

GRP CORPORATION LIMITED, TO BE RENAMED:

# TRANSCENDENCE TECHNOLOGIES LIMITED

ACN 096 781 716

---

## PROSPECTUS

---

For the offer of 120,000,000 Shares at an issue price of \$0.03 per Share to raise \$3,600,000 (**Public Offer**).

This Prospectus also contains the following offers:

- (a) 10,000,000 Shares and 10,000,000 Options (**Consideration Securities**) to the E-Collate Shareholders (**Vendor Consideration Offer**);
- (b) 12,000,000 Shares and 12,000,000 Options to the Convertible Noteholders (**Noteholder Offer**); and
- (c) 8,310,000 Shares to the Debtors (**Debtor Offer**),

(together, including the Public Offer are known as **the Offers**).

Completion of the Offers is conditional upon satisfaction of the Conditions, which are detailed further in Section 2.4 of the Prospectus. No Securities will be issued pursuant to this Prospectus until such time as the Conditions are satisfied.

### IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay. **The Securities offered by this Prospectus are subject to certain risks as set out in Section 9.**

For personal use only

---

## CONTENTS

---

1.	CORPORATE DIRECTORY .....	1
2.	IMPORTANT NOTICE .....	2
3.	INDICATIVE TIMETABLE* .....	6
4.	LETTER FROM MR MARK ROWBOTTAM .....	7
5.	INVESTMENT OVERVIEW .....	9
6.	TRANSACTION OVERVIEW .....	21
7.	DETAILS OF THE OFFERS .....	26
8.	COMPANY OVERVIEW .....	34
9.	RISK FACTORS .....	49
10.	BOARD, MANAGEMENT AND INTERESTS.....	56
11.	INVESTIGATING ACCOUNTANT'S REPORT .....	59
12.	CORPORATE GOVERNANCE.....	82
13.	MATERIAL CONTRACTS .....	87
14.	ADDITIONAL MATERIAL INFORMATION .....	91
15.	DIRECTORS' AUTHORISATION .....	99
16.	GLOSSARY AND INTERPRETATION.....	100

---

## 1. CORPORATE DIRECTORY

### Directors

Mark Rowbottam (Non-Executive Chairman)  
Peter Wall (Non-Executive Director)  
Zane Lewis (Non-Executive Director)

### Company Secretary

Mr Zane Lewis

### ASX Code:

GRP

### Proposed ASX Code:

TTL

### Lead Manager to the Offer

Patersons Securities Limited  
Level 23, Exchange Plaza  
2 The Esplanade  
PERTH WA AUSTRALIA, 6000

### Share Registry\*

Link Market Services Limited  
Level 4, 152 St Georges Terrace  
PERTH WA AUSTRALIA, 6000

Australian Telephone: 1300 554 474  
International Telephone: +61 1300 554 474  
Facsimile: +61 2 9287 0303

Website: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

### Registered Office

#### The Company

Suite 6, 295 Rokeby Road  
SUBIACO WA 6008

Telephone: +61 8 6555 2950  
Facsimile: +61 8 9321 3102  
Email: [info@grpcorporation.com.au](mailto:info@grpcorporation.com.au)  
Website: [www.grpcorporation.com.au](http://www.grpcorporation.com.au)

#### E-Collate

Level 24, 570 Bourke Street  
MELBOURNE VIC 3000

Telephone: +61 3 8658 5982  
Facsimile: +61 3 8658 5888  
Website: [www.e-collate.com.au](http://www.e-collate.com.au)

### Investigating Accountant and Auditor

BDO Corporate Finance (WA) Pty Ltd  
38 Station Street  
SUBIACO WA 6000

### The Company's Legal Advisers

Steinepreis Paganin  
The Read Buildings  
Level 4, 16 Milligan Street  
PERTH WA 6000

\*This entity is included for reference purposes only and has not been involved in the preparation of the Prospectus.

---

## 2. IMPORTANT NOTICE

### 2.1 General

This Prospectus is dated 11 December 2015 and was lodged with the ASIC on that date. The ASX, ASIC and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No person is authorised to give information or to make any representation in connection with the Offers, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by GRP Corporation Limited (the **Company**) in connection with this Prospectus. You should rely only on information in this Prospectus. Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus are subject to certain risks as set out in Section 9.

### 2.2 Re-compliance Prospectus

This Prospectus is a re-compliance prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy the ASX requirements for re-admission to the Official List following a change in the nature and scale of the Company's activities.

### 2.3 Investment Advice

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for Shares under this Prospectus.

### 2.4 Conditional Offer

The Offers are conditional on:

- (a) the Company raising the Minimum Subscription under this Prospectus;
- (b) ASX conditional approval to re-admit the Shares to Official Quotation and the Company being satisfied that the relevant conditions will be met; and
- (c) the Company entering into share sale agreements with the shareholders of E-Collate such that the Company is unconditionally entitled to acquire 100% of the issued E-Collate Securities,

(the **Conditions**).

Accordingly, the Offers under this Prospectus are effectively inter-conditional on the successful completion of each other part of the Acquisition.

In the event that the Conditions are not satisfied, the Offers will not proceed and no Shares will be issued pursuant to this Prospectus. If this occurs, Applicants will be reimbursed their Application monies (without interest).

## 2.5 Expiry Date

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

## 2.6 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of past and present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its Directors and management.

Although the Company believes that the expectations reflected in the forward looking statements included in this Prospectus are reasonable, none of the Company, its Directors or officers, or any person named in this Prospectus, can give, or gives, any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur or that the assumptions on which those statements are based will prove to be correct or exhaustive beyond the date of its making. Investors are cautioned not to place undue reliance on these forward-looking statements.

Except to the extent required by law, the Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus.

The forward looking statements contained in this Prospectus are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. The key risk factors of investing in the Company are set out in Sections 5D and 9 of this Prospectus.

## 2.7 Privacy statement

By completing and returning an Application Form, you will be providing personal information directly or indirectly to the Company, the Share Registry, and related bodies corporate, agents, contractors and third party service providers of the foregoing (**Collecting Parties**). The Collecting Parties collect, hold and will use that information to assess your Application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

By submitting an Application Form, you authorise the Company to disclose any personal information contained in your Application Form (**Personal Information**) to the Collecting Parties where necessary, for any purpose in connection with

the Offers, including processing your acceptance of the Offer and complying with applicable law, the ASX Listing Rules, the ASX Settlement Operating Rules and any requirements imposed by any Public Authority.

If you do not provide the information required in the relevant Application Form, the Company may not be able to accept or process your acceptance of the Public Offer.

If the Offers are successfully completed, your Personal Information may also be used from time to time and disclosed to persons inspecting the register of Shareholders, including bidders for your securities in the context of takeovers, Public Authorities, authorised securities brokers, print service providers, mail houses and the Share Registry.

Any disclosure of Personal Information made for the above purposes will be on a confidential basis and in accordance with the Privacy Act 1988 (Cth) and all other legal requirements. If obliged to do so by law or any Public Authority, Personal Information collected from you will be passed on to third parties strictly in accordance with legal requirements. Once your Personal Information is no longer required, it will be destroyed or de-identified. As at the date of this Prospectus, the Company does not anticipate that Personal Information will be disclosed to any overseas recipient.

Subject to certain exemptions under law, you may have access to Personal Information that the Collecting Parties hold about you and seek correction of such information. Access and correction requests, and any other queries regarding this privacy statement, must be made in writing to the Share Registry at the address set out in the Corporate Directory in Section 1 of this Prospectus. A fee may be charged for access.

## **2.8 Web Site – Electronic Prospectus**

A copy of this Prospectus can be downloaded from the website of the Company at [www.grpcorporation.com.au](http://www.grpcorporation.com.au). If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

There is no facility for the Offers to be accepted electronically or by applying online. Shares will not be issued under the electronic version of the Prospectus. The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies a complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the Application Form, it was not provided together with the Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

## **2.9 Defined terms**

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 16 of this Prospectus.

For personal use only

## **2.10 Time**

All references to time in this Prospectus are references to Australian Western Standard Time.

## **2.11 Risks**

You should read this document in its entirety and, if in any doubt, consult your professional advisers before deciding whether to apply for Securities. There are risks associated with an investment in the Company. The Securities offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Shares. Refer to Section 5D of the Investment Overview and Section 9 of this Prospectus for details relating to some of the key risk factors that should be considered by prospective investors. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

## **2.12 Enquiries**

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers, please call Director, Mark Rowbottam on +61 (8) 9385 0700.

For personal use only

---

**3. INDICATIVE TIMETABLE\***

General Meeting held to approve the Acquisition	9 December 2015
Lodgement of Prospectus with the ASIC	11 December 2015
Opening Date of the Offers	11 December 2015
Closing Date	22 December 2015
Settlement of the Acquisition <sup>^</sup>	Mid January 2016
Re-quotations of Shares (including Shares issued under the Offers) on ASX	Late January 2016

*\* The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or close the Offers early without prior notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Shares to Applicants.*

*<sup>^</sup> The above stated date for Settlement of the Acquisition is only a good faith estimate by the Directors and may have to be extended.*

---

#### 4. LETTER FROM MR MARK ROWBOTTAM

Dear fellow investor,

On behalf of the directors of GRP Corporation Limited (to be renamed Transcendence Technologies Limited) (**Company**), I am pleased to present you with this opportunity to become a shareholder in the Company.

On 20 October 2015, the Company announced that it had entered into a binding heads of agreement (**Acquisition Agreement**) with E-Collate Pty Ltd (**E-Collate**) and the Major Shareholder of E-Collate who holds 33.33% of E-Collate Shares (**Majority Shareholder**) to conditionally acquire 100% of the issued capital in E-Collate (**Acquisition**).

E-Collate is a Melbourne based technology company that is developing communication platforms and data systems to link multi-source data to provide meaningful information for efficient decisions making. The core multi-source data collation and decision support systems and platforms have applications across a wide variety of industry sectors and consumer groups including consumer, business and enterprise.

On 5 November 2015, the Company announced to ASX that the Company and E-Collate had completed their due diligence investigations and on 9 December 2015 the Company's Shareholders passed the necessary Shareholder resolutions.

Settlement of the Company's proposed acquisition of E-Collate pursuant to the Acquisition Agreement is subject to various conditions described more fully in Section 13.1 of this Prospectus, including this Shareholder approval.

The acquisition of E-Collate described further in the Prospectus signifies an important transforming event that will see the Company focus its business activities on the development of E-Collate.

Given the Acquisition will result in a material change in the nature and scale of GRP's activities, the purpose of this Prospectus is to re-comply with Chapters 1 and 2 of the ASX Listing Rules and to provide GRP with funding to pursue the commercialisation strategy for the E-Collate Business post Acquisition.

Under this Prospectus, GRP is seeking to:

- raise \$3,600,000 by the issue of 120,000,000 Shares at an issue price of \$0.03 per Share (**Public Offer**);
- issue the Consideration Securities to existing E-Collate Shareholders in exchange for their interests in E-Collate (**Vendor Consideration Offer**);
- issue 12,000,000 Shares and 12,000,000 Options to the Convertible Noteholders (**Noteholder Offer**); and
- issue 8,310,000 Shares to the Debtors (**Debtor Offer**),

(collectively, **the Offers**).

The funds raised from the Public Offer, together with the Company's and E-Collate's existing cash reserves will be primarily used to develop the existing E-Collate Business as well as new business opportunities as set out in this Prospectus. No funds will be raised from the Non Fundraising Offers and they are only available to specified investors.

An investment in the Company involves a number of risks and must be considered speculative. The Public Offer represents an opportunity to participate in the development of E-Collate. I encourage you to read the Prospectus carefully and seek professional advice if required before making an investment decision.

On behalf of the Board, I commend this opportunity and look forward to welcoming you as a Shareholder.

Yours sincerely



**Mark Rowbottam**  
**Chairman**  
**GRP Corporation Limited**

For personal use only

## 5. INVESTMENT OVERVIEW

This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

Item	Summary	Further information
<b>A. Company</b>		
Who is the issuer of this Prospectus?	GRP Corporation Limited (ACN 096 781 716) (ASX:GRP), to be renamed (subject to Shareholder approval) "Transcendence Technologies Limited" (ASX:TTL).	
Who is the Company?	<p>GRP was admitted to the Official List of the ASX on 19 March 2003 under the name Greater Pacific Capital Limited as a diversified financials company with exposure to the provision and management of finance facilities to various property and infrastructure developments. The Company was suspended from the Official List of the ASX on 25 August 2009 and entered into a Deed of Company Arrangement on 13 August 2010. Since the Deed of Company Arrangement, GRP has entered into, but not completed, a number of transactions with the intention of delivering shareholder growth.</p> <p>For the past twelve months, GRP has been evaluating alternative corporate opportunities, both in Australia and overseas, which have the potential to deliver strong future growth for Shareholders. During this period GRP entered into an agreement to acquire Helpa Inc. and its social media network business. This agreement was terminated in January 2015 and the Companies have subsequently fully released each other from any obligations or liabilities.</p> <p>The E-Collate Acquisition is consistent with GRP's existing activities.</p>	Section 6.1
How will the Acquisition be implemented?	<p>The Company held the General Meeting on 9 December 2015, which obtained approval of its Shareholders to the change in focus from a diversified financial company to a technology company.</p> <p>At the General Meeting, Shareholders considered resolutions relating to the change in the nature and scale of the Company's activities, as well as resolutions required for</p>	Sections 6.5, 6.6, 6.7 and 13.1.

For personal use only

Item	Summary	Further information
	<p>Settlement of the Acquisition and undertaking the Offers.</p> <p>The Company proposes to change its name to "Transcendence Technologies Limited" on Settlement of the Acquisition, which in the Board's opinion will be better suited to the Company's new strategic direction.</p>	
<p>How has the Acquisition consideration been determined?</p>	<p>The Board considers that the quantum of the Consideration Securities issued by the Company for the Acquisition reflects a reasonable fair value of E-Collate in view of the key investment highlights set out in Section 6.3 of this Prospectus and the Company having conducted arm's length negotiations with the vendors of E-Collate to arrive at the commercial terms of the Acquisition.</p> <p>In determining the Consideration Securities to be issued for the Acquisition, the Company also took into account the following considerations:</p> <ul style="list-style-type: none"> <li>• internal revenue and profit forecasts of E-Collate. However, those forecasts cannot be stated publically as they do not comply with ASIC guidelines (in particular, ASIC Regulatory Guide 170 which requires directors to have a reasonable basis for disclosing forecast financial information);</li> <li>• the future prospects of E-Collate based on the status of its technology portfolio and interest from third parties; and</li> <li>• representations from the E-Collate directors as to the price at which a takeover offer for E-Collate would be likely to succeed.</li> </ul> <p>As with the acquisition of any business or asset that does not have a meaningful track record of revenue and profitability, there is not always a good valuation methodology available when determining the purchase price and the existing Directors were required to take into account qualitative factors such as those set out above in coming to a decision on the Acquisition price.</p>	<p>Section 6.2</p>

Item	Summary	Further information
What is the Company's intention in respect of its existing business?	GRP's only assets at present are its contractual rights in respect of the E-Collate Acquisition pursuant to the Acquisition Agreement.	
Who is E-Collate?	<p>E-Collate Pty Ltd was incorporated in October 2015 by Bowen Plug.</p> <p>The Company's vision is to be the leading provider of communication platforms and data systems to link multi-source data to provide meaningful information for efficient decisions making. The solutions include networks, websites and mobile applications for cross platform compliance and decision support. The Company owns the domain name "<b>www.e-collate.com</b>" as well as "<b>www.e-collate.com.au</b>".</p> <p>E-Collate is a private company registered in Victoria, Australia which holds intellectual property assets, domains and a business underpinning its cross platform information system E-Collate.</p>	Section 6.4
<b>B. Business Model</b>		
How will the Company generate income?	<p>Following Settlement of the Acquisition, the Company will focus on development of the E-Collate Business.</p> <p>The Company expects that it will mainly derive revenue from its compliance focussed Apps (in particular the E-Collate APP) and corporate partnering programs.</p>	Section 8.2(c)
What are the key business strategies of the Company?	<p>Upon Settlement of the Acquisition, the Company will focus on:</p> <ul style="list-style-type: none"> <li>• technology development, in particular in relation to the E-Collate App;</li> <li>• business development and marketing;</li> <li>• centralised document flow control systems;</li> <li>• data referencing methods for integration capability;</li> <li>• compliance and SMSF administration;</li> <li>• one stop global information systems to</li> </ul>	Section 6.4

Item	Summary	Further information
	<p>support decision making; and</p> <ul style="list-style-type: none"> <li>replace ad-hoc data sources for regulatory compliance.</li> </ul> <p>These challenges led the founders of E-Collate to commence the development of the E-Collate platform and app. E-Collate accesses other apps and integrates their data, taking input from the user to identify links and achieve cross-platform outcomes.</p> <p>E-Collate will provide multiplatform access to collated information, including access from:</p> <ul style="list-style-type: none"> <li>IOS/iPhone/iPad;</li> <li>Android App; and</li> <li>Desktop via website</li> </ul> <p>The E-Collate platform will be secured through Cloud based secure login, customisable permission levels and support secure selective sharing in Corporate and Group settings.</p>	
<p>What are the key dependencies of the Company's business model?</p>	<p>The key factors that the Company will depend on to meet its objectives are:</p> <ul style="list-style-type: none"> <li>the successful completion of the Acquisition;</li> <li>ongoing demand in Australia and internationally for compliance management and cross platform decision support technologies; and</li> <li>ability of the E-Collate Business to remain competitive in the compliance management market.</li> </ul>	<p>Section 8</p>
<p><b>C. Key Investment Highlights</b></p>		
<p>What are the key investment highlights?</p>	<p>The Directors are of the view that the key highlights of an investment in the Company include:</p> <ul style="list-style-type: none"> <li>the opportunity to participate in the benefits associated with holding Shares in a new listed technology company that will be pursuing significant growth initiatives;</li> <li>gaining exposure to returns generated by E-Collate's compliance management and cross platform decision support technologies which will be applied across industry and market segments, in particular</li> </ul>	<p>Section 6.3</p>

Item	Summary	Further information
	<p>in relation to SMSFs; and</p> <ul style="list-style-type: none"> <li>at present, the Company does not have any substantive operations. Following the Acquisition, Shareholders will have the opportunity to participate in the benefits associated with holding Shares in a new listed technology company with significantly increased growth potential.</li> </ul>	
<p><b>D. Key Risks</b></p>		
<p>What are the key risks of an investment in the Company?</p>	<p>The business, assets and operations of the Company, including after Settlement of the Acquisition, are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the Shares of the Company.</p> <p>The Board aims to manage these risks by carefully planning the Company’s activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which the Board can effectively manage them is limited.</p> <p>Based on the information available, the key risk factors affecting the Company include:</p> <p>(a) <b>Establishment of agreements and contracts</b></p> <p>The Company will need to establish agreements with a number of self-managed superannuation fund (SMSF) management service providers in Australia in early 2016 in order to provide an important distribution channel and opportunity for customer feedback and integration with established software systems.</p> <p>The Company will also need to establish various agreements with software development companies to support rolling out and commercialising of the systems developed by E-Collate.</p> <p>If the Company is unable to establish these agreements and contracts it may impact on its ability to run its business and create revenue which</p>	<p>Section 9</p>

Item	Summary	Further information
	<p>may in turn impact on Shareholder returns.</p> <p>(b) <b>Re-Quotation of Shares on ASX and Conditional Acquisition</b></p> <p>The Acquisition of E-Collate constitutes a significant change in the nature and scale of the Company’s activities and the Company needs to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the official list of ASX.</p> <p>There is a risk that the Company may not be able to meet the requirements of the ASX for re-quotations of its Shares on the ASX. Should this occur, the Shares will not be able to be traded on the ASX until such time as those requirements can be met, if at all. Shareholders may continue to be prevented from trading their Shares should the Company be suspended until such time as it does re-comply with the ASX Listing Rules.</p> <p>It is also noted that the Acquisition remains subject to satisfaction or waiver of various conditions precedent as summarised in Section 13.1. There is a risk that all the conditions precedent are not satisfied or waived. In this event the Company will continue to seek to focus on its diversified financial business and look for potential business acquisitions to take the Company forward.</p> <p>(c) <b>Technology development and product commercialisation</b></p> <p>The success of E-Collate will be impacted by the successful development and commercialisation of its technologies.</p> <p>These technologies are in the development phase. Should the development not be completed in accordance with E-Collate’s specifications or should the results of further testing indicate technology performance is below market requirements, E-Collate will have to</p>	

