

19 September 2018

PROPOSED ACQUISITION OF COPPER-GOLD EXPLORER AND DEVELOPER TRAPROCK MINING LIMITED

Key Highlights:

- Traprock is a Queensland focused unlisted resources company;
- Traprock owns a portfolio of advanced copper and gold projects including the Mt Chalmers and Warroo historic mines;
- Experienced management team with track record of exploration and development success;
- All scrip acquisition including initial tranche of 75 million fully paid ordinary shares;
- Additional performance rights that convert to ordinary shares on achievement of milestones up to 1 million oz Resource JORC equivalent; and
- Transaction subject to regulatory and shareholder approvals including re-compliance with the ASX Listing Rules including raising \$4.5 million in new capital.

LWP Technologies Limited (**ASX:LWP**) (**Company**) is pleased to announce it has entered into a binding Heads of Agreement (**Agreement**) to acquire (**Acquisition**) all the shares of Traprock Mining Limited (**Traprock**).



Figure 1: Picture of the historic Mt Chalmers Copper & Gold Mine.

Overview of Traprock:

Traprock holds the Mount Chalmers, Warroo and Herries Range copper-gold projects which are located in Queensland.

Executive Chairman of Traprock, Mr Tony Fawdon commented, “*Traprock has projects in prospective areas with known mineralisation and we are very keen to start a targeted drilling campaign when the Company is relisted. Over the last three years, we have undertaken a considerable amount of preparatory work including mapping, sampling and surveying which gives us excellent data to commence comprehensive drill programs at the Mount Chalmers, Herries Range and Warroo Projects.*”

The initial drill program aims to define a JORC 2012 Resource at Mount Chalmers. At Herries Range, Traprock is currently evaluating a number of gold prospects for further drilling.

Chairman of LWP, Mr Daniel Lanskey commented, “*The Directors of LWP have had the opportunity to visit several of the project locations and we are impressed by the prospectivity and the capabilities of Traprock’s team. We are most impressed with the enthusiasm and knowledge of both the Management and Traprock’s highly experienced geologists and we look forward to working alongside them.*”

“*LWP’s Board has examined several projects that would potentially enable the existing shareholders to regain some value. It is our view that this opportunity with Traprock allows the Company to reposition for the future, with the acquisition of tangible assets under competitive terms, with great potential upside for all involved.*”

Traprock’s Projects:

The projects consist of exploration licences for gold, silver and base metals licenses including 25935, MLA 100150, (Mt Chalmers Project), EPM 26178, (Warroo Project), EPM's 25785, 25786, 25788, (Herries Range Project) and EPM 25896 (Kabunga Project) and EPMa 26994 (Silverwood) (collectively, **Tenements**).

