



**SOUTHERN CROSS
ELECTRICAL
ENGINEERING LIMITED**

8 September 2011

Mr Wade Baggott
Senior Advisor, Listings (Perth)
ASX Compliance Pty Ltd
Level 8 Exchange Plaza
2 the Esplanade
Perth WA 6000

Dear Mr Baggott

Response to ASX Appendix 3Y Enquiry

At an extraordinary general meeting held on 26 May 2011, the shareholders of Southern Cross Electrical Engineering Ltd (ASX:SXE) authorised Mr Tomasi as a director of SXE to acquire 4,027,131 ordinary shares in the Company's equity capital raising. The required Appendix 3Y for Mr Tomasi's subsequent purchase of these shares was inadvertently omitted.

SXE has amended its internal reporting of director interests to ensure directors are aware of what has been publicly disclosed and this is reviewed on a regular basis.

SXE will remind its directors that in the event that any matters pertaining to Listing Rule 3.19A must be notified to the ASX within five business days.

Yours sincerely

Stephen Fewster
Company Secretary
Southern Cross Electrical Engineering Ltd



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5 September 2011

Mr Steven Fewster
Company Secretary
Southern Cross Electrical Engineering Limited
41 Macedonia Street
NAVAL BASE WA 6165

By email

Dear Steven

**Southern Cross Electrical Engineering 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 5 September 2011 for Gianfranco Tomasi;
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.

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 director's interests for Mr Tomasi occurred on 27 May 2011. As the Appendix 3Y was lodged on 5 September 2011 it appears that 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 email at wade.baggott@asx.com.au or by facsimile on facsimile number (08) 9221 2020. 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 commencement of trade **(7:30am WST) on Thursday 8 September 2011**.

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]

Wade Baggott
Senior Adviser, Listings (Perth)