

Elizabeth Harris
Australian Securities Exchange
Level 40, Central Park
152 – 158 St Georges Terrace
PERTH WA 6000

By Email: Elizabeth.Harris@asx.com.au

Dear Ms Harris

ZYL Limited (Administrator Appointed)
ACN 008 820 223 (“the Company”)

ASX: ZYL

RESPONSE TO QUERY REGARDING APPENDIX 3Z

I refer to your letter to the Company dated 13 January 2015, regarding the release by the Company of an Appendix 3Z on 8 January 2015 (“Appendix 3Z”). The Appendix 3Z was in relation to a final director’s interest notice for Mr John Arbuckle, following his resignation on 12 December 2014.

The Company acknowledges that the Appendix 3Z was lodged outside the required timeframe and apologises for any inadvertent breach of its ASX Listing Rule obligations under Listing Rules 3.19A.2 and/or 3.19B.

Using the numbering contained in your letter, the Company responds as follows:

1. As previously advised to ASX, I was appointed Voluntary Administrator of the Company on 8 January 2015. Accordingly, at this stage, I am unable to advise matters pertaining to the governance of the Company prior to my appointment. However, I note that Mr Arbuckle was, up to the date of his resignation, the Company Secretary. Following his resignation, the Board did not appoint a new Company Secretary. Upon my appointment, I ascertained that an Appendix 3Z had not been lodged for Mr Arbuckle and accordingly attended to lodgement immediately.
2. Pursuant to Section 437C of the Act, as a result of my appointment, the directors of the Company cannot perform or exercise, and must not purport to perform or exercise, a function or power as an officer of the Company, except with my written approval.

The Company has in place a Corporate Governance Plan, which includes a policy on continuous disclosure to ensure that all changes to the notifiable interests of Directors are communicated to the Company Secretary and then to the ASX within the timeframes set out in Listing Rules 3.19A.2 and 3.19B.

3. The Company has reminded all Directors of their obligation to advise the Company of any changes in their notifiable interests and has reminded all officers that penalties can be imposed on the Directors and the Company for failure to comply with reporting obligations.

Aside from this isolated oversight, the Company considers its current policy to be adequate to ensure compliance with Listing Rules 3.19A.2 and 3.19B, noting that the late lodgement of

the Appendix 3Z. The oversight was addressed as soon as I became aware of it, with the Appendix 3Z being lodged on the day of my appointment.

Should you have any queries, please contact the writer.

Yours faithfully

Jack James
Voluntary Administrator
ZYL Limited (Administrator Appointed)



ASX Compliance Pty Limited
ABN 26 087 780 489
Level 40, Central Park
152 – 158 St Georges Terrace
PERTH WA 6000

GPO Box D187
PERTH WA 6840

Telephone 61 8 9224 0000
Facsimile 61 8 9381 1322
www.asx.com.au

13 January 2015

Mr Jack James
Palisade Business Consulting Pty Ltd
Level 1
330 Churchill Avenue
SUBIACO WA 6008

Dear Mr James

ZYL LIMITED (the “Company”)

We refer to the following:

1. The Company's announcement lodged with ASX Ltd (“ASX”) on 8 January 2015 regarding a final director's interest notice for Mr John Arbuckle (“Appendix 3Z”);
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 an 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). The entity must complete an 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 an 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.

4. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

The Appendix 3Z indicates that Mr Arbuckle ceased to be a director on 5 December 2014 so the Final Director's Interest Notice should have been lodged on 12 December 2014. As the Appendix 3Z was lodged on 8 January 2015 it appears that the Company may be in breach of listing rules 3.19A and/or 3.19B.

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

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company 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", we ask that you answer each of the following questions.

1. Please explain why the Appendix 3Z was lodged late.
2. What arrangements does the Company have in place 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 Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail to Elizabeth.Harris@ASX.com.au. 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 **3:00PM WST on Friday 16 January 2015**.

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 form suitable for release and must separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely

Elizabeth Harris
Principal Adviser, Listings Compliance (Perth)