

18 December 2017

By email: [Hayley.Pratt@asx.com.au](mailto:Hayley.Pratt@asx.com.au)

Ms Hayley Pratt

Adviser, Listings Compliance (Perth)

ASX Compliance Pty Limited

Dear Ms Pratt

**Greenpower Energy Limited (GPP): aware query**

We refer to your letter of 14 December 2017, in which you have raised queries regarding the announcement entitled “Grant Application Notification” lodged and released at 7:49 PM AEDT on 8 December 2017 (“Announcement”).

Responding to that letter, using the same numbering, your questions and our responses are as follows:

1. *Does GPP consider the information that the federal grant application had been rejected to be information that a reasonable person would expect to have a material effect on the price or value of its securities?*

No, GPP does not consider that the fact that its federal grant application was declined would have a material effect on the price or value of its securities, nor does GPP consider that a reasonable person would expect that to be information that would have a material effect on the price or value of GPP’s securities.

2. *If the answer to question 1 is “no”, please advise the basis for that view.*

The basis for GPP’s view is that for the reasons set out in the Announcement, the rejection of the grant application is likely to have virtually no effect on GPP, either from the perspective of its ongoing plans or financial position.

The balance of the Announcement states that GPP plans to build a PDU (Process Demonstration Unit) and its plans to carry out field trials of its plant growth bio-stimulant continues unaffected. The PDU and field trials are the only part of GPP’s business affected by the grant application. Given this part of GPP’s business will continue, there is a clear implication that there will be no change in GPP’s present position as a result of the decision.

The Announcement must be considered in its context. The relevant context was set out in the quarterly announcement made by GPP on 30 October 2017, which refers to both the grant application process and GPP’s intention to build the PDU. The Announcement also stated that GPP’s application was only one of 70, of which only 15 were granted. It is clearly the case that the state and federal governments are offered on a continuous basis across a variety of grant programmes, particularly relating to new innovations and new industries, and many more applications are made than grants



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available, and that being unsuccessful in a first application is a common occurrence and does not stop ongoing plans.

The Announcement also stated that “GPP is encouraged to think that in a future funding round, an application which includes its soon to be received marketing report will be more successful.” These words, taken with the paragraph that preceded them, convey the clear message to GPP from the relevant federal body that the application ought to be presented again in the next round of that grant. These words also clearly convey that GPP’s position is not materially changed from when the grant application was initially announced.

3. *When did GPP first become aware that the federal grant application had been rejected?*

GPP first became aware that the application had been rejected on 6 December 2017. GPP’s consultant acting on this application received the notice on that date, and circulated the notice to both the Chairman of GPP and the accounting firm engaged to assist in the preparation of the application on that date. Prior to that date, GPP had no knowledge of the application was rejected.

4. *If GPP first became aware that the federal grant application had been rejected before 8 December 2017, did GPP make any announcement prior to that date which disclosed this information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe GPP was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps GPP took to ensure that the information was released promptly and without delay.*

GPP did not make any announcement or disclosure of the information concerned before the Announcement on 8 December 2017.

GPP had been extensively assisted with the grant application by an external consultant and an international accounting firm. GPP needed advice and approval from both the external consultant and accounting firm before making the Announcement, in particular given the confidentiality of the application process and the complex nature of grants.

Firstly, GPP had no prior notice that the application decision letter would be issued on 6 December 2017 (although GPP did know it was imminent). When GPP received that letter, it immediately sought advice from the external consultant and accounting firm as to the meaning of the decision letter. In particular there were matters advised to GPP by its external consultants (including that the identity of the body considering the grant could not be disclosed and the fact that the contents of the decision letter were non-standard). Given GPP is not an expert in this area, it required advice and approval of the final announcement from external experts (with that advice and approval being sought and obtained between 6 and 8 December 2017, GPP made the Announcement forthwith without delay, as quickly as possible in the circumstances, given the involvement of external experts.

Further, the information remained confidential as meant by Listing Rule 3.1A.3 during that short period, pending the advice and approval being provided by the external experts.



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On these bases, GPP has complied with its obligations to release the information under Listing Rules 3.1 and 3.1A, which it did promptly and without delay.

5. *Please confirm that GPP is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.*

Yes, GPP is in compliance with the Listing Rules, in particular Listing Rule 3.1.

6. *Please confirm that GPP'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 GPP with delegated authority from the board to respond to ASX on disclosure matters.*

Yes, GPP's response has been authorised by officer with delegated authority from the Board of Directors.

Yours sincerely

**Greenpower Energy Ltd**

A handwritten signature in black ink, appearing to read 'Matthew Suttling'.

Matthew Suttling  
Company Secretary



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14 December 2017

Mr Matt Suttling  
Company Secretary  
Greenpower Energy Limited  
PO Box 1061  
NEWPORT BEACH NSW 2106

By email: [matt@suttling.com](mailto:matt@suttling.com)

Dear Mr Suttling

**Greenpower Energy Limited ("GPP"): aware query**

ASX Limited ("ASX") refers to the following:

- A. GPP's announcement entitled "Grant Application Notification" lodged on the ASX Market Announcements Platform and released at 7:49 pm AEDT on 8 December 2017 (the "Announcement"), disclosing that:

*"GPP advises that it was notified on 6 December that it did not receive a federal grant pursuant to the application it referred to in its Quarterly report for the quarter ended 30 September 2017.*

*There were 70 applications and only 15 grants made on this occasion.*

*GPP is confident its application had demonstrated a clear industry identified problem and a well thought-out strategy to provide a solution, that its management team and governance structure was strong, as was the project's ability to contribute to capability and capacity-building by researchers and industry organisations.*

*GPP is encouraged to think that in a future funding round, an application which includes its soon to be received marketing report will be more successful.*

*GPP's plans to build a PDU and to carry out field trials of its plant growth bio-stimulant will continue."*

- B. The change in the price of GPP's securities from a closing price of \$0.019 on Wednesday, 6 December 2017 to a closing price of \$0.017 on Thursday, 7 December 2017 and the increase in the volume of GPP's securities traded on Thursday, 7 December 2017.
- C. Listing Rule 3.1, which 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.
- D. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

*"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity"*

and section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B “When does an entity become aware of information”*.

- E. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

*“3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

*3.1A.1 One or more of the following applies:*

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*
- The information is a trade secret; and*

*3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

*3.1A.3 A reasonable person would not expect the information to be disclosed.”*

- F. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

*“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”*

Having regard to the above, ASX asks GPP to respond separately to each of the following questions and requests for information.

1. Does GPP consider the information that the federal grant application had been rejected to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did GPP first become aware that the federal grant application had been rejected?
4. If GPP first became aware that the federal grant application had been rejected before 8 December 2017, did GPP make any announcement prior to that date which disclosed this information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe GPP was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps GPP took to ensure that the information was released promptly and without delay.

5. Please confirm that GPP is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that GPP'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 GPP with delegated authority from the board to respond to ASX on disclosure matters.

### **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 **6:00 am AWST on Tuesday, 19 December 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in GPP'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, GPP'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 [Hayley.Pratt@asx.com.au](mailto:Hayley.Pratt@asx.com.au) and to [tradinghaltspert@asx.com.au](mailto:tradinghaltspert@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 Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to GPP'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 GPP'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 GPP'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]*

Hayley Pratt

**Adviser, Listings Compliance (Perth)**