectus contains forward looking statements that, despite being based on the Company's current expectations about future events, are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors. These known and unknown risks, uncertainties and assumptions, could cause actual results, performance or achievements to materially differ from future results, performance or achievements expressed or implied by forward-looking statements in this Prospectus. These risks, uncertainties and assumptions include, but are not limited to, the risks outlined in section 6 of this Prospectus. Forward-looking statements include those containing such words as 'anticipate', 'estimate', 'believe', 'should', 'will', 'may' and similar expressions.

FINANCIAL FORECASTS

The Directors have considered the matters outlined in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings because the variable and uncertain nature of the Company's revenue. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Notwithstanding the above, this Prospectus includes, or may include, forward looking statements including, without limitation, forward looking statements regarding the Company's financial position, business strategy, and plans and objectives for its business and future operations (including development plans and objectives), which have been based on the Company's current expectations. These forward-looking statements are, however, subject to known and unknown risks, uncertainties and assumptions that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward looking statements are based on numerous assumptions regarding the Company's present and future business strategies and environment in which the Company will operate in the future.

Matters not yet known to the Company or not currently considered material to the Company may impact on these forward looking statements. These statements reflect views held only as at the date of this Prospectus. In light of these risks, uncertainties and assumptions, the forward-looking statements in this Prospectus might not occur. Investors are therefore cautioned not to place undue reliance on these statements.

CONDITIONS PRECEDENT

The Offer made under this Prospectus and the issue of Shares pursuant to this Prospectus are subject to and conditional upon Shareholders passing all resolutions at the meeting to be held on 28 November 2014 and the satisfaction of the conditions referred to in those resolutions. If all resolutions are not passed or the conditions referred to in those resolutions are not satisfied, this Offer will not proceed, no Shares will be allotted pursuant to this Prospectus and the Company will repay all money received from Applicants without interest.

REFERENCES TO MATERIAL LODGED WITH ASIC

Certain information referred to in this Prospectus is contained in documents that have been lodged with ASIC. Such information is taken to be included in this Prospectus. Persons have a right to obtain copies of such documents from the Group free of charge from the Company's website, www.solco.com.au and GO Group's website www.goenergy.com.au.

PRIVACY

Please read the privacy information located in section 12.16 of this Prospectus. By submitting an Entitlement and Acceptance Form, you consent to the matters outlined in that section.

DEFINITIONS

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary.

ENQUIRIES

If you have any questions please call Henko Vos, Company Secretary on 08 9463 2463 or the Share Registry on 1300 787 272 at any time between 8.00am and 5.00pm (WST time) Monday to Friday until the Closing Date. Alternatively, consult your broker or other professional advisor.

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CORPORATE DIRECTORY

CURRENT DIRECTORS (Immediately prior to the acquisition of the GO Group)

David Richardson	<i>Non-Executive Chairman</i>	(retiring)
Ian Campbell	<i>Non-Executive Director</i>	
Craig Vivian	<i>Non-Executive Director</i>	

INCOMING DIRECTORS (To be appointed post-acquisition of the GO Group)

Brian Thomas	<i>Director (elect)</i>
Adam Pearse	<i>Director (elect)</i>
Lui Pangiarella	<i>Director (elect)</i>

COMPANY SECRETARY

Henko Vos

REGISTERED OFFICE

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PERTH WA 6000

Telephone: +61 (0)8 9463 2463

Facsimile: +61 (0)8 9463 2499

Email: info@solco.com.au

Website: www.solco.com.au

SHARE REGISTRY

Computershare Investor Services Pty Limited
Level 2, 45 St Georges Terrace
PERTH WA 6000

Telephone: 1 300 850 505 (within Australia)

Telephone: +61 (0)3 9415 4000

Website: www.investorcentre.com

UNDERWRITER

Urban Group Energy Holdings Pty Ltd
Suite 6.04, 6a Glen Street
MILSONS POINT NSW 2061

SECURITIES EXCHANGE

Australian Securities Exchange
ASX Code – SOO

INVESTIGATING ACCOUNTANT

Crowe Horwath Sydney
Level 15, 1 O'Connell Street
SYDNEY NSW 2000

SOLICITORS TO THE COMPANY

Kings Park Corporate Lawyers
Level 2, 45 Richardson Street
PERTH WA 6000

CORPORATE ADVISER

Wolfstar Group Pty Ltd
Level 4, 66 Kings Park Road
WEST PERTH WA 6005

AUDITORS ^①

HLB Mann Judd
Level 4, 130 Stirling Street
PERTH WA 6000

INDEPENDENT EXPERT ^①

Crowe Horwath Corporate Finance (Aust) Ltd
Level 15, 1 O'Connell Street
SYDNEY NSW 2000

^① This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

CHANGE IN NATURE AND SCALE STATEMENT

Solco Limited ("Solco" or "the Company") has historically operated as a Company providing sustainable water and power solutions. As announced to the Australian Securities Exchange ("the ASX") on 29 August 2014 the Company has entered into a binding agreement to acquire a collective group of companies and businesses referred to as **GO Group** from Urban Group Energy Holdings Pty Ltd. For further information on **GO Group**, and Solco's acquisition thereof, refer to Section 7 of this Prospectus. The acquisition of **GO Group** will result in a significant change to the nature and scale of the Company's activities which requires approval of its Shareholders under Chapter 11 of the ASX Listing Rules. The Company has convened a general meeting of its Shareholders to be held on 28 November 2014 to seek Shareholder approval for, amongst other approvals, the issue of Shares to effect the acquisition of **GO Group**, the change in nature and scale of the Company's activities. A copy of the notice of meeting is available on the Company's website and has been dispatched to Shareholders. The Offer made under this Prospectus and the issue of Shares pursuant to this Prospectus are subject to and conditional upon Shareholders passing certain resolutions at the meeting to be held on 28 November 2014 and the satisfaction of the conditions referred to in those resolutions. If all resolutions are not passed or the conditions referred to in those resolutions are not satisfied, this Offer will not proceed, no Shares will be allotted pursuant to this Prospectus and the Company will repay all money received from Applicants without interest. The Company must comply with ASX requirements to re-list on the ASX, which include re-complying with Chapters 1 and 2 of the ASX Listing Rules. This Prospectus is issued to assist the Company to re-comply with these requirements.

INDICATIVE TIMETABLE

KEY MILESTONE	DATE
Lodgement of this Prospectus with ASIC and ASX	25 November 2014
Ex-date for Entitlement Offer	28 November 2014
Shareholder Meeting	28 November 2014
Record Date for Entitlement Offer	2 December 2014
Dispatch Prospectus to Shareholders	4 December 2014
Open Entitlement Offer	4 December 2014
Close Entitlement Offer	15 December 2014
Notify ASX of shortfall under the Entitlement Offer	17 December 2014
Urban Group apply for Shortfall Shares	17 December 2014
Completion of the Transaction	24 December 2014
Issue New Shares (including Shortfall Shares)	24 December 2014
Messrs Thomas, Pearse and Pangiarella appointed to Solco board and Mr David Richardson resigns	24 December 2014
Trading of Consideration Shares and New Shares commences	5 January 2015

(1) The Directors may extend the Closing Date by giving at least three (3) business days' notice to ASX prior to the Closing Date, subject to such date being no later than three (3) months after the date of this Prospectus. As such the date the New Shares are expected to commence trading on ASX may vary.

KEY OFFER DETAILS

Offer price	\$0.02 per New Share
Entitlement Offer ratio	One (1) New Share for each existing Share held
Total Entitlement Offer proceeds	Between \$3,000,000 and \$4,102,002
Total number of New Shares offered	Between 150,000,000 and 205,100,100

Dear Investor

On behalf of the Directors of Solco Limited ("Solco" or "the Company"), it is my pleasure to introduce this Prospectus to you. This Prospectus has been issued to enable the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules through a non-renounceable offer to Eligible Shareholders of 1 New Share for every Existing Share held on the Record Date, at an issue price of \$0.02 per New Share to raise up to approximately \$4,102,002 ("Offer"). New Shares not taken up will be offered to Eligible Shareholders and others ("Shortfall Offer").

The Company was incorporated on 7 October 1998 for the purpose of providing Solar Energy Systems. However, as announced to the ASX on 29 August 2014, the Company has now moved to change the nature and scale of its operation through the acquisition of a collective group of companies and businesses referred to as "GO Group" from Urban Group Energy Holdings Pty Ltd ("Urban Group").

GO Group comprises brands, businesses, assets and intellectual property of GO energy, GO energy Services, GO energy Installations, GOquote, CO2Global Exports, CO2markets, and Solar Trade.

The acquisition of GO Group will result in a significant change to the nature and scale of the Company's activities which requires approval of its Shareholders under Chapter 11 of the ASX Listing Rules.

The Offer is underwritten by Urban Group, for up to \$3,000,000.

The Company has convened a general meeting of its Shareholders to be held on 28 November 2014 to seek Shareholder approval for, amongst other approvals, the issue of Shares to effect the acquisition of GO Group the change in nature and scale of the Company's activities, and for Urban Group to acquire up to 79.13% of the Company following completion of the Acquisition and Offer.

Subject to the satisfaction or waiver of the conditions precedent in the Sale Agreement, successful implementation of the Agreement, Shareholder approval and re-compliance with the ASX Listing Rules, the Company will own 100% of the shares in GO Group. Further details of the Agreement are contained in Section 10 of this Prospectus.

The Board believes the proposed acquisition and change of business post transaction are both very positive and in the interest of Shareholders.

This Prospectus contains detailed information about the Offer, the GO Group, and the Agreement. Please read this Prospectus carefully, including in particular risks associated with GO Group and an investment in the Company, before you make a decision to invest and, where necessary, consult with your professional advisers.

Yours sincerely



DAVID RICHARDSON
Chairman

2 INVESTMENT OVERVIEW

This information is a selective overview only. Prospective investors should read the Prospectus in full before deciding to invest in New Shares.

With the acquisition of the GO Group Businesses, Solco's objective is to become one of the leading retail clean energy technology and financial solutions providers to Australian commercial and small-medium enterprise (SME) energy consumers.

The aim is to achieve this objective by:

1. Delivering clean, cheaper electricity to customers

- ▶ Reducing customers' reliance on on-grid electricity consumption and bundling energy retail contracts with embedded solar generation and storage technologies, energy management and energy efficiency products and services.
- ▶ Developing innovative financial products, and tools and services for the electricity and energy efficiency markets that are market leading:
 - "GO energy", solar power-purchasing agreements (PPA's);
 - "CO2markets", aggregating and hedging renewable and energy savings certificates prices; and
 - "GOquote", developing B2B customer lead generation through online cloud-based portals.

2. Building, owning and operating utility-scale renewable power stations.

GO Group is developing a portfolio of utility-scale solar power plants in Australia. This reduces reliance on buying electricity from carbon-intensive energy generation and hedges long term electricity retail purchases made by GO Group's customers.

3. Commercialising the latest clean energy technologies:

Through strategic alliances with key global technology providers within the solar photovoltaic and battery storage technologies sector, CO2Global remains on the forefront of decentralised energy technology development. To ensure that these technologies can be commercialised successfully, CO2Global has also developed quality control and assurances processes to ensure high quality and reliability.

Who is the issuer of the prospectus and why is it issued?

Solco Limited is issuing this prospectus to raise up to approximately \$4.1 million under the Offer, and for the purposes of re-complying with the admission requirements to ASX.

What is the Offer?

The Company offers one New Share for every existing Share held on the Record Date, at an issue price of \$0.02 per New Share.

Eligible Shareholders and others may also apply for Shortfall Shares in excess of their Entitlement.

If no further Shares are issued before the Record Date, up to 205,100,124 New Shares will be issued to raise up to approximately \$4,102,002.

The Offer is underwritten by Urban Group Energy Holdings Pty Limited, the vendor of GO Group.

The Offer is conditional upon, amongst other things, Shareholder approval, the Company raising a minimum of \$3 million under the Offer and ASX re-listing the Company's Shares for trading following re-compliance with the admission requirements to ASX.

Sections 2, 12.1

What is the Company's business and what will the merged entity's business be?

The Company was originally formed to provide sustainable water and power solutions, however, currently has no material operating business. The Company has agreed to acquire the GO Group of businesses, with the aim of becoming a leading retail clean energy technology and financial solutions providers to Australian commercial and small-medium enterprise (SME) energy consumers.

GO Group's businesses consist of the following:

▶ **GO energy**

Established in 2010, GO energy operates as an electricity retailer which designs, constructs and finances solar PV systems, and provides energy management and efficiency solutions to commercial, industrial and small enterprise businesses. This includes solar power purchase agreements ("PPAs") under which Go energy arranges for the installation of a solar generating unit ("SGU") and provides the customer with electricity produced by that SGU at a cheaper rate than grid electricity for a term of 10 to 25 years. In addition GO energy can sell the remaining energy to the customer for a fixed price and sell the surplus electricity to the grid. There is no upfront fee payable by the customer for the purchase and installation of the SGU, and electricity pricing is linked to the customer's consumption profile. The SGU is owned and maintained by GO energy and GO energy is also liable for the long term warranty of the SGU and full parts replacement. At the end of the agreement, the SGU is either removed or recontracted on an annual basis. This prospectus sets out details of how PPAs operate.

GO energy will be assigned the rights under a MoU to build a 2.294 MW solar farm at Mt Majura in the Australian Capital Territory (ACT). The project proposes to use Qbotix robotic tracking systems technology and is supported by the ACT Government's 20 year medium scale renewable energy feed-in tariff.

Section 5,6

▶ **CO2markets**

Buys energy certificates which have been generated from the customer's installation of an energy saving project (either PV solar or solar water heating installation) and then sells the certificates to a major Australian bank at a fixed margin less financing costs. CO2markets trades STCs on a margin basis and is not exposed to STC price fluctuations. CO2markets is the second largest STC aggregator in Australia.

▶ **GOquote**

A recently established lead generation business which provides free online solar installation quotes to residential customers and solar installers. GOquote receives a fee from companies wishing to submit their quote for consideration by customers

▶ **CO2Global**

Holds licence agreements for the distribution of various technologies and products in Australia and New Zealand, including to the Qbotix robotic tracking systems technology.

▶ **GO energy Installations**

Arranges the installation of solar generation units.

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Risks

Prospective investors should be aware that subscribing for Shares in the Company involves a number of risks and uncertainties. The risk factors set out in Section 7, and other general risks applicable to all investments in listed securities, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. This section summarises only some of the risks which would apply to an investment in the Company and investors should refer to Section 7 for a more detailed summary of the risks.

▶ Risks Specific to the Company:

- Limited trading history
- Uncertainty over future profitability
- Reliance on staff and management capability
- Growth: The ability to grow the business is reliant upon securing new customer sales and identifying new generation projects and technology trends, and securing sufficient funding and working capital
- Concentration of Shareholding: Urban Group may hold up to 79.13% of the Company and be in a position to exert influence on the election of Directors and approval of transactions. Its interests may differ from the interests of the Company's senior management and other Shareholders.
- Actions of competitors: The Company operates in a competitive market segment and there are a number of service providers offering competing products and services. Aggressive competition for market share may result in margins contracting in the industry impacting commercial returns.

▶ Risks Specific to retail energy markets:

- Spot price risk: GO Group sells power to its customers on a fixed price contract basis and, to the extent it has to buy power or gas from the wholesale electricity or gas markets, it will buy on a spot price basis. GO Group's policy is to hedge against adverse spot price movements. However there is a risk that it may not always be able to do so.
- Load volume risk: GO Group's contracts are not for fixed volume and there is a risk that, whilst volumes are hedged, GO Group may suffer financial loss from any load volume mismatches.
- Retail contracting risk: The average duration of retail electricity and gas contracts is less than 3 years and there is no certainty that GO Group will be able to enter into new retail contracts with those customers or the terms of such renewals.
- Risk management and trading systems: GO Group's policies and procedures to manage risk of trading operations (including hedging limits, contract management procedures, management of market, trading or operational risk) may be deficient or not complied with. This may result in losses.
- Australian Energy Market Operator (AEMO) prudential requirements: In order to retail electricity, GO Group is obligated to place prudential guarantees (in cash or bank guarantees) to support the purchase of wholesale electricity from AEMO. GO Group will be responsible to ensure that it has sufficient working capital to meet changes in the guarantee levels.

▶ Financial markets risks

- Liquidity and funding risk: GO Group's business relies on a range of funding facilities to fund its businesses - STC aggregation, solar PPA and utility-scale solar PV projects businesses. However, there is no guarantee that funding will be available to meet all of GO Group's requirements.
- Foreign exchange risk: GO Group buys products from overseas, primarily denoted in USD, exposing it to adverse fluctuations in AUD/USD exchange rate.
- Interest Rate Risk: An increase in interest rates on debt facilities may result in reductions in cash flows available to GO Group businesses and resulting distributions to equity investors.
- Credit and counterparty default risk: GO Group businesses are exposed to the performance of their counterparties under sales and hedge contracts representing a significant portion of revenues. There is no guarantee that these customers and counterparties will be able to meet their financial obligations.

Section 7

<p>▶ Regulatory Risks</p> <ul style="list-style-type: none"> • GO Group businesses depend upon on the continuation of Government support of the Renewable Energy Target and its market mechanisms to derive revenue and profit. Any changes to the market system could have an adverse effect to the market group. • GO Group must hold and comply with certain licence conditions to undertake its businesses, and any failure to maintain those licences may adversely impact GO Group’s ability to offer services or products to customers or manage its risks commercially. <p>▶ PPA and Project Risks</p> <ul style="list-style-type: none"> • A PPA requires the installation of significant infrastructure which carries construction and development risks. • PPAs and other future generation projects are dependent on securing sufficiently attractive customer PPA tariffs or offtake agreements. Changes in market conditions or failure to secure sufficiently attractive PPA or offtake prices may hinder growth in demand or prevent a project from proceeding. <p>▶ General Risks</p> <p>Investors are urged to carefully read the risks section of this Prospectus and seek independent professional advice if they have any queries.</p>	<p>Section 7</p>
<p><i>What is the financial position of the Company?</i></p> <p>As of 30 June 2014, the Company had net assets of approximately \$1.6 million and GO Group had net assets of approximately \$2.2 million.</p> <p>The financial information related to the Company and the Group subsequent to the proposed acquisition, is located in Section 9 and the Investigating Accountant’s Report</p> <p><i>Will the Company pay dividends?</i></p> <p>The Company’s focus will be on generating capital growth. The Company has no immediate plan to declare or distribute dividends. Payment of future dividends will depend on matters such as the future profitability and financial position of the Company.</p> <p><i>What are the terms under which GO Group is being acquired?</i></p> <p>Under the Acquisition, the Company will purchase the GO Group from Urban Group in consideration for the issue of 627,606,378 Shares. Urban Group will also be reimbursed certain expenses incurred on behalf of GO Group, including with respect to the Mt Majura solar project and for stock.</p> <p>The Acquisition is subject to certain conditions, including:</p> <ul style="list-style-type: none"> ▶ approval by the Company’s Shareholders at the Company’s Annual General Meeting (to be held on 29 November 2014); ▶ the Company raising at least \$3 million under the Offer (this condition being satisfied through the underwriting by Urban Group); ▶ no material adverse change to, or breach of warranty by, either the Company or GO Group; and <p>due diligence and agreement on warranties to be provided by Urban Energy and the Company (this condition has been satisfied).</p>	<p>Section 9</p>
<p><i>Who are the Directors of the Company?</i></p> <p>The current Directors of the Company, immediately prior to the acquisition of GO Group, are:</p> <ul style="list-style-type: none"> ▶ Mr David Richardson (to retire at Completion); ▶ Mr Ian Campbell; and ▶ Mr Craig Vivian <p>The incoming Directors of the Company, to be appointed at Completion, are:</p> <ul style="list-style-type: none"> ▶ Mr Brian Thomas; ▶ Mr Adam Pearse (to be appointed Managing Director at Completion) ▶ Mr Lui Pangiarella <p>GO Group is managed by a group of senior executives led by Mr Pearse</p>	<p>Section 8</p>

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What benefits will the Directors receive?

The Directors will be paid directors' fees for holding office as directors of the Company.

The Company's proposed Managing Director, Mr Adam Pearse, will be paid \$345,000 plus superannuation.

Furthermore, an entity controlled by Mr Pearse's spouse has an option to be transferred 156,901,595 Shares to be issued to Urban Group in consideration for acquiring GO Group (equal to between 15.12% and 19.78% of the Company, depending upon the extent to which Shares are issued to persons other than Urban Group under the Offer).

Section 8

What important contracts has the Company entered into?

The Company is a party to the following contracts:

- ▶ The Sale Agreement, under which the Company has agreed to purchase GO Group from Urban Group for 627,606,378 Shares.
- ▶ Underwriting Agreement, under which Urban Group has agreed to underwrite the Offer for up to \$3 million.
- ▶ Standard form power supply agreements with various retail customers.
- ▶ Standard form PPA agreements with various customers
- ▶ Contracts with respect to the Mt Majura solar project.
- ▶ Executive services contract with Mr Adam Pearse, the proposed Managing Director.

