

24 May 2018

Mrs Elizabeth Harris
Australian Securities Exchange
Perth WA 6000

By email: elizabeth.harris@asx.com.au

Dear Elizabeth

Cervantes Corporation Limited (“Cervantes” or “the Company”) Appendix 3Y – Change of Director’s Interest Notice

We refer to your letter of 23 May 2018 in relation to the Appendix 3Y lodged with the ASX, by the Company, on the 16 May 2018, for Mr Collin Vost, and the relevant listing rules 3.19A.2 and 3.19B and Guidance Note 22: “Director Disclosure of Interest and Transaction in Securities – Obligations of Listed Entities”.

Cervantes provides the following information in response to the questions raised in your letter:

Question 1

Mr Collin Vost was approached by a shareholders who was desirous for the disposal of their shareholding in the Company via an off market transfer.

In accordance with the Company’s Corporate Governance Statements and in particular the Company’s Securities Trading Policy, as disclosed on the Company’s website, Mr Collin Vost sought and was granted approval by the Board to enter into this transaction.

Mr Collin Vost also sought and was granted approval to restructure his holdings in the Company, also via the means of some off market transfers.

On 27 April 2018, the Company’s Share Registry confirmed that the off market transfer forms had been processed.

On 3 May 2018 drafts Appendix 3Y were circulated, however due to an information technology malfunction, the Appendix 3Y were not delivered to the intended recipients; as such there was a breakdown in communication.

The internal policies and procedures were followed in accordance with the Company’s Corporate Governance Statement, but due to this breakdown in communication, the Appendix 3Y for Mr Collin Vost, was inadvertently not lodged within the required time frames.

Question 2

Cervantes has a Corporate Governance Statement which included Securities Trading Policy. All Directors and Key Personal are made aware of the Company’s policy on dealing in the Company’s securities at the time of recruitment and at every board meeting.



Question 3

The existing arrangements, as set out in paragraph 2, above, are considered to be adequate and are being enforced to ensure compliance with listing rule 3.19B.

Yours sincerely



Patrick J O'Neill
Company Secretary





23 May 2018

Mr Patrick O'Neill
Company secretary
Cervantes Corporation Limited
Shop 12, South Shore Piazza
85 The Esplanade
South Perth WA 6151

By email: pat@jacksongreeve.com.au

Dear Mr O'Neill

Cervantes Corporation Limited (the "Entity"): Appendices 3Y – Change of Director's Interest Notice

We refer to the following;

1. The Appendices 3Y lodged by the Entity with ASX on 16 May 2018 for Mr Collin Vost (the "Director Notice");
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) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. 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.

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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.

The Appendices 3Y indicate that a change in Mr Vost's notifiable interest occurred on 27 April 2018. It appears that the Director's Notice should have been lodged with ASX by 4 May 2018. Consequently, the Entity 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 entities for its reporting requirements.

ASX reminds the Entity of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Entity 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*, under listing rule 18.7 we ask that you answer each of the following questions.

1. Please explain why the Appendices were lodged late.
2. What arrangements does the Entity have in place under listing rule 3.19B 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 Entity intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail at Elizabeth.Harris@ASX.com.au. It should not be sent to the ASX Market 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 7.30 a.m. W.S.T.) on Friday 25 May 2018.

Under listing rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.

If you have any queries or concerns about any of the above, please contact me immediately.

Kind regards

[Sent electronically without signature]

Elizabeth Harris
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