



**SPRINTEX LIMITED**  
**ABN: 38 106 337 599**

**ASX Code: SIX**

16 January 2017

Mr. Wade Baggott  
Principal Adviser, ASX Listings Compliance (Perth)  
ASX Limited  
Level 40, Central Park  
152 – 158 St Georges Terrace  
PERTH WA 6000

**By email: [tradinghaltspert@asx.com.au](mailto:tradinghaltspert@asx.com.au)**

Dear Wade

**Sprintex Limited – Response to Letter**

We refer to your letter dated 9 January 2017 and respond to the questions raised in your letter as set out below. Defined terms have the same meaning as set out in your letter.

**1. Does the Entity consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

The Company considers that agreement to extend the QEL Facility is information that a reasonable person would expect to have a material effect on the price or value of its securities.

**2. If the answer to question 1 is “no”, please advise the basis for that view.**

Not applicable.

**3. If the answer to question 1 is “yes”, when did the Entity first become aware of the information?**

In-principle commercial agreement on the extension of the QEL Facility was reached on 27 September 2016. However executed formal documentation to extend the facility was not received from Quazar Enterprises Limited (QEL) until 30 September 2016. Details of the formal agreement were released to the ASX on the same date in the Financial Report.

**4. If the answer to question 1 is “yes” and the Entity first became aware of the information before it released the Financial Report, did the Entity make any announcement prior to the release of the Financial Report which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe the entity was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the information was released promptly and without delay.**

As noted above, although in-principle agreement was reached on 27 September 2016 (and referenced in the Financial Report) executed formal documentation was not received from QEL until 30 September 2016 and disclosed in the Financial Report on the same day.

The QEL Facility requires any variation to be in writing and signed by the parties to the QEL Facility. As noted above, a copy of the amendment, signed by QEL, was only received on 30 September 2016 and it was disclosed to ASX on the same day.

**5. Does the Information relate to the QEL Facility**

Yes.

- 6. If the answer to question 5 is “yes”, were any amendments made to the terms of the QEL Facility as announced on 24 March 2016 referred to in the Information? If so, please describe the amended terms.**

Consistent with the disclosure contained in the Financial Report, the QEL Facility was amended to extend the date for repayment under the facility to 27 March 2016.

No other amendments to the facility were made.

- 7. If the answer to question 5 is “no” could you please provide details of the facility referred to in the Information**

Not applicable.

- 8. Please confirm that the entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.**

Confirmed.

- 9. Please confirm that the Entity’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of the Entity with delegated authority from the board to respond to ASX on disclosure matters.**

Confirmed.

Yours sincerely



Robert Molkenthin  
Company Secretary



9 January 2017

Mr Robert Molkenthin  
Chief Financial Officer  
Sprintex Limited

*By email*

Dear Mr Molkenthin

**SPRINTEX LIMITED ("ENTITY"): ASX AWARE LETTER**

ASX Limited ("ASX") refers to the following.

1. The Entity's announcement dated 24 March 2016 entitled "Sprintex Secures Short Term Funding" which discloses the following:

*"Sprintex Limited is pleased to announce that it has secured a short term unsecured funding facility of US\$1,000,000.*

*The unsecured facility is being provided by Quazar Enterprises Limited, an existing shareholder, which has agreed to provide the facility, subject to the terms and conditions contained in the facility agreement, for a six month period at an interest rate of 9.00% per annum. The lender may at any time convert the facility into 4,612,390 fully paid ordinary shares of the Company, and such conversion will be in full satisfaction of the principal amount of the facility plus any accrued interest to the date of conversion.*

*The unsecured facility is expected to meet the Company's corporate requirements through to September 2016 and is intended to allow the Company to continue the development of its current sales strategy and for general working capital purposes, while allowing the Company to explore and conclude longer term funding options."*

(The "QEL Facility")

2. The Entity's financial report dated 30 September 2016 entitled "2016 Financial Report" ("Financial Report") which discloses the following:

*"Agreement was reached on 27 September 2016 for the convertible loan facility with one of our substantial shareholders to be extended for a further 6 months to 27 March 2017."*

(The "Information")

3. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.



4. The definition of “aware” in Chapter 19 of the Listing Rules. This definition states that:

*“an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity.”*

Additionally, you should refer to section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B “When does an entity become aware of information”*.

5. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

*“3.1A Listing rule 3.1 does not apply to particular information while each of the following requirements is satisfied in relation to the information:*

*3.1A.1 One or more of the following applies:*

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*
- The information is a trade secret; and*

*3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

*3.1A.3 A reasonable person would not expect the information to be disclosed.”*

6. ASX’s policy position on the concept of “confidentiality” which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B “Listing Rule 3.1A.2 – the requirement for information to be confidential”*. In particular, the Guidance Note states that:

*“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”*



Having regard to the above, we ask that you answer the following questions in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does the Entity consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. If the answer to question 1 is “yes”, when did the Entity first become aware of the Information?
4. If the answer to question 1 is “yes” and the Entity first became aware of the Information before it released the Financial Report, did the Entity make any announcement prior to the release of the Financial Report which disclosed the Information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe the Entity was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the Information was released promptly and without delay.
5. Does the Information relate to the QEL Facility?
6. If the answer to question 5 is “yes”, were any amendments made to the terms of the QEL Facility as announced on 24 March 2016 referred to in the Information? If so, please describe the amended terms.
7. If the answer to question 5 is “no”, could you please provide details of the facility referred to in the Information.
8. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
9. Please confirm that the Entity’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of Entity with delegated authority from the board to respond to ASX on disclosure matters.

#### **When and where to send your response**

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, **by not later than 3pm on Friday, 13 January 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity’s securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity’s obligation is to disclose the information “immediately”. This may require the information to be disclosed before the deadline set out in the previous paragraph.



ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at [tradinghaltspert@asx.com.au](mailto:tradinghaltspert@asx.com.au). It should **not** be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Listing Rule 3.1**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.



We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Please contact me if you have any queries or concerns about the above.

Yours sincerely

*[sent electronically without signature]*

Jeremy Newman  
**Senior Adviser, ASX Listings Compliance**