Summaries of the key terms of these contracts are included in this Prospectus.

Section 10

The Offer

How will the proceeds of the Public Offer be used?

The Company intends to use its current funds and the funds raised from the Public Offer broadly as follows:

- ▶ Capital Expenditure on Computers and Software;
- ▶ Mt Majura solar farm development (including reimbursing Urban Group for interim funding);
- ▶ Transaction costs and working capital.

This is a statement of the Company's intentions as at the date of this Prospectus.

Section 6.2

What are the conditions of the Offer?

The Offer is conditional upon, amongst other things, the following occurring by no later than 31 January 2015 or such other date as the Company and Urban Group agree and subject to the Corporations Act):

- ▶ Approval by Shareholders at the Annual General Meeting to be held on 28 November 2014;
- ▶ Completion of the Transaction;
- ▶ Re-Compliance with Chapters 1 and 2 of the ASX Listing Rules; and
- ▶ A minimum capital raising of \$3,000,000 (this condition being satisfied through the Underwriting Agreement)
- ▶ There not being any material adverse change to either the Company or GO Group

In the event the conditions are not met the Company will return all Application moneys without interest and the Offer will not proceed.

Section 12.2

Where will the Shares be quoted?

Subject to the Company re-complying with Chapters 1 and 2 of the Listing Rules the Shares will be traded on the ASX under the symbol 'SOO'.

Section 12.12

Where will the Shares be quoted?

Subject to the Company re-complying with Chapters 1 and 2 of the Listing Rules the Shares will be traded on the ASX under the symbol 'SOO'.

Section 12.12

What is the purpose of the Offer?

The purpose of the Offer is to:

- ▶ satisfy conditions required by ASX for the re-instatement of the Company's Shares to trading on ASX;
- ▶ to fund the development of the Mt Majura Solar Farm project and provide working capital; and
- ▶ to satisfy conditions precedent for the acquisition of GO Group.

Section 1

Is the Offer underwritten?

The Offer is underwritten by Urban Group for up to \$3 million or 150,000,000 New Shares.

Section 12.6

What will be the effect on control of the Offer?

Following Completion, Urban Group will hold between 60.47% and 79.13% of the Company, depending upon the number of Shortfall Shares issued to Urban Group. Urban Group has, subject to the terms of the Sale Agreement, granted its directors and management an option to be transferred to Shares issued to Urban Group in consideration of the Acquisition. Upon exercise, Wytown will be transferred between 439,324,465 and 544,324,465 Shares, or 42.33% to 55.39% of the Company's then issued share capital (assuming only the Underwritten Amount is raised).

Sections 6.5

Shareholder approval for the acquisition by Urban Group and Wytown is being sought at the Annual General Meeting.

Will Shares be escrowed?

No Shares issued under the Offer will be subject to escrow.

Urban Group has agreed not to transfer Shares issued in consideration for GO Group until the earlier of 30 September 2015 or the determination of any warranty claims made by the Company prior to 30 September 2015. This is in addition to any escrow restrictions that ASX may wish to apply.

How do I apply for Shares under the Offer?

Applications can be made by Eligible Shareholders completing the personalised Entitlement and Acceptance Form and sending it to the Share Registry together with the correct application monies.

Section 13.2

Eligible Shareholders may also apply for Shortfall Shares by following the instructions in section 11.3.

How will Shortfall Shares be allocated?

Any Shortfall Shares will be allocated as follows:

- ▶ firstly to Eligible Shareholders who apply for Shortfall Shares in addition to their Entitlement and who at the Record Date hold less than 100,000 Shares, so that following the Entitlement Offer they will hold 100,000 Shares (giving them a parcel worth \$2,000);
- ▶ secondly to Eligible Shareholders who apply for Shortfall Shares in addition to their Entitlement with any oversubscriptions to be scaled back pro rata to the number of Shortfall Shares they applied for; and
- ▶ finally to Urban Group or other nominated by the Company in conjunction with the Underwriter.

Section 12.7

The Company may pay a placement fee of up to 5% to place Shortfall Shares not taken up by Urban Group.

How can I find out further information

Further information on GO Group can be found on its website, www.goenergy.com.au

Further information on Urban Group and Wytown's acquisition in the Company can be found in the Independent Expert's Report, which is available from www.solco.com.au

You can also speak to your independent advisor.

Who should I contact with queries?

Any questions concerning the Offer should be directed to the Company by telephone on +61 (0)8 9463 2463.

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3 INDUSTRY OVERVIEW

3.1 Australian Energy Market: Transforming the energy landscape

The global energy industry has been undergoing rapid transformation over the last 20 years. Incumbent utilities are experiencing increased erosion in asset returns (generation, network and retail contestability) from the following key trends:

- ▶ Falling levelised cost of renewable energy (LCOE), expansion in investment in decentralised generation and smart network technologies is reducing the reliance on high cost centralised generation, transmission and distribution technology systems.
- ▶ Continuing deregulation of energy markets: The long term regulatory trend remains to deregulate access arrangements, ownership and pricing structures in energy markets. Utilities can no longer rely on increasing concentration and vertical integration as an economic strategy to protect profitability.
- ▶ Climate change mitigation: There remains a continuing global challenge to mitigate the adverse consequences of anthropogenically induced climate change. Combined with the uncertainty of the trajectory for long term carbon emissions prices, this has created clear investment preferences in favour of renewable and clean technology solutions. To date, most OECD governments have implemented either direct subsidies, tax incentives or market-based mechanisms to promote such investments.

The structure of the Australian electricity and gas markets was shaped by industry reforms in the 1990's. This had the effect of disaggregating generation, transmission, distribution and retail. The Australian Energy Market was established, creating a wholesale market through which generators sold electricity to retailers. In addition retail contestability was introduced meaning customers could select their own electricity retailer.

In 2001, the Australian Government introduced the Renewable Energy Target ("RET") which comprised of two schemes – the Large-scale Renewable Energy Scheme ("LRES") for generation units above 100KW and the Small-scale Renewable Energy Scheme ("SRES") for generation units below 100KW. The aim of the schemes was to:

- ▶ Encourage the additional generation of electricity from renewable sources;
- ▶ Reduce the emissions of greenhouse gases in the electricity sector; and,
- ▶ Ensure that renewable energy sources are ecologically sustainable

This was done through the creation of online renewable energy certificates by eligible renewable generators, Large Generation Certificates ("LGC's") for certificates generated under LRES and Small Technology Certificates ("STC's") for certificates generated under SRES and placing an obligation on liable entities (mostly, electricity retailers) to purchase and surrender a certain amount of each of these types of certificates each year. The number of certificates issued is based on the amount of electricity (in MWhs) generated. The trading in these certificates subject to these liability targets creates the financial incentive for not only investment in renewable energy power stations but also in small-scale solar PV installations.

In addition to the RET, some state governments have supplemented the accelerated adoption of renewable energy with feed-in tariff schemes especially for solar. Other than the Australian Capital Territory (ACT) which has retained a competitive feed-in auction process to meet its stated goal of 90% of ACT demand being met from renewable sources by 2020, most state-based feed-in tariff programmes have been wound back.

In 2009, three major Australian states introduced state government supported energy efficiency programmes to assist in the reduction of on-grid energy consumption and customer power bills:

1. Energy Savings Scheme (NSW);
2. Energy Saver Incentive or Victorian Energy Efficiency Target (Victoria);
3. The Residential Energy Efficiency Scheme (South Australia).

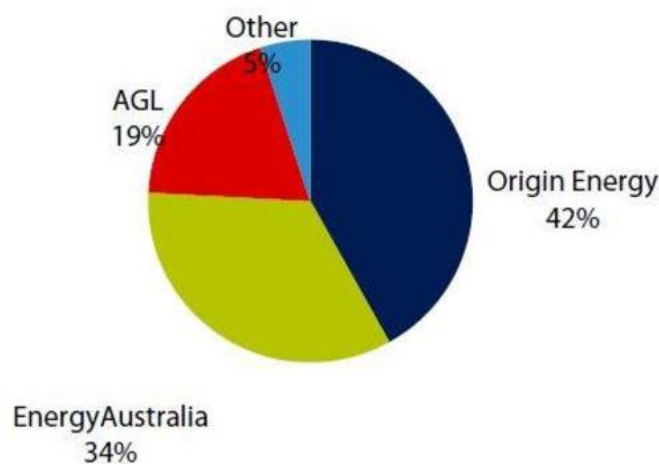
Structured similar to the RET, it created liable obligations for electricity retailers operating in those states to surrender energy-savings certificates created by the investment in energy saving technologies (e.g. implementing efficient lighting and power-saving technology, retrofitting new industrial equipment and upgrading buildings. In 2013, NSW had created approximately 3 million NSW Energy Savings Certificates ("ESCs"). By contrast, Victoria had created approximately 16 million Victorian Energy Efficiency Certificates ("VEECs").

Deregulation in electricity retailing combined with the emergence of markets-based pricing mechanisms for RET and energy efficiency markets has created a new customer awareness of their energy consumption and price sensitivity. Recent increases in retail energy prices and government schemes to promote clean technology and reduced consumption, have made consumers, especially commercial and industrial users, keenly aware of benefits of investment in energy efficiency products and services. This has also created a tolerance for longer term investment horizons and pay-backs. Similarly, innovations in other consumer markets (e.g. consumer information technology, online retail buying), has increased the appetite to adopt new technologies in the new consumer energy space – battery storage, electric cars etc. The key consumer drivers remain: price competitiveness, efficacy of new technology (“smartness”) and quality and reliability.

3.2 Changes in the Electricity Retailing Industry

GO energy operates within the Electricity Retailing Industry in Australia. According to the Australian Energy Market Commission, market concentration for the Electricity Retailing Industry is high. In New South Wales, the top three industry participants account for 95% of electricity retailing revenues.

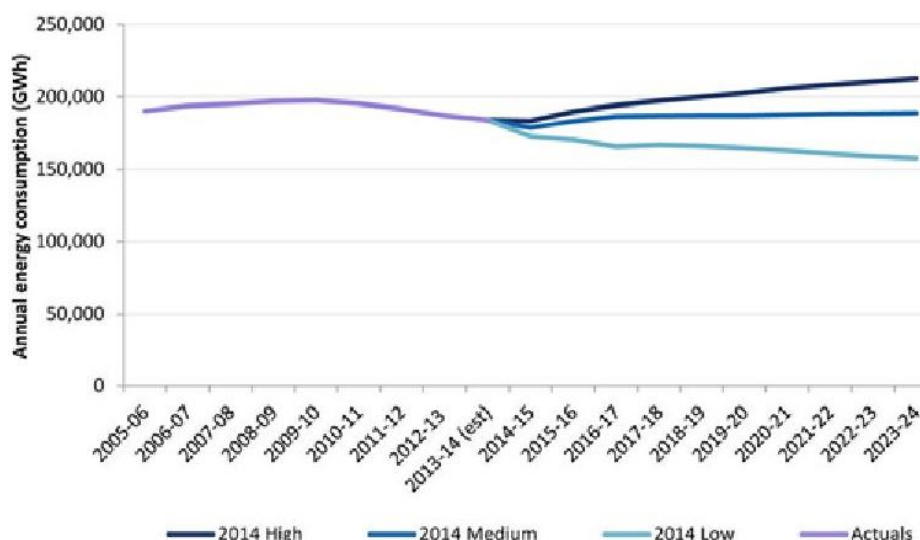
Chart: Concentration in NSW Electricity Retail Industry
(Source: AEMC Final Report Review – 3 October, 2013 p.22)



Demand for electricity generally follows macroeconomic drivers such as general economic conditions, population growth and business activity. per capita growth in energy demand is forecast to decline over the five (5) years to FY15 due to structural causes as set out below:

1. The pattern of demand is changing. Closures of certain heavy manufacturing industries, generally lower industrial manufacturing activity and increasing energy efficiency have been exacerbated by the introduction of the carbon pricing mechanism and energy efficiency mechanisms. These have been supplemented by direct Government assistance packages as part of the carbon pricing mechanism (e.g. Clean Technology programmes, specific industry assistance measures).

Chart: Annual energy consumption in the NEM, actual and forecast, 2006-6 to 2023-24
(Source: Report of the Expert Panel – RET Review, August 2014 p.16)



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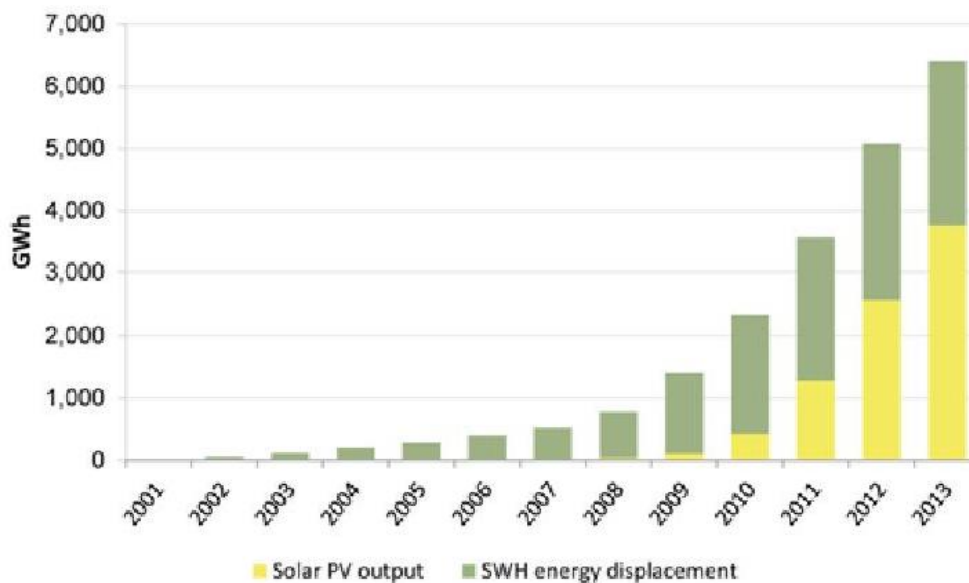
- There has also been a supply shift in demand away from reliance on centralised on-grid high carbon-intensive generation towards embedded generation (especially solar PV).

Table: Annual Capacity of Small-scale solar power systems installed in Australia (2007-13) (Source: Clean Energy Australia Report (2013) p. 48)

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	NATIONAL (MW)
2007	0.20	1.10	0.00	0.57	1.16	0.04	0.97	0.27	4.30
2008	0.49	4.21	0.41	4.16	4.88	0.24	2.73	2.92	20.05
2009	1.28	19.20	0.51	24.51	12.44	1.72	10.51	14.30	84.48
2010	5.35	153.06	1.49	92.35	33.23	3.02	58.95	42.15	389.60
2011	17.42	194.82	1.80	225.06	163.25	5.91	140.27	122.97	871.52
2012	5.08	144.33	4.95	418.01	137.82	20.24	207.46	99.46	1034.68
2013	11.66	141.40	4.95	308.64	147.06	32.40	137.17	76.69	859.97
TOTAL*	41.54	659.03	11.47	1073.79	502.39	63.60	559.20	358.89	3269.90

*includes pre 2007

Chart: Historical generation and displacement from small-scale PV and Solar Hot Water, 2001-13 (Source: Report of the Expert Panel – RET Review, August 2014 p.10)

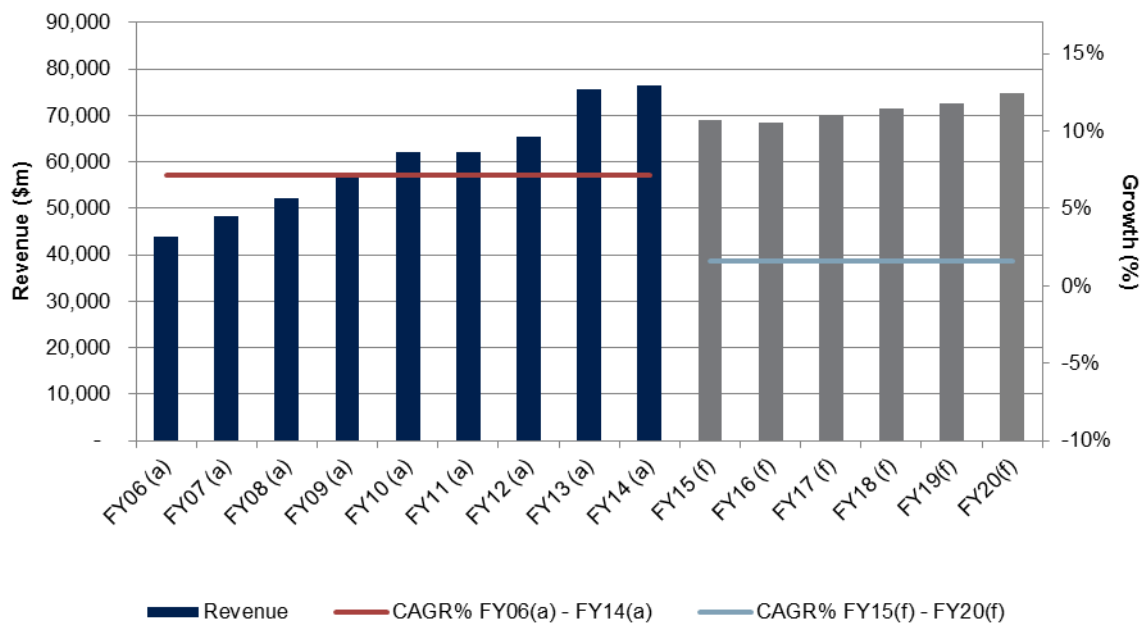


- Overall industry cost base continues to increase on a per unit basis due to rising costs of replacing and augmenting transmission and distribution networks. These network costs are largely fixed due to regulated returns.

The net result is that the revenue base on which incumbent retailers can extract higher margins from either accessing more buyers or higher consumption is stagnating (see Chart following). Embedded generation technologies on both the retail and wholesale side of the meter are removing significant profit margins from utility generators and retailers, as peak and shoulder generation prices fall. Incumbent retailers have to find new ways to replace the profitability of this lost demand.

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Chart: Revenues – Electricity Retailers (including upstream activities)



3.3 Uncertainty in Outlook for Government Policy: Abolition of Carbon Pricing Mechanism and Proposed Changes to RET

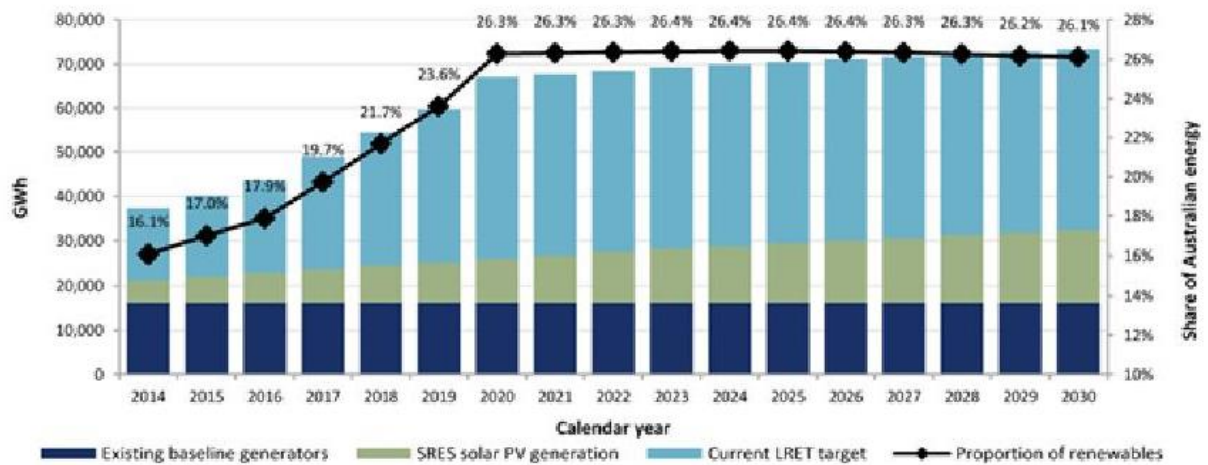
Recent Australian government legislation and policy announcements have set back some of the momentum of the trends described above.

In July 2014, the Australian Government successfully repealed the Clean Energy Act which brought to an end the impost of carbon pricing mechanism on carbon emissions-intensive generators and additional incentives for renewable energy. The result was a reduction in the retail cost of electricity. The repeal of the carbon tax (i.e the fixed price component of the carbon pricing mechanism) is expected to reduce industry revenue in FY15(f) by approximately 9.7%. However, the agreement reached politically to allow the repeal came on the basis that Australia would continue to review the efforts of its major trading partners to move towards a carbon pricing mechanism.

In February 2014, the Government announced a review of the RET. The Review was published on the 28 August 2014. It considered that there was a strong case for winding back the SRES, through either closing the scheme immediately or accelerating the phase-out of the scheme. Modelling indicated that repeal of the SRES would have an immediate effect of reducing the installation rates of rooftop PV by at least 30 per cent and the number of solar water heaters by around 16 per cent. However, by the early 2020s, the rate of small-scale solar PV systems installed each year would recover to a rate similar to that if the SRES was left in place.

