

21 January 2010

Ms Suzanna Dabski
ASX Markets Supervision Pty Ltd
20 Bridge Street
Sydney NSW 2000

Dear Suzanna,

Re: Company Lodgements

I refer to your letter of 19 January, and advise as follows –

1. REASON NOTICES WERE LODGED LATE

The reason these Notices were lodged late was due to an oversight by me.

The circumstances of these Notices is that they arose as a contractual obligation to the directors concerned. A grant of options to them required shareholder approval, and resolutions for that were included in the Notice of Meeting for the 2009 AGM together with a full outline in the Explanatory Statement. This Notice of Meeting was lodged on 14 September 2009. The resolutions were approved at the 2009 AGM held on 19 October 2009 and the results of the meeting were notified on that day.

The options were granted to the two directors as was predicated in the Explanatory Statement. An Appendix 3B was then lodged which outlined that these grants were being made pursuant to the approvals at the AGM. My omission was in not lodging the Notices at or about the same time. Despite this omission, it is submitted that the market was reasonably informed of these grants by virtue of the other announcements referred to here.

Subsequently, I saw that these Notices had not been made while reviewing FAC's announcements in December. I promptly lodged the Notices then. I also reported to the Board at its meeting in December that this had occurred, and the matter was noted.

2. ARRANGEMENTS FOR REPORTING

The usual arrangements for reporting to ASX are that it is undertaken by me. The Process is fully outlined in the Company's Continuous Disclosure Policy which is on the Company's website in the Investor Relations section under "Governance".

3. ADEQUACY OF CURRENT ARRANGEMENTS

It is considered that the current arrangements are adequate and being enforced. This matter arose due to an omission which was rectified as soon as it was realised. We consider that any other instances of late lodgements are highly unlikely to occur.

Please contact me if you have any further queries on this matter

Yours sincerely



Jim Story
Company Secretary

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19 January 2010

Mr James Story
Company Secretary
Facilitate Digital Holdings Limited
1/420 Elizabeth St
Surry Hills NSW 2010

By email

Dear James

Facilitate Digital Holdings Limited (the "Company")

We refer to the following;

1. The Appendix 3Y lodged by the Company with ASX Limited ("ASX") on 21 December 2009 for Mr Stuart Simson (the "Simson Notice");
2. The Appendix 3Y lodged by the Company with ASX on 21 December 2009 for Mr Geoffrey Dixon (the "Dixon Notice");

(together, the "Notices").

3. Listing rule 3.19A.2 which requires an entity to tell ASX the following:

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.

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.

The Notices indicate that a change in each of the director's notifiable interests occurred on 23 October 2009. It appears that the Notices should have been lodged with ASX by 28 October 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.

Australian Securities Exchange

Australian Stock Exchange
Sydney Futures Exchange

Australian Clearing House
SFE Clearing Corporation

ASX Settlement and Transfer Corporation
Austraclear

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 Notices 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 suzanna.dabski@asx.com.au 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 (i.e. **before 9.30 a.m. A.E.D.T.**) on **Friday, 22 January 2010**.

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]

Suzanna Dabski
Adviser, Issuers (Sydney)