



NOTICE OF EXTRAORDINARY GENERAL MEETING

EXPLANATORY STATEMENT

PROXY FORM

Date of Meeting

26th August 2016

Time of Meeting

10.00 am (AEST)

Place of Meeting

HopgoodGanim Lawyers
Level 7, Waterfront Place, 1 Eagle Street
Brisbane QLD 4000

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TIME AND PLACE OF MEETING AND HOW TO VOTE

Venue

The Extraordinary General Meeting of the Shareholders of LWP Technologies Limited will be held at 10 am (AEST) on 26 August 2016 at:

HopgoodGanim Lawyers
Level 7, Waterfront Place, 1 Eagle Street
Brisbane QLD 4000

How to Vote

You may vote by attending the meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the meeting on the date and at the place set out above. The meeting will commence at 10 am (AEST).

Voting by Proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

Your Proxy Form is enclosed.

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Shareholders of LWP Technologies Limited ABN 80 112 379 503 ("**Company**" or "**LWP Technologies**") will be held at the offices of Hopgood Ganim, Level 7, Waterfront Place, 1 Eagle Street, Brisbane QLD 4000 on 26 August 2016 at 10 am (AEST), for the purpose of transacting the following business referred to in this Notice of Extraordinary General Meeting ("**Notice**").

An Explanatory Statement containing information in relation to each of the following Resolutions and a Proxy Form accompany this Notice.

AGENDA

Resolution 1 - Ratification of Prior Issue of Securities under Listing Rule 7.1A

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue and allotment of 320,000,000 shares issued on the 27th June 2016 on the terms and conditions set out in the Explanatory Statement accompanying this Notice."

Voting Exclusion Statement for Resolution 1:

The Company will disregard any votes cast on this resolution by;

- any person who participated in the issue of the shares; and
- any of their associates.

However, the Company will not disregard a vote if it is cast by:

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) the person chairing the meeting as proxy for a person entitled to vote, in accordance with a direction on a proxy form to vote as the proxy decides.

Resolution 2 - Approval of Entry into Directors' Fee Plan

To consider and, if thought fit, to pass the following Ordinary Resolution, with or without amendment:

"That for the purpose of ASX Listing Rule 7.2 (Exception 9) and for all other purposes, the Directors' Fee Plan, which is summarised in the **attached** Explanatory Memorandum, be approved and the Company be authorised to issue fully paid ordinary shares to executive and non-executive directors within three (3) years from the date of this Resolution as an exception to Listing Rules 7.1 and 7.1A of the ASX Listing Rules."

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by any Director or their nominee or any director of a related entity and any associate of those persons. However, the Company will not disregard a vote cast on this Resolution if:

- (a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or

- (b) it is cast by the chair of the Meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

Restriction on proxy voting by key management personnel or closely related parties:

A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the key management personnel for the Company; or
 - (ii) a closely related party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the chair of the Meeting; and
- (d) the appointment expressly authorises the chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Resolution 3 – Approval to issue Shares under a Directors Fee Plan – Siegfried Konig

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 32,407,400 Shares to Siegfried Konig or his nominee pursuant to a Director's Fee Plan on the terms set out in the Explanatory Statement accompanying this Notice."

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by any Director or their nominee or any director of a related entity and any associate of those persons. However, the Company will not disregard a vote cast on this Resolution if:

- (a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (b) it is cast by the chair of the Meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

Restriction on proxy voting by key management personnel or closely related parties:

A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the key management personnel for the Company; or
 - (ii) a closely related party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the chair of the Meeting; and
- (d) the appointment expressly authorises the chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Resolution 4 – Approval to issue Shares under a Directors Fee Plan – Sean Corbin

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 4,800,000 Shares to Sean Corbin or his nominee pursuant to a Director's Fee Plan on the terms set out in the Explanatory Statement accompanying this Notice."

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by any Director or their nominee or any director of a related entity and any associate of those persons. However, the Company will not disregard a vote cast on this Resolution if:

- (a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (b) it is cast by the chair of the Meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

Restriction on proxy voting by key management personnel or closely related parties:

A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the key management personnel for the Company; or
 - (ii) a closely related party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the chair of the Meeting; and
- (d) the appointment expressly authorises the chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Resolution 5 - Approval to issue Shares under a Directors Fee Plan – David Henson

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 21,892,000 Shares to David Henson or his nominee pursuant to a Director's Fee Plan on the terms set out in the Explanatory Statement accompanying this Notice."