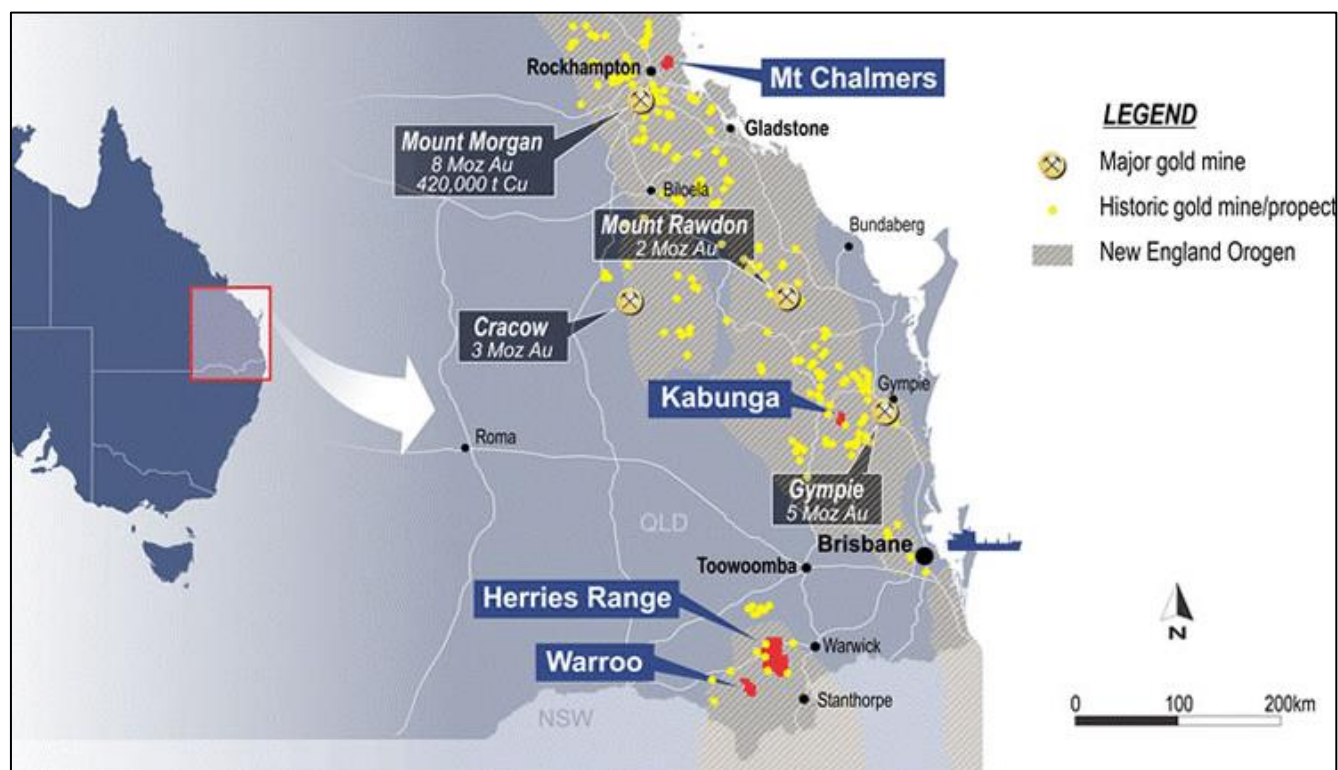


Figure 2: Location of Traprocks Assets in South East Queensland.

Mt Chalmers Project:

Traprock's flagship Mount Chalmers project is located 25 kilometres east of the City of Rockhampton in coastal central Queensland, Australia. The project covers an area of historic gold and copper mining within EPM 25935, which comprises 69,200 hectares. Within the EPM, Traprock has a Mining Lease Application (Application number 100150) of 520 hectares covering the main gold, copper and silver mineralisation.

Mt Chalmers Historical Mine

The Mount Chalmers deposit was discovered in 1860 and was initially mined for gold. In 1898, copper was located deeper in the lode system. The mine was in production until 1914, when copper prices fell. Wartime production resumed in 1941 and continued until 1943. Mining resumed in 1979 with Mount Morgan Limited mining the newly discovered West Lode. Production ceased in 1982, due to closure of the Mount Morgan mine amid low commodity prices.

The tenement holdings in the past have been fragmented between different parties, but for the first time in 50 years, Traprock has consolidated the tenure over the Mount Chalmers Mine and its surrounding prospects.

Past Production

Mount Chalmers historically produced 1,214,396 tonnes at an overall grade of 3.4g/t Au, 1.99% Cu, 20.8g/t Ag. The mine recovered contained metal of 132,763 ounces of gold, 24,166 tonnes of copper, and 812,200 ounces silver, with minor credits of lead and zinc.

Open cut production commenced in 1979 and was mined by Mount Morgan Limited before the mine shut down in 1982.

Exploration Potential

Past exploration has provided a roadmap for Traprock's planned exploration programs.

The Mount Chalmers mine is a Volcanogenic Hosted Massive Sulphide deposit (VHMS), which have been known to occur in clusters. In some VHMS fields up to sixty deposits have been found. At Mount Chalmers, twelve such prospects have been identified at this time within five kilometres of the open cut.

