



SHELL
VILLAGES & RESORTS

7 JULY 2009

Australian Stock Exchange Limited
P O Box H224
Australia Square
NSW 1215

Attention Stephanie Yong

Dear Ms Yong,

In response to your query dated 3 July 2009, the Company provides the following:

Information for the purposes of clarifying the late lodgement of the Appendix 3Y – Change of Director's Interest Notice announced 1st July for Rohan Kerr (the "Director");

1. The systems that The Company has instituted over the past 12 months have been functioning effectively. The records ensure that all compliance methods have been met, i.e. ensuring Appendix 3Y has been lodged in the required time frame. However, we were re-structuring the Company and making arrangements to move the Head Office to Sydney and the lodgement for the above Appendix 3Y was an oversight.
2. The Company does have a notifiable interest register that is revisited regularly to comply with listing rule 3.19B. SVC has external compliance audits carried out on a regular basis.
3. The Company has amended the system to ensure it is adequate to eliminate any further oversights in this respect.

If you have any queries regarding the above information or require any further information, please contact me.

Yours Faithfully

BORIS PATKIN

DIRECTOR



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NSW 1215

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3 July 2009

Boris Patkin
Company Secretary
Shell Villages and Resorts Limited
PO Box 715
PENRITH NSW 2751

Dear Boris,

**Shell Villages and Resorts Limited (the "Company")
Appendix 3Y – Change of Director's Interest Notice**

We refer to the following:

1. The Appendix 3Y lodged by the Company with ASX Limited ("ASX") on 1 July 2009 for Mr. Rohan Kerr (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). 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.

Australian Securities Exchange

Australian Stock Exchange
Sydney Futures Exchange

Australian Clearing House
SFE Clearing Corporation

ASX Settlement and Transfer Corporation
Austraclear

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 indicates that a change in Mr Kerr's notifiable interest occurred on 13 May 2009. It appears that the Appendix 3Y should have been lodged with ASX by 20 May 2009. Consequently, 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.

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 Company 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, 8 July 2009.

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.

Please feel free to contact me if you have any queries on the above.

Yours sincerely,

(sent electronically without signature)

Stephanie Yong

Senior Adviser, Issuers (Sydney)