Item	Summary	Further information
	<p>expend additional time and resources to rectify any outstanding issues which will delay the commercialisation of the technology.</p> <p>(d) <b>Product Development</b></p> <p>E-Collate believes that it provides a meaningful and engaging offering. Moreover, in addition to its current products and services, E-Collate is planning to continue innovation and development on its E-Collate Technology and associated products. There is the risk that delays in product development, cost overruns or difficulties in delivering new features will negatively impact the Company and its business.</p> <p>(e) <b>Restriction of Access</b></p> <p>The Company may be significantly affected by other companies restricting access to their platforms from a programming perspective. As such, E-Collate cannot ensure that restrictions may not be put in place. However this risk can be mitigated to some extent by the Company developing other methods to enable access to required data.</p> <p>(f) <b>Changes to Government policies/compliance</b></p> <p>Application of the Company’s vision of information collating systems for mobile devices could be severely undermined if the Australian Government was to dismantle compliance requirements and associated penalties for trustees in the superannuation system. In this case though, the Company will still be in a strong position to provide its services for improving efficiency for fund administration.</p> <p>Likewise, profitability could be significantly curtailed if established industry players in the accounting and finance industry were to adopt the vision of the Company and implement</p>	

Item	Summary	Further information
	<p>user friendly mobile interfaces that integrate well with messaging. In that case, the Company will still be in a strong position to compete since SMSF administration is spread across so many different administration providers.</p> <p>(g) <b>Protection of intellectual property rights</b></p> <p>The E-Collate Business is substantially reliant on its ability to protect and maintain its intellectual property interests. The ability of the Company to obtain and sustain patents, maintain trade secret protection and operate without infringing proprietary rights of third parties will therefore be an integral part of the Company's business in the event that the Acquisition proceeds.</p> <p>E-Collate is looking at patent applications in order to protect its multi-platform compliance technology. However, if the Company fails to protect its future developments and intellectual property rights, competitors may gain access to its technology which would in turn harm its business.</p>	
<b>E. Directors and Key Management Personnel</b>		
Who are the Directors?	<p>It is proposed that upon Settlement of the Acquisition each of Mark Rowbottam, Peter Wall and Zane Lewis will remain on the Board.</p> <p>The profiles of each of the Directors are set out in Section 10.1. Details of the personal interests of those persons set out above are set out in Section 10.3.</p>	Sections 10.1 and 10.3
Key Management Personnel	<p>After successful completion of the Acquisition, it is proposed that Mr Bowen Plug and Ms Quinn Cai will be appointed as Chief Executive Officer and Chief Technology Officer of the Company.</p> <p>The profiles of Mr Plug and Ms Cai are set out in Section 10.2 and a summary of the material terms and conditions of their proposed employment with the Company is set out in Section 13.4.</p>	Sections 10.2 and 13.4

Item	Summary	Further information
<b>F. Financial Information</b>		
How have GRP and E-Collate performed over the past 12 months?	The audited statements of financial position of each of GRP and E-Collate as at 30 June 2015 and 22 October 2015 respectively are set out in the Investigating Accountant's Report in Section 11.	Section 11
What is the financial outlook for the Merged Group?	The operations of GRP and E-Collate are inherently uncertain. As such, the Directors believe that they do not have a reasonable basis to forecast future earnings.	Sections 8.8, 11 and 14.11
How will the Company fund its activities?	The funding for GRP's short to medium term activities will be generated from money raised under the Public Offer.	Section 7.4
<b>G. Offers</b>		
What is the purpose of the Public Offer?	<p>The purpose of the Public Offer is:</p> <ul style="list-style-type: none"> <li>(a) for funding to develop the E-Collate Business;</li> <li>(b) for funding to meet the ongoing immediate working capital needs of the Company; and</li> <li>(c) to meet the requirements of the ASX and satisfy Chapters 1 and 2 of the ASX Listing Rules.</li> </ul> <p>The purpose of the Public Offer is also to provide sufficient additional working capital to meet the Company's anticipated overhead and administration expenses over the next twenty four months. On completion of the Minimum Subscription under the Public Offer, the Board believes the Company will have sufficient working capital to achieve these objectives.</p> <p>The Company intends to apply funds raised from the Public Offer, together with existing cash reserves of the Company post-Acquisition, over the first two years following reinstatement of the Company to quotation on the Official List in the manner set out in the table in Section 7.4.</p>	Section 7.3
What is the purpose of the Non Fundraising	The purpose of the Non Fundraising Offers is to remove the need for an additional disclosure document to be issued upon the sale of any	Section 7.3

Item	Summary	Further information
Offers?	Shares or Options (or any Shares issued upon conversion of the Options) that are issued under these Offers.	
What is being offered and who is entitled to participate?	<p>The Company is inviting applications under the Public Offer for 120,000,000 Shares at an issue price of \$0.03 per Share to raise \$3,600,000.</p> <p>The Public Offer is open to retail and sophisticated investors in Australia, Singapore and Hong Kong. As such, the Company is not in a position to guarantee a minimum allocation of Shares under the Public Offer.</p> <p>The Public Offer is not underwritten.</p> <p>The Company is also making the Non Fundraising Offers of Securities to the E-Collate Shareholders, Convertible Noteholders and Debtors respectively.</p> <p>You should not complete an Application Form in relation to the Non Fundraising Offers unless specifically directed to do so by the Company.</p>	Sections 7.1 and 7.2
What will the Company's capital structure look like after completion of the Offers and the Acquisition?	Refer to Section 8.11 for a pro forma capital structure following Settlement of the Acquisition.	Section 8.11
What are the terms of the Securities offered under the Offers?	<p>A summary of the material rights and liabilities attaching to the Shares offered under the Offers are set out in Section 14.2.</p> <p>A summary of the material rights and liabilities attaching to the Options offered under the respective Offers are set out in Sections 14.3 and 14.4.</p>	Sections 14.2, 14.3 and 14.4
Will any Securities be subject to escrow?	Subject to the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offers, certain Securities (including those issued to the E-Collate Shareholders as consideration for the Acquisition) on issue may be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation.	Section 8.14

Item	Summary	Further information
	The Company will announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Company's listed securities being reinstated to trading on ASX (which reinstatement is subject to ASX's discretion and approval).	
Will the Securities be quoted?	Application for quotation of all Shares to be issued under the Offers will be made to ASX no later than 7 days after the date of this Prospectus.	Section 7.7
What are the key dates of the Offers?	The key dates of the Offers are set out in the indicative timetable in Section 3.	Section 3
What is the minimum investment size under the Public Offer?	Applications under the Public Offer must be for a minimum of \$2,000 worth of Shares (66,667 Shares) and thereafter, in multiples of \$200 worth of Shares (6,667 Shares).	Section 7.1(c)
Are there any conditions to the Offers?	<p>The Offers are conditional on:</p> <ul style="list-style-type: none"> <li>(a) the Company raising the Minimum Subscription under this Prospectus;</li> <li>(b) ASX conditional approval to re-admit the Shares to Official Quotation; and</li> <li>(c) the Company entering into share sale agreements with the shareholders of E-Collate such that the Company is unconditionally entitled to acquire 100% of the issued E-Collate securities.</li> </ul> <p>If any of these Conditions are not satisfied, the Acquisition and the Offers will not proceed.</p>	Section 2.4
<b>H. Use of proceeds</b>		
How will the proceeds of the Public Offer be used?	<p>Together with existing cash reserves of the Company, the Public Offer proceeds will be used to fund:</p> <ul style="list-style-type: none"> <li>(a) expenses of the Offers and Acquisition;</li> <li>(b) immediate working capital needs of the Company;</li> <li>(c) meet the ongoing administration costs of the Company; and</li> <li>(d) develop and market the E-Collate business and new business</li> </ul>	Section 7.4

Item	Summary	Further information
	opportunities.	
<b>I. Additional information</b>		
Is there any brokerage, commission or duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on the acquisition of Securities under the Offers.	Section 7
What are the tax implications of investing in Shares?	<p>Holders of Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Shares issued under this Prospectus.</p> <p>The tax consequences of any investment in Securities will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Shares offered under this Prospectus.</p>	Section 7.10
Where can I find more information?	<ul style="list-style-type: none"> <li>• By speaking to your sharebroker, solicitor, accountant or other independent professional adviser.</li> <li>• By reviewing the Company's public announcements, which are accessible from ASX's website at <a href="http://www.asx.com.au">http://www.asx.com.au</a> under the ASX code "GRP".</li> <li>• By visiting the GRP Corporation Limited website at <a href="http://www.grpcorporation.com.au">http://www.grpcorporation.com.au</a>.</li> <li>• By contacting Mark Rowbottom on +61 8 9385 0700.</li> <li>• By contacting the Share Registry on 1300 554 474 or +61 1300 554 474.</li> </ul>	

---

## 6. TRANSACTION OVERVIEW

### 6.1 The Company

The Company was incorporated on 11 May 2001 and admitted to the Official List on 19 March 2003 under the name Greater Pacific Capital Limited as a diversified financials company with exposure to the provision and management of finance facilities to various property and infrastructure developments. The Company was suspended from the Official List on 25 August 2009 and entered into a Deed of Company Arrangement on 13 August 2010. Since the Deed of Company Arrangement, GRP has entered into, but not completed, a number of transactions with the intention of delivering shareholder growth.

For the past twelve months, GRP has been evaluating alternative corporate opportunities, both in Australia and overseas, which have the potential to deliver strong future growth for Shareholders. During this period GRP entered into an agreement to acquire Helpa Inc. and its social media network business. This agreement was terminated in January 2015 and the companies have subsequently fully released each other from any obligations or liabilities.

GRP's only assets at present are its contractual rights in respect of the Acquisition pursuant to the Acquisition Agreement.

### 6.2 The Acquisition

As announced on 20 October 2015, the Company entered into the Acquisition Agreement with E-Collate Limited (ACN 608 766 123) (**E-Collate**) and Shareholders of E-Collate who together hold 33.33% of E-Collate Shares (**Majority Shareholders**) to conditionally acquire 100% of the issued capital in E-Collate (**Acquisition**). A summary of the material terms of the Acquisition Agreement is set out in Section 13.1.

The Company announced to ASX on 5 November 2015 that GRP and E-Collate had completed and satisfied their due diligence enquiries on the other party.

Upon successful Settlement of the Acquisition, the Company will focus on developing the E-Collate Business. A more detailed summary of E-Collate and the proposed business of the Company following Settlement is set out in Section 8.

The Board considers that the quantum of the Consideration Securities issued by the Company for the Acquisition reflects a reasonable fair value of E-Collate in view of the key investment highlights set out in Section 6.3 of this Prospectus and the Company having conducted arm's length negotiations with the vendors of E-Collate to arrive at the commercial terms of the Acquisition.

In determining the Consideration Securities to be issued for the Acquisition, the Company also took into account the following considerations:

- (a) internal revenue and profit forecasts of E-Collate. However, those forecasts cannot be stated publically as they do not comply with ASIC guidelines (in particular, ASIC Regulatory Guide 170 which requires directors to have a reasonable basis for disclosing forecast financial information);
- (b) the future prospects of E-Collate based on the status of its technology portfolio and interest from third parties; and

- (c) representations from the E-Collate directors as to the price at which a takeover offer for E-Collate would be likely to succeed.

As with the acquisition of any business or asset that does not have a meaningful track record of revenue and profitability, there is not always a good valuation methodology available when determining the purchase price and the existing Directors were required to take into account qualitative factors such as those set out above in coming to a decision on the Acquisition price.

### 6.3 Key investment highlights

The Directors and Incoming Key Management personnel are of the view that key highlights of an investment in the Company include:

- (a) the Acquisition represents an attractive investment opportunity for the Company to change its business focus to that of a technology company. At present, the Company does not have any substantive operations. On Settlement of the Acquisition, Shareholders will have the opportunity to participate in the benefits associated with holding Shares in the E-Collate technology company which is developing various technologies, including the E-Collate Business;
- (b) upon Settlement, the Company will obtain ownership of the E-Collate Business including the E-Collate Application (App). With increasing global use of business apps, the Company will be exposed to an industry which has potential to grow significantly;
- (c) if the Acquisition proceeds, Shareholders will have exposure to returns generated by the Company's activities in the technology industry. While the expenses associated with E-Collate's future business plan should also be taken into account, the current economic downturn and resultant impact on returns may limit the returns available to Shareholders if the Acquisition does not proceed; and
- (d) the funding and cash reserves of the Company and its ability to raise new funding in order to pursue its objectives are currently constrained. The Public Offer will inject significant funds into the Company in the context of its current funding profile. This will enable it to undertake preliminary actions in pursuance of its new direction and growth activities. The proposed redevelopment works discussed in this Prospectus represent a significant growth opportunity for the Company and Shareholders will have exposure to the advantages that this growth opportunity presents.

### 6.4 Business Summary

E-Collate Pty Ltd is a Melbourne based technology company that builds compliance solutions for consumers, corporate services and the financial services industry. Established in October 2015, the Company develops and is commercialising a mobile app network for online compliance known as E-Collate.

The concept of the E-collate technology platform was created by founder Bowen Plug in 2008 for the management of data, resources and communications in the education sector while working in Japan. In July 2014, Mr Plug realised the broader potential demand for the core technology to be applied across other industries and he commenced development of the initial

version focussed on corporate documentation management and superannuation fund compliance management.

The E-Collate platform is currently being adapted and developed for commercial release to the SMSF sector in Australia. The Company will also adapt, develop and release dedicated versions for corporate compliance, project management, taxation compliance and other major industry sectors in Australia and overseas.

The main aspects of the E-Collate Business are:

- (a) **Technology development – E-Collate App:** E-Collate’s development arm is currently developing an App that simplifies and streamlines the way in which people collate data required to comply with SMSF reporting requirements, called “E-Collate SMSF”. It is intended that the E-Collate App will be a collation tool that works across multiple platforms including messaging, social media and email apps allowing users to collate communications and data to simplify and support their SMSF reporting obligation thereby improving compliance at a reduced cost in less time.
- (b) **Business Development and Marketing:** E-Collate will launch its E-Collate App and future Apps through the usual platforms and support uptake with targeted advertising to the clearly define target customers as part of a coordinated marketing strategy. E-Collate will also target co-branding opportunities and distribution channel partners to maximise the rate of uptake of its products.

Please refer to Section 8 for a more detailed summary of the Company’s proposed business following Settlement of the Acquisition.

## 6.5 Suspension and Re-admission to ASX

As the Company is currently a suspended diversified financials company, the Acquisition, if successfully completed, will represent a significant change in the nature and scale of the Company’s operations to a technology provider.

ASX has indicated that this change in the nature and scale of the Company’s activities will require:

- (a) the approval of Shareholders (which was obtained at the General Meeting); and
- (b) the Company to re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules.

The Shares will not be reinstated to Official Quotation until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and is re-admitted by ASX to the Official List.

Some of the key requirements of Chapters 1 and 2 of the ASX Listing Rules are:

- (a) the Company must satisfy the Shareholder spread requirements relating to the minimum number of Shareholders and the minimum value of the shareholdings of those Shareholders;
- (b) the Company must satisfy the “assets test” as set out in ASX Listing Rule 1.3; and

- (c) the issue price of Shares must be at least 20 cents and the exercise price of Options must be at least 20 cents (**20 Cent Requirements**).

On 20 November 2015, ASX granted the Company a waiver from the 20 Cent Requirements to enable the Company to issue Shares under the Public Offer at \$0.03 per Share and to have Options on issue with an exercise price of less than 20 cents.

It is expected that the conduct of the Offers pursuant to this Prospectus will enable the Company to satisfy the above requirements.

Applicants should be aware that ASX will not re-admit or admit any Shares to Official Quotation until the Company re-complies with Chapters 1 and 2 of the ASX Listing Rules and is re-admitted by ASX to the Official List. In the event that the Company does not receive conditional approval for re-admission to the Official List, the Company will not proceed with the Offers and will repay all Application monies received by it in connection with this Prospectus (without interest). The Company's Shares will remain in suspension and the Company will continue to look for new corporate opportunities.

## 6.6 Shareholder Approvals for the Acquisition

The Company called the General Meeting primarily for the purpose of seeking the approval of Shareholders to a number of resolutions required to implement the Acquisition, which was a condition of the Acquisition.

At the General Meeting, Shareholders approved the following resolutions:

- (a) the significant change in the nature a scale of the Company's activities to become a telecommunications technology company, for which Shareholder approval is required under ASX Listing Rule 11.1.2 ;
- (b) the issue of 120,000,000 Shares at \$0.03 per Share to raise \$3,600,000 (**Minimum Subscription**) under the Public Offer;
- (c) the issue at Settlement of:
- (i) 10,000,000 Shares (**Consideration Shares**); and
  - (ii) 10,000,000 Options, the terms and conditions of which are set out at Section 14.4,
- (together the **Consideration Securities**), to the E-Collate Shareholders in consideration for the Acquisition, so that the Company will acquire all the issued capital in E-Collate);
- (d) the establishment of a Performance Incentive Scheme for employees and non-executive directors on terms acceptable to E-Collate and the Company; and
- (e) the Company changing its name to Transcendence Technologies Limited.

In addition, it is a condition of the Acquisition that the Company enters into share sale agreements with the shareholders of E-Collate such that the Company is unconditionally entitled to acquire 100% of the issued E-Collate Shares.

**6.7 Change of Name**

It is also proposed that the Company will change its name to “Transcendence Technologies Limited” on Settlement of the Acquisition, which in the Company’s opinion will be better suited to the Company’s new strategic direction.

For personal use only

---

## 7. DETAILS OF THE OFFERS

### 7.1 Public Offer

The Company is inviting applications under the Public Offer for 120,000,000 Shares at an issue price of \$0.03 per Share to raise \$3,600,000.

All Shares issued under this Prospectus will be fully paid and will rank equally with all other Shares then currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 14.2.

(a) *Minimum subscription*

The Public Offer is subject to a minimum subscription of 120,000,000 Shares to raise \$3,600,000 (**Minimum Subscription**).

If the Minimum Subscription has not been raised within 4 months after the date of this Prospectus, the Company will not issue any Shares and will repay all Application monies for the Shares applied for under the Public Offer within the timeframe prescribed under the Corporations Act, without interest.

(b) *Underwriting*

The Public Offer is not underwritten.

(c) *Minimum application amount*

Applications under the Public Offer must be for a minimum of \$2,000 worth of Shares (66,667 Shares) and thereafter, in multiples of \$200 worth of Shares (6,667 Shares).

(d) *Eligible participants*

To participate in the Public Offer, you must be a resident of Australia, Hong Kong or Singapore. See Section 7.9 for further details.

The Shares under the Public Offer will be placed to investors at the discretion of the Directors in consultation with the Lead Manager.

(e) *Quotation and trading*

Application for quotation of all Shares issued under the Public Offer will be made to ASX no later than 7 days after the date of this Prospectus. See Section 7.7 for further details.

No Shares issued pursuant to the Public Offer will be subject to any escrow requirement by the ASX.

### 7.2 Non Fundraising Offers

This Prospectus also contains the following offers:

- (a) (**Vendor Consideration Offer**) 10,000,000 Shares and 10,000,000 Options to be issued to the E-Collate Shareholders as consideration for the acquisition by the Company of 100% of the issued capital of E-Collate pursuant to the Acquisition Agreement, the material terms of which are summarised at Section 13.1 of this Prospectus;

- (b) **(Noteholder Offer)** 12,000,000 Shares and 12,000,000 Options to the Convertible Noteholders, to be issued upon conversion of the Convertible Notes. Conversion of the Convertible Notes was subject to Shareholder approval, which was obtained at the General Meeting; and
- (c) **(Debtor Offer)** 8,310,000 Shares to the Debtors in order to discharge debts of \$249,300 that were owed by the Company.