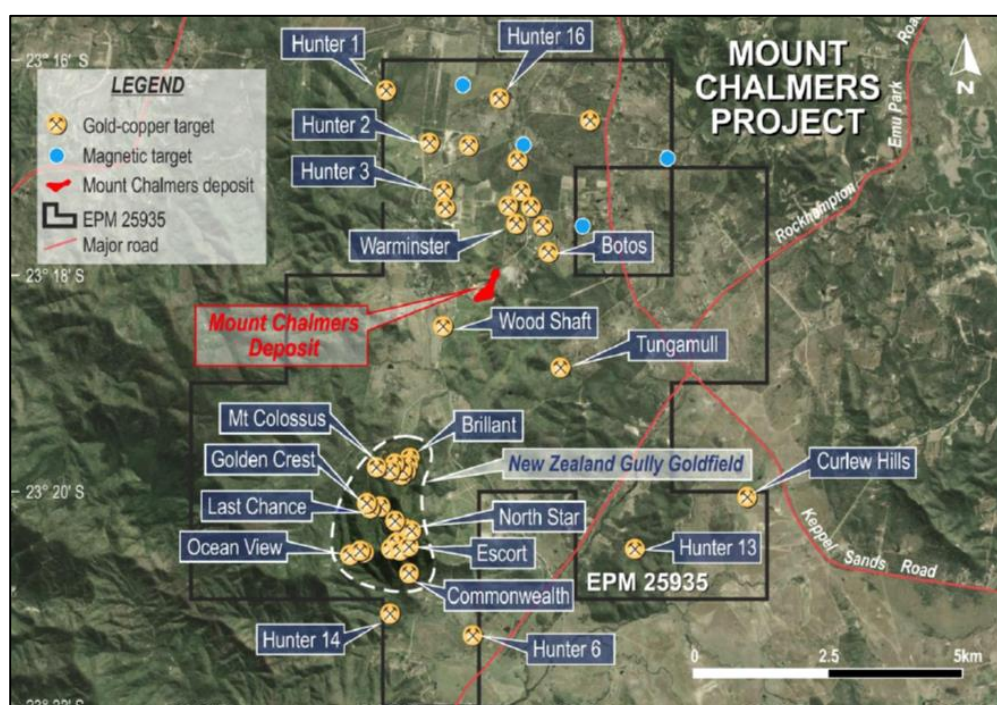


Figure 3: Map of Mt Chalmers (EPM 25935)

Other Prospects

There are numerous gold and mineral prospects discovered by past workers within the Mount Chalmers Project area, notably at Boto's prospect one kilometre north east of the open cut, Woods Shaft gold prospect 800 metres south west of the open cut, Tungamull and New Zealand Gully, two and five kilometres respectively distant from the open cut.

Mount Chalmers is still under-explored and Traprock believes the area is prospective for more deposits.

Warroo Project

The Warroo Project is located 50 kilometres west of Stanthorpe and 35 kilometres north east of Texas, within the Traprock Region of south east Queensland.

The Project is held under EPM 26178, an area covering 105,400 hectares.

The Project is within the carboniferous Texas Beds and is dominated by a northwest to southeast faulted structural corridor, which has been intruded by Permian Granites. There are numerous copper and gold occurrences. Traprock sees the potential for porphyry or intrusion related styles of mineralisation within the faulted structural corridor and adjacent east west cross faults.

Mining at Warroo was conducted intermittently between 1906 and 1992. During this time, a total of 239,873 tonnes of oxide ore was mined, recovering 13,982 ounces of gold, 21 tonnes of copper and 901 ounces of silver. No mining below 40 metres depth occurred in the primary zone, which shows evidence of sulphide mineralisation in the floor of the existing open cut mine. This is a high priority area for Traprock.