Alternatively, rather than ending the scheme immediately, closure of the scheme could be brought forward from 2030 to 2020. Under this approach, the review recommended additional measures to reduce the cost of the scheme, including earlier reductions in the levels of support (certificate deeming periods) provided for the installation of solar PV and solar water heater systems. The Review also recommended reducing the eligibility threshold for rooftop solar PV systems from no more than 100 kilowatts to no more than 10 kilowatts.

Chart: Proportion of renewables in Australia's energy mix: Reference case (Source: Report of the Expert Panel – RET Review, August 2014 p.120)



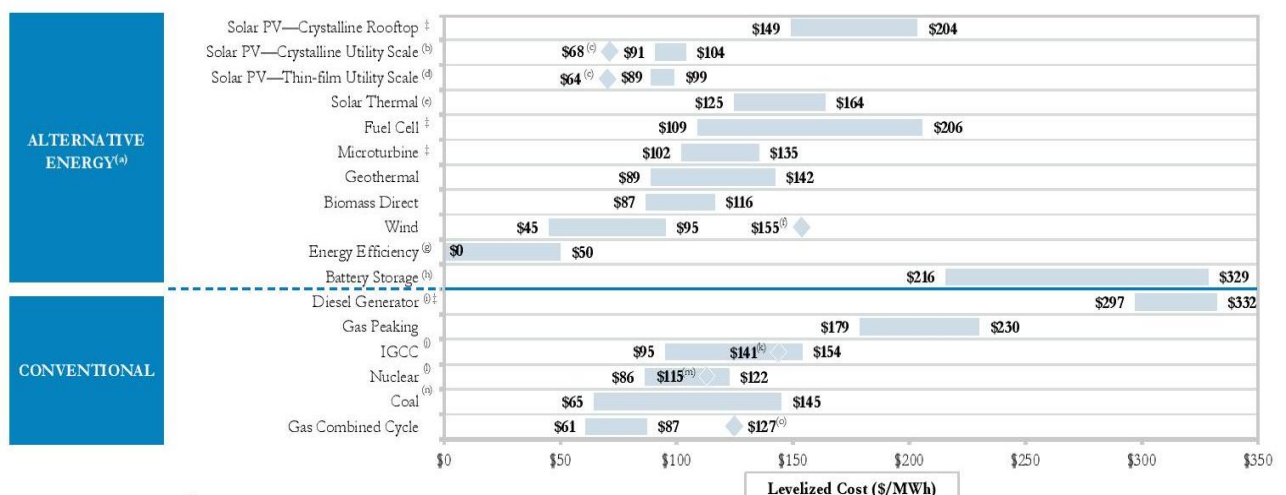
The Federal Government is yet to formally respond to the review.

On 12 November 2014, the respective leaders of the US and China announced bi-lateral initiatives to cut their own emissions. For US, it has agreed to 26-28% emissions cuts below its 2005 levels by 2025 (which is more aggressive than its current 17% pledge). China will cap its emissions output by 2030 or earlier if possible. In addition, it will also increase the share of non-fossil fuels generation to 20% of China's energy mix by 2030. For Australia, the significant issue is whether such an agreement will maintain pressure for cuts in emissions-intensive generation, promotion of renewable energy and energy efficiency initiatives. It may also put a carbon pricing mechanism back on the Australian policy agenda in the medium term.

3.4 Falling Prices in the Levelised Cost of Solar Technologies

The trend of renewable energy costs are showing dramatic falls, making them cost-competitive with conventional fossil-fuel generation technologies. In recent analysis trends towards commoditisation and standardisation in solar photovoltaic componentry, together with innovations in balance of system integration technologies have reduced the \$/MWh cost of solar by almost 50%. In addition, reductions in the cost (\$/MWh) of energy storage technologies, in contradistinction with increasing costs to maintain investment in existing centralised generation and supply of energy infrastructure on an ever-reducing consumption base, is consolidating the future for renewable energy technologies in the generation mix.

Chart: Unsubsidised Levelised Cost of Energy Comparison



The most promising potential for the future of renewable energy resources is in small-scale generation. It is estimated that the expensive capital construction costs of conventional fossil-fuel generation increases their LCOE when utilities also price future resource planning across integrated, centralised systems and make them less cost-competitive.

3.5 Conclusion

Whilst the broader electricity retailing is expected to encounter mixed trading conditions over the next 5 years, opportunities exist for integrated clean technology retail product and service providers, particularly in solar. Notwithstanding, uncertainty exists for carbon pricing policy and the RET. The GO Group businesses are positioned to benefit from certain opportunities as they present. Equally, they are exposed to the risks described in Section 7.

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4 INFORMATION ABOUT SOLCO

4.1 Background

The Company was founded in Perth in 1988 with its principle activity then being the development of renewable energy (solar pump) technology that it manufactured and sold under its 'SunMill' brand. Solco listed on ASX in 2000.

In 2004 Solco acquired businesses which manufactured and distributed polymer solar hot water systems. The Company also licenced its systems and IP to manufacturers and distributors in overseas markets.

Despite various expansion attempts, as a result of increased competition from Australian manufacturers of steel hot water systems and import pressure from China, combined with efficiency difficulties encountered by Solco in their manufacturing process, the Company determined that this business activity was not sustainable.

Solco expanded its capabilities acquiring Choice Electric Co (Aust) Pty Ltd in 2005, a major distributor of solar power panels and associated renewable energy products. The manufacturing business was restructured in 2006 and the Company shut down its facilities in Malta, Portugal and Malaysia. Solco shifted its main focus to PV panel wholesale distribution at this time.

Solco established its direct-to-customer system integration business, or Engineering, Procurement, Construction and Maintenance business in 2010 to better position it for growth in the "downstream" energy services market and distributed generation. The business delivered professional services to national customers in the commercial-scale grid-connected and off-grid power and water markets.

However, due to challenges in the solar PV market, Solco restructured its distribution business to focus on pumping and off-grid markets in 2012. Solco further diversified in 2013, with the establishment of a finance business, a financial services company offering solar customers (commercial and residential) solar leasing products through a national reseller network. The purpose of the establishment of the finance business was to drive growth of solar / distributed generation through Solco's reseller network by providing access to more "PV-friendly" capital and streamlined approval processes due to the niche nature of the market. Due to a lack of wholesale funding, Solco ceased development of its finance business in 2014.

4.2 Sale of remaining pumping and solar PV inventory assets in July 2014

On 15 May 2014 the Company announced that it had agreed terms to sell the majority of its remaining pumping and solar PV inventory assets to Fire Power Water Group. The sale followed an extensive process to obtain the best conclusion for the Company and its wholesale business, and was superior to other proposals considered. The sale price was \$1.034m and left the Company with its finance business, Solco Finance.

On 25 June 2014 the Shareholders approved the sale.

During this time, Solco Finance has remained active in looking to source opportunities to access funding or partnerships to provide consumer finance for solar installations in Western Australia and has retained its relationships with West Australian electricity retailers.

On 29 August 2014 Solco announced that it had entered into the Sale Agreement to acquire GO Group. Solco retained Crowe Horwath Corporate Finance (Aust) Limited to prepare an independent expert report to opine on whether the acquisition by Urban Group and Wytown of more than 20% respectively of the Company was fair and reasonable to Solco Shareholders. Crowe Horwath confirmed that the acquisition is fair and reasonable.

4.3 Directors

Information on Solco's Directors is set out in section 8.

4.4 Substantial shareholders

As at the date of the Prospectus, the following persons have announced a substantial shareholding in the Company:

SHAREHOLDER	NO. OF SHARES	VOTING
Gypsy Hill Pty Ltd	93,769,391	45.72%
JP Morgan Nominees Australia	22,005,942	10.73%

Gypsy Hill Pty Ltd has informed the Company that it intends, at the Annual General Meeting, to vote all of its Shares in favour of the Transaction.

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5 INFORMATION ABOUT GO GROUP

This section sets out information on GO Group.

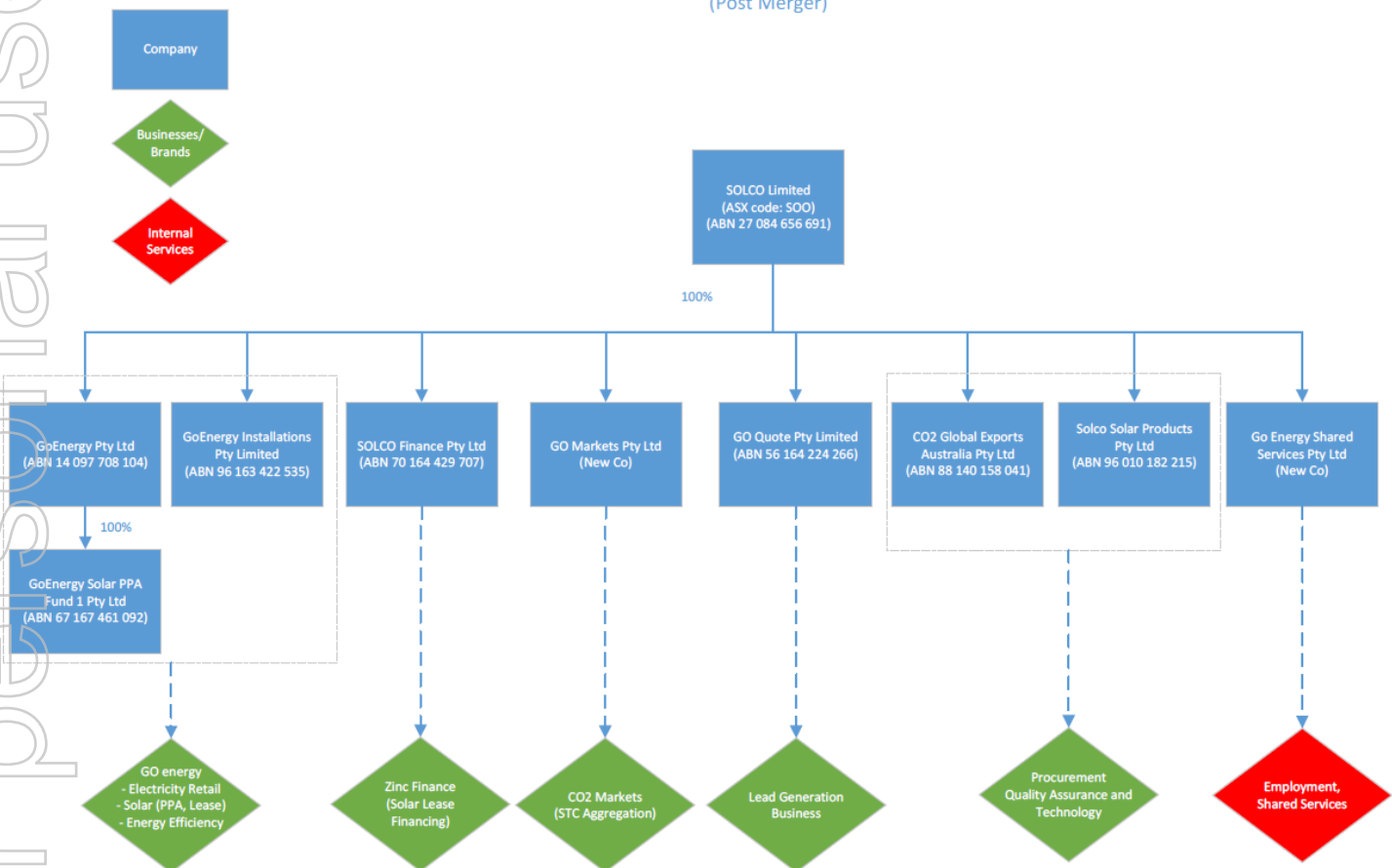
5.1 Introduction

GO Group consists of a group of businesses and assets established by Urban Group which together provide emerging energy technologies (e.g. solar, battery storage, energy management) in innovative customer products (e.g. solar PPAs, bundled energy retail contracts, STC aggregation). The Group is focused on providing energy products and services to commercial customers, which enable its customers to: reduce their overall energy costs; consume energy efficiently; and, ensure as much as possible of the energy they do consume comes from clean technology sources.

The GO Group will leverage the global energy transformation currently underway to create a point of difference in the Australian Energy Market – by using new energy technologies to win market share from the traditional utilities and independent retailers.

Following is a corporate chart for Solco following Completion.

(1) SOLCO CORPORATE STRUCTURE
(Post Merger)



Information on GO Group’s directors and senior management is set out in section 8.

Further information on each of GO Group’s businesses are set out in the Independent Expert’s Report. GO Group operates through key brands – “GO energy” “CO2markets”, “GOquote” and “CO2Global”.



5.2 GO energy

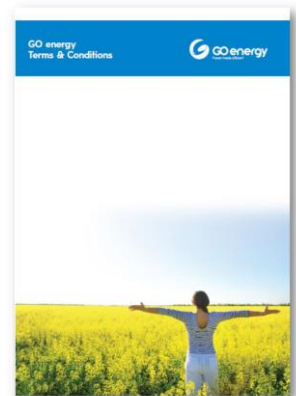
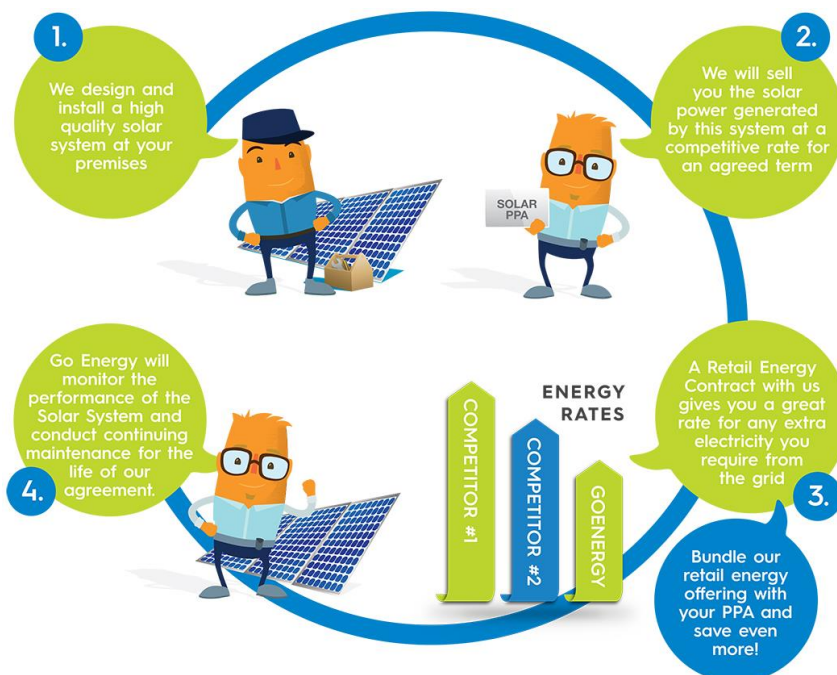
“GO energy is a leading Australian independent ‘Clean Tech Energy Retailer’, focused on reducing customer’s overheads and reliance on grid energy through the provision of clean technology”

GO energy is an energy retailer specializing in the supply of retail electricity in the National Electricity Market in the east coast of Australia. It focuses on business customers in the small, medium enterprise (SME) and commercial and industrial (C&I) segments, genuinely addressing their energy management needs with energy solutions and energy efficiency services.

GO energy leverages the core capability of energy retailing through local generation via solar solutions at the customer’s premises, sold as a solar Power Purchase Agreement (PPA), complemented with standard grid-based electricity or gas supply. As a secondary strategy, this is supplemented by energy management solutions, including products such as efficient lighting, battery storage and power factor correction, and financial services, such as small market aggregation, to provide our customers with the best possible cost-effective outcome for their energy needs. Go energy’s comparative advantage is bundling self-generation solar systems and energy efficiency technologies into a seamless energy retail offer. This provides customers with a complete energy solution delivering lower cost energy today with price certainty for the future.

GO energy generates its income through the sale of traditional retail energy and providing and installing solar systems, either as a customer purchase of the system or through a solar PPA. Under a solar PPA, GO energy installs a solar unit with a customer, retains ownership and maintenance of the system, and sells the generated electricity back to the customer in the first instance, with any excess owned by GO energy for use in the NEM. Returns from a PPA from the customer contract consist of development fees (upfront margins earned at the installation of a solar generating system) and income received over the term of the PPA.

GO energy’s business model to generate income under a PPA is set out in the following diagram



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5.2.1 GO energy Products and Services Overview



Retail Electricity customers acquired primarily through a bundled approach of ‘total energy management’, combining solar and energy efficiency initiatives with an electricity contract. Through the bundled approach we expect longer term contracts (3 years) and higher retention (90%) than what are the industry averages. Having a base of electricity customers provides the opportunity to on-sell other services over the term of their contracts.

The sale of electricity contracts into Embedded Networks is a specific opportunity to bundle local generation (solar) as a unique offer in the market that yields benefits to the network operator.



Power Purchase Agreement customer acquisition is targeted at certain business segments that are long-term owners or tenants, have available roof space, consistent base load in daylight hours, and are in an electricity distribution network area with high network charges that make local generation a competitive alternative. The SME and C&I markets will realise solar solutions in the 10kW to 100kW range.



Direct purchase or leasing of solar solutions is offered. GO energy has a leasing financial product to actively compete in this space and to offer an alternative to PPA where a customer wishes to acquire the generating asset.

GO energy has retail gas licences in NSW, SA and ACT, and will seek opportunities to bundle retail gas sales with electricity, solar and energy management solutions for its business customers.



Energy management, comprising an on-line application for display of consumption and generation data, and a consulting/analysis reporting service, is available to any customer who has a retail electricity contract with GO energy via our proprietary Go hub online portal.

Lighting solutions are seen as one approach to energy efficiency and are offered as an aspect of an energy sale i.e. they complement a local generation (solar) offer or a retail energy offer.



GO energy will continue to research and bring to market viable energy efficiency products, and may offer these solutions where they suit the particular customer’s profile. The business currently offers power factor correction and voltage optimisation solutions, and has identified HVAC optimisation, lighting as a service, and battery storage as potential products.



Summary of GO energy’s Products and Services

Lead Products and Services	Supporting Products and Services	Planning and Implementation Stage
✓ Retail Electricity	✓ Energy Efficient Lighting	✓ Battery Storage
✓ Solar Power Purchase Agreements	✓ Power Quality	✓ Hybrid Inverters
✓ Solar Leases	✓ Retail Gas	
✓ Energy Management	✓ Solar Systems Sales	
✓ Embedded Networks		

5.2.2 Case Study: Best Rate Guarantee™ – Example of a Bundled Strategy

Our sole focus in our sales strategy is to offer a competitive energy solution to all customers through bundling other products and services (e.g. solar, energy management, or energy efficiency) with a retail grid energy contract. The objective is to offer attractive discounts when customers choose to take more than one product or service from us. Potential customers having existing energy contracts with competitors are offered a bundle price discount in return for granting an option to GO energy under our “Best Rate Guarantee” offer to supply a grid retail energy contract on contract renewal. Our commitment is that we guarantee to beat any other offer on the supply of a retail grid energy contract. If we are unable to beat a competitor’s price, the customer retains the bundle discount on a product or service already under contract.

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The following marketing brochure best describes our Best Rate Guarantee and Bundle offer for a Solar PPA and Retail Energy Grid contract:



Our bundled energy solutions offer you some of the best long-term savings


+

=



A solar PPA bundled with grid energy equals BIG SAVINGS!

GO energy bundles

GO energy is truly unique in the marketplace, offering **fully integrated energy efficiency solutions** that work hard to slash your energy bills and carbon emissions, reducing your energy consumption overall.

GO energy is a licensed electricity retailer. We provide **one of the most competitive retail energy deals**, utilising our unique bundled offer.

We combine solar Power Purchase Agreements (PPAs) together with grid energy contracts that deliver **unbeatable savings**. Other energy retailers don't even come close. Our bundle comes with a **Best Rate Guarantee*** on all energy supplied from the grid. **Stop paying too much** for your electricity and make the switch to GO energy now. While our products and services can be purchased separately, the most powerful result lies in adopting a full service tailored to your business and its operations.

By attacking wasteful consumption and rising energy costs from multiple angles you can reel in your operating costs with ease.




SAVE up to 30% OFF your current grid energy rate from the electricity generated from a GO energy Solar PPA** – there is NO up-front cost to you. For those days with less sunshine, we will provide the balance of your electricity from the grid under our **Best Rate Guarantee* bundle offer**, or pay you a cash rebate*** of up to \$500 -- and you **still get to keep the savings** contracted under your original solar Power Purchase Agreement!

Remember:

- You only purchase the energy you consume
- There is nothing for you to do; GO energy fully maintains the system

Currently Under Contract?

Don't wait for your existing energy contract expiry date to come around. Call us today and see how we can help you start saving

"These guys were great... I could not have asked for any better and I have already recommended GO energy to several other managers in the club industry."