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by any Director or their nominee or any director of a related entity and any associate of those persons. However, the Company will not disregard a vote cast on this Resolution if:

- (a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (b) it is cast by the chair of the Meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

Restriction on proxy voting by key management personnel or closely related parties:

A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the key management personnel for the Company; or
 - (ii) a closely related party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the chair of the Meeting; and
- (d) the appointment expressly authorises the chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Resolution 6 – Approval to issue Shares and Options to Lanstead Capital LP

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, the shareholders approve the issue to Lanstead Capital LP of;

- (a) 1,260,000,000 Shares at a price of 0.5 cents or an amount that will not exceed 19.9% of the Companies Issued Capital which presently would be 1,173,536,402 shares at a price of 0.5 cents; and
- (b) 120,000,000 Options exercisable on or before 3 years from the date of issue at a price of 0.6 cents,

and otherwise the terms of which are set out in the Explanatory Statement accompanying this notice."

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 6 by the Lanstead Capital LP, and any associate of this company.

However, the Company will not disregard a vote on Resolution 6 if it is cast by:

- A person as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form; or
- The person chairing the Meeting, as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form, to vote as the proxy decides.

BY ORDER OF THE BOARD

Sean Corbin
Company Secretary

25th July 2016

NOTES:

1. A member entitled to attend and vote is entitled to appoint not more than two proxies to attend and vote on behalf of the member. A proxy need not be a member of the Company, but must be a natural person (not a corporation). A proxy may also be appointed by reference to an office held by the proxy (e.g. "the Company Secretary").
2. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the member's voting rights. If no such proportion is specified, each proxy may exercise half of the member's votes.
3. A proxy form is enclosed. A separate form must be used for each proxy. An additional form can be obtained by writing to the Company Secretary at Suite 29, Level 54, 111 Eagle Street Brisbane Qld 4000.
4. A duly completed Proxy Form and (where applicable) any power of attorney or a certified copy of the power of attorney must be received by the Company at its registered office or the address or fax number set out below, **at least 48 hours before** the time for commencement of the meeting. Please send by post to Suite 29, Level 54, 111 Eagle Street Brisbane Qld 4000 or by email to sean.corbin@live.com.au. Proxy forms received later than this time will be invalid.
5. The Company will accept proxy appointments by a corporate member executed in accordance with either section 127(1) (not under seal) or section 127(2) (under seal) of the Corporations Act 2001.
6. Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
7. The time nominated by the Board for the purpose of determining the voting entitlements at the meeting is 10:00 am AEST on 24 August 2016.
8. The Explanatory Statement attached to this Notice forms part of this Notice.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the Extraordinary General Meeting of LWP Technologies Limited ("**Company**").

The Directors recommend Shareholders read this Explanatory Statement in full before making any decision in relation to the resolutions.

1. Resolution 1 – Ratification of Issue and Allotment of Shares

ASX Listing Rule 7.1A enables eligible entities to issue equity securities up to 10% of their issued capital through placements over a 12 month period after an annual general meeting. This 10% placement capacity is in addition to the Company's 15% limit under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

ASX Listing Rule 7.4 provides that where holders of ordinary securities approve a previous issue of securities made without approval under either ASX Listing Rule 7.1 or ASX Listing Rule 7.1A, and provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or ASX Listing Rule 7.1A, those securities shall be deemed to have been issued with Shareholder approval for the purpose of ASX Listing Rule 7.1 and ASX Listing Rule 7.1A.

Shareholder approval of the issues of Resolution 4 Shares set out below is now sought pursuant to ASX Listing Rule 7.4, to reinstate an additional 10% of its ordinary issued capital under ASX Listing Rule 7.1A if required, over a twelve month period without seeking further Shareholder approval.

ASX Listing Rule 7.5 requires the following information to be provided to Shareholders in relation to this resolution:

- (a) The number of Shares issued was 320,000,000 on the 27th June 2016.
- (b) The issue price for the Shares was 0.5 cents.
- (c) The Shares issued were all fully paid ordinary shares in the capital of the company and rank equally with all other shares.
- (d) The Shares were issued to sophisticated investors;
- (e) The sophisticated investors were unrelated parties.
- (f) The funds were used for investment in Graphenera and for working capital.

