



RECTIFIER TECHNOLOGIES

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18 October 2016

Dean Litis
ASX Compliance Pty Ltd
Level 4 North Tower Rialto
525 Collins Street Melbourne VIC

Dear Mr. Litis

Response to ASX query

The Board of Rectifier Technologies Limited ("RFT" or "the Company") refers to your letter dated 14 October 2016 and using the numbering in your letter, responds to your queries as follows:

Q1 & Q2

No, RFT did not consider that the information disclosed would have a material impact on the price of RFT shares as the new contract is not expected to result in any material changes to the Company's prior distribution activities.

As per the announcement:

- a) C&D Technologies, Inc, was an exclusive distributor for the Company's wholly owned subsidiary, Rectifier Technologies Pacific ("RTP"), in North America for more than 10 years. In December 2014, C&D Technologies divested its Dunlap, Tennessee based Integrated Power Systems business ("IPS Business") to Unipower and the distribution contract between RTP and C&D Technologies was terminated as a result.
- b) Since termination of the contract following the acquisition of the IPS business by Unipower, transactions between RTP and the IPS Business (now Unipower) were unaffected and Unipower continued to distribute RTP low voltage products in North America.
- c) A new contract was needed between RTP and Unipower, which would address the commercial changes that resulted from the divestiture of the IPS Business.

The new contract formalises distribution arrangements which are materially similar to the previous contract with C&D Technologies and similar to terms by which Unipower have since acted as a distributor. The Board deemed that there were no specific material changes to the terms of previous distribution arrangements in the new contract that required disclosure in the announcement.

Sales in North America through Unipower accounted for approximately 14% of the Company's revenue in FY2016. RTP is hopeful of increasing its market share in North America through Unipower's business model and expertise in the future.

Q3 & Q4

Not applicable given response to question 1.

Q5

RFT is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

Q6

Confirmed.

Yours faithfully

Yanbin Wang
CEO
Rectifier Technologies Limited



14 October 2016

Mr Justyn Stedwell
Company Secretary
Rectifier Technologies Ltd
24 Harker Street
Burwood VIC 3125

By email only

Dear Mr Stedwell

Rectifier Technologies Ltd ("RFT"): aware query

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

1. RFT's announcement entitled *"Market Update- Unipower exclusive distribution contract"* lodged on the ASX Market Announcements Platform and released at 4:24pm AEDT on 12 October 2016 (the "Announcement"), disclosing that a wholly owned subsidiary of RFT, Rectifier Technologies Pacific, has signed an exclusive distribution contract with Unipower (the "Contract").
2. 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.
3. The definition of "aware" in Chapter 19 of the Listing Rules, which 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"

and section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information"*.

4. 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 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.”

5. 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*. 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, ASX asks RFT to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does RFT 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 RFT first become aware of the information? In answering this question please state what date the Contract was executed.
4. If the answer to question 1 is “yes” and RFT first became aware of the information before the relevant date, did RFT make any announcement prior to the relevant date 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 RFT was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps RFT took to ensure that the information was released promptly and without delay.
5. Please confirm that RFT is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that RFT’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 RFT 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 half an hour before the start of trading (ie before 9.30 a.m. AEDT) on Tuesday 18 October 2016. If we do not have your response by then, ASX will have no choice but to consider suspending trading in RFT'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, RFT'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 return e-mail. 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 Rules 3.1 and 3.1A

In responding to this letter, you should have regard to RFT'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 RFT'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 RFT'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*.

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

Yours sincerely

[Sent electronically, without signature]

Dean Litis

Principal Adviser

Listings Compliance (Melbourne)