



30 October 2010
BLAC00C0RIASX051

Mr C Bill
Adviser, Issuers (Perth)
ASX Compliance Pty Ltd
Level 8
Exchange Plaza
2 The Esplanade
PERTH WA 6000

By Facsimile: 9221 2020

Dear Cameron

Lodgment of Appendix 3X – Initial Director Interest Notice

We refer to your correspondence dated 27 October 2010 regarding the ASX's concerns with the Initial Director's Interest Notice ("Appendix 3X") for Mr Ross Kestel not lodged at the time of appointment.

Having regard to Listing Rules 3.19A and 3.19B Blackcrest Resources Limited responds to the questions raised by the ASX as follows:

1. The Appendix 3X was lodged later than the timeframe set out in listing rule 3.19A due to an administrative oversight by the office of the Company Secretary.

The Company at the time in question was subject to a Deed of Company Arrangement, on the 15 June 2006 at a Shareholders General Meeting it was resolved to accept a proposal by an investment group for the restructuring and recapitalisation of the Company including settlement of all creditor claims.

Part of the proposal included the appointment of three (3) new directors as nominated by the investment group, effective from 15 June 2006. Mr Kestel was one of these appointed Directors.

Appendix 3X's were pre-prepared for two of the new incoming Directors prior to the General Meeting as they were travelling immediately following the General Meeting. The Directors approved their respective Appendix 3X's with immediate ASX lodgment on the 15 June 2006.

As there were several secretarial transactions that needed to be completed following the General Meeting, Mr Kestel's Appendix 3X was to be prepared and lodged at the same time as attendance to the General Meeting matters but in the process of attending to these transactions the lodgment of the Appendix 3X for Mr Kestel within the required timeframe was inadvertently missed.

Blackcrest Resources Limited
Level 2 Spectrum
100 Railway Road
Subiaco WA 6904
www.blackcrestresources.com
ABN : 86 073 153 223
Telephone: (08) 9367 8133
Facsimile: (08) 9367 8812

Throughout Mr Kestel's four (4) year tenure as a Director of the Company he maintained a nil Shareholding balance. Full disclosure of his nil Shareholding has been reflected through the Half Year Financial and Annual Reports between 2006 to 2010.

On the 13 October 2010 Mr Kestel announced his resignation from the Board of Blackcrest Resources Limited; an Appendix 3Z was lodged at the time of his resignation showing a nil Shareholding balance.

2. The Company has in place four (4) arrangements with its Directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A. The four (4) arrangements may be best described as:
 - (i) Regular reconciliation by the Company of the holdings per the last lodged Appendix 3Y and the holdings per the Share Registry, with any discrepancies immediately followed up with the Director;
 - (ii) Reliance upon the Directors to advise the Company of any on market purchases and off market transfers;
 - (iii) Communication with each of the Directors following closure of any form of Disclosure Document to query if the Director or related entity took up their entitlement in accordance with the Documents. If so then an Appendix 3Y will be prepared and forwarded to the Directors for approval before ASX lodgment; and
 - (iv) Familiarity by the office of the Company Secretary with the related entities associated with each of the Directors
3. Blackcrest Resources Limited believes that the current arrangements with regards to disclosure of changes in Director interests are adequate and the importance of compliance with Listing Rules 3.19A and 3.19B has been enforced with the Directors but as an additional step that the Company has taken to ensure compliance with listing rule 3.19B is the inclusion of a standing Agenda item called Changes of Director's Interests.

At Board Meetings each Director is required to verbally table whether during the time since the last convened Meeting they undertook any share transactions, which impacts their holding directly or indirectly, requiring the completion of an Appendix 3Y or 3Z. If Directors are absent from the Meeting written confirmation will be sought.

The Company currently waits for Director confirmation as to their satisfaction of the form and content of an Appendix 3X, 3Y or 3Z before ASX lodgment but the Company acknowledges that situations will arise whereby it is not always possible to receive confirmation directly from a Director.

In order to ensure continued compliance with listing rule 3.19B when these circumstances arise, the Company will assume the responsibility of lodging the Appendix within the required timeframe even though approval from the Director has not been received.

For and on behalf of the Board of Blackcrest Resources Limited



ASX Compliance Pty Limited
ABN 26 087 780 489
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000

GPO Box D187
PERTH WA 6840

Telephone 61 8 9224 0000
Facsimile 61 8 9221 2020
www.asx.com.au

27 October 2010

Mr Robert Marusco
Company Secretary
Blackcrest Resources Limited
Level 2 Spectrum 100 Railway Road
SUBIACO WA 6008

By email: robert.marusco@nkh.com.au

Dear Robert

Blackcrest Resources Limited (the "Entity Type") Appendix 3X – Initial Director's Interest Notice

We refer to the following:

1. The Appendix 3X lodged by the Company with ASX on 26 October 2010 for Mr Ross Kestel.
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.

As the Appendix 3X indicated that the director was appointed on 15 June 2006 it appears that the Appendix 3X should have been lodged with ASX by 22 June 2006. As the Appendix 3X was lodged on 26 October 2010, it appears that the Company may be in breach of listing rules 3.19A and/or 3.19B. It also appears the director 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 3X 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 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 start of trading (ie before 9.30 a.m. A.E.D.T.) on Monday, 1 November 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,



Cameron Bill
Adviser, Issuers (Perth)