Another immediate exploration priority for Traprock is the T-Tree Ridge gold prospect, where surface sampling by past workers has located gold mineralisation along a quartz and ironstone ridge 800 metres in strike length, which is untested by drilling.

Copper prospects are also present at the historic Angas Valley and Ashton Copper Mines and the intervening undrilled terrain. There are six distinct geophysical and coincident radiometric anomalies identified by Traprock that will be investigated within the structural corridor.

Herries Range Project

The Herries Range Project is located 40 kilometres west of Warwick and Stanthorpe in the carboniferous Texas Beds of the Traprock Region of south east Queensland. The Project is comprised of EPMs 25785, 25786 and 25788, covering an area of 26,600 hectares.

The project covers a zone of 40 kilometres in length by 20 kilometres wide, which encompasses the Canal Creek, and Palgrave Goldfields and parts of the Pikedale and upper Thane Goldfields.

There are in excess of 70 historic hard rock gold mines in this area and in excess of 100 kilometres of scattered alluvial gold workings, most with unknown sources. Traprock considers this area to be under explored and prospective.

The historic hard rock mines recovered small tonnages of high grade gold mineralisation, as evidenced by the numerous shafts and pits from past mining. The distance and cost to take gold ore to the stamper batteries for treatment meant only high grades could be economically extracted at the time, with lower grade material being discarded or not mined.

Traprock is evaluating seven gold prospects in this area for proposed drilling programs.

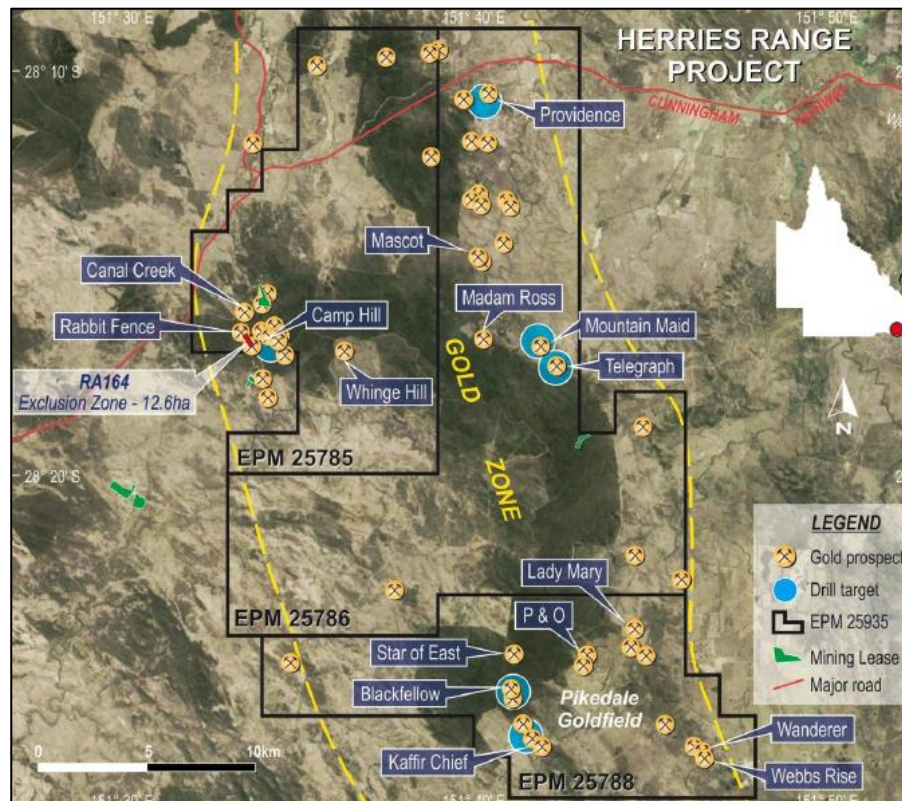


Figure 4: Herries Range EPM showing historical prospecting areas.