The terms of the Consideration Options and Noteholder Options are set out in Sections 14.3 and 14.4 respectively.

Application for quotation of the Shares issued under the Non Fundraising Offers will be made to ASX no later than 7 days after the date of this Prospectus. See Section 7.7 for further details.

Only the E-Collate Shareholders (or their nominees) may accept the Vendor Consideration Offer. A personalised Application Form in relation to the Vendor Consideration Offer will be issued to the E-Collate Shareholders together with a copy of this Prospectus.

The Securities issued under the Vendor Consideration Offer may be subject to escrow under the ASX Listing Rules and/or voluntary escrow restrictions. Please refer to Section 8.14 for further details.

### 7.3 Purpose of the Offers

The primary purposes of the Offers are to:

- (a) assist the Company to meet the re-admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules (e.g. Shareholder spread) (see Section 6.5 for further details);
- (b) provide the Company with additional funding to develop the E-Collate business and provide the Company with sufficient working capital to meet its anticipated overhead and administrative expenses (see Section 7.4 for further details); and
- (c) remove the need for an additional disclosure document to be issued upon the sale of any Shares that are to be issued under the Public Offer by retail investors or the sale of any Securities issued under the Non Fundraising Offers.

The Company intends on applying the funds raised under the Public Offer along with its current cash reserves in the manner detailed in Section 7.4.

The purpose of the Non Fundraising Offers is to remove the need for an additional disclosure document to be issued upon the sale of any of those securities.

### 7.4 Use of Funds

The Company intends to apply funds raised from the Public Offer, together with existing cash reserves, in the next two years following re-admission to the Official List (for the purpose of satisfying ASX's requirements for re-listing following a significant change to the nature and scale of the Company's activities) as follows:

<b>Funds available</b>	<b>Full Subscription (\$3,600,000)</b>	<b>Percentage of Funds (%)</b>
<b>Existing cash reserves of the Company<sup>1</sup></b>	<b>\$257,000</b>	<b>6.66%</b>
<b>Funds raised from the Public Offer</b>	<b>\$3,600,000</b>	<b>93.34%</b>
<b>Total</b>	<b>\$3,857,000</b>	<b>100%</b>
<b>Allocation of funds</b>	<b>Full Subscription (\$3,600,000)</b>	<b>Percentage of Funds (%)</b>
<b>Marketing Activities</b>	<b>\$820,000</b>	<b>21.26%</b>
Graphics and Design	\$40,000	
Online Marketing	\$180,000	
Hard copy advertising	\$200,000	
Business Developing Manager	\$300,000	
<b>Technology and Development</b>	<b>\$1,300,000</b>	<b>33.71%</b>
Database System Development	\$580,000	
App User Interface	\$340,000	
Bolt on Modules	\$580,000	
<b>Technology Acquisitions</b>	<b>\$900,000</b>	<b>23.33%</b>
OCR Module	\$210,000	
Voice to Text Conversion	\$70,000	
Other	\$620,000	
<b>Expenses associated with the Acquisition<sup>2</sup></b>	<b>\$400,000</b>	<b>10.37%</b>
<b>Working capital<sup>3</sup></b>	<b>\$437,000</b>	<b>11.33%</b>
<b>TOTAL</b>	<b>\$3,857,000</b>	<b>100%</b>

#### Notes

- These funds represent existing cash held by the Company at or around the date of this Prospectus. The Company expects to incur costs within the ordinary course of its business which will diminish this amount prior to Settlement.
- Refer to Section 14.8 of this Prospectus for further details.
- Working capital includes the general costs associated with the management and operation of the business including salaries & wages (approximately 60%), payroll and other administration expenses (approximately 20%), occupancy costs (approximately 20%) and other costs.

The above table is a statement of current intentions as of the date of lodgement of this Prospectus with the ASIC. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the way funds are applied on this basis.

On completion of the minimum raising of \$3,600,000 under the Public Offer, the Board believes the Company will have sufficient working capital to achieve these objectives.

Actual expenditure may differ significantly from the above estimates due to a change in market conditions, the development of new opportunities and other factors (including the risk factors outlined in Section 9).

## 7.5 Applications

Applications for Securities under the Offers must be made using the relevant Application Form. By completing an Application Form, you will be taken to have declared that all details and statements made by you are complete and accurate and that you have received personally the Application Form together with a complete and unaltered copy of the Prospectus.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**.

Applications under the Public Offer must be accompanied by payment in full in Australian currency by cheque or direct debit in accordance with the instructions set out in the Application Form. As stated above, the Shares under the Public Offer will be placed to investors decided by the Company and the Lead Manager.

Participation in the Non Fundraising Offers are personal and personalised Application Forms in relation to these offers will be issued to the relevant participants together with a copy of this Prospectus.

The Offers are conditional on certain matters, as discussed in Section 2.4. Where no issue is made under the Offers, Application monies will be refunded (without interest) to the Applicants as soon as practicable after the Closing Date.

The Company reserves the right to close the Offers early.

If you require assistance in completing an Application Form, please contact the Share Registry on [1300 554 474](tel:1300554474).

## 7.6 Issue of Shares and Allocation Policy

### (a) General

Subject to the Minimum Subscription being achieved and the satisfaction of each of the Conditions (see Section 2.4), the issue of Securities offered by this Prospectus will take place as soon as practicable after the Closing Date and in accordance with the timetable set out in Section 3.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

(b) **Offers**

(i) Public Offer

The Directors will determine the recipients of the Shares under the Public Offer in their sole discretion in consultation with the Lead Manager.

The Directors reserve the right to reject any Application or to allocate any Applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date.

There is no guaranteed allocation of Shares under the Public Offer. The Company's decision on the number of Shares to be allocated to an Applicant will be final.

(ii) Non Fundraising Offers

The Non Fundraising Offers are specific offers being made to the E-Collate Shareholders, Convertible Noteholders and Debtors. As such, the Securities under those Offers will be allocated and issued to those parties (or their nominees) only.

As the necessary Shareholder approvals were obtained at the General Meeting, the allocations for the Non Fundraising Offers are guaranteed.

(c) **Acceptance of Applications**

A completed Application Form is an offer by you to the Company to apply for the amount of Securities specified in the Application Form on the terms and conditions set out in this Prospectus (including any supplementary or replacement document) and the Application Form. To the extent permitted by law, an application by an Applicant is irrevocable.

An application may be accepted in respect of the full amount, or any amount lower than that specified in the Application Form, without further notice to the Applicant. Acceptance of an application will give rise to a binding contract on allocation of Shares to successful Applicants.

Applications must ensure that they complete the Application Form that is relevant to the correct Offer.

(d) **Defects in Applications**

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

For personal use only

(e) **Interest**

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

**7.7 Quotation of Shares**

The Company will apply for Official Quotation of all Shares issued under this Prospectus within 7 days after the date of this Prospectus. However, Applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be re-admitted to the Official List (see Section 6.5). As such, the Shares may not be able to be traded for some time after the close of the Offers.

If the Shares are not admitted to Official Quotation by ASX before the expiration of 3 months after the date of this Prospectus, or such period as varied by the ASIC, or if ASX otherwise rejects the Company's application for re-admission to the Official List (see Section 6.5), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest. In those circumstances the Company will not proceed with the Acquisition.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

**7.8 Clearing House Electronic Sub-Register System and Issuer Sponsorship**

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX, operates CHESS. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with holding statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The holding statements will also advise holders of their Holder Identification Number (if the holder is broker sponsored) or Security Holder Reference Number (if the holder is issuer sponsored) and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Electronic sub-registers also mean ownership of Securities can be transferred without having to rely upon paper documentation. Further, monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month. Shareholders may request a holding statement at any other time, however a charge may be made for such additional statements.

**7.9 Applicants outside Australia**

This Prospectus does not, and is not intended to, constitute an offer of, or invitation to apply for, Securities in any place or jurisdiction, or to any person to

whom, it would not be lawful to make such an offer or invitation. 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. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Securities or otherwise permit an offering of the Securities the subject of this Prospectus in any jurisdiction outside Australia. Persons who are resident in countries other than Australia should not apply for Securities under the Offers.

If you are outside Australia, it is your responsibility to ensure compliance with all laws of any country relevant to, and obtain all necessary approvals for, the issue of the Securities pursuant to this Prospectus. The return of a completed Application Form will be taken by GRP to constitute a representation and warranty by you that there has been no breach of any such laws and all relevant approvals have been obtained.

Where this Prospectus has been dispatched to persons in jurisdictions outside of Australia, in which the securities legislation or regulation requires registration or any analogous treatment, this Prospectus is provided for information purposes only. Other than Australia, this Prospectus has not been and will not be registered under any such legislation or regulation or in any such jurisdiction.

### **Singapore**

This document and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Shares, may not be issued, circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's securities, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

### **Hong Kong**

WARNING: This Prospectus has not been, and will not be, registered as a Prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of (**CWUMP**) Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has

been taken in Hong Kong to authorise or register this Prospectus or to permit the distribution of this Prospectus or any documents issued in connection with it. Accordingly, the Securities have not been and will not be offered or sold in Hong Kong by means of any document other than (a) to "professional investors" (as defined in the SFO) or (b) in other circumstances which do not result in the document being a "Prospectus" as defined in the CWUMP or which do not constitute an offer to the public within the meaning of the CWUMP.

No advertisement, invitation or document relating to the Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person issued Securities may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such Securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offers. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

#### **7.10 Taxation**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential Applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

#### **7.11 Commissions payable**

The Company is paying the Lead Manager the fees as set out in Section 13.2.

#### **7.12 Enquiries**

If you have any queries in relation to the Offers, please contact Mark Rowbottam, a Director on +61 8 9385 0700.

---

## 8. COMPANY OVERVIEW

### 8.1 Business Overview

As detailed in Section 6.1, the Company's primary operations up until 2009 was a diversified financials company with exposure to the provision and management of finance facilities to various property and infrastructure developments. For the past twelve months, the Company has been evaluating alternative corporate opportunities, both in Australia and overseas, which have the potential to deliver strong future growth for Shareholders.

The Company's only assets at present are its contractual rights in respect of the E-Collate Acquisition pursuant to the Acquisition Agreement.

As announced on 8 July 2015, the Company entered into the Acquisition Agreement, a summary of its material terms is set out in Section 13.1.

### 8.2 Background and overview of E-Collate

#### (a) Background

The concept of the E-Collate technology platform was created by founder Bowen Plug in 2008 for the management of data, resources and communications in the education sector while working in Japan. In July 2014, Mr Plug realised the broader potential demand for the core technology to be applied across other industries and he commenced development of the initial version focussed on corporate documentation management and superannuation fund compliance management.

E-Collate Pty Ltd was incorporated in October 2015 by Bowen Plug to commercialise the core technology.

E-Collate's vision is to be the leading provider of communication platforms and data systems to link multi-source data to provide meaningful information for efficient decision making. The solutions include networks, websites and mobile applications for cross platform compliance and decision support. E-Collate owns the domain name "**www.e-collate.com**" as well as "**www.e-collate.com.au**".

E-Collate is a private company registered in Victoria, Australia which holds intellectual property assets, domains and a business underpinning its cross platform information system E-Collate.

#### **E-Collate Team**

E-Collate brings with it a leading team of software engineers with the development and commercial skills to complete the development of the E-Collate App and platform.

#### **Bowen Plug**

Bowen Plug holds a Bachelor of Science (Mathematics and Physics), Masters of Electronics Engineering and Post Graduate Diploma of Pure Mathematics from the University of Melbourne. He has over 6 years experience in programming and data analysis and has led teams developing productivity and business management software platforms.

## Quinn Cai

Quinn Cai holds a Bachelor of Engineering (Automation) and Masters of Electronics Engineering from the University of Melbourne. She is highly proficient and experienced in the development of automation software platforms. Quinn specialises in the development of accessible interfaces for presenting complex data, with a particular interest in the integration of communications systems.

### (b) Main business aspects

The main aspects of the current E-Collate Business involves:

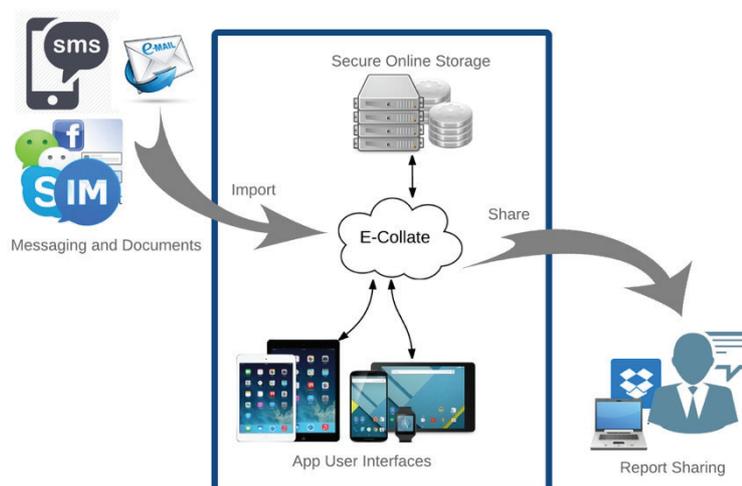
- **Technology development – E-Collate App**

E-Collate is currently developing and commercialising an App that reinvents the way people deal with compliance management for individuals and organisations.

E-Collate’s initial SMSF App will target SMSF members in Australia, comprising a number of features for compliance management. Key parts of the user interfaces and algorithms will also be used in a number of other mobile app platforms for other industry sectors including corporate compliance, project management and taxation compliance.

The E-Collate App enables people to collate and securely share their electronic documents and financials sourced across various platforms including SMS, e-mail, instant messages and banking data. The app overcomes the need to manually collect documents and contextual information from ad-hoc sources for each audit or annual tax return. The E-Collate App is intended to reduce the workload for SMSF members and trustees and minimises risk of compliance breaches.

The Company believes these substantial benefits will provide an enjoyable and efficient experience for end-users, leading to product loyalty for both end-users and companies that administrate SMSF accounts. E-Collate expects to improve the software interfaces on an ongoing basis, thereby increasing benefits to the market and value for investors.



The future of E-Collate comprises the development and launch of its online SMSF app for compliance as well as the development and launch of the app for other industries.

(c) **Business Operation Model**

The model for business operations of E-Collate includes the following:

- **Applications department** responsible for populating templates and document flow systems with specific data to apply the underlying E-Collate system to markets such as for SMSF compliance.
- **Marketing and sales department** responsible for building cross-selling opportunities with SMSF participants and corporate channel partnering programs and driving up subscriptions of the App.
- **Development and engineering department** responsible for developing the underlying software technology system at the core of E-Collate.

### 8.3 Industry Overview

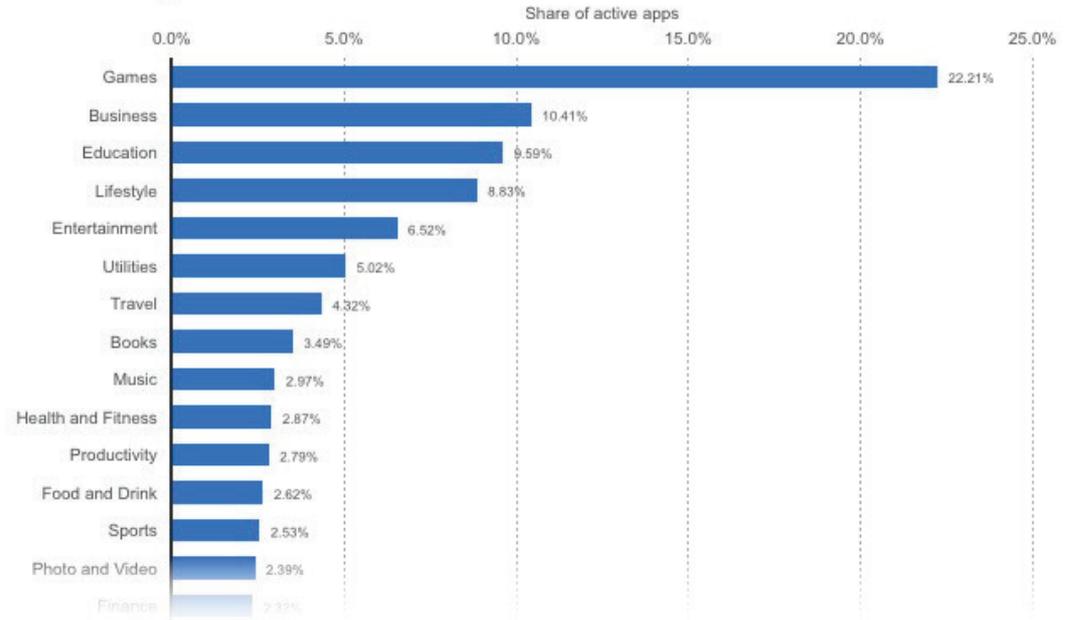
E-Collate's products and services are targeted to compete in the cloud hosted mobile app services markets for compliance, reporting and document collation in Australia and worldwide. The industry landscape for the applicable areas are set out below. The Board believe that E-Collate is well positioned to participate in the perceived growth.

## Mobile Business Apps

Business apps form a large portion of the current Apps from the Apple Store and can offer exciting disruptive potential to rewrite business processes which have a purpose to save operators large amounts of money. For example, business targeted apps formed 10% of all apps available on the Apple App Store in September 2015 as referenced in the below diagram.

Most popular Apple App Store categories 2015

### Most popular Apple App Store categories in September 2015, by share of available apps



Note: Worldwide; September 2015; Current active applications

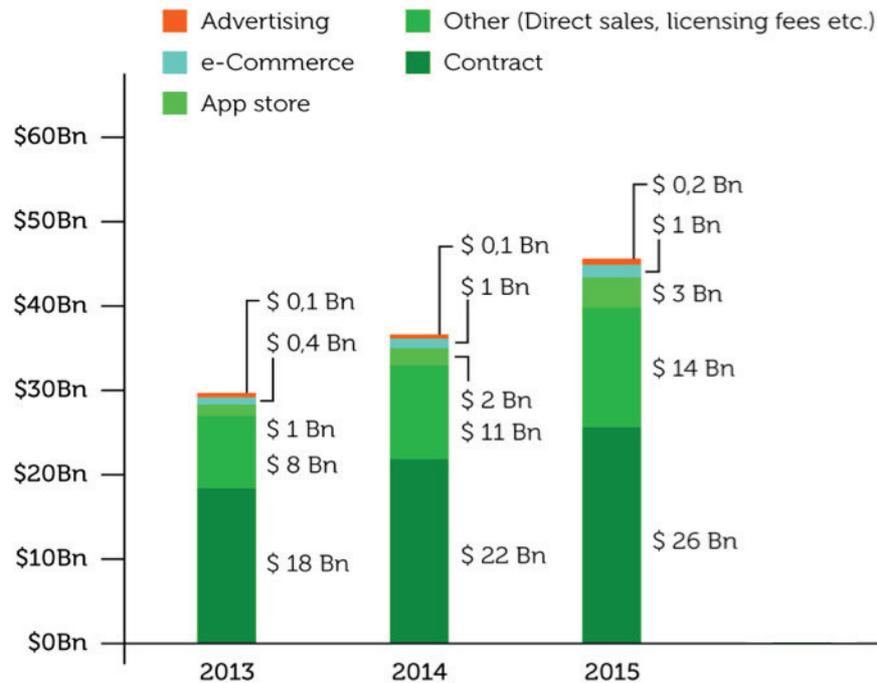
See: <http://www.pocketgamer.biz/metrics/app-store/categories/> for details

Source: PocketGamer.biz; ID 270291

Furthermore, monetisation in the business app market can be very successful, with approximately \$30 billion USD in revenue derived from this market sector in 2013 as shown in the diagram below.

