



ASX / BWX

ASX Announcement

10 July 2018

BWX RESPONSE TO LEGAL PROCEEDINGS FROM WATERLOO CAPITAL PARTNERS

Melbourne, Australia – BWX Limited (ASX: BWX or Company) refers to the article in The Age on 9 July 2018 relating to legal proceedings filed by Waterloo Capital Partners LLC (**WCP**) against BWX.

WCP is a business broker that was retained by BWX in early 2017 to identify acquisition opportunities in the USA. BWX advises that WCP has filed proceedings against BWX in the Supreme Court of the State of New York. One element of WCP's claim alleges that WCP is owed a success fee in the sum of approximately US\$1.395 million relating to BWX's acquisitions of the Mineral Fusions business and the Andalou Naturals business in 2017. BWX does not believe that the success fee is payable to WCP and, in any event, payment of any success fee to WCP in the future will be dependent on a number of factors, including the future performance of the Mineral Fusion and Andalou Naturals businesses.

While the other elements of the WCP claim are not at this time well articulated, WCP is also claiming payment of material damages from BWX, principally on the basis that WCP has not been granted a share of the management incentive pool which might be available to John Humble and Aaron Finlay arising from their partnership with Bain Capital Private Equity, L.P. and its affiliates if their unsolicited, preliminary, non-binding, indicative and conditional proposal (**Indicative Proposal**), previously announced on 21 May 2018, succeeds. This element of the claim appears to be completely misconceived.

The Independent Board Committee of BWX believes the WCP claim has been filed opportunistically having regard to the Indicative Proposal. BWX will vigorously defend the legal proceedings by WCP.

BWX will keep the market informed of any material developments in respect of these matters as required.

– ENDS –

About BWX

ASX listed, BWX Limited is a vertically integrated developer, manufacturer, distributor and marketer of branded skin and hair care products with an emphasis on the natural segment of the beauty and personal care market.

The company owns, produces, and distributes under the Sukin, Mineral Fusion, Andalou Naturals, DermaSukin, Life Basics, Uspa, Edward Beale, and Renew personal care brands as well as Nourished Life online marketplace.

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