David Jackson,
West Wallsend Workers Club

Best Rate Guarantee

To find out more about GO energy's Best Rate Guarantee, get in touch with our dedicated staff.

GoEnergy Pty Ltd ABN 14 097 708 104 | www.goenergy.com.au | 1300 433 633
Suite 204 6a Glen Street Milsons Point NSW 2058

*Please contact us for further information about our Best Rate Guarantee offer, including terms and conditions. ** Savings based on some existing regional NSW electricity tariffs. ***\$200 Cash rebate for customers less than 100kWh per annum, \$500 Cash rebate for customers greater than 100kWh per annum.

5.2.3 GO energy Solar PPA Case Study

This Solar PPA case study is an extract of a 50 KW solar installation on West Wallsend Workers Club NSW, completed in July 2014. Based on modelling of the load profile for the club they will utilise 97.2% of all generation throughout the year. The system supports 20% of their total energy needs at a discount rate of 13.5% to current energy charges

The solution is monitored by GO energy using SolarLog™ and is performing to expectations.



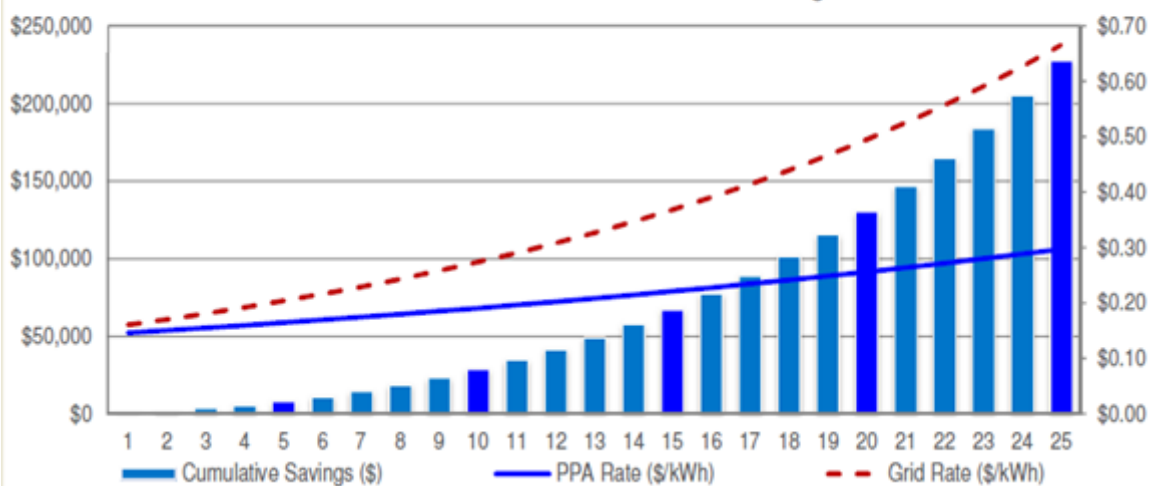
SOLAR POWER PURCHASE AGREEMENT - CASE STUDY 2014

PROJECT	WEST WALLSEND WORKERS CLUB
SYSTEM SIZE	50KW
DISCOUNT TO GRID ENERGY	13.50%
TOTAL CASH FLOW BENEFIT (25 yrs)	\$228,000
AVERAGE ANNUAL CASH FLOW BENEFIT (25 yrs)*	\$9,916
CAPITAL FUNDING BY CLIENT	NIL
GROWTH RATE OF PPA TARIFF	3% p.a.
PPA TERM	25 YEARS

* Assuming 6.1% average annual grid increase in Producer Price Index - Electricity (ABS Series A2309192C) since 2001

Annual Grid Reduction kWh	Monthly Net Savings Year 1 (\$)	Annual Net Savings Year 1 (\$)	Payback Period (Years)
70,549	\$69	\$833	NO UPFRONT COSTS

Cumulative Net Cashflow from Power Purchase Agreement



5.2.4 GO energy Key Points and Highlights 2013 /2014

- ▶ Holds Retail Energy licenses in NSW, VIC, QLD, SA and ACT
- ▶ Holds Retail Gas licenses in NSW, SA and ACT
- ▶ Holds Electricity Contractors' Licenses in NSW, QLD and ACT
- ▶ GO energy has been registered as an accredited Small Generation Aggregator, allowing GO energy to aggregate excess generation from its Solar PPA solutions and utilise this renewable energy in the market as a significant component of its renewable energy commitments.
- ▶ Developed and Implemented the first stage of a sophisticated smart cloud based quoting and contract preparation tool for Solar PPA's, Solar Buy/Lease, Energy Efficient Lighting and Energy Contracts (stand alone or bundled) allowing quick and efficient quoting real time in order to speed up the sales process. Development and improvement will continue during 2015 and will be released to all external channel partners in early 2015.
- ▶ In 2013/14, GO energy piloted a first round of Solar Power Purchase Agreements in order to prove its model and provide key case studies required to secure funding. During the first round pilot phase, Go Energy contracted with 21 customers with an average system size of 45 kW under a Solar PPA with terms ranging from 15 to 25 years. The smallest system size is 10kW and largest 100kW.
- ▶ After a successful pilot phase in August 2014, Go Energy received terms for a \$25m financing facility (\$25m Financing Facility) with a non-bank financial institution to fund its solar PPA pipeline. GO energy expects to execute financing agreements by December 2014.

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- ▶ GO energy actively commenced selling retail energy in September 2014. In this short time, GO energy has transacted 67 electricity contracts with SME and C&I customers, amounting to 9.5 GWh per annum in key markets chosen by GO energy. As part of GO energy's key marketing strategy, key energy contracts were won with a bundled solution from either our 'Lead Products and Services' or 'Supporting Products and Services' outlined earlier.
- ▶ GO energy launched its GOhub energy management on-line portal in October 2014, along with the consulting/reporting service.
- ▶ GO energy launched a pilot gas pool pass through product for large C&I customers that are currently exposed to high retail gas prices. GO energy is in negotiations with a small number of high-volume customers and is on target to onboard its first customer in January 2015.
- ▶ GO energy finalised and launched in November 2014 a Solar Monitoring strategy to manage all in field assets owned and operated under GO energy's Power Purchase Agreements.
- ▶ GO energy completed its metering strategy in October 2014 after an 18 month in field trial of metering technologies and preferred partners. The selected solution allows GO energy to expedite its PPA billing in order to move from manual monthly meter reads to an automated meter read and data collection to bill customers on time each month.

Further information on GO energy is at its website: www.goenergy.com.au

5.3 CO2markets

CO2markets was established in 2011 and has grown to be the major contributor to GO Group revenues and profit.

Through its CO2markets brand, GO Group is a registered agent with the Clean Energy Regulator (CER) and is an accredited certificate provider (ACP) under the NSW Energy Savings Scheme (ESS). CO2markets assists both businesses and individuals across Australia to monetise their environmental certificates through the following two unique trading platforms available to its clients:

(a) CO2aggregation

CO2aggregation gives customers access to fast payment for their **unregistered** STCs.

Choose from two options:

- ▶ **QUICK PAY!** Receive payment for your compliant submission next business day.
- ▶ **PREMIUM PAY!** Receive payment for your compliance submission 5 business days after submission at a premium price.

By choosing to trade with CO2aggregation, customers have access to:

PRICE MATCH GUARANTEE: CO2aggregation consistently offer the best daily market prices for a customer's STCs. Our Price Match Guarantee means we will match any confirmed daily unregistered STC price on the market.

PRICE PROTECT™ allows the customer to quote on your upcoming work with complete confidence. A customer can lock in an STC trading price for your individual jobs, so that if the STC price drops unexpectedly, a customer has certainty of locking in a fixed price. Customers can choose from 30, 60 or 90 day protection periods.

(b) CO2trading

CO2trading is for customers that do not need the improved cash flow that CO2aggregation offers and want to maximise their returns by submitting when the STC's register at the market spot price.

- ▶ **SPOT PAY!** Payment made next business day. CO2trading is a new and exciting service offered by CO2markets where a customer is able to **create and submit** your certificates online and receive SPOT price payment less a fee of \$1 once your STCs have registered. Payment made to the customer on the next business day after trade!

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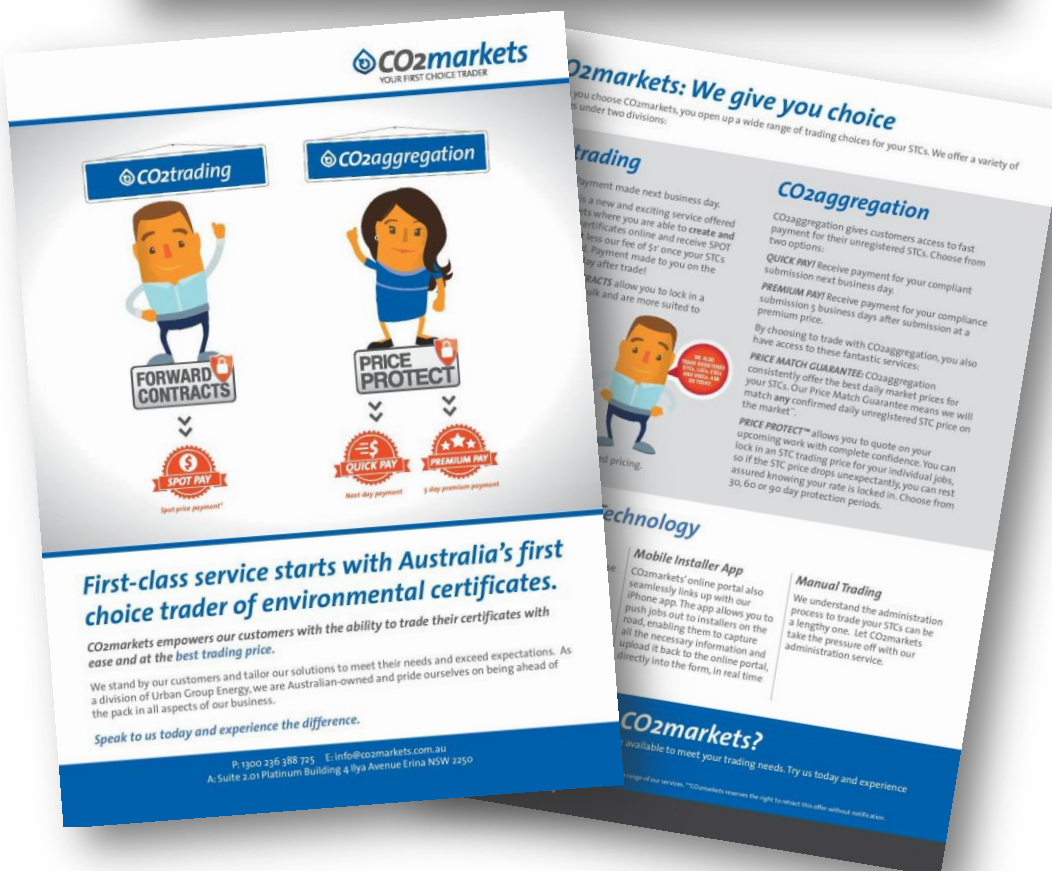
- ▶ **FORWARD CONTRACTS** allow **customers** to lock in a trading price in bulk and are more suited to companies which are confident of committing to a bulk submission of certificates by an agreed date (generally 5,000+ certificates). This provides minimised trading risk and ensures customers can plan ahead in their business finance with predetermined pricing.

The CO2 Platform is a highly automated online trading platform with iPhone and Android applications. CO2markets customers can utilise an easy to use online data entry and storage portal 24/7. Its paperless submission system minimises the heavy paperwork requirements. CO2markets' online portal also seamlessly links up with iPhone and Android apps. This app allows Customers to process all the necessary information for uploading STCs directly into the CO2markets platform in real time.

STCs purchased by CO2markets are sold for a fixed margin, with no exposure to the fluctuating price of STCs. CO2markets is one of Australia's largest traders of environmental certificates, accounting for about 8.6% of all STCs created since 2012. CO2 Environmental Pty Limited has a \$5m facility with a major Australian bank to finance the holding cost between purchasing and selling STCs.

CO2markets also arranges the provision of hedging and fixed pricing options, as well as advising on market trends and risk management.

The follow diagram shows the simple process for customers submitting unregistered STC's on the CO2aggregation platform:



Further information on CO2markets is at its website: www.co2markets.com.au.

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5.4 GOquote

GOquote is a recently established business that supports customers of CO2markets. GOquote provides an online lead generation platform support for customers, including solar retailers and installers, with qualified leads from consumers. This platform has potential applications with various other consumer products. GOquote generates leads through online enquiries from wide range of online platforms such as Google Adwords, PPC - Pay per Click, Sponsored Ads, and Facebook through its own proprietary platform.

GOquote currently has over 200+ installers registered on the GOquote Platform actively buying leads by presetting which areas they require leads. Installers preset the amount they wish to spend each month and place an authorized credit card on file to pay for the leads as they are received. Installers can either decide to auto accept each lead or manually accept individual leads as they are received via email.

Through September and October, GOquote initiated a door knocking pilot program targeting residential houses without solar PV. The pilot was run using two experienced solar door knocking teams, including a team of six in Sydney, and a team of five in Brisbane. In the field, the teams utilised iPads featuring the latest 'iKnock' customised door knocking software. iKnock allows each team member to be set a specific map of houses to target, with live data being captured in the field showing, doors knocked, residents home, home owners Vs renters, those interested in solar, to capturing the full information of those interested in receiving three solar quotes and any other offers GOquote has to offer from time to time.

The pilot concluded with good results. The door knocking strategy will now be rolled out to areas within Australia that have high demand for solar leads as determined by our registered installer profiles. During the pilot phase, 870 verified leads were generated and sold. Each lead is verified by a verification call with key questions to confirm the lead quality and a near maps desk top check is performed to confirm the home is suitable for solar.



Further information on GOquote is at its website: www.goquote.com.au

5.5 CO2Global

CO2Global is the brand used by CO2 Global Exports Pty Ltd (“CO2Global”). CO2Global is a provider of procurement, quality control and quality assurance services for a range of solar and energy efficiency companies throughout Australia. CO2Global also develops advanced PV, LED and energy storage products, provided under “white label” for its downstream clients.



To date, CO2Global holds license agreements to distribute various technologies and products in Australia and New Zealand.

- (a) **ATL Battery Storage:** On 17 January 2014, a subsidiary of Urban Group entered into a binding heads of agreement with Amperex Technology Limited (“ATL”), a company which has developed and is in the process of developing a variety of energy efficient and battery storage products. Under the agreement, ATL appointed the subsidiary as its exclusive distribution agent in Australia and New Zealand. As part of the proposed merger with Solco, this agreement is being transferred to CO2Global.
- (b) **QBotix:** On 10 October 2014, CO2Global executed an exclusive distribution agreement with QBotix Inc, a manufacturer of robotic technology used for solar PV generation projects, for the rights to distribute QBotix robotic tracking systems technology in Australia. CO2Global has licensed the first use of the technology for the Mt Majura Solar Project described below.



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5.6 Mt Majura Solar Project

On 18 July 2014, Urban Group executed a Memorandum of Understanding with Solar Fields Pty Ltd and Solar Choice Pty Ltd to build, own and operate a 2.294 MW solar farm at Mt Majura, ACT for 20 years through a special-purpose company – “Mt Majura Energy Developments Pty Ltd” (“MMED”).

Mt Majura Solar Farm is located 10km from Canberra CBD, adjacent to the Mt Majura Winery on registered blocks 707 and 708, District of Majura, ACT. Mt Majura Winery has a 99 year lease from the ACT Government. It has negotiated an option to lease the land to Solar Fields for 20 years with an option to extend for a further 20 years for the purposes of building a solar farm.

Solar Choice Pty Ltd, Solar Fields Pty Ltd, Sutton Energy ACT Solar Nominees have formed a consortium – “Mt Majura Solar Holdings” (“MMSH”) which has rights through multiple 20 year feed-in tariff contracts from ACTEW-AGL under the ACT Medium Scale Feed-In Tariff entitlement, covering up to 2,294 KW solar photovoltaic farm at average tariff of \$0.315/KWh. Solar Fields has granted MMSH a sub-licence for the land lease for 20 years. MMSH has obtained approvals from National Capital Authority (NCA) and ACTEW-AGL for the construction and connection of a solar farm.

Key features of the development

- ▶ Project Agreement: MMED will contract a 20 year Project Agreement, structured as a Power Purchasing Agreement with MMSH at \$0.196/KWh to sell all power to ACTEW-AGL.
- ▶ QBotix dual – axis tracking: Through its exclusive Distribution Agreement, MMED has appointed Qbotix Inc, a leading US solar tracking company, to supply its patented “Robotics Tracking System” (“RTS”) to the farm. This tracking technology provides uplift in overall production by some 30%.
- ▶ EPC: UGE has entered into exclusive negotiations with UGL Engineering Pty Ltd, an internationally recognised Australian EPC to design, construct and maintain the facility. This will be on full-wrap, EPC turnkey basis.

The project is expected to commence construction in Q1 2015. Total project cost is estimated at \$7m. GO Group will finance this with a combination of project debt and equity, with the projected equity commitment estimated to be \$2.8m (of which approximately \$232,000 has been spent to date).

Urban Group’s rights under the project form part of the GO Group Assets and will be acquired by the GO Group at Completion.

6 THE ACQUISITION AND THE COMBINED GROUP

This section sets out the material terms of the Acquisition and information on the Transaction and Combined Group, including the effect on control of the Company.

6.1 Sale Agreement

The material terms of the Sale Agreement under which the Company will acquire the GO Group Assets from Urban Group are detailed in Section 10 of this Prospectus.

6.2 Use of funds

The Company intends to apply funds raised from the Offer together with existing cash reserves over the first two (2) years following admission of the Company to the official list of the ASX as follows:

Funds Available	Underwritten Amount (\$3m) \$'000	Full Subscription (\$4.102m) \$'000
Cash on hand ¹	1,389	1,389
Funds raised under the Entitlement Offer	3,000	4,102
Total funds available	4,389	5,491

¹ Inclusive of debtors which are expected to be received prior to Completion.

The proposed use of funds raised will be:

Use of Funds	Underwritten Amount (\$3m) \$'000	Full Subscription (\$4.102m) \$'000
Capital expenditure (including billing systems, trading platforms and customer portal software development)	450	1,000
Mt Majura (including reimbursement of expenditure to date)	2,800	2,800
Cost of the Transaction ¹	123	123
Working Capital	1,016	1,568
Total	4,389	5,491

¹ In addition, the Company reserves the right to pay a placement fee of 5% for Shortfall Shares placed to third parties in priority to Urban Group.

In the event the Company raises more than the Underwritten Amount but not Full Subscription, the funds raised (after payment of expenses of the Offer) will be applied equally between capital expenditure and working capital.

This table is a statement of current intentions as at the date of this Explanatory Memorandum. As with any budget, intervening events and new circumstances have the potential to affect the way funds will be applied. The Board reserves the right to vary the way funds are applied on this basis.

6.3 Sufficiency of working capital

The Directors believe that the Company will have enough working capital to carry out its business objectives as described in this Prospectus. Financial information on the Combined Group is located in Section 9.

6.4 Consolidated capital structure following the Offer

The capital structure of the Company following the Offer and the Placement will be:

Shares	If Underwritten Amount is raised under the Entitlement Offer		If full subscription is raised under the Entitlement Offer	
	Number	%	Number	%
Existing Shares	205,100,124	20.9	205,100,124	19.7
New Shares offered under this Prospectus	150,000,000	15.3	205,100,124	19.7
Consideration Shares to be issued following Shareholder Approval	627,606,378	63.8	627,606,378	60.6
Total	982,706,502	100.0	1,037,806,626	100.0

6.5 Effect on control and Urban Group

Under the Transaction, Urban Group will be issued 627,606,378 Consideration Shares and has agreed to underwrite the Offer for up to 150,000,000 New Shares. Urban Group currently holds no Shares. However as a result of the Transaction, the maximum number of Shares Urban Group will acquire is 777,606,378, or up to 74.9% of the Company's then issued Shares, depending upon Entitlement taken up by Eligible Shareholders.

Shareholder approval will be sought at the Meeting for the Urban Group and Wytown Acquisitions.

Urban Group has, subject to the terms of the Sale Agreement, granted its directors and management (**Urban Group Optionholders**) an option to, following Completion of the Transaction and in proportion as agreed by Urban Group, be transferred the Consideration Shares. As a result of the option, the voting power that each Urban Group Optionholder will have in the Company in various circumstances is as follows:

	Wytown ¹	True Moores Pty Ltd ATF True Moores Trust ²	D R Walker Management Pty Ltd ATF Walker Welsford Family Trust ³
% of Consideration Shares and Shortfall Shares	70%	25%	5%
Assuming no Entitlement is taken up and all Shortfall Shares are issued to Urban Group	544,324,465 55.39%	194,401,595 19.78%	38,880,319 3.95%
Assuming 25% of the New Shares are issued to persons other than Urban Group	544,324,465 52.64%	194,401,595 18.80%	38,880,319 3.76%
Assuming 50% of the New Shares are issued to persons other than Urban Group	511,109,508 49.25%	182,539,110 17.59%	36,507,822 3.52%
Assuming 75% of the New Shares are issued to persons other than Urban Group	475,216,986 45.79%	169,720,352 16.35%	33,944,070 3.27%
Assuming 100% of the New Shares are issued to persons other than Urban Group	439,324,465 42.33%	156,901,595 15.12%	31,380,319 3.02%

¹ An entity controlled by Rod Harvey

² An entity controlled by Cathleen Pearse

³ An entity controlled by Dean Walker

The Urban Group Optionholders have advised the Company that they are not associates.