## REVENUE SOURCES FOR BUSINESS APPS

900,000 developers worldwide were developing apps targeting businesses and professionals in 2013



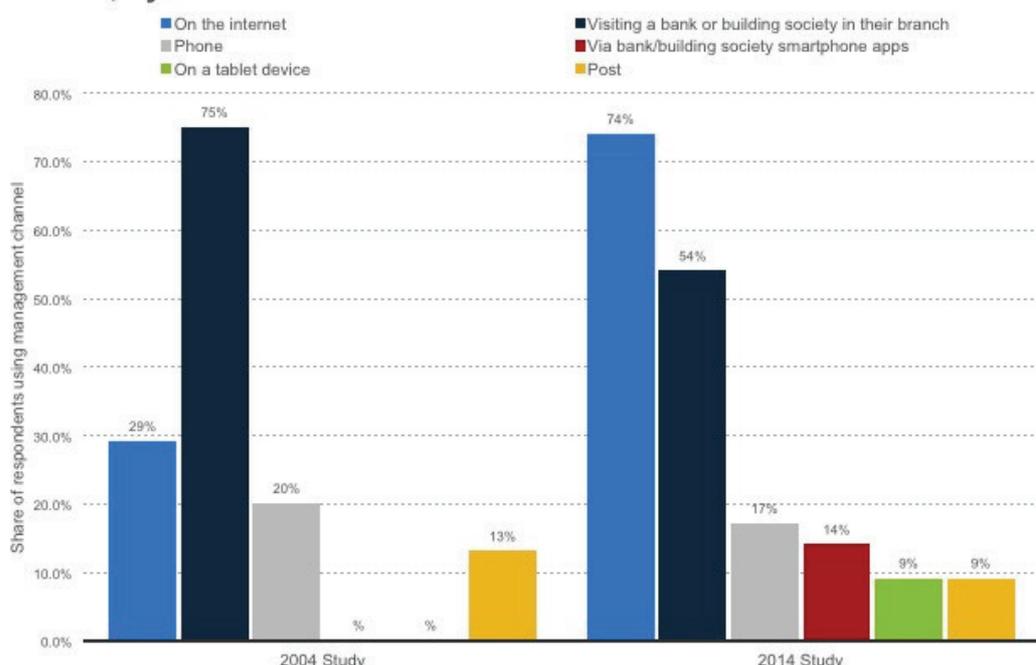
Licensed under CC BY ND | Copyright VisionMobile

Source: Business and Productivity Apps | [www.visionmobile.com/AppMarket](http://www.visionmobile.com/AppMarket)

For personal use only

More specifically, use of Apps for management of personal finances has increased rapidly and can be seen to reflect increasing confidence in the technology as the industry expands and matures. From 2004 to 2014, the majority of respondents in the UK moved to the internet to manage their finances instead of meeting their advisers and branch staff in person as shown in the diagram below. Only a few years later, more people are expected to manage their finances by smartphone app than in person at a branch. Overall, apps running on tablets or smartphones are gaining in popularity for managing personal financial affairs.

Methods for managing personal finance in Great Britain 2004 and 2014  
**Changes in methods used to manage personal finances between 2004 and 2014, by channel**



Note: Great Britain; December 2013; 16 years and older; 2426 Respondents; British adults  
 See <http://nsandi-corporate.com/the-changing-face-of-savings-10-years-of-nsis-quarterly-savings-survey/> for details  
 Source: NS&I; ID 328354

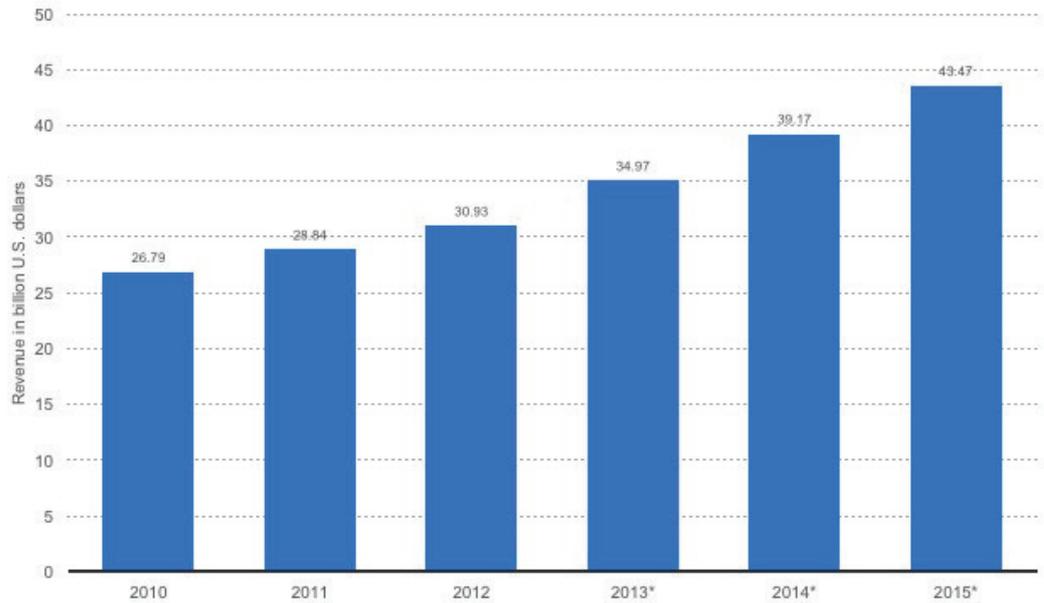
Should customers paying for reliable and useful mobile Apps become the norm, it is hoped that this confidence and trust from the consumer market will carry across to the business sector for mobile apps. The Company believes that the business App sector presents an exciting prospect for newcomers into the market who are able to provide an elegant offering with native mobile interfaces and forge a broad user base.

## Cloud Based Business Services

Cloud computing describes the use of networks of remote servers - usually accessed over the Internet - to store, manage, and process data. For customers, cloud computing offers access to numerous technologies while lowering the barriers to entry, such as technical expertise or costs.

Cloud services: business process services revenue 2010-2015

### Global cloud service revenue from business process services from 2010 to 2015 (in billion U.S. dollars)



Note: Worldwide; 2009 to 2014

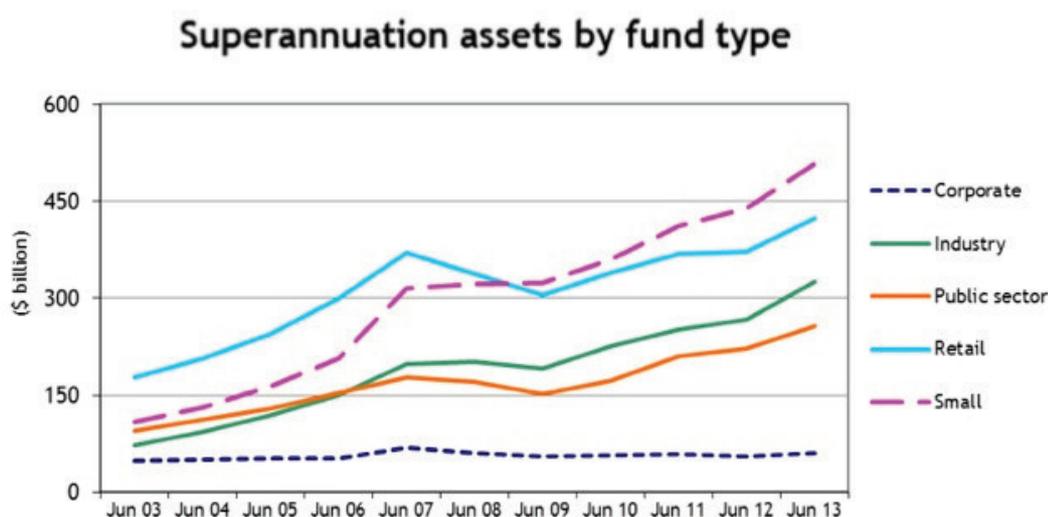
Further information regarding this statistic can be found on the Statista site.

Source: Forbes; Gartner; [ID 203444](#)

## Compliance and SMSF Administration

The Self-Managed Superannuation Fund (SMSF) sector is a large component of the Australian financial sector. SMSFs are used to access special tax treatment on income deferred to retirement while both minimising commissions and retaining control over where money is invested. Superannuation fund growth is underpinned by the compulsory contributions regime established in Australia, with especially onerous regulatory and reporting requirements attached for those operating an SMSF.

A major dynamic in the general superannuation industry is consolidation and merging amongst super funds, as they compete for equity against each other. In particular, corporate and retail funds have lost 6% of market share to small funds (SMSFs etc).<sup>1</sup> In spite of this rigorous competition in the general superannuation sector, SMSFs have increased in total fund holdings and continue to dominate the industry.



<sup>1</sup> APRA June 2013 Annual Superannuation Bulletin. Accessed from <http://www.apra.gov.au/Super/Publications/Pages/annual-superannuation-publication.aspx>

There are already 1,000,000 members of SMSFs in Australia according to ATO data in 2015 and around \$600 billion total in assets. Over 32,000 new SMSF's were set up in the financial year ending June 2015 alone from a total of 556,998 funds operating at that time.<sup>2</sup>

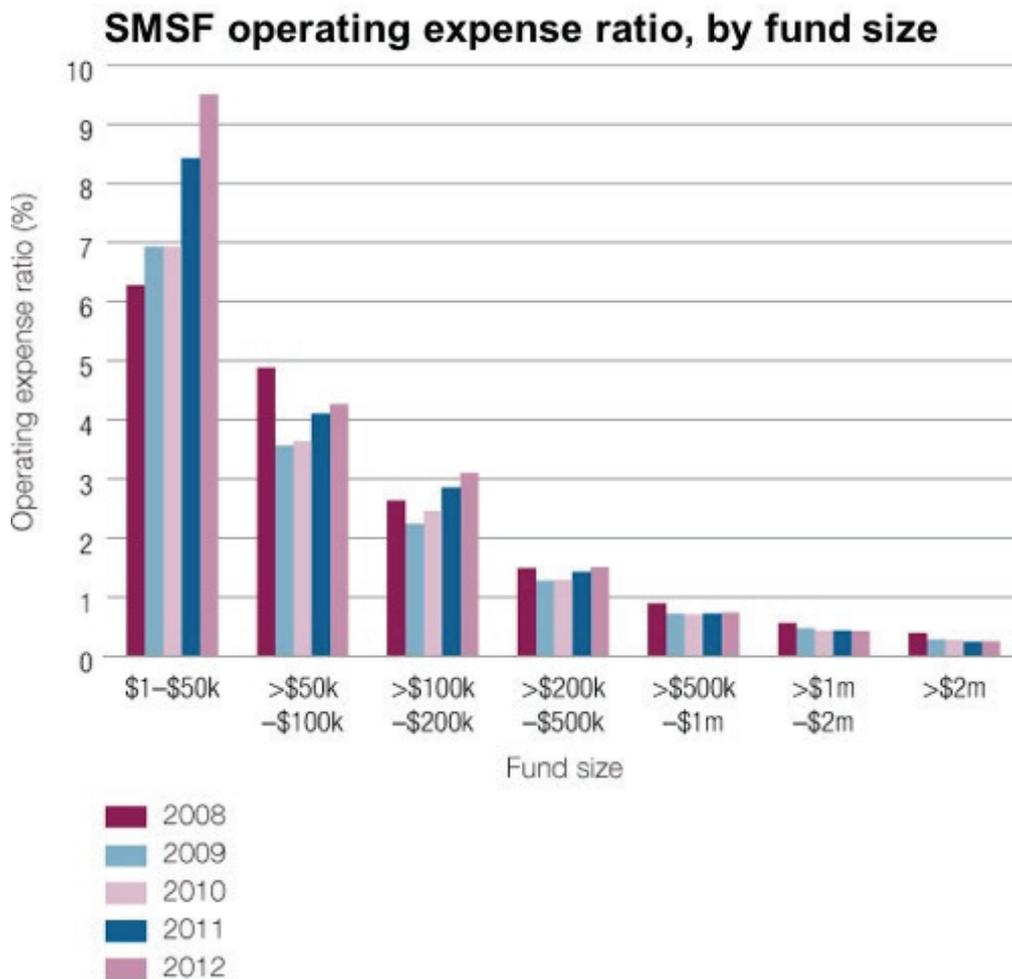
## Recent SMSF Statistics for Australia

	Establishments	Windups	Net establishments	Total number of SMSFs	Total members of SMSFs
<b>Jun-10</b>	29,944	15,124	14,820	414,168	787,468
<b>Jun-11</b>	33,219	7,182	26,037	440,205	836,805
<b>Jun-12</b>	41,080	7,616	33,464	473,669	899,778
<b>Jun-13</b>	39,609	10,569	29,040	502,709	951,186
<b>Jun-14</b>	33,762	10,196	23,566	526,275	991,621
<b>Jun-15</b>	32,073	1,350	30,723	556,998	1,049,840

---

<sup>2</sup> ATO Report. Self managed super fund statistical report –June 2015. Accessed from <https://www.ato.gov.au/Super/Self-managed-super-funds/In-detail/Statistics/Quarterly-reports/>.

Administration of the SMSF sector is dominated by suburban accountants operating relatively manual systems as well as SMSF management firms providing services ranging from signing off reports only to turnkey services. In any case though, there is almost always a trail of communications between the fund owners and those submitting the annual compliance documents to ATO and ASIC which typically costs a lot of time and money for involvement of both parties.



The SMSF market in Australia has a very large amount of money at stake and on average the trustees who operate these funds pay out upwards of \$5,000 per year per fund as well as large amounts of time in order to maintain compliance and reporting of their fund for the ATO and other regulatory bodies as shown in the diagram above.<sup>3</sup> In particular, to streamline communications between fund trustees and their auditors, accountants or SMSF administration providers.

#### 8.4 Competition

The E-Collate Business will be competing against other providers of software systems in the document management area as well as existing systems used separately by some SMSF management firms. Some SMSF management providers may go on to develop software in-house to directly compete with the offering of E-Collate.

<sup>3</sup> ATO report. Self-managed superannuation funds: A statistical overview 2011-2012. Accessed from [https://www.ato.gov.au/About-ATO/Research-and-statistics/In-detail/Super-statistics/SMSF/Self-managed-superannuation-funds--A-statistical-overview-2011-2012/?page=24#Operating\\_expenses](https://www.ato.gov.au/About-ATO/Research-and-statistics/In-detail/Super-statistics/SMSF/Self-managed-superannuation-funds--A-statistical-overview-2011-2012/?page=24#Operating_expenses)

For personal use only

E-Collate can also expect some barriers to entry into the market from users being already familiar with the current methods and software systems that they are using already. Similarly, some SMSF management providers may actively resist entry of the SMSF offerings into the market due to the disruptive nature of technology on business models for companies that may be built around manual processing of documents from their customers and associated fees charged. However, E-Collate aims to ultimately save time and money of the end-user and will be well placed to provide its services to the customer for document collating even if an SMSF provider is unwilling to take part in direct collaboration.

## **8.5 Key dependencies of E-Collate's business model**

The key factors that E-Collate will depend on to meet its objectives under its business model are:

- (a) The Company will need to establish agreements with a number of SMSF management service providers in Australia in early 2016. This will provide an important distribution channel and opportunity for customer feedback and integration with established software systems. This will also provide a valuable edge over competing IT developers in the way of establishing a captured market; and
- (b) The Company will need to establish various agreements with software development companies to support rolling out and commercialising of the systems developed by E-Collate.

## **8.6 E-Collate's business strategy and plans**

E-Collate will supply its app platform as a free download from the Apple App Store and on Google Play with in-app purchase and monthly or annual subscriptions required to unlock valuable features. The App will initially be targeted at individuals running their own SMSF's or corporate partners utilising the product in order to assist their clients. It is also intended that the Company will look to obtain revenue from paid advertising within the E-Collate App and other Apps.

The E-Collate App is expected for release in the first half of 2016 and will be marketed directly to established SMSF management firms in Australia. The Company intends to enter into an agreement with these firms such that E-Collate is supplied to the client as a tool aimed to reduce SMSF related communications and documents, thereby saving the firm's time and money. Subscription fees will be paid directly to E-Collate by either the management firm or their clients.

The Company also intends to conduct a series of marketing campaigns in 2016 targeting accountants and auditors across the country for recommendation of E-Collate to clients, highlighting its benefits as a tool for reducing workload for the service provider for annual SMSF tax returns and audits. This is intended to assist brand recognition for the next stage of Company operations when releasing its other app platforms for managing regulatory reporting, project management and employee activities.

Should the E-Collate App become well-established in the Australian market, the Company intends to expand overseas in stages, customising the E-Collate App and targeting the equivalent of SMSFs in Canada and The Netherlands with scoping studies aiming to be completed in 2016. Should the E-Collate business become established in at least one of these countries, the Company will look to expand its operations to the USA.

These plans are consistent with the original vision for operations of E-Collate since inception. The Company may need to adapt its strategy as circumstances require, however no changes are under consideration at this stage.

## 8.7 Historical Financial Information

The Investigating Accountant's Report contained in Section 11 of this Prospectus sets out:

- (a) the audited historical Statements of Profit or Loss and Other Comprehensive Income for GRP for the years ended 30 June 2013, 30 June 2014 and 30 June 2015;
- (b) the audited historical Statement of Profit or Loss and Other Comprehensive Income for E-Collate for the period 15 October 2015 (inception) to 22 October 2015;
- (c) the audited historical Statement of Financial Position of GRP as at 30 June 2015; and
- (d) the audited historical Statement of Financial Position of E-Collate as at 22 October 2015.

Investors are urged to read the Investigating Accountant's Report in full.

The full financial statements for the Company which include the notes to the financial statements, can be found from the Company's ASX announcements platform on [www.asx.com.au](http://www.asx.com.au).

The financial statements for E-Collate for the period ending 22 October 2015, which include the notes to the financial statements, can be accessed from [www.grpcorporation.com.au](http://www.grpcorporation.com.au).

## 8.8 Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company and E-Collate are inherently uncertain. 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.

## 8.9 Pro Forma Financial Information

The unaudited pro-forma statement of financial is contained in the Investigating Accounting Report in Section 11 of this Prospectus.

The pro-forma statement of financial position has been prepared by the management of the Company for illustrative purposes only to show the effect of the Transaction on the Company's financial position. The pro-forma statement of financial position has not been audited or reviewed by an auditor and is not represented as being indicative of the Company's view of the future financial position of the Company and will not necessarily reflect the actual position and balances as at the date on which Settlement occurs.

The pro-forma statement of financial position has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below.

The historical and pro-forma financial information in this Prospectus has been prepared in accordance with the measurement and recognition principles under the Australian equivalents to International Financial Reporting Standard (AIFRS) (unless otherwise noted) although it is presented in an abbreviated form, insofar as it does not include all of the disclosures required by AIFRS applicable to annual financial reports prepared in accordance with the Corporations Act.

The basis on which the unaudited pro-forma statement of financial position has been compiled is set out below:

- (a) The pro-forma statement of financial position is presented below to illustrate the scenario where it is assumed that:
  - (i) investors taking up the full amount under the Public Offer raising an amount of \$3,600,000 (before costs);
  - (ii) total costs expected to be incurred in relation to the Offers of \$399,236 are recognised directly against equity;
  - (iii) E-Collate Shareholders subscribing for all Securities offered under the Vendor Consideration Offer; and
  - (iv) Settlement of the Acquisition occurs.
- (b) The pro-forma statement of financial position is not intended to be indicative of the financial position that would actually have occurred, or the financial position expected in future periods, had events reflected herein occurred on the dates indicated. The Company is required to account for the Offers based on values at the time the Offers are completed. Therefore actual amounts recorded by the Company upon completion of the Acquisition will differ from those recorded in the pro-forma statement of financial position.
- (c) The pro-forma statement of financial position should be read in conjunction with the Company's 2015 Annual Report, released to the ASX on 27 October 2015.