Directors' Recommendation

The Board recommends Shareholders vote in favour of the Resolution as it allows the Company to ratify the above issue of Securities and retain the flexibility to issue further Securities representing up to 15% of the Company's share capital under ASX Listing Rule 7.1 and an additional 10% of the Company's share capital under ASX Listing Rule 7.1A during a twelve month period without seeking further Shareholder approval.

The Directors entitled to vote on this Resolution, intend to vote all their Shares in favour of the Resolution.

2. Resolution 2 – Approval of Directors’ Share Plan

Pursuant to Resolution 2, the Company is seeking Shareholder approval for the entry of the Directors’ Fee Plan for the purpose of Listing Rule 7.2 exception 9 and for all other purposes.

The Directors have resolved to refer to Shareholders for approval the Directors’ Fee Plan (Plan) and the proposed issue of Shares to Directors pursuant to the Plan.

2.1 Background

The Directors are seeking to implement the Plan in order to give the Company flexibility in respect of payments of fees to Directors being made in cash or by way of issue of Shares. Under the Plan, a Director may elect to receive all or part of remuneration owing to them by way of issue of Shares, which shall be issued at;

- (a) for the Quarter ending 30 September 2016 , 0.5 cents per Share; and
- (b) for each subsequent Quarter , the higher of ;
 - (i) the monthly Volume Weighted Average Market Price of the Shares calculated with reference to each month in the relevant Quarter on the Business Day before an Election Notice is given by a Participating Director; and
 - (ii) 0.5 cents per Share.

Details of the Directors’ Fee Plan are set out in Annexure A.

2.2 Listing Rule 7.1

Listing Rule 7.1 prohibits a company, except in certain cases, from issuing new equity securities equivalent in number to more than 15% of its capital in any 12 month period without the prior approval of its shareholders. Securities issued with shareholder approval under ASX Listing Rule 7.1 do not count towards the 15% limit.

As a result, any issue of Shares by the Company under an employee incentive scheme would reduce the Company’s 15% capacity to issue Shares under Listing Rule 7.1.

However, exception 9 of Listing Rule 7.2 allows a company to issue securities without specific shareholder approval and without reducing the 15% capacity under Listing Rule 7.1 where shareholders of a company have approved the issue of securities pursuant to an employee incentive scheme as an exception to Listing Rule 7.1 within three (3) years prior to the issue of the securities. Resolution 2 is being put to the Shareholders for this purpose and will allow the Company to utilise Exception 9 of Listing Rule 7.2 for 3 years from the date of the Resolution being passed.

3. Resolution 3 – 5 Approval to issue Shares under a Director’s Fee Plan

Resolutions 3 to 50 seek approval for the issue of Shares to directors under the Plan by which a director of the Company or a related entity can elect to be paid some or all of the cash remuneration accrued to them by the issue of Shares.

Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX’S opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

An exception to Listing Rule 10.11 is set out in Listing Rule 10.12 (exception 4) which provides that Listing Rule 10.11 does not apply to issues made with the approval of shareholders under Listing Rule 10.14.

Listing Rule 10.14 provides that an entity must only allow Directors or their associates or a person whose relationship with the entity is such that approval should be obtained to acquire securities under an employee incentive scheme with the approval of Shareholders and provided the Notice of Meeting complies with Listing Rules 10.15 or 10.15A.

The Plan allows a director of the Company or a related entity to elect to be paid some or all of the cash remuneration accrued to them by the issue of Shares.

By the Plan, a participating director may elect for each quarter to be issued Shares in lieu of some or all of the cash remuneration accrued in that quarter. Subject to Shareholder approval, the Plan commences on 1 July 2016. The issue price of Plan Shares for the September 2016 quarter is fixed at 0.5 cents per Share being the same price as the subscription price for the placement to unrelated parties completed on 27 June 2016.

For the subsequent quarters the issue price of Plan Shares will be the monthly Volume Weighted Average Market Price calculated with reference to each month in the relevant Quarter, provided that the minimum price will be 0.5 cents per Share.