Following completion of the Acquisition, Wytown has no intention to alter GO Group's current and proposed business activities.

6.6 Potential dilution

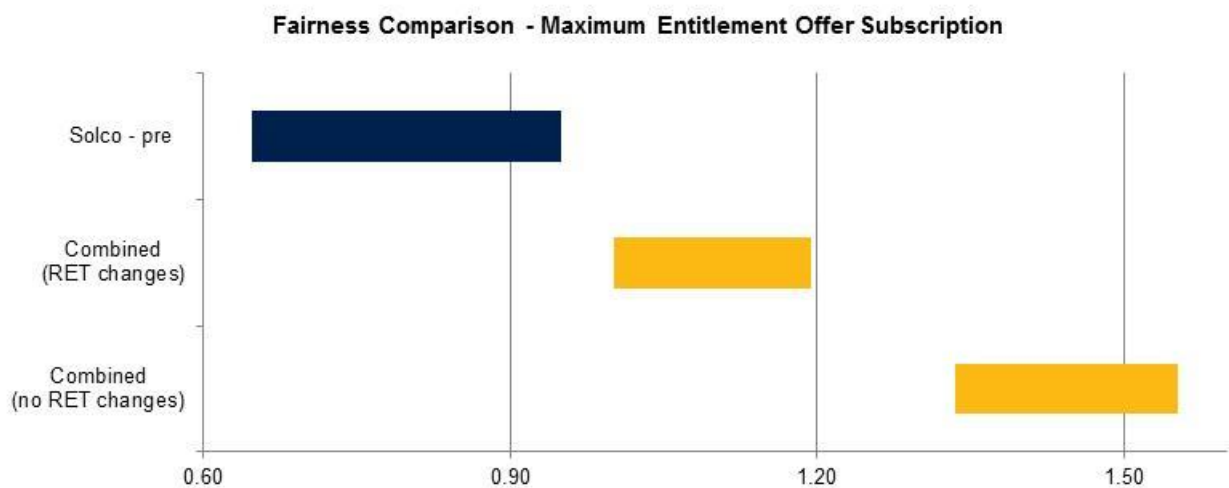
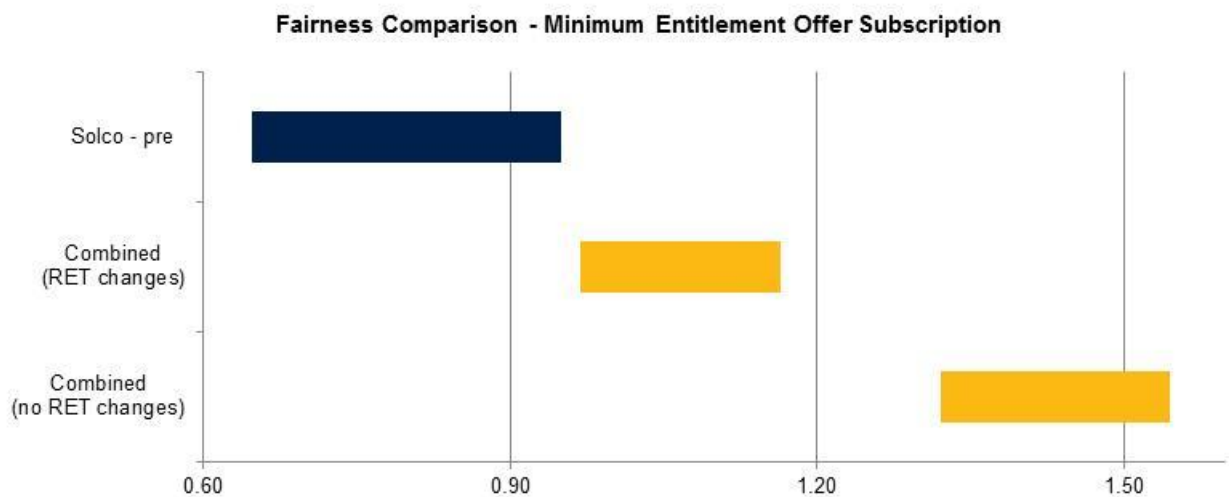
Shareholders who do not participate in the Offer will have their holdings diluted. Following is a table which sets out example dilutionary effect, following Completion and assuming the Offer is taken up in full:

Holder	Holding at Record Date		Entitlement Under the Offer	Holding following the Offer & the Acquisition if Entitlement not taken up	
	Number	%		Number	%
Example Holder 1	10,000,000	4.88%	10,000,000	10,000,000	0.96%
Example Holder 2	5,000,000	2.44%	5,000,000	5,000,000	0.48%
Example Holder 3	2,000,000	0.98%	2,000,000	2,000,000	0.19%
Example Holder 4	1,000,000	0.49%	1,000,000	1,000,000	0.08%

6.7 Independent Expert's Report

To comply with the Corporations Act, the Directors retained Crowe Horwath to prepare an independent expert's report (Report) opining on the fairness and reasonableness of Urban Group and Wytown acquiring a voting power in the Company of up to 79.13% and 55.39% respectively.

Crowe Horwath has provided an opinion that the acquisition was fair and reasonable. In doing so, they have compared the assessed values per Share both before and after the Transaction under both valuation scenarios as follows:



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In doing so, Crowe Howarth note:

- (a) Under the RET changes as announced scenario, the assessed value per Share of the Combined Group post-implementation of the Transaction (on a minority basis) is greater than the range of the assessed value per Share of Solco pre-implementation of the Transaction (on a controlling basis); and
- (b) Under the no RET changes scenario, the assessed value per Share of the Combined Group post-implementation of the Transaction (on a minority basis) is greater than the assessed value per Share of Solco pre-implementation of the Proposed Transaction (on a controlling basis).

For the avoidance of doubt, the value attributed to the shares in the Combined Entity post Transaction does not reflect Crowe Howarth's opinion of the potential Share price of Solco post Transaction, rather, it reflects the valuation concepts required for the purpose of their Report only.

The Report sets out methods and assumptions by which Crowe Horwath assessed the value of both the Company and GO Group. Such information may primarily be of interest to professional analysts or advisors or investors with similar specialist information needs.

The Report was attached to the Notice of Meeting, a copy of which has been lodged with ASIC and which can be obtained from www.asx.com.au. In addition to including the Report, the Notice of Meeting also set out the effect on control of the Company as a result of the issue of Shares to Urban Group and Wytown.

Investors are urged to read the Report and Notice of Meeting in full and to seek their own advice if they have any queries.

An investment in the New Shares offered under this Prospectus is highly speculative. Please consider the risks described below and the information contained in other sections of this Prospectus. You should also consider consulting with your professional advisors before deciding whether or not to apply for the New Shares. The following is a list of the material risks that may affect the financial position of the Company, the value of an investment in the Company, as well as the Company's operations.

7.1 Risks specific to the Company

7.1.1 Limited trading History

Other than its STC aggregation business (which has been trading since 2010), GO Group is essentially a start-up company with limited trading history. GO Group has to date principally developed its products and implemented a number of pilot programs. However GO Group is now in the commercialisation phase of the business cycle and as such carries the normal risks of a start up business. Given the limited trading history of GO Group, no assurance can be given that GO Group will achieve commercial viability through the implementation of its business plan. GO Group is now in a position to generate a profit, however because it has yet to do so, GO Group has no certainty around when this may be achieved or how profitable it will be. Accordingly GO Group is not in a position to give any guidance around likely revenue or profit.

7.1.2 Uncertainty of future profitability

GO Group is in the early sales and commercialisation stage for its commercial solar PPAs. To date, it has funded its activities principally through lease based financing structures and shareholder loans. Whilst GO Group has secured the Mt Majura contract and a number of PPAs with a collective 427KW, its profitability will be impacted by its ability to successfully enter further PPAs and manage costs, its ability to execute its development and growth strategies, economic conditions in the markets in which it operates, competitive factors and regulatory developments. Accordingly, the extent of future profits, if any, and the time required to achieve a sustained profitability are uncertain. Moreover, the level of such profitability cannot be predicted.

7.1.3 Reliance on staff and management capability

GO Group is dependent on the experience and talent of key management and staff to support the management of its business. Its inability to retain or recruit key personnel can have a negative impact on its business.

7.1.4 Growth

GO Group's ability to grow its business depends on its ability to: secure new customer sales (retail electricity, gas and solar PPA contracts), identify new generation projects, commercialise new energy technology trends successfully spend on information technology systems and convert its pipeline of opportunities. Any number of factors may affect the group's ability to manage its future growth successfully.

7.1.5 Concentration of Shareholding

After completing the Transaction, Urban Group will collectively own up to 79.13% of the Shares of the Company. It will be in a position to exert influence on the election of Directors and approval of transactions. Its interests may differ from interests of the Company's senior management and other Shareholders.

7.1.6 Actions of competitors

GO Group operates in a competitive market segment and there are a number of service providers offering competing products and services. Aggressive competition for market share may result in margins contracting in the industry impacting commercial returns.

7.2 Risks specific to retail energy markets

7.2.1 Spot price risk

GO Group sells power to its customers on a fixed price contract basis. To the extent to which it has to buy power or gas from the wholesale electricity or gas markets, it will buy on a spot price basis. To the extent to which GO Group does not have sufficient hedges in place, GO Group's financial performance will be affected if, on average, spot prices are higher than its fixed contract prices. Adverse weather conditions or generator outage may result in unforeseen increases in spot prices. For electricity markets, it is GO Group's policy to hedge a substantial component of its pricing risk above some material volume. However, there is no guarantee that it will not be exposed to electricity spot price volatility. In gas markets, GO Group is passing all price risk through to its customers and except for credit/contractual and operations risks (explained later), it has limited exposure to spot gas price risk. However, there is no guarantee that it may not be exposed to financial losses from spot price risk.

7.2.2 Load volume risk

GO Group's contracts are not for fixed volume. Customers only pay for the electricity which they consume. There is a risk if there is a mismatch between actual customer demand and hedges which GO Group has in place. Variations between forecast and actual loads give rise to spot price risk. Whilst GO Group uses sophisticated load pricing models and risk management systems to analyse and minimise this exposure, there is no guarantee that it will not suffer financial loss from load volume mismatches.

7.2.3 Retail contracting risk

The average duration of retail electricity and gas contracts is less than 3 years. Other than for solar PPAs, where the term is substantially longer (from 5 to 25 years), there is no certainty that GO Group will be able to enter into new retail contracts with those customers when the retail contract period ends nor any certainty regarding sales prices and volumes that applies to retail contract renewals.

7.2.4 Risk management and trading systems

GO Group has implemented policies and procedures to manage risk of trading operations including: hedging limits, contract management procedures, management of market, trading or operational risk. Effective risk management relies on key staff, systems and adherence to policies and procedures. There is no guarantee that GO Group's current or future trading or risk management will prevent occurrence of situations resulting in financial losses.

7.2.5 Australian Energy Market Operator (AEMO) prudential risks

In order to retail electricity, GO Group is obligated to place prudential guarantees (in cash or bank guarantees) to support the purchase of wholesale electricity from AEMO. These prudential requirements are calculated on risk factors including spot market price volatilities. These limits can be adjusted on a daily or quarterly basis. GO Group will be responsible to ensure that it has sufficient working capital to meet changes in the guarantee levels.

7.3 Risks specific to financial markets

7.3.1 Liquidity and funding risk

GO Group relies mostly on non-recourse funding facilities to fund its businesses - STC aggregation, solar PPA and utility-scale solar PV projects businesses. For PPAs and project financing, the average funding term for GO Group's current facilities is 10 years which is sufficient to meet the paybacks of most of its PPA or project returns. However, there is no guarantee that funding will be available to meet all of GO Group's requirements.

7.3.2 Foreign exchange risk

GO Group imports technology and products from overseas, principally from China and USA and, primarily denoted in USD. Whilst GO Group hedges its spot and 0-3 month forward price exposure, a substantial collapse in AUD/USD exchange rate may result either directly in financial losses or, indirectly in making our customer pricing uncompetitive against domestic competitors who are not exposed to foreign exchange risks.

7.3.3 Interest rate risk

An increase in interest rates on debt facilities may result in reductions in cash flows available to GO Group businesses and resulting distributions to equity investors. However, GO Group's current facilities are either fixed rate for the tenor of facility (e.g. solar PPAs and solar PV projects) or allow rate fluctuations to be passed through in customer pricing (e.g. STC aggregation facility).

7.3.4 Credit and counterparty default risk

GO Group businesses, GO energy and CO2markets, are parties to customer sales and counterparty hedge contracts representing a significant portion of revenues. It is exposed to default of payments due under these contracts. While GO Group has well developed credit and collection policies and procedures with a focus on highly rated counterparties, there is no guarantee that these customers and counterparties will not be able to meet their financial obligations.

7.4 Regulatory Risks

7.4.1 Renewable Energy Target (RET)

GO Group businesses depend on the continuation of the current Government policy support for the RET and its market mechanisms. If the RET or these market mechanisms were abolished or substantially reduced in scope, some GO Group businesses would not be viable at all (e.g. CO2markets). Others, such as GO Group, would remain viable but have their profitability adversely impacted.

7.4.2 Licensing

GO Group must hold and comply with certain licence conditions to undertake its businesses. Any failure to maintain those licences or changes in eligibility would adversely impact GO Group's ability to offer services or products to customers or manage its risks commercially.

7.5 PPA and project risks

7.5.1 PPA and project risks

GO Group derives development fees from the development and construction of power generation, especially solar – both small scale (PPAs) and large utility scale projects. If GO Group's pipeline of projects is delayed or cancelled, these development fees may not be realised. Similarly GO Group earns returns over the life of a project if production and cost levels are maintained in accordance with the original business investment case especially after PPA or project debt is repaid. These returns may not materialise where projects do not perform in accordance with the original business case.

7.5.2 Offtake pricing risks

GO Group's ability to deliver PPAs or future generation projects is dependent on securing sufficiently attractive customer PPA tariffs or offtake agreements. Changes in market conditions or failure to secure sufficiently attractive PPA or offtake prices may hinder growth in demand or prevent a project from proceeding.

7.5.3 Construction risks

Projects are exposed to risks that project is not completed on time, on budget or in accordance with specifications, given the complexity of power systems and specialised technology. While the GO Group uses high quality engineering, procurement and construction (EPC) partners and installers under mostly fixed price contract terms with specified liquidated damages, it cannot guarantee that these outcomes will not result in some financial losses.

7.6 General investment risks

The risks outlined below are some of the general risks that may affect an investment in the Company.

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, the stock market may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of a company. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

Changes in both Australia and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings.

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8.1 Directors

The Company is managed by the Board of Directors. The Board currently comprises 3 Directors, with the current Chairman, Mr David Richardson, retiring at Completion.

Profiles on each of the Directors following Completion are set out below.

(a) **Brian Thomas**

(Proposed Chairman)

Mr Thomas is the principal of a corporate advisory practice working with small to mid-market capitalisation companies on corporate finance, mergers & acquisitions and investor relations. He is an experienced company director in both executive and non-executive roles in listed and unlisted companies.

A comprehensive knowledge of equity and debt capital markets, project finance, corporate advisory, investor relations and broader communications strategies was gained in a 15 year career in the financial services industry. He held a director level business development role with an Australian institutional bank and an international investment banking group after career as a corporate stockbroker sourcing and managing IPO's, equity capital market and M&A transactions.

(b) **Ian Campbell**

(Non-Executive Director)

Mr Campbell served in the Ministry of the Howard government from 1996-2007, and as Environment Minister with responsibility for Climate Change policy from 2004-2007. During this period he was responsible for the Solar Cities programme, and the reform of the Photo Voltaic Rebate Scheme to develop the Solar Homes, Solar Schools and complementary programmes. He was also instrumental in establishing the Shergold review that led to Australia's carbon trading scheme architecture. He also led the world in developing the law to ban incandescent light bulbs.

Prior to entering parliament (at age 30) in 1990, Mr Campbell was a Director of an international Commercial and Industrial property agency, and Director of a family Company that owned and operated a CBD hotel.

Since leaving politics, he has served on a number of ASX listed Company Boards, and is Chairman of ASG Group Ltd, a leading IT Managed services Company. He is an executive Director of Brookfield Financial, the specialist property and infrastructure investment banking Division of Brookfield Asset Management. Mr Campbell has been on the Board of Solco Ltd since 2007. He Chairs North West Infrastructure, a joint venture formed to develop a 50mtpa iron ore export terminal in Port Hedland, WA.

Mr Campbell is Chairman of the Princess Margaret Hospital for Children Foundation, on the Advisory Board of Wildlife Warriors (formed by Steve Irwin), and the International Advisory Board of Sea Shepherd Conservation Society. He is married with three children and is an active competitive sailor, having won State and National Championships, and represented Australia successfully internationally in Olympic classes.



(c) **Craig Vivian**

(Non-Executive Director)

Mr Vivian is a Chartered Accountant with over 25 years' experience in the accounting and banking industries. He was a former partner of an international affiliated accounting practice and the managing director of his own practice which focused on small to medium sized businesses. He has also worked in the treasury division of a local bank.

He has experience across a wide variety of business transactions including business acquisitions, property transactions and various due diligence reviews. Mr Vivian has worked with his clients in establishing key performance indicators to assist in identifying business improvement and growth opportunities.



Mr Vivian has been a Non-Executive Director of Solco since October 2012 and is also holds non-executive director roles with a small group of private companies and is the Responsible Manager of an Australian Financial Services Licensee.

(d) **Adam Pearse**

(Proposed Director)

Mr Pearse is currently Managing Director and Chief Executive Officer of Urban Group Australia Pty Ltd and GO energy Pty Ltd. Mr Pearse has a particular interest and focus on securing new projects and business opportunities and is responsible for management, strategic direction and investor relations across the wider Urban Group. With more than 22 years' experience in the construction, property development, investment and import industries, Mr Pearse has a unique skill and ability to find business opportunities which he has honed in a variety of industries. This has enabled him to create a market leading energy, certificate trading and renewables business.



Mr Pearse's business interests have been conducted nationally and internationally including extensive international trade experience gained from over 20 years of doing business with China and other countries throughout Asia.

(e) **Lui Pangiarella**

(Proposed Director)

Mr Pangiarella is an experienced executive and director, with a demonstrated track record of success working across a variety of sectors including retail, professional services, construction, sales and distribution (B2B) and manufacturing. His main areas of focus have included strategy, finance, and business and organisational development. He possesses high level communication skills which have been used to create and develop strong stakeholder engagement and networks at the board, CEO and executive GM levels. Mr Pangiarella has proven expertise in developing and executing strategy and the development of people and organisational capability.



Critical to Mr Pangiarella's success throughout his professional career is his ability to clearly articulate the organisation's strategic direction. He has the ability to quickly and accurately analyse and understand commercial requirements, formulate strategies and drive execution. He is ethical and results-oriented and is passionate about growing organisations and the people within them.

8.2 Directors and management

GO Group currently employs approximately 35-40 staff, with the senior management team consisting of the following:

(a) **Warren Kember** B.Com, MBA, CA

(Chief Financial Officer)

Warren Kember has over 20 years of professional and commercial experience as a chartered accountant. From 2006 to 2013, Mr Kember was Chief Financial Officer of ASX-listed Australian Power and Gas Company Limited and its Interim Chief Executive Officer from September 2013 to April 2014. Prior to that, Mr Kember was Chief Financial Officer of a number of ASX listed and private entities, in construction, manufacturing and telecommunications. Mr Kember has specialised in restructuring and business development roles, which have involved improving business processes, reporting systems and financial management.

Mr Kember is a qualified chartered accountant and has an MBA from Australian Graduate School of Management, UNSW.



(b) **Emile Abdurahman B.Ec**

(General Manager, Business Development)

Mr Abdurahman is currently head of Business Development for Urban Group Energy Holdings. Mr Abdurahman has had more than 25 years of experience in finance and energy markets. From 2007 – 2011, Mr Abdurahman was responsible for Morgan Stanley's Asian Energy Trading Client Origination and Marketing business in Singapore. In July 2011, Mr Abdurahman returned to Australia and headed Morgan Stanley's Australian power, gas and emissions trading and origination business in Australia.

In March 2012, Mr Abdurahman was appointed co-Chair of the Australian chapter of International Emissions Trading Association ("IETA"). He is also associate member of the Investor Group on Climate Change, Australia. He joined Urban Group in June 2013 to develop its renewable project development business. He has a B.Ec from University of Sydney.



