



## **LWP TECHNOLOGIES ASX QUERY**

**ASX ANNOUNCEMENT**

**7 April 2016**

Further to our response of the 4<sup>th</sup> April 2016 to ASX queries regarding LWP Technologies Limited (LWP), the company makes the following disclosures as requested by the ASX.

Attached to this announcement are Appendix 3Y's that have been prepared to show transactions from the date of the placement on the 21<sup>st</sup> July 2015 until today's date.

These disclosures include the following entities in Mr. Corbin's Appendix 3Y, Smart G Finance Pty Ltd and EPSL Pty Ltd.

These disclosures include the following entities in Mr. Konig's Appendix 3Y, SKSK Superfund Pty Ltd, White Picket Fence Pty Ltd, Tara Hudson and Mia Konig.

Furthermore the ASX has determined that the placement of shares in Smart G Finance Pty Ltd, EPSL Pty Ltd and to Tara Hudson and Mia Konig have breached Listing Rule 10.11 by these shares being issued to related parties without prior shareholder approval.

Accordingly the ASX has asked the company to ensure that all Shares issued to those parties in the placement be disposed of by those parties no later than the 6<sup>th</sup> May 2016. Any net proceeds from those disposals are to be donated to an entity that is registered with the Australian Charities and Not-for-profits Commission.

In relation to Cash Flow Reporting the ASX has asked that we re-affirm that the balances contained in our Half Yearly Results to the 31<sup>st</sup> December 2015 reflect the underlying Cash flow and that this Cash Flow will form the basis for reporting the March 2016 Quarter Appendix 4C as its starting point, as the reported numbers in the half year report have corrected any misstatement in the September 2015 Quarter Appendix 4C.

The September 2015 Quarter Appendix 4C had incorrectly stated Cash received from Share Issues and Loans to Other Parties. Note that the Company wishes to make clear that the underlying Operating Cash Flows and the Cash Balances reported in the September 2015 Appendix 4C are correct.

### **For further information please contact:**

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## About LWP Technologies

LWP Technologies Limited (LWP) is an Australian oil and gas technology company focused on commercialising next generation, fly-ash based, proppants for use in hydraulic fracturing (fracking) of oil and gas wells globally. LWP is seeking to commercialise its proppants as a cost effective, superior alternative to bauxite and clay based ceramic proppants, typically used in fracking operations currently. The Company commenced proppant production from its pilot scale proppant manufacturing plant in Queensland, Australia, in Q3, 2015. LWP 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 used to 'prop' open fractures in shale rocks which allows oil and gas to flow. Proppants are often the single largest cost item in the fracking process and represent a multi-billion dollar global market annually. Traditional ceramic proppants are made from clay and/or bauxite.

LWP Technologies ceramic proppants are majority manufactured from fly-ash, a by-product of coal fired power plants. The Company is of the view that its unique proppant product has the potential to lead the industry due to:

- the widespread abundant availability of fly-ash, often near to oil and gas shale resources;
- the ultra-light weight of LWP fly-ash proppants; and
- the ability of LWP proppants to withstand the very high pressures and heat of deep wells.

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