

Monday, 7 May 2012

Styn Timmermans
Adviser, Listings
20 Bridge Street
Sydney NSW 2000
By email: styn.timmermans@asx.com.au

Dear Styn

Re: Two Way Limited Price Query

We refer your letter dated 4 May 2012, and provide our responses as set out in this letter. The numbered responses correspond to the questions in your letter.

1. No.
2. Not applicable.
3. The Company can only attribute the increase in price and volume to matters which have already been announced, including in the Company's quarterly cash flow statement and investor update issued on 30 April 2012. That announcement noted a number of positive developments in the business, including the Company's launch of Australia's first IPTV wagering application on the Samsung platform for our client, Sportingbet.

The Company has also previously announced an agreement with Priority One Network Group Limited, under which Priority One has agreed to invest \$1 million in cash at a price of 4 cents per TTV share. Of this amount \$300,000 has been paid, with the remaining \$700,000 to be paid at the time of Priority One's expected listing on the ASX.

4. Two Way Limited confirms that it is in compliance with the Listing Rules, and in particular rule 3.1.

Should you require any further information, please don't hesitate to contact me on 02 9017 7004.

Yours faithfully



Rointon Nugara
Company Secretary
Two Way Limited

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55 Miller St
Pyrmont NSW 2009, Australia

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4 May 2012

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Chris Grant-Foster
Chief Executive Officer
Two Way Limited
Suite 205, 55 Miller Street
Pyrmont NSW 2009

By email

Dear Chris,

Two Way Limited (the "Company")

RE: PRICE QUERY

We have noted a change in the price of the Company's securities from a close of \$0.015 on Tuesday, 24 April 2012 to an intra-day high of \$0.038 today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the (entity type) is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?
4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by e-mail at styn.timmermans@asx.com.au or by facsimile on facsimile number (02) 9241 7620. It should not be sent to the Company 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 **9:30 am (Sydney time) on Monday, 7 May 2012**.



Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

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 listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – 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.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts, we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- 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.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,

(sent electronically without signature)

Styn Timmermans
Adviser, Listings (Sydney)