



LWP Investment and Related Party Transactions

ASX ANNOUNCEMENT

6 October 2016

LWP Technologies Limited (ASX:LWP) ("LWP" "the Company") has been advised that the ASX believe that LWP has incorrectly made an investment with a related party in Franchise Retail Brands Limited for \$500,000, and ASX has used its discretion under Listing Rule 10.1.5 to ascertain that LWP has breached Listing Rule 10.1.

While LWP has received contrary legal advice and does not agree with the ASX's determination, and the LWP Directors believe that this heavily penalises the company and the benefits that would have accrued to LWP shareholders, the Directors have determined to accept the ruling.

Under Listing Rule 10.9 LWP is required to take corrective action by either cancelling the transaction or seeking Shareholder approval.

LWP have requested that the investment be cancelled and the monies returned to LWP, the party concerned will return the funds invested within 24 hours and cancel the shares held by LWP.

On return of these funds LWP will currently have cash and cash equivalents of \$3.7 million and therefore has sufficient financial flexibility to progress its proppant development activities with a focus on the Pune plant with Hallmark in India.

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For further information please contact:

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