

13 September 2010

The Manager
Company Announcements Office
Australian Stock Exchange
20 Bridge St
Sydney NSW 2000
Dear Sir/Madam

ASX Query 9 September 2010
Appendix 3Y Change of Director's Interest Notice

In response to your questions:

- 1. Please explain why the Director Notices were Lodged Late*
The previous Company Secretary recently resigned precipitating a temporary breakdown in procedures for monitoring changes in Director's Interests.
- 2. What Arrangements does the Company have in place with its directors to ensure that it is able to meet its continuous disclosure obligations under listing rule 3.19A?*
The company directors are aware of the company's continuous disclosure obligations. Directors provide immediate advice to the company of changes in their interests.
- 3. If the current arrangements are inadequate or not being enforced, what additional steps do the Company intend to take to ensure compliance with listing rule 3.19B?*
Procedures have been modified to include additional checks in these processes including monitoring of registry changes and additional personnel.

Yours faithfully



Glen Battershill
Company Secretary



9 September 2010

Mr Glen Battershill
Ludowici Limited
67 Randle Road
PINKENBA, QLD, 4008

By email: g.battershill@ludowici.com.au

Dear Mr Battershill

ASX Compliance Pty Ltd
ABN 26 087 780 489
Level 5
Riverside Centre
123 Eagle Street
Brisbane QLD 4000

PO Box 7055
Riverside Centre
Brisbane QLD 4001

Telephone 61 (07) 3835 4000
Facsimile 61 (07) 3832 4114
Internet <http://www.asx.com.au>

**Ludowici Limited (the "Company")
Appendix 3Y Change of Director's Interest Notice**

We refer to the following;

1. The Appendices 3Y lodged by the Company with ASX on Wednesday, 8 September 2010 for Julian Kinnear Ludowici, Hugh Kirby Rhodes-White and Nicholas Worthington Stump (the "Director Notices").
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."

Australian Securities Exchange

Australian Stock Exchange Sydney Futures Exchange	Australian Clearing House SFE Clearing Corporation	ASX Settlement and Transfer Corporation Austraclear
--	---	--

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 Director Notices indicate that the change in Nicholas Worthington Stump's notifiable interest occurred on 7 May 2010 and that the changes in Hugh Kirby Rhoades-White and Julian Kinnear Ludowici occurred on 20 May 2010. It appears that the Director Notices should have been lodged with ASX by 14 May 2010 and 27 May 2010 respectively. Consequently, 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" and the Previous Late Notice, 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 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 Gregory Seeto by email at greg.seeto@asx.com.au or facsimile on facsimile number (07) 3832 4114. 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 **9.30am (Brisbane time) on Monday, 13 September 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,



Gregory Seeto
Adviser, Issuers (Brisbane)

Australian Securities Exchange

Australian Stock Exchange
Sydney Futures Exchange

Australian Clearing House
SFE Clearing Corporation

ASX Settlement and Transfer Corporation
Austraclear