



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

**ASX Announcement**

**ASX Code: SIX**

18 November 2015

Mr Sebastian Bednarczyk  
Senior Adviser, Listings Compliance (Perth)  
ASX Compliance Pty Limited  
Level 8 Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

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

Dear Sebastian,

**Sprintex Limited (the "Company")**

We refer to your letter dated 13 November 2015 and respond to your questions in the same order.

1. The Company expects to have sufficient cash to fund its ongoing activities. On 21 October 2015, the Company announced a capital raising comprised of a partially underwritten non-renounceable rights issue (**Rights Issue Offer**) of one (1) fully paid ordinary share (**New Share**) for every two (2) existing shares held. Pursuant to the Rights Issue Offer, the Company will issue up to approximately 1,566,789,399 New Shares at an issue price of \$0.001 per New Share to raise up to approximately \$1.57 million before costs. The Rights Issue Offer is partially underwritten to the extent of approximately \$413,000 and firm commitments have been received from other parties (including the major shareholder and senior management) for a further amount of approximately \$971,000. The Rights Issue Offer will therefore raise a minimum of approximately \$1.38 million, before costs.

Subsequent to the release on 29 October 2015 of the Appendix 4C for the quarter ended 30 September 2015, the Company has also lodged its 2015 R&D Tax Incentive claim, which is of a similar amount to the previous year and will provide additional funds to enable the Company to fund its activities for the next quarter. Finally, the Company continues to engage in discussions with potential investors for the provision of additional funding to complete its current business model as well as also evaluating other sources of finance. .

2. The Company is still at the stage of building sales volume and allocating resources to various marketing and sales efforts. As such, the Company contemplates further short-term losses, and working capital requirements, which are in line with the Company's budgets. The Board of Directors are aware of the Company's working capital requirements and the need to access additional funds. As stated above, the Company is in the process of completing the Rights Issue Offer to raise a minimum of approximately \$1.38 million (before costs) and is in discussions with potential investors with a view to those investors funding the Company's operations, or evaluating other sources of finance. The Company will also have the anticipated benefit of the 2015 R&D Tax Incentive claim as mentioned above.



3. The Company's actual revenues and expenses in the quarter are not significantly different from those anticipated, and are constantly being reviewed as further advancements are made in the development of its core products. As mentioned in point 1 above, the Company and its directors continue to engage in discussions which could provide additional working capital in line with the business plan which will meet the Company's objectives. Appropriate disclosure regarding these discussions will be made to ASX in due course and in accordance with the requirements of the Listing Rules.
4. Not applicable – as per response given in point 3 above.
5. I refer you to point 1 above, in relation to the steps the Company is taking to enable it to continue to meet its business objectives.
6. The Company confirms it is in compliance with the ASX Listing Rules, and in particular, Listing Rule 3.1. Appropriate disclosure regarding ongoing discussions with potential investors for the provision of additional funding as well as other sources of finance will be made to ASX in due course and in accordance with the requirements of the Listing Rules.
7. In response to the ASX query on what steps the Company has taken, or steps it proposes to take, to demonstrate that the financial position of the Company is sufficient to warrant continued quotation of the Company's securities and its continued listing on ASX in accordance with the requirements of Listing Rule 12.2, the Company refers to point 1 above, namely the Rights Issue Offer, the 2015 R&D Tax Incentive rebate claim, discussions with potential investors with a view to those investors funding the Company's operations and the Company evaluating other sources of finance.

Please do not hesitate to contact us if you have any further queries.

Yours sincerely

**Robert Molkenthin**  
**Company Secretary**

ENDS



13 November 2015

Robert Molkenthin  
Company Secretary  
Sprintex Limited  
183 Mulgool Road  
MALAGA WA 6090

By email: [robertm@sprintex.com.au](mailto:robertm@sprintex.com.au)

Dear Mr Molkenthin,

**Sprintex Limited (the "Company")**

I refer to the Company's Quarterly Report in the form of Appendix 4C for the period ended 30 September 2015, released to ASX Limited ("ASX") on 29 October 2015 (the "Appendix 4C").

ASX notes that the Company has reported the following.

1. Receipts from customers of \$533,000.
2. Net negative operating cash flows for the quarter of \$1,058,000.
3. Cash at end of quarter of \$111,000.

In light of the information contained in the Appendix 4C, please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Appendix 4C, the Company may not have sufficient cash to fund its activities for the next quarter. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 4C for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?



3. To what extent have the Company's actual revenues and expenses in the quarter, as reported in the Appendix 4C, matched the Company's anticipated revenues and expenses for that reporting period?
4. If the Company's actual revenues and expenses are not substantially in accordance with the Company's anticipated revenues and expenses, when did the Company become aware that its revenues and expenses would not substantially match the anticipated revenues and expenses? You may wish to outline any circumstances that may have had an effect on the Company's revenues and expenses.
5. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
6. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?
7. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

### Listing rule 3.1

Listing rule 3.1 requires an 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. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me on [allexchperth@asx.com.au](mailto:allexchperth@asx.com.au). It should not be sent to the Market Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **3:00 pm (WST) on Tuesday, 17 November 2015**.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.



If you have any queries regarding any of the above, please contact me on 9224 0000.

Please feel free to contact me if you have any enquiries on the above.

Yours sincerely,

Sebastian Bednarczyk

Senior Adviser, Listings