



## Options Issue to EAS Advisors LLC

ASX ANNOUNCEMENT

1 June 2015

Further to its recent appointment of New York-based corporate advisory firm, EAS Advisors LLC (EAS), as the Company's corporate advisor (ASX announcement, 16 April 2015), LWP Technologies Limited (ASX: LWP) (LWP Technologies, the Company) provides details of the issue of Options to EAS.

As part of EAS's compensation, LWP has agreed to grant EAS, a maximum of 50,000,000 Options to purchase ordinary shares of the Company in two tranches, subject to the following terms:

### First Tranche

A total of 20,000,000 Options to purchase ordinary shares of LWP Technologies at an exercise price of \$0.005 per fully paid ordinary share, on or before an expiry date that is 18 months from the date of the EAS Advisory Agreement, subject to certain performance goals being achieved by EAS.

### Second Tranche

A total of 30,000,000 Options to purchase ordinary shares of LWP Technologies at an exercise of \$0.01 per fully paid ordinary share, on or before an expiry date that is 30 months from the date of the EAS Advisory Agreement, subject to certain performance goals being achieved by EAS.

The EAS Options will not be listed on the ASX, but are subject to shareholder approval, which will be sought at an upcoming EGM in July. Upon the valid exercise of the EAS Options and payment of the exercise price, LWP Technologies will issue fully paid ordinary shares ranking pari passu with the then issued ordinary shares of the Company.

EAS is a New York based investment advisory firm established by Edward A Sugar, which provides services primarily to natural resource and commodity sector companies. Its business is built on knowledge, capital markets insight and access to a deep pool of both traditional and non-traditional sources of capital in North America. EAS was founded in 2008 and since inception has participated in transactions worth more than \$2.5 billion.

EAS will work closely with LWP Technologies to help the Company execute its business plan for the commercialisation and growth of its next generation, fly-ash based, proppant for use in hydraulic fracturing (fracking) of oil and gas wells globally.

EAS will play a key role in advising LWP Technologies and assisting with the growth of the business in the US investment market and also with potential end users in the US and globally.

ENDS

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## About LWP Technologies

LWP Technologies Limited is an Australian oil and gas technology company focused on developing a next generation, fly-ash based, proppant for use in hydraulic fracturing (fracking) of oil and gas wells globally. Proppants are a major input and cost item in the fracking process and represent a multi-billion dollar global market annually. They are a sand-like commodity used to 'prop' open fractures in shale rocks which allows oil and gas to flow. LWP Technologies is seeking to commercialise its proppant as a cost effective, superior alternative to bauxite and clay based proppants, typically used in fracking operations currently. The Company is in the final stages of construction of a pilot scale proppant manufacturing plant in Queensland, Australia, and plans to commence production in Q2, 2015. It then plans to seek joint venture partners and/or licensing agreements to commercialise its proppant product, and deliver significant returns to shareholders.

## About Proppants

Proppants are a sand-like commodity which are a major input and cost item in the hydraulic fracturing (fracking) of oil and gas wells. Proppants are pumped into an oil and gas well under pressure to 'prop' open the tiny fractures created in hydrocarbon-bearing shale rocks during fracking, to allow oil and gas to flow from the ground fractures.

Traditional ceramic proppants are made from clay and/or bauxite. LWP Technologies ceramic proppant is majority manufactured from fly-ash, a by-product of coal fired power stations. The Company is of the view that its unique proppant product has the potential to lead the industry due to;

- ☐ the widespread availability of fly-ash;
- ☐ the fly-ash proppants' ultra-light weight; and
- ☐ its ability to withstand very high pressures in deep wells.

LWP Technologies proppants have been certified to meet or exceed both the American Petroleum Institute standards and the ISO standards.