



2 August 2024

ASX Compliance

Your reference: 96605

AXP Energy Limited (AXP) – Appendix 3Y lodged 9 July 2024

AXP Energy Limited ('Company' or 'AXP') lodged an Appendix 3Y detailing share purchases made by entities related to and controlled by Andrew Bald (a director of the Company).

In response to your letter of query dated 30 July 2024, our responses to your questions are:

Request for information

Having regard to the above, ASX asks AXP to respond separately to each of the following questions and requests for information:

1. Please explain why the Appendix 3Y was lodged late in relation the First Transaction.

Response – The First Transaction related to a share trade undertaken by Mr Bald's parents. Having taken legal advice, AXP is now aware that this share trade should not have been included in Mr Bald's Appendix 3Y. As a consequence, there is no late lodgement to report on and Mr Bald will be lodging an amended Appendix 3Y with ASX to correct this error.

2. What arrangements does AXP have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.9A?

Response – The Company maintains a register of all Director related entities & holdings and is notified if any change occurs in those holdings. Directors are also made aware of the Company Share Trading Policies (and all the Policies and Charters).

3. If the current arrangements are inadequate or not being enforced, what additional steps does AXP intend to take to ensure compliance with Listing Rule 3.19B?

Response – AXP considers the current arrangements to be adequate. However, AXP acknowledges that 'human error' can sometimes lead to mistakes.

4. Noting that the Second Transaction took place after 30 June 2024, but prior to the release of AXP's annual report for that period; is AXP of the view that the Second Transaction was conducted in accordance with the Trading Policy? If so, please explain the basis for that view.

Response – The Second Transaction was an inadvertent breach of AXP's Share Trading Policy and was disclosed in Part 3 of the Appendix 3Y as a trade in a closed period without prior written clearance.

5. If the Second Transaction was not conducted in accordance with the Trading Policy, please outline any disciplinary and/or remedial action AXP intends to take in response to this breach.

Response – The Director has been counselled by the Chairman and acknowledges his responsibilities. The Company has had all KMP's confirm they understand and will abide by its Share Trading Policy. The Company maintains an alert system with its share register that reports daily on any movements in notified Director's/KMP holdings.

For personal use only

6. Please confirm that AXP is complying with the Listing Rules and, in particular, Listing Rule 3.1.

Response – The Company confirms that it is in compliance with all the ASX Listing Rules and, in particular, Listing Rule 3.1.

7. Please confirm that AXP's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of AXP with delegated authority from the board to respond to ASX on disclosure matters.

Response – This response has been authorised by AXP Energy Limited Board of Directors.

Please call or email if you require any further information.

Yours faithfully



Robert Lees
Company Secretary
AXP Energy Limited

For personal use only



30 July 2024

Reference: 96605

Mr Robert Lees
Company Secretary
AXP Energy Limited
Level 8, 210 George Street
SYDNEY NSW 2000

By email

Dear Mr Lees

AXP Energy Limited ('AXP'): Query Letter – Trading during closed period & Change of Director's Interest Notice (Appendix 3Y)

ASX refers to the following:

- A. AXP's Appendix 3Y lodged on the ASX Market Announcements Platform ('MAP') on 9 July 2024, disclosed that AXP's director Mr Andrew Bald, acquired AXP's securities on-market on 28 June and 2 July 2024 (the 'Notice'). The focus on this query letter is in relation to:
- (i) the Notice indicates that a change in Mr Bald's notifiable interest occurred on 28 June 2024 (the 'First Transaction'). It appears that the Notice should have been lodged in relation to the First Transaction with ASX by 5 July 2024. Consequently, AXP may have breached Listing Rules 3.19A and/or 3.19B; and
 - (ii) the on-market purchase of 10,000,000 shares on 2 July 2024 (the 'Second Transaction').
- B. AXP's Appendix 3Y states the following:

Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required?	Yes - partly
If so, was prior-written clearance provided to allow the trade to proceed during this period?	No, trading was to cease at COB 28 June 2024, but due to the Director travelling overseas at the time, the cancellation was not processed prior to period close.
If prior written clearance was provided, on what date was this provided?	n/a

- C. AXP's Trading Policy, released on MAP on 24 December 2010 (the 'Trading Policy'), which provides (relevantly):

"Under its share trading policy, KMP's are permitted to buy and sell shares in the Company during any period which is not regarded as a 'Prohibited Period'. These KMP's are not permitted to buy and sell shares in the Company without first obtaining written or email consent from the Chairman, Managing Director or Company Secretary. That consent will normally be granted provided there is no price sensitive information known to the Company that has not been disclosed in the market in accordance with ASX exemptions from mandatory disclosure.

Prohibited Period means:

For personal use only

1. Any 'closed period'; and
2. Additional periods when an entity's KMP's are prohibited from trading, which are imposed by the entity from time to time when the Company is considering matters which are subject to the Listing Rules continuous disclosure requirements.

Closed Period means:

Fixed periods specified in this Trading Policy when the Company's KMP's are prohibited from trading in the Company's securities.

...

Closed Periods

Directors and senior executives may not trade in the Company's securities during the financial closed periods which are:

- The period between 30 June and 12pm on the day after the release of the Company's annual report
- ...

Waiving Rules

If there are exceptional circumstances, the Chairman, or if absent, the Chief Executive Officer in their discretion may waive parts of the Dealing Rules, to allow for a KMP to deal.

If there are exceptional circumstance, the Chairman in consultation with the Chief Executive Officer and the Chairman of the Audit and Risk Committee, in their discretion may waive parts of the Dealing Rules, to allow directors to deal.

...

Employees who apply for a waiver under exceptional circumstances must obtain written or email consent from the Managing Director prior to trading in the Company's securities."

- D. Listing Rule 3.19A.2 which requires an entity to tell ASX the following:

A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.

- E. Listing Rule 3.19B which states that:

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

Request for information

Having regard to the above, ASX asks AXP to respond separately to each of the following questions and requests for information:

1. Please explain why the Appendix 3Y was lodged late in relation the First Transaction.
2. What arrangements does AXP have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.9A?

-
- For personal use only
3. If the current arrangements are inadequate or not being enforced, what additional steps does AXP intend to take to ensure compliance with Listing Rule 3.19B?
 4. Noting that the Second Transaction took place after 30 June 2024, but prior to the release of AXP's annual report for that period; is AXP of the view that the Second Transaction was conducted in accordance with the Trading Policy? If so, please explain the basis for that view.
 5. If the Second Transaction was not conducted in accordance with the Trading Policy, please outline any disciplinary and/or remedial action AXP intends to take in response to this breach.
 6. Please confirm that AXP is complying with the Listing Rules and, in particular, Listing Rule 3.1.
 7. Please confirm that AXP's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of AXP 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 Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9:00 AM AEST on Friday, 2 August 2024**. 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, AXP'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 and may require AXP to request a trading halt immediately.

Your response should be sent by e-mail to **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow us 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.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in AXP's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

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

Release of correspondence between ASX and entity

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Kind regards

ASX Compliance