

2 April 2015

Mr Andrew Kabega
Senior Adviser, Listings Compliance (Sydney)
ASX Compliance Pty Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Mr Kabega

RE: SALMAT LIMITED APPENDIX 3Y LODGED 30 MARCH 2015

Salmat acknowledges that the 3Y for the relevant Director's share acquisition was lodged with the ASX two (2) days late.

All directors and key employees are aware of the company securities trading policy, a copy of which is sent to them each time the share trading embargo is instituted or lifted. The relevant Director notified the Chairman of his intention to acquire the securities however due to an administrative error once the purchase had occurred the notice of purchase was not sent to the ASX. This breakdown in our procedures has been rectified.

In regard to share trading, the company has an item on its Board agenda around notification of share trading from Directors and key employees.

At the next Board meeting in April, the Chairman will reinforce the operation of the securities trading policy and the company's reporting obligations to the ASX.

We are confident that with this additional emphasis, we will be fully compliant with listing rule 3.19B.

You sincerely
SALMAT LIMITED



Stephen Bardwell
COMPANY SECRETARY



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31 March 2015

Kevin Sheedy
Corporate Services
Salmat Limited
Level 3
116 Miller Street
North Sydney NSW 2060

By Email

Dear Kevin,

SALMAT LIMITED (the "Company")

We refer to the following:

1. The Appendix 3Y lodged by the Company with ASX on 30 March 2015 for Mr Philip John Salter;
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.

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 3Y for Mr Salter indicates that a change in his notifiable interest occurred on 20 March 2015. It appears that the Appendix 3Y should have been lodged with ASX by 27 March 2015. Consequently, 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 3Y 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 or by facsimile on facsimile number (02) 9241 7620. It should not be sent to the 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. A.E.D.T.) on Tuesday, 7 April 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 should separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Andrew Kabega
Senior Adviser, Listings Compliance (Sydney)