



ASX ANNOUNCEMENT

20 March 2018

**Response to ASX Appendix 4C Query**

**LWP Technologies Limited (ASX: LWP) (“LWP” “the Company”)** provides the following response to ASX letter dated 16 March 2018.

1. Does LWP expect that it will continue to have negative operating cash flows for the time being and, if not, why not?

The Company will continue to have negative operating cash flows for the time being. Trading in the Company's securities on the ASX remains suspended.

2. Has LWP taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

As previously announced to the market, the Company has entered into a Settlement arrangement with the Australian Tax Office with respect to R&D claims for the 2014 and partial 2015 financial year for activities undertaken by Ecopropp Pty Ltd, with an amount of \$252,000 to be paid to the Company. A further claim for 2015 for activities under LWP Technologies Limited is still to be determined. The Company plans to hold its 2017 AGM in mid-May this year and shareholders will be asked to approve the consolidation of existing shares and additional capacity for raising capital. The Company anticipates the initial settlement amount of \$252,000 will be received from the ATO by 15 April 2018.

3. Does LWP expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Significant cost reductions have been put in place this Quarter with only the Board members, Company Secretary and Research Scientist remaining active in the Company. The Clontarf Pilot plant remains in Care and Maintenance and Laboratory Facilities in Germany are still being used for some R&D activities. The Company continues to examine new business opportunities and will actively seek to raise further working capital once the final R&D amounts are known.

4. Please confirm that LWP is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market.

The Company is in compliance with Listing Rule 3.1 and there is no information that should be given to the ASX about its financial condition that has not already been released to the market.

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5. Please confirm that LWP's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of LWP with delegated authority from the board to respond to ASX on disclosure matters.

The responses in this document have been authorised and approved by the Board of Directors.

– ENDS –

**For further information, please contact:**

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Chairman  
LWP Technologies Limited  
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16 March 2018

Mr Dan Lanskey  
Chief Executive Officer  
LWP Technologies Limited

By email: lanskey@me.com

Dear Mr Lanskey

**LWP Technologies Limited (“LWP”): Appendix 4C Query**

I refer to LWP’s Appendix 4C quarterly report for the period ended 31 December 2018 lodged with ASX Market Announcements Platform and released on 31 January 2018 (the “Appendix 4C”).

ASX notes that LWP has reported:

- negative net operating cash flows for the quarter of \$421,000;
- cash at the end of the quarter of \$182,000; and
- estimated cash outflows for the next quarter of \$100,000.

It is possible to conclude, based on the information in the Appendix 4C, that if LWP were to continue to expend cash at the rate indicated by the Appendix 4C, LWP may not have sufficient cash to continue funding its operations. In view of that, ASX asks LWP to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does LWP expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has LWP taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does LWP expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please confirm that LWP is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market.
5. Please confirm that LWP’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of LWP with delegated authority from the board to respond to ASX on disclosure matters.

Please also provide any other information that LWP considers may be relevant to ASX forming an opinion on whether LWP is in compliance with Listing Rule 12.2 (a listed entity's financial condition must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing).

### **When and where to send your response**

This request is made under, and in accordance with Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **9:30am AEDT on Wednesday, 21 March 2018**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in LWP's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, LWP's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at [chris.dobbs@asx.com.au](mailto:chris.dobbs@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Listing Rule 3.1**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to LWP's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that LWP's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in LWP's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.



You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely,

*[Sent electronically without signature]*

Christopher Dobbs

**Adviser, Listings Compliance**

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