The participating directors the subject of Resolutions 3 to 5 have made elections now in relation to cash remuneration to be accrued to them. The elections are reflected in the table below.

The Plan constitutes an employee incentive scheme within the Listing Rules. The Plan will reduce the cash costs of the Company by allowing the participating directors to take some or all of their remuneration in equity. As a consequence, a greater proportion of the Company's cash reserves can be allocated to advancing the Company's projects.

Resolutions 3 to 5 seek Shareholder approval for the issue of up to 59,099,400 Shares under the Plan as follows:

Participant	Sept 2016 Qtr.	Dec 2016 Qtr.	March 2017 Qtr.	June 2017 Qtr.	Total Shares
Siegfried Konig Resolution 3	Fee \$40,509 8,101,850 Shares	Fee \$40,509 8,101,850 Shares	Fee \$40,509 8,101,850 Shares	Fee \$40,509 8,101,850 Shares	Fee \$162,036 32,407,400 Shares
Sean Corbin Resolution 4	Fee \$6,000 1,200,000 Shares	Fee \$6,000 1,200,000 Shares	Fee \$6,000 1,200,000 Shares	Fee \$6,000 1,200,000 Shares	Fee \$24,000 4,800,000 Shares
David Henson Resolution 5	Fee \$27,365 5,473,000 Shares	Fee \$27,365 5,473,000 Shares	Fee \$27,365 5,473,000 Shares	Fee \$27,365 5,473,000 Shares	Fee \$109,460 21,892,000 Shares
				TOTAL SHARES	59,099,400

In the table above, Shares are to be issued for the September 2016 quarter fees that have accrued at the fixed price of 0.5 cents per Share. For all subsequent quarters the Shares have assumed to be issued at the minimum price of 0.5 cents per Share. The actual number of Shares to be issued for subsequent quarters will be the number reflecting the monthly Volume Weighted Average Market Price calculated with reference to each month in the relevant Quarter, (provided this price is greater than 0.5 cents).

In accordance with Listing Rule 10.15, the following information is provided to Shareholders:

- (a) All the persons who will participate under the Plan are Directors of the Company
- (b) The maximum number of Shares that may be acquired by all of the participants in the Plan (and who are the subject of Resolutions 3 to 5) is 59,099,400 Shares as set out in the table above. The formula for calculating the number of Shares is based on the amount of accrued but unpaid fees for the September 2016 quarter at 0.5 cents per Share and for subsequent quarters at a deemed minimum issue price of 0.5 cents each. For the subsequent quarters, if the monthly Volume Weighted Average Market Price calculated with reference to each month in the relevant Quarter is higher, then less Shares will be issued.
- (c) The price of Shares to be acquired under the Plan is a fixed price of 0.5 cents for the September 2016 quarter and for subsequent quarters is the monthly Volume Weighted Average Market Price calculated with reference to each month in the relevant Quarter provided that the price is no less than 0.5 cents per Share.
- (d) No persons have received securities under the Plan.
- (e) All Directors of the Company or directors of a related entity are entitled to participate in the Plan.
- (f) There are no loans provided to the participants in relation to the acquisition of Shares under the Plan.
- (g) Shares will be issued under the Plan no later than 12 months after the date of the Meeting.
- (h) The Shares will be issued on the same terms as the fully paid ordinary shares of the Company and will rank equally with all of the Company's existing shares. The Company will apply for quotation on ASX for any Shares issued under the Plan.

For Resolutions 3 to 5, the Directors of the Company independent of the Director the subject of the Resolution have resolved that the issue of Shares the subject of the relevant Resolution is on reasonable arm's length terms for the Company as that participating director (or nominee) will be issued with Shares under the Plan:

- (a) which for the September 2016 quarter is at a fixed price of 0.5 cents being the same price as the subscription price for the placement to unrelated parties completed on 27 June 2016 of 320,000,000 Shares to raise \$1,600,000 before costs and is at a price equal to the closing price of Shares of 0.5 cents on or about the date of this Notice (22 July 2016); and
- (b) for the subsequent quarters is at a price reflecting the monthly Volume Weighted Average Market Price calculated with reference to each month in the relevant Quarter.