#### **8.10 Dividend Policy**

It is anticipated that, following Settlement of the Acquisition, the Company will focus on the development of the E-Collate Business. This will likely require significant funding. Accordingly, the Company does not expect to declare any dividends during this period or in the short to medium term.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Board and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Board. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

#### **8.11 Capital Structure**

As at the date of this Prospectus, the Company has 18,951,197 Shares on issue.

The expected capital structure of the Company following completion of the Offers and Settlement of the Acquisition is summarised below. Refer to the

Investigating Accountant's Report set out in Section 11 of this Prospectus for further details.

	Shares	Options
Current issued capital	18,951,197	3,790,240 <sup>2</sup>
Issue of Securities pursuant to conversion of Convertible Notes	12,000,000	12,000,000
Issue of Shares to Debtors	8,310,000	
Issue of Shares in lieu of fees for legal services provided – Peter Wall	1,818,182	
Issue of Shares in lieu of fees for Company secretarial services provided – Zane Lewis	1,691,290	
Issue of Vendor Consideration Securities	10,000,000	10,000,000
Issue of Shares pursuant to the Public Offer	120,000,000	
<b>Total Post E-Collate Acquisition</b>	<b>172,770,669</b>	<b>25,790,240</b>

#### 8.12 Substantial Shareholders

As at the date of this Prospectus, the following Shareholders hold 5% or more of the total number of Shares on issue:

Shareholder	Shares	%
Nightfall Pty Ltd	2,040,240	10.77
Reco Holdings Ltd	1,650,000	8.71
UBS Nominees Ltd	1,345,000	7.26
World Action Venture Partners Ltd	1,250,000	6.60

On completion of the Offers (assuming Minimum Subscription under the Public Offer and that the Non-Fundraising Offers are fully accepted), the Company does not anticipate that it will have any substantial Shareholders.

#### 8.13 Top 20 Shareholders

The Company will announce to the ASX details of its top 20 Shareholders following completion of the Offers and prior to the Shares re-commencing trading on ASX.

#### 8.14 Restricted Securities

Subject to the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offers, the E-Collate Shareholders understand that certain Securities on issue may be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation.

For personal use only

During the period in which these Securities are prohibited from being transferred, trading in Securities may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Securities in a timely manner.

The Company will announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Company's listed Securities being reinstated to trading on ASX (which reinstatement is subject to ASX's discretion and approval).

---

## 9. RISK FACTORS

### 9.1 Introduction

Shareholders should be aware there are risks associated with the Acquisition. Based on the information available, a non-exhaustive list of risk factors that the Company will be subject to should the Acquisition be successful is set out below. This list of risk factors does not purport to list every risk that may be associated with E-Collate. The occurrence of or consequences of some of the risks described below are partially or completely outside the control of E-Collate, its directors and its management team.

The selection of risks has been based on the assessment of a combination of the probability of the risk occurring, the ability to mitigate the risk and the impact of the risk if it did occur. That assessment is based on the knowledge of the Directors as at the date of this Prospectus, but there is no guarantee or assurance that the importance of different risks will not change or that other risks will not emerge. Shareholders should satisfy themselves that they have a sufficient understanding of these matters.

### 9.2 Specific Risks relating to the Change in Nature and Scale of Activities

#### (a) Re-Quotation of Shares on ASX and Conditional Acquisition

The Acquisition of E-Collate constitutes a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the Official List.

There is a risk that the Company may not be able to meet the requirements of the ASX for re-quotation of its Shares on the ASX. Should this occur, the Shares will not be able to be traded on the ASX until such time as those requirements can be met, if at all. Shareholders may continue to be prevented from trading their Shares should the Company be suspended until such time as it does re-comply with the ASX Listing Rules.

It is also noted that the Acquisition remains subject to satisfaction or waiver of various Conditions. There is a risk that all the Conditions are not satisfied or waived. In this event the Company will continue to seek to focus on its diversified financial business and look for potential business acquisitions to take the Company forward.

#### (b) Dilution Risk

The Company currently has 18,951,197 Shares and 3,790,240 Options on issue. Upon Settlement of the Acquisition (assuming no further issue of Securities other than as set under this Prospectus) a total of 153,819,472 Shares and 22,000,000 Options will be issued, and:

- (i) the existing Shareholders will retain approximately 10.97% of the Company's issued Share capital;
- (ii) the E-Collate Shareholders will hold approximately 5.79% of the Company's issued Share capital; and
- (iii) the investors under the Public Offer will hold approximately 69.46% of the Company's issued Share capital.

If any Options are converted, the holdings of the existing Shareholders in the Company will be further diluted.

There is also a risk that the interests of Shareholders will be further diluted as a result of future capital raisings required in order to fund the development of the E-Collate Business.

(c) **Liquidity Risk**

On Settlement, the Company proposes to issue the Consideration Securities to the E-Collate Shareholders. The Directors understand that ASX may treat a portion of the Consideration Securities as restricted securities in accordance with Chapter 9 of the ASX Listing Rules. However, submissions will be made to the ASX to apply for cash formula relief in respect of the Consideration Securities. As a number of the Company's Shares will be subject to escrow upon Settlement, there is an increased liquidity risk as a large portion of issued capital may not be able to be freely traded for a period of time.

(d) **Contractual Risk**

Settlement pursuant to the Acquisition Agreement is subject to the fulfilment of the Conditions.

The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under the Acquisition Agreement and the ability of the parties to achieve the Conditions.

If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

(e) **E-Collate Shareholders not agreeing to accept the terms of the Acquisition**

There is a risk that the parties may be unable to satisfy all the Conditions to the Acquisition. Specifically, there is a risk that not all the E-Collate Shareholders will agree to accept the terms of the Acquisition. Should this occur the Acquisition will not proceed.

### 9.3 Risks in respect of E-Collate's current operations

(a) **Establishment of agreements and contracts**

The Company will need to establish agreements with a number of SMSF management service providers in Australia in early 2016 in order to provide an important distribution channel and opportunity for customer feedback and integration with established software systems.

The Company will also need to establish various agreements with software development companies to support rolling out and commercialising of the systems developed by E-Collate.

If the Company is unable to establish these agreements and contracts it may impact on its ability to run its business and create revenue which may in turn impact on Shareholder returns.

(b) **Technology development and product commercialisation**

The success of E-Collate will be impacted by the successful development and commercialisation of the E-Collate technologies.

These technologies are is in the development phase. Should the development not be completed in accordance with E-Collate's specifications or should the results of further testing indicate technology performance is below market requirements, E-Collate will have to expend additional time and resources to rectify any outstanding issues which will delay the commercialisation of the technology.

(c) **Product Development**

E-Collate believes that it provides a meaningful and engaging offering. Moreover, in addition to its current products and services, E-Collate is planning to continue innovation and development on its technologies and associated products. There is the risk that delays in product development, cost overruns or difficulties in delivering new features will negatively impact the Company and its business.

(d) **Restriction of Access**

The Company may be significantly affected by other companies restricting access to their platforms from a programming perspective. As such, E-Collate cannot ensure that restrictions may not be put in place. However this risk can be mitigated to some extent by the Company developing other methods to enable access to required data.

(e) **Changes to Government policies/compliance**

Application of the Company's vision of information collating systems for mobile devices could be severely undermined if the Australian Government was to dismantle compliance requirements and associated penalties for trustees in the superannuation system. In this case though, the Company will still be in a strong position to provide its services for improving efficiency for fund administration.

Likewise, profitability could be significantly curtailed if established industry players in the accounting and finance industry were to adopt the vision of the Company and implement user friendly mobile interfaces that integrate well with messaging. In that case, the Company will still be in a strong position to compete since SMSF administration is spread across so many different administration providers.

(f) **Competition and new technologies**

There is significant competition in the technology industry generally. E-Collate's competitors include companies with significantly greater financial, technical, human, research and development and marketing resources than are currently available to E-Collate. E-Collate's competitors may develop technologies and products that perform better, have greater market acceptance. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose product developments,

activities or actions may positively or negatively affect the operating and financial performance of the Company's projects and business.

(g) **Unforeseen expenditure risk**

Expenditure may need to be incurred that has not been taken into account in the use of funds table in Section 7.4. Although the Company is not currently aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company and the E-Collate Business.

(h) **Protection of intellectual property rights**

The E-Collate Business is substantially reliant on its ability to protect and maintain its intellectual property interests. The ability of the Company to obtain and sustain patents, maintain trade secret protection and operate without infringing proprietary rights of third parties will therefore be an integral part of the Company's business in the event that the Acquisition proceeds.

E-Collate is looking at patent applications in order to protect its multi-platform compliance technology. However, if the Company fails to protect its future developments and intellectual property rights, competitors may gain access to its technology which would in turn harm its business.

The granting of protection, such as a registered patent, does not guarantee that the rights of others are not infringed, that competitors will not develop technology to avoid the patent or that third parties will not claim an interest in the intellectual property with a view to seeking a commercial benefit from the Company or its partners.

Legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain. Effective patent, trademark, copyright and trade secret protection may not be available to the Company in every country in which E-Collate's technologies may eventually be launched. Accordingly, despite its efforts, the Company may not be able to prevent third parties from infringing upon or misappropriating its intellectual property.

The Company may be required to incur significant expenses in monitoring and protecting its intellectual property rights or defending against claims it has infringed on a third party's patent or other intellectual property rights. It may initiate or otherwise be involved in litigation against third parties for infringement, or to establish the validity, of its rights. Any litigation, whether or not it is successful, could result in significant expense to the Company and cause a distraction to management.

(i) **Reliance on attracting and retaining skilled labour**

Success of E-Collate's activities will rely substantially on its ability to attract and retain skilled staff to assist with ongoing product development and planned product commercialisation activities. The departure, either temporary or permanent, of those key staff, or any delay in their replacement, could adversely affect E-Collate's performance. Similarly, as a company seeking to grow and expand, E-Collate's success in securing new talent will be critical going forward

and may be constrained for a number of reasons. Market competition for such labour is intense, and the potential to employ undesirable staff is high. If the Company is unable to attract and retain skilled staff, this could potentially have adverse consequences to the Company's profitability.

(j) **Reliance on Key Personnel**

E-Collate's ability to develop and manage the growth of its businesses is dependent largely on the skills of E-Collate's management team (Refer to Section 10). Changes in the management team may require appointment of new members, who have not yet been identified.

(k) **International Expansion**

It is intended that E-Collate's products and services will be used in various countries which will therefore likely be subject to multiple overseas jurisdictions. In each different jurisdiction there may be increased compliance and operating costs. If and when it becomes necessary to have a local presence in overseas markets there will be increased overheads as well as development and marketing costs. There is no guarantee such expansions will be successful and increased costs may adversely impact the profitability and working capital of E-Collate.

(l) **Foreign Exchange Risks**

E-Collate may have costs and expenses in other jurisdictions such as the United States of America and Europe. E-Collate is potentially a global business and may generate revenue outside of Australia. Such financial transactions will likely be denominated in foreign currency, will be converted to Australian currency for reporting purposes and will therefore be affected by currency fluctuations, which may adversely impact on financial performance and position.

(m) **Failure to deal with growth**

E-Collate has the potential to grow rapidly. If that occurs and E-Collate fails to properly manage that growth, then that failure could harm the E-Collate Business. Any failure to meet user demand properly could adversely affect the business, including demand for the technology, products and services, revenue, customer satisfaction and public perception.

(n) **Contracts**

E-Collate may enter into agreements with counterparties. In such cases, there is the risk that counterparties may default on their obligations, which may in turn necessitate legal action. This could result in significant financial loss for E-Collate. In some cases, the contracts that E-Collate has entered into are governed in jurisdictions outside Australia. It may be more difficult to resolve disputes in such jurisdictions than it would be under Australian law. As such, E-Collate cannot ensure that an appropriate legal resolution will be achieved.

## 9.4 General Risks Relating to the Company

### (a) Trading Price of Shares

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to general economic conditions including the performance of the Australian dollar and United States dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares.

In particular, the share prices for many companies including the Company have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

### (b) Additional Requirements for Capital

The capital requirements of the Company depend on numerous factors. Depending on the ability of the Company to generate income from its operations, the Company may require further financing in addition to amounts raised under this Prospectus. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations.

### (c) Residual risks from continuing business interests

The Company does not currently have any active business interests.

### (d) Litigation Risks

The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. Neither the Company nor E-Collate is currently engaged in any litigation.

### (e) Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.

Further, share market conditions may affect the value of the Company's Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

(f) **Force Majeure**

The Company, now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(g) **Acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, companies, technologies and/or products that are complementary to the E-Collate Business. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies, products and technologies, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving the sales and margins anticipated and retaining key staff and customer and supplier relationships.

## 9.5 **Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above risk factors, and others not specifically referred to above, may materially affect the future financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

---

## 10. BOARD, MANAGEMENT AND INTERESTS

### 10.1 Directors

As at the date of this Prospectus, the Board comprises of:

- (a) Mr Mark Rowbottam (Non-Executive Chairman);
- (b) Mr Peter Wall (Non-Executive Director); and
- (c) Mr Zane Lewis (Non-Executive Director and Company Secretary).

It is proposed that the Directors will remain on the Board following Settlement of the Acquisition. It is noted that under the Acquisition Agreement, up to one nominee of E-Collate may join the Board; E-Collate has agreed not to appoint a nominee at this stage.

The profiles of each of the current Directors are set out below:

#### **Mr Mark Rowbottam – Non Executive Chairman**

Mark Rowbottam is an experienced corporate executive, advisor and company director. Mr Rowbottam has undergraduate science qualifications and a Master of Business Administration with specialties in corporate administration and marketing. He is a Fellow of the Securities Institute of Australia and active member of the Australian Institute of Company Directors and Governance Institute of Australia.

Mr Rowbottam has more than 20 years' experience in the corporate financial arena and has been involved in many IPO's, ASX capital raisings, mergers/acquisitions and corporate transactions across various sectors. Mr Rowbottam also holds the position of Executive Director at Aleator Energy Limited and is a Non-Executive Director of Latin Resources Limited.

#### **Mr Peter Wall – Non Executive Director**

Peter Wall is a corporate lawyer and Partner at Steinepreis Paganin and has a wide range of experience in all forms of commercial and corporate law, with a particular focus on equity capital markets, mergers and acquisitions and corporate reconstructions and recapitalisations.

Mr Wall graduated from the University of Western Australia in 1998 with a Bachelor of Laws and Bachelor of Commerce (Finance). He has also completed a Masters of Applied Finance and Investment with FINSIA.

Mr Wall is also a non-executive director of a number of other ASX listed entities.

#### **Mr Zane Lewis – Non Executive Director and Company Secretary**

Zane Lewis holds a Bachelor of Economics from the University of Western Australia and has over 20 years' experience and leadership of small cap multinational companies. He has undertaken various corporate advisory roles with ASX listed companies and unlisted companies and has extensive international experience as President of the Commtech Wireless Group of software companies in USA, Europe, Hong Kong, China and Australia.

Mr Lewis is a non-executive director of 8I Holdings Limited (ASX:8IH) - one of 2014's most successful IPO's, APAC Coal Limited (ASX:AAL) and GRP Group

Limited (ASX:GRP) and is company secretary for AIM listed Mosman Oil and Gas Limited (AIM:MSMN) and ASX listed Lion Energy Limited.

## 10.2 Incoming Key Management

The profiles of the Senior Management of E-Collate are set out below:

(a) **Mr Bowen Plug – Chief Executive Officer**

Bowen Plug holds a Bachelor of Science (Mathematics and Physics), Masters of Electronics Engineering and Post Graduate Diploma of Pure Mathematics from the University of Melbourne. He has over 6 years experience in programming and data analysis and has led teams developing productivity and business management software platforms.

(b) **Ms Quinn Cai – Chief Technology Officer**

Quinn Cai holds a Bachelor of Engineering (Automation) and Masters of Electronics Engineering from the University of Melbourne. She is highly proficient and experience in the development of automation software platforms. Quinn's specialises in the development of accessible interfaces for presenting complex data, with a particular interest in the integration of communications systems.

## 10.3 Personal Interests of Directors

Directors are not required under the Constitution to hold any Shares to be eligible to act as a Director. Information regarding the Directors' remuneration and relevant interests in Shares immediately prior to completion of the Offers and upon completion of the Offers are set out in the table below:

### Interests at date of this Prospectus

Director	Remuneration for year ended 30 June 2014	Remuneration for year ended 30 June 2015	Proposed remuneration for year ended 30 June 2016 <sup>7</sup>	Shares	Other Securities
Mark Rowbottam <sup>1</sup>	Nil	65,000	24,500	413,333	Nil
Peter Wall <sup>2</sup>	Nil	Nil	21,000	150,000	Nil
Zane Lewis <sup>3</sup>	Nil	Nil	21,000	140,000	Nil

### Notes:

1. Mr Rowbottam or his nominee has obtained approval to participate in the Public Offer and subscribe for up to 3,500,000 Shares.
2. Mr Wall or his nominee has obtained Shareholder approval to:
  - a. receive 1,818,182 Shares in lieu of fees for legal services provided; and
  - b. be entitled to participate in the Public Offer and subscribe for up to 3,500,000 Shares.

Mr Wall also received fees through Steinepreis Paganin of which he is an equity partner, totalling \$5,305 for the year ended 30 June 2014 and \$142,124 for the year ended 30 June 2015.

3. Mr Lewis or his nominee has obtained Shareholder approval to:
  - a. receive 1,691,290 Shares in lieu of fees for Company secretarial services provided; and

- b. be entitled to participate in the Public Offer and subscribe for up to 3,500,000 Shares.

Mr Lewis also received fees through Small Cap Corporate of which he is a director and owner, totalling \$8,342 for the year ended 30 June 2014 and \$17,508 for the year ended 30 June 2015.

The Company's Constitution provides that the remuneration of Non-Executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The Constitution provides that the aggregate remuneration for Non-Executive Directors is initially \$350,000 per annum although may be varied by ordinary resolution of the Shareholders in general meeting.

The remuneration of any Executive Director that may be appointed to the Board will be fixed by the Board and may be paid by way of fixed salary or consultancy fee.

#### **10.4 Agreements with Directors**

The agreements the Company has entered into with its Directors are listed in Section 13.

For personal use only

For personal use only

For personal use only

**GRP CORPORATION LIMITED**  
(to be renamed Transcendence  
Technologies Limited)

Investigating Accountant's Report

10 December 2015

10 December 2015

The Directors  
GRP Corporation Limited  
Suite 6, 295 Rokeby Road  
SUBIACO WA 6008

Dear Directors

## INVESTIGATING ACCOUNTANT'S REPORT

### 1. Introduction

BDO Corporate Finance (WA) Pty Ltd ('BDO') has been engaged by GRP Corporation Limited ('GRP' or 'the Company') to prepare this Investigating Accountant's Report ('Report') in relation to certain financial information of GRP for inclusion in the Prospectus. The Prospectus is required under Australian Securities Exchange ('ASX') requirements for the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules, as a result of GRP entering into a heads of agreement to acquire e-Collate Pty Ltd ('e-Collate') ('the Acquisition'), a cloud-connected modern information system which links multi-source data to provide meaningful information for efficient compliance management and decision making support.

Broadly, the Prospectus will offer 120 million Shares at an issue price of \$0.03 each to raise \$3.6 million before costs ('the Offer'). The Prospectus also contains an offer of up to 10 million shares and 10 million options to e-Collate in consideration for the Acquisition.

Expressions defined in the Prospectus have the same meaning in this Report. BDO Corporate Finance (WA) Pty Ltd ('BDO') holds an Australian Financial Services Licence (AFS Licence Number 316158).

This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

For personal use only

## 2. Scope

You have requested BDO to perform a limited assurance engagement in relation to the historical and pro forma historical financial information described below and disclosed in the Prospectus.

The historical and pro forma historical financial information is presented in the Prospectus 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.

