

03 October, 2017

Violetta Codreanu
Senior Advisor Listings Compliance (Sydney)
ASX
20 Bridge Street
Sydney NSW 2000

Dear Violetta,

Your Letter dated 28 September, 2017: Appendix 3Y – Change of Director's Interest Notice

We refer to your letter dated 28 September, 2017.

In answer to the questions raised in your letter, and by way of further background, we advise as follows:

1. The Appendix 3Y was lodged late as the relevant Director had not notified the Company of the relevant change. The Director has advised that an administrative miscommunication occurred between the Director and MaxSec Group Limited (ASX: MSP) ("MSP") as to participation in the 2016 non-renounceable rights issue undertaken by the Company. As soon as the Company was aware of the Change of Director's Interest, the Company took steps to lodge an Appendix 3Y notice.
2. The Company's corporate governance policies are designed and documented to ensure that it is able to meet its disclosure obligations under listing rule 3.19B.
3. The Company has reminded all relevant parties of their obligations in this regard and has contacted its share registry to put in place direct reporting to the Company Secretary of any change in a Director's holding (or that of their relevant associates) to further strengthen the Company's oversight.

Yours sincerely
MaxSec Group Limited



G.J. Cleaves
CEO and Company Secretary



28 September 2017

Mr Geoffrey Cleaves
Chief Executive Officer & Company Secretary
MaxSec Group Limited
Unit 29
1 Talavera Road
North Ryde NSW 2113

By email: CEO@bqtsolutions.com

Dear Mr Cleaves

MaxSec Group Limited (the “Entity”): Appendix 3Y – Change of Director’s Interest Notice

We refer to the following;

1. The Appendix 3Y lodged by the Entity with ASX on 25 September 2017 for Mr Robert Andrew Broomfield (the “Appendix 3Y”);
2. Listing rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.

- On the date that the entity is admitted to the official list.
- On the date that a director is appointed.

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity’s admission or a director’s appointment.

3.19A.2 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



- 3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.

3. Listing rule 3.19B which states as follows.

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.

The Appendix 3Y indicates that a change in Mr Broomfield's notifiable interest occurred on 25 February 2016. It appears that the Appendix 3Y should have been lodged with ASX by 3 March 2016. Consequently, the Entity may be in breach of listing rules 3.19A and/or 3.19B. It also appears the directors concerned may have breached section 205G of the Corporations Act.

Please note that ASX is required to record details of breaches of the listing rules by listed entities for its reporting requirements.

ASX reminds the Entity of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Entity make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: *Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities*, under listing rule 18.7 we ask that you answer each of the following questions.

1. Please explain why the Appendix 3Y was lodged late.
2. What arrangements does the Entity 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 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Entity intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail. It should not be sent to the ASX Market Announcements Office.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. AEST) on **Wednesday, 4 October 2017**.

Under listing rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.



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

Yours sincerely

[sent electronically without signature]

Violetta Codreanu

Senior Adviser, Listings Compliance (Sydney)