

3 July 2015

Ms S Hong
Senior Adviser
Listings Compliance
ASX Limited

Via Email: shannon.hong@asx.com.au

Dear Shannon

Response to query

I refer to your email dated 2 July 2015 regarding:

- (a) the appendices 3X lodged by Devine Limited (**Company**) at 8.27am and 8.28am on Thursday, 2 July 2015 confirming the appointment of Mark Gray and David Robinson as directors; and
- (b) the appendix 3Z lodged by the Company at 8.27am on Thursday, 2 July 2015 confirming cessation of Graeme Ewan McOrist as a director,

(**Appendices**) and your request to answer the questions set out below regarding lodgement of the Appendices.

1 Please explain why the appendices were lodged late?

The Appendices were lodged late due to an administrative oversight by the Company. The information required to finalise the Appendices was disclosed by the relevant directors with a sufficient time allowance for the Company to comply with its obligations under listing rule 3.19A. The administrative oversight occurred largely due to the relevant Company employees responsible for lodgement having a large volume of additional work at the time the Appendices were due to be lodged.

As soon as the omission was discovered, the Appendices were promptly lodged with ASX.

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?

The Company has the following arrangements in place:

- (a) A securities trading policy which governs directors' dealings in securities. The share trading policy requires directors to notify the company secretary of any dealings in securities within two business days of the dealing.
- (b) The appointment packages for all new directors of the Company contain a document requiring the new director to acknowledge his or her obligation to provide the information required by the Company to comply with listing rule 3.19A.

- (c) Specific procedures for reviewing and requesting director confirmation that any appendices 3X, 3Y and 3Z released to the ASX fairly represent their share ownership at that time.
- (d) The declaration of directors' interests generally is a standing agenda item for board meetings.
- (e) The Company has established a notification system with the Company's share registry to identify changes in known interests of directors.

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?

The Company believes that the systems and procedures in place are adequate and no further steps will need to be implemented to ensure compliance with listing rule 3.19B.

As set out above, the failure to lodge the Appendices was an administrative oversight and was not due to the failure of a director to comply with the arrangements in place under listing rule 3.19B. The directors provided the relevant information to the Company promptly and in accordance with the requirements of the Company's systems and procedures.

The incident has heightened the Company's awareness of the applicable issues and the board as a whole has considered the circumstances in this response.

Yours sincerely
Devine Limited



Craig Bellamy
Chief Financial Officer and Company Secretary



2 July 2015

Mr Craig Bellamy
Company Secretary
Devine Limited
Level 1, KSD1
485 Kingsford Smith Drive
Hamilton Brisbane QLD 4000

By email

Dear Mr Bellamy,

Devine Limited (the "Company")

ASX Limited ("ASX") refers to the following:

1. The Appendices 3X lodged by the Company with ASX Market Announcements Platform released at 8:27 am AEST and 8:28 am AEST on Thursday, 2 July 2015 (the "Appendices 3X"), confirming the appointment of Mark Gray and David Robinson as directors of the Company effective 27 May 2015.
2. The Appendix 3Z lodged by the Company with ASX Market Announcements Platform released at 8:27 am AEST on Thursday, 2 July 2015 (the "Appendix 3Z"), confirming the cessation of directorship of Graeme Ewen McOrist as a director of the Company effective 27 May 2015.
3. 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). 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.
4. 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.

5. 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.

As the Appendices 3X indicated that the directors were appointed on 27 May 2015 it appears that the Appendices 3X should have been lodged with ASX by 3 June 2015. As the Appendices 3X were lodged on 2 July 2015, it appears that the Company 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.

Further, as the Appendix 3Z indicated that the director ceased to be a director on 27 May 2015 it appears the Appendix 3Z should have lodged with ASX by 3 June 2015. As it was lodged on 2 July 2015, it also appears that there may have been a further breach by the Company 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 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", we ask that you answer each of the following questions:

1. Please explain why the Appendices were 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 at shannon.hong@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.

Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (i.e. before 9.30 a.m. AEST on Monday, 6 July 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]

Shannon Hong
Senior Adviser, Listings Compliance