By reason of the above matters, no separate related party approval under the Corporations Act is sought.

The Board recommends Shareholders vote in favour of the Resolutions 3 to 5.

Resolution 6 - Approval to Issue Shares and Options to Lanstead Capital LP

The Company has entered into a subscription agreement with Lanstead Capital LP (**Lanstead**) pursuant to which Lanstead will subscribe for 1,200,000,000 Shares (**Lanstead Shares**) and the parties have also entered into a sharing agreement.

The sharing agreement will enable the Company to secure much of the upside in the event that there is an appreciation in the Share price over the 18 month period.

Under the terms of the subscription agreements the company will reinvest \$5.1 million of the \$6 million received in to the sharing agreement. The Company will then receive monthly cash payments with the amount determined by the Company's share price performance measured against a benchmark price of .67 cents per Share (**Benchmark Price**) each month over 18 months from 60 days after the date of the issue of the Shares.

If the Share price exceeds the Benchmark Price for that month, the Company will receive more than 100% of the monthly settlement due on a pro rata basis. Importantly, there is no upper limit placed on the additional funds receivable by the Company as part of the monthly settlements therefore giving the Company the opportunity to reduce overall costs of capital and realising more funds as it meets its milestones over the next 18 months.

Should the Share price be below the Benchmark Price (BMP) for that month the Company would receive less than 100% of the monthly settlement on a pro rata basis.

An Example of the funds that would be obtained is outlined in the following table:

	Price c/share	Monthly Release	Adjustment Monthly Cash	Monthly Investment	Total Investment
Bench Mark Price (BMP)	0.67	\$283,333		\$283,333	\$6,000,000
Current Share Price	0.5	\$283,333	\$(83,333)	\$200,000	\$4,500,000
25% above BMP	0.83	\$283,333	\$83,334	\$366,667	\$7,500,000
50% above BMP	1	\$283,333	\$166,667	\$450,000	\$9,000,000
100% above BMP	1.33	\$283,333	\$333,333	\$616,667	\$12,000,000
50% below BMP	0.33	\$283,333	\$(183,333)	\$100,000	\$3,000,000

The price for the Shares in the sharing agreement will be at a value weighted average price on the 5 trading days preceding the monthly close on the 26th of each month.

In no event would a decline in the Share price result in any increase in the number of Shares to be issued to Lanstead or any other advantage accruing to Lanstead.

Upon signing the terms sheet, the Company paid Lanstead a refundable deposit of \$90,000. The deposit will be fully refunded by Lanstead to the Company once subscription is completed at the first monthly settlement.

Resolution 6 seeks Shareholder approval for the issue of;

- (a) up to 1,260,000,000 Shares, comprising:
 - (i) 1,200,000,000 Shares at an issue price of 0.5 cents per Share to raise up to \$6,000,000.
 - (ii) 60,000,000 Shares at a deemed issue price of 0.5 cents per Share as a value payment, in satisfaction of the \$300,000 of the 5% fee payable to Lanstead and will be issued at a timing of their request.
- (b) 120,000,000 Options which are unlisted, have a three year term and an exercise price of 0.6 cents per share.

The effect of Resolution 6 will be to allow the Company to issue these Shares and the Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

At the time of this notice of meeting the maximum shares that may be issued is 1,173,506,402 Shares to ensure that Lanstead Capital LP do not exceed the 19.9% they are allowed under the Corporations Act Section 606 (1). It is expected that additional securities may be issued relating to other transactions that are in negotiation. If in fact this does not transpire than the maximum that may be issued is 1,173,596,402 shares. If this is the case than Lanstead Capital LP will adjust the transaction amount that would mean instead of the \$6 million raised, then an amount of \$5,867,900 will be raised.

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 6:

The Shares

- (1) the maximum number of Shares to be issued is 1,260,000,000 shares and 120,000,000 options.
- (2) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date.
- (3) the issue price of the Shares is 0.5 cents.
- (4) the Shares will be issued to Lanstead Capital LP, who is not a related party of the Company.
- (5) the Shares issued to Lanstead will take their total holding to 19.9%.
- (6) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (7) the Company intends to use the funds raised from the issue towards commercialization of its Proppant and Graphene technologies and working capital.

