



Innovations that work.™

ACN 109 200 900

3 October 2018

ASX Compliance Pty Limited  
Level 40, Central Park  
152-158 St Georges Terrace  
PERTH WA 6000

Attention: Ms Penelope Reid

By Email: [tradinghaltsperth@asx.com.au](mailto:tradinghaltsperth@asx.com.au)

Dear Ms Reid,

**EDEN INNOVATIONS LTD (“the Company”) – PRICE AND VOLUME QUERY**

We refer to your letter of 3 October 2018, and in relation to the questions raised by you concerning the recent increase in both price and volume of trading in securities of the Company this morning, we comment as follows:-

**1. Is the Company aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain recent trading in its securities?**

No.

**2. If the answer to question 1 is yes:**

Not applicable.

**3. If the answer to question 1 is “no”, is there any other explanation that the Company may have for the recent trading in its securities?**

The Directors of the Company believe that the recent increase in share price and volume may be due to the combined effect of the following matters:

- (a) On 13<sup>th</sup> September 2018 the company announced that Parchem Construction Supplies Pty Ltd (“Parchem”), a leading manufacturer and supplier of products and equipment to the Australian and New Zealand concrete and construction markets, had been appointed its first independent distributor, as the exclusive Australian and New Zealand distributor of the EdenCrete® range of products, resulting in a share price rise from 3.6 cents to 4.1 cents on a volume of shares traded on the ASX of 7,915,191 shares.
- (b) On 24<sup>th</sup> September 2018, the Company announced that the first Federal funded highway repair project in Twiggs County, Georgia, was about to commence, and which was estimated will use approximately US\$525,000 worth of EdenCrete®, being the largest individual contract for EdenCrete® received to date. This resulted in a share price rise of 37% on that day, from 3.5 cents to 4.8 cents, on a volume of shares traded on the ASX of 23,573,575 shares.

- (c) The 30<sup>th</sup> September 2018 was the final day upon which the listed EDEO options were able to be exercised at 3 cents each, and in the months prior to that date, because there was a limited market for the EDEO options, the share price fell on several occasions from what may have been downward pressure on the price due to a number of shareholders selling shares in order to raise funds with which to exercise their EDEO options.
- (d) An example of this occurred between 24<sup>th</sup> September and 26<sup>th</sup> September 2018, in that after the Twiggs County announcement had been made, a total of 9,812,496 shares were sold on the ASX, resulting in an aggregate 12.5% drop in share price from 4.8 cents to 4.2 cents.
- (e) On Monday 1<sup>st</sup> October 2018, after the EDEO options had either been exercised or had expired, the share price rose 16.2%, from 4.3 cents to 5 cents, on a volume on the ASX of 3,794,393 shares.
- (f) This was followed on Tuesday 2<sup>nd</sup> October by a further price rise of a further 10%, from 5 cents to 5.5 cents, on an ASX volume of 5,910,778 shares.
- (g) Also of relevance to this question are the longer-term facts that the share price on the 3<sup>rd</sup> of April 2018 was 7.4 cents and 12 months ago was 18 cents, and during the past year the Company has made significant progress with the commercialisation of its EdenCrete<sup>®</sup> admixture.

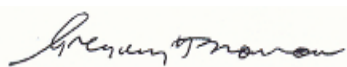
**4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.**

The Company confirms that it is in compliance with the listing rules and, in particular, listing rule 3.1.

**5. Please confirm that EDE'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 EDE with delegated authority from the board to respond to ASX on disclosure matters.**

The Company confirms this response has been authorised and approved in accordance with its published continuous disclosure policy.

Yours faithfully



**Gregory H. Solomon**  
Executive Chairman



3 October 2018

**Mr Aaron Gates**

Company Secretary  
Eden Innovations Ltd  
Level 15, 197 St Georges Terrace  
Perth WA 6000

By email: [agates@edenenergy.com.au](mailto:agates@edenenergy.com.au)

Dear Mr Gates

**Eden Innovations Ltd (the "Entity"): price query**

We note the change in the price of EDE's securities from an intra-day low of \$0.055 to an intra-day high of \$0.074 today.

We also note the significant increase in the volume of EDE's securities traded today.

In light of this, ASX asks EDE to respond separately to each of the following questions and requests for information:

1. Is EDE aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes":
  - a) Is EDE relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in EDE's securities would suggest to ASX that such information may have ceased to be confidential and therefore EDE may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
  - b) Can an announcement be made immediately?

Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
  - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that EDE may have for the recent trading in its securities?
4. Please confirm that EDE is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that EDE'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 EDE 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 **12:30 PM WST on 3 October 2018**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in EDE's securities under Listing Rule 17.3.

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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, EDE'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 [tradinghaltsperth@asx.com.au](mailto:tradinghaltsperth@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 Rules 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 EDE'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 EDE'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, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in EDE'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 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.

Kind regards

*[Sent electronically without signature]*

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**Penelope Reid**

Adviser, Listings Compliance (Perth)