You have requested BDO to review the following historical financial information (together the 'Historical Financial Information') included in the Prospectus:

- the audited historical Statements of Profit or Loss and Other Comprehensive Income for GRP for the years ended 30 June 2013, 30 June 2014 and 30 June 2015;
- the audited historical Statement of Profit or Loss and Other Comprehensive Income for e-Collate for the period 15 October 2015 (inception) to 22 October 2015;
- the audited historical Statement of Financial Position of GRP as at 30 June 2015; and
- the audited historical Statement of Financial Position of e-Collate as at 22 October 2015.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the company's adopted accounting policies. The Historical Financial Information of GRP has been extracted from the financial reports for the years ended 30 June 2013, 30 June 2014 and 30 June 2015, which was audited by the Company's statutory auditor in accordance with the Australian Auditing Standards. The Company's statutory auditor issued an unmodified audit opinion on the financial report for the year ended 30 June 2015 however, did include an emphasis of matter noting that the ability of the Company to continue as a going concern is dependent on future successful raising to pay its debts as and when they fall due.

The Historical Financial Information of e-Collate has been extracted from the financial report for the period 15 October 2015 (date of incorporation) to 22 October 2015, which was audited by BDO Audit (WA) Pty Ltd in accordance with Australian Accounting Standards. BDO Audit (WA) Pty Ltd issued an unmodified audit opinion on the financial report for the period under audit.

### *Pro Forma Historical Financial Information*

You have requested BDO to review the following pro forma historical financial information (together the 'Pro Forma Historical Financial Information') of GRP included in the Prospectus:

- the pro forma historical Statement of Financial Position as at 30 June 2015.

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information of GRP, after adjusting for the effects of the subsequent events described in Section 6 of this Report and the pro forma adjustments described in Section 7 of this Report. 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 in Section 7 of this Report, 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 or financial performance.

The Pro Forma Historical Financial Information has been compiled by GRP to illustrate the impact of the events or transactions described in Section 6 and Section 7 of the Report on GRP's financial position at 30 June 2015. As part of this process, information about GRP's financial position has been extracted by the Company from GRP's financial statements for the year ended 30 June 2015.

On 20 October 2015, GRP announced that it had entered into a heads of agreement with e-Collate which sets out the terms on which GRP will procure 100% of the issued capital in e-Collate. In exchange for the Company acquiring 100% of the issued capital in e-Collate, the Company will issue the following:

- 10 million ordinary shares to the e-Collate shareholders ('Vendors') in proportion to their existing holdings in e-Collate ('Consideration Shares'); and
- 10 million Options to the e-Collate Vendors ('Consideration Options'). The terms of the Consideration Options are as follows:
  - i. \$0.05 exercise price; and
  - ii. expiry date is three years from the date that GRP's shares are reinstated to the ASX.

GRP has previously entered into a converting promissory note agreement ('GRP Converting Loan Agreement'), pursuant to which GRP has borrowed a total of \$0.24 million as at the date of this Report. The funds have been provided by independent third parties who have agreed to fund GRP as part of the completion of the acquisition ('GRP Lenders').

### 3. Directors' responsibility

The directors of GRP are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

### 4. Our responsibility

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

## 5. Conclusion

### *Historical Financial Information*

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in the Appendices to this Report, and comprising of:

- the historical Statements of Profit or Loss and Other Comprehensive Income for GRP for the years ended 30 June 2013, 30 June 2014 and 30 June 2015;
- the historical Statement of Profit or Loss and Other Comprehensive Income for e-Collate for the period 15 October 2015 (inception) to 22 October 2015;
- the historical Statement of Financial Position of GRP at 30 June 2015; and
- the historical Statement of Financial Position of e-Collate at 22 October 2015

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

### *Pro Forma Historical Financial information*

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information as described in the Appendices to this Report, and comprising:

- the pro forma historical Statement of Financial Position of GRP at 30 June 2015.

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

## 6. Subsequent Events

The pro forma historical Statement of Financial Position reflects the following events that have occurred subsequent to the period ended 30 June 2015:

- GRP received the final \$25,000 from the \$125,000 commercial settlement repayment which relates to the Helpa loan on the 23 July 2015. GRP and Helpa have now released each other from any and all claims relating to the Helpa acquisition;
- GRP loaned \$5,000 to Aleator Energy Limited during the year to 30 June 2015. This loan was repaid to the Company on the 3 August 2015;
- During October 2015, the Company also issued 12 million convertible notes with a face value of \$0.02 per note which raised \$240,000 before costs. This GRP Converting Loan agreement will convert to fully paid ordinary shares in GRP at \$0.02 per note post completion of the Acquisition. Upon conversion, each new share issued will also have one free attaching option issued exercisable at \$0.03 and expiry date three years from the date of issue;
- On the 1 October 2015, GRP completed a placement of 3,790,240 fully paid ordinary shares at \$0.02 per share raising a total of \$75,805 Each share issued under this offer has one free attaching option exercisable at \$0.03 and an expiry date three years from the date of issue; and
- Subsequent to 1 July 2015, an amount of \$104,696 payable by the Company was forgiven by its creditors. A breakdown of the amounts forgiven are as follows:

- \$37,748 from Steinepreis Paganin (of which Peter Wall is a Director);
- \$33,543 from SmallCap Corporate Pty Ltd (of which Zane Lewis is a Director);  
and
- \$33,405 from Allegra Corporate Pty Ltd (of which Mark Rowbottam is a Director).

Apart from the matters dealt with in this Report, and having regard to the scope of this Report and the information provided by the Directors, to the best of our knowledge and belief no other material transaction or event outside of the ordinary business of GRP or e-Collate not described above, has come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

## **7. Assumptions Adopted in Compiling the Pro-forma Statement of Financial Position**

The pro forma historical Statement of Financial Position is shown in Appendix 2. This has been prepared based on the financial statements as at 30 June 2015, the subsequent events set out in Section 6, and the following transactions and events relating to the issue of Shares under this Prospectus:

- The Company will change its name from GRP Corporation Limited to Transcendence Technologies Limited;
- The issue of 120 million Shares at an offer price of \$0.03 each to raise up to \$3.6 million before costs, pursuant to the Prospectus;
- Costs of the offer are estimated to be \$0.4 million which are to be offset against contributed equity;
- The issue of the following securities in consideration for a 100% interest in e-Collate;
  - 10 million Consideration Shares at a deemed issue price of \$0.03 per share; and
  - 10 million Consideration Options which have an exercise price of \$0.05 and expiry date of 31 January 2019. These have been valued using the Black Scholes model.
- The issue of 12 million ordinary shares to the GRP Lenders in satisfaction of the Convertible Notes issued;
- The issue of 8,310,000 ordinary shares in satisfaction of a \$249,300 loan provided by a related party; and
- The issue of 3,509,472 ordinary shares to certain related party GRP trade creditors who have agreed to convert their fees to equity at \$0.03 per share in satisfaction of \$105,284 of outstanding fees.

## **8. Independence**

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the Offer other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received.

## 9. Disclosures

This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 2 of this Report, 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.

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully

**BDO Corporate Finance (WA) Pty Ltd**



**Adam Myers**

Director

APPENDIX 1

GRP CORPORATION LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Historical Statement of Profit or Loss for GRP	Audited for the year ended 30-Jun-15 \$
<b>Revenue</b>	
Interest income	296
Forgiveness of loans	13,711
<b>Expenses</b>	
Compliance and regulatory expenses	(62,294)
Consulting and corporate expenses	(262,405)
Directors fees	(6,000)
Finance costs	(1,505)
Foreign exchange loss	(376)
Impairment of loan receivables	(1,275,000)
Other expenses	(22,049)
<b>Loss from continuing operations before income tax</b>	<b>(1,615,622)</b>
Income tax expense	-
<b>Loss from continuing operations after income tax</b>	<b>(1,615,622)</b>
Other comprehensive income net of income tax	-
<b>Total comprehensive loss for the year</b>	<b>(1,615,622)</b>

This statement of profit or loss and other comprehensive income shows the historical financial performance of Company and is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 3 and the prior year financial information set out in Appendix 4. Past performance is not a guide to future performance.

APPENDIX 2

GRP CORPORATION LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		GRP	E-Collate			
		Audited as at	Audited as at	Subsequent	Pro forma	Pro forma
	Notes	30-Jun-15	22-Oct-15	events	adjustments	after offer
		\$	\$	\$	\$	\$
<b>CURRENT ASSETS</b>						
Cash and cash equivalents*	2	60,546	20,100	345,805	3,200,000	3,626,451
Trade and other receivables		36,484	28	-	-	36,512
Financial assets	3	30,000	-	(30,000)	-	-
<b>TOTAL CURRENT ASSETS</b>		<b>127,030</b>	<b>20,128</b>	<b>315,805</b>	<b>3,200,000</b>	<b>3,662,963</b>
<b>NON CURRENT ASSETS</b>						
Intangible assets	4	-	884	-	380,475	381,359
<b>TOTAL NON CURRENT ASSETS</b>		<b>-</b>	<b>884</b>	<b>-</b>	<b>380,475</b>	<b>381,359</b>
<b>TOTAL ASSETS</b>		<b>127,030</b>	<b>21,012</b>	<b>315,805</b>	<b>3,580,475</b>	<b>4,044,322</b>
<b>CURRENT LIABILITIES</b>						
Trade and other payables	5	328,372	1,487	(104,696)	(105,284)	119,879
Financial liabilities	6	279,300	-	-	(249,300)	30,000
Borrowings	7	-	-	240,000	(240,000)	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>607,672</b>	<b>1,487</b>	<b>135,304</b>	<b>(594,584)</b>	<b>149,879</b>
<b>TOTAL LIABILITIES</b>		<b>607,672</b>	<b>1,487</b>	<b>135,304</b>	<b>(594,584)</b>	<b>149,879</b>
<b>NET ASSETS</b>		<b>(480,642)</b>	<b>19,525</b>	<b>180,501</b>	<b>4,175,059</b>	<b>3,894,443</b>
<b>EQUITY</b>						
Contributed equity	8	10,110,828	20,100	75,805	4,074,484	14,281,217
Reserves	9	-	-	-	100,000	100,000
Retained earnings (losses)	10	(10,591,470)	(575)	104,696	575	(10,486,774)
<b>TOTAL EQUITY</b>		<b>(480,642)</b>	<b>19,525</b>	<b>180,501</b>	<b>4,175,059</b>	<b>3,894,443</b>

*The cash and cash equivalents balance above does not account for working capital spent during the period from 1 July 2015 until completion. From 1 July 2015 to the date of this Report, the Company and e-Collate have spent approximately \$150,000 on working capital of the Company and e-Collate and expenses related to the Transaction and the Offer. The estimated working capital requirement for the Company and e-Collate combined until completion of the Offer is estimated to be approximately \$25,000 per month.*

The pro forma consolidated statement of financial position after the Offer is as per the statement of financial position before the Offer adjusted for any subsequent events and the transactions relating to the issue of shares pursuant to this Prospectus. The pro forma consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 3 and the prior year financial information set out in Appendix 4.

## APPENDIX 3

### GRP CORPORATION LIMITED

#### NOTES TO AND FORMING PART OF THE HISTORICAL FINANCIAL INFORMATION

##### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

###### **Basis of preparation of historical financial information**

The historical financial information has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The Historical Financial Information has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

###### **Going Concern**

The Historical Financial Information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The ability of the Company to continue as a going concern is dependent on the success of the fundraising under the Prospectus. The Directors believe that the Company will continue as a going concern. As a result the financial information has been prepared on a going concern basis. However should the fundraising under the Prospectus be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

###### **Reporting Basis and Conventions**

The following is a summary of the material accounting policies adopted by the company in the preparation of the Historical Financial Information. The accounting policies have been consistently applied, unless otherwise stated. The significant accounting policies adopted in the preparation of the historical financial information included in this Report have been set out below.

###### **a) Income Tax**

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

For personal use only

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

#### **b) Impairment of assets**

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expenses to the statement of profit or loss and other comprehensive income.

Impairment testing is performed annually and tangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

#### **c) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

#### **d) Financial Instruments**

### **Recognition and initial measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

#### **Classification and subsequent measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

##### **i. Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

##### **ii. Financial liabilities**

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

#### **Impairment**

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or

other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

#### **Derecognition**

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

##### **e) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short term high liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities in the statement of financial position.

##### **f) Trade and Other Receivables**

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

##### **g) Revenue and Other Income**

Interest revenue is recognised using the effective interest method.

##### **h) Trade and Other Payables**

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

##### **i) 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.

	Audited as at 30-Jun-15	Pro forma after Offer \$3.6 million
	\$	\$
<b>NOTE 2. CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents*	60,546	3,626,451
Audited balance of GRP at 30 June 2015		60,546
Audited balance of e-Collate at 22 October 2015		20,100
<i>Subsequent events:</i>		
Funds received from the issue of Convertible Loan		240,000
Funds received from equity raising undertaken by GRP		75,805
Funds received from the repayment of Helpa and Aleator loans (refer note 3)		30,000
		345,805
<i>Pro-forma adjustments:</i>		
Proceeds from shares issued under the Offer		3,600,000
Capital raising costs		(400,000)
		3,200,000
Pro-forma Balance		3,626,451

\*The cash and cash equivalents balance above does not account for working capital spent during the period from 1 July 2015 until completion. From 1 July 2015 to the date of this Report, the Company and e-Collate have spent approximately \$150,000 on working capital of the Company and e-Collate and expenses related to the Transaction and the Offer. The estimated working capital requirement for the Company and e-Collate combined until completion of the Offer is estimated to be approximately \$25,000 per month.

	Audited as at 30-Jun-15	Pro forma after Offer
	\$	\$
<b>NOTE 3. FINANCIAL ASSETS - CURRENT</b>		
Financial assets	30,000	-
Audited balance of GRP at 30 June 2015		30,000
Audited balance of e-Collate at 22 October 2015		-
<i>Subsequent events:</i>		
Repayment of the Helpa loan		(25,000)
Repayment of the Aleator Energy Loan		(5,000)
		(30,000)
Pro-forma Balance		-

	Audited as at 30-Jun-15	Pro forma after Offer
<b>NOTE 4. INTANGIBLES</b>	<b>\$</b>	<b>\$</b>
Intangibles	-	381,359
Audited balance of GRP at 30 June 2015		-
Audited balance of e-Collate at 22 October 2015		884
<i>Pro-forma adjustments:</i>		
Acquisition of e-Collate (refer note 11)		380,475
		380,475
Pro-forma Balance		381,359

	Audited as at 30-Jun-15	Pro forma after Offer
<b>NOTE 5. TRADE AND OTHER PAYABLES</b>	<b>\$</b>	<b>\$</b>
Trade and other payables	328,372	119,879
Audited balance of GRP at 30 June 2015		328,372
Audited balance of e-Collate at 22 October 2015		1,487
<i>Subsequent events:</i>		
Trade payables forgiven		(104,696)
		(104,696)
<i>Pro-forma adjustments:</i>		
Conversion of trade payables to equity at \$0.03 per share		(105,284)
		(105,284)
Pro-forma Balance		119,879

	Audited as at 30-Jun-15	Pro forma after Offer
<b>NOTE 6. FINANCIAL LIABILITIES</b>	<b>\$</b>	<b>\$</b>
Financial liabilities	279,300	30,000
Audited balance of GRP at 30 June 2015		279,300
Audited balance of e-Collate at 22 October 2015		-
<i>Pro-forma adjustments:</i>		
Conversion of loan to equity at \$0.03 per share		(249,300)
		(249,300)
Pro-forma Balance		30,000

	Audited as at 30-Jun-15	Pro forma after Offer
<b>NOTE 7. BORROWINGS</b>	<b>\$</b>	<b>\$</b>
Borrowings	-	-
Audited balance of GRP at 30 June 2015		-
Audited balance of e-Collate at 22 October 2015		-
<i>Subsequent events:</i>		
Issue of Convertible Loan		240,000
		240,000
<i>Pro-forma adjustments:</i>		
Conversion of Convertible loan to equity		(240,000)
		(240,000)
Pro-forma Balance		-

NOTE 8. CONTRIBUTED EQUITY	Audited as at	Pro forma after Offer
	30-Jun-15	\$3.6 million
	\$	\$
Contributed equity	10,110,828	14,281,217
	<b>Number of</b>	<b>\$</b>
Fully paid ordinary share capital of GRP at 30 June 2015	15,160,957	10,110,828
Fully paid ordinary share capital of e-Collate as at 22 October 2015	3,000,000	20,100
<i>Subsequent events:</i>		
Equity raising undertaken by GRP	3,790,240	75,805
	3,790,240	75,805
<i>Pro-forma adjustments:</i>		
Proceeds from shares issued under the Offer	120,000,000	3,600,000
Capital raising costs	-	(400,000)
Issue of the Consideration Shares for the acquisition of e-Collate (Note 11)	10,000,000	300,000
Elimination of e-Collate's issued capital on Acquisition	(3,000,000)	(20,100)
Conversion of Convertible loan to equity	12,000,000	240,000
Conversion of loan to equity at \$0.03 per share	8,310,000	249,300
Conversion of trade payables to equity at \$0.03 per share	3,509,472	105,284
	150,819,472	4,074,484
Pro-forma Balance	172,770,669	14,281,217

Following the Offer, the Company will also have the following options on issue:

Options of issue following the Offer	Number
Initial capital raising options	15,790,240
Options issued to e-Collate vendors for the Acquisition	10,000,000
<b>Total options issued</b>	<b>25,790,240</b>

The initial capital raising options have an exercise price of \$0.03 per option and expiry date three years from the date GRP's shares are reinstated to the ASX.

The options issued to e-Collate Vendors as part of the Acquisition have an exercise price of \$0.05 per option and expire on 31 January 2019.

	Audited 30-Jun-15	Pro forma after Offer
<b>NOTE 9. RESERVES</b>	<b>\$</b>	<b>\$</b>
Reserves	-	100,000
Audited balance of GRP at 30 June 2015		-
Audited balance of e-Collate at 22 October 2015		-
<i>Pro-forma adjustments:</i>		
Issue of the Consideration Options for the acquisition of e-Collate (Note 11)		100,000
		100,000
Pro-forma Balance		100,000

The Black-Scholes option valuation methodology has been used to calculate the fair value the options being issued to the e-Collate Vendors as part of the consideration. The following inputs were used in the Black-Scholes valuation:

<b>Consideration Options to be issued to e-Collate</b>		
Number of options		10,000,000
Underlying share price	\$	0.03
Exercise price	\$	0.05
Expected volatility		70%
Expiry date (years)		3.08
Expected dividends		Nil
Risk free rate		1.86%

The expected volatility used in the Black-Scholes calculation was based on the historical close-close volatility results of four comparable ASX listed technology companies over one and two year periods.

	Audited 30-Jun-15	Pro forma after Offer
<b>NOTE 10. ACCUMULATED LOSSES</b>	<b>\$</b>	<b>\$</b>
Accumulated losses	(10,591,470)	(10,486,774)
Audited balance of GRP at 30 June 2015		(10,591,470)
Audited balance of e-Collate at 22 October 2015		(575)
<i>Subsequent events:</i>		
Trade payables forgiven		104,696
		104,696
<i>Pro-forma adjustments:</i>		
Elimination of e-Collate's accumulated losses on Acquisition		575
		575
Pro-forma Balance		(10,486,774)

**NOTE 11: ACQUISITION ACCOUNTING**

**Provisional accounting for the acquisition of e-Collate**

A summary of the acquisition details with respect to the acquisition of e-Collate as included in our Report is set out below. The acquisition accounting has been determined under AASB 3: Business Combinations. The fair value of the consideration paid, assets acquired and liabilities assumed by GRP have been determined for the purposes of the pro-forma adjustments based on preliminary fair value estimates as at 22 October 2015 however will require re-determination as at the successful acquisition date which may result in changes to the values as disclosed below.