Kabunga Copper-Gold Project

The Kabunga Project is situated 50 kilometres west of Gympie and 20 kilometres south of Kilkivan in south east Queensland. The geology is a highly faulted and fractured Carboniferous metamorphics and serpentines which have been intruded by a Triassic Porphyry.

Traprock intends to remap and sample the area; which Traprock considers is prospective for porphyry style gold-copper mineralisation.

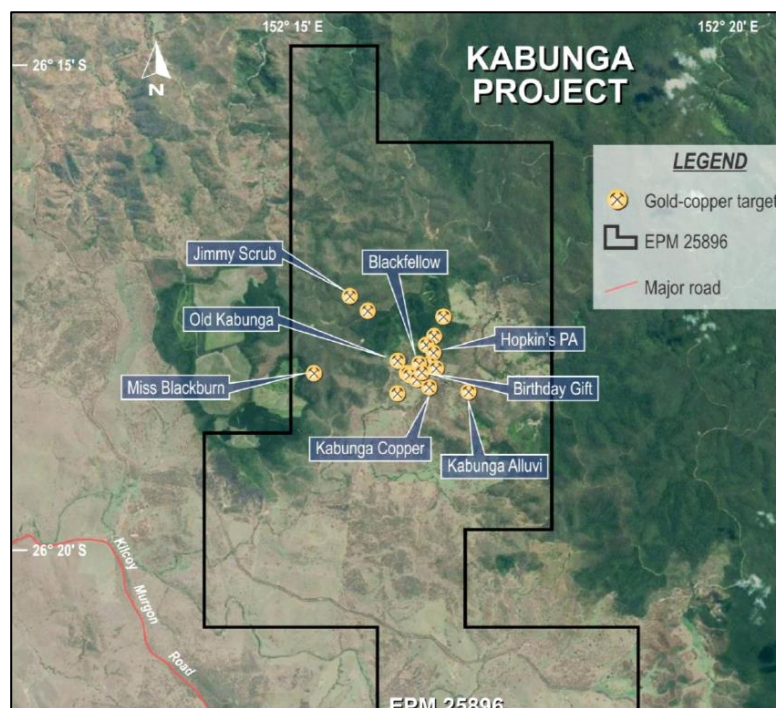


Figure 5: Kabunga Project EPM near Gympie.

Silverwood Project

The Project is located 15 kilometres south of the regional centre of Warwick, 24 kilometres north east of Stanthorpe and 18 kilometres west of the small town of Killarney. The project is 26,600 hectares in size.

There is the potential to find gold in calcareous or carbonate sedimentary rocks, with widespread limestones and limy rock occurrences in the Project area. Gold has been mined from alluvial deposits in close proximity to calc silicates, limy rocks and marbles at several locations within the Project, namely at Lucky Valley, Frenchman's Gully and west of there, at Limekiln Gully, a tributary of Lord John's Swamp. Further alluvial gold was mined at Limestone Gully within the Elbow Valley area.

The possibility of finding skarn, calc silicate and altered limestone hosted gold, of a Carlin gold style, has not yet been tested.

Exploration Strategy

The overall objective is to define gold and/or copper mineral resources on the Projects. If economic resources are defined on any of the Tenements, the Company will determine the optimum method for creating value for shareholders. This may involve debt financing the relevant project and commencing production as an owner operator, bringing in a joint venture partner or a sale of the Project. Maximising medium term value creation for shareholders is the overriding principle when assessing how to develop each project.

SUMMARY OF THE HEADS OF AGREEMENT

The Agreement is a binding heads of agreement pursuant to which the Company will acquire all the shares in Traprock, which will become its wholly owned subsidiary, for consideration of 75 million fully paid ordinary shares (Shares) and 75 million performance rights (Performance Rights) in the Company, to be issued to shareholders of Traprock (Vendors).

