

5 August 2015

Ivan Tatkovich
Adviser, Listings Compliance
ASX Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Ivan

Mitchell Services Limited (ASX:MSV)
Appendix 3Y – Change of Director’s Interest Notices

I refer to your letter dated 31 July 2015 regarding the Appendix 3Y *Change of Director’s Interest Notices* lodged by Mitchell Services Limited (**Company**) on 30 July 2015 for the Company’s directors, Nathan Mitchell, Grant Moyle, Peter Miller and Robert Douglas (**Director Notices**), outside of the timeframe required by Listing Rule 3.19A.

The Company’s response to each of your queries is as follows:

Question 1 - please explain why the Director Notices were lodged late

- (a) The late lodgment of the Director Notices was as a result of an inadvertent oversight. As soon as the issue was identified, the Company collected the information required for the notices from each director and arranged for the notices to be lodged with ASX immediately.
- (b) As you are aware, the Director Notices contained details of the each directors’ participation in the entitlement offer of 4 new shares for 7 shares held, announced by the Company on 9 June 2015 (**Entitlement Offer**).
- (c) Disclosure regarding the directors’ and senior managements’ intention to participate in the Entitlement Offer was included in the offer documents for the Entitlement Offer lodged on the announcement date. While the Company takes the inadvertent oversight seriously, the late lodgment of the Director Notices did not serve to misinform the market (given that disclosure was made when the Entitlement Offer was launched) and had less of an effect than, for example, if the directors had conducted on-market trades and failed to lodge a notice.

Question 2 – what arrangements does the Company 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?

- (d) The Company has adopted a continuous disclosure policy to ensure that it complies with its continuous disclosure obligations under Chapter 3 of the Listing Rules, including in relation to Listing Rule 3.19B and that shareholders have equal and timely access to information that may have a material effect of the Company, including its financial position, performance, ownership and governance.
- (e) The Company has also adopted a share trading policy, which regulates trading in the Company’s securities by directors, officers, consultants, advisors, key management, personnel and employees.
- (f) Both of these policies contain procedures to seek to ensure that the directors disclose all information that the Company is required to give ASX within the timeframe in Listing Rule 3.19A. Specifically, the share

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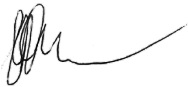
trading policy requires directors to provide details of any purchase or sale of the Company's securities no later than 5 business days after the trade.

- (g) The Company's directors and employees are provided with each of these policies and made aware of their obligations at induction training. The policies are made available on the Company's intranet and employees are aware that I am available in my capacity as Company Secretary to answer any questions regarding corporate governance.

Question 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?

- (h) The Company considers that the current arrangements described above are adequate. However, in light of this issue, I will discuss compliance with the policy with the directors at their next board meeting.

Yours faithfully



Greg Switala
Company Secretary
Mitchell Services Limited



31 July 2015

Mr Gregory Switala
Company Secretary
Mitchell Services Limited
22 Orient Avenue
Pinkeba QLD 4008

By email: gswitala@mitchellservices.com.au

Dear Mr Switala

Mitchell Services 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 Thursday, 30 July 2015 for Director, Grant Moyle;
2. The Appendix 3Y lodged by the Entity with ASX on Thursday, 30 July 2015 for Executive Chairman, Nathan Andrew Mitchell;
3. The Appendix 3Y lodged by the Entity with ASX on Thursday, 30 July 2015 for Director, Peter Richard Miller;
4. The Appendix 3Y lodged by the Entity with ASX on Thursday, 30 July 2015 for Director, Robert Barry Douglas;

(collectively, the "Director Notices");

5. 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.

6. 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.

7. 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 Appendices 3Y indicate that a change in the Directors' notifiable interests occurred on 3 July 2015. It appears that the Director Notices should have been lodged with ASX by 10 July 2015. 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 Director Notices were 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. A.E.S.T.) on Wednesday, 5 August 2015.

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]

Ivan Tatkovich
Adviser, Listings Compliance