Details of the net assets acquired, purchase consideration and notional fair value attributable to intangible assets is show below:

	Acquiree's carrying amount before Acquisition (\$)
<b>NOTE 11. PROVISIONAL ACCOUNTING FOR THE ACQUISITION</b>	
<b>Net assets acquired:</b>	
Cash and cash equivalents	20,100
Trade and other receivables	28
Intangible assets	884
Trade and other payables	(1,487)
<b>Net assets of e-Collate as at 22 October 2015</b>	<b>19,525</b>
Fair value of GRP Consideration Shares at \$0.03 per share	300,000
Fair value of GRP Consideration Options using the Black-Scholes methodology	100,000
Less: Total e-Collate net assets acquired	19,525
<b>Amount recognised as intangible assets upon Acquisition</b>	<b>380,475</b>

**NOTE 12: RELATED PARTY DISCLOSURES**

Transactions with Related Parties and Directors Interests are disclosed in the Prospectus.

**NOTE 13: COMMITMENTS AND CONTINGENCIES**

At the date of the report no other material commitments or contingent liabilities exist that we are aware of, other than those disclosed in the Prospectus.

APPENDIX 4

GRP CORPORATION LIMITED

CONSOLIDATED HISTORICAL FINANCIAL INFORMATION

Historical Consolidated Statement of Financial Position	Audited for the year end 30-Jun-15 \$	Audited for the year end 30-Jun-14 \$	Audited for the year end 30-Jun-13 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	60,546	138,350	597
Trade and other receivables	36,484	32,499	21,892
Other current assets	30,000	625,000	-
<b>TOTAL CURRENT ASSETS</b>	<b>127,030</b>	<b>795,849</b>	<b>22,489</b>
<b>TOTAL ASSETS</b>	<b>127,030</b>	<b>795,849</b>	<b>22,489</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	328,372	233,560	214,587
Financial liabilities	279,300	293,012	290,512
<b>TOTAL CURRENT LIABILITIES</b>	<b>607,672</b>	<b>526,572</b>	<b>505,099</b>
<b>TOTAL LIABILITIES</b>	<b>607,672</b>	<b>526,572</b>	<b>505,099</b>
<b>NET ASSETS</b>	<b>(480,642)</b>	<b>269,277</b>	<b>(482,610)</b>
<b>EQUITY</b>			
Issued capital	10,110,828	8,381,093	8,309,093
Convertible loan	-	864,032	72,000
Accumulated losses	(10,591,470)	(8,975,848)	(8,863,703)
<b>TOTAL EQUITY</b>	<b>(480,642)</b>	<b>269,277</b>	<b>(482,610)</b>

For personal use only

For personal use only

Historical Statement of Profit or Loss and Other Comprehensive Income	Audited for the year end 30-Jun-15 \$	Audited for the year end 30-Jun-14 \$	Audited for the year end 30-Jun-13 \$
<b>Revenue</b>			
Other income	296	648	106
Forgiveness of loans	13,711	-	-
<b>Expenses</b>			
Compliance and regulatory expenses	(62,294)	(43,600)	(38,788)
Consulting and corporate expenses	(262,405)	(68,531)	(74,523)
Directors fees	(6,000)	-	(43,636)
Finance costs	(1,505)	-	-
Foreign exchange loss	(376)	-	-
Exploration and evaluation expenditure	-	-	(16,566)
Impairment of loan receivables	(1,275,000)	-	(627,286)
Line fees	-	-	(12,000)
Rent and utilities	-	-	(19,669)
Travel expenses	-	-	(7,943)
Other expenses	(22,049)	(662)	(1,205)
<b>Loss from continuing operations before tax</b>	<b>(1,615,622)</b>	<b>(112,145)</b>	<b>(841,510)</b>
Income tax expense	-	-	-
<b>Loss from continuing operations after tax</b>	<b>(1,615,622)</b>	<b>(112,145)</b>	<b>(841,510)</b>
Foreign currency translation differences	-	-	-
<b>Total comprehensive loss for the year</b>	<b>(1,615,622)</b>	<b>(112,145)</b>	<b>(841,510)</b>

APPENDIX 4 (CONTINUED)

E-COLLATE PTY LTD

HISTORICAL FINANCIAL INFORMATION

E-Collate Historical Statement of Comprehensive Income	Audited for the period of incorporation on 15-Oct-15 to 22-Oct-15
	\$
Other income	-
Incorporation costs	553
Website costs	22
<b>Loss before income tax expense</b>	<b>575</b>
Income tax benefit	-
<b>Loss for the year</b>	<b>575</b>
Other comprehensive income	-
<b>Total comprehensive loss for the year</b>	<b>575</b>

E-Collate Historical Statement of Financial Position	Audited as at 22-Oct-15
	\$
<b>CURRENT ASSETS</b>	
Cash at bank	20,100
GST paid	28
<b>TOTAL CURRENT ASSETS</b>	<b>20,128</b>
<b>NON CURRENT ASSETS</b>	
Intangible assets	884
<b>TOTAL NON CURRENT ASSETS</b>	<b>884</b>
<b>TOTAL ASSETS</b>	<b>21,012</b>
<b>CURRENT LIABILITIES</b>	
Payables	1,487
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,487</b>
<b>TOTAL LIABILITIES</b>	<b>1,487</b>
<b>NET ASSETS</b>	<b>19,525</b>
<b>EQUITY</b>	
Share capital	20,100
Accumulated losses	(575)
<b>TOTAL EQUITY</b>	<b>19,525</b>

For personal use only

---

## 12. CORPORATE GOVERNANCE

### 12.1 ASX Corporate Governance Council Principles and Recommendations

The Company plans to adopt comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board are committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, commensurate with the Company's size and nature, the Company will adopt *The Corporate Governance Principles and Recommendations (3rd Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

The Board will seek, where appropriate, to provide accountability levels that meet or exceed the Recommendations, which are not prescriptions, but guidelines. The Company's main corporate governance policies and practices are outlined below and further details can be obtained from the Company website at [www.grpcorporation.com.au](http://www.grpcorporation.com.au).

### 12.2 Board of Directors

The Board is responsible for corporate governance of the Company. The Board will develop strategies for the Company, review strategic objectives and monitor performance against those objectives. The goals of the corporate governance processes are to:

- (a) maintain and increase Shareholder value;
- (b) ensure a prudential and ethical basis for the Company's conduct and activities; and
- (c) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board will assume the following responsibilities:

- (d) developing initiatives for profit and asset growth;
- (e) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
- (f) acting on behalf of, and being accountable to, the Shareholders; and
- (g) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

In light of the Company's size and nature, the Board considers that the proposed composition of the Board is a cost effective and practical method of directing and managing the Company. If the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

### 12.3 Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. However, subject thereto, the Company is committed to the following principles:

- (a) the Board is to comprise Directors with a blend of skills, experience and attributes appropriate for the Company and its business; and
- (b) the principal criterion for the appointment of new Directors is their ability to add value to the Company and its business.

Following Settlement, the Board will consist of 3 members. The Company will adopt a Nominations Committee Charter and will appoint a Nominations and Remuneration Committee (which will initially be carried out by the full Board).

Where a casual vacancy arises during the year, the Board will have procedures to select the most suitable candidate with the appropriate experience and expertise to ensure a balanced and effective Board. Any Director appointed during the year to fill a casual vacancy or as an addition to the Board, holds office until the next general meeting and is then eligible for re-election by the Shareholders.

Each Director has confirmed to the Company that he or she anticipates being available to perform his or her duties as a Non-Executive Director or Executive Director without constraint from other commitments.

The Board considers an independent Director to be a non-executive director who is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders generally. The Board will consider the materiality of any given relationship on a case-by-case basis and reviews the independence of each Director in light of interests disclosed to the Board from time to time.

The Board Charter adopted by the Board sets out guidelines of materiality for the purpose of determining independence of Directors in accordance with the Recommendations and has adopted a definition of independence that is based on that set out in the Recommendations.

The Board will consider whether there are any factors or considerations which may mean that a Director's interest, position, association or relationship might influence, or reasonably be perceived to influence, the capacity of the Director to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its Shareholders generally.

### 12.4 Board Charter

The Board Charter adopted by the Board sets out the responsibilities of the Board in greater detail. It provides that the Board should comprise Directors with the appropriate mix of skills, experience, expertise and diversity which are relevant to the Company's businesses and the Board's responsibilities. The Board Charter allows the Board to delegate powers and responsibilities to committees established by the Board. The Board retains ultimate accountability to Shareholders in discharging its duties.

## **12.5 Identification and management of risk**

The Board intends to establish a Risk Management Committee which is responsible for overseeing the risk management function. It is proposed that the Risk Management Committee will be responsible for ensuring the risks and opportunities are identified on a timely basis.

The Board will be responsible for overseeing the establishment of and approving risk management strategies, policies, procedures and systems of the Company. The Company's management is responsible for establishing the Company's risk management framework. The Company will regularly undertake reviews of its risk management procedures to ensure that it complies with its legal obligations, including assisting the Chief Executive Officer or Chief Financial Officer to provide required declarations.

## **12.6 Ethical standards**

The Directors are committed to the establishment and maintenance of appropriate ethical standards. Accordingly, the Company has adopted a Code of Conduct which sets out the way the Company conducts business. The Company will carry on business honestly and fairly, acting only in ways that reflect well on the Company and in compliance with all laws and regulations.

The Directors also propose to adopt a policy document which will outline employees' obligations of compliance with the Code of Conduct, and explains how the code interacts with the Company's other corporate governance policies.

It is proposed that responsibilities incorporated in the Code of Conduct will include protection of the Company's business, using the Company's resources in an appropriate manner, protecting confidential information and avoiding conflicts of interest.

## **12.7 Independent professional advice**

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

## **12.8 Remuneration arrangements**

The total maximum remuneration of Non-Executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of Non-Executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Non-Executive Director. The current amount has been set at an amount not to exceed \$350,000 per annum.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The Board intends to review and approve the remuneration policy to enable the Company to attract and retain Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a

company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The proposed role of the Remuneration and Nomination Committee (which will initially be carried out by the full Board) is to review and make recommendations to the Board on remuneration arrangements and policies related to the Directors, Chief Executive Officer and other members of senior management and to ensure that the remuneration policies and practices are consistent with the Company's strategic goals and human resources objectives. In addition, it is proposed that the Committee will be responsible for reviewing and making recommendations in relation to the composition and performance of the Board and its committees and ensuring that adequate succession plans are in place (including for the recruitment and appointment of Directors and senior management). Independent advice may be sought by the Remuneration and Nomination Committee where appropriate.

The Remuneration and Nomination Committee will meet as often as is required by its Charter or other policy approved by the Board to govern the operation of the Remuneration and Nomination Committee. Following each meeting, the Remuneration and Nomination Committee will report to the Board on any matter that should be brought to the Board's attention and on any recommendation that requires Board approval.

## **12.9 Trading policy**

The Company has adopted a Securities Trading Policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the Managing Director). The Securities Trading Policy explains the types of conduct in relation to dealings in Shares that are prohibited under the Corporations Act and to establish procedures in relation to such persons' dealing in the Shares.

Under the terms of the policy, buying or selling Shares is not be permitted at any time by any person who possesses inside information in a manner contrary to the Corporations Act or where short-term or speculative trading is involved. The policy also generally provides that written notification to the Chairman (or in the case of the Chairman, the Managing Director) must be satisfied prior to trading.

## **12.10 External audit**

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

## **12.11 Audit committee**

The responsibilities of an Audit and Risk Management Committee for the Company will initially be carried out by the Board, which will fulfil the Company's corporate governance and monitoring responsibilities in relation to the Company's risks associated with the integrity of the financial reporting, internal control systems and the independence of the external audit function.

The Board will be responsible for approving the services that the Company's external auditor may provide. The external auditor:

- (a) must be independent of the Company and the Directors and senior executives. To ensure this, the Company requires a formal report from its

external auditor on an annual basis setting out the relationships that may affect its independence; and

- (b) may not provide services to the Company that may impair, or appear to impair, the external auditor's judgement or independence in respect of the Company.

#### **12.12 Diversity Policy**

The Company has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

#### **12.13 Departures from Recommendations**

Following re-admission to the Official List, the Company will be required to report any departures from the Recommendations in its annual financial report. The Company's compliance and departures from the Recommendations as at the date of this Prospectus are set out in Schedule 1.

For personal use only

---

## 13. MATERIAL CONTRACTS

### 13.1 Acquisition Agreement

The key terms of the Acquisition Agreement pursuant to which the Company has agreed to acquire 100% of the issued share capital in E-Collate are as follows:

- (a) **(Consideration):** On completion of the Acquisition, the Company will issue 10,000,000 Shares and 10,000,000 Options (exercisable at \$0.05 on or before 3 years from the date of the Company's reinstatement to quotation) to the E-Collate Shareholders as consideration for the Acquisition;
- (b) **(Conditions Precedent):** The Acquisition is subject to satisfaction (or waiver) of the following outstanding conditions:
  - (i) the Company completing a capital raising of no less than \$3,000,000 (or such other amount to satisfy ASX re-listing requirements) via the issue of Shares at no less than 2 cents each by way of this Prospectus; and
  - (ii) the Company entering into share sale agreements with the shareholders of E-Collate such that the Company is unconditionally entitled to acquire 100% of the issued E-Collate Securities;
- (c) **(Settlement):** Settlement of the Acquisition will occur on that date which is 5 business days after the satisfaction (or waiver) of all of the Conditions; and
- (d) **(Board Composition):** Following Settlement, E-Collate will have the right to appoint a nominee to the Board.

The Acquisition Agreement otherwise contains terms, conditions and restrictions which are customary for an agreement of its nature.

### 13.2 Lead Manager Mandate

On 9 September 2015, the Company and Patersons Securities Limited (**Patersons**) entered into a mandate agreement pursuant to which the Company appointed Patersons as its corporate advisor and lead manager in relation to the Public Offer (**Lead Manager Mandate**).

Under the Lead Manager Mandate, the Company will pay Patersons the following:

- (a) 6.0% of the gross proceeds received under the Public Offer;
- (b) a \$75,000 (excluding GST) management fee upon re-quotation; and
- (c) a corporate advisory retainer of \$10,000 per month commencing on the date of completion of the Public Offer.

All Broker Options issued to Patersons will be subject to any escrow restrictions in accordance with Chapter 9 of the ASX Listing Rules.

In addition, Patersons is entitled to be reimbursed for out-of-pocket expenses incurred by Patersons.

The Company is entitled to terminate the Lead Manager Mandate at any time before Patersons has received firm commitments from investors to subscribe for the minimum securities under the Prospectus for failure to rectify any material breach of the Mandate or on a no fault basis.

Patersons may terminate the Lead Manager Mandate, at any time prior to allotment of the Securities, if (among other things) there is an adverse change to the markets or ASX gives formal or informal notice that the securities of the Company, post Settlement, will not be re-admitted to trading on the Official List .

All other terms of the Lead Manager Mandate are considered standard for an agreement of this nature.

### 13.3 Director Service Agreements

(i) **Non-Executive Appointment letter with Mark Rowbottam**

The Company has entered into a non-executive appointment letter with Mr Mark Rowbottam on standard terms of agreements of this nature under which he is entitled to Director fees of \$42,000 per annum (exclusive of GST). Mr Rowbottam will remain on the Board following completion of the Acquisition.

(ii) **Non-Executive Appointment letter with Peter Wall**

The Company has entered into a non-executive appointment letter with Mr Peter Wall on standard terms of agreements of this nature under which he is entitled to Director fees of \$36,000 per annum (exclusive of GST). Mr Wall will remain on the Board following completion of the Acquisition.

(iii) **Non-Executive Appointment letter with Zane Lewis**

The Company has entered into a non-executive appointment letter with Mr Zane Lewis on standard terms of agreements of this nature under which he is entitled to Director fees of \$36,000 per annum (exclusive of GST). Mr Lewis will remain on the Board following completion of the Acquisition.

### 13.4 Bowen Plug – Executive Services Agreement

The Company has entered into an executive services agreement with proposed Executive, Bowen Plug to act as Chief Executive Officer of the Company, on the following terms and conditions:

- (a) **Salary:** the Company shall pay Mr Plug a salary of \$120,000 per annum (plus superannuation), which will be reviewed annually by the Company.
- (b) **Term:** commences on Settlement and will continue until validly terminated in accordance with its terms.
- (c) **Termination by Mr Plug:** Mr Plug may terminate by giving 3 months' notice or where the Company commits a serious breach of the agreement and that breach is not remedied within 28 days.
- (d) **Termination by the Company:** the Company may terminate the executive services agreement:

- (i) without cause, by giving 2 months' written notice to the executive; or
- (ii) with cause, by giving one month's written notice or summarily without notice if at any time the executive commits any serious breach of the executive service agreement or is convicted of any major criminal offence.
- (iii) **Restraint of Trade:** upon termination of the executive services agreement, the executive will be subject to a restraint of trade period for up to 1 year

### 13.5 Quinn (Qing) Cai – Executive Services Agreement

The Company has entered into an executive services agreement with proposed Executive, Quinn (Qing) Cai to act as Chief Technology Officer of the Company, on the following terms and conditions:

- (a) **Salary:** the Company shall pay Ms Cai a salary of \$90,000 per annum (plus superannuation), which will be reviewed annually by the Company.
- (b) **Term:** commences on Settlement and will continue until validly terminated in accordance with its terms.
- (c) **Termination by Ms Cai:** Ms Cai may terminate by giving 3 months' notice or where the Company commits a serious breach of the agreement and that breach is not remedied within 28 days.
- (d) **Termination by the Company:** the Company may terminate the executive services agreement:
- (i) without cause, by giving 2 months' written notice to the executive; or
- (ii) with cause, by giving one month's written notice or summarily without notice if at any time the executive commits any serious breach of the executive service agreement or is convicted of any major criminal offence.
- (e) **Restraint of Trade:** upon termination of the executive services agreement, the executive will be subject to a restraint of trade period for up to 1 year.

### 13.6 Deeds of indemnity, insurance and access - Directors

The Company has entered into deeds of indemnity, insurance and access with each of its Directors, which are on customary terms and conditions.

Under these deeds, the Company agrees to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company or a related body corporate (subject to customary exceptions). The Company is also required to maintain insurance policies for the benefit of the relevant officer and must also allow the officers to inspect Board papers and other documents provided to the Board in certain circumstances.

### 13.7 Revolve Projects Loan Document

The Company and Revolve Projects Pty Ltd (**Resolve**) are parties to an unsecured loan arrangement. The balance of the loan as at 30 June 2015 is \$249,300 (**Debt**) and is repayable when the Company has sufficient cash flow to not impact the going concern status of the Company.

Pursuant to a debt to equity conversion binding letter agreement dated 17 November 2015 (**Debt to Equity Agreement**), the Company agreed to issue and Resolve agreed to accept 8,310,000 Shares (**Debt Conversion Shares**) at a deemed issue price of \$0.03 per Share for conversion of 100% of the Debt. Shareholder approval for the issue of the Debt Conversion Shares was obtained on 9 December 2015.

The Debt to Equity Agreement is conditional on the Company receiving conditional approval from the ASX to have its shares re-quoted on the official list of the ASX and the Company being satisfied in its absolute discretion that those conditions are capable of being satisfied.

Resolve agrees to fully release and discharge the Company from all obligations and liabilities in respect of the Debt following the issue of the Debt Conversion Shares.

### 13.8 Unsecured Convertible Note Deed Poll

The Company entered into an unsecured convertible note deed poll dated 18 September 2015 (**Deed**) to secure up to \$240,000 in additional debt finance through the issue of unlisted convertible notes (**Convertible Notes**). Each Convertible Note is convertible into one Share and one Option. Shareholder approval for conversion of the Convertible Notes into 12,000,000 Shares and 12,000,000 Options (**Conversion Securities**) was obtained on 9 December 2015. The Company will issue the Conversion Securities on completion of the Acquisition.

---

## 14. ADDITIONAL MATERIAL INFORMATION

### 14.1 Litigation

As at the date of this Prospectus, neither the Company or E-Collate is involved in any material legal proceedings and the Directors and Incoming Key Management are not aware of any legal proceedings pending or threatened against the Company or E-Collate.