Completion of the Agreement is subject to the following conditions precedent, namely:

- (a) approval by the Company's shareholders, including pursuant to ASX Listing Rule 11.1.3;
- (b) entry by the Company into formal sale documents with the Vendors;
- (c) mutual satisfactory due diligence;
- (d) the Company raising sufficient capital to fund the transaction; and
- (e) re-compliance by the Company with Chapters 1 and 2 of the ASX Listing Rules, including the Company successfully conducting a capital raising at least \$4,500,000.

Due diligence must be completed by 19 October 2018, and the other conditions must be satisfied by 30 November 2018.

Subject to any amendments required by ASX, the Performance Rights (**Rights**) are to be issued in three tranches, which convert to ordinary shares on achievement of the following respective Milestones (**Milestones**):

- (a) **Milestone 1:** 25 million Rights convert into Shares upon the Company announcing an initial JORC 2012 Resource (as defined in the JORC Code) on ASX of at least 250,000 ounces of gold equivalent in the Tenements;
- (b) **Milestone 2:** 25 million Rights convert into Shares upon the Company announcing on ASX a JORC 2012 Resource of at least 500,000 ounces of gold equivalent in the Tenements (or announcing on ASX an increase of previously announced JORC 2012 Resources of less than

500,000 ounces of gold equivalent to at least 500,000 ounces of gold equivalent in the Tenements); and

- (c) **Milestone 3:** 25 million Rights convert into Shares upon the Company announcing on ASX, in aggregate across all its mineral projects, including those acquired after Completion, a JORC 2012 Resource of at least 1 million ounces of gold equivalent.

Any Right not converted within 36 months of completion of the Transaction will lapse and be of no further force or effect.

The Agreement provides for warranties by the sellers to the Company and for exclusivity pending the Agreement becoming unconditional.

CAPITAL RAISING

To assist the Company to re-comply with Chapters 1 and 2 of the Listing Rules and to support its exploration strategy post-completion of the Transaction, the Company plans, subject to shareholder approval, to conduct a capital raising under a public offer pursuant to a full form prospectus to raise a minimum of \$4,500,000, at an issue price of \$0.02 per Share (**Public Offer**).

Existing shareholders of LWP will be offered a Priority Offer as part of the Public Offer.

As at the date of this announcement, the Public Offer is not proposed to be underwritten.

To fund the costs of re-complying with Chapters 1 and 2 of the Listing Rules, the Company proposes to raise up to an additional \$500,000 from Professional and Sophisticated Investors prior to the Public Offer.

PRO FORMA CAPITAL STRUCTURE

The indicative share capital structure of the Company following completion of the Transaction, based on the current securities on issue and including the Public Offer (assuming full subscription), will be as follows:

Table 2: Proposed Capital Structure	Shares	Options	Performance Rights
Current Issued Capital	84,713,796	1,714,286	305,327
Shares to be issued to Traprock Shareholders	75,000,000	-	75,000,000
Shares to be issued in seed fundraising	50,000,000		
Shares to be issued under a Capital Raising	225,000,000	-	-
TOTAL	434,713,796	1,714,286	75,305,237

Note to Table 2: *Assuming an issue price per Share under the Public Offer of \$0.02.

Please note that the above capital structure is indicative only and subject to change.

BOARD AND MANAGEMENT TEAM

Upon completion of the Transaction, it is intended that Messrs Dan Lanskey and Andrew Sparke will remain as directors of the Company, while David Clark will resign from the Board and Messrs Tony Fawdon and Warwick Anderson will be appointed as directors (**New Directors**).

The New Directors' qualifications and experience are set out below.

Tony Fawdon F.Aus.I.M.M., F.A.I.C.D. CEO/Managing Director

Tony has been active in the Australian mining and exploration industry for over 40 years, working, until 1982, at various management levels for multinational companies. Tony then became founder and

director of several listed explorers including the Queensland based gold and base metal explorer Strike Mining NL in 1994, for which he was Managing Director/CEO until 2000. Tony is a past Director of the Queensland Mining Council Ltd from 1999 till 2008 and chaired their Junior Resources Committee.