(c) **Philip Livingston** M.SC PgDip,BA, MAICD

(Chief Technology Officer)

Mr Livingston is currently Chief Technology Officer for Urban Group Energy Holdings. Previous to Mr Livingston's current position he founded ZincFinance, Australia's first solar leasing company which was later acquired by Solco. He also co-founded Sungrid, a Solar PV contract manufacturer acquired by the shareholders of Urban Group in January of 2013. Mr Livingston holds an MSc in Renewable Energy from Murdoch University in Western Australia and a BA in Environmental Policy with a minor in Sustainable Development and Environmental Economics from Rollins College, Winter Park, Florida.



Mr Livingston has thirteen years' experience in the renewable energy industry and has worked in business, not for profit, academic, government and research positions in Australia, the Philippines, and the U.S. Mr Livingston is a graduate and member of the Australian Institute of Company Directors and holds Non-Executive Director and advisory board positions in the field.

(d) Neil Purser

(Chief Operating Officer)

Mr Purser is currently Chief Operating Officer for Go Energy. Mr Purser's background is in sales, operations, IT services, and product and business development across the insurance, construction, government, telecommunications and energy sectors. Prior to his current role, Mr Purser enjoyed a ten year career at Energy Australia/Ausgrid in their energy services business, culminating in appointment as Executive General Manager – Energy Services and representation on the Ausgrid Executive Management in 2012 - 2013. Prior to that, an independent consultant in the telecommunications industry in both South East Asia and the Americas, working with many start-ups in deregulated markets.



His core competencies lie in business development, financial planning, operations management, and product-to-market delivery.

8.3 Directors' interests

As at the date of this Prospectus the Directors have a relevant interest in securities of the Company and remuneration as set out below.

Director	Shares	Options	Entitlement ¹
David Richardson	93,769,391	-	93,769,391
Ian Campbell	-	-	-
Craig Vivian	169,000	-	169,000
Brian Thomas	-	-	-
Adam Pearse	-	-	-
Lui Pangiarella	-	-	-

¹ This assumes no further Shares are issued (including by way of exercise of Options) prior to the Record Date.

None of the Proposed Directors currently have any interest in the Company.

Details of the Directors' remuneration for the financial years ending 30 June 2013 and 30 June 2014 are as follows:

Director	Salary and fees \$	Superannuation \$	Share based payments \$	Total \$
2014				
David Richardson	60,000	5,551	-	65,551
Ian Campbell	45,000	4,162	-	49,162
Craig Vivian	45,000	4,162	-	49,162

Director	Salary and fees \$	Superannuation \$	Share based payments \$	Total \$
2013				
David Richardson	60,008	5,401	4,550	69,959
Ian Campbell	45,000	4,050	4,550	53,600
Craig Vivian	31,154	2,804	-	33,958

There have not been any changes in the Directors' remuneration since 30 June 2014.

The proposed annual remuneration for each of the Directors for the 12 month period post Completion is set out in the below table:

Director	Salary and fees \$	Superannuation \$	Share based payments \$	Total \$
Proposed				
David Richardson	-	-	-	-
Ian Campbell	45,000	4,162	-	49,162
Craig Vivian	45,000	4,162	-	49,162
Brian Thomas	45,000	4,162	-	49,162
Adam Pearse	345,000	31,912	-	376,912
Lui Pangiarella	45,000	4,162	-	49,162

Mr Pearse will be appointed Managing Director with effect from Completion. The key terms of Mr Pearse's employment contract are set out in Section 10.

The Constitution of the Company provides that the Directors may be paid for their services as Directors. Non-executive directors may only be paid a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the non-executive directors and in default of agreement then in equal shares.

The Company may also pay premiums to insure all of the Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct whilst acting in the capacity as a Director of the Company.

8.4 Officer protection deeds

The Company has entered into indemnity, insurance and access deeds with each of the Directors (**Deeds**). Under the Deeds, the Company agrees to indemnify each of the Directors to the extent permitted by the Corporations Act against certain liabilities incurred by the Directors whilst acting as an officer of the Company, and to insure each Director against certain risks to which the Company is exposed as an officer of the Company. The Deeds also grant each Director a right of access to certain records of the Company for a period of up to 7 years after the Director ceases to be an officer of the Company.

8.5 Sale Agreement

An entity controlled by Cathleen Pearse has an option to be transferred 156,901,595 Shares to be issued to Urban Group in consideration for acquiring GO Group (equal to between 15.12 and 19.78% of the Company, depending upon the extent to which Shares are issued to persons other than Urban Group under the Offer).

The Directors consider that the financial benefit given to Ms Pearse under the Sale Agreement to be reasonable in the circumstances as if the Company and Ms Pearse were dealing at arm's length so that Shareholder approval under Chapter 2E of the Corporations Act was not required for the Sale Agreement.

8.6 No other Director interests

Other than as set out above or elsewhere in this Prospectus, no Director holds, either at the date of this Prospectus, or at any time during the last 2 years before the date of lodgment of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offer; or
- (c) the Offer;

and no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person:

- (a) to a Director to induce him or her to become, or to qualify as, a Director; or
- (b) for services provided by a Director in connection with the formation or promotion of the Company or the Offer.

8.7 Corporate governance

The primary responsibility of the Board is to represent and advance Shareholders' interests and to protect the interests of all stakeholders. To fulfill this role the Board is responsible for the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

The Company has developed a number of corporate governance policies which it will continue to adopt following its change of nature and scale. A summary of the Company's corporate governance policies is included in the Company's 2014 Annual Report which was announced to ASX on 29 October 2014.

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This section contains a summary of the historical income statements and statement of financial position of the Company and GO Group for the 2013 and 2014 years that the Directors and Proposed Directors consider relevant to investors. The financial information presented is in an abbreviated form and does not contain all of the disclosures that are usually contained in statutory accounts prepared in accordance with the Corporations Act.

A complete copy of the Company's audited 2014 accounts for the period ending 30 June 2014 including all notes thereto is available on the Company's website at www.solco.com.au.

Urban Energy has carried on the businesses and assets which together form GO Group since 2012, during which time expenditure was incurred in developing GO Group's products, systems and services. Accordingly GO Group is essentially a start-up company with limited trading history. GO Group is now in the commercialisation phase of the business cycle and as such carries the normal risks of a start up business. Given the limited trading history of GO Group, no assurance can be given that GO Group will achieve commercial viability through the implementation of its business plan.

GO Group's financial statements for the financial years ending 30 June 2013 and 30 June 2014 have been reviewed by Crowe Horwath. The Directors and proposed directors consider that audited financial statements are not required to be provided to investors due to the nature of the activities conducted during these financial years and aggregation of the GO Group assets. Audited accounts have been prepared for Go Energy Pty Ltd and this information has been included in the pro forma financial statements for GO Group.

STATEMENTS OF PROFIT OR LOSS

	SOLCO		GO GROUP	
	Audited		Pro Forma Reviewed	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Revenue	5,288	10,188	67,143	88,546
Cost of Sales	(4,333)	(8,334)	(63,659)	(82,567)
Gross Profit	955	1,854	3,484	5,979
Other income	17	47	36	2
Expenses	(2,881)	(3,755)	(2,938)	(2,016)
EBITDA and Impairment	(1,909)	(1,854)	582	3,965
Impairment ¹	(520)	(698)	(746)	-
Depreciation and amortisation	(29)	(217)	(105)	(37)
Net interest	18	21	(56)	-
Income tax benefit (expense)	-	(2,857)	34	(1,209)
Profit/(loss) for the year	(2,440)	(5,605)	(291)	2,719

1. A one off impairment of \$746,000 was recognised in FY2014 for GO Group in relation to development costs. This expense is considered not to be reflective of the Group's ongoing operations. This development cost was incurred over a three year period and was determined to be non-recoverable in financial year 2014.

STATEMENTS OF CASH FLOWS

	SOLCO		GO GROUP	
	Audited		Pro Forma Reviewed	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
<i>Cash flows from operating activities</i>				
Receipts from customers	5,531	12,940	66,704	88,431
Payments to suppliers and employees	(6,592)	(13,424)	(68,725)	(89,399)
Interest and other costs of finance paid	(6)	(40)	(56)	-
Interest received	32	72	-	-
Income tax paid	-	(617)	-	(1,209)
Net cash used in operating activities	(1,035)	(1,069)	(2,077)	(2,177)
<i>Cash flows from investing activities</i>				
Payments for PPA	(50)	(108)	(1,026)	-
Payments for intangibles	-	-	-	(829)
(Payments for)/Proceeds from property, plant and equipment	(1)	18	240	(447)
Net cash used in investing activities	(51)	(90)	(786)	(1,276)
<i>Cash flows from financing activities</i>				
Funds from capital raising	-	-	2,000	3,830
Proceeds from borrowing	-	-	978	-
Repayment of debt	-	-	-	(272)
Net cash used in financing activities	-	-	2,978	3,558
Net decrease in cash and cash equivalents	(1,086)	(1,159)	115	105
Cash and cash equivalents at the beginning of the financial year	2,328	3,487	105	-
Cash and cash equivalents at the end of the financial year	1,242	2,328	221	105

A consolidated pro-forma historical statement of financial position as at 30 June 2014 for the Company is below. The pro-forma historical financial information has been derived from the historical financial information of the Company, after adjusting for the effects of any subsequent events and the pro forma adjustments described below.

UNAUDITED PRO-FORMA BALANCE SHEET

	Notes	Actual		Pro-forma Group	
		Reviewed 30 June 2014 GO Group Consolidated \$'000	Audited 30 June 2014 Solco Limited \$'000	Reviewed Merged GO Group / Solco 3M Raise \$'000	Reviewed Merged GO Group / Solco 4.1M Raise \$'000
Current assets					
Cash and cash equivalents	2	221	1,242	4,100	5,202
Trade and other receivables		78	1,014	1,092	1,092
Inventories		2,004	20	2,024	2,024
Other current assets		519	63	582	582
Total current assets		2,822	2,339	7,798	8,900
Non-current assets					
Property, plant and equipment		63	24	87	87
Intangible assets		551	-	551	551
Power purchase grants		1,027	-	1,027	1,027
Tax assets		913	-	913	913
Total non-current assets		2,554	24	2,578	2,578
Total assets		5,376	2,363	10,376	11,478
Current liabilities					
Trade and other payables		2,227	370	2,597	2,597
Borrowings		102	-	102	102
Current provisions	3	-	220	250	250
Total current liabilities		2,329	590	2,949	2,949
Non-current liabilities					
Non-current provisions		-	139	139	139
Borrowings		876	-	876	876
Total non-current liabilities		876	139	1,015	1,015
Total liabilities		3,205	729	3,964	3,964
Net assets		2,171	1,634	6,441	7,514
Equity					
Issued capital	4	38,192	19,829	43,940	45,042
Reserves		-	94	-	-
Accumulated losses	5	(36,021)	(18,289)	(37,528)	(37,528)
Total equity		2,171	1,634	6,412	7,514

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events or transactions to which the pro-forma adjustments relate, as described below, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the pro-forma historical financial information does not represent the Company's actual or prospective financial position.

Crowe Horwath has prepared an investigating accountant's report which provides a review opinion on the historical opinion for GO Group and the pro forma balance sheet. Shareholders should read the Investigating Accountant's Report in full before making any investment decision.

1. Pro-forma Adjustments

- (a) *Acquisition of Solco Limited* – The acquisition GO Group by the issue of 627,606,378 Shares in Solco Limited.
- (b) For accounting purposes, the acquirer has been identified as GO Group and the business combination referred to as a reverse acquisition. Accordingly, the pro-forma Group incorporates the assets and liabilities of Solco and of GO Group as if the Group was headed by GO Group. At acquisition date the assets and liabilities of GO Group (being the acquirer for accounting purposes) are recorded at their book value and the assets and liabilities of Solco (being the acquiree for accounting purposes) are recorded at fair value. Furthermore, for pro-forma purposes, the 627,606,378 Shares in Solco have been treated as issued capital for the purpose of determining the notional purchase price of Solco.
- Components of equity (other than issued capital), including retained earnings and other reserves, reflect the balances of the accounting acquirer, GO Group.
- (c) *Shares issued under the Prospectus* – Under the Offer the Company will issue between 150,000,000 and 205,100,124 Shares at a price of \$0.02 per share to raise up to \$4,102,002 before expenses.
- (d) *Costs of the Offer* - The Directors estimate that costs for the preparation and implementation of the Prospectus will be \$123,100. In addition (although not included in for pro-forma purposes), the Company may pay a placement fee of up to 5% for Shortfall Shares placed to others in priority to Urban Group.
- (e) *Costs associated with the acquisitions* – For pro-forma purposes the costs of acquisition for due diligence, preparation of the explanatory memorandum, etc. are assumed to have been incurred and expensed in the pro forma Group balance sheets.
- (f) No pro-forma adjustment has been made for any capital raised as a result of the exercise of any options.

2. Cash and cash equivalents

The movement in cash and cash equivalents as reflected in the pro-forma balance sheet at 30 June 2014 is shown as follows:

	3M Raise \$000	4.1M Raise \$000
Cash and cash equivalents at 30 June 2014 – Actual	1,463	1,463
<i>Pro-forma adjustments</i>		
- Estimated due diligence costs	(123)	(123)
- Additional proceeds on sale of stock over the written down value ⁽¹⁾	26	26
- Interest on inventory sold but not paid for ⁽²⁾	114	114
- Estimated operating costs of Solco	(380)	(380)
- Net proceeds from Prospectus	3,000	4,102
	<u>4,100</u>	<u>5,202</u>

⁽¹⁾ Directors advised Solco sold inventory to Power Pumps and Engineering Pty Ltd (trading as Reaqua) and has not been paid for this inventory. Under the terms of this deal, Solco is entitled to receive interest for every month the amount remains unpaid

⁽²⁾ Directors advised Solco would receive additional proceeds on sale of stock over the written down value of this stock as at 30 June 2014

⁽³⁾ Directors of Solco have estimated cash to be used by Solco between 1 July 2014 and 31 December 2014, inclusive of transaction costs and ASX listing fee, to be approximately \$503,000.

3. Current provisions

	\$'000
Current provisions interest at 30 June 2014 – Actual	(220)
<i>Pro-forma adjustments</i>	
Additional warrant provisions ^{Error! Reference source not found.}	(30)
	(250)

⁽¹⁾ Relates to additional warranty provisions which the Directors of Solco and GO Group have agreed to be approximately \$30,000 more than what was provided for in the statement of financial position as at 30 June 2014

4. Issued capital

The movement in issued capital as reflected in the pro-forma balance sheets at 30 June 2014 is shown below:

	Notes	Issued ordinary Shares \$3M Raise No.	Merged GO Group/Solco \$3M Raise \$'000	Issued ordinary Shares \$4.1M Raise No.	Merged GO Group/Solco \$4.1M Raise \$'000
Opening Solco Limited 30 June 2014 – Actual	(1)	205,100,124	19,829	205,100,124	19,829
Opening: GO Group 30 June 2014 – Actual			38,192		38,192
<i>Pro-forma adjustments</i>					
- Elimination of existing value of shares Solco		-	(19,829)	-	(19,829)
- Issued as part of reverse acquisition	(2)(3)	627,606,378	2,871	627,606,378	2,871
- Issued pursuant to prospectus		150,000,000	3,000	205,100,100	4,102
- Transaction Costs		-	(123)	-	(123)
		982,706,502	43,940	1,037,806,602	45,042

(1) *Solco Limited* – As at 30 June 2014, Solco had on issue 205,100,124 Shares.

(2) *GO Group* – Solco is to acquire GO Group in exchange for the issue of 627,606,378 ordinary shares in Solco. The acquisition has been accounted for as a reverse acquisition in accordance with AASB 3 *Business Combinations*.

(3) *Reverse Acquisition – Solco* – The pro-forma adjustment reflects the deemed issue of shares to acquire Solco. The fair value of Solco's net assets at 30 June 2014, per the audited balance sheet was \$1,242,026 and the fair value of the deemed consideration was assessed at \$2,871,403. The difference between the deemed purchase price (\$2,871,403) and fair value of net assets acquired and non-controlling interest (\$1,242,026) represents \$1,629,377 as goodwill for the estimated fair value of the listing status. This balance has been expensed as the Directors believe the goodwill value of Solco cannot be supported.

5. Accumulated losses

	\$'000
Accumulated losses at 30 June 2014	54,310
<i>Pro-forma adjustments</i>	
- Reverse acquisition of Solco	(18,411)
- Write-off of excess consideration over net assets of Solco	1,629
	37,528

6. Summary of Significant Accounting Policies

(a) Estimates and assumptions

In the application of the accounting policies the directors are required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by the directors in the application of the accounting policies that have a significant effect on the financial information are disclosed, where applicable, in the relevant notes to the financial information.

(b) Impairment of non-financial assets

An impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value-in-use. The fair value less costs to sell calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value-in-use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance or the CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(c) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expenses already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the condition prevailing in the respective domicile of the Group companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(d) Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(e) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The specific recognition criteria described below must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the customer has taken delivery of the goods and significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

Rendering of services

Revenue from the provision of management services are recognised when the services are rendered.

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Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets classified as available for sale, interest income or expense is recorded using the effective interest ("EIR"). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Other revenue

Other revenue is recognised when the right to receive the revenue has been established.

Deferred revenue

Fees for services received in advance are recorded as a liability within deferred revenue and these amounts are amortised to the income statement upon provision of the service.

(f) Borrowing costs

Borrowing costs are recognised as an expense when incurred.

(g) Leases

Finance leases that transfer substantially all the risks and benefits incidental to ownership of the leased item to the Group, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the income statement.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in the income statement on straight-line basis over the lease term.

(h) Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

(i) Trade and other receivables

Trade receivables, which generally have 7-30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

(j) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- ▶ Finished goods – cost of direct materials but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

(k) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated using a combination of straight-line and diminishing-value basis over the estimated useful life of all assets:

- ▶ Leasehold improvements: 2 - 25 years
- ▶ Software: 4 years
- ▶ Motor vehicles: 5 - 7 years
- ▶ Office furniture & equipment: 1 - 8 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(l) Provisions

Provisions are recognised when the Group has a legal or constructive obligation for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(m) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption or future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Software and Development (finite)

Costs incurred in developing systems and costs incurred in acquiring and building software that will contribute to future year financial benefits through revenue generation and/or cost reduction are capitalised to software and development costs. Costs capitalised include external costs of services, direct payroll and payroll related costs of employees' time spent on a project.

A summary of the policies applied to the Company's finite intangible assets is as follows:

Software and Development

- ▶ Useful lives: 3-5 years
- ▶ Amortisation method used: Straight line
- ▶ Internally generated or acquired: Both internally generated and acquired.

Licences(indefinite)

The Company made upfront payments to purchase electricity retail licences. The licences may be renewed at little or no cost to the Company. As a result, those licences are assessed as having indefinite useful life.

A summary of the policies applied to the Company's indefinite intangible assets is as follows:

Licences

- ▶ Useful lives: Indefinite
- ▶ Amortisation method used: No amortisation
- ▶ Internally generated or acquired: Acquired

(n) **Contributed equity**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

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25 November 2014

The Directors
Solco Ltd
c/ - Nexia Perth
Level 3, 88 William Street
PERTH WA 6000

Dear Sirs

INDEPENDENT LIMITED ASSURANCE REPORT ON SOLCO LTD HISTORICAL AND THE PRO FORMA HISTORICAL INFORMATION

Introduction

We have been engaged by Solco Ltd ("**Solco**" or "**the Company**") to prepare an Independent Limited Assurance Report ("**the Report**") on the pro forma historical financial information of the Company and the pro forma Solco Group for inclusion in the Prospectus (the "**Prospectus**") to be dated on or about 25 November 2014 relating to the proposed transaction with Urban Group Energy Holdings Pty Ltd ("**GO Group**") and the rights issue ("**the Offer**").

The proposed transaction with GO Group relates to the acquisition of a collective group of companies and businesses referred to as "GO Group". The GO Group comprises brands, businesses, assets and intellectual property of GoEnergy Pty Ltd, GoEnergy Services Pty Ltd, GoEnergy Installations Pty Ltd, GO Quote Pty Ltd, CO2 Global Exports Australia Pty Ltd, CO2 Environmental Trading Pty Ltd and Solar Trade.

Expressions and terms defined in the Prospectus have the same meaning in this Report, unless otherwise stated.

Scope

The Company has requested Crowe Horwath Sydney to prepare this Report covering the following information included in the Prospectus:

Historical and Pro Forma Historical Financial Information

The historical financial information, as set out in section 9 of the Prospectus comprises:

- The historical statements of profit or loss of Solco and the pro forma historical statements of profit or loss of GO Group for the years ended 30 June 2013 and 30 June 2014;
- The historical balance sheet of Solco and the pro forma historical balance sheet of GO Group as at 30 June 2014 and the 'pro-forma' Group as at 30 June 2014, based on a \$3million raise and a \$4.1million raise;

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- The historical statements of cash flow of Solco and the pro forma historical statements of cash flow of GO Group for the years ended 30 June 2013 and 30 June 2014; and
- Notes supporting the pro forma financial information including significant accounting policies.