### 14.2 Rights and liabilities attaching to Shares

The Shares offered under this Prospectus will be fully paid ordinary shares in the issued capital of the Company and will, upon issue, rank equally with all other Shares then on issue.

The following is a summary of the more significant rights attaching to 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.

Full details of the rights attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

#### (a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

#### (b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares offered under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules.

For personal use only

(g) **Variation of rights**

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) **Alteration of 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. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

### 14.3 Terms and conditions of the Noteholder Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (a), the amount payable upon exercise of each Option will be \$0.03 (**Exercise Price**)

(c) **Expiry Date**

Each Option will expire at 5:00pm (WST) on the day that is three (3) years from date of GRP's Shares being reinstated to ASX (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**)

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Upon receipt of the duly completed Exercise form and associated appropriate payment, the Company will arrange for the shares to be issued and holding statements to be sent to the Investor no later than two (2) business days.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by the ASX or under applicable Australian securities laws.

#### 14.4 **Terms and conditions of the Consideration Options**

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.05 (**Exercise Price**)

(c) **Expiry Date**

Each Option will expire at 5:00pm (WST) on 31 January 2019 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**)

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Upon receipt of the duly completed Exercise form and associated appropriate payment, the Company will arrange for the shares to be issued and holding statements to be sent to the Investor no later than two (2) business days.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by the ASX or under applicable Australian securities laws.

**14.5 Interests of Directors**

Other than as set out elsewhere in this Prospectus, no Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
  - (i) the formation or promotion of the Company; or
  - (ii) the Offers.

**14.6 Interests of Experts and Advisers**

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- (b) promoter of the Company;

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (c) the formation or promotion of the Company;
- (d) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offers; or
- (e) the Offers,

For personal use only

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons for services provided in connection with:

- (f) the formation or promotion of the Company; or
- (g) the Offers.

BDO Corporate Finance Pty Ltd (**BDO**) has acted as Investigating Accountant of the Company and has prepared the Investigating Accountant's Report which is included in Section 11 of this Prospectus. The Company estimates it will pay BDO a total of \$10,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, BDO has received \$8,976 from the Company for their services.

Steinepreis Paganin has acted as the solicitors to the Company. The Company estimates it will pay Steinepreis Paganin \$50,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has received fees of \$173,706 (excluding GST) from the Company for legal services.

Patersons Securities Limited has acted as the lead manager to the Company. The Company will pay the fees as set out in Section 13.2 for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Patersons Securities Limited has received fees of \$23,769 (excluding GST) from the Company for services.

#### 14.7 Consents

Other than as set out below, each of the parties referred to in this Section 14.7:

- (a) does not make, or purport to make, any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by the relevant party;
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of the party; and
- (c) did not authorise or cause the issue of all or any part of this Prospectus.

BDO has given its written consent to being named as Investigating Accountant of the Company in this Prospectus and to the inclusion of the Investigating Accountant's Report in Section 11 of this Prospectus in the form and context in which the information and report are included. BDO has not withdrawn its written consent prior to lodgement of this Prospectus with ASIC.

Steinepreis Paganin has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as Australian lawyers to the Company in relation to the Offers.

Patersons Securities Limited has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as the lead manager in relation to the Offers.

## 14.8 Expenses of the Offers

The total expenses of the Offers (excluding GST) are estimated to be approximately \$399,236.

The table below sets out the items that the expenses of the Offers are expected to be applied towards:

Item of Expenditure	\$
ASX Fees	\$40,916
ASIC Fees	\$2320
Legal, Accounting and Due Diligence Expenses	\$63,000
Lead manager fee	\$291,000
Printing and Distribution	\$2,000
<b>TOTAL</b>	<b>\$399,236</b>

## 14.9 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 will continue to be 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.

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

## 14.10 Electronic Prospectus

The Corporations Act allows distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form.

If you have received this Prospectus as an electronic prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at [www.grpcorporation.com.au](http://www.grpcorporation.com.au).

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

#### 14.11 Financial Forecasts

Given the current status of the Company's operations and the significant changes anticipated, and the need for regulatory approvals (the status and timing of which are inherently uncertain) the Directors do not consider it appropriate to forecast future earnings.

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 on a reasonable basis.

---

#### 15. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented, and as at the date of this Prospectus has not withdrawn his consent, to the lodgement of this Prospectus with the ASIC.

---

**Mark Rowbottam**  
**Executive Director**  
**For and on behalf of**  
**GRP Corporation Limited**

---

## 16. GLOSSARY AND INTERPRETATION

### 16.1 Definitions

Unless the context requires otherwise, where the following terms are used in this Prospectus, they have the following meanings:

**\$** means an Australian dollar.

**Acquisition** means the purchase of 100% of the issued capital in E-Collate by the Company in accordance with the Acquisition Agreement.

**Acquisition Agreement** means the binding heads of agreement entered into between the Company, E-Collate and the Majority E-Collate Shareholder for the option to conditionally acquire 100% of the issued capital in E-Collate.

**App** means an application, especially as downloaded by a user to a mobile device.

**Applicant** means a person who has submitted an Application Form.

**Application** means an application for Shares made on an Application Form.

**Application Form** means an application form attached to or accompanying this Prospectus relating to the Offers.

**ASIC** means Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

**ASX Listing Rules** means the official listing rules of ASX.

**ASX Settlement Operating Rules** means the operating rules of the ASX Settlement Facility (as defined in Rule 1.1.1 and Rule 1.1.2 of the ASX Settlement Operating Rules) in accordance with Rule 1.2 which govern, inter alia, the administration of the CHESS subregisters.

**Board** means the board of Directors as constituted from time to time.

**Broker Options** means Options on the terms and conditions set out in Section 14.3.

**CHESS** has the meaning given in Section 7.9.

**Closing Date** means the closing date of the Offers as set out in the indicative timetable in Section 3 of this Prospectus (subject to the Company reserving the right to extend the Closing Date or close the Offers early).

**Company** or **GRP** means GRP Corporation Limited (ACN 096 781 716) to be renamed "Transcendence Technologies".

**Conditions** means the conditions to the Offers set out in Section 2.4 of this Prospectus.

**Consideration Options** means the Options issued as part of the Vendor Consideration Offer.

**Consideration Securities** has the meaning set out on the front cover of this Prospectus.

**Constitution** means the constitution of the Company (as amended or replaced from time to time) and following settlement of the Acquisition will be as described in Section 14.2.

**Convertible Noteholders** means the holders of the Convertible Notes.

**Convertible Notes** means convertible notes in the Company.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Debtor Offer** means as defined in Section 7.2(c).

**Debtors** means the debtors of the Company that are the recipients of the Debtor Offer.

**Directors** means the directors of the Company as appointed from time to time.

**E-Collate** means E-Collate Pty Ltd (ACN 608 766 123).

**E-Collate App** means as described in Section 6.4.

**E-Collate Business** means the business operated by E-Collate as summarised in Section 8 of this Prospectus.

**E-Collate Shares** means a fully paid ordinary share in the capital of E-Collate.

**E-Collate Shareholder** means a holder of E-Collate Shares.

**General Meeting** means the general meeting of the Company which was held on 9 December 2015 which obtained Shareholder approval for the matters set out in the Notice of Meeting (including the Essential Resolutions).

**Incoming Key Management** means Bowen Plug and Quinn Cai.

**Lead Manager** means Patersons Securities Limited.

**Majority E-Collate Shareholder** means Bowen Plug.

**Minimum Subscription** means as defined in Section 6.6(b).

**Non Fundraising Offers** means the Vendor Consideration Offer, Debtor Offer and Noteholder Offer.

**Noteholder Offer** means as defined in Section 7.2(b) of this Prospectus.

**Noteholder Options** means the Options issued pursuant to the Noteholder Offer.

**Notice of Meeting** means the Notice of General Meeting and Explanatory Statement of the Company in relation to the General Meeting.

**Offers** means the Vendor Consideration Offer, Debtor Offer, Noteholder Offer and the Public Offer and **Offer** means either one as the context requires.

**Official List** means the official list of ASX.

**Official Quotation** means official quotation by ASX in accordance with the ASX Listing Rules.

**Option** means an option to acquire a Share.

**Prospectus** means this prospectus.

**Public Authority** means any government or governmental, semi-governmental, administrative, statutory, fiscal, or judicial body, entity, authority, agency, tribunal, department, commission, office, instrumentality, agency or organisation (including any minister or delegate of any of the foregoing), any self-regulatory organisation established under statute and any recognised securities exchange (including without limitation ASX), in each case whether in Australia or elsewhere.

**Public Offer** means the offer of 120,000,000 Shares at an issue price of \$0.03 per Share to raise \$3,600,000 pursuant to this Prospectus.

**Recommendations** has the meaning given in Section 12.1.

**Related Bodies Corporate** has the meaning given to that term under section 9 of the Corporations Act.

**Section** means a section of this Prospectus.

**Securities** means all securities of the Company, including a Share or an Option (as the context requires).

**Settlement** means settlement of the Acquisition in accordance with the terms of the Acquisition Agreement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of one or more Shares.

**Share Registry** means Link Market Services Limited.

**Valid Application** means a valid and complete Application to subscribe for Securities under the Offers, accompanied by the appropriate Application money in full as applicable.

**Vendor Consideration Offer** has the meaning set out in Section 7.2(a) of this Prospectus.

**WST** means Western Standard Time as observed in Perth, Western Australia.

**SCHEDULE 1**

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
<b>Principle 1: Lay solid foundations for management and oversight</b>		
<p><b>Recommendation 1.1</b></p> <p>A listed entity should have and disclose a charter which sets out the respective roles and responsibilities of the Board, the Chair and management, and includes a description of those matters expressly reserved to the Board and those delegated to management.</p>	Yes	<p>The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair and management and includes a description of those matters expressly reserved to the Board and those delegated to management.</p> <p>The Board Charter sets out the specific responsibilities of the Board, requirements as to the Board’s composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors’ access to Company records and information, details of the Board’s relationship with management, details of the Board’s performance review and details of the Board’s disclosure policy.</p> <p>A copy of the Company’s Board Charter, which is part of the Company’s Corporate Governance Plan, is available on the Company’s website.</p>
<p><b>Recommendation 1.2</b></p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director; and</p> <p>(b) provide security holders with all material information relevant to a decision on whether or not to elect or re-</p>	Yes	<p>(a) The Company has guidelines for the appointment and selection of the Board in its Corporate Governance Plan. The Company’s Nomination Committee Charter (in the Company’s Corporate Governance Plan) requires the Nomination Committee (or, in its absence, the Board) to ensure appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate)) are undertaken before appointing a person, or putting forward to security holders a</p>

For personal use only

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
elect a Director.		<p>candidate for election, as a Director.</p> <p>(b) Under the Nomination Committee Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director.</p>
<p><b>Recommendation 1.3</b></p> <p>A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.</p>	Yes	The Company either has or at the time of readmission to the official list following completion of the Offers will have written agreements with each Director and senior executive setting out the terms of their appointment.
<p><b>Recommendation 1.4</b></p> <p>The company secretary of a listed entity should be accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.</p>	Yes	The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.
<p><b>Recommendation 1.5</b></p> <p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the Board or a relevant committee of the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period:</p> <p>(i) the measurable objectives for achieving gender</p>	<p>No</p> <p>No</p>	The Company acknowledges the positive outcomes that can be achieved through a diverse workforce and recognises and utilises the diverse skills and talent from its directors, officers and employees. However, due to the size of the Company and its current situation, the Company does not envisage recruiting any new staff in the near future and therefore does not currently have a diversity policy. The Board is aware of the merits of having a diverse workforce and will take this into consideration should the Company be required to add to its workforce in the future.

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
<p>diversity set by the Board in accordance with the entity's diversity policy and its progress towards achieving them; and</p> <p>(ii) either:</p> <p>(i) the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(ii) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in the Workplace Gender Equality Act.</p>	No	
<p><b>Recommendation 1.6</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>Yes</p> <p>Yes</p>	<p>The Board Charter establishes the requirement and process to conduct an annual evaluation of the performance of the Board, its committees and individual Directors. The Remuneration &amp; Nomination Committee will be responsible for the conduct of the evaluation.</p> <p>It is the Board's intention to report whether a performance evaluation was undertaken in each reporting period in accordance with that process.</p>

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
<p><b>Recommendation 1.7</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>Yes</p> <p>Yes</p>	<p>The Board is responsible for reviewing the performance of senior management against strategies established by the Board.</p> <p>The Board will disclose annually whether a performance evaluation was undertaken in the reporting period in accordance with the process outlined above.</p>
<p><b>Principle 2: Structure the Board to add value</b></p>		
<p><b>Recommendation 2.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(i) has at least three members, a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address Board succession issues and to ensure that the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable</p>	<p>No</p>	<p>The Company does not currently have a separate nomination Committee due to the fact that the Board considers those matters that would usually be the responsibility of a nomination committee.</p> <p>The Board considers that, given its size and composition, there are no efficiencies or other benefits that would be gained by establishing a separate committee. The Board has adopted a Nomination Committee Charter which it applies, as relevant.</p>



RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
<p><b>Recommendation 2.4</b></p> <p>A majority of the Board of a listed entity should be independent Directors.</p>	No	<p>At the time of readmission to the official list following completion of the Offer, the Board will comprise 3 members, none of whom are independent and 3 of whom are non independent Directors.</p> <p>The Company considers this to be an appropriate balance given the Company's current situation.</p>
<p><b>Recommendation 2.5</b></p> <p>The Chair of the Board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity.</p>	No	<p>The Chair of the Board will be Mr Mark Rowbottam. Mr Rowbottam is a highly experienced Director and Chairman. The Company considers that, reflective of the majority shareholding, the Board will function more effectively with Mr Cross as Chairman.</p>
<p><b>Recommendation 2.6</b></p> <p>A listed entity should have a program for inducting new Directors and providing appropriate professional development opportunities for continuing Directors to develop and maintain the skills and knowledge needed to perform their role as a Director effectively.</p>	Yes	<p>The Company has an induction program for new Directors and encourages ongoing professional development of directors and senior management</p>
<p><b><i>Principle 3: Act ethically and responsibly</i></b></p>		
<p><b>Recommendation 3.1</b></p> <p>A listed entity should:</p> <p>(a) have a code of conduct for its Directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	Yes	<p>The Company has a Code of Conduct for its Directors, senior executives and employees. A copy of the Code of Conduct may be viewed on the Company's website.</p>

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
<b>Principle 4: Safeguard integrity in financial reporting</b>		
<p><b>Recommendation 4.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and</li> <li>(ii) is chaired by an independent Director, who is not the Chair of the Board,</li> </ul> <p>and disclose:</p> <ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the relevant qualifications and experience of the members of the committee; and</li> <li>(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	No	<p>The Company has not formed a separate audit committee, as the role of the committee is carried out by the full Board. The Board considers that given its size and composition, no efficiencies or other benefits would be gained by establishing a separate committee. When considering audit related matters, the Board functions in accordance with its Audit Committee Charter. The Audit Committee Charter also provides that the Board may meet with the external auditor, without management present, as required.</p>
<p><b>Recommendation 4.2</b></p> <p>The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial</p>	Yes	<p>The Company's Audit and Risk Committee Charter requires the CEO and CFO (or, if none, the person(s) fulfilling those functions)</p>

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
<p>records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>		<p>to provide a sign off on these terms.</p> <p>The Company has obtained a sign off on these terms for each of its financial statements in the past financial year.</p>
<p><b>Recommendation 4.3</b></p> <p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	Yes	<p>The Company's Corporate Governance Plan provides that the Board must ensure the Company's external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p> <p>The Company's external auditor attended the Company's last AGM during the past financial year.</p>
<p><b><i>Principle 5: Make timely and balanced disclosure</i></b></p>		
<p><b>Recommendation 5.1</b></p> <p>A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	<p>(a) The Company's Corporate Governance Plan details the Company's Continuous Disclosure policy.</p> <p>(b) The Corporate Governance Plan, which incorporates the Continuous Disclosure policy, is available on the Company's website.</p>

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
<b>Principle 6: <i>Respect the rights of security holders</i></b>		
<b>Recommendation 6.1</b> A listed entity should provide information about itself and its governance to investors via its website.	Yes	Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company's website.
<b>Recommendation 6.2</b> A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders and is available on the Company's website as part of the Company's Corporate Governance Plan.
<b>Recommendation 6.3</b> A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes	Shareholders are encouraged to participate at all general meetings and AGMs of the Company. Upon the despatch of any notice of meeting to Shareholders, the Company Secretary shall send out material stating that all Shareholders are encouraged to participate at the meeting.
<b>Recommendation 6.4</b> A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	The Shareholder Communication Strategy provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.  Shareholders queries should be referred to the Company

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
		Secretary at first instance.
<b>Principle 7: Recognise and manage risk</b>		
<p><b>Recommendation 7.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent Directors; and</li> <li>(ii) is chaired by an independent Director, and disclose: <ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> </li> </ul> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</p>	No	The Board has not established a separate risk committee. The role of the risk committee is carried out by the full Board. The Board considers that no efficiencies or other benefits would be gained by establishing a separate risk committee.
<p><b>Recommendation 7.2</b></p> <p>The Board or a committee of the Board should:</p> <p>(a) review the entity's risk management framework with management at least annually to satisfy itself that it</p>	Yes	The Audit and Risk Management Committee Charter tasks the Committee with the responsibility for reviewing and monitoring the Company's risk management framework to provide assurance that major business risks are identified, consistently

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
<p>continues to be sound; and</p> <p>(b) disclose in relation to each reporting period, whether such a review has taken place.</p>		<p>assessed and appropriately addressed. The Charter requires the Committee to undertake a review of the Company's risk management framework with management (at least once annually) to satisfy itself that the Company risk management framework continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain with the risk appetite set by the Board.</p> <p>The Charter requires the Committee to ensure that the Board discloses whether such a review has taken place in the Company annual report.</p>
<p><b>Recommendation 7.3</b></p> <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	No	<p>The Company does not have a separate internal audit function. The Board reviews the internal control systems and risk management policies on an annual basis. The Board considers that no efficiencies or other benefits would be gained by establishing a separate internal audit function.</p>
<p><b>Recommendation 7.4</b></p> <p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	No	<p>The Company has not disclosed its economic, environmental and social sustainability risks. Given the anticipated change in Company operations, the Board intends to assess its economic, environmental and social sustainability risks at a time when it can more accurately assess the relevant risks for the new proposed operations. The Board intends this recommendation to be complied with during the next financial period,</p>

**Principle 8: Remunerate fairly and responsibly**

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
<p><b>Recommendation 8.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent Directors; and</li> <li>(ii) is chaired by an independent Director, and disclose:</li> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	No	<p>The Company does not have a separate remuneration committee. The role of the remuneration committee is carried out by the full Board. The Board considers that no efficiencies or other benefits would be gained by establishing a separate remuneration committee. However, the Board has adopted a Remuneration Committee Charter, which it applies when convening as the remuneration committee. No Directors participate in any deliberations regarding their own remuneration or related issues.</p>
<p><b>Recommendation 8.2</b></p> <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and other senior executives and ensure that the different roles and responsibilities of non-executive Directors compared to executive Directors and other senior executives are reflected in the level and composition of their remuneration.</p>	Yes	<p>The Company's Corporate Governance Plan requires the Board to disclose its policies and practices regarding the remuneration of Directors and senior executives, which is disclosed in the remuneration report contained in the Company's Annual Report as well as being disclosed on the Company's website.</p>

RECOMMENDATIONS (3 <sup>RD</sup> EDITION)	COMPLY	EXPLANATION
<p><b>Recommendation 8.3</b></p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	<p>At the time of readmission to the official list following completion of the Offers the Company does not have an equity-based remuneration scheme.</p> <p>The Company's Securities Trading Policy prohibits participants in any such scheme (should one be implemented) from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.</p> <p>A copy of the Securities Trading Policy can be viewed on the Company's website.</p>