

ASX Release

22 February 2019**ULTRACHARGE LIMITED
ACN 140 316 463**

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Mr John Paitaridis

ASX Code:

UTR

Shares:

937,547,287

Options (various):

174,000,000

Penelope Reid
Adviser, Listings Compliance
ASX Limited
Level 40, Central Park
152-158 St Georges Terrace
Perth, Western Australia 6000

Dear Penelope

RESPONSE TO ASX APPENDIX 4C QUERY

UltraCharge Limited ('UTR' or 'Company') refers to your letter dated 19 February 2019.

Using the numbering in your letter, we respond to your questions as follows:

1. Yes, the Company expects that it will continue to have negative operating cash flows in the short term, however, negative net operating cash flow is expected to reduce this quarter.
2. The Board is satisfied that, when required, the Company will have access to sufficient funding to continue to fund its business activities. The Company is advancing in negotiations in relation to various funding opportunities and anticipates an announcement in regard to securing additional funding to be made in the next 2-3 months. The Company has sufficient share placement capacity under ASX Listing Rule 7.1 and 7.1A to raise additional funds promptly (without shareholder approval) via a private placement, if required.
3. Yes, the Company expects to be able to continue its operations and to meet its business objectives for the reasons set out above.
4. The Company confirms that it is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that rule.
5. The Company confirms that the responses to the questions above have been authorised and approved by its board.

Yours sincerely

Justyn Stedwell
Company Secretary
On behalf of the Board of Directors
UltraCharge Limited



19 February 2019

Mr Justyn Stedwell
Company Secretary
UltraCharge Limited
Level 26, 140 St Georges Terrace
PERTH WA 6000

By email: justyn@stedwell.com.au

Dear Mr Stedwell

UltraCharge Limited ('UTR'): Appendix 4C Query

ASX refers to UTR's Appendix 4C quarterly report for the period ended 31 December 2018 lodged with the ASX Market Announcements Platform and released on 31 January 2019 (the 'Appendix 4C').

ASX notes that UTR has reported:

- negative net operating cash flows for the quarter of \$420,000;
- cash at the end of the quarter of \$1,042,000; and
- estimated cash outflows for the next quarter of \$760,000.

It is possible to conclude, based on the information in the Appendix 4C, that if UTR were to continue to expend cash at the rate indicated by the Appendix 4C, UTR may not have sufficient cash to continue funding its operations.

Request for Information

In view of that, ASX asks UTR to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market under Listing Rule 18.7A:

1. Does UTR expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has UTR taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does UTR expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please confirm that UTR is complying with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition under that rule that has not already been released to the market.
5. Please confirm that UTR'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 UTR with delegated authority from the board to respond to ASX on disclosure matters.

Please also provide any other information that UTR considers may be relevant to ASX forming an opinion on whether UTR is complying with Listing Rule 12.2 that a listed entity's financial condition must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **4.00 PM AWST Friday, 22 February 2019**.

If we do not have your response by then, ASX will have no choice but to consider suspending trading in UTR'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, UTR'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 ListingsCompliancePerth@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 and 3.1A

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. In responding to this letter, you should have regard to UTR's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that UTR's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

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 UTR's securities under Listing Rule 17.1. If you wish to request 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*.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

Penelope Reid
Adviser, Listings Compliance (Perth)