He was Chairman and founder of the Queensland Geoscience Improvement Forum, and was a member of the Queensland Minister for Mines Exploration Committee, which groups were responsible for the Queensland Smart Exploration initiative in conjunction with the Queensland Government, and modernised the delivery of exploration data to industry.

Tony was Founder and Executive Chairman / CEO of Diatreme Resources Limited, an ASX Limited listed company from 2000 until 2014.

Tony became the Executive Chairman/CEO of Traprock Mining Limited and was responsible for acquiring the current project portfolio with his fellow directors. Tony has been involved in some significant discoveries over his career, at Kempfield NSW silver lead zinc 1972, Granny Smith Gold Mine WA in 1980-82, Yarrol Gold Prospect Qld 1990-98, Cyclone Zircon Deposit WA 2007-2014, Cape Bedford Silica Sand project 2013 and numerous other technical successes.

Warwick Anderson Executive Technical Director

Warwick has over 25 years' experience in exploration working for both large and small-scale exploration companies. He has a keen eye for detail and excels in finding the worth in projects that others may have missed, and has an aptitude for hands on project management.

Warwick took a break in 2005, joining the Australian Army for five years, working in the Infantry and Military Intelligence, and has served in Afghanistan, Timor Leste, Kuwait and the UAE.

In 2010, he started his own niche exploration company, Gold Exploration Australia Pty Ltd, which specialises in gold project generation and in 2015, he began researching the use of Artificial Intelligence for gold exploration, and created the company Quantum Geology, which is part owned by the Queensland University of Technology.

David Jelley, Exploration Manager

David undertook a Bachelor of Applied Science majoring in geology followed by post graduate honours studies at the University of Ballarat in the late 1980's. Following a career in gold and base metals David spent seven years with Bemax Resources and was instrumental in the discovery of over 1.5 billion tonnes of heavy mineral bearing sands including the Ginkgo and Snapper deposits near Pooncarie, NSW. Both these deposits are now in production.

During his tenure with Bemax Resources, David helped put Bemax on the world map taking the Company from start-up to being the fifth largest mineral sands company in the world.

In 2007, David returned from a two year stint as Operations Director for Solomon Gold (now Sol Gold) exploring for porphyry copper and gold deposits where he was based in the Solomons. During this time, David built the company from start-up to the largest exploration company in the country, employing over 80 people.

David worked for Diatreme Resources Limited as Exploration Manager from October 2007 to June 2014. During this time, the Company worked in most states of Australia exploring for gold, copper and mineral sands.

In 2009/2010 David was also a director for Katana Group Limited, exploring for iron sand deposits in PNG.

CHANGE OF COMPANY NAME

Following completion of the Transaction, the Company will change its name. The proposed new name will be set out in the notice of meeting issued by the Company seeking shareholder approval for the Transaction and associated matters.

INDICATIVE TIMETABLE

A timetable for the Transaction is set out below:

Item	Event	Date
1	Execution of Heads of Agreement	18 September 2018
2	Announcement on ASX	19 September 2018
3	Notice of General Meeting	28 September 2018
4	General Meeting	29 October 2018
5	Lodgement of Prospectus with ASIC and ASX	1 October 2018
6	Opening Date of offer under Prospectus	8 October 2018
7	Closing Date of offer under Prospectus	29 October 2018
8	Completion	12 November 2018
9	Despatch of holding statements	12 November 2018
109	Re-quotation of shares on ASX	15 November 2018

Please note that the above timetable is indicative only and subject to change.

Competent Person's Statement

Statements contained in this announcement relating to exploration results are based on, and fairly represent, information and supporting documentation prepared by David Jelley, who is a member of the Australian Institute of Geoscientists (A.I.G.), Member No 5833. Mr. David Jelley is a director of Traprock and has sufficient relevant experience in relation to the mineralisation styles being reported on to qualify as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr David Jelley consents to the use of this information in this announcement in the form and context in which it appears.

-ENDS-

For further information, please contact:

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