(hereafter the “**Pro Forma Historical Financial Information**”).

There are no actual historical consolidated financial statements of the pro forma Solco Group. The Pro Forma Historical Financial Information presented in the Prospectus reflects a pro forma consolidation prepared from the statutory financial statements of the Company and the GO Group entities as outlined in the Prospectus.

The Pro Forma Historical Consolidated Balance Sheet as at 30 June 2014 also assumes completion of the proposed transactions outlined in section 9 of the Prospectus which includes the Offer (the “**Pro Forma Transactions**”) as though they had occurred on that date.

The basis of preparation of the Pro Forma Historical Financial Information is the recognition and measurement principles contained in Australian Accounting Standards. The Pro Forma Historical Financial Information is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

Directors’ Responsibility

The Directors of the Company are responsible for the preparation and presentation of the Financial Information. The Directors are also responsible for the determination of the Pro Forma Transactions set out in section 9 of the Prospectus and the basis of preparation of the Pro Forma Historical Financial Information.

This responsibility also includes compliance with applicable laws and regulations and for such internal controls as the Directors determine necessary to enable the preparation of the Pro Forma Historical Financial Information that are free from material misstatement.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Financial Information based on the procedures performed and evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures to the accounting records in support of the Financial Information. These procedures are substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently do not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the Financial Information.

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Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the Financial Information.

Conclusions

Historical and Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention which causes us to believe that the Pro Forma Historical Financial Information, as set out in section 9 of the Prospectus, and comprising:

- The historical statements of profit or loss of Solco and pro forma historical statements of profit or loss of GO Group for the years ended 30 June 2013 and 30 June 2014;
- The historical balance sheet of Solco and the pro forma historical balance sheet of GO Group as at 30 June 2014 and the 'pro-forma' Group as at 30 June 2014, based on a \$3million raise and a \$4.1million raise;
- The historical statements of cash flow of Solco and the pro forma historical statements of cash flow of GO Group for the years ended 30 June 2013 and 30 June 2014; and
- Notes supporting the pro forma financial information including significant accounting policies;

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as set out in Section 9 of the Prospectus.

Restriction on Use

Without modifying our conclusions, we draw attention to section 9 of the Prospectus, which describes the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, the Financial Information may not be suitable for use for another purpose.

Consent

Crowe Horwath Sydney has consented to the inclusion of the Independent Limited Assurance Report in the Prospectus in the form and context in which it is included.

Liability

The liability of Crowe Horwath Sydney is limited to the inclusion of this Report in the Prospectus. Crowe Horwath Sydney makes no representation regarding, and has no liability, for any other statements or other material in, or omissions from the Prospectus.

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Independence or Disclosure of Interest

Crowe Horwath Sydney does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Crowe Horwath Sydney will receive a professional fee for the preparation of this Independent Limited Assurance Report.

Yours faithfully

A handwritten signature in blue ink that reads "Crowe Horwath Sydney".

Crowe Horwath Sydney

A handwritten signature in blue ink that reads "John Haydon".

John Haydon
Partner
(Registered Company Auditor)

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10 MATERIAL CONTRACTS

10.1 Sale Agreement

The Company, Urban Group and GO Group are parties to certain binding term sheets dated 26 August 2014 (as varied on 28 October 2014) under which the Company will acquire the GO Group Assets from Urban Group on the following terms:

- (a) Solco will issue 627,606,378 Consideration Shares (inclusive of a working capital adjustment of 12,306,006 Shares) to acquire the GO Group Assets.
- (b) The Acquisition is conditional on, amongst other things:
- (i) Solco completing due diligence on the GO Group Assets, issuing Consideration Shares and obtaining (in writing) all required warranties and indemnities to its sole satisfaction no later than 24 October 2014 (this condition has been satisfied);
 - (ii) Solco obtaining any shareholder and regulatory approvals (including, but not limited to, the compliance to the ASX Listing Rules and under item 7 of section 611 of the Corporations Act) and other third party approvals required to complete the Transaction (the meeting to satisfy this condition will take place on 28 November 2014);
 - (iii) Solco raising a minimum of \$3m (or such other amount as agreed by the Solco and the Urban Group) through the Entitlement Offer (this condition will be satisfied through the Underwriting Obligation);
 - (iv) Urban Group completing due diligence on the Solco and the Consideration Shares and obtaining (in writing) all required warranties and indemnities to its sole satisfaction no later than 24 October 2014 (this condition has been satisfied);
 - (v) Urban Group and GO Group obtaining all shareholder and regulatory approvals and other third party approvals required to complete the Transaction; and
- (c) there being:
- (i) no material adverse change to the Consideration Shares, the GO Group, or their businesses and assets;
 - (ii) no material adverse change to Solco or its business or assets; or
 - (iii) no material breach of any warranty given by either Urban Group or Solco.
- (d) The GO Group will reimburse Urban Group:
- (i) amounts paid by Urban Group for the Mt Majura project, (which as at 30 September 2014 is \$231,565.52), with the reimbursement to be paid at completion of the Transaction from the proceeds of the Entitlement Offer;
 - (ii) amounts paid by Urban Group for stock purchased by GO Group (which as at 24 October 2014 is \$619,447.53), with the reimbursement to be paid as and when stock is sold by GO Group; and
 - (iii) amounts paid by Urban Group for PPAs, (which as at 30 September 2014 is \$609,021.35), with the reimbursement to be paid when funds are available under the \$25m Financing Facility.
- (e) Urban Group will underwrite the Entitlement Offer for up to \$3 million, subject to satisfaction of the conditions set out in paragraph (b) above.
- (f) From completion Urban Group can nominate 3 persons to Solco's Board and one existing director will resign. The Board will then comprise of 5 Directors.
- (g) Urban Group has given warranties customary to sale and purchase of a privately held company, including completeness and accuracy of information (including accounts for the year ending 30 June 2014 and forecasts), title to assets, and compliance with relevant laws. The warranties are subject to customary limitations and exclusions, including that any claim must be made within 12 months, and that the warrantors will only be liable for a claim where the aggregate amount of claims is between \$50,000 and \$7.5m. Warranty claims must be satisfied through the cancellation of Consideration Shares.

- (h) The Company has given warranties customary to sale and purchase of an ASX listed company, including accuracy of information and compliance with relevant laws and the Listing Rules. The warranties are subject to customary limitations and exclusions, including that Solco will only be liable for a claim where the aggregate amount of claims is \$253,406 or more.
- (i) Urban Group will not transfer the Consideration Shares (whether through exercise of the option granted to the Urban Group Optionholders or otherwise) until the earlier of 30 September 2015 or the determination of any warranty claims made by the Company prior to 30 September 2015, subject to the Listing Rules.

10.2 Underwriting agreement

On 22 November 2014 the Company and Urban Group varied the Underwriting Obligation to include terms typically found in an underwriting arrangement, including giving Urban Group the right to, subject to the allocation policy set out in this Prospectus, allocate Shortfall Shares. The Company also repeated certain warranties consistent with the warranties given in the Sale Agreement.

10.3 PPA contracts

Solar PPAs entered into by GO Group consist of a number of contracts entered into between members of the GO Group, the customer, and a non-bank financial institution (as financier). In summary, they are as follows:

- (a) PPA Agreement: This agreement establishes the following key terms between GO energy and customer for the sale electricity generated by the solar generation unit (SGU) and consumed by the customer:
 - (i) PPA Term: This is negotiated on a case by case basis, and is typically between 10 and 25 years in total.
 - (ii) Premises: The site/location on which SGU is located and the owner of the site.
 - (iii) System: The size and specification details of the SGU (in KW) including inventory of the significant components (modules, inverter, monitoring devices etc.).
 - (iv) Expected annual generation: The expected annual output of the SGU and its expected degradation over the PPA Term.
 - (v) Minimum consumption profile: The minimum monthly consumption expected by the customer for electricity generated from the SGU.
 - (vi) PPA Price: This price (in \$/KWH) paid by the customer for electricity generated by the SGU and consumed by the Customer over the term.
 - (vii) Buy-Out: The Customer has the right to buy the SGU at any time over the PPA Term (i.e. termination for convenience). Alternatively, if the customer is in default of payments which triggers a right to terminate (i.e. termination for breach), there are provisions for payment of the buy-out amount which the customer must pay GO energy. The schedule of buy-out amounts is agreed when the PPA is signed.
- (b) Agreements within the GO Group to allow for the contracting of the supply and installation of SGUs, for sale of STCs, and for Go Energy to manage the ongoing arrangements with Go Energy Fund (which holds GO Group's interest in the SGU and external contracts with the customer and its financier), the material agreements are described below:
 - (i) Installation Agreement between GO energy Installations and the customer which sets out the terms under which the customer agrees for the design, engineering and installation of a SGU on the customer's premises. GO energy Installations may sub-contract installation to third-party installers on its behalf but will supply modules and inverters.
 - (ii) SGU Assignment Agreement between customer and GO energy Fund which facilitates the transfer of ownership of the SGU from the customer to GO energy Fund.
 - (iii) Licence Agreement: Agreement between GO energy Fund and Owner of Premises to facilitate rights of access to the Premises and maintenance of the SGU.
 - (iv) STCs Assignment Agreement: Assignment of right to create STCs from Customer to Go energy Installations for submission to Clean Energy Regulator.

- (c) Agreements for the financing of the PPA: These are standing agreements between GO Group to facilitate the financing of PPAs and include:
- (i) PPA Management Agreement between GO energy and GO energy Fund which facilitates the transfer of rights to electricity generated by SGU owned by GO energy Fund to be made available to GO energy. In return, GO energy pays the income stream to GO energy Fund net of its costs for maintenance.
 - (ii) France facility: This provides financing for PPAs against the cash flows received under the PPA Management Agreement. Details of the \$25m Go energy financing facility are set out in section 10.4.

Details of PPAs that GO energy has funded to date:

Total Installed (KW)	427 KW
PPA Term	15-25 years
Total Amount Funded (\$)	\$909,645

Details of PPAs that GO energy is intending to fund within the next month:

Total Installed (KW)	409 KW
PPA Term	15-25 years
Total Amount (to be funded) (\$)	\$418,768

10.4 \$25m Go Energy financing facility

Go energy has executed a term sheet with a non-bank financial institution with terms to fund \$25m of approved solar PPAs through Go energy Solar PPA Fund 1 Pty Limited (Fund 1) (a wholly owned subsidiary of Go energy). The material terms of the facility are as follows:

- (a) Each PPA customer must meet the financier's credit requirements
- (b) The funding amount for each approved PPA will be determined by calculating the net present value of the minimum power usage payment less scheduled maintenance costs, which is to represent the total gross installed cost less any applicable up front credits for renewable energy certificates.
- (c) The financier will have a first ranking security interest in all SGU's (including modules, inverters and monitoring units) acquired by Fund 1 and receivables generated under the PPA Agreement. In addition, Urban Group will provide a limited guarantee (in due course to be replaced by a guarantee from the Company) for the performance of maintenance, warranty and billing obligations over the term of the PPA.
- (d) The facility has a term of 2 years with an automatic extension (subject to market and regulatory changes).
- (e) Customer payments are deposited in an account controlled by the financier, with distributions to Go Energy and the financier.
- (f) In the event the PPA is terminated by the customer for convenience or for breach by GO energy, Go Energy will pass through that portion of the proceeds of the buyout of the SGU to pay the financier an early repayment amount including unpaid and future payments under the receivable and will procure the transfer of the SGU to the customer. In the event that there is a termination for breach by the customer (for example, insolvency), the financier will assume responsibility for collection of outstanding payments from the customer. In both cases, there is no recourse to GO energy.

10.5 \$5m CO2 Environmental financing facility

ANZ has provided CO2 Environmental Trading Pty Limited (CO2) with a \$5m facility under which ANZ will fund pre-registered small-scale technology certificates (STCs) which CO2 uploads to the Renewable Energy Certificate (REC) Registry pending full registration. This facility allows CO2 to fund its working capital requirements of the full REC Registry STC registration process. The material terms of the facility are as follows:

- (a) Facility limit: Up to a maximum of \$5m.
- (b) Term: CO2 can elect a term for each drawdown between 28 and 42 days (maximum).
- (c) Quantity to be funded: The number of pre-registered STCs in CO2's REC Registry Account at drawdown date.

- (d) Price of Pre-registered STCs to be funded: ANZ will purchase quantity of STCs to be funded at Term at a price to be determined with reference to spot and forward market STC prices plus ANZ's bid margin of \$0.10/MWh.
- (e) Interest Rate: The calculation of each drawdown is based on discounting at the ANZ Reference Rate + 1.50%
- (f) Overcollateralisation: CO2 must ensure that the amount of STCs designated as "Pending Registration" or "Available Registered" in its REC Registry Account is always more than 105% of number of STCs to be funded.
- (g) Security: ANZ has rights to security through (1) specific security over CO2's REC Registry Account (2) general security over CO2 and other GO Group companies (the latter will not be applicable when the facility is taken up by the Company); and, (3) a guarantee from Urban Group (which in due course will be replaced by a guarantee from the Company).

10.6 Mr Majura solar project

Urban Group has agreed to assign its rights to the 2.3 MW Mt Majura solar facility (located at Mt Majura winery in the ACT) to the Company. To date, Urban Group, Solar Choice Pty Limited and Solar Fields Pty Limited ("the developers") have entered a memorandum of understanding ("MoU") which sets out each parties' responsibilities and provide a framework for the parties to use cooperate fully and in good faith, and to use reasonable endeavours to satisfy conditions for the development and ownership of the Mt Majura solar project, including definitive documentation based upon a term sheet attached to the MoU. In summary:

- (a) Urban Group, through its subsidiary, Mt Majura Energy Developments ("MMED"), must develop suitable arrangements to finance, build, own, operate and maintain the facility, and develop and negotiate with the developers.
- (b) The developers, through their consortium company, Mt Majura Solar Holdings ("MMSH"), are responsible for securing the lease over the site and feed-in tariff entitlements.
- (c) Financial Close is projected to occur by 31 December 2014.
- (d) In addition to signing definitive documentation, financial close is conditional upon (amongst other things) securing a connection agreement with ACTEW-AGL, all regulatory and third party approvals being obtained, confirmation of feed-in tariffs for the project, execution of an EPC contract and procurement by Urban Group of funding for construction.

Urban Group has entered into exclusive negotiations with UGL Engineering Pty Ltd, a division of UGL, for an Engineering Procurement and Construction contract (EPC). Urban Group has paid a 50% deposit (of approximately \$200,000) for transformers to be supplied by ACTEW-AGL to the project. Urban Group has started discussions (which will be assumed by the Company following Completion) with Australian banks for the financing.

10.7 Mr Pearse's executive services contract

On 22 November 2014 the Company and Geoenergy Services Pty Limited (an entity to be acquired by the Company under the Sale Agreement) entered into an executive services contract, the material terms of which are as follows:

- (a) A commencement date of 1 December 2014.
- (b) An annual remuneration package of \$345,000 plus superannuation.
- (c) A notice period of 6 months, other than where Geoenergy Services Pty Limited has grounds to immediately terminate the contract (including serious misconduct, bankruptcy and significant criminal offence).
- (d) The contract otherwise contains terms ordinarily found in an executive service contract.

11 ACTIONS REQUIRED BY ELIGIBLE SHAREHOLDERS

11.1 What you may do

As an Eligible Shareholder, you may:

- (a) subscribe for all of your Entitlement (see section 11.2); and
- (b) apply for Shortfall Shares (see section 11.3); or
- (c) allow all or part of your Entitlement to lapse (see section 11.4).

11.2 To subscribe for all of your Entitlement

Applicants should read this Prospectus in its entirety in order to make an informed decision on the prospects of the Company and the rights attaching to the New Shares offered by this Prospectus before deciding to apply for New Shares. If you do not understand this Prospectus you should consult your stockbroker, accountant or other professional advisor in order to satisfy yourself as to the contents of this Prospectus.

If you wish to subscribe for all of your Entitlement, complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. The Entitlement and Acceptance Form sets out the number of New Shares you are entitled to subscribe for.

11.3 To apply for Shortfall Shares

Eligible Shareholders may, in addition to their Entitlement, apply for Shortfall Shares regardless of the size of their present holding by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. See section 12.6 for details on how Shortfall Shares will be allocated.

Surplus application moneys will be returned to Applicants as soon as practicable following the close of the Offer.

11.4 Entitlements not taken up

If you are an Eligible Shareholder and do not wish to accept all (or part) of your Entitlement, you are not obliged to do anything. You will receive no benefit or New Shares and your Entitlement will become available as Shortfall Shares.

If you wish to receive a benefit, you must take action to accept your Entitlement in accordance with the instructions above and on the accompanying Entitlement and Acceptance Form.

The number of Existing Shares you hold as at the Record Date and the rights attached to those Existing Shares will not be affected if you choose not to accept any of your Entitlement. You will however have your voting power diluted. See section 8.8 for details.

11.5 Payment methods

(a) Cheque, bank draft or money order.

The completed Entitlement and Acceptance Form must be accompanied by a cheque, bank draft or money order made payable to 'Solco Limited – Share Subscription Account' and crossed 'Not Negotiable' for the appropriate application money in Australian dollars calculated at \$0.02 per New Share accepted. Your cheque, bank draft or money order must be paid in Australian currency and be drawn on an Australian branch of an Australian financial institution. The Company will present the cheque or bank draft on or around the day of receipt of the Entitlement and Acceptance Form. You must ensure that your cheque account has sufficient funds to cover your payment, as your cheque will be presented for payment on receipt. If your bank dishonours your cheque your application will be rejected. Dishonoured cheques will not be represented.

If the amount of your cheque(s), bank draft(s) or money order(s) for application money (or the amount for which those cheque(s) or bank draft(s) clear in time for allocation) is insufficient to pay for the number of New Shares you have applied for in your Entitlement and Acceptance Form, you may be taken to have applied for such lower number of New Shares as your cleared application money will pay for (and to have specified that number of New Shares in your Entitlement and Acceptance Form) or your Application may be rejected.

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The Entitlement and Acceptance Form must be received by the Company at the following address by no later than 5pm AEDT (2pm (WST) on the Closing Date:

By Post to
Computershare Investor Services Pty Limited
GPO Box 505
MELBOURNE VIC 3001

(b) **BPAY**

Alternatively, if you are paying by BPAY, refer to your personalised instructions on your Entitlement and Acceptance Form. Shareholders who wish to pay by BPAY must ensure that payment is received by no later than 5pm AEDT (2pm (WST) on the Closing Date.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY are received by 5pm AEDT (2pm (WST) on the Closing Date.

If you have more than one shareholding and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those shareholdings only use the Customer Reference Number specific to that shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same Customer Reference Number for more than one of your shareholdings. This can result in your application monies being applied to your Entitlement in respect of only one of your shareholdings (with the result that any application in respect of your remaining shareholdings will not be recognised as valid).

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY payment.

11.6 Entitlement and Acceptance Form is binding

A completed and lodged Entitlement and Acceptance Form together with a cheque, bank draft or money order for the application moneys, or by making a payment in respect of an Application by BPay, constitutes a binding application to acquire New Shares on the terms and conditions set out in this Prospectus and, once lodged, cannot be withdrawn.

By completing and returning your Entitlement and Acceptance Form with the requisite application monies, or by making a payment in respect of an Application by BPay, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) agree to be bound by the terms of the Offer;
- (b) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (c) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (d) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (e) declare that you are the current registered holder of Shares and are an Australian or New Zealand resident, and you are not in the United States or a US Person, or acting for the account or benefit of a US Person;
- (f) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs; and

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- (g) acknowledge that the New Shares have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and New Zealand and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws in particular the US Securities Act.

The Entitlement and Acceptance Form does not need to be signed to be a valid Application. An Application will be deemed to have been accepted by the Company upon the New Shares being issued.

If the Entitlement and Acceptance Form is not completed correctly or if the accompanying payment of the application moneys is for the wrong amount, it may still be treated as a valid Application for New Shares. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final. However, an Applicant will not be treated as having applied for more New Shares than is indicated by the amount of the cheque, bank draft or money order for the application moneys.

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12 DETAILS OF THE OFFER

12.1 Shares offered for subscription

By this Prospectus the Company offers 1 New Share for every Existing Shares held as at the Record Date under a non-renounceable pro rata offer at a price of \$0.02 per New Share (Offer). Fractional entitlements will be rounded up to the nearest whole number.

The Offer is only open to Eligible Shareholders. The Company reserves the right to reject any application that it believes comes from a person who is not an Eligible Shareholder.

Details of how to apply for New Shares are set out at section 11.

All New Shares offered under this Prospectus will rank equally with Existing Shares. The rights and liabilities of the New Shares offered under this Prospectus are summarised in section 13.