The Options

- (1) the maximum number of Options to be issued is 120,000,000 Options.
- (2) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date.
- (3) The exercise price shall be .6 cents per fully paid ordinary share.
- (4) The Options will expire 3 years from the date of issue unless earlier exercised.
- (5) The Options will be non-transferable in whole or in part.
- (6) Upon the valid exercise of the Options and payment of the exercise price, the Company will issue fully paid ordinary shares ranking pari passu with the then issued ordinary shares of the Company.
- (7) The Option holder will be permitted to participate in new issues of securities of the Company to Shareholders only on the prior exercise of the Options, in which case the holders of the Options will be afforded the minimum period of notice prescribed under the Listing Rules prior to and inclusive of the books closing date (to determine entitlements to the issue) to exercise the Options.
- (8) There will be no funds raised by the issue of the Options.
- (9) It is intended that the Options will be allotted on one date.
- (10) the Options will be issued to Lanstead Capital LP, who is not a related party of the Company.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

"Additional Placement Capacity" means the capacity to issue additional Equity Securities by way of placement approved by Shareholders under Listing Rule 7.1A;

"AEST" means Australian Eastern Standard Time;

"Associate" has the meaning set forth in s 9 Corporations Act;

"ASIC" means the Australian Securities and Investments Commission;

"ASX" means ASX Limited or the Australian Securities Exchange, as the context requires;

"Board" means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

"Business Day" means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Brisbane;

"Chair" means the person appointed to chair the Meeting convened by this Notice;

"Company" means LWP Technologies Limited ABN 80 112 379 503;

"Corporations Act" means the *Corporations Act 2001* (Cth);

"Director" means a director of the Company;

"Equity Securities" has the same meaning as in the Listing Rules;

"Explanatory Statement" means the explanatory statement attached to this Notice;

"Listing Rules" or **"ASX Listing Rules"** means the Listing Rules of the ASX;

"Meeting" means the meeting convened by this Notice;

"Notice" means the notice of meeting accompanying this Explanatory Statement;

"Options" means options to subscribe for Shares;

"Placement Period" means the period during which Shareholder approval under Listing Rule 7.1A is valid;

"Resolution" means a resolution referred to in the Notice;

"Share" means a fully paid ordinary share in the capital of the Company;

"Shareholder" means a registered holder of Shares in the Company;

"Trading Days" has the same meaning as in the Listing Rules; and

"VWAP" means value added weighted price.

Annexure A

Directors' Fee Plan

1. All executive and non-executive Directors of the Company are entitled during the term of this Directors' Fee Plan (**Plan**) to elect by written notice to the Company (**Election Notice**) to be paid some or all of the remuneration due and owing to them or their associates by the Company from time to time as fees for services in respect of acting as a Director or in respect of any consulting work undertaken by the Director or its associates (**Outstanding Remuneration**) by way of an issue of ordinary shares (**Plan Shares**).
2. An Election Notice may be given by an Executive or non-executive Director (**Participating Director**) within ten Business Days after the end of each Quarter during the Plan and must specify:
 - (a) the amount of any Outstanding Remuneration that a Participating Director wishes to be paid by way of Plan Shares under the Plan; and
 - (b) whether the Participating Director wishes to have the Plan Shares issued in his or her own name or in the name of a nominee (**Recipient**).
3. An Election Notice may be given to the Company in any manner permitted under the Constitution for service by the Company of notices.
4. Plan Shares may be issued to each Participating Director who elects (or their nominee), by giving an Election Notice, to be issued Plan Shares in lieu of any Outstanding Remuneration.
5. The obligation of the Company to issue any Plan Shares is subject to obtainment of any approvals which may be required under:
 - (a) the Listing Rules; or
 - (b) the Corporations Act.
6. The issue price of each Plan Share will be as follows;
 - (a) for the Quarter ending 30 September 2016, 0.5 cents per Share; and
 - (b) for each subsequent Quarter, the higher of;
 - (i) the monthly Volume Weighted Average Market Price of the Shares calculated with reference to each month in the relevant Quarter on the Business Day before an Election Notice is given by a Participating Director; and
 - (iii) 0.5 cents per Share.