12.2 Minimum subscription and other condition to the Offer

The Offer is conditional upon the following being satisfied:

- (a) Shareholders passing the following Resolutions at the Shareholder Meeting to be held on 28 November 2014 giving approval for:
- (b) the Company to make a significant change to the nature and scale of the Company's activities;
- (c) Urban Group and Wytown Pty Limited (an entity controlled by Mr Rod Harvey) acquiring a relevant interest in up to 777,606,378 Shares, or 79.13%
- (d) the appointment of Messrs Brian Thomas, Adam Pearse and Lui Pangiarella as Directors of the Company with effect from Completion
- (e) Completion occurring;
- (f) the Company obtaining all necessary regulatory approvals and meeting all regulatory requirements as are required to give effect to the transactions contemplated by the Acquisition (including re-compliance with Chapters 1 and 2 of the Listing Rules on terms which the Company believes are capable of satisfaction acting reasonably); and
- (g) the minimum subscription under the Offer and Shortfall Offer of \$3 million, the Underwritten Amount, being raised.

The Company will not issue any New Shares pursuant to the Offer until these conditions are satisfied.

In the event that the above conditions are not achieved within 4 months of the date of this Prospectus, then the Company will either repay all application monies received in full and without interest or issue a supplementary prospectus or replacement prospectus and all Applicants one months to withdraw their Applications and be repaid there application monies.

The Offer is also conditional upon the Company's Shares being re-instated to quotation on ASX. The Company has applied to ASX for re-instatement, and is awaiting a final decision. All application monies will be repaid in full (without interest) if this condition is not satisfied within 3 months of the date of this Prospectus.

12.3 Acceptances

This Offer may be accepted in whole or in part prior to the Closing Date subject to the rights of the Company to extend the Offer period.

Instructions for accepting your Entitlement are set out in section 8 and on the Entitlement and Acceptance Form which accompanies this Prospectus.

12.4 Entitlement to Offer

The Offer is made to Eligible Shareholders, who are those Shareholders that:

- (a) are the registered holders of Existing Shares as at 5pm (WST) on the Record Date; and
- (b) have a registered address in Australia or New Zealand.

12.5 Rights trading

The Offer is non-renounceable. This means that the rights of Eligible Shareholders to subscribe for New Shares under this Prospectus are not transferable and there will be no trading of rights on ASX. Eligible Shareholders who choose not to take up their rights will receive no benefit and their shareholding in the Company will be diluted as a result.

12.6 Underwriting

The Offer is underwritten by Urban Group. The underwritten amount is 150,000,000 Shares or \$3,000,000. Terms of the underwriting are set out in section 10.

Urban Group may acquire up to 79.13% of the Company's issued Shares (assuming no Shares are issued to others under the Offer) . Shareholder approval for the acquisition will be sought at the Meeting. See section 8 of the Notice of Meeting for further information on the underwriting's effect on control and Urban Group's intentions.

12.7 Shortfall

Any Shares not applied for under the Offer are Shortfall Shares. Subject to the terms set out below, the Directors reserve the right to, in conjunction with Urban Group and subject to the Underwriting Obligation, issue any Shortfall Shares at their discretion within 3 months after the Closing Date (Shortfall Offer).

The Shortfall Offer is, to the extent it is made in Australia, made under this Prospectus. To the extent the Shortfall Offer is made outside Australia, the Shortfall Offer is made without disclosure, a prospectus, lodgement, filing or registration, or other requirements of any applicable securities law, and only in circumstances where it is lawful to do so (such as to institutional or sophisticated investors) .

Eligible Shareholders may apply for Shortfall Shares by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. Other investors who are not Eligible Shareholders may apply for Shortfall Shares using the Shortfall Application Form attached to this Prospectus. Persons outside Australia doing so represent to the Company that they can apply for Shortfall Shares in circumstances which do not require the offer for Shortfall Shares or this Prospectus to be registered.

It is possible that there may be few or no Shortfall Shares available for issue, depending on the level of take up of Entitlements by Shareholders. The Company will allocate Shortfall Shares as follows:

- (a) firstly to Eligible Shareholders who apply for Shortfall Shares in addition to their Entitlement and who at the Record Date hold less than 100,000 Shares, so that following the Entitlement Offer they will hold 100,000 Shares (giving them a parcel worth \$2,000);
- (b) secondly, to Eligible Shareholders who apply for Shortfall Shares in addition to their Entitlement with any oversubscriptions to be scaled back pro rata to the number of Shortfall Shares they applied for; and
- (c) finally to Urban Group.

The Directors reserve the right at their absolute discretion to reject any application for Shortfall Shares or to issue a lesser number of Shortfall Shares than that applied for, and it is an express term of the Shortfall Offer that applicants for Shortfall Shares will be bound to accept a lesser number of Shortfall Shares allocated to them than applied for. If a lesser number is allocated, excess application money will be refunded without interest as soon as practicable after the Closing Date.

The Directors further reserve the right in their absolute discretion to pay a placement fee of up to 5% for Shortfall Shares placed to third parties in priority to being subscribed for by Urban Group under the Underwriting Obligation.

12.8 Offer outside Australia and New Zealand

This Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer. No action has been taken to register or qualify the New Shares or the Offer or otherwise to permit an offering of the New Shares in any jurisdiction outside Australia and New Zealand.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Recipients may not send or otherwise distribute this Prospectus or the Entitlement and Acceptance Form to any person outside Australia or New Zealand.

12.9 Treatment of overseas Shareholders

Given the small number of Shareholders with registered addresses outside Australia or New Zealand and the cost of complying with applicable regulations in those jurisdictions, the Company has decided that it would be unreasonable to extend the Offer to any Shareholder, as at the Record Date, whose registered address is not situated in Australia and New Zealand. The Prospectus will not be sent to those.

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand). Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares.

Recipients may not send or otherwise distribute this Prospectus or the Entitlement and Acceptance Form to any person outside Australia or New Zealand (other than to Eligible Shareholders) .

12.10 Beneficial holders, nominees, trustees and custodians

The foreign selling restrictions under the Offer summarised in sections 12.8 of this Prospectus apply to the underlying beneficial holder. Nominees, trustees and custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Shareholder. Shareholders who are nominees, trustees or custodians are advised to seek independent advice as to how they should proceed. Shareholders who hold Shares on behalf of persons whose registered address is not in Australia or New Zealand are responsible for ensuring that applying for New Shares does not breach securities laws in the relevant overseas jurisdictions.

Nominees and custodians that hold Shares should note that the Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

12.11 Allotment and application money

New Shares will be issued only after all application money has been received and ASX has granted permission for the New Shares to be quoted. It is expected that New Shares will be issued on 24 December 2014 and normal trading of the New Shares on ASX is expected to commence on 5 January 2015 (subject to Shares being re-instated to quotation).

All application moneys will be deposited into a separate bank account of the Company and held in trust for Applicants until the New Shares are issued or application moneys returned. Any interest that accrues will be retained by the Company and will not be paid to Applicants.

12.12 Quotation

The Company will apply to ASX within 7 days after the date of this Prospectus for quotation of the New Shares offered by this Prospectus on ASX. If ASX does not grant permission for the quotation of the New Shares offered under this Prospectus within 3 months after the date of this Prospectus, or such longer period as modified by ASIC, none of the New Shares offered by this Prospectus will be allotted or issued. In these circumstances, all Applications will be dealt with in accordance with the Corporations Act including the return of all application moneys without interest.

A decision by ASX to grant official quotation of the New Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company or of the New Shares.

Quotation, if granted, of the New Shares offered by this Prospectus will commence as soon as practicable after statements of holdings of the New Shares are dispatched.

12.13 Market prices of Existing Shares on ASX

The highest and lowest market sale price of the Existing Shares, which are on the same terms and conditions as the New Shares being offered under this Prospectus, during the 3 months immediately preceding the lodgment of this Prospectus with the ASIC, and the last market sale price on the date before the lodgment date of this Prospectus, are set out below.

	3 month high	3 month low	Last market sale price
Price	\$0.015 on 29 August 2014, 13 & 17 November 2014	\$0.007 on 21 & 22 August 2014, 11 & 23 September 2014	\$0.013 on 24 November 2014

12.14 Clearing House Electronic Sub-register System (CHES) and Issue Sponsorship

The Company participates in the Clearing House Electronic Subregister System (CHES). CHES is operated by ASX Settlement Pty Ltd (ASPL), a wholly owned subsidiary of ASX.

Under CHES, the Company does not issue certificates to investors. Instead, security holders will receive a statement of their holdings in the Company, including New Shares issued under this Prospectus. If an investor is broker sponsored, ASPL will send a CHES statement.

The CHES statement will set out the number of New Shares issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of New Shares issued to you under this Prospectus and your security holder reference number.

A CHES statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

12.15 Taxation and duty implications

The Directors do not consider that it is appropriate to give Shareholders advice regarding the taxation consequences of the Company conducting the Offer or Shareholders applying for New Shares under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders. The Company, its advisors and officers, do not accept any responsibility or liability for any taxation consequences to Shareholders in the Offer. Shareholders should, therefore, consult their own professional tax advisor in connection with the taxation implications of the Offer.

No brokerage or stamp duty is payable by Applicants in respect of Applications for New Shares under this Prospectus.

12.16 Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related body corporates, agents, contractors and third party service providers, including mailing houses and professional advisors, and to ASX and regulatory authorities.

If an Applicant becomes a Shareholder, the Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that person subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

12.17 Enquiries

Any queries regarding the Offer should be directed to Henko Vos (Company Secretary) on +61 8 9463 2463.

Any queries regarding the Entitlement and Acceptance Form should be directed to the Share Registry on 1300 731 469.

You can also contact your stockbroker or professional advisor with any queries in relation to the Offer.

13 RIGHTS AND LIABILITIES ATTACHING TO NEW SHARES

The New Shares are ordinary shares of the same class as the Existing Shares.

Full details of the rights and liabilities attaching to the Shares are:

- ▶ detailed in the Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- ▶ regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

(a) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. Voting may be in person or by proxy, attorney or representative.

(b) Dividends

The Directors may pay any interim and final dividends as, in their judgment, the financial position of the Company justifies.

Subject to the rights of holders of shares issued with any special rights (at present there are none), all dividends in respect of shares must be paid to the member in proportion to the number of shares held by a member. All Existing Shares of the Company and the New Shares offered under this Prospectus are fully paid ordinary shares.

(c) Future issues of securities

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors decide.

(d) Transfer of Shares

A shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or the Board.

(e) Meetings and notices

Each shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules. Shareholders may requisition meetings in accordance with the Corporations Act.

(f) Liquidation rights

The Company has one class of shares on issue, ordinary shares, which when fully paid, rank equally in liquidation.

(g) Variation of rights

Subject to the Listing Rules, the rights attached to the Shares may be varied with the consent in writing of shareholders holding three-quarters of the Shares or by a special resolution passed at a separate meeting of the holders of the Shares in accordance with the Corporations Act.

(h) Election of directors

There must be a minimum of 3 but not more than 12 Directors unless the Company in general meeting determines otherwise. At every annual general meeting one third of the Directors (rounded to the nearest whole number) must retire from office. Any Director who would have held office for more than 3 years if that Director remains in office until the next general meeting must retire. These retirement rules do not apply to certain appointments including the managing director.

(i) Indemnities

To the extent permitted by law the Company must indemnify each past and present Director and secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability to the extent the person is not otherwise indemnified.

(j) Winding up

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, on a winding up of the Company the liquidator may, with the sanction of a special resolution, divide the assets of the Company among the Shareholders in kind, for that purpose fix the value of assets and decide how the division is to be carried out as between the Shareholder and different classes of shareholders and vest assets of the Company in trustees on any trusts for the benefit of the Shareholders as the liquidator thinks appropriate.

(k) Shareholder liability

The New Shares are fully paid ordinary shares; they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(l) Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. At least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

(m) Listing Rules

If the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

14 ADDITIONAL INFORMATION

14.1 Continuous disclosure obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the official list of the ASX during the 12 months prior to the issue of this Prospectus.

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours or from www.asx.com.au.

14.2 Dividend policy

The Company does not intend to pay dividends on securities for the year ending 2015. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances in relation to the payment of dividends, or the franking credits attached to such dividends, can be given.

14.3 Offer for the purposes of section 708A(11)

Under the Sale Agreement the Company has agreed to issue 627,606,378 Consideration Shares to Urban Group. So that these Shares can be offered for sale without disclosure, under this Prospectus the Company offers 1,000 Shares at an issue price of \$0.02. The offer is made to a person nominated by the Company and will remain open until after the Consideration Shares have been issued.

14.4 Interests of promoters and named persons

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

Kings Park Corporate Lawyers have acted as solicitors to the Offer. In respect of this work, the Company will pay approximately \$20,000 exclusive of GST. Subsequently fees will be paid in accordance with normal hourly rates. Kings Park Corporate Lawyers have been, or are entitled to be paid a total of approximately \$52,000 (excluding GST) for services provided in the 2 years prior to the date of this Prospectus.

Crowe Horwath has acted as investigating accountant to the Offer and has prepared the Independent Expert's Report. In respect of this work the Company will pay approximately \$30,000 exclusive of GST. Subsequently fees will be paid in accordance with normal hourly rates. Crowe Horwath has been paid \$50,000 (excluding GST) for services provided in the 2 years prior to the date of this Prospectus.

Wolfstar Group Pty Ltd has acted as corporate advisor to the Offer. In respect of this work the Company will pay approximately \$35,000 exclusive of GST. Subsequently fees will be paid in accordance with normal hourly rates. Wolfstar Group Pty Ltd have been paid \$Nil (excluding GST) for services provided in the 2 years prior to the date of this Prospectus.

14.5 Consents

Each of the persons referred to in this section:

- (a) has given and has not, before the date of lodgement of this Prospectus with ASIC withdrawn their written consent;
- (b) to be named in the Prospectus in the form and context which it is named;
- (c) where applicable, to the inclusion in this Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Prospectus;
- (d) has not caused or authorised the issue of this Prospectus;
- (e) has not made any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than specified below; and
- (f) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Prospectus, other than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with the consent of that person.

Name	Role	Statement
Kings Park Corporate Lawyers	Lawyers	None
Computershare Investor Services Pty Limited	Share Registry	None
Crowe Horwath	Investigating Accountant	Investigating Accountant's Report and Independent Expert's Report (contained in the Notice of Meeting) only
Wolfstar Group	Corporate Advisor	None

14.6 Expenses of the Offer

In addition to a placement fee (see Note 1 below) the following expenses of the Offer (exclusive of GST) have or will be paid by the Company:

Cost	\$
Legal fees	20,000
Investigating Accountant's fees	30,000
Corporate Advisor Fees	35,000
ASX and ASIC Fees	28,100
Printing, share registry and other expenses	10,000
Total	123,100

Notes:

- 1 The Directors have reserved the right in their absolute discretion to pay a placement fee of up to 5% for Shortfall Shares placed to third parties in priority to Urban Group

14.7 Litigation

As at the date of this Prospectus and other than disclosed elsewhere in this Prospectus, the Company is not involved in any other legal proceedings of a material nature and the Directors are not aware of any other legal proceedings pending or threatened against the Company.

Each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

Dated: 25 November 2014



.....
Signed for and on behalf of
Solco Ltd by
Craig Vivian

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Where the following terms are used in this Prospectus they have the following meanings:

	Definition
\$, A\$ or Dollars	Australian dollars unless otherwise stated.
Acquisition	has the meaning given in section 12.
AEDT	Australian Eastern Daylight Saving Time.
Applicant	a person who submits a valid Entitlement and Acceptance Form pursuant to this Prospectus.
Application	a valid application made on an Entitlement and Acceptance Form to subscribe for Shares under the Offer.
ASIC	the Australian Securities & Investments Commission.
ASX	means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
Board	the board of Directors.
Closing Date	the date set out in the timetable found on Page 1
Combined Group	means the Company and GO Group combined at Completion
Company or SOO	Solco Ltd (ABN 27 084 656 691).
Completion	means completion of the Transaction.
Consideration Shares	means 627,606,378 Shares to be issued to Urban Group under the Sale Agreement.
Constitution	the constitution of the Company.
Corporations Act	the Corporations Act 2001 (Cth).
Crowe Horwath	means Crowe Horwath Corporate Finance Pty Limited.
Deeds	the indemnity, insurance and access deeds between the Company and each of the Directors.
Director	a director of the Company.
Eligible Shareholders	a Shareholder as at the Record Date with a registered address in Australia or New Zealand.
Entitlement	a Shareholder's entitlement to subscribe for New Shares offered by this Prospectus.
Entitlement and Acceptance Form	the personalised entitlement and acceptance form attached to this Prospectus.
Entitlement Offer or Offer	means the non-renounceable pro-rata offer of New Shares made under this Prospectus.
Equity Securities	has the same meaning given in the Listing Rules.
Existing Share	a Share issued as at 5pm (WST) on the Record Date.
Explanatory Memorandum	means this explanatory memorandum.
Full Subscription	means the full amount to be raised under the Entitlement Offer.
GO energy	means Go Energy Pty Limited (ABN 14 097 708 104).
GO Group	means GO energy (which owns 100% of the issued share capital in Go Energy Solar PPA Fund 1 Pty Ltd (ABN 67 167 461 092)); Go Energy Installations Pty Ltd (ABN 96 163 422 535); Go Quote Pty Limited (ABN 56 164 224 266); CO2 Global Exports Australia Pty Ltd (ABN 88 140 158 041); CO2 Environmental Trading Pty Ltd (ABN 97 164 484 093); and Go Energy Services Pty Ltd (ABN 69 153 221 268).

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	Definition
GO Group Assets	means: 100% of the issued shares in: (i) Go Energy Pty Limited (ABN 14 097 708 104) (which owns 100% of the issued share capital in Go Energy Solar PPA Fund 1 Pty Ltd (ABN 67 167 461 092)); (ii) Go Energy Installations Pty Ltd (ABN 96 163 422 535); (iii) Go Quote Pty Limited (ABN 56 164 224 266); (iv) CO2 Global Exports Australia Pty Ltd (ABN 88 140 158 041); and (v) the business assets and intellectual property of CO2 Environmental Trading Pty Ltd (ABN 97 164 484 093); and (vi) the intellectual property of Urban Group used by, or necessary for, the other businesses being vended in; and (vii) Urban Group's Mt Majura solar farm development project.
GST	Goods and Services Tax.
Independent Expert's Report	means the independent expert's report prepared by Crowe Horwath for the purposes of Resolution 4A.
Listing Rules	the listing rules of the ASX.
Meeting or Annual General Meeting	means the annual general meeting convened by the Notice (as adjourned from time to time).
Minority Urban Shareholders	means the Urban Group Optionholders other than Wytown.
New Share	means a new Share offered under the Entitlement Offer.
Notice of Meeting	means the notice of meeting issued by the Company and dated 20 October 2014.
Offer or Entitlement Offer	the non-renounceable pro rata offer made to Eligible Shareholders under this Prospectus and, where the context requires, the Shortfall Offer.
Official List	the official list of the ASX.
Option	an option to purchase a Share.
PPA	means a power purchase agreement.
Prospectus	this Prospectus and includes the electronic prospectus.
Record Date	means the record date for the Entitlement Offer as set out in the timetable in this Prospectus.
Resolution	means a resolution set out in the Notice.
Sale Agreement	has the meaning given in section 10.
Share	a fully paid ordinary share in the Company.
Share Registry	Computershare Investor Services Pty Limited (ABN 48 078 279 277).
Shareholder	the registered holder of Shares in the Company.
Shortfall Application Form	the shortfall application either attaching to or accompanying this Prospectus.
Shortfall Offer	the offer for Shortfall Shares made on the terms set out in section 12.6 of this Prospectus.
Shortfall Shares	New Shares not applied for under the Offer.
STC	means Small-scale Technology Certificates.
Trading Day	means a day determined by ASX to be a trading day in accordance with the Listing Rules.
Transaction	means the Acquisition and Entitlement Offer.
Transaction Resolutions	means resolutions 3 to 7 in the Notice of Meeting

	Definition
Underwriting Obligation	means the obligation contained in the Sale Agreement under which Urban Group or its nominees (being the Urban Group Optionholders in proportion to their holding in Urban Group) will underwrite the Entitlement Offer up to the Underwritten Amount.
Underwritten Amount	has the meaning given in section 12.6.
Underwritten Shares	means 150,000,000 Shares to be offered under the Entitlement Offer.
Urban Group	means Urban Group Energy Holdings Pty Limited (ABN: 87 152 632 927).
Urban Group Acquisition	means the acquisition by Urban Group of a relevant interest in 627,606,378 Consideration Shares and up to 150,000,000 Shortfall Shares.
Urban Group Optionholders	has the meaning given in section 6.5.
US person	has the meaning given to that term in Regulation S under the US Securities Act.
US Securities Act	the United States Securities Act of 1933, as amended.
VWAP	means volume weighted average price.
WST	means Western Standard Time.
Wytown	Wytown Pty Ltd ATF Rodney Frank Harvey Family Trust
Wytown Acquisition	means the acquisition by Wytown of a relevant interest in 439,324,464 Consideration Shares and up to 105,000,000 Shortfall Shares.

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