Any fractional entitlement to be issued Plan Shares must be rounded up to the nearest whole number.
7. The Company must:
 - (a) issue the Plan Shares to the Recipient within three Business Days of receipt of an Election Notice;
 - (b) cause a cleansing notice to be issued under section 708A(5) of the Corporations Act in respect of the Plan Shares;
 - (c) promptly deliver a statement of holding to the Recipient in respect of the Plan Shares; and
 - (d) cause the Plan Shares to be listed on ASX as soon as reasonably practicable at the Company's cost and expense.

8. Unless otherwise approved by Shareholders of the Company, the maximum number of Plan Shares which may be issued by the Company in each of the three years following approval of the plan is 60,000,000 plan shares.
9. For the purposes of interpretation of the Plan:

ASX means ASX Limited.

Constitution means the Constitution of the Company.

Listing Rules means the Listing Rules of ASX Limited.

Quarter means a period of three months commencing on 1 January, 1 April, 1 July or 1 October.

Shares means ordinary shares in the Company.

Other terms used in the Plan have the meanings given to them in the Listing Rules.

Appointment of Proxy

I/We

being a member/s of **LWP Technologies Limited** and entitled to attend and vote at the Extraordinary General Meeting hereby appoint

or

☐

the Chairman of the Meeting
(mark with an 'X')

failing the person so named, or if no person is named, the Chair of the Meeting to vote in accordance with the following directions or, if no directions were given as the proxy sees fit at the Extraordinary General Meeting to be held at the offices of **HopgoodGanim Lawyers, Level 7, Waterfront Place, 1 Eagle Street Brisbane QLD 4000** on 26th August at **10 am (AEST)** and at any adjournment thereof.

The Chair intends to vote all undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX Announcement will be made. If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting by marking the appropriate box in step 2 below.

STEP 2 - Voting directions to your Proxy – please mark ☒ to indicate your directions

Ordinary Business		For	Against	Abstain*
Resolution 1	Ratification of Prior Issue of Securities under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Adoption of Director's Fee Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval to issue Shares under a Directors Fee Plan – Siegfried Konig	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to issue Shares under a Directors Fee Plan – Sean Corbin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval to issue Shares under a Directors Fee Plan – David Henson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to issue Shares and Options to Lanstead Capital LP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll. If you do not direct your proxy on how to vote as your proxy in respect of the resolution/s, the Proxy may cast your vote as the Proxy thinks fit or may abstain from voting. By signing this appointment you acknowledge that, subject to the Corporations Act 2001 (Cth), the Proxy may exercise your proxy even if he/she has an interest in the outcome of the resolution/s and even if votes cast by him/her other than as proxy holder will be disregarded because of that interest.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%.

Please return this Proxy Form to the Company Secretary, Suite 29, Level 54, 111 Eagle Street Brisbane Qld 4000 or by fax on 07 3112 6113 or by email to sean.corbin@live.com.au or by delivery to Suite 29, Level 54, 111 Eagle Street Brisbane Qld 4000 or by fax on 07 3112 6113 before 10 am on 24 August 2016 being 48 hours before the meeting.

Signed this day of 2016.

By:

Individuals and joint holders

Companies (affix common seal if appropriate)

Signature

Director

Signature

Director/Secretary

Signature

Sole Director and Sole Secretary

for Completing Appointment of Proxy Form

1. In accordance with section 249L of the Corporations Act, a Shareholder of the Company who is entitled to attend and cast two or more votes at a general meeting of Shareholders is entitled to appoint two proxies. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the Shareholder appoints two proxies and the appointment do not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a Company may execute a document without using its common seal if the document is signed by:
 - 2 Directors of the Company;
 - a Director and a Company Secretary of the Company; or
 - for a proprietary Company that has a sole Director who is also the sole Company Secretary – that Director.

For the Company to rely on the assumptions set out in sections 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with sections 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole Director and sole Company Secretary of the Company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.

In accordance with section 250BA of the Corporations Act the Company specifies the following for the purposes of receipt of proxy appointments:

Registered Office: Suite 29, Level 54 111 Eagle Street Brisbane Qld 4000

Postal address: Suite 29, Level 54 111 Eagle Street Brisbane Qld 4000

Fax Number: (07) 3112 6113

Email: sean.corbin@live.com.au by at least 48 hours prior to the